



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
AGENDA
November 15, 2018**

MISSION STATEMENT: Our Mission is to provide our customers and future generations with reliable, safe and high quality water at an equitable price; to create and maintain outstanding service and community relations; to manage and protect the environmental health of the aquifers and watersheds; and to ensure the fiscal vitality of the San Lorenzo Valley Water District.

Notice is hereby given that a meeting of the Board of Directors of the San Lorenzo Valley Water District will be held on **Thursday, November 15, 2018 at 5:00 p.m.**, SLVWD, 13057 Highway 9, Boulder Creek, CA 95006.

In compliance with the requirements of Title II of the American Disabilities Act of 1990, the San Lorenzo Valley Water District requests that any person in need of any type of special equipment, assistance or accommodation(s) in order to communicate at the District's Public Meeting can contact the District Secretary's Office at (831) 430-4636 a minimum of 72 hours prior to the scheduled meeting.

Agenda documents, including materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet, are available for public inspection and may be reviewed at the office of the District Secretary, 13060 Highway 9, Boulder Creek, CA 95006 during normal business hours. Such documents are also available on the District website at www.slvwd.com subject to staff's ability to post the documents before the meeting.

1. Convene Meeting/Roll Call

2. Additions and Deletions to Closed Session Agenda:

Additions to the Agenda, if any, may only be made in accordance with California Government Code Section 54954.2 (Ralph M. Brown Act) which includes, but is not limited to, additions for which the need to take action is declared to have arisen after the agenda was posted, as determined by a two-thirds vote of the Board of Directors (or if less than two-thirds of the members are present, a unanimous vote of those members present).

3. Oral Communications Regarding Items in Closed Session:

This portion of the agenda is reserved for Oral Communications by the public for items which are on the Closed Session portion of the Agenda. Any person may address the Board of Directors at this time, on Closed Session items. Normally, presentations must not exceed three (3) minutes in length, and individuals may only speak once during Oral Communications. No actions may be taken by the Board of Directors on any Oral Communications presented; however, the Board of Directors may request that the matter be placed on a future agenda. Please state your name and town/city of residence at the beginning of your statement for the record.

4. Adjournment to Closed Session

At any time during the regular session, the Board may adjourn to Closed Session in compliance with, and as authorized by, California Government Code Section 54956.9 and Brown Act, Government Code Section 54950. Members of the public will be given the opportunity to address any scheduled item prior to adjourning to closed session.

- a. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Vierra v. San Lorenzo Valley Water District, et al.
(Santa Cruz Superior Court Case No. 18CV00890)
- b. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Holloway v. Showcase Realty Agents, Inc. et al.
(Santa Cruz Superior Court Case No. CV180394; 6th District Court of Appeal Case Nos. H043704, H043492).
- c. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
DeBert v. San Lorenzo Valley Water District et al. (Santa Cruz County Superior Court Case No. 17CV02729).

Closed Session Note:

The Brown Act prohibits the disclosure of confidential information acquired in a closed session by any person present and offers various remedies to address willful breaches of confidentiality. These include injunctive relief, disciplinary action against an employee, and referral of a member of the legislative body to the grand jury. It is incumbent upon all those attending lawful closed sessions to protect the confidentiality of those discussions. Only the legislative body acting as a body may agree to divulge confidential closed session information; regarding attorney/client privileged communications, the entire body is the holder of the privilege and only a majority vote of the entire body can authorize the waive of the privilege.

5. Convene to Open Session at 6:30 p.m.

6. Report of Actions Taken in Closed Session

7. Additions and Deletions to Open Session Agenda:

Additions to the Agenda, if any, may only be made in accordance with California Government Code Section 54954.2 (Ralph M. Brown Act) which includes, but is not limited to, additions for which the need to take action is declared to have arisen after the agenda was posted, as determined by a two-thirds vote of the Board of Directors (or if less than two-thirds of the members are present, a unanimous vote of those members present).

8. Oral Communications:

This portion of the agenda is reserved for Oral Communications by the public for items which are not on the agenda. Please understand that California law (The Brown Act) limits what the Board can do regarding issues raised during Oral Communication. No action or discussion may occur on issues outside of those already listed on today's agenda.

Any person may address the Board of Directors at this time, on any subject that lies within the jurisdiction of the District. Normally, communication must not exceed three (3) minutes in length, and individuals may only speak once during Oral Communications.

If you wish to speak on a non-agendized item, please submit a 'speaker slip' to the District Secretary. It is not required, but individuals who have submitted a 'speaker slip' will be given priority. Time for Oral Communications at the start of the meeting will be limited to 15 minutes in total. If there are additional speakers, the Board will continue Oral Communications after the Consent Agenda.

Any Director may request that a matter raised during Oral Communication be placed on a future agenda.

9. Unfinished Business:

Members of the public will be given the opportunity to address each scheduled item prior to Board deliberations. The Chairperson of the Board may establish a time limit for members of the public to address the Board on agenda.

- a. PUBLIC HEARING-BEAR CREEK ESTATES WASTEWATER
ENTERPRISE PROPOSITION 218
Discussion and possible action by the Board regarding the BCEWE Prop
218 Public Hearing.

10. New Business:

Members of the public will be given the opportunity to address each scheduled item prior to Board deliberations. The Chairperson of the Board may establish a time limit for members of the public to address the Board on agenda items.

- a. ENGINEERING DEPARTMENT REORGANIZATION
Discussion and possible action by the Board regarding the reorganization
of the District Engineering Department.
- b. REVIEW OF ASSOCIATION OF CALIFORNIA WATER AGENCIES
MEMBERSHIP
Discussion and possible action by the Board regarding the District's
membership in ACWA.
- c. PROGRAMMATIC HABITAT CONSERVATION PLAN (HCP) CONTRACT
WITH JODI MCGRAW
Discussion and possible action by the Board regarding the Programmatic
HCP for CIP Projects with impacts to Sandhills.

- d. PROBATION TANK HCP IMPLEMENTATION
Discussion and possible action by the Board regarding the Probation Tank HCP.
- e. RADIO SURVEY AND PATH STUDY AT SAN LORENZO VALLEY WATER DISTRICT-LOMPICO
Discussion and possible action by the Board regarding the radio survey in Lompico.
- f. RATIFICATION OF JOINT POWERS AUTHORITY BETWEEN SAN LORENZO VALLEY WATER DISTRICT AND THE SANTA MARGARITA GROUNDWATER AGENCY
Discussion and possible action by the Board regarding the JPA ratification between SLVWD and SMGWA.
- g. PROBATION TANK SCADA SOLE SOURCE PROCUREMENT
Discussion and possible action by the Board regarding the sole source procurement for the Probation Tank SCADA system.
- h. PROBATION TANK INSPECTION SERVICES CONTRACT AMENDMENT
Discussion and possible action by the Board regarding the Probation Tank inspection services contract amendment.
- i. DEBT MANAGEMENT POLICY
Discussion and possible action by the Board regarding Debt Management Policy.
- j. AUTHORIZATION FOR THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE SALE OF CERTIFICATES OF PARTICIPATION
Discussion and possible action by the Board regarding Resolution No. 15 (18-19) to permit the sale of the Certificates of Participation and certain actions in connection therewith, including appointment of special counsel.
- k. QUAIL HOLLOW/OLYMPIA WELLS REHABILITATION EVALUATION
Discussion and possible action by the Board regarding Quail Hollow/Olympia Wells rehab evaluation sole source procurement.

11. Consent Agenda:

The Consent Agenda contains items which are considered to be routine in nature and will be adopted by one (1) motion without discussion. Any item on the consent agenda will be moved to the regular agenda upon request from individual Directors or a member of the public.

- a. MINUTES FROM BOARD OF DIRECTORS MEETING OCTOBER 18, 2018
Consideration and possible action by the Board to approve minutes from the October 18, 2018 BoD meeting.

12. District Reports:

No action will be taken and discussion may be limited at the Chairperson's discretion. The District encourages that questions be submitted in writing (bod@slvwd.com) on items listed in the District Reports. Questions submitted, if any, will be posted in the next available District Reports, along with a reply.

- DEPARTMENT STATUS REPORTS

Receipt and consideration by the Board of Department Status Reports regarding ongoing projects and other activities.

- Administration/Engineering
- Finance
- Environmental
- Operations
- Legal

- COMMITTEE REPORTS

- Future Committee Agenda Items
- Committee Meeting Notes/Minutes
 1. Environmental Committee October 16, 2018
 2. Engineering Committee October 22, 2018
 3. Spec. Budget & Finance Committee November 7, 2018

DIRECTORS REPORTS

- Director's Communication
- Future Board of Directors Meeting Agenda Items

13. Written Communication:

- Email from D. Lynch-10.20.18
- Note from R. Pagett-11.5.18

14. Informational Material:

- A Familiar Face 10.26.18-Press Banner
- Impacts Water Projects 11.3.18-SC Sentinel

15. Adjournment

Certification of Posting

I hereby certify that on November 9, 2018 I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, Boulder Creek, California, said time being at least 72 hours in advance of the meeting of the Board of Directors of the San Lorenzo Valley Water District (Government Code Section 54954.2).

Executed at Boulder Creek, California on November 9, 2018

Holly B. Hossack
District Secretary

MEMO

To: Board of Directors

From: District Manager

SUBJECT: PUBLIC HEARING AND POTENTIAL ACTION FIXING AND ADOPTING
WASTEWATER RATES AND CHARGES

DATE: NOVEMBER 15, 2018

RECOMMENDATION

It is recommended that the Board of Directors review this memorandum along with the attached Resolution No. 12 (18-19) fixing wastewater rates and charges, and approve and adopt the same, if at the end of the public hearing the District determines that there is no majority protest.

BACKGROUND

The District has conducted an extensive and detailed financial analysis comprised of a comprehensive Cost-of-Service analysis followed by a Rate Study. The Rate Study recommends adopting wastewater rates and charges as outlined in the attached public notice.

The Board and customers of the Bear Creek Estates Wastewater Enterprise previously reviewed and discussed the Wastewater Rate Study and directed staff to move forward with conducting a Proposition 218 process, notifying customers at least 45 days in advance of a public hearing as required and holding a public hearing with the intent of adopting the proposed wastewater rates and charges.

ATTACHMENTS:

1. Resolution
2. Public Notice

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 12 (18-19)**

FIXING AND ADOPTING WASTEWATER RATES AND CHARGES

WHEREAS, starting in 2016 the San Lorenzo Valley Water District (District) engaged the firm of NBS to review the District's water and wastewater rates; and

WHEREAS, the NBS Enterprise Wide Cost of Service Financial Study Final Report, dated November 2016 and adopted by the Board of Directors of District (Board) in January 2017, shows that the District's water and wastewater rates must be updated in order to generate sufficient revenue to cover the District's reasonable cost of providing service to customers within the District; and

WHEREAS, the NBS Focused Water Rate Study Final Report, dated June 2017, proposes and recommends a schedule of water and wastewater rates that satisfies the District's revenue requirement and meets the requirements set forth in Article XIII D, Section 6 of the California Constitution; and

WHEREAS, the District has complied with the procedural requirements imposed by state law including Article XIII D of the Constitution.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts and approves the Schedule of Wastewater Rates attached hereto as Exhibit "A"; and

BE IT FURTHER RESOLVED that the Exhibit "A" schedule shall be effective as of December 5, 2108, and the Board hereby directs and authorizes the District staff to implement the Exhibit "A" schedule for all bills delivered after December 5, 2018; and

BE IT FURTHER RESOLVED that the Board hereby directs and authorizes the District Manager to take all action necessary to implement this Resolution, including without limitation updating the Schedule of Rates and Charges posted by the District.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 15th day of November, 2018 by the following vote of the members thereof:

AYES:
NOES:
ABSTAIN:
ABSENT:

Holly Hossack
Secretary of the Board
San Lorenzo Valley Water District

Exhibit "A"

SAN LORENZO VALLEY WATER DISTRICT
SCHEDULE OF WASTEWATER RATES
Effective 12.5.2018

Wastewater Sewer Rate Schedule	Current Rate	Proposed FY 2018-19	Proposed FY 2019-20	Proposed FY 2020-21
<i>Projected Increase in Rate Revenue:</i>		<i>20.00%</i>	<i>20.00%</i>	<i>20.00%</i>
Monthly Fixed Service Charge:				
Sewer Rate, all customers	\$ 149.00	\$ 178.80	\$ 214.56	\$ 257.47



13060 Highway 9
Boulder Creek, CA 95006-9119
(831) 338-2153 phone
(831) 338-7986 fax

Notice of Public Hearing: Proposed Wastewater Rate Increase

This notice is being sent to inform you that the San Lorenzo Valley Water District (District) is proposing to increase its wastewater rates over the next three years. The District will hold a public hearing to consider adopting the proposed rates as follows:

Date: Thursday, November 15, 2018

Time: 6:30 PM

Place: SLVWD Operations Building, 13057 Highway 9, Boulder Creek

Why is the District Proposing to Increase Wastewater Rates?

In 2017, the District conducted a rate study, which resulted in the original proposal to produce the additional revenue needed for investment in capital improvement projects throughout the District's wastewater service area, as well as to bolster the District's wastewater emergency reserve funds and cover operational costs. The proposal was drafted following a six-month process that included discussions and presentations at numerous public meetings with input from the District's Board of Directors (Board) and completion of a cost of service study. An initial rate increase proposal based on the rate study was presented in December 2017, however, the District enough protests to block the proposed increase.

Through continued meetings with the community, the District has reduced the proposed rate increase and limited it to three years. The current proposal is to 1) cover a further study of the capital improvement projects that are needed, 2) cover current operational costs, and 3) recover some of the deficit from prior years.

The current rate increase proposal is intended to cover these more immediate expenditures only. Once the study is reviewed for the capital improvements needed, a further rate study will be conducted to determine any future rate increases needed.

Proposed Rates

The District is proposing to phase in wastewater rate increases over the next three years as shown in the table below. The rate increase for Fiscal Year 2018-2019 will be effective as of the December 5th, 2018 bill and continue annually thereafter.

Wastewater Sewer Rate Schedule	Current Rate	Proposed FY 2018-19	Proposed FY 2019-20	Proposed FY 2020-21
<i>Projected Increase in Rate Revenue:</i>		20.00%	20.00%	20.00%
Monthly Fixed Service Charge:				
Sewer Rate, all customers	\$ 149.00	\$ 178.80	\$ 214.56	\$ 257.47

Timing of Capital Improvement Study

The District is committed to follow through with the capital improvement study as part of this rate increase. The below outlines a planned timeline of events:

1. A Request for Proposals (RFP) to be made public by December 31, 2018.
2. Award the proposal to the most qualified candidate by April 30, 2019, assuming qualified proposals are received.
3. Request the candidate have a completed study by March 31, 2020.

How to Submit a Written Protest

Property owners and current customers may file written protests against the proposed rate increase. Pursuant to California law, all written protests must be received by the District prior to the close of the Public Hearing on Thursday, November 15, 2018. Protests must:

- 1) identify the affected property or properties, such as by address, Assessor's Parcel Number, or customer account number,
- 2) include the name and signature of the customer or property owner submitting the protest, and
- 3) clearly state opposition to the proposed water rate increases.

The proposed rates cannot be adopted if written protests are received from a majority of affected parcels, with one written protest counted per parcel. Written and signed protests can be mailed to: San Lorenzo Valley Water District, Wastewater Rate Protest, 13060 Highway 9, Boulder Creek, CA 95006, or emailed to hhossack@slvwd.com. For additional information regarding the proposed wastewater rate increase, call SLVWD at (831) 338-2153.

MEMO

To: Board of Directors
From: District Manager
Subject: Engineering Department Reorganization
Date: November 15, 2018

Recommendation:

It is recommended that the Board of Directors review this memo and by motion of the Board approve reorganization of the District's Engineering Department creating a new position "Engineering Manager" and direct the District Manager to fill said position.

Background

Over the years the District has had many variations of an Engineering Department, from a District Engineer and two associate staff, down to current staffing a single GIS/CAD position. In 2018-19 Fiscal Budget the Board of Directors approved the hiring of a Project Coordinator position. This position would be responsible to coordinate District construction and engineering activities relying totally on outside consultants for all aspects of projects. To date the District has not filled this position as recruitment was during the change in District Manager and under a new District Manager a different direction in the engineering department is recommended.

The District is moving forward with an aggressive Capital Improvement Program and has the needs for a staffed engineering department managed by a Registered Professional Engineer.

There will still be a need to use consultant engineers as we will have a heavy workload with plans and specification and project management responsibilities.

In July 2016 the District contracted with DeLoach & Associates, Inc. to perform a Staffing Study. The findings of that study in regards to the Engineering Department are as follows;

Existing Organizational Structure Engineering Department Staffing Study

- Responsible for coordinating the technical and graphical engineering functions of the District including database management, standards and procedures of infrastructure design and construction.
- Provide technical support to the General Manager and departments related to technical documents.
- Coordination with outside engineering and professional firms in the preparation of design plans and specifications for development or modification of District facilities.
- Oversee the construction of all District facilities.
- Responsible for the maintenance of the District's Geographic Information Systems (GIS), construction standards, and historical documents.

Issues and Findings Engineering Department Staffing Study

The District's mapping system is converting to a Geographical database program. Field crews continue to utilize a 'hard-copy' paper mapping system to record changes or improvements. The Engineering Department is responsible for coordination of the data into an electronic format.

The Engineering function operates as an independent program managed by a single staff position. The range of services managed in this functional area reflect the typical municipal engineering utility operations including project management, infrastructure design coordination, GIS and mapping, and administration of capital projects. Infrastructure design and land survey work is outsourced to private engineering firms. The engineering function coordinates closely with the Operations and Maintenance Department. Routine engineering functions such as maintaining the Districts GIS system, preparation of "as-built" documentation of infrastructure modifications and capital project management was lacking in many areas. This position was vacant at the time this Staffing Study was conducted.

Summary of Recommendations Engineering Department Staffing Study

It is recommended that the engineering department be reorganized to reflect the functional demands of the District with a new Engineering and Operations Department.

- Reclassify the Director of Operations position classification to Director of Engineering and Operations with program administration and coordination of both the Operations and Engineering functions.
- Reclassify the Engineering/GIS Manager position classification to Project Manager with management responsibility for capital projects, watershed improvement projects, coordination of environmental restoration projects, infrastructure and operations support and oversight of the Districts GIS and mapping programs.
- Create a new GIS/CAD Coordinator position responsible for management of the District GIS and mapping, coordination of capital project design, updating the Districts 'as-built' drawings, maintenance of standardized plans, conversion and development of the Districts mapping to a digital data base platform and integration of the GIS with the customer service database.
- Reclassify the reporting relationship of the Network Specialist to indicate direct supervision provided by the Project Manager.

Engineering Department Reorganization

The Staffing study "Summary of Recommendations" closely reflects the past District Manager's vision of the Engineering Department. Moving forward with an aggressive Capital Improvement Program, Lompico Assessment District Projects, and day to day needs of the District I am requesting the following Engineering Department reorganization to a three position department as follows.

- Create new position Engineering Manager
- Classification change of existing Project Coordinator to Engineering Technician
- Eliminate the Deputy Director of Operations position
- Maintain the current GIS/CAD Technician

Moving forward with the reorganization of the engineering department will allow a reduction in consulting engineers focusing on project plans & specifications leaving all of the project management to District Staff with an increase in staffing costs approximately \$2,200.00 per year (attached) with a much greater savings by reducing outside engineering consultants cost.

It is recommended that the Board of Directors review this memo and by motion of the Board approve reorganization of the District's Engineering Department creating a new position "Engineering Manager" and direct the District Manager to fill said position.

	Deputy Director of Operations				Engineering Manager				Assistant Engineer				Project Coordinator			
	LOW		HIGH		LOW		HIGH		LOW		HIGH		LOW		HIGH	
Annual	\$	83,880	\$	112,404	\$	104,688	\$	140,292	\$	64,524	\$	86,460	\$	73,188	\$	98,076
Monthly	\$	6,990	\$	9,367	\$	8,724	\$	11,691	\$	5,377	\$	7,205	\$	6,099	\$	8,173
Hourly	\$	40.33	\$	54.04	\$	50.33	\$	67.45	\$	31.02	\$	41.57	\$	35.19	\$	47.15
INSURANCES																
Medical Insurance	\$	10,277	\$	24,048	\$	10,277	\$	24,048	\$	10,277	\$	24,048	\$	10,277	\$	24,048
Vision Insurance	\$	134	\$	329	\$	134	\$	329	\$	134	\$	329	\$	134	\$	329
MetLife (Dental, Disab., Life	\$	1,254	\$	3,206	\$	1,254	\$	3,206	\$	1,254	\$	3,206	\$	1,254	\$	3,206
Workers Comp	\$	1,585	\$	2,124	\$	1,979	\$	2,652	\$	1,220	\$	1,634	\$	1,383	\$	1,854
TAXES	\$	6,417	\$	8,599	\$	8,009	\$	10,014	\$	4,936	\$	6,614	\$	5,599	\$	7,503
PERS CLASSIC	\$	17,916	\$	24,008	\$	22,360	\$	29,965	\$	13,782	\$	18,467	\$	15,632	\$	20,948
PERS PEPPA					\$	7,399	\$	9,916	\$	4,561	\$	6,111	\$	5,173	\$	6,932
TOTAL ANNUAL CLASSIC	\$	121,463	\$	174,719	\$	148,700	\$	210,506	\$	96,126	\$	140,759	\$	107,467	\$	155,964
TOTAL ANNUAL PEPPA					\$	133,739	\$	190,457	\$	86,905	\$	128,403	\$	97,008	\$	141,948

ENGINEERING DEPT REORGANIZATION ANALYSIS:

	LOW		HIGH	
ENGINEERING MANAGER	\$	133,739	\$	190,457
ASSISTANT ENGINEER	\$	86,905	\$	128,403
LESS: PROJECT COORDINATOR	\$	(97,008)	\$	(141,948)
LESS: DEPUTY DIRECTOR OF OPS	\$	(121,463)	\$	(174,719)

MEMO

TO: Board of Directors
From: District Manager
Subject: Membership Renewal in the Association of California Water Agencies
Date: November 1, 2018

Recommendation:

It is recommended that the Board of Directors review this memo and consider canceling membership renewal in the Association of California Water Agencies (ACWA).

Background:

At the April 16, 2015 Board of Directors meeting the Board approved membership in the ACWA.

Reasoning for the membership centered on California entering its fourth year of drought and the impact of the drought was beginning to be recognized by Sacramento.

ACWA is the largest political advocate group for local water districts. Joining and becoming an active member would provide the District a voice in Sacramento related to water laws and state requirements.

Additionally, ACWA provides many programs and opportunities related to water issues, policies, communication and learning. Outlined in the Board memo attached was the following statement;

“It is important to remember that we will only get positive results out of joining ACWA if we put time and energy into ACWA. Joining is a commitment to utilize the available resources and become an active participant.”

To date the District has not utilized the ACWA membership. The District is also a member of California Special District Association (CSDA). CSDA has been offering its members cost-efficient programs and representation at the State Capitol. They represent all types of independent special districts including

irrigation, water, park and recreation, cemetery, fire, police protection, library, utility, harbor, healthcare and community services districts.

CSDA provides education and training, insurance programs, legal advice, industry-wide litigation and public relations support, legislative advocacy, capital improvement and equipment funding, collateral design services, and, most importantly, current information that is crucial to a special districts management, and operational effectiveness basically duplicating ACWA services.

The District for many years has been participating in conferences, educational training, and has utilized funding through CSDA and finds it more structured to special districts. Annual membership in CSDA is \$7,252.00

The District has received notice from ACWA that the Annual Membership Agency Dues are due in the amount of \$18,300.00. Staff is recommending that the Board of Directors consider not renewing membership in the Association of California Water Agencies (ACWA) and requesting direction.

Attachments

M E M O

TO: Board of Directors

FROM: District Manager

SUBJECT: MEMBERSHIP IN THE ASSOCIATION OF CALIFORNIA WATER AGENCIES

DATE: April 16, 2015

RECOMMENDATION

It is recommended that the Board of Directors consider joining the Association of California Water Agencies.

BACKGROUND

As the State of California enters its fourth year of drought the impact is beginning to be recognized by Sacramento. On April 1st, 2015 Governor Brown issued Executive Order B-29-15 with a host of requirements and obligations that water districts will be required to follow. The details of Governor Brown's Executive Order are being worked out in Sacramento.

The largest political advocate group for local water districts is the Association of California Water Agencies (ACWA). Joining ACWA and becoming an active member will provide the District a voice in Sacramento related to water laws and state requirements.

Additionally, ACWA provides many programs and opportunities related to water issues, policies, communication and learning. Joining ACWA will make the programs and opportunities available to District staff and Board Members.

It is important to remember that we will only get positive results out of joining ACWA if we put time and energy into ACWA. Joining is a commitment to utilize the available resources and become an active participant.

FISCAL IMPACT:

2014/15 Budget line item

Administration, Membership and Dues - \$8,000

2015 full-year Membership dues are \$12,620 based on District budgeted 14/15 O&M expenses of \$4,969,000.

Dues are prorated and per the ACWA Agency Member Dues Schedule - 2015, "Members joining after the beginning of the calendar year shall have their dues pro-rated for the remainder of the year"

Staff has calculated the following:

May thru December = $7/12 \times \$12,620 = \$7,362$ prorated dues for 2015

MEMORANDUM

TO: ACWA Public Water Agency Members

FROM: Timothy Quinn, Executive Director

DATE: October 10, 2018

SUBJECT: ACWA's 2019 Membership Dues

On September 28, ACWA's Board of Directors approved a two-year budget for 2019 and 2020 to maintain the strength of the organization, continue to provide high levels of service to our members, and reduce our OPEB liability which is consistent with the five year financial plan that was part of the 2017 and 2018 budgets already approved by the Board. The 2019 -2020 approved budget includes a 3% increase in the dues schedule for 2019 and a 2% increase in dues for 2020.

ACWA's dues are based on the operations and maintenance (O&M) expenses for individual public agency members, which vary from year to year. If there was an increase or decrease in your O&M, the actual dollar increase associated with your agency's dues can vary based on that change.

ACWA implemented a new dues automation process in 2018. As part of that process your designated authorized user(s) provided O&M expenses to ACWA for the 2019 dues calculation. If financial data was not entered this year, the prior year's O&M was increased by 25% (per ACWA policy) to calculate the dues amount. If your agency did not provide this information, or if you have questions relating to the calculation of the dues, please contact ACWA's Finance Manager Dan Gumpert at (916) 441-4545 or dang@acwa.com.

To view ACWA's full 2019 dues schedule, please visit acwa.com.

We thank you for your membership and want to take this opportunity to give you a snapshot of the high quality services that your dues contribution allows ACWA to continue to provide to its members.

Some of those ACWA services include:

- A Statewide voice on behalf of California water agencies on key state and federal legislative and regulatory water issues.
- Award-winning communications efforts to support and advance the Association's legislative, regulatory, and policy agenda, reach key audiences such as the Legislature, the media and the public, and helping water agencies with outreach at the local level.

SACRAMENTO 910 K Street, Suite 100, Sacramento, CA 95814 • (916) 441-4545
WASHINGTON, D.C. 400 North Capitol Street NW, Suite 357, Washington, DC 20001 • (202) 434-4760

- Award-winning communications efforts to support and advance the Association's legislative, regulatory, and policy agenda, reach key audiences such as the Legislature, the media and the public, and helping water agencies with outreach at the local level.
- Ability to participate in ACWA's grassroots Outreach Program, which is a vital tool for members to engage on key legislative and regulatory efforts.
- Access to cost-saving opportunities through ACWA JPIA insurance for liability, property workers compensation and employee benefits programs.
- Networking opportunities at two major annual conferences, numerous topic-specific workshops, regional events, webinars and other professional development programs to help meet member needs.
- Opportunities to serve and shape water policy on ACWA Committees and engage locally through ACWA's 10 Regions.
- Access to ACWA's Preferred Provider Program, which offers a variety of value-added programs and services.

For more information on these services, as well as all of the benefits of continued ACWA membership, please visit acwa.com.

We thank you for your membership and look forward to your continued participation in 2019. If you have questions about your ACWA membership, please contact ACWA's Director of Member Outreach and Engagement Tiffany Giammona at (916) 441-4545 or via email at tiffanyg@acwa.com



RECEIVED

OCT 15 2018

SAN LORENZO VALLEY
WATER DISTRICT

Agenda: 11.15.18

Item: 10b

Bringing
Water
Together

Date: October 10, 2018

San Lorenzo Valley Water District

13060 Highway 9

Boulder Creek, CA 95006-9119

2019 Annual Agency Dues

\$18,300.00

Total Amount Due

\$18,300.00

APPROVED BY:

ACCOUNT: _____

DATE:

WO (opt)

PM (opt)

DESCRIPTION (opt)

Thank you for your continued support with ACWA. Please remit payment by **January 31, 2019**.

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Association of California Water Agencies
2019 Member Dues Calculation

Date: October 10, 2018

Name: San Lorenzo Valley Water District

(1) Operating Expenses

(2) All Other Expenses

(3) Total Expenses

<<< LESS >>>

(4) Purchased Power

(5) Water Purchases

(6) Groundwater Replenishment

(7) Depreciation

(8) Fixed Assets

(9) Total Adjusted Expenses

<<< LESS >>>

(10) Pumping

(11) Total Expenses Adjusted For Pumping

(12) Line 11 times 2

(13) Dues O&M (lessor of line 9 or 12)

\$6,951,048.75

DUES AMOUNT

\$18,300.00

***** THIS IS NOT A BILL – PLEASE DO NOT PAY FROM THIS WORKSHEET *****

MEMO

TO: Board of Directors

FROM: District Manager

PREPARED BY: Environmental Programs Manager

SUBJECT: Sandhills Habitat Conservation Plan for the San Lorenzo Valley
Water District Capital Improvement Plan.

DATE: November 15, 2018

RECOMMENDATION

It is recommended that the Board of Directors review this memo and direct the District Manager to enter into contract with Jodi McGraw Consulting to prepare a Habitat Conservation Plan to mitigate the impacts to listed species in sandhills habitat which result from the District's Capital Improvement Projects.

BACKGROUND

In 2015, the District prepared a Capital Improvement Plan that identified and prioritized 75 projects to improve the District's water supply infrastructure. The projects include construction/installation or replacement of water tanks, water pipelines, and pump stations, among other associated infrastructure projects (District 2015).

The District also conducts operations and maintenance of existing infrastructure, including cleaning out and operating water infrastructure, conducting repairs, and maintaining pump stations. Additionally, the District manages its watershed lands by conducting vegetation management pursuant to watershed management plans such as that developed for the Olympia Watershed Property (District 2012).

Some of the District's capital improvement projects, facilities operations and maintenance, and watershed land management occur in sandhills habitat that supports special-status plants and animals, including four federally-listed endangered species (Table 1). To lawfully implement activities that could cause take¹ of federally listed animals, the District must obtain an incidental take permit (ITP). For projects that do not involve other action by the federal government, such as other federal permits or grants, receipt of an ITP requires that the District complete a Habitat Conservation Plan (HCP). The HCP must describe how the District will mitigate the negative effects of the activity on endangered species.

In this project, JMc will work with District staff to prepare a draft HCP that will cover the District's capital improvement projects, operations and maintenance activities, and

¹ The **ESA** defines 'take' as 'to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect or attempt to engage in any such conduct.'

watershed management actions, that impact endangered species and sensitive habitat of the Santa Cruz sandhills. The District Sandhills HCP (DSHCP) will provide the basis for the United States Fish and Wildlife Service (USFWS), which administers the ESA for terrestrial species, to issue the District an ITP to cover all of the capital improvement projects, operations and maintenance activities, and watershed management actions that affect the covered species. This approach will greatly reduce the timeline and cost for project permitting compared to preparing individual HCPs for each project or site.

Though preparing a single HCP for all District sandhills projects will expedite ESA permitting and thus project delivery, HCPs can require multiple years to develop and permit. JMc will employ the following approaches to minimize the cost and timeline to prepare the DSHCP and receive an ITP. First, JMc will develop the DSHCP based on the Habitat Conservation Planning Handbook (USFWS and NMFS 2016), which outlines the elements of an HCP and ITP application, and provides guidance for their development. Second, JMc will prepare the DSHCP following the USFWS's most recent available HCP template, which identifies the sections and desired content of the plan, and includes draft language for some sections. Third, and most importantly, JMc will work with the District to prepare the DSHCP in close coordination with the USFWS as well as the California Department of Fish and Wildlife (CDFW), if impacts to state-listed species are anticipated. Recommended by the handbook, such agency coordination throughout the planning process can help ensure the DSHCP will meet the permit issuance criteria and avoid the need for extensive plan revisions after the draft is submitted.

The conservation strategy of the DSHCP will identify the steps that the District will take to avoid, minimize, and repair impacts at the project site, as well as efforts to compensate for them by benefiting similar habitat elsewhere. The conservation strategy can include restoration and management of high-quality Sandhills habitat within the District's 6.7-acre Olympia Watershed Conservation Area, which was set aside in 2017 to provide mitigation for the Probation Tank Replacement Project (McGraw 2017a) as well as future District projects or activities in the sandhills. The HCP will be structured so that the District conducts mitigations for the projects as they come on line; this 'pay as you go' approach will avoid high up-front costs associated with plan implementation.

To streamline permitting under other state and local environmental regulations to protect sensitive biological resources, the HCP will be developed to comply with other local, state and federal regulations including the County of Santa Cruz Sensitive Habitat Ordinance (SHO), the California Environmental Quality Act (CEQA), CESA, the Migratory Bird Act, and the National Environmental Protection Act (NEPA), among others.

The goal of this project is to complete the draft HCP which will be submitted to the USFWS and CDFW should the District seek a CESA permit by December 2019. Project work will be conducted by Jodi McGraw, Ph.D., Lead Ecologist and Principal of Jodi McGraw Consulting, who will work in collaboration with District staff who are knowledgeable about the infrastructure projects, facilities maintenance, properties, watershed management activities, and environmental programs, to develop an HCP that

accurately reflects the District's programs and projects. As detailed in the *Scope of Work*, the nature of the collaboration will vary among project tasks. Generally speaking, District staff will inform development of the plan by helping JMc identifying the covered activities, providing input on the conservation strategy, helping design aspects of plan implementation, and reviewing the draft plan. JMc will develop the plan contents, with guidance and feedback on draft deliverables provided by District staff. JMc will engage outside experts to assist with legal issues related to ESA/CESA and financial analysis, as needed.

FISCAL IMPACT:

Not to Exceed: \$129,170

STRATEGIC PLAN:

Strategic Element 2.2 Environmental Review of Impacts to San Lorenzo River Watershed

Strategic Element 2.4 Watershed Stewardship

Strategic Element 3.0 Capital Improvement Program

Sandhills

Habitat Conservation Plan for the San Lorenzo Valley Water District



*Jodi McGraw Consulting
October 2018*

PROPOSAL

SANDHILLS HABITAT CONSERVATION PLAN

SAN LORENZO VALLEY WATER DISTRICT

Prepared by:

**Jodi McGraw, Ph.D.
Ecologist and Principal
Jodi McGraw Consulting
PO Box 221 • Freedom, CA 95019
(831) 768-6988
jodi@jodimcgrawconsulting.com**

Submitted to:

**Rick Rogers, District Manager
Jennifer Michelsen, Environmental Program Manager
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006**

October 2018

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PROJECT UNDERSTANDING AND APPROACH

The San Lorenzo Valley Water District is a special district established in 1941, which currently supplies water to the communities of Boulder Creek, Brookdale, Ben Lomond, Lompico, Zayante, Scotts Valley, Manana Woods, and Felton. Through a network of distribution lines, pump stations and reservoirs, the District serves approximately 7,400 connections. The District's mission is "...to provide our customers and all future generations with reliable, safe and high-quality water at an equitable price; to create and maintain outstanding customer service; to manage and protect the environmental health of the aquifers and watersheds; and, to ensure the fiscal vitality of the San Lorenzo Valley Water District."

In 2015, the District prepared a Capital Improvement Plan that identified and prioritized 75 projects to improve the District's water supply infrastructure. The projects include construction/installation or replacement of water tanks, water pipelines, and pump stations, among other associated infrastructure projects (District 2015).

The District also conducts operations and maintenance of existing infrastructure, including cleaning out and operating water infrastructure, conducting repairs, and maintaining pump stations. Additionally, the District manages its watershed lands by conducting vegetation management pursuant to watershed management plans such as that developed for the Olympia Watershed Property (District 2012).

Some of the District's capital improvement projects, facilities operations and maintenance, and watershed land management occur in sandhills habitat that supports special-status plants and animals, including four federally-listed endangered species (Table 1). To lawfully implement activities that could cause take¹ of federally listed animals, the District must obtain an incidental take permit (ITP). For projects that do not involve other action by the federal government, such as other federal permits or grants, receipt of an ITP requires that the District complete a Habitat Conservation Plan (HCP). The HCP must describe how the District will mitigate the negative effects of the activity on endangered species.

In this project, JMc will work with District staff to prepare a draft HCP that will cover the District's capital improvement projects, operations and maintenance activities, and watershed management actions, that impact endangered species and sensitive habitat of the Santa Cruz sandhills. The District Sandhills HCP (DSHCP) will provide the basis for the United States Fish and Wildlife Service (USFWS), which administers the ESA for terrestrial species, to issue the District an ITP to cover all of the capital improvement projects, operations and maintenance activities, and watershed management actions that affect the covered species. This approach will greatly reduce the timeline and cost for project permitting compared to preparing individual HCPs for each project or site.

Though preparing a single HCP for all District sandhills projects will expedite ESA permitting and thus project delivery, HCPs can require multiple years to develop and permit. JMc will employ the following approaches to minimize the cost and timeline to prepare the DSHCP and receive an ITP. First, JMc will develop the DSHCP based on the Habitat Conservation Planning Handbook (USFWS and NMFS 2016), which outlines the elements of an HCP and ITP application, and provides guidance for their development. Second, JMc will prepare the DSHCP following the USFWS's most recent available HCP template, which identifies the sections and desired content of the plan, and includes draft language for some sections. Third, and most importantly, JMc will work with the District to prepare the DSHCP in

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Table 1: Special-status species within the Santa Cruz Sandhills known or likely to occur within the San Lorenzo Valley Water District Properties and Facilities

Common Name	Status
Santa Cruz kangaroo rat (<i>Dipodomys venustus venustus</i>)	California Species of Special Concern
Mount Hermon June beetle (<i>Polyphylla barbata</i>)	Federally Endangered
Zayante band-winged grasshopper (<i>Trimerotropis infantilis</i>)	Federally Endangered
Ben Lomond spineflower (<i>Chorizanthe pungens</i> var. <i>hartwegiana</i>)	Federally Endangered; CRPR 1B.1 ¹
Santa Cruz wallflower (<i>Erysimum teretifolium</i>)	Federally Endangered; California Endangered; List 1B.1
silverleaf manzanita (<i>Arctostaphylos silvicola</i>)	CRPR 1B.3
Ben Lomond buckwheat (<i>Eriogonum nudum</i> var. <i>decurrens</i>)	CRPR 1B.1

¹ California Rare Plant Rank (CRPR) 1B.1: Rare and endangered in California and elsewhere (CNPS 2018)

close coordination with the USFWS as well as the California Department of Fish and Wildlife (CDFW), if impacts to state-listed species are anticipated. Recommended by the handbook, such agency coordination throughout the planning process can help ensure the DSHCP will meet the permit issuance criteria and avoid the need for extensive plan revisions after the draft is submitted.

The conservation strategy of the DSHCP will identify the steps that the District will take to avoid, minimize, and repair impacts at the project site, as well as efforts to compensate for them by benefiting similar habitat elsewhere. The conservation strategy can include restoration and management of high-quality Sandhills habitat within the District's 6.7-acre Olympia Watershed Conservation Area, which was set aside in 2017 to provide mitigation for the Probation Tank Replacement Project (McGraw 2017a) as well as future District projects or activities in the sandhills. The HCP will be structured so that the District conducts mitigations for the projects as they come on line; this 'pay as you go' approach will avoid high up-front costs associated with plan implementation.

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properties, watershed management activities, and environmental programs, to develop an HCP that accurately reflects the District's programs and projects. As detailed in the *Scope of Work*, the nature of the collaboration will vary among project tasks. Generally speaking, District staff will inform development of the plan by helping JMc identifying the covered activities, providing input on the conservation strategy, helping design aspects of plan implementation, and reviewing the draft plan. JMc will develop the plan contents, with guidance and feedback on draft deliverables provided by District staff. JMc will engage outside experts to assist with legal issues related to ESA/CESA and financial analysis, as needed.

SCOPE OF WORK

This scope of services outlines specific tasks that JMc will complete to prepare and submit to USFWS and CDFW, if a state permit is sought, the draft District Sandhills Habitat Conservation Plan (DSHCP), which will cover the impacts of the District's capital improvement projects, operations and maintenance, and watershed management on sandhills species and sensitive communities. For each task, the project scope identifies the anticipated role for District staff as well as JMc and its subconsultants. The project *Timeline* and *Budget* outline the anticipated schedule and costs for completion of the main tasks.

1 Develop the Plan Framework

In this task, JMc will conduct work with the District to develop a framework for the DSHCP. This essential first step will be designed to lay the groundwork for time and cost-effective planning.

1.1 Project Kick Off

In this task, JMc will prepare for, coordinate, and facilitate a meeting with District staff to discuss the project. The goal of the kick off meeting will be to discuss the project including roles and responsibilities, communications, and timeline, as well as request the documents and data from the District which will be used to develop the plan. JMc will prepare the draft and final agenda for the meeting, attend the meeting at the District offices in Boulder Creek, and prepare a summary and list of action items from the meeting to circulate to attendees and those who could not attend.

1.2 Document and Data Synthesis and Review

JMc will work with District staff to obtain the documents and data including spatial data that will be used to develop the plan. JMc will develop a draft list of documents and data for request and conduct outreach to relevant members of the District staff to request the information.

JMc will assemble and review documents relevant to the project, including:

1. The Capital Improvement Plan (SLVWD 2015);
2. The Olympia Watershed Management Plan (SLVWD 2012); and
3. The Invasive Brooms and Acacia Management Plan for the Olympia Wellfield, San Lorenzo Valley Water District (Greening Associates 2016); and
4. Other documents identified by the District as relevant to identifying its planned projects, operations and maintenance, and watershed management activities.

As part of this task, JMc will assemble a geographic information system (GIS) that will be used in all aspects of planning as well as to produce the plan maps. The GIS will be developed using JMc's existing library of spatial data for Santa Cruz County in general and the sandhills in particular, which JMc has developed over the past 15 years of conservation planning work in the region including to develop the *Sandhills Conservation and Management Plan* (McGraw 2004b) and the *Conservation Blueprint for Santa Cruz County* (Mackenzie et al. 2011).

The existing database will be expanded and updated to include:

1. More recent data relevant to natural resources and conservation; and
2. Data depicting District properties, facilities and infrastructure, and natural resources.

1.3 Develop a Draft Annotated Outline and Key Elements for the DSHCP

In this task, JMc will develop a draft annotated outline for the DSHCP, which, once finalized, will serve as the framework for planning. The outline will list the sections and subsections of the plan, and for each, describe what it will contain, and how the information will be developed in detail. The draft annotated outline will identify key working elements of the plan, including:

- the plan/permit area and timeframe or term;
- An initial list of species that will be covered by the plan (covered species);
- A list of the types of covered activities and properties and other locations where they will occur; and
- A draft framework for the conservation strategy, including a list of the anticipated avoidance and minimization measures and ideas for the approach to designing the compensatory mitigation.

JMc will provide the draft annotated outline and key elements to the District, prepare a brief power point presentation that will be delivered to the District staff to highlight key elements of the plan and approaches to developing the plan, and meet with the District to discuss the outline and key elements.

1.4 Conduct Initial Agency Consultation

In this task, JMc will work with the District to conduct initial outreach to the USFWS and CDFW, if a state permit is likely to be sought. The purpose of the initial meeting will be to discuss the framework of the DSHCP which will be presented through a revised version of the annotated outline and power point presentation, and also discuss the planning and permitting process and timeline, including key touchstones for future coordination. The meeting will be held at the District offices in Boulder Creek, with an optional site visit to the Olympia Watershed and perhaps one or more District infrastructure sites in the sandhills, to examine example sites where covered activities and mitigation will occur.

1.5 Prepare the Final Annotated Outline and Key Elements of the DSHCP

In this task, JMc will revise the annotated outline and key elements of the HCP based on feedback from the agencies, including any follow up required to resolve questions that emerged through the initial consultation. The Final Annotated Outline will serve as a framework for guiding development of the HCP in Task 2.

2 Develop the Administrative Draft Plan

In this task, JMc will develop the administrative draft DSHCP. Chapters of the plan will be provided to the District for review once available, and then JMc will prepare a composite document that integrates District feedback and reflects any changes made during the course of subsequent planning. The following subsections outline the general contents of each chapter and the planning and analysis tasks that will be conducted to prepare the plan.

2.1 Chapter 1: Introduction and Background

JMc will prepare a draft of *Introduction and Background* (Chapter 1) of the DSHCP which will:

- Provide an overview of the plan;
- Identify the specifics about the ITP, including the permit area, holder, species covered, and term;
- Outline the regulatory framework, including by summarizing relevant local, state, and federal statutes and describing how each relates to the HCP.

This task will entail initial coordinated planning work with the District to identify the plan/permit area, which will likely include all of the District's lands and infrastructure in the sandhills, the duration of the permit, which could be from 15-25 years or more, depending on the District's objectives for the plan; this planning will be conducted in conjunction with work to identify the covered activities (Task 2.2).

JMc will provide a draft Chapter 1 to District for review. Based on their feedback, JMc will then revise the chapter for inclusion in the administrative draft DSHCP.

2.2 Chapter 2: Covered Activities

JMc will prepare a draft of the *Land Use and Covered Activities* (Chapter 2) of the DSHCP. This chapter is anticipated to include descriptions of the following in the sandhills that will be covered by the plan:

- the District's land holdings based on size, protection status, and current and future land use (e.g., infrastructure and/or watershed protection);
- the District's capital improvement program projects;
- the District's facility operations and maintenance activities;
- the District's watershed management activities including vegetation management; and
- any activities that the District conducts in the sandhills that will not be covered by the plan and permit, if any.

The plan will attempt to identify all projects and activities that the District would like to implement, so that they can be adequately analyzed for their impacts (Chapter 4) and accounted for in developing the plan conservation strategy to ensure it meets the mitigation demand of the activities (Chapter 5); however, the plan will also be designed to enable unspecified projects of general types to also be covered, to provide flexibility during implementation and avoid the need for plan amendments should future projects and activities be identified.

This task will entail compiling a database (e.g., MS Excel workbook) that will organize all of the activities and projects by location and type, and creation of a corresponding spatial database that will illustrate the locations and identify footprints of the projects and activities, where feasible. The databases will be used to prepare a series of maps to depict the covered activity locations, and tables to quantify their general areal extent. The budget assumes that the District will provide a fairly comprehensive list of projects and spatial data depicting the project areas, and that that JMc will need to develop only limited new data based on remote sensing (as opposed to on-the-ground mapping).

JMc will provide a draft Chapter 2 to District for review. Based on their feedback, JMc will then revise the chapter for inclusion in the administrative draft DSHCP.

2.3 Chapter 3: Environmental Setting and Biological Resources

JMc will prepare the *Environmental Setting and Biological Resources* (Chapter 3) of the DSHCP, which is anticipated to include descriptions of the following:

- the general environmental setting in the plan area, based on the climate, topography and geology, soils, hydrology, and land cover (i.e., vegetation, urban areas, water, etc.);
- the natural communities and rare species in the plan area; and
- detailed species profiles of the covered species, which are the federal and/or state listed plants and animals that will be covered by the plan.

To prepare this chapter and conduct analysis of impacts (Task 2.4, Chapter 4), JMc will conduct site-specific land cover mapping and habitat assessments for the covered species within the District's properties and other facility locations that feature sandhills habitat. Focal species surveys will be conducted to evaluate presence in any sites where suitable habitat is present but that may be out of the species' range, or where the suitability of habitat is questionable; otherwise, suitable habitat will be used as the basis for planning to assess impacts. The vegetation mapping and habitat assessments will be conducted in Spring 2019, when rare plants and plant species used to characterize vegetation and habitat are in flower and therefore most visible. The endangered insect focal species surveys will be conducted in June and July 2019, during the peak of their respective adult flight seasons.

JMc will provide a draft Chapter 3 to District for review. Based on their feedback, JMc will then revise the chapter for inclusion in the administrative draft DSHCP.

2.4 Chapter 4: Potential Biological Impacts/Take Assessment

JMc will prepare the *Potential Biological Impacts/Take Assessment* (Chapter 4) of the DSHCP, which is anticipated to feature the following:

- An assessment of the general types of impacts that the covered activities will have on the covered species (e.g., habitat loss, mortality due to trampling, etc.);
- A description of the anticipated take of the covered animals and impacts to the covered plants;
- An assessment of the impacts of the covered activities on designated critical habitat for the Zayante band-winged grasshopper (the only anticipated covered species for which the USFWS has designated critical habitat); and
- An analysis of the cumulative impacts of the covered activities in light of other activities affecting the covered species throughout their range.

JMc will assess the biological impacts of the covered activities by conducting spatial analyses to quantify the natural communities and habitat for the covered species where activities will occur. The footprints of the covered activities, including parcel boundaries where activities occur throughout a property, that are assembled in Task 2.2, will be overlaid on the vegetation and habitat maps developed in Task 2.3 and the layer depicting critical habitat for the Zayante band-winged grasshopper. The resulting spatial

analysis will be used to identify the area of temporary and permanent impacts based on aspects of each covered activity. The data will be tabulated and aggregated to illustrate the total impacts by project type, property, species, and type of impact (temporary and permanent). Project impacts will be illustrated in maps as well as tables. The results of these quantitative spatial analyses will be evaluated in terms of known or likely aspects of the biology of the covered species including their range and life history in order to assess the effects of the District's proposed projects on the species persistence.

JMc will provide a draft Chapter 4 to District for review. Based on their feedback, JMc will then revise the chapter for inclusion in the administrative draft DSHCP.

2.5 Chapter 5: Conservation Program

JMc will develop the DSHCP *Conservation Program* (Chapter 5), which is anticipated to include the following elements:

- Biological goals and objectives, which identify what the DSHCP will be designed to accomplish for the covered species;
- Avoidance and minimization measures, which will describe the steps that the District will take to limit impacts of the covered activities on the covered species;
- Compensatory mitigation, which will describe how the District will compensate for the unavoidable impacts to the covered species, by protecting, restoring, and managing suitable habitat elsewhere, including at the Olympia Watershed Property;
- Monitoring methods that will be used to track implementation of the plan, as well as evaluate effectiveness of it;
- An adaptive management framework that will be used to enhance effectiveness at achieving the goals and objectives over time, and adjust the plan in response to new information or changed conditions, as needed;
- Reporting elements that will be used to document implementation of the plan; and
- an overall assessment of the benefits of the conservation program relative to the impacts of the covered activities.

The conservation program is anticipated to incorporate similar avoidance and minimization measures that have been implemented by the District in other HCPs (McGraw 2009, 2017) and rely on habitat protection, management, and restoration at the Olympia Watershed Property to compensate for the project impacts. This compensatory mitigation is anticipated to occur within the 6.7-acre habitat set aside established by the District in 2017 as part of the Probation Tank HCP (McGraw 2017a). Mitigating the impacts of the Probation Tank utilized just 0.995 acres, leaving 5.705 acres of habitat that has already been permanently protected but can be used as mitigation for future projects if the District contributes to the endowment that it will use to fund management and monitoring of the habitat. The DSHCP will fold in the habitat management and monitoring plan that JMc is currently developing for this conservation area (McGraw *in prep.*) Should the impact/take analysis (Task 2.4, Chapter 4) identify mitigation demand that would outstrip the existing conservation area, JMc will work with the District to identify additional areas of habitat that could be permanently protected, restored, and/or managed to mitigate the impacts of the covered activities.

JMc will provide a draft Chapter 5 to District for review. Based on their feedback, JMc will then revise the chapter for inclusion in the administrative draft DSHCP.

2.6 Chapter 6: Plan Implementation

JMc will prepare the *Plan Implementation* section (Chapter 6) of the DSHCP, which is anticipated to feature the following sections:

- Overview of the plan implementation, which will provide a general overview of how the plan will be implemented over time;
- Plan implementation responsibilities, which will identify the responsibilities of the District, the USFWS, CDFW (if a state permit is sought), and any entities assisting the District with plan implementation;
- Land protection methods, which will describe how future areas to be permanently protected as part of the compensatory mitigation will be identified through evaluation of the conservation values, and then protected (i.e., via conservation easement);
- Schedule for plan implementation, including key milestones and timetables;
- Changed Circumstances, which will outline the District's responses to anticipated changes such as drought, fire, or listing of new species;
- Unforeseen Circumstances, which will describe the District and USFWS responsibilities in case of changes that are not foreseen;
- Plan Amendments, which will outline how the plan can be changed, as needed; and
- Suspension or Revocation of Permits, which will describe the conditions under which the USFWS (and CDFW, if a state permit is sought) can suspend or revoke the permit.

To the extent practical, work to evaluate these and other implementation considerations will be conducted concurrently with development of the other key elements of the plan including the conservation program.

JMc will provide a draft Chapter 6 to District for review. Based on their feedback, JMc will then revise the chapter for inclusion in the administrative draft SCHP.

2.7 Funding

JMc will prepare the section on *Funding* (Chapter 7) for the DSHCP, which is anticipated to include the following:

- An analysis of the anticipated costs for the District to implement the conservation strategy, including avoidance, minimization, and compensatory mitigation measures;
- Funding mechanisms and management, which will identify how the District will fund implementation of the plan, including through budget appropriations used to pay for avoidance and minimization measures as well as contributions to the endowment, and how those funds will be used to fund management and monitoring of any conservation area(s); and

- Financial reporting and adaptive management, which will describe how the District will track and report funding for the plan and update the financial analysis used to estimate implementation costs, as needed over time, to ensure sufficient funds are available to implement the plan.

This task will include analyses to estimate the costs for plan implementation, including additional habitat protection, initial financial requirements, habitat management, monitoring, and reporting. Analyses will also be conducted to estimated funding available, including through the annual budget appropriations and other potential funding sources (e.g., grants for projects). As necessary to complete the task, and with the approval of the County, JMc will contract with EPS, Inc., a financial and planning consulting firm, to complete the financial analysis (*Personnel*).

JMc will provide a draft Chapter 7 to District for review. Based on their feedback, JMc will then revise the chapter for inclusion in the administrative draft DSHCP.

2.8 Chapter 8: Alternatives to Take

JMc will prepare a section describing *Alternatives to Take* (Chapter 8), which will identify alternatives to the taking proposed by the DSHCP. Per the guidance in the *Endangered Species Consultation Handbook* (USFWS and NMFS 2016), the section will contain the proposed project and two alternatives:

1. an alternative that would reduce take below levels anticipated for the proposed project, and
2. an alternative that would avoid take and hence not require a permit from USFWS.

The details of these alternatives will be developed through planning conducted for the Impact/Take Assessment (Task 2.4, Chapter 4) and will result in tables that illustrate the alternative impacts/take to the covered species for the various types of activities on the various properties under the different alternatives. It will then qualitatively describe the conservation outcomes for the covered species under the different scenarios. The chapter will then presumably make a case for implanting the plan (proposed alternative) as it will provide the public with the water infrastructure, operations and maintenance, and watershed management services needed, as well as result in a positive outcome for the covered species.

2.9 Prepare Additional Plan Elements

In this task, JMc will prepare additional sections of the HCP, which include:

- An executive summary;
- Literature cited; and
- Technical appendices.

The executive summary will be prepared following completion of the draft chapters of the DSHCP; it will clearly state the purpose of the plan, and then summarize its main components: covered activities, take assessment, conservation strategy, and key aspects of implementation including funding. It will also include all of the requisite information as specified in the template:

- general location of the project area;
- size of the incidental take permit area in acres including the project and any mitigation areas;
- the desired term of the incidental take permit (e.g., number of years permit will be in effect);

- a brief description of the project/activities;
- the species to be covered by the DSHCP;
- a brief description of the measures that will be used to minimize and mitigate the impacts of the project; and
- A summary of the net effects on the covered species.

The *Executive Summary* will include cross references to tables, figures, and sections of the plan that will provide the reader with more information.

The *Literature Cited* section will provide all references cited and GIS data used in the administrative draft, and provide hyperlinks to references available on the internet.

JMc will prepare additional information needed to support the plan which may include the analysis of covered species, descriptions of additional listed species in the region that are not covered by the HCP, which can be used by the USFWS to support findings that they will not be impacted by the project, and any detailed financial analyses.

2.10 Prepare Administrative Draft DSHCP Document for Review

In this task, JMc will assemble the final content of the administrative draft DSHCP into electronic files (i.e., .docx and .pdf) for distribution to the District. In addition to copy editing the content, to ensure that the document is clear and internally consistent, the task will entail formatting the document to include:

- Preparation of headers and footers;
- Development of a table of contents, list of tables, and list of figures;
- Development of bookmarks and other features which will enable navigation through the document;

The draft will be provided to the District for internal review.

3 Develop the Agency Review Draft DSHCP

In this task, JMc will review comments from District staff on the administrative draft DSHCP and prepare the revised draft DSHCP which will be submitted to the USFWS and CDFW if a state permit is sought.

The administrative draft DSHCP will have modest production value, as it is designed for agency review rather than public distribution. The *Budget* for the project assumes that the revision will require limited time as District input would be integrated into the administrative draft.

4 Project Meetings, Coordination, and Administration

This task includes work that JMc will perform to manage the project.

4.1 Attend Meetings

Relatively frequent meetings (e.g., 1-3/month) between JMc and District staff will be needed to complete planning tasks and prepare the administrative draft DSHCP. Occasional meetings with agency staff may also help resolve issues. Meetings will largely be conducted via teleconference; however, the budget assumes JMc will attend up to 14 meetings in Boulder Creek (one per month) over the course of the project.

4.2 Administer Project

In this task, JMc will administer the project, including through preparation of quarterly invoices and progress reports, contracting with outside legal and financial experts, and conducting communications and coordination with District staff. To keep the project on track for completion by December 2019, JMc will maintain regular communications with the District project lead, circulate to District staff monthly e-mail updates outlining the status of various aspects of the project, including items that require District guidance, review, or technical assistance.

PERSONNEL

The project will be implemented by Jodi McGraw Consulting (JMc), which will serve as the prime consultant to develop the District's Sandhills HCP. JMc will contract with the legal and finance experts below, as needed, during critical junctures in the planning process.

JMc is an environmental consulting firm that assists public and private entities with planning and implementing biological resource conservation, management, and assessment projects. JMc provides science-based services to address each project's unique circumstances. JMc's services include:

- Development and implementation of plans to guide land protection, and habitat management and restoration, including habitat conservation plans;
- Conducting biological surveys, monitoring, and assessments;
- Designing and implementing research, experimental management projects, and long-term monitoring programs;
- Conducting spatial analyses, modelling, and cartography using Geographic Information System (GIS) technology; and
- Preparing environmental compliance documents required under the California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA), state federal Endangered Species Act (CESA and ESA), as well as other local, state, and federal regulations.

JMc specializes in preparing habitat conservation, management, and monitoring plans to promote biodiversity protection in Central California's edaphic endemic communities. JMc developed the *Sandhills Conservation and Management Plan* (McGraw 2004b), the Regional HCP for the community of Los Osos in San Luis Obispo County, California (McGraw 2018b), and the rare plant monitoring program for the Fort Ord HCP (McGraw 2005). These are among the more than ten HCPs JMc has prepared to facilitate compliance with the federal Endangered Species Act (ESA) and California Endangered Species Act (CESA).

JMc has a variety of skills necessary to complete multidisciplinary projects, including geographic information systems development, management, and analysis. JMc also features the project management skills necessary to keep the project on time and within the available budget.

Since 2009, JMc has assisted the San Lorenzo Valley Water District (District) with its work to install and maintain water infrastructure while protecting rare and endangered species and other sensitive biological resources. JMc's prior District projects have included:

- Preparing and assisting the District with implementation of the HCP for the Mañana Woods Booster Pump Station Project (McGraw 2008);
- Assisting the District with implementation of the Regional Intertie Project HCP by conducting the avoidance, minimization, and mitigation measures of the HCP, including restoration of the Intertie 3/4 Pump Station temporary disturbance area (McGraw 2018a);
- Preparing and assisting the District with implementation of an HCP to replace the Probation Tank (McGraw 2017b); and
- Facilitating implementation of projects to maintain, rehabilitate, and replace the Pasatiempo Wells (McGraw 2013 and 2017b).

JMc has also assisted District staff with management of the Olympia Watershed Property, a 170-acre District property used as a wellfield and for watershed management, by:

- Conducting research on the property between 1997 and 2003 to increase inform management of the endangered Santa Cruz wallflower and Ben Lomond spineflower (McGraw 2004a);
- Helping secure a grant to control invasive acacias and brooms (*Acacia dealbata*, *Robinia pseudoacacia*, *Cytisus striatus*, and *Genista monspessulana*; McGraw 2009a);
- Aiding efforts to create a shaded fuel break along the railroad tracks (McGraw 2009b);
- Facilitating restoration of the site including removal of the old pond liners, installation of a fence to protect the sand parkland, and establishment of a yard for temporary stockpile of materials (McGraw 2011b); and
- Helping the District protect the 6.7-acre area conservation area within the Olympia Watershed Property to use as mitigation for District infrastructure projects including the Probation Tank Replacement, and preparing a management plan for the conservation area (McGraw *in prep.*).

Through these and other projects, JMc has gained a working understanding of the District's operations, and has developed effective relationships with District staff as well as representatives of local, state, and federal agencies responsible for protecting biological resources including sensitive habitats and endangered species in the region.

Dr. Jodi McGraw, Ecologist and Principal of JMc will serve as the project manager and lead and will be directly involved in all aspects of plan design and development. Jodi will be assisted by JMc Assistant Ecologists with field surveys, database management, and similar field and planning tasks.

Sean Skaggs, Principal, Ebbin, Moser, + Skaggs LLP

Sean Skaggs focuses on all aspects of the federal and state endangered species acts, the National Environmental Policy Act, the California Environmental Quality Act, and wetlands. Sean has provided legal and policy guidance to city and county governments, public utility companies, and Native American tribes on more than sixteen HCPs during his fifteen years in private practice. Sean has extensive experience in the development of HCPs and documents associated with HCPs such as implementing agreements, certificates of inclusion, conservation easements, and evaluations prepared under the National Environmental Policy Act and California Environmental Quality Act. Prior to forming Ebbin Moser + Skaggs, Sean practiced in the Solicitor's Office of the Department of the Interior from 1991-1997, where he advised the U.S. Fish and Wildlife Service on all aspects of the Endangered Species Act and other federal and international wildlife laws. Between 2012 and 2018, Sean has assisted JMc and the County of San Luis Obispo with development of the Public Draft of the Los Osos Habitat Conservation Plan (McGraw 2018b).

Teifion Evans-Rice, Principal, Economic & Planning Systems, Inc.

Teifion Rice-Evans is an economist with expertise in regional economics, real estate economics, public finance, and public policy. In his practice, Teifion focuses on providing clarity on economic and planning issues to support sound policy-making and the prudent investment of public and private resources. Between 2012 and 2018, Teifion assisted JMc with work to develop the Public Draft of the Los Osos Habitat Conservation Plan (McGraw 2018b), and has helped develop dozens of regional habitat, open space, and parks plans.

TIMELINE

Table 2 outlines a proposed schedule to complete the project tasks between November 2018 and December 2019. Given the collaborative nature of the planning process, successfully meeting this timeline will require availability of District staff for guidance, technical assistance, and document review, as outlined in the Scope of Work.

Review is outlined in the Scope of Work.

Table 2: Anticipated timeline for project tasks.																
	Task	2018		2019												
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	
Task 1: Develop the Plan Framework																
1.1	Project Kick Off															
1.2	Document and Data Synthesis and Review															
1.3	Draft Plan Annotated and Key Plan Elements															
1.4	Conduct Initial Agency Consultation															
1.5	Final Outline and Key Plan Elements															
Task 2: Develop Administrative Draft Plan																
2.1	Ch. 1: Introduction and Background															
2.2	Ch. 2: Land Use and Covered Activities															
2.3	Ch. 3: Environmental Setting/Biological Resources															
2.4	Ch. 4: Potential Biological Impacts/Take Assessment															
2.5	Ch. 5: Conservation Program															
2.6	Ch. 6: Plan Implementation															
2.7	Ch. 7: Funding															
2.8	Ch. 8: Alternatives to the Taking															
2.9	Prepare Additional Plan Sections															
2.10	Compile Administrative Draft Plan															
Task 3: Develop the Agency Review Draft Plan																
Task 4: Project Meetings, Coordination, and Administration																
4.1	Attend Meetings															
4.2	Administer Project															

BUDGET

The total costs estimated to complete the project scope of work of is \$129,170 (Table 3). This budget reflects the estimated time required to conduct all planning, documentation, and project coordination and management activities or an estimated 14-month period. JMc proposes to bill the District on a time and materials basis with the total costs not to exceed \$129,170 without prior written approval from the District.

Table 3: Anticipated timeline for project tasks.								
		J. McGraw, Ecologist (\$115/hr.)		Asst. Ecologist (\$75/hr.)		Private Vehicle Use for Travel (0.545/mi)		Total
	Task	Hrs.	Cost (\$)	Hrs.	Cost (\$)	Miles	Cost (\$)	Costs (\$)
Task 1: Develop the Plan Framework								
1.1	Project Kick Off	16	1,840			55	29.975	1,870
1.2	Document and Data Synthesis and Review	24	2,760					2,760
1.3	Draft Annotated Outline and Key Plan Elements	28	3,220					3,220
1.4	Conduct Initial Agency Consultation	12	1,380					1,380
1.5	Prepare Final Outline and Key Plan Elements	12	1,380					1,380
Task 2: Develop Administrative Draft Plan								
2.1	Ch. 1: Introduction and Background	28	3,220					3,220
2.2	Ch. 2: Land Use and Covered Activities	48	5,520	24	1,800			7,320
2.3	Ch. 3: Environmental Setting/Biological Resources	144	16,560	128	9,600	776	422.92	26,583
2.4	Ch. 4: Potential Biological Impacts/Take Assessment	72	8,280	28	2,100			10,380
2.5	Ch. 5: Conservation Program	108	12,420	64	4,800	332	180.94	17,401
2.6	Ch. 6: Plan Implementation	48	5,520					5,520
2.7	Ch. 7: Funding	48	5,520					5,520
2.8	Ch. 8: Alternatives to the Taking	24	2,760					2,760
2.9	Prepare Additional Plan Sections	44	5,060					5,060
2.10	Compile Administrative Draft Plan	40	4,600					4,600
Task 3: Develop the Agency Review Draft Plan		24	2,760					2,760
Task 4: Project Meetings, Coordination, and Administration								
4.1	Attend Meetings	70	8,050			1736	946.12	8,996
4.2	Coordinate and Administer Project	56	6,440					6,440
	Subtotal JMc Costs	846	97,290	244	18,300	2,899	1,580	117,170
	Consult with Outside Legal and Financial Experts							12,000
	Total Estimated Costs							129,170

LITERATURE CITED

- California Native Plant Society. 2018. Inventory of rare and endangered plants of California. Sacramento CA. Accessed on-line at: <http://www.rareplants.cnps.org/>
- Greening, Assoc. 2016. Invasive brooms and acacia management plan for the Olympia Wellfield. San Lorenzo Valley Water District. July 2016. 30 pages. Accessed at: <http://www.slvwd.com/watershed/Invasive%20Broom%20and%20Acacia%20Control%20Plan%20for%20Olympia%20Watershed.pdf>
- Mackenzie, A., McGraw, J., and M. Freeman. 2011. A conservation blueprint: An assessment and recommendations from the Land Trust of Santa Cruz County. Land Trust of Santa Cruz County. Santa Cruz, Ca. May 2011. 180 pages. Accessed at: http://www.landtrustsantacruz.org/blueprint/conservation-blueprint_low-res_110522.pdf
- McGraw, J. M. 2004a. Interactive effects of disturbance and exotic species on the structure and dynamics of an endemic sandhills plant community. University of California, Berkeley, California. 309 pages.
- McGraw, J. M. 2004b. Sandhills conservation and management plan: a strategy for preserving native biodiversity in the Santa Cruz sandhills. Report submitted to the Land Trust of Santa Cruz County, Santa Cruz, CA. Accessed at: <https://www.santacruzsandhills.com/articles/Sandhills%20Conservation%20and%20Management%20Plan%20June%202004.pdf>
- McGraw, J. M. 2005. Plant monitoring program for the Installation-Wide Multispecies Habitat Conservation Plan for the Former Fort Ord. Submitted to the Fort Ord Reuse Authority. Marina, CA. 111 pages.
- McGraw, J. M. 2008. Low-Effect Habitat Conservation Plan for the Mount Hermon June Beetle at the Mañana Woods Booster Pump Station Project, Near Scotts Valley, Santa Cruz County, California. Submitted to the US Fish and Wildlife Service. December 2008. 55 pages plus appendices.
- McGraw, J. M. 2009a. Olympia Wellfield Acacia Biomass Removal. Interoffice Memorandum to Betsy Herbert, Environmental Analyst, San Lorenzo Valley Water District. April 8, 2009. 6 pages.
- McGraw, J. M. 2009b. Fuel Reduction on the San Lorenzo Valley Water District's Olympia Wellfield. Interoffice Memorandum to Betsy Herbert, Environmental Analyst, San Lorenzo Valley Water District. June 11, 2009. 4 pages.
- McGraw, J. M. 2011. Olympia Wellfield Restoration Projects to Restore Habitat for the Endangered Species of the Santa Cruz Sandhills. Work plan submitted to the United States Fish and Wildlife Service under recovery permit TE118641-1 on behalf of the San Lorenzo Valley Water District. August 10, 2011. 11 pages.
- McGraw, J. M. 2013. San Lorenzo Valley Water District Pasatiempo Well #5 Project. Draft letter to the US Fish and Wildlife Service prepared on behalf of the San Lorenzo Valley Water District, January 4, 2013. 9 pages.

McGraw, J. M. 2017a. Low-Effect Habitat Conservation Plan for the San Lorenzo Valley Water District's Probation Tank Replacement Project Felton, Santa Cruz County, California. Submitted to the US Fish and Wildlife Service. February 2017. 73 pages plus appendices.

McGraw, J. M. 2017b. Emergency Repairs of the San Lorenzo Valley Water District Pasatiempo Wells #6 and #7. Draft letter to the US Fish and Wildlife Service prepared on behalf of the San Lorenzo Valley Water District, November 21, 2017. 13 pages.

McGraw, J. M. 2018a. 2017 Annual Report for the Scotts Valley Multi-Agency Regional Intertie Project Habitat Conservation Plan for the endangered Mount Hermon June beetle, Zayante band-winged grasshopper, and threatened California red-legged frog. Prepared for the San Lorenzo Valley Water District. Submitted to the Ventura Field Office of the US Fish and Wildlife Service. January 31, 2018. 16 pages.

McGraw, J. M. 2018. Los Osos Habitat Conservation Plan. Public Draft Plan prepared for the County of San Luis Obispo. July 9, 2018. 469 pages.

McGraw, J. M. *in prep.* Management plan for the Conservation Area within the Olympia Watershed Property. Document in preparation for the San Lorenzo Valley Water District.

San Lorenzo Valley Water District (SLVWD). 2012. Watershed Management Plan Planning and Recommendations Report. Olympia Watershed. June 21, 2012. 82 pages.

San Lorenzo Valley Water District (SLVWD). 2015. Capital Improvement Plan: Proposed Projects List and Ranking Matrix.

United States Fish and Wildlife Service and National Marine Fisheries Service (USFWS and NMFS). 2016. Habitat conservation planning and incidental take permit processing handbook. December 21, 2016. 409 pages.

AGREEMENT FOR PROFESSIONAL SERVICES
by and between the
SAN LORENZO VALLEY WATER DISTRICT (District)
and
JODI MCGRAW PH.D. (Consultant)

PREAMBLE

This agreement for the performance of professional services ("Agreement") is made and entered into on this **15** day of **November, 2018** ("Effective Date"), by and between Jodi McGraw Consulting with its principal place of business located at **PO Box 221, Freedom, CA 95019** ("Consultant") and the San Lorenzo Valley Water District, a California County Water District, with its principal place of business located at 13060 Highway 9, Boulder Creek, CA 95006 ("District"). District and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A.** District desires to secure professional services as described in Exhibit A, entitled "Sandhills Habitat Conservation Plan for the San Lorenzo Valley Water District." This document includes scope of work, which will be referred to as "Scope of Services" throughout this document and
- B.** Consultant represents that it possesses the professional qualifications and expertise to provide such services and
- C.** The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

AGREEMENT PROVISIONS

1. SCOPE OF SERVICES

Except as specified in this Agreement, Consultant shall furnish all technical and professional services, including labor, material, equipment, transportation, supervision and expertise (collectively referred to as "Services") to satisfactorily complete the work required by District at its own risk and expense. Services to be provided to District are more fully described in Exhibit A, entitled "Proposal, Sandhills Habitat Conservation Plan for the San Lorenzo Valley Water District." All of the exhibits referenced in this Agreement are attached and incorporated by this reference.

2. TERM OF AGREEMENT

Consultant shall provide the services under the requirements of this Agreement commencing upon the date of execution of this Agreement by the parties. Consultant shall complete services within the time limits set forth in Scope of Services or as mutually determined in writing by Parties.

3. RESPONSIBILITY OF CONSULTANT

Consultant shall be responsible for the quality, technical accuracy, and coordination of services furnished by it under this Agreement as outlined in Exhibit A. Consultant will endeavor to provide services in a manner consistent with the level of care and skill ordinarily exercised by other professionals providing the same service in the same locale. Consultant shall be solely responsible to District for the performance of Consultant, and any of his or her employees, agents, subcontractors, or suppliers, under these Agreement Documents.

4. RESPONSIBILITY OF DISTRICT

- A.** District has established a budget for professional services including all costs as outlined in Exhibits A. The District Manager, or designee, shall be District's authorized representative and will ensure all required budget, purchase orders, service orders and any other internal documentation necessary to comply with the terms of this Agreement are properly and timely prepared in order to enable Consultant to commence and continue services according to terms of the Agreement.
- B.** On behalf of District, the District Manager, or designee, shall be District's authorized representative in the interpretation and enforcement of all work performed in connection with this Agreement. The District Manager, or designee, shall render decisions in a timely manner pertaining to documents submitted by Consultant in order to avoid unreasonable delay in the orderly and sequential progress of Consultant's services. Consultant shall promptly comply with instructions from District Manager or designee. The District Manager will ensure all required budget, purchase orders, service orders and any other internal documentation necessary to comply with the terms of this agreement are properly and timely prepared in order to enable Consultant to continue services according to the terms of this Agreement.

5. PAYMENT OF COMPENSATION

- A.** In consideration for Consultant's performance of services, District shall pay Consultant for all services rendered by Consultant pursuant to Consultant's Standard Rate Schedule, the current version of which is outlined in Exhibit A at Table 3. Payments made by District under this Agreement shall be the amounts charged for Services provided and billed by Consultant, subject to verification by District, pursuant to the standard rates set forth in Exhibit A. Consultant may begin services prior to the effective date of this agreement at its own risk, with the understanding that, upon District approval, District may choose to compensate consultant for services performed prior to authorization by District's Board of Directors, with the limits of the District Manager's authority.
- B.** Consultant shall bill District on a monthly basis for services provided by Consultant during the preceding month, subject to verification by District. Payment to Consultant for services will be made within thirty (30) days of date of Consultant invoice.
- C.** Compensation for the services hereunder shall be capped at **\$129,170** unless changed in writing by District.

6. RIGHT TO TERMINATION

Both parties reserve the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to the other party. As of the date of termination, Consultant shall immediately cease all services hereunder, except such as may be specifically approved by both Consultant and District's authorized representative. Consultant shall be entitled to compensation for all services rendered prior to termination and for any services authorized by the authorized representative thereafter.

7. NO ASSIGNMENT OF AGREEMENT/SUCCESSORS IN INTEREST

This Agreement is a contract for professional services. District and Consultant bind themselves, their partners, successors, assigns, executors and administrators to all covenants of this Agreement. Except as otherwise set forth in this Agreement, no interest in this Agreement shall be assigned or transferred, either voluntarily or by operation of law, without the prior written approval of both parties.

8. NO AGENCY

Consultant shall not have authority, expressed or implied, to act on behalf of District as an agent, or to bind District to any obligations whatsoever, unless specifically authorized in writing by the District Manager or authorized representative.

9. NO THIRD PARTY BENEFICIARY

This Agreement shall not be construed to be an Agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

10. CONSULTANT IS AN INDEPENDENT CONSULTANT

It is agreed that in performing the work required under this Agreement, Consultant and any person employed by or contracted with Consultant to furnish labor and/or materials under this Agreement is neither an agent nor employee of District. Consultant has full rights to manage its employees subject to the requirements of the law.

11. CONFIDENTIALITY OF MATERIAL

All memoranda, specifications, plans, data, drawings, descriptions, documents, discussions or other information received by or for Consultant and all other written information submitted to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant and shall not, without the prior written consent of District, be used for any purposes other than the performance of the services nor be disclosed to an entity not connected with performance of the services. Nothing furnished to Consultant, which is otherwise known to Consultant or becomes generally known to the public or is of public record, shall be deemed confidential.

12. RIGHT OF DISTRICT TO INSPECT RECORDS OF CONSULTANT

District, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for three (3) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Consultant for the purpose of verifying any and all charges made by Consultant in connection with Consultant's compensation under this Agreement, including termination of Consultant. Consultant agrees to maintain sufficient books and records in accordance

with generally accepted accounting principles to establish the correctness of all charges submitted to District. District shall disallow any expenses not so recorded.

Consultant shall submit to District any and all reports concerning its performance under this Agreement that may be requested by District in writing. Consultant agrees to assist District in meeting District's reporting requirements to the State and other agencies with respect to Consultant's services hereunder.

13. CORRECTION OF SERVICES

Consultant will be given the opportunity and agrees to correct any incomplete, inaccurate or defective services at no further cost to District, when such defects are due to the negligence, errors or omissions of Consultant.

14. FORCE MAJEURE

The time for performance of services to be rendered pursuant to this Agreement may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Consultant, including, but not restricted to, acts of God or of any public enemy, acts of the government, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes and unusually severe weather if Consultant shall, within ten (10) days of the commencement of such condition, notify the District Manager who shall thereupon ascertain the facts and extent of any necessary delay, and extend the time for performing services for period of enforced delay when and if the District Manager's determination shall be final and conclusive upon the parties to this Agreement.

15. FAIR EMPLOYMENT

Consultant shall not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, condition of physical handicap, religion, ethnic background, or marital status, in violation of state or federal law.

16. HOLD HARMLESS/INDEMNIFICATION

Consultant agrees, to the fullest extent permitted by law, to indemnify and hold District, its Board members, officers, and employees, harmless from any damage, liability or cost (including reasonable attorneys' fees and costs of defense) to the extent caused by Consultant's negligent acts, errors or omissions in the performance of professional services under this Agreement and those of his or her sub-consultants or anyone for whom Consultant is legally liable.

17. INSURANCE REQUIREMENTS

A. Without limiting Contractor's indemnification of District, and prior to commencing any Services required under this Agreement, Consultant shall purchase and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:

1. Commercial General Liability Policy (bodily injury and property damage): Policy limits are subject to review, but shall in no event be less than, the following:

\$1,000,000 Each Occurrence
\$1,000,000 General Aggregate
\$1,000,000 Products/Completed Operations Aggregate
\$1,000,000 Personal Injury

2. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
3. Comprehensive Business Automobile Liability Insurance Policy with policy limits at minimum limit of not less than one million dollars (\$1,000,000) each accident using. Liability coverage shall apply to all owned, non-owned and hired autos.
4. Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of Consultant. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per claim/aggregate.

B. Evidence of Coverage. Prior to commencement of any services under this Agreement, Consultant, shall, at its sole cost and expense, purchase and maintain not less than the minimum insurance coverage with endorsements and deductibles indicated in this Agreement. Consultant shall file with District all certificates for required insurance policies for District's approval as to adequacy of insurance protection.

18. AMENDMENTS

It is mutually understood and agreed that no alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the Parties and incorporated into this Agreement. Such changes, which are mutually agreed upon by District and Consultant, shall be incorporated in amendments to this Agreement.

19. WAIVER

No term or provision hereof shall be deemed waived and no default or breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented to such breach. The consent by any party to, or waiver of, a breach or default by the other shall not constitute a consent to, waiver of, or excuse for, any other different or subsequent breach or default.

The failure of either party to insist upon or enforce strict conformance by the other party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment of such party's right unless made in writing and shall not constitute any subsequent waiver or relinquishment.

20. INTEGRATED DOCUMENT - TOTALITY OF AGREEMENT

This Agreement embodies the Agreement between District and Consultant and its terms and conditions. No other understanding, agreements, conversations or otherwise, with any officer, agent or employee of District prior to execution of this Agreement shall affect

or modify any of the terms or obligations contained in any documents comprising this Agreement. Any such verbal agreement shall be considered as unofficial information and in no way binding upon District.

Agreement Documents (including this Agreement and all its exhibits and amendments) comprise the entire Agreement between District and Consultant concerning the work to be performed for this project. Agreement Documents are complementary; what is called for in one of the Agreement Documents is binding as if called for by all of them.

21. SEVERABILITY CLAUSE

In the event any one or more of the provisions contained herein shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

If any part of this agreement is for any reason held to be excessively broad as to time, duration, geographical scope, activity or subject, it will be construed, by limiting or reducing it, so as to be enforceable to the extent reasonably necessary for the protection of the parties.

22. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to District addressed as follows:

Rick Rogers
District Manager
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006

And to Consultant addressed as follows:

Jodi McGraw, Ph.D.
Jodi McGraw Consulting
PO Box 221
Freedom, CA 95019

23. STATUTES AND LAW GOVERNING AGREEMENT

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California.

24. WAIVER OF CONSEQUENTIAL DAMAGES

District and Consultant mutually agree to waive all claims of consequential damages arising from disputes, claims, or other matters relating to this Agreement.

25. DISPUTE RESOLUTION

A. Unless otherwise mutually agreed to by the Parties, any controversies between Consultant and District regarding the construction or application of this Agreement, and claims arising out of this agreement or its breach, shall be submitted to

mediation within thirty (30) days of the written request of one Party after the service of that request on the other Party.

B. The Parties may agree on one mediator. If they cannot agree on one mediator, the Party demanding mediation shall request that the Superior Court, State of California, County of Santa Cruz appoint a mediator. The mediation meeting shall not exceed one day or eight (8) hours. The Parties may agree to extend the time allowed for mediation under this Agreement.

C. The costs of mediation shall be borne by the Parties equally.

D. Mediation under this section is a condition precedent to filing an action in any court.

E. In the event any legal action or proceeding is commenced to interpret or enforce the terms of, or obligations arising out of this Agreement, or to recover damages for the breach thereof, if the District is the Party prevailing in any such action or proceeding, it shall be entitled to recover from the non-prevailing Party all reasonable attorneys' fees, costs and expenses incurred by the District.

26. VENUE

In the event that suit shall be brought by either Party, the Parties agree that the venue shall be exclusively vested in the state courts of the State of California, County of Santa Cruz, or where otherwise appropriate, exclusively in the United States District Court, Northern District of California, San Jose.

27. SIGNATURES

The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of Consultant and District.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives. It is the intent of the Parties that this Agreement shall become operative on the Effective Date.

SAN LORENZO VALLEY WATER DISTRICT,

Rick Rogers
District Manager
San Lorenzo Valley Water District

Jodi McGraw, Ph.D.

Approved as to form:

Gina R. Nicholls
Attorney at Law
NOSSAMAN LLP

MEMO

TO: Board of Directors

FROM: District Manager

PREPARED BY: Environmental Programs Manager

SUBJECT: Biological Services for San Lorenzo Valley Water District's
Probation Tank Replacement Project

DATE: November 15, 2018

RECOMMENDATION

It is recommended that the Board of Directors review this memo and direct the District manager to enter into contract with Jodi McGraw Consulting for biological services for the Probation Tank Replacement Project.

BACKGROUND and TIMELINE

- **August 20, 2015** your Board of Directors accepted the Low-Effect Habitat Conservation Plan (HCP) for the Probation Tank Replacement Project located in sand parkland habitat. To mitigate the unavoidable impacts to the listed species, the District proposed to set aside and manage 0.895 acres of high-quality sandhills habitat which supports the three covered species within the Olympia Wellfield—a 170-acre property owned by the District, which is used for water supply and watershed protection.
- **November 2016** your Board of Directors created a Conservation Easement with the Land Trust of Santa Cruz County for the habitat set – aside area.
- **May 2017** CEQA was completed on Probation Tank Replacement Project.
- **October 2018** the District received the Native Endangered Species Habitat Conservation Plan for Endangered Wildlife Permit.
- **May 2018** your Board of Directors awarded bid to Canyon Springs Enterprises for the construction of the Probation Tank Replacement for \$1,829,652.
- **June 2018** the Notice to Proceed was issued.

- **September 2018** your Board of Directors approved a Non-Wasting Endowment, which was subsequently set up with the Foundation of Santa Cruz County as a requirement of the HCP.
- **September 27, 2019** – Projected Project Completion Date.

FINAL PERMIT REQUIREMENTS

The Board approved Habitat Conservation Plan and opted for option 1: Off Site mitigation at the District's Olympia Wellfield. The list of Avoidance, Minimization and Mitigation Measures which are required by Section 10 of the Endangered Species Act are detailed in the HCP and include a number of biological services which must be conducted by a qualified biologist during construction of the replacement tank. Tasks detailed in the proposal include:

1. Project Initiation: Meetings and document review, etc.
2. Preconstruction Activities: Biological Surveys, fencing & trainings.
3. Activities During Construction: Biological monitoring, record keeping, and compliance reports and preparation of a restoration plan.
4. Project Coordination and Administration

Total Projected Mitigation Costs for the entire Probation Tank Replacement Project are estimated at \$265,667 and include:

Non-wasting endowment: \$116,667

Conservation Easement = \$75,000

Biological Services and reporting = \$74,000

It is recommended that your board review the proposal and authorize the District Manager to enter into contract with Jodi McGraw for Biological Services to conduct biological services as required by the Native Endangered Species Habitat Conservation Plan for Endangered Wildlife Permit for the Probation Tank Replacement Project.

FISCAL IMPACT:

\$69,539.38

STRATEGIC PLAN:

Strategic Element 2.2 Environmental Review of Impacts to San Lorenzo River Watershed

Strategic Element 2.4 Watershed Stewardship

Strategic Element 3.0 Capital Improvement Program

Scope of Services

Provide Biological Services for the San Lorenzo Valley Water District's Probation Tank Replacement Project



Prepared by

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Submitted to

Brian Lee
District Manager
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek CA 95006

August 13, 2018

Introduction

This scope of services outlines work that will be completed by Jodi McGraw Consulting (JMc) to serve the San Lorenzo Valley Water District (District) as the District's Biologist on the Probation Tank Replacement Project (Project). Tasks within this scope were identified through review of the following Project documents provided to JMc by the District and its consultants:

- The Project Initial Study/Mitigated Negative Declaration (Biotic Resources Group 2015); and
- The Project Habitat Conservation Plan (McGraw 2017);
- The Initial Project Schedule (RSH 2018).

Synthesized from the requirements included in the above-listed documents, the tasks in this scope of services are designed to enable JMc to fulfill the responsibilities of the District's Biologist. The requirements associated with each task are listed parenthetically.

The tasks reflect the three main timeframes for project work:

1. Project Initiation;
2. Preconstruction; and
3. During and after Construction.

For each, the overall objective of the work of the District's Biologist is identified.

Table 1 summarizes the survey and monitoring activities as well as other required mitigation measures, which were synthesized from the HCP and IS/MND.

Tasks

Task 1: Project Initiation

Objective: Prepare to conduct the Project, by becoming more familiar with the Project components including their timeline for implementation, meeting Project staff, and preparing for pre-construction activities (Task 2).

Task 1.1: Review Documents

JMc will review all available project documents to identify mitigation requirements and conditions and roles and responsibilities of the District's Biologist.

Task 1.2: Participate in Pre-Construction Meeting

JMc will participate in a pre-construction meeting with District staff and other consultants/contractors, including the Project Engineer from MME which will be overseeing the project, and Project Manager from RSH Construction, which will be implementing the project. Preparation for the meeting will include creation of a task list that notes when activities must occur in advance of construction.

Task 2: Preconstruction Activities

Objective: Implement surveys and species protection measures that must be completed prior to initiation of ground-disturbing activities.

Task 2.1: Pre-Construction Assessments and Surveys

In this subtask, JMc will implement all surveys required to facilitate avoidance of special-status species. For each task, a series of three surveys will be needed, so that each area slated for disturbance is surveyed immediately prior to construction,

Task 2.1.1: Salvage Seed of Ben Lomond Spineflower and Ben Lomond Buckwheat

JMc will salvage seed of the Ben Lomond spineflower and Ben Lomond buckwheat from the disturbance envelope (HCP 5.2.1.1/IS MND Bio-2).

Task 2.1.2: Santa Cruz kangaroo rat survey

JMc will conduct a visual survey of project disturbance areas for sign of Santa Cruz kangaroo rat (IS/MND Bio-4). If sign is detected or habitat is otherwise determined likely to be occupied based on the initial assessment of habitat conditions and a review of available information about species locations, JMc will work to conduct a trapping survey to determine whether the disturbance envelope is occupied. If Santa Cruz kangaroo rats are detected, JMc will discuss survey results with the California Department of Fish and Wildlife (CDFW) to develop additional species protection measures.

Task 2.1.3: Nesting Bird Survey

For components of the project where construction will take place during the nesting bird season (February 1 – August 31), JMc will conduct a nesting bird survey (IS/MND Bio-5). Survey areas will include the project area and a 50-foot buffer area for passerines and a 250 foot buffer for raptors, bank swallows, and tri-colored blackbirds, provided access to adjoining lands is provided. Surveys will be conducted no more than 10 days prior to initiation of the construction activities; results will be verified again three days prior to outset of work. Nest searches will be conducted utilizing nest-finding methods described in the Handbook of Field Methods for Monitoring Landbirds (Ralph et al. 1993) during times when weather conditions are conducive to bird activity and visual detection. If nesting birds are detected, JMc will discuss survey results with CDFW to design additional species protection measures. JMc will monitor active nest sites during the period of construction in order to determine when birds have fledged.

Task 2.2: Fence Environmentally Sensitive Areas

JMc will assist the District and its contractor, RSH, as well as the Project Engineer, with efforts to fence and sign the perimeter of the project footprint (HCP 5.2.1.2) and also the rare plant species occurrences (IS/MND Bio-1). For the latter element, JMc will examine the project area for rare plants and advise on placement of the additional fencing.

JMc will be on site to monitor installation of the ESA fence, to ensure that the fence is located properly; JMc will also capture and relocate any special-status species that might be encountered during the fence installation.

During the course of ongoing project monitoring, JMc will ensure that the fences and associated signage remain intact by alerting the District and its Contractor to fences that are sagging, removed, or otherwise not functioning properly.

Task 2.3: Provide Worker Environmental Awareness Training

JMc will conduct training sessions to familiarize all construction personnel with the following: identification of Mount Hermon June beetle, Zayante band-winged grasshopper, and other protected wildlife and plants, as well as their habitat, general provisions and protections afforded by the ESA, measures implemented to protect the species, penalties for violation of the ESA, reporting requirements, and a review of project footprint boundaries. The training will be provided to SLVWD and/or their contractor(s) such that construction employees will participate in the training prior to working on-site.

To implement this task, JMc will:

1. Prepare a worker training sign-in sheet and Species Fact Sheet that includes the species protection measures in the HCP and mitigation requirements in the MMRP;
2. Conduct Initial Training for Crews prior to ground-disturbing activities in each new area;
3. Conduct follow up training for new personnel, and remedial training to address lapses in adherence to the measures, as part of ongoing construction monitoring; and
4. Maintain a list of all trained personnel.

Task 3: Activities During and After Construction

Objective: Facilitate species protection by conducting wildlife avoidance surveys and construction monitoring.

Task 3.1: Biological and Environmental (aka Construction) Monitoring

JMc will be present during construction of the Project in order to facilitate implementation of species protection measures, and to salvage and relocate out of harm's way any listed animal species.

JMc will be present during all vegetation removal and all ground-disturbing activities (HCP 5.2.1.5). Work crews will be instructed during the pre-construction training to cease activities that can impact the listed insects, until the biologist can safely remove them from the area. The biologist will herd out of harm's way any Zayante band-winged grasshoppers that are found in the project area. The biologist will capture and relocate any Mount Hermon June beetle to the intact habitat surrounding the impact area. Adults or larvae that are unearthed through soil disturbance will be re-buried at the approximate depth at which they were unearthed. If an adult Mount Hermon June beetle is found on the soil surface, then it will be relocated to a portion of the project site outside of the impact area and left on the soil surface in a location protected by vegetation.

In addition, JMc will conduct regular inspections of each Project site during all phases of the Project to ensure that the perimeter fencing and signs that delineate the impact area remain in place, that exposed soils are properly covered by impervious materials, and to salvage and relocate Mount Hermon June beetle (MHJB) and Zayante band-winged grasshopper (ZBWG) life stages.

While on site, JMc will also facilitate District and Contractor implementation of the following additional species protection measures:

- **Entrapment Avoidance (IS/MND-4):** JMc will facilitate efforts to avoid entrapment of sensitive species including SCKR, the listed insects, and other native species in pipes, culverts, trenches, and similar structures, by examining said features while on site; and
- **Construction-phase minimization and avoidance measures for sandhills species:** JMc will help ensure that Contractors cover any exposed soil during the MHJB flight season (HCP 5.2.1.3), implement appropriate dust-control measures during grading (IS/MND-2), and install appropriate outdoor night lighting (IS/MND-2).

The budget assumes JMc will be on site for monitoring 30 days, an estimate based on the current construction schedule (RSH 2018). An increase in the time required to conduct construction monitoring may necessitate an augmentation of this scope and budget.

Task 3.2: Construction Monitoring Record Keeping

JMc will create and maintain during construction monitoring a daily log which will be used to document all observations, species captures, compliance with the species protection measures, and remedial measures, among other aspects of construction monitoring. The log will include a hard-copy binder that will be left on site for agency personnel review as needed. It will also include an electronic database that will facilitate tracking and reporting as well as provide a backup should the hard copy log be lost or damaged. Finally, JMc will maintain a comprehensive database of digital photographs documenting site conditions during the project.

Task 3.3: Effects Monitoring

JMc will quantify the amount of incidental take at the end of each year the permit is active, and then again at the end of Project, by calculating the area of soil disturbance, and tallying the number of MHJB and ZBWG life stages that were found and translocated during the project. This information will be summarized in the Annual Compliance Monitoring Reports (Task 3.4).

Task 3.4: Prepare Annual HCP Compliance Reports

JMc will utilize the log and photographs to prepare annual reports, which will be provided to the USFWS by January 31st following each year of the permit. As outlined in Section 5.5 of the approved HCP, the reports will include the following:

1. A brief summary of project activities accomplished during the reporting year (e.g. this includes development/construction activities, and other covered activities);
2. Project impacts;
3. Description of take that occurred (based on disturbance envelope);
4. Observations of any of the covered species;

5. Brief description of conservation strategy implemented;
6. Compliance monitoring results;
7. Description of any changed or unforeseen circumstances that occurred and how they were addressed;
8. Funding expenditures, balance, and accrual; and
9. Description of any minor or major amendments.

For purposes of budgeting, this proposal assumes that construction will occur during 2017 and 2018 and therefore two annual reports will need to be prepared. Additional annual reports that will be needed for each year the permit is active will be prepared through subsequent scopes of works to cover restoration and management and monitoring.

Task 3.5: Prepare Restoration Plan

In this task, JMc will prepare the restoration plan that will describe how the area around the water tank that will be temporarily disturbed through construction will be restored to provide suitable habitat for the rare plants and insects in the HCP (HCP 5.2.2.1). JMc will prepare the restoration plan in coordination with the District and its contractors, including the Project Engineer, to ensure that the restoration meets any objectives related to slope stability and erosion.

JMc will an administrative draft restoration plan for review by the District and Project Engineer, a draft restoration plan for review by the US Fish and Wildlife Service, and a final restoration plan.

As part of this task, JMc will also collect the seed of native plant species that are in the project disturbance envelope prior to implementation of ground disturbing activities, so that the seed can be used in seeding as part of the restoration. Seed will be collected largely when biologists are on site to conduct construction monitoring or other on-site activities such that this task just covers additional time and costs associated with preparing to collect and storing the seed. Other tasks to implement the restoration will be covered in a separate scope of services developed based upon the restoration plan.

Task 4: Project Coordination and Administration

In this task, JMc will implement tasks to coordinate and administer the project.

Task 4.1: Project Meetings and Communications

JMc will attend weekly project coordination meetings held by MME and attended by the District and its contractor, either by phone or in person when needed, to check in on the project schedule and discuss any issues that may arise. JMc will also maintain clear communications with project participants via telephone and e-mail throughout the project.

Task 4.2: Project Administration

JMc will track all work by the Project Biologist on the project, maintaining all records of work and costs, and prepare quarterly progress reports and invoices for the District.

References

Biotic Resources Group. 2015. Probation Tank Replacement Project Initial Study and Mitigated Negative Declaration. Administrative draft document prepared for the San Lorenzo Valley Water District. June 19, 2015. 73 pages.

McGraw, J. M. 2017. Low-Effect Habitat Conservation Plan for the San Lorenzo Valley Water District's Probation Tank Replacement Project, Felton, CA. Prepared for the San Lorenzo Valley Water District. February 13, 2017. 72 pages plus appendices.

Ralph, C. J., G. R. Geupel, P. Pyle, T. E. Martin, and D. F. DeSante. 1993. Handbook of field methods for monitoring landbirds. Gen. Tech. Rep. PSW-GTR-144. Albany, CA: Pacific Southwest Research Station, Forest Service, USDA. 46 pages.

RSH Construction. 2018. Probation tank replacement schedule. August 2018.

Timeline

Tasks outlined during this scope of work are anticipated to occur over a one-year period, beginning in August 2018 when initial project startup will occur, and ending in July 2019 when demobilization is currently scheduled to occur. The actual timeline will depend on the onset and duration of construction.

Budget

Table 2 identifies the estimated costs to complete the project tasks. JMc will bill the District on a time-and-materials basis based on the labor and reimbursable mileage rates identified in the budget. While costs may vary for the individual tasks outlined in Table 2, depending on the actual level of effort required to implement the project tasks, the total costs will not exceed \$69,539.38 unless adjustments are approved by the District in writing.

Tables

Table 1: Summary of Probation Tank mitigation measures			
Measure	Description	Who	By When
Pre-Project			
HCP 5.2.1.1/IS MND Bio-2	Salvage seed of the Ben Lomond spineflower and Ben Lomond buckwheat from Project Footprint. Also collect seed of other native plants for use in restoration.	JMc	Prior to any ground disturbance
HCP 5.2.1.2	Fence and sign the perimeter of the project footprint	District	Prior to any ground disturbance
IS/MND Bio-1	Fence rare plant species occurrences mapped in 2015	District, JMc	Prior to any ground disturbance
HCP 5.2.1.4, IS MND Bio-3	Train all construction personnel regarding the covered species	JMc	Prior to any ground disturbance
HCP 5.2.2.2	Protect and Manage 0.995 acres of habitat at the Olympia Wellfield (i.e., record easement)	District, LTSCC	Within 6 months of any ground disturbing activities
IS/MND Bio-4	Survey the grading area for any evidence of kangaroo rats (i.e., burrows); if evidence present, implement a trapping program to relocate any kangaroo rats from the graded area	JMc for survey; BioSearch if trapping program needed	Prior to any ground disturbance
IS/MND Bio-5	Conduct pre-construction nesting bird surveys no more than two weeks prior to construction; establish buffer zones for any nests	JMc	No more than 2 weeks prior to construction between March and August
IS/MND GEO-1	Prepare a construction-period erosion control plan and spill prevention plan.	District or contractor	Prior to any ground disturbance
During Project			
HCP 5.2.1.3	Cover exposed soil nightly between May 1 and August 31 to avoid impacts to dispersing males	Contractor	May 1 – August 31 (if soil disturbance is occurring)
HCP 5.2.1.5	Monitor all ground-disturbing activities to reduce impacts to the covered species	JMc	During all ground-disturbance
HCP 5.2.1.2 and IS/MND Bio-1	Maintain the fencing throughout the project	District staff	Throughout project
IS/MND Bio-2	Minimize soil compaction by placing the equipment van on above-ground supports or other elevated devices (tires)	Contractor	When equipment is brought in or moved
IS/MND-2	Implement dust control including wetting down work areas	Contractor	During dust-producing activities (e.g., grading)

Table 1: Summary of Probation Tank mitigation measures			
Measure	Description	Who	By When
IS/MND-2	Construction contractors will use bulbs known to not attract nocturnal insects, to limit disruption to normal behaviors and breeding activities.	Contractor	May 1 – August 31
IS/MND-4	Cover all trenches nightly and inspect construction pits, culverts, or other areas stored on site before moving to ensure no kangaroo rats; if present, allow to exit or have biologist remove	Contractor and JMc	Throughout the project
IS/MND Cult-1	Halt excavation and have a qualified archaeologist evaluate any prehistoric or historic resources uncovered or encountered	Contractor, District, and archaeologist	Throughout the project
IS/MND CULT-2	Halt excavation and have a qualified paleontologist evaluate any paleontological resources (i.e., fossils) uncovered or encountered	Contractor, District, and paleontologist	Throughout the project
IS/MND GEO-1	Implement BMPs consistent with County Erosion Control Ordinance and CA Storm Water BMP handbook to retain sediment and cover surfaces during the rainy season.	District or contractor	Throughout the project
After Construction			
HCP 5.2.1.6	Avoid installing any new outdoor lighting	District	Throughout the project
HCP 5.2.1.7	Avoid ground cover that degrade habitat for the listed species	District, JMc	Following completion of construction
HCP 5.2.2.1, and IS/MND Bio-1, 2, and 3	Restore temporarily disturbed habitat within the Probation Tank Replacement Project Area	JMc	Following completion of construction
HCP 5.2.2.2 and IS MND Bio-1, 2, and 3	Prepare management plan and manage habitat within the 6.7-acre habitat set aside at Olympia	District with assistance from JMc	Management must begin this year, following preparation of management plan

Table 2: Estimated costs for completion of Project Biologists tasks for the Probation Tank Replacement Project

#	Task Item	Ecologist (\$105/hr.)		Assoc. Ecologist (\$75/hr.)		Travel (\$0.545/mile)		Total Costs (\$)
		Hrs.	Cost (\$)	Hrs.	Cost (\$)	Miles	Cost (\$)	
1	Project Initiation							
1.1	Review Documents	4	420	2	150		-	570.00
1.2	Participate in Pre-Construction Meeting	8	840			60	32.70	872.70
2	Preconstruction Activities		-				-	
2.1	Pre-Construction Assessments and Surveys		-				-	
2.1.1	Salvage Seed	2	210	6	450	70	38.15	698.15
2.1.2	Santa Cruz Kangaroo Rat Survey	4	420			42	22.89	442.89
						-		
2.1.3	Nesting Bird Survey	4	420			42	22.89	442.89
						-		
2.2	Fence Environmentally Sensitive Areas	6	630	12	900	210	114.45	1,644.45
2.3	Provide Worker Environmental Awareness Training	12	1,260	24	1,800	220	119.90	3,179.90
3	Activities During Construction		-				-	
3.1	Construction Monitoring	48	5,040	300	22,500	1,270	692.15	28,232.15
3.2	Construction Monitoring Record Keeping	16	1,680	32	2,400	1,560	850.20	4,930.20
3.3	Effects Monitoring	20	2,100	40	3,000	574	312.83	5,412.83
3.4	Annual HCP Compliance Reports	32	3,360	48	3,600	80	43.60	7,003.60
3.5	Prepare Restoration Plan	24	2,520	24	1,800	140	76.30	4,396.30
4	Project Coordination and Administration		-				-	
4.1	Project Meetings and Communications	40	4,200	60	4,500	1,896	1,033.32	9,733.32
4.2	Project Administration	16	1,680	4	300		-	1,980.00
	Total	236	24,780	552	41,400	6,164	3,359	69,539.38

Exhibit A

AGREEMENT FOR PROFESSIONAL SERVICES
by and between the
SAN LORENZO VALLEY WATER DISTRICT (District)
and
JODI MCGRAW PH.D. (Consultant)

PREAMBLE

This agreement for the performance of professional services ("Agreement") is made and entered into on this **15** day of **November, 2018** ("Effective Date"), by and between Jodi McGraw Consulting with its principal place of business located at **PO Box 221, Freedom, CA 95019** ("Consultant") and the San Lorenzo Valley Water District, a California County Water District, with its principal place of business located at 13060 Highway 9, Boulder Creek, CA 95006 ("District"). District and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A.** District desires to secure professional services as described in Exhibit A, entitled "Biological Services for San Lorenzo Valley Water District's Probation Tank Replacement Project." This document includes scope of work, which will be referred to as "Scope of Services" throughout this document and an Estimated Costs for Completion of Project, which will be referred to as the "Budget" throughout this document.
- B.** Consultant represents that it possesses the professional qualifications and expertise to provide such services and
- C.** The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

AGREEMENT PROVISIONS

1. SCOPE OF SERVICES

Except as specified in this Agreement, Consultant shall furnish all technical and professional services, including labor, material, equipment, transportation, supervision and expertise (collectively referred to as "Services") to satisfactorily complete the work required by District at its own risk and expense. Services to be provided to District are more fully described in Exhibit A, entitled "Scope of Services." All of the exhibits referenced in this Agreement are attached and incorporated by this reference.

2. TERM OF AGREEMENT

Consultant shall provide the services under the requirements of this Agreement commencing upon the date of execution of this Agreement by the parties. Consultant shall complete services within the time limits set forth in Scope of Services or as mutually determined in writing by Parties.

Exhibit A

3. RESPONSIBILITY OF CONSULTANT

Consultant shall be responsible for the quality, technical accuracy, and coordination of services furnished by it under this Agreement as outlined in Exhibit A. Consultant will endeavor to provide services in a manner consistent with the level of care and skill ordinarily exercised by other professionals providing the same service in the same locale. Consultant shall be solely responsible to District for the performance of Consultant, and any of his or her employees, agents, subcontractors, or suppliers, under these Agreement Documents.

4. RESPONSIBILITY OF DISTRICT

- A.** District has established a budget for professional services including all costs as outlined in Exhibits A. The District Manager, or designee, shall be District's authorized representative and will ensure all required budget, purchase orders, service orders and any other internal documentation necessary to comply with the terms of this Agreement are properly and timely prepared in order to enable Consultant to commence and continue services according to terms of the Agreement.
- B.** On behalf of District, the District Manager, or designee, shall be District's authorized representative in the interpretation and enforcement of all work performed in connection with this Agreement. The District Manager, or designee, shall render decisions in a timely manner pertaining to documents submitted by Consultant in order to avoid unreasonable delay in the orderly and sequential progress of Consultant's services. Consultant shall promptly comply with instructions from District Manager or designee. The District Manager will ensure all required budget, purchase orders, service orders and any other internal documentation necessary to comply with the terms of this agreement are properly and timely prepared in order to enable Consultant to continue services according to the terms of this Agreement.

5. PAYMENT OF COMPENSATION

- A.** In consideration for Consultant's performance of services, District shall pay Consultant for all services rendered by Consultant pursuant to Consultant's Standard Rate Schedule, the current version of which is outlined in Exhibit A [at Table 2](#). Payments made by District under this Agreement shall be the amounts charged for Services provided and billed by Consultant, subject to verification by District, pursuant to the standard rates set forth in [Table 2 to](#) Exhibit A. Consultant may begin services prior to the effective date of this agreement at its own risk, with the understanding that, upon District approval, District may choose to compensate consultant for services performed prior to authorization by District's Board of Directors, with the limits of the District Manager's authority.
- B.** Consultant shall bill District on a monthly basis for services provided by Consultant during the preceding month, subject to verification by District. Payment to Consultant for services will be made within thirty (30) days of date of Consultant invoice.
- C.** Compensation for the services hereunder shall be capped at **\$69,539.38** unless changed in writing by District.

Exhibit A

6. RIGHT TO TERMINATION

Both parties reserve the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days written notice to the other party. As of the date of termination, Consultant shall immediately cease all services hereunder, except such as may be specifically approved by both Consultant and District's authorized representative. Consultant shall be entitled to compensation for all services rendered prior to termination and for any services authorized by the authorized representative thereafter.

7. NO ASSIGNMENT OF AGREEMENT/SUCCESSORS IN INTEREST

This Agreement is a contract for professional services. District and Consultant bind themselves, their partners, successors, assigns, executors and administrators to all covenants of this Agreement. Except as otherwise set forth in this Agreement, no interest in this Agreement shall be assigned or transferred, either voluntarily or by operation of law, without the prior written approval of both parties.

8. NO AGENCY

Consultant shall not have authority, expressed or implied, to act on behalf of District as an agent, or to bind District to any obligations whatsoever, unless specifically authorized in writing by the District Manager or authorized representative.

9. NO THIRD PARTY BENEFICIARY

This Agreement shall not be construed to be an Agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

10. CONSULTANT IS AN INDEPENDENT CONSULTANT

It is agreed that in performing the work required under this Agreement, Consultant and any person employed by or contracted with Consultant to furnish labor and/or materials under this Agreement is neither an agent nor employee of District. Consultant has full rights to manage its employees subject to the requirements of the law.

11. CONFIDENTIALITY OF MATERIAL

All memoranda, specifications, plans, data, drawings, descriptions, documents, discussions or other information received by or for Consultant and all other written information submitted to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant and shall not, without the prior written consent of District, be used for any purposes other than the performance of the services nor be disclosed to an entity not connected with performance of the services. Nothing furnished to Consultant, which is otherwise known to Consultant or becomes generally known to the public or is of public record, shall be deemed confidential.

12. RIGHT OF DISTRICT TO INSPECT RECORDS OF CONSULTANT

District, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for three (3) years from the date of final payment

Exhibit A

for goods or services provided under this Agreement, to audit the books and records of Consultant for the purpose of verifying any and all charges made by Consultant in connection with Consultant's compensation under this Agreement, including termination of Consultant. Consultant agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to District. District shall disallow any expenses not so recorded.

Consultant shall submit to District any and all reports concerning its performance under this Agreement that may be requested by District in writing. Consultant agrees to assist District in meeting District's reporting requirements to the State and other agencies with respect to Consultant's services hereunder.

13. CORRECTION OF SERVICES

Consultant will be given the opportunity and agrees to correct any incomplete, inaccurate or defective services at no further cost to District, when such defects are due to the negligence, errors or omissions of Consultant.

14. FORCE MAJEURE

The time for performance of services to be rendered pursuant to this Agreement may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Consultant, including, but not restricted to, acts of God or of any public enemy, acts of the government, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes and unusually severe weather if Consultant shall, within ten (10) days of the commencement of such condition, notify the District Manager who shall thereupon ascertain the facts and extent of any necessary delay, and extend the time for performing services for period of enforced delay when and if the District Manager's determination shall be final and conclusive upon the parties to this Agreement.

15. FAIR EMPLOYMENT

Consultant shall not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, condition of physical handicap, religion, ethnic background, or marital status, in violation of state or federal law.

16. HOLD HARMLESS/INDEMNIFICATION

Consultant agrees, to the fullest extent permitted by law, to indemnify and hold District, its Board members, officers, and employees, harmless from any damage, liability or cost (including reasonable attorneys' fees and costs of defense) to the extent caused by Consultant's negligent acts, errors or omissions in the performance of professional services under this Agreement and those of his or her sub-consultants or anyone for whom Consultant is legally liable.

17. INSURANCE REQUIREMENTS

A. Without limiting Contractor's indemnification of District, and prior to commencing any Services required under this Agreement, Consultant shall purchase and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:

Exhibit A

1. Commercial General Liability Policy (bodily injury and property damage): Policy limits are subject to review, but shall in no event be less than, the following:

\$1,000,000 Each Occurrence
\$1,000,000 General Aggregate
\$1,000,000 Products/Completed Operations Aggregate
\$1,000,000 Personal Injury

2. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
3. Comprehensive Business Automobile Liability Insurance Policy with policy limits at minimum limit of not less than one million dollars (\$1,000,000) each accident using. Liability coverage shall apply to all owned, non-owned and hired autos.
4. Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of Consultant. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per claim/aggregate.

| B. Evidence of Coverage. Prior to commencement of any services under this Agreement, Consultant, shall, at its sole cost and expense, purchase and maintain not less than the minimum insurance coverage with endorsements and deductibles indicated in this Agreement. Consultant shall file with District all certificates for required insurance policies for District's approval as to adequacy of insurance protection.

18. AMENDMENTS

It is mutually understood and agreed that no alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the Parties and incorporated into this Agreement. Such changes, which are mutually agreed upon by District and Consultant, shall be incorporated in amendments to this Agreement.

19. WAIVER

No term or provision hereof shall be deemed waived and no default or breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented to such breach. The consent by any party to, or waiver of, a breach or default by the other shall not constitute a consent to, waiver of, or excuse for, any other different or subsequent breach or default.

The failure of either party to insist upon or enforce strict conformance by the other party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment of such party's right unless made in writing and shall not constitute any subsequent waiver or relinquishment.

Exhibit A

20. INTEGRATED DOCUMENT - TOTALITY OF AGREEMENT

This Agreement embodies the Agreement between District and Consultant and its terms and conditions. No other understanding, agreements, conversations or otherwise, with any officer, agent or employee of District prior to execution of this Agreement shall affect or modify any of the terms or obligations contained in any documents comprising this Agreement. Any such verbal agreement shall be considered as unofficial information and in no way binding upon District.

Agreement Documents comprise the entire Agreement ([including this Agreement and all its exhibits and amendments](#)) between District and Consultant concerning the work to be performed for this project. Agreement Documents are complementary; what is called for in one of the Agreement Documents is binding as if called for by all of them.

21. SEVERABILITY CLAUSE

In the event any one or more of the provisions contained herein shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

If any part of this agreement is for any reason held to be excessively broad as to time, duration, geographical scope, activity or subject, it will be construed, by limiting or reducing it, so as to be enforceable to the extent reasonably necessary for the protection of the parties.

22. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to District addressed as follows:

Rick Rogers
District Manager
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006

And to Consultant addressed as follows:

Jodi McGraw, Ph.D.
Jodi McGraw Consulting
PO Box 221
Freedom, CA 95019

23. STATUTES AND LAW GOVERNING AGREEMENT

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California.

24. WAIVER OF CONSEQUENTIAL DAMAGES

Exhibit A

District and Consultant mutually agree to waive all claims of consequential damages arising from disputes, claims, or other matters relating to this Agreement.

25. DISPUTE RESOLUTION

- A. Unless otherwise mutually agreed to by the Parties, any controversies between Consultant and District regarding the construction or application of this Agreement, and claims arising out of this agreement or its breach, shall be submitted to mediation within thirty (30) days of the written request of one Party after the service of that request on the other Party.
- B. The Parties may agree on one mediator. If they cannot agree on one mediator, the Party demanding mediation shall request that the Superior Court, State of California, County of Santa Cruz appoint a mediator. The mediation meeting shall not exceed one day or eight (8) hours. The Parties may agree to extend the time allowed for mediation under this Agreement.
- C. The costs of mediation shall be borne by the Parties equally.
- D. Mediation under this section is a condition precedent to filing an action in any court.
- E. In the event any legal action or proceeding is commenced to interpret or enforce the terms of, or obligations arising out of this Agreement, or to recover damages for the breach thereof, if the District is the Party prevailing in any such action or proceeding, it shall be entitled to recover from the non-prevailing Party all reasonable attorneys' fees, costs and expenses incurred by the District.

26. VENUE

In the event that suit shall be brought by either Party, the Parties agree that the venue shall be exclusively vested in the state courts of the State of California, County of Santa Cruz, or where otherwise appropriate, exclusively in the United States District Court, Northern District of California, San Jose.

27. SIGNATURES

The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of Consultant and District.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives. It is the intent of the Parties that this Agreement shall become operative on the Effective Date.

SAN LORENZO VALLEY WATER DISTRICT,

Rick Rogers
District Manager
San Lorenzo Valley Water District

Jodi McGraw, Ph.D.

Exhibit A

Approved as to form:

Gina R. Nicholls
Attorney at Law
NOSSAMAN LLP

Memo

To: Board of Directors
From: District Manager
Subject: Lompico Radio Survey and Path Study, Sole Source Procurement
Date: November 15, 2018

Recommendation:

It is recommended that the Board of Directors review this memo regarding the Lompico Water Pressure Zones SCADA Radio Survey and Path Study and to adopt the attached Resolution approving sole source procurement and to authorize the District Manager to enter into a contract to perform services in the amount of \$11,009.14.

Background

In June 2016 the District consolidated with Lompico County Water District. As part of the consolidation Lompico customers are participating in several capital replacement projects including replacement of the Supervisorial Control and Data Acquisition (SCADA) equipment as outlined in the Assessment District No. 2016-1 Engineering Report . These projects are being funded through the assessment district.

SCADA is a system of software and hardware elements that allows the District to monitor water tank levels, turn pumps on/off and to gather and process real-time data. SCADA directly interacts with devices such as sensors, valves, pumps, motors and more through human-machine interface (HMI) software.

To integrate Lompico water system to the Districts main SCADA system new equipment is required. As part of the process communication between facilities needs to be established. There are several ways to communicate such as radio, telephone lease lines and internet. Radio is the prefer communications method as is has a greater reliability and no monthly provider charges. To determine communications a radio survey and path study is required.

The Survey/Study will look at communications at the following facilities:

- Madrone Tanks
- Kaski Tanks
- Lewis Tank
- Madrone Booster
- Lompico Booster
- Nina Tanks
- Quail Tanks

The Districts Nina and Quail Tanks are included in the survey/study as these two facilities/locations are communication hubs and play a major role in communicating with the District's main SCADA system wide.

Emerson Process Management Power & Water Solutions, Inc. is the District's main SCADA provider and is proprietary.

District Rules and Regulations, Article XIV, Section 14.07 (a) Waiver of Provisions, states "Notwithstanding any other provision of these rules, the Board by four-fifths (4/5) vote may waive as to individual purchases, the competitive bidding requirements of these rules and may make such purchasing without calling for bids".

Staff is recommending the Board of Directors adopt the attached resolution waiving formal bidding procedures in accordance with District Rules and Regulations, Article 14.09(a) and authorize the District Manager to execute an agreement with Emerson Process Management Power & Water Solutions, for a Radio Survey & Path Study for the Lompico Water pressure zones in the amount of \$11,009.14.

Rick Rogers
District Manager

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 10 (18-19)**

**SUBJECT: LOMPICO RADIO SURVEY AND PATH STUDY, SOLE
SOURCE PROCUREMENT**

WHEREAS, in June 2016 the District consolidated with Lompico County Water District; and

WHEREAS, as part of the consolidation Lompico customers are participating in several capital replacement projects including replacement of the Supervisorial Control and Data Acquisition (SCADA) equipment as outlined in the Assessment District No. 2016-1 Engineering Report; and

WHEREAS, to integrate Lompico water system to the District's main SCADA system new equipment is needed requiring a Radio Survey and Path Study; and

WHEREAS, Emerson Process Management Power & Water Solutions, Inc. is the District's main SCADA provider and is proprietary and has presented a proposal to do the Radio Survey and Path Study; and

WHEREAS, District Rules and Regulations, Article XIV, Section 14.07(a) Waiver of Provisions, allows the Board of Directors to waive formal bidding procedures;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors that the Board approves sole source procurement by a four-fifths vote and authorizes the District Manager to enter into a contract with Emerson Process Management Power & Water Solutions, Inc. to perform services in the amount of \$11,009.14.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 15th day of November 2018, by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

Holly B. Hossack
Secretary of the Board
San Lorenzo Valley Water District



Emerson
Power & Water Solutions, Inc.
200 Beta Drive
Pittsburgh, PA 15238

October 12, 2018

San Lorenzo Valley Water District
13060 Hwy 9
Boulder Creek CA, 95006

Attention: Scott Mattoch
Subject: Radio Survey and Path study at San Lorenzo Valley Water District - Lompico
Emerson Process Management Power & Water Solutions
Offer No. WAS-AM-18DM0878

Dear Mr. Mattoch,

Emerson Process Management Power & Water Solutions, Inc. part of the Emerson Automation Solutions family of business units (Emerson), is pleased to submit this offer to San Lorenzo Valley Water District for a Radio Survey and Path study. This offer consists of the contents of this letter (including attachments) and any reference made herein.

Scope of Work

The scope of this radio survey is to assess customer communications options for the Lompico SCADA system.

The system to be surveyed consists of the following sites:

1. Madrone Tanks
2. Kaski Tanks
3. Lewis Tank
4. Madrone Booster
5. Lompico Booster
6. Nina Tanks
7. Quail Tanks

The radio survey effort will be as follows:

1. Generation of Terrain Path Profiles utilizing Latitude & Longitude data previously provided.
2. Establish a system block diagram based upon the Terrain Path Profiles
3. Visit each remote site and conduct a set of on-the-air RF signal level measurements using "sized" transmitters and receivers in the proposed frequency band of operation
4. Provide a comprehensive report describing the recommended technical approach and the recommended hardware arrangements with proposed B/M, etc. for each site.
5. The report shall include a detailed analysis of measured and projected radio signal levels at each site location.
6. Also included will be photographs of all sites showing the general area, paths/obstructions as viewed towards the appropriate repeater or central sites, etc.
7. Our scope does not include any bucket truck rental.

Price for three (3) days of On-Site Survey consisting of approximately Seven (7) sites:
Total: \$11,009.14

General Clarifications and Exceptions

1. Radio Survey may require the usage of a 50-foot towable Man Lift. Cost of Man Lift with OSHA Certified Lift operator and/or traffic safety personnel is not included in the proposed offer cost. This may be required at locations where insufficient signal level is received at the usual antenna test height
2. The Survey will require Emerson Process Management personnel on-site for a maximum of two (2) days.
3. A "guide" familiar with site locations must be provided by the customer ≈ 8 AM to 5 PM.
4. Access to all the sites will need to be properly coordinated as to allow for temporary mounting of test antennas required to conduct the measurement phase of the survey. This includes access to any existing tanks/towers, etc.
5. Pricing doesn't include installation of the proposed radio equipment; the customer is responsible for any removal and/or physical installation of antennas, poles, etc.
6. Work shall be performed as per mutual agreed schedule.

Terms and Conditions

This offer expressly limits acceptance to the terms of this offer including the terms and conditions set forth in the attached Emerson Process Management Terms & Conditions of Sale Form B (01 08) and Software License Agreement. Freight and handling charges shall be added.

Proprietary Information

This offer and any subsequent communications relative to this offer are considered to be proprietary information of Emerson. Accordingly, such proprietary information shall not published, used, reproduced, transmitted, or disclosed to others outside your organization without prior written consent by Emerson.

Bid Validity

This offer shall remain valid for ninety (90) days from the date of this letter, unless otherwise extended, modified, or withdrawn in writing by Emerson. The return of a purchase order or any other reasonable manner of acceptance communicated to us during such validity period will be sufficient to form an agreement based exclusively on the terms and conditions of this offer.

Ordering

Thank you for the opportunity to submit this offer. If you have any questions regarding our estimate or should you require additional information please your local Emerson sales representative Mike Yamrus at 732-682-0502.

Our ControlWave Storefront customer service will accept and process purchase orders for these items. If you would like to place an order for the items listed in this offer, please email your purchase order referencing the offer and its terms to the following email address;

PWS.WAS_Storefront@Emerson.com

Further information and instruction can also be found at our web site, located here

<https://www.ovationusers.com/ControlWave/NET/Default.aspx>

Sincerely,

Diego Mora / Mike Yamrus

Emerson Automation Solutions
Power & Water Solutions, Inc.

Attachment(s): Emerson Process Management Terms & Conditions of Sale Form B (01 08)
Software License Agreement

TERMS AND CONDITIONS OF SALE

These terms and conditions, the attendant quotation or acknowledgment, and all documents incorporated by reference therein, binds seller (i.e. Fisher Controls International LLC, Rosemount Inc., Fisher-Rosemount Systems Inc., or other Emerson Process Management Group Company) hereinafter the Seller, and the buyer, hereinafter Buyer, and constitutes the entire agreement (Agreement) between Buyer and Seller for the provision of services (Services) and/or the sale of goods (Goods) including (except as provided in Section 10) firmware incorporated therein.

1. **PRICES:** Unless otherwise specified by Seller, Seller's price for the Goods and/or Services shall remain in effect for thirty (30) days after the date of Seller's quotation or acceptance of the order for the Goods/Services, whichever is delivered first, provided an unconditional, complete authorization for the immediate manufacture and shipment of the Goods and/or provision of Services pursuant to Seller's standard order processing procedures is received and accepted by Seller within such time period. If such authorization is not received by Seller within such thirty (30) day period, Seller shall have the right to change the price for the Goods/Services to Seller's price in effect for the Goods/Services at the time the order is released to final manufacture. Prices for Goods do not cover storing, installing, starting up or maintaining Goods unless expressly stated in Seller's quotation. Notwithstanding the foregoing, the price for Goods/Services sold by Seller, but manufactured by others, shall be Seller's price in effect at the time of shipment to Buyer.
2. **DELIVERY, ORDER ACCEPTANCE AND DOCUMENTATION:** All shipping dates are approximate and are based upon Seller's prompt receipt of all necessary information from Buyer to properly process the order. Notwithstanding any provisions to the contrary in this or other documents related to this transaction, and regardless of how price was quoted, whether FOB, FAS, CIF or otherwise, legal title to the Goods and risk of loss thereto shall transfer to Buyer as follows: for sales in which the end destination of the Goods is within the United States, upon delivery to the freight carrier at the shipping point; for sales in which the end destination of the Goods is outside of the United States, immediately after the Goods have passed beyond the territorial limits of the United States. Acceptance of all orders placed by Buyer pursuant to this Agreement shall take place exclusively in Austin, Texas. Seller shall provide Buyer with that data/documentation which is specifically identified in the quotation. If additional copies of data/documentation or non-standard data/documentation are to be provided by Seller, they shall be provided to Buyer at Seller's price then in effect. Data/documentation marked as confidential or proprietary may not be reproduced or used for any purpose other than the purpose for which it was provided and may not be disclosed to third parties without the prior written permission of Seller.
3. **EXCUSE OF PERFORMANCE:** Seller shall not be liable for delays in performance or for non-performance due to failure or interruption of computer or telecommunication systems, acts of God, war, riot, fire, terrorism, labor trouble, unavailability of materials or components, explosion, accident, compliance with governmental requests, laws, regulations, orders or actions, or other unforeseen circumstances or causes beyond Seller's reasonable control. In the event of such delay, the time for performance or delivery shall be extended by a period of time reasonably necessary to overcome the effect of the delay.
4. **TERMINATION AND SUSPENSION BY BUYER:** Buyer may terminate or suspend its order for any or all of the Goods/Services covered by the Agreement only upon Seller's written consent or pursuant to Seller's applicable policy or practices covering such termination or suspension.
5. **LIMITED WARRANTY:** Seller warrants that the Goods manufactured by Seller will be free from defects in materials or workmanship under normal use and care and Services will be performed by trained personnel using proper equipment and instrumentation for the particular Service provided. The foregoing warranties will apply until the expiration of the applicable warranty period. Goods are warranted for twelve (12) months from the date of initial installation or eighteen (18) months from the date of shipment by Seller, whichever period expires first. Consumables and Services are warranted for a period of 90 days from the date of shipment or completion of the Services. Products purchased by Seller from a third party for resale to Buyer ("Resale Products") shall carry only the warranty extended by the original manufacturer. Buyer agrees that Seller has no liability for Resale Products beyond making a reasonable commercial effort to arrange for procurement and shipping of the Resale Products. If Buyer discovers any warranty defects and notifies Seller thereof in writing during the applicable warranty period, Seller shall, at its option, correct any errors that are found by Seller in Services or repair or replace F.O.B. point of manufacture that portion of the Goods found by Seller to be defective, or refund the purchase price of the defective portion of the Goods/Services. All replacements or repairs necessitated by inadequate maintenance, normal wear and usage, unsuitable power sources or environmental conditions, accident, misuse, improper installation, modification, repair, use of unauthorized replacement parts, storage or handling, or any other cause not the fault of Seller are not covered by this limited warranty, and shall be at Buyer's expense. Seller shall not be obligated to pay any costs or charges incurred by Buyer or any other party except as may be agreed upon in writing in advance by Seller. All costs of dismantling, reinstallation and freight and the time and expenses of Seller's personnel and representatives for site travel and diagnosis under this warranty clause shall be borne by Buyer unless accepted in writing by Seller. Goods repaired and parts replaced by Seller during the warranty period shall be in warranty for the remainder of the original warranty period or ninety (90) days, whichever is longer. This limited warranty is the only warranty made by Seller and can be amended only in a writing signed by Seller. THE WARRANTIES AND REMEDIES SET FORTH ABOVE ARE EXCLUSIVE. THERE ARE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER MATTER WITH RESPECT TO ANY OF THE GOODS OR SERVICES.
6. **LIMITATION OF REMEDY AND LIABILITY:** SELLER SHALL NOT BE LIABLE FOR DAMAGES CAUSED BY DELAY IN PERFORMANCE. THE REMEDIES OF BUYER SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE. IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR CAUSE OF ACTION (WHETHER BASED IN CONTRACT, INFRINGEMENT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE), SHALL SELLER'S LIABILITY TO BUYER AND/OR ITS CUSTOMERS EXCEED THE PRICE TO BUYER OF THE SPECIFIC GOODS MANUFACTURED OR SERVICES PROVIDED BY SELLER GIVING RISE TO THE CLAIM OR CAUSE OF ACTION. BUYER AGREES THAT IN NO EVENT SHALL SELLER'S LIABILITY TO BUYER AND/OR ITS CUSTOMERS EXTEND TO INCLUDE INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES. THE TERM "CONSEQUENTIAL DAMAGES" SHALL INCLUDE, BUT NOT BE LIMITED TO, LOSS OF ANTICIPATED PROFITS, REVENUE OR USE AND COSTS INCURRED INCLUDING WITHOUT LIMITATION FOR CAPITAL, FUEL AND POWER, AND CLAIMS OF BUYER'S CUSTOMERS. THIS SECTION SHALL PREVAIL OVER ALL OTHER PROVISIONS IN THIS AGREEMENT.
7. **PATENTS:** Seller shall defend any suits brought against Buyer based on a claim that use of the Goods manufactured by Seller constitutes an infringement of a valid patent of the United States, and shall pay any damages awarded therein against Buyer, provided that Buyer: promptly notifies Seller in writing of the filing of such suit or the threat thereof; permits Seller to control completely the defense or compromise of such claim of infringement; and provides all reasonable assistance and cooperation requested by Seller for the defense of such suit. In the event that only the Goods manufactured by Seller are held to be infringing in such suit and their use is enjoined, Seller shall, at its sole option and expense, provide a commercially reasonable alternative, including, but not limited to, procuring for Buyer the right to continue using the Goods, replacing them with a non-infringing product or modifying them so they become non-infringing. Buyer agrees that Seller shall not be liable for infringement, and that Buyer shall fully indemnify Seller therefore, if infringement is based upon the use of Goods in connection with goods not manufactured by Seller or in a manner for which

the Goods were not designed by the Seller or if the Goods were not designed by the Seller or if the Goods were designed by the Buyer or were modified by or for the Buyer in a manner to cause them to become infringing.

8. **TAXES:** Any tax or governmental charge payable by the Seller because of the manufacture, sale or delivery of the Goods, or provision of Services, may at Seller's option be added to the price herein specified. The foregoing shall not apply to taxes based upon Seller's net income.

9. **TERMS OF PAYMENT:** Unless otherwise agreed by Seller, and subject to the approval of Seller's Credit Department, terms are F.O.B. shipping point, net 30 days from date of Seller's invoice in U.S. currency, except for applicable milestone payments or export shipments for which Seller may require other arrangements. Freight charges may include shipping and handling charges, and Buyer shall pay all such charges. If any payment owed to Seller hereunder is not paid when due, it shall bear interest, at a rate to be determined by Seller which shall not exceed the maximum rate permitted by law, from the date on which it is due until it is received. Seller shall have the right, among other remedies, either to terminate the Agreement or to suspend further deliveries under this and/or other agreements with Buyer in the event Buyer fails to make any payment hereunder when due. Buyer shall be liable for all expenses attendant to collection of past due amounts, including attorneys' fees.

10. **SOFTWARE AND FIRMWARE:** Notwithstanding any other provision herein to the contrary, Seller or applicable third party owner shall retain all rights of ownership and title in its respective firmware and software, including all copyrights relating to such firmware and software and all copies of such firmware and software. Except as otherwise provided herein, Buyer is hereby granted a nonexclusive, royalty free license to use firmware and software, and copies of firmware and software, incorporated into the Goods only in conjunction with such Goods and only at the Buyer's plant site where the Goods are first used. Buyer's use of certain firmware and all other software shall be governed exclusively by Seller's and/or third party owner's applicable license terms.

11. **BUYER SUPPLIED DATA:** To the extent that Seller has relied upon any data or information supplied by Buyer to Seller ("Data") in the selection or design of the Goods and/or provision of the Services and the preparation of Seller's quotation, and the Data is inadequate or inaccurate, any warranties or other provisions contained herein which are affected by such conditions shall be null and void.

12. **EXPORT/IMPORT:** Buyer agrees to comply with all applicable import and export control laws, regulations, orders and requirements, including without limitation those of the United States and the European Union, and the jurisdictions in which the Seller and Buyer are established or from which items may be supplied.

GENERAL PROVISIONS: (a) Buyer shall not assign its rights or obligations under the Agreement without Seller's prior written consent. (b) There are no understandings, agreements or representations, express or implied, not specified in the Agreement. (c) No action, regardless of form, arising out of transactions under the Agreement, may be brought by either party more than two [2] years after the cause of action has accrued. (d) Any modification of these terms and conditions must be set forth in a written instrument signed by a duly authorized representative of Seller. (e) The Agreement is formed and shall be construed, performed and enforced under the laws of the State of Missouri. However, Buyer and Seller agree that the proper venue for all actions arising under the Agreement shall be only in the USA and in the State where the Goods involved in such actions were manufactured. (f) **UNLESS OTHERWISE SPECIFICALLY PROVIDED IN SELLER'S QUOTATION, GOODS AND SERVICES HEREUNDER ARE NOT INTENDED FOR USE IN ANY NUCLEAR OR NUCLEAR RELATED APPLICATIONS.** Buyer (i) accepts Goods and Services in accordance with the restriction set forth in the immediately preceding sentence, (ii) agrees to communicate such restriction in writing to any and all subsequent purchasers or users and (iii) agrees to defend, indemnify and hold harmless Seller from any and all claims, losses, liabilities, suits, judgments and damages, including incidental and consequential damages, arising from use of Goods and Services in any nuclear or nuclear related applications, whether the cause of action be based in tort, contract or otherwise, including allegations that the Seller's liability is based on negligence or strict liability. (g) The 1980 United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement. (h) If any provision of the Agreement is invalid under any statute or rule of law, such provision, to that extent only, shall be deemed to be omitted without affecting the validity of the remainder of the Agreement (i) Seller specifically objects to the application of any Federal Acquisition Regulation ("FAR") or other governmental procurement provision or clause to the Agreement. (j) The rights, remedies and protections afforded to Seller under this Agreement, including but not limited to indemnification of Seller, limitation of remedy and liability and limited warranty, shall extend to Seller and to its affiliates, subsidiaries or related companies performing or supplying work, services or products under this Agreement or any agreement into which it is incorporated by reference. (k) Seller does not agree to: (i) indemnify Buyer; or (ii) name Buyer as an additional insured.

MEMO

TO: Board of Directors

FROM: District Manager
PREPARED BY: Environmental Manager

SUBJECT: Resolution to Ratify the Joint Exercise of Powers Agreement Creating the Santa Margarita Groundwater Agency

DATE: November 15, 2018

RECOMMENDATION:

It is recommended that the Board of Directors review this memo and accept Chuck Baughman's signature as the valid, proper and authorized signature on the JPA Agreement. And ratify and confirm the JPA Agreement as of its effective date.

BACKGROUND:

On June 1, 2017 SLVWD entered into a Joint Exercise of Powers Agreement with Scott's Valley Water District and the County of Santa Cruz, creating the Santa Margarita Groundwater Agency (JPA Agreement).

On May 25, 2017 then President Gene Ratcliffe was authorized to sign the JPA Agreement. At that time another member of the SLVWD Board, then Vice President Chuck Baughman signed the JPA Agreement.

In order to accept Chuck Baughman's signature as valid, proper and authorized the SLVWD Board needs to ratify the attached resolution and ratify and confirm the JPA Agreement as of its effective date.

FISCAL IMPACT:
\$0

**San Lorenzo Valley Water District
Resolution to Ratify the Joint Exercise of Powers Agreement
Creating the Santa Margarita Groundwater Agency**

RESOLUTION NO. 9 (18-19)

WHEREAS, the Board of Directors (“**Board**”) of the San Lorenzo Valley Water District (“**SLVWD**”) entered into that certain Joint Exercise of Powers Agreement dated June 1, 2017 by and among the Scotts Valley Water District, the SLVWD and the County of Santa Cruz creating the Santa Margarita Groundwater Agency (“**JPA Agreement**”).

WHEREAS, under Agenda Item 13(b) at SLVWD’s special Board meeting on May 25, 2017, Board President Gene Ratcliffe was authorized to sign the JPA Agreement;

WHEREAS, another member of the SLVWD’s Board, Vice President Chuck Baughman, signed the JPA Agreement on behalf of SLVWD;

WHEREAS, SLVWD desires to accept Chuck Baughman’s signature as the valid, proper and authorized signature on behalf of SLVWD, and to ratify and confirm the JPA Agreement as of its effective date.

NOW THEREFORE be it resolved by the Board of Directors of the SLVWD:

RESOLVED, that Vice President Chuck Baughman’s signature shall be accepted as the valid, proper and authorized signature on behalf of SLVWD on the JPA Agreement.

FURTHER RESOLVED, that the JPA Agreement is hereby ratified and confirmed by SLVWD as of its effective date, and shall remain in full force and effect in accordance with its original terms and provisions.

Passed and adopted this 15th day of November, 2018 by the following roll call vote:

AYES,
NOES,
ABSENT,
ABSTAIN

Approved: _____
Board President, SLVWD

Attest: _____
Secretary of the Board, SLVWD

MEMO

TO: Board of Directors

FROM: District Manager

SUBJECT: DISCUSSION AND POSSIBLE ACTION REGARDING THE DRAFT JOINT POWERS AUTHORITY (JPA) FOR THE SANTA MARGARITA BASIN GROUNDWATER SUSTAINABILITY AGENCY (GSA).

DATE: MAY 25, 2017

RECOMMENDATION:

✓ The Board should review and approve the draft Santa Margarita GSA JPA and authorize the Board President to execute same.

The Board should approve two representatives and one alternate representative to the SMGA Board of Directors.

The Board should terminate the District's participation in the Santa Margarita Groundwater Basin Advisory Committee and approve dissolution of same.

BACKGROUND:

On September 16, 2014, Gov. Jerry Brown signed the Sustainable Groundwater Management Act of 2014 (SGMA).

On November 16, 2015, the Department of Water Resources implemented a key provision of the groundwater law - the new Basin Boundary Regulations, which outline the process that local agencies need to follow to request that DWR modify the boundaries of a groundwater basin or sub basin, or the creation of new sub basin.

The District submitted a basin boundary modification request to the Department of Water Resources (DWR) in March 2016 and DWR approved basin boundary revision request with modifications in September 2016.

Pursuant to the decision of the Santa Margarita Groundwater Basin Advisory Committee, a Groundwater Sustainability Agency (GSA) Formation Committee was established in May 2016. The committee met regularly, preparing a draft Joint Powers Agreement (JPA) for the proposed Santa Margarita Groundwater Agency. Two public meetings were held to engage and involve the impacted parties and stakeholders.

The Santa Margarita Groundwater Basin Advisory Committee held a meeting on April 19th to review the draft JPA and consider public comments. Based on the stakeholder input the agreement was modified to allow for more flexibility in appointing the representatives of the member agencies and non-municipal pumpers. Attached is the final draft of the JPA and the initial draft of the SMGA Bylaws that will be finalized and adopted within the first 6 months from the first meeting of the SMGA Board.

The San Lorenzo Valley Water District along with the Scotts Valley Water District and the County of Santa Cruz will be the founding members of the agency. The Board of Directors of SMGA will consist of eleven Directors: in addition to the two representatives from each of the member agencies, one representative from the City of Scotts Valley, one representative from the City of Santa Cruz, one representative from the Mt. Hermon Association and two representatives for private well owners. Each member agency may also appoint one alternate to act as a substitute for either of member's directors.

As a first order of business, the Board of SMGA will finalize and adopt the bylaws, develop a budget and establish any necessary committees. Agency administration and management will be conducted using a collaborative staffing model in which the professional and technical staff of the member agencies work together to provide staff leadership, management and administration of the agency. Required staffing support for implementation of the agency's work plan will most likely comprise in-kind contributions of staff resources from member agencies and/or contract employees.

The District has been a signatory to the Memorandum of Understanding for Santa Margarita Groundwater Basin Advisory Committee since 1995. The advisory committee has been responsible for making recommendations for the cooperative groundwater management of the basin, advising member agencies and promoting development of the new water resources and maintenance of the existing ones. With the creation of the Santa Margarita Groundwater Agency, the advisory committee becomes redundant.

STRATEGIC PLAN:

Element 7.1 - Develop strategic Partnerships with Other Agencies

FISCAL IMPACT:

Estimated first year budget for the Santa Margarita Groundwater Agency is \$360,000, funded by the three member agencies (SLVWD - 39%, SVWD - 53%, County - 8%). SLVWD's proportional cost share is \$140,400.

**SAN LORENZO VALLEY WATER DISTRICT
SPECIAL BOARD MEETING MINUTES**

May 25, 2017
5:00 p.m.

CONVENE MEETING/ROLL CALL:

President Ratcliffe convened the meeting at 5:00 p.m.

Drs. Smallman, Baughman, Ratcliffe, Hammer and Bruce were present. District Manager Lee, Director of Operations Rogers and District Counsel Hynes were also present.

ORAL COMMUNICATIONS:

B. Holloway, Boulder Creek, addressed the Board.

ADJOURNMENT TO CLOSED SESSION:

President Ratcliffe adjourned to closed session at 5:10 p.m.

RECONVENE TO OPEN SESSION:

Pres. Ratcliffe reconvened the meeting to open session at 6:32 p.m.

REPORT ACTIONS TAKEN IN CLOSED SESSION:

President Ratcliffe reported the following:

4a Conference with Legal Counsel-Liability Claims - Ballard
A motion was made to deny the claim in full. The motion passed.

4d Conference with Legal Counsel-Liability Claims - DeBert
A motion was made to deny the claim. The motion passed unanimously.

A motion was made to move Oral Communications to the end of the meeting. All voted in favor.

DISTRICT MANAGER REPORTS:

CONSENT AGENDA:

Director Bruce requested that items 12a and 12f be pulled from the consent agenda because she was not present for those meetings.

A motion was made to approve items 12b, 12c, 12d and 12e. All Board members voted in favor.

A motion was made to approve items 12a and 12f. The motion passed with 4 Board members voting in favor and Dir. Bruce abstaining.

UNFINISHED BUSINESS:

13a LOMPICO SURCHARGE

R. Musitelli read a letter from Supervisor McPherson.

L. Hammack, L. Henry & D. Loewen, Lompico, and B. Holloway addressed the Board.

A motion was made to lower the Lompico Surcharge to \$18.50 beginning in June 2017 and to eliminate the surcharge on January 1, 2018. All Board Members voted in favor of the motion.

13b FORMATION OF GROUNDWATER SUSTAINABILITY AGENCY JOINT POWERS AUTHORITY

L. Hammack, B. Holloway, N. Moore, Felton and N. Macy, Boulder Creek, addressed the Board.

A motion was made to approve the JPA as presented. All Board Members voted in favor.

A motion was made to appoint Pres. Ratcliffe and Vice Pres. Baughman as the SLVWD members and Dir. Hammer as the alternate. All Board Member voted in favor.

A 10 minute recess was taken.

NEW BUSINESS:

14a ADMINISTRATIVE COMMITTEE RECOMMENDATIONS FOR DISTRICT COUNSEL - PRESENTATIONS BY CANDIDATES

B. Holloway addressed the Board.

A motion was made to engage and further negotiate with Nossaman.

R. Shaw, Lompico, addressed the Board.

The Board voted unanimously in favor of the motion.

14b ON CALL AS NEEDED - ENGINEERING SERVICES

A motion was made to approve up to \$60,000 for Water Systems Consulting, Inc. as on call as need engineering services,

D. Loewen addressed the Board.

The Board voted unanimously in favor of the motion.

14c FISH MONITORING CONTRACT

N. Macy, N. Moore, P. Norcutt, Felton, D. Alley, Ben Lomond and J. Ricker, SC County addressed the Board.

14d 2017 CLASSIS WATERSHED EDUCATION GRANTS

A motion to approve the recommendations of the Grants Commission and adopt Resolution No. 28 (16-17) was made. All in present voted in favor.

14e LOWER PASO TANK FENCING

No action was taken.

14f PRELIMINARY 2017/18 BUDGET REVIEW

No action was taken.

14g DROUGHT SURCHARGE

L. Hammack addressed the Board.

No action was taken.

14h PASATIEMPO WELL 7 REHABILITATION

A motion was made to approve a contract with Hydrogeological Services for rehabilitation of the Pasatiempo Well 7. All present voted in favor.

ORAL COMMUNICATIONS:

L. Hammack and B. Holloway addressed the Board.

ADJOURNMENT:

President Ratcliffe adjourned the meeting at 9:47 p.m.

Memo

To: Board of Directors
From: District Manager
Subject: Probation Tank SCADA Equipment, Sole Source Procurement
Date: November 1, 2018

Recommendation:

It is recommended that the Board of Directors review this memo and adopt the attached Resolution approving sole source procurement of SCADA equipment for the Probation Tank Replacement Project and authorize the District Manager to enter into a contract with Emerson Process Management Power & Water Solutions to perform services in the amount of \$33,410.00.

Background

The District is in the process of replacing the Probation Water Tank. As part of the project all SCADA equipment is being replaced. Existing equipment requires copper communications wire to be run cross-county across Santa Cruz Sandhills, which features habitat suitable for federally endangered Mount Hermon June Beetle. The new equipment will communicate via radio transmissions and will be solar powered.

Emerson Process Management Power & Water Solutions, Inc. is the District's main SCADA provider and is proprietary.

District Rules and Regulations, Article XIV, Section 14.07 (a) Waiver of Provisions, states "Notwithstanding any other provision of these rules, the Board by four-fifths (4/5) vote may waive as to individual purchases, the competitive bidding requirements of these rules and may make such purchasing without calling for bids".

Staff is recommending the Board of Directors adopt the attached resolution waiving formal bidding procedures in accordance with District Rules and Regulations, Article 14.09(a) and authorize the District Manager to execute an agreement with Emerson Process Management Power & Water Solutions, for Probation Tank SCADA equipment in the amount of \$33,410.00.

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 11 (18-19)

SUBJECT: PROBATION TANK SCADA SOLE SOURCE PROCUREMENT

WHEREAS, the District is in the process of replacing the Probation Water Tank; and

WHEREAS, as part of the project all SCADA equipment is being replaced; and

WHEREAS, Emerson Process Management Power & Water Solutions, Inc. is the District's main SCADA provider and is proprietary; and

WHEREAS, District Rules and Regulations, Article XIV, Section 14.07 (a) Waiver of Provisions, states "Notwithstanding any other provision of these rules, the Board by four-fifths (4/5) vote may waive as to individual purchases, the competitive bidding requirements"

NOW THEREFORE, BE IT RESOLVED the Board of Directors waives competitive bidding and authorizes the District Manager to execute an agreement with Emerson Process Management Power & Water Solutions, for Probation Tank SCADA equipment in the amount of \$33,410.00.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 15th day of November 2018, by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

Holly B. Hossack
Secretary of the Board
San Lorenzo Valley Water District

MEMO

To: Board of Directors

From: District Manager

Subject: Probation Tank Replacement Project (CIP 5890-1201), Contract Amendment Construction Administrative Services MME Civil and Structural Engineering

Date: November 15, 2018

Recommendation

It is recommended that the Board of Directors review this memo and by motion of the Board authorize the District Manager to execute a contract amendment with MME Civil and Structural Engineering for the Probation Water Tank Replacement Project (CIP 5890-1201) for Construction Administrative Services, totaling \$262,750.00.

Background

On May 17, 2018 the Board of Directors awarded bid for the replacement of the Probation Tank to Canyon Springs Enterprises totaling \$1,829,652. On June 19, 2018 the District issued the "Notice to Proceed" with construction. The District is in the construction phase of replacing the Probation Water Tank. The District has an existing contract for Construction Administration Services with MME. An amendment to the contract is needed for specialized inspection services as follows;

- Bay Area Coating Consultants (BACC) Coatings Inspections
- Contract Compliance and Monitoring (CCMI) Prevailing Wage Certified Payroll Monitoring
- Fehr Engineering (FE) Electrical Engineering
- Haro Kasunich and Associates (HKS) Geotechnical Engineering
- Schaaf & Wheeler (S&W) Tank Engineering
- Smith Emery (SE) Welding, Concrete and Asphalt Special Inspections
- Smith Emery (SE) Schedule Contingency

It is recommended that the Board of Directors review this memo and by motion of the Board authorize the District Manager to execute a contract amendment with MME Civil and Structural Engineering for the Probation Water Tank Replacement Project (CIP 5890-1201) Construction Administrative Services totaling \$262,750.00.



November 6, 2018

Rick Rogers

District Manager
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006

Re: SLVWD Probation Tank Replacement

Contract Amendment Request #5 - Construction Administration Services
MME Project No: 14176-7

Dear Mr. Rogers,

We respectfully submit this amendment to our existing agreement for the following additional professional services to support the SLVWD during construction. MME's support services will assist SLVWD during the preliminary submittal phase, shop fabrication and procurement phase, and the on-site construction phase. These services will begin once authorized and continue through the anticipated project completion date of September 27th 2019 in accordance with the current construction schedule provided by RSH, dated 10-31-2018.

MME Construction Administration Services

1. Review submittals and shop drawings, submitted through and checked by the General Contractor, for general compliance with the intent and requirements of the Construction Documents. Develop and maintain files of approved submittals.
2. Establish and hold weekly progress and coordination meetings with SLVWD and the Contractor at the site during active on-site construction phase. Prepare the agenda and summary notes for weekly meetings and review the Contractor's schedule. Monitor Contractor's compliance with submitted schedule. Request new schedules as they become outdated due to changes. Summarize project progress and include the status of change orders, of contract days remaining, work completed, adherence to schedule, and work in progress.
3. Visit the site each working day during the active on-site construction phase to observe the work and determine its general conformance with the plans and specifications. Confirm that materials and installation methods used are those specified in approved submittals. MME or one of our sub-consultant team will be available on a continuous full time basis during those periods of construction where continuous inspection of the construction work is warranted. Photographically document the progress of the work daily. Prepare daily site observation logs that document progress of work performed, labor and equipment on site, and communications with the Contractor.
4. Review Contractor's progress payment requests and provide recommendations regarding payment in accordance with the work complete and the project documents.
5. Coordinate and manage a team of six special inspection, testing, administration and observation sub-consultants to complete the specialized tasks detailed in the attached six proposals. Review test reports and notify the District and the Contractor regarding reports indicating non-conforming items. Coordinate with the Contractor and the special testing and inspection sub-consultants, to resolve variations in the work from that specified in the construction documents.



6. Our sub-consultant *Contractor Compliance and Monitoring Inc.* shall review the Contractor's and subcontractors' certified payroll for compliance with prevailing wage provisions.
7. Assist with Contractor coordination with the utility companies, PG&E, Comcast, AT&T, Verizon, and Sprint.
8. Assist with coordination and scheduling of inspections by District staff and District biologist.
9. When a request for a change order is prepared by the Contractor, MME will review the request, communicate with SLVWD, the Contractor, and any involved inspection/testing sub-consultants, and provide a recommendation to the District regarding approval. We will maintain current records and documentation for all change orders, along with changes in contract days and contract dollar amount.
10. Prepare a final punch list of items not yet satisfactorily completed and visit the project site to verify completion of those items.
11. Issue a letter of final acceptance summarizing our observations and conformance with the project plans and specifications.
12. Preparation of record drawings based on Contractor's as-built drawings, our site observation logs, and our RFI logs for District records.

Proposed Fees

Please see the attached Construction Administration - Fee Estimate for a breakdown of our fees based on current hourly rates, the construction schedule, and estimated levels of effort to support the construction project at each phase. We will not to exceed the total amount shown without your authorization. All other provisions of our original agreement dated 2/19/2015 are considered to be in full force and effect with respect to these additional services. Please confirm your authorization to proceed with these additional services by signing and returning one copy of this letter.

Thank you for the opportunity to continue to provide engineering support for this critical project.

Respectfully yours,

Rodney Cahill, P.E.
Principal

Approved By: _____ Date: _____

Printed Name: _____

Attachments:

1. Construction Administration Services – Fee Estimate, 11/5/2018
2. Bay Area Coating Consultants Proposal, 4/12/2018
3. Contract Compliance and Monitoring Incorporated Proposal, 4/17/2018
4. Fehr Engineering Proposal, 6/27/2018
5. Haro Kasunich and Associates Proposal, 4/13/2018
6. Smith Emery Proposal, 11/1/2018
7. RSH Construction Services Schedule, 10/31/2018



MME

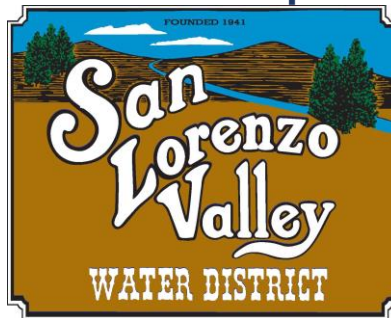
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Construction Administration Services - Fee Estimate										
Probation Tank Replacement										
San Lorenzo Valley Water District										
Prepared by MME										
MME Project No: 14176-7										
11/06/18										
Item	Task Description	Work Days Per Month	Personnel Hours and Hourly Billing Rates							Fee
			Principal Engineer \$200	Engineer V \$190	Engineer IV \$170	Engineer III \$148	Engineer II \$128	Engineer I \$110	Admin Assist \$82	
Preliminary Submittals Phase										
1	November - 2 hrs/work day	18	4			36			1	\$6,210
2	December - 2 hrs/work day	19	4			38			1	\$6,506
On-site Construction Phase										
3	January - 3 hours/work day	20	4			60			2	\$9,844
4	February - 3 hours/work day	17	4			51			2	\$8,512
5	March - 3 hours/work day	21	4			63			2	\$10,288
6	April - 3 hours/work day	20	4			60			2	\$9,844
7	May - 3 hours/work day	21	4			63			2	\$10,288
8	June - 2 days per week	20	4			60			2	\$9,844
9	July - 3 hours/work day	20	4			60			2	\$9,844
10	August - 3 hours/work day	22	4			66			2	\$10,732
11	September - 3 hours/work day	18	4			54			2	\$8,956
11	October - Closeout and Record Drawings	2	4			32			1	\$5,618
MME In House Services Subtotal:		181								\$106,486
Schedule contingency:									10%	\$10,649
MME In House Services Total:										\$117,135
Sub-consultant Team									Markup	
1	Bay Area Coating Consultants (BACC) Coatings Inspections							\$ 28,770	1.1	\$31,647
2	Contract Compliance and Monitoring (CCMI) Prevailing Wage Certified Payroll Monitoring							\$ 5,000	1.1	\$5,500
3	Fehr Engineering (FE) Electrical Engineering							\$ 3,000	1.1	\$3,300
4	Haro Kasunich and Associates (HKS) Geotechnical Engineering							\$ 18,920	1.1	\$20,812
5	Schaaf & Wheeler (S&W) Tank Engineering							\$ 24,660	1.1	\$27,126
6	Smith Emery (SE) Welding, Concrete and Asphalt Special Inspections							\$ 46,306	1.1	\$50,937
7	Smith Emery (SE) Schedule Contingency							\$ 4,631	1.1	\$5,094
Sub-consultant Subtotal:										\$144,416
Expenses										
1	Mileage (12 mile R/T x 181 work days during Construction Phase)							2,172	0.54	\$1,173
2	Printing									\$27
Expense Subtotal:										\$1,200
Total:										\$262,750

This is our estimate based on currently available schedule & information. We may redistribute compensation between phases to be consistent with the hours of services provided, but shall not exceed the total unless approved by the Client.

This estimate is based on hourly rates effective through December 2018.

**SAN LORENZO WATER DISTRICT
REQUEST FOR PROPOSAL
Inspection Services
For
Probation Tank Replacement**



**Mr. Brian Lee
General Manager
San Lorenzo Water District
Bolder Creek, California, 95006**

**Proposal Provided by
Bay Area Coating Consultants, Inc.
April 12, 2018**



Experience & Integrity Since 1987

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Section 1

Scope of Work

The purpose of our services would be to assist San Lorenzo Water District with completing the contract requirements established by the District for the Coating and lining of the new Probation Potable Water Storage Tank. Bay Area Coating Consultants, Inc. will provide our Teams full commitment to accomplish and complete each task required by the District projects goals objectives.

The purpose of our services would be to assist District in completing the contract requirements established by the District, insuring that all SSPC, NACE, AWWA, and ASTM current standards and guidelines are enforced. Bay Area Coating Consultants, Inc. (BACC) will provide a full time National Association of Corrosion Engineers Level III (Peer) Certified Coatings Inspector for the coating and lining inspection work. BACC has extensive knowledge in the application and testing of plural component application of 100% solids epoxies and urethanes linings. BACC Principal Consultant Ed Darrimon will assist the District Engineering staff with value engineering, project consulting, proper product selection, surface preparation, pre-bid meetings, pre-job meetings, submittal review, and failure analysis as needed. Our site inspector will be responsible for the day to day quality assurance and to interface with District's Engineer's representative. B.A.C.C. will furnish all state of the art inspection equipment, photographs, and daily reports. BACC is an Elcometer instrument dealer so our equipment is always current, new, and we can also provide ultrasonic metal thickness testing and pit depth testing. Our inspection services cover Cal and Fed OSHA requirements, disposal requirements, surface condition, abrasive blast cleaning, and coating application. B.A.C.C.'s extensive experience in the coating and lining of potable water storage tanks gives us in-depth knowledge to understanding of the Contractor's activities, allowing us to identify areas of concern or discrepancies on an on-going basis. B.A.C.C.'S knowledge will aid in identifying key milestones for action required by the District, and B.A.C.C. Inspection team with the successful completion of your project.

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Section 2

QUALIFICATIONS

Bay Area Coating Consultant, Inc. will provide independent inspection and consulting services, we only provide inspection services for Owners and Engineering firms only. BACC was established in 1987 and has been serving the water and wastewater industry for over thirty years. Our philosophy has been we view each project as if it was our own structure and spending our own money. We are a small firm which allows us total involvement with our projects and communication with our inspectors. When our clients, have used our specifications or input we have never had a cost over run or a change order. We have never had an OSHA recordable injury. Our inspectors are provided with state of the art inspection equipment and training classes annually. BACC has completed thousands of projects and has total client satisfaction. All BACC Team members are fully trained on an annual basis on confined space training, scaffolding, lead and respirator training.

BACC has completed thousands of Inspection and Consulting projects through out the United States. BACC is a certified SSPC QP-5 Coating inspection firm. Our principle consultant Ed Darrimon was employed by East Bay Municipal Utility District for eleven years in the Engineering & Maintenance Departments as Supervising Coating Specialist. Mr. Darrimon designed and developed the Districts physical coating testing lab and rehabilitation program. Mr. Darrimon was responsible for overseeing the following projects:

- * Coating and lining inspection.
- * Coating specifications.
- * Design of the physical coating testing lab.
- * Established the Districts rehabilitation project of over one-hundred and eighty steel water storage tanks, and two hydro-electric powerhouses.

Ed then formed B.A.C.C. in 1987 and has forty-three years of experience in the Coatings & Linings Field.

ACCOMPLISHMENTS

STEEL STRUCTURES PAINTING COUNCIL: (S.S.P.C.)

- * National Board of Directors from 1988-92. Re-elected in 1992 to serve second four year term.
- * National award 1989 for Outstanding Chairman.
- * Past President and Founder of the first S.S.P.C. chapter in the U.S.A

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NATIONAL ASSOCIATION OF CORROSION ENGINEERS: (N.A.C.E).

*Past Chairperson / Bay Area Section, Certified Level III Inspector #601

AMERICAN WATER WORKS ASSOCIATION: (A.W.W.A)

* Standards Approval Committee National D-100, D-102, D-103, D104, 106, D-108
Ed is still presently serving on the committee after thirty years.

* Cal/Nev Corrosion Committee. * Cal/Nev past Vice Chairman Maintenance Committee.

Ed Darrimon has also published articles for the NACE corrosion publication Materials Performance on tank linings.

Mr. Darrimon has presented numerous talks to the following Organizations:
A.W.W.A., N.A.C.E., & S.S.P.C. on the following topics: Tank linings, Tank inspection, Specifications, Abrasive blasting, & proper use of D.H. equipment. Ed Darrimon has also published articles for the NACE corrosion publication Materials Performance on tank linings.

******* EXAMPLE OF PROJECTS IN 2013/2017 *******

Reservoirs



Plural Component Epoxy/Urethane Linings

Zone 7 Water District: 5.0 MG clear well, equipment/treatment plants (*Lining Inspection & Consulting, Specifications*)

Modesto Irrigation District: Two 4.0 MG reservoirs, including Districts treatment plant (*Lining Inspection & Consulting, Specifications*)

Santa Clara Valley Water District: One 3.0 Mg. Clear well (*Consulting & Inspection, Specifications*)

City of Palo Alto: One Reservoir 1.0 MG. (*Consulting & Inspection*)

East Bay Municipal District: Numerous pipelines and Water tanks (*Consulting & Inspection*)

City of San Jose: Two 3.0 Mg. Water tanks. (*Consulting & Inspection*)

City of Santa Clara: One 1.0 Mg. Water tanks (*Consulting & Inspection*)

Stanford University: One 1.0 Mg. Water tank (*Consulting & Inspection*)

Midway Heights WD: One .5 Mg. Water tanks. (*Specifications, Consulting & Inspection*)

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Tahoe City Public Utility District: Ten Reservoirs, (*Specifications, Consulting & Inspection*)
North Tahoe PUD: Two 1.0 Mg. Water tank (*Consulting, Specifications & Inspection*)
Modesto Irrigation District: Two 5.0 mg. Water Tanks (*Failure Analysis, Consulting*)
City of Othe, KS: Water Tank (*Failure Analysis, Consulting*)
Douglas County, NV: Three Water Tanks (*Inspection, Consulting*)
City of San Francisco: Pipelines, Penstocks, Reservoirs (*Consulting & Inspection*)
Southern Nevada Water Authority: Five Holding Vaults (*Consulting & Inspection*),
McKinleyville SD, CA: Three 1.5 Water Tanks (*Inspection, Consulting, Specifications*)
City of Sacramento: Six 3.0 MG. Reservoirs / (*Specifications, Consulting and Inspection*)
City of San Bruno: Digesters (*Specifications & Coating Inspection*)
City of Brisbane: Three Reservoirs (*Lining Inspection, Specifications & Consulting*)
North Coast County Water District: Three Reservoirs (*Inspection, & Consulting*)
County of San Diego: One Concrete Reservoir (*Lining Inspection*)
City of Stockton: Three Reservoirs (*Lining inspection & Consulting*)
San Jose Water Company: 16.0 Mg. (*Failure Analysis & Consulting*)
Otay Water District: One 1.0 MG. Tank (*Lining Inspection*)
El Dorado Irrigation District: Ten Reservoirs. (*Inspection, & Consulting*) **Annual Contract 15 years**
City of Folsom: Two water tanks (*Specifications, Inspection*)
Redwood City: Six tanks (*Coating Inspection, Underwater, Specifications*) *Lead*
Suburban Water District: 5.0 MG. (*Specification, Inspection*)
County of Napa: Water tank (*Consulting, Specifications & Testing*)
Central Water District: Three tanks (*Specification, Inspection*)
City of Foster City: 3-4.0 MG. Water tanks (*Consulting, Underwater, Specification, & Inspection*)
City of Millbrae: Two Reservoirs (*Lead and Coating Inspection*)
Citizen Utility Corp: One 3.0 MG. (*Coating Inspection*)
City of Milpitas: Two Reservoirs (*Inspection, Consulting & Specifications*)
City of Pittsburgh: One Reservoir .5 (*Coating Inspection*)
San Joaquin/Tracy Water Agency: Five 3.0 MG. Reservoirs (*Inspection*)
North Coast Water District: Two Reservoirs (*Inspection*)
City of Hanford: Five Reservoirs (*Consulting, Specifications & Inspection*)
Lyons County Water District: Five Reservoirs 1.0MG (*Specifications, Inspection*)
City of Hughson: One Reservoir (*Inspection*)
County of San Joaquin: Five 1.0MG. Reservoirs (*Inspection*)
City of Novato: Misc. Water Treatment Plant (*Lining Inspection, & Consulting*)
Soquel Water District: Ten Reservoirs (*Consulting & Inspection*) **Annual Contract 15 years**
City of Davis: One .3 Reservoirs (*Consulting & Inspection*)
Kern County Water District: Reservoirs (*Inspection & Consulting*)
City of Martinez: Two Reservoirs (*Inspection*)
County of Sacramento: One water tank 2mg (*Underwater and Consulting & Inspection*)
Fernley NV. Two Reservoirs (*Consulting & Inspection*)
County of Santa Clara: Two Reservoirs (*Consulting & Inspection*)
City of Fresno Water: Twenty-five carbon tanks. (*Failure Analysis, Consulting & Inspection*)
Contra Costa Water District: Five pumping plants, two Reservoirs (*Inspection*)
City of Lodi: Two Reservoirs (*Consulting & Inspection, Failure Analysis*)
Dublin/San Ramon SD: 8 Reservoirs (*Specifications, & Inspection*) **Annual Contract 15 years**
City of Avenal: Two Reservoirs (*Failure Analysis, Consulting & Inspection*)

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City of Arvin Edison: Twenty-two tanks (*Failure Analysis, Consulting & Inspection*)
City of Ceres: Two Reservoirs (*Failure Analysis, Consulting & Inspection*)
Diablo Water District: 3 Reservoirs (*Specifications & Inspection*) **Annual Contract 10 years**
City of Modesto: One Reservoir (*Specifications, Consulting and Inspection*)
Coastside Water County District: Three water vessels (*Consulting & Inspection*)
Calaveras County Water: One Reservoir (*Consulting & Inspection*)
City of Livermore: One Reservoirs (*Consulting & Inspection*)
City of Turlock: Two Reservoirs, (*Consulting & Inspection*)
Cal American Water: Five Reservoirs, (*Consulting & Inspection*)
San Juan Water District: One Reservoirs, and WTP (*Consulting & Inspection*)
Scotts Valley Water Agency: Three Reservoirs, (*Consulting & Inspection*)
City of Porterville: Two 2mg. Reservoirs, (*Consulting & Inspection*)
South Lake Tahoe PUD: Ten Reservoirs, (*Consulting & Inspection, Underwater*)
George Town PUD: One Reservoirs, (*Specifications & Inspection*)
Midway Heights PUD: Two Reservoirs, (*Consulting & Inspection, Specifications*)

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Section 3 Project Team

Project Inspector



Name: Mr. Todd Whittenburg
NACE: Certification Number: 11338
BACC Employee Since: 2002 -15 Years
Email: twhittenburg@bayareacoating.com
Phone: 925-768-2344

Project: Penitencia Clear Well Rehabilitation (2017)
Owner: Santa Clara Valley Water District
Engineer: Bob Miles, P.E.
Phone: 925-634-9716
Email: rmiles@rwmce.com

Rehabilitation of the interior of a carbon steel 3.0 MG. potable storage reservoir. Structural repairs, replacement of steel roof with an aluminum roof and application of 100% solids urethane.

Project: Cochran Reservoir Rehabilitation (2017)
Owner: McKinleyville Community Services District
Engineer: James Henry /PM
Phone: 707-839-9003
Email: jhenry@mckinleyvillecsd.com

This is Todd's third reservoir project for the District. Rehabilitation of the interior of a carbon steel 1.5 MG. potable storage reservoir. Application of 100% solids epoxy.

Project: R-1 Reservoir Rehabilitation (2016)
Owner: Diablo Water District
Engineer: Mike Yeraka, P.E. / General Manager
Phone: 925-652-6159
Email: Mikegm1@aol.com

Rehabilitation of the interior of a carbon steel 1.5 MG. potable storage reservoir. Structural repairs and application of 100% solids epoxy.

Northern California (888)-384-6839
Southern California (661) 873-3601 Reno Nevada (775) 379-2283
P.O. Box 967 Denair, CA. 95316
Proud Member: SSPC AWWA NACE ASTM API

Bay Area Coating Consultant Services, Inc.

ORGANIZATION CHART

Ed Darrimon
President-Principal Consultant
Vice President / Austin Darrimon
Samuel Torres / In-House Safety and QC Manager
Danielle Darrimon / Office Manager
Andrew Plante / Accounts Receivable
Linda Turner / Secretary/Accounting
Gee Homes / Prevailing Wage Compliance and Reporting

All Full-Time Inspectors

*All employees are re-certified on an annual basis on Confined Spaces,
Scaffolding, Lead, Fit and Respirator Testing*

Ed Darrimon/Principal <i>N.A.C.E. Certified Inspector</i> BACC Employed 30 years	Steve Tang <i>N.A.C.E. Certified Inspector</i> BACC Employed 6 years	George Mosdale <i>N.A.C.E. Certified Inspector</i> BACC Employed 12 years
Armando Austria <i>NACE Certified</i> BACC Employed 10 years In Industry 28 years	Jeff Hobart <i>N.A.C.E. Certified</i> BACC Employed 7 years In Industry 20 years	Sam Torres <i>N.A.C.E. Certified</i> BACC Employed 9 years In Industry 15 years
Todd Whittenburg <i>N.A.C.E. Certified</i> BACC Employed 15 years In Industry 25 years	Sokphai Chheng <i>N.A.C.E. Certified</i> BACC Employed 8 years In Industry 25 years	Dave Hobart <i>N.A.C.E. Certified</i> BACC Employed 19 In Industry 22 years
Mark Prestera <i>N.A.C.E. Certified</i> BACC Employed 17 years In Industry 25 years	Ken Dollashnider <i>N.A.C.E. Certified</i> BACC Employed 5 years In Industry 20 years	Bill Rash <i>N.A.C.E. Certified</i> BACC Employed 6 years In Industry 25 years
Curtis Rash <i>N.A.C.E. Certified</i> BACC Employed 6 years	Bo Hobart <i>N.A.C.E. Certified</i> BACC Employed 8 years	Tim Gurdera <i>N.A.C.E. Certified</i> BACC Employed 9 years

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In Industry 20 years

In Industry 11 years

In Industry 19 years

Austin Darrimon

SSPC PCS

N.A.C.E. Certified

BACC Employed 12 years

In Industry 14 years

Larry Westenhaver

N.A.C.E. Certified

BACC Employed 6 years

In Industry 10 years

Bay Area Coating Consultants Inspectors are N.A.C.E. coating inspectors, with an average of twenty years of experience in the corrosion and coating industry.

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Section 4

COMPANY REFERENCES

CITY OF SAN FRANCISCO

MONGKOL MAHVONGTAKUL, P.E.

875 STEVENS STREET

SAN FRANCISCO CA. 94103 (415) 551-4890 Fax (415) 551-4877

PROJECT: NURMEOUS PROJECTS FOR THE PAST 18 YEARS. FAILURE ANALYSIS, COATING, AND LINING INSPECTION

BACC has completed numerous projects for the City of San Francisco over the past 18 years. BACC has provided coating and lining inspection, failure analysis, coating surveys and consulting. BACC has completed the following project types for the City, reservoir linings and coating inspection, pipeline inspection, inspection of penstocks and water and wastewater treatment plants and failure analysis. Six steel tanks, numerous wastewater and pipeline projects.

DUBLIN SAN RAMON SERVICES DISTRICT

STEVE DELIGHT ENGINEERING

7051 DUBLIN BLVD.

DUBLIN, Ca. 94568 925-875-2254

PROJECT: NINE TANKS/ FAILURE ANALYSIS, COATING, LINING INSPECTION, AND CONSULTING FOR THE PAST 12 YEARS.

BACC has been providing failure Analysis, Specifications, Inspection and consulting services on a yearly basis for over eleven years (Annual Contract 15). The District has not experienced a cost overrun or failure since employing BACC. 5 steel tanks and numerous wastewater projects.

SOQUEL CREEK WATER DISTRICT

TAJ DUFOUR ENGINEERING MANGER

5180 SOQUEL DRIVE

SOQUEL, CA. 95073 (831) 475-8500 FAX 831-475-4291

PROJECT: NINE TANKS/ FAILURE ANALYSIS, COATING, LINING INSPECTION, AND CONSULTING.

BACC has been providing failure Analysis, Specifications, Inspection and consulting services on a yearly basis for over twelve years (Annual Contract 16 years). The District has not experienced a cost overrun or failure since employing BACC. 9 steel tanks

EL DORRADO IRRIGATION DISTRICT

TIM SULLIVAN, P.E. / BOB RICE, P.E.

2890 MOSQUITO ROAD

PLACERVILLE, CA. (530) 622-4513 Fax (530) 622-8597

PROJECT: NURMEOUS PROJECTS FOR THE PAST EIGHT YEARS. FAILURE ANALYSIS, COATING, AND LINING INSPECTION

BACC has completed numerous projects for the District over the past fourteen years (Annual Contract 16 years). BACC has provided coating and lining inspection, specifications, failure analysis, coating surveys and consulting. BACC has completed the following project types for the District: Reservoir linings and coatings, and water and wastewater treatment plants and failure analysis. Ten steel tanks

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Section 5

PROJECT APPROACH

BACC is a local firm that has been undertaking inspection work in Northern California/Nevada for over thirty years. It is very important to have a local firm which has a good understanding of annual weather conditions as they can change from different areas in the State. The local firm has a good rapport with local Area Air Management Districts, having full understanding of local laws and regulations. BACC knows how to save time and money during the construction project. We understand when we need to have an inspector on the project and when they are not required to be onsite. Working with District staff to ensure that goals are met. BACC was the first company to specify the two-stage coating system using utilizing thin film and thick film technology in the water industry which has basically eliminated taste and odor issues, blistering issues, and expediting return to service times. No one completes more successful coating and lining projects in California than BACC. BACC has a full understanding of what issues that can occur with 100% solids coatings such as being off ratio, base or catalyst rich, amine blush and improper application temperatures.

Each BACC inspector is equipped with state of the art testing and inspection equipment, laptop computers, mobile phones to stay in contact with Ed Darrimon on a daily basis. Our in-house Quality Assurance inspector random selects inspector's sites to audit. The Inspector, project paper work, work standards, and industry standards are reviewed with the Q/A inspector to insure the inspector is meeting BACC in house standards. BACC inspectors receive the specifications prior to the start of work; they are required to highlight the specification for quick reference. BACC provides the inspector with current manufactures data sheets and MSDS sheets; every project is reviewed by Ed Darrimon and the site inspector. Our Inspectors are fully prepared at the start of each project. The following are a sample of the key inspection items that are followed by the BACC inspector. BACC will furnish all inspection equipment required including daily reports with photographs.

1. SCOPE OF WORK:

- (a) ATTEND PRE-CONSTRUCTION MEETING / REVIEW OF SPECIFICATIONS (**ASTM D-3226**)
- (b) ATTEND ON-SITE FAMILIARIZATION SESSION
- (c) DOCUMENT PRE- SITE CONDITIONS

2. SURFACE CONDITION

- (a) CONDITION OF EDGES, WELD SPLATTER (**NACE SPO-178**)
- (b) GREASE OIL, OR BOTH (**Black Light**)
- (c) PROTECTIVE COVERINGS IN PLACE
- (d) AIR TEMPERATURE (**ASTM-E-377**)
- (e) SURFACE TEMPERATURE (**ASTM-E-377**)

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- (f) DEW POINT, R/H (ASTM-E-377)
- (g) WIND DIRECTION, VELOCITY
- (h) VISIBLE MOISTURE (ASTM-E-377)

3. BLAST CLEANING

- (a) AMBIENT CONDITIONS (ASTM-E-377)
- (b) TYPE AND SIZE OF ABRASIVE (ASTM D-6237)
- (c) SURFACE CONTAMINATION- SULFATES, CHLORIDES (SSPC Guide 15)
- (d) CLEAN AND DRY ABRASIVE (SSPC AB-1)
- (e) COMPRESSED AIR CHECK / WHITE BLOTTER (ASTM-D 4285)
- (f) NOZZLE AIR PRESSURE / PRESSURE GAUGE

4. SURFACE PREPARATION

- (a) DUST AND ABRASIVE REMOVAL / VISUAL OBSERVATION (ISO-8502-3)
- (b) DEGREE OF CLEANLINESS / S.S.P.C./N.A.C.E. STANDARDS (SSPC SP)
- (c) PROFILE MEASUREMENT / TESTEX TAPE (ASTM D-4417)
- (d) MAGNETIC BASE READING (SSPC PA-2)
- (e) WELD PREPARATION (NACE-SPO-178)

5. COATINGS AND LINING APPLICATION

- (a) AMBIENT CONDITIONS (ASTM-E-377)
- (b) TIME FROM SURFACE PREPARATION TO APPLICATION / RECORD (ASTM D-6237)
- (c) COATING VISCOSITY / DRIP TYPE (ASTM-D-4212)
- (d) COMPRESSED AIR CHECK / WHITE BLOTTER (ASTM-D 4285)
- (e) PROTECTIVE COVERINGS IN PLACE / VISUAL
- (f) RATIO COMPLIANCE (MPDS)
- (g) HARDNESS TESTING (ASTM D-4283)
- (h) TIME APPLICATION BEGAN / RECORD (ASTM D-6237)
- (i) CONTINUE TO MONITOR TEMPERATURE AND HUMIDITY CONDITIONS (ASTM-E-377)
- (j) RECORD BATCH NUMBERS AND MIXING PROCEDURE (ASTM D-6237)
- (k) INDUCTION TIME OBSERVED-PROPER THINNING (MPDS)
- (l) FILM THICKNESS / WET (ASTM D-4414)
- (m) RE-COAT TIMES OBSERVED (MPDS)
- (n) INNER-COAT CLEANLINESS (ISO-8085-3)
- (o) FILM DEFECTS, RUNS, SAGS, DRY SPRAY, VOIDS ECT.

6. FINAL INSPECTION

- (a) CHECK for AMINE BLUSH
- (b) DRY FILM THICKNESS / READINGS (SSPC PA-2 / ASTM D 1400)
- (c) HOLIDAY INSPECTION / (NACE SPO 188-88)
- (d) SOLVENT TEST / TOTAL CURE (ASTM D-4502)
- (e) PROPER SURFACE PREPARATION for REPAIRS (MPDS)
- (f) CLOSING WRITTEN REPORT, PHOTOGRAPHS, CONTRACTOR SUMMARY. (ASTM D-6237)

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Section 6

BACC meets or exceeds all RFP insurance requirements

BACC has the following insurance coverage's in effect:

General Liability: Three million
Workman's Compensation: One million dollars
Errors and Omissions: Two million dollars
Auto: Two million dollars

SMALL/MICRO BUSINESS CERTIFICATIONS

BACC is certified with the following agencies:

State of California: Certified micro small business #61256. Expires: 4/30/19

SSPC Certified Inspection Company



BACC Safety Compliance and Drug Testing Partners



Collect. Verify. Connect.



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Section B

Cost of Services

Prevailing Wage Group 4 NACE Construction Inspector
DIR Public Works Contractor (PWC) Registration #1000005228 Expires
06/30/2018

National Association of Corrosion Engineers Certified Coating Inspector includes all state of the art inspection equipment and daily reports and travel. We are providing a cost for shop inspection and field inspection. The District can determine the level of effort. We do not have the Contractors schedule so the is based on previous projects of similar size and scope.

BUILDING/CONSTRUCTION INSPECTOR TESTER GROUP 4	
(NACE Certified) Prevailing Wage Billing Rates	
Base Rate: Billing Rate	\$105.00 per Hour
Time X 1.5 Billing Rate	\$152.94 per Hour
Double Time: Billing Rate	\$189.78 per Hour
Truck Charge:	\$0.00 per Hour
Subsistence/Hotel:	\$0.00 per day

Payment Item Schedule

NACE Certified Inspector				
Task	Regular	Overtime	Hotel/Sub	Total
#1 Shop Inspection	64.0	0.0	\$1,050.00	\$7,770.00
Field Inspection	200.0	0.0	0.0	\$21,000.00
			Total	\$28,770.00

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Please call if you have any questions or, if you want to further discuss the information contained in this proposal.

Respectfully Submitted by:



Ed Darrimon
President
Bay Area Coating Consultants, Inc.
edarrimon@bayareacoating.com



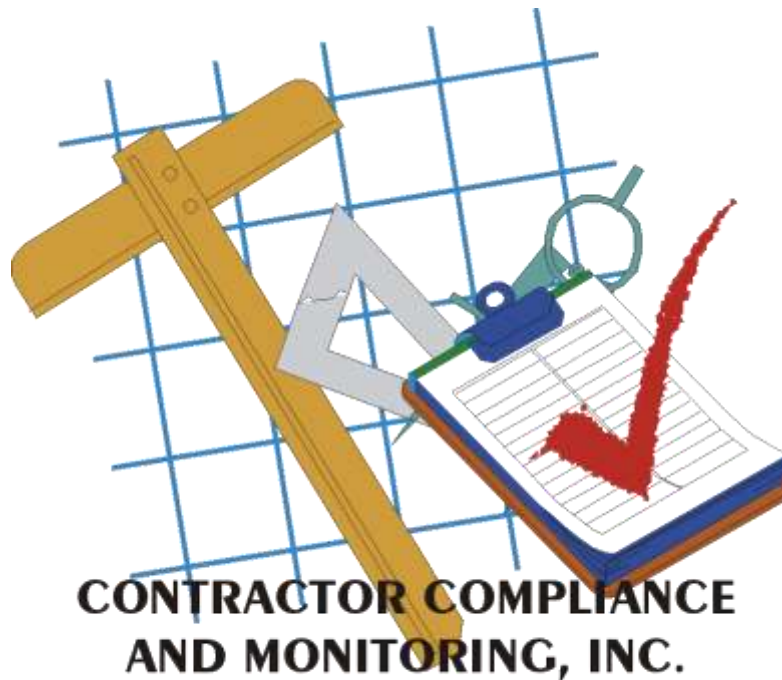
Certified Inspection firm

BACC Safety and Drug Testing Compliance Partners



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Contractor Compliance and Monitoring Inc.'s
Proposal for Labor Compliance Program Services
San Lorenzo Water District
Probation Tank Replacement

Contractor Compliance and Monitoring, Inc.

Northern California
635 Mariners Island Blvd. #200
San Mateo, CA 94404
Phone: 650-522-4403
Fax: 650-522-4402

Southern California
2343 Donnington Way
San Diego, CA 92139
619-472-9065
619-472-9067

Firm Information/Qualifications

Contractor Compliance and Monitoring, Inc. (CCMI) was incorporated in 2002 and has remained a California corporation in good standing since that time. CCMI was approved by the Department of Industrial Relations in February 2003¹ as a Third-Party Labor Compliance Program Administrator and has continued to provide Labor Compliance Program (LCP) services to contractors, developers and public agencies (school districts, water districts, cities, counties, other public agencies) from Yreka to Chula Vista.

Deborah Wilder, President

Deborah Wilder has been a practicing attorney in the field of construction and prevailing wage compliance for over 35 years. She has represented scores of contractors in both State and Federal prevailing wage audits, apprentice issues and pension benefit issues. Her experience includes reviewing certified payrolls, interviewing employees and subcontractors regarding potential prevailing wage violations, calculating penalties and negotiating settlements with the DIR, filing appropriate legal action, and dealing with issues of enforcement of penalties and representing contractors in administrative debarment actions with the DIR.

She has been hired as an “expert” in the field of prevailing wages and has made dozens of educational presentations to contractors and public agencies on the issue of prevailing wage compliance, including presentations before and in conjunction with: Women Construction Owners and Executives, USA, American Subcontractors Association, California Department of Corrections, California Department of Transportation, and the U.S. Small Business Administration.

Deborah is a much sought after instructor in the field of prevailing wages consulting, conducting nearly a dozen seminars and webinars on the topic each year. This includes all day workshops for Associated Builders and Contractors, numerous Builder’s Exchanges and private contractors. She also participates in a national webinar each year with Associated General Contractors of America

Deborah also served on the Board of Directors of the Construction Craft Training Center from 1995-1997. CCTC is a licensed post-secondary educational facility which provides apprenticeship and training programs to both union and open shop training programs, including such companies as PG&E. As CCMI’s president, she has also written LCPs for several School Districts, Cities and the University of California.

Deborah is the author of *What Every Contractor Should Know about Prevailing Wages* © 2010, 2nd Edition 2015 focusing on federal and California prevailing wage requirements and *AGC of America’s Davis-Bacon and Federal Contractor’s Compliance Manual*. 3rd Ed © 2010, 4th Ed. © 2012; *Davis Bacon Handbook for Public Agencies* © 201; 2nd Edition 2016.

¹ DIR stopped approving 3rd party LCPs in 2011.

2. Labor Compliance Program Experience/ Scope of Work

Listed below is the Scope of Work CCMI is prepared to perform on this project:

1. Provide LCP compliance under the requirements of the California Labor Code.
2. Assist District with completion of PWC-100 form.
3. Conduct a Preconstruction Conference meeting and provide training and information on LCP requirements including providing handout materials for all contractors and subcontractors.
4. Provide a phone line and e-mail contact where contractors and subcontractors can contact CCMI for clarification on prevailing wage, certified payrolls, apprenticeship and compliance issues.
5. License check and confirmation with California Contractor's State License Board of current and active license status, as well as worker's compensation coverage of all contractors and all listed subcontractors. Verify that contractors are registered as "public works contractors".
6. Verify contractor's eligibility to work by checking the contracting status with the California Department of Industrial Relations' (dir.ca.gov) debarment list.
7. Review and comparison of work classifications with California prevailing wage to ensure the contractor is paying the correct prevailing wage rate.
8. Monitoring of all Apprenticeship Requirements. Collection and review of all DAS-140 and DAS-142 forms. Review of applicable apprenticeship ratios employed, correct wages paid, training contributions (CAC2 forms). Verification that apprentices are properly supervised and employed in approved ratios as required by California apprenticeship regulations.
9. Monthly audit of certified payrolls forms. This includes obtaining the applicable prevailing wage determinations for each project. Certified Payrolls are generally delivered by the Contractor to CCMI for review and audit. Auditing the payrolls includes: checking proper trade classifications, checking for overtime, weekend, holiday or shift work, checking for ** increases, reviewing fringe benefit contributions, verifying that amortization is correct (when used) and review of training contributions made. When appropriate, travel and subsistence is also reviewed. CCMI is also familiar with electronic payroll delivery systems such as LCPtracker, Elations, etc. For large projects, CCMI prefers using an electronic delivery system to better manage the project.

10. Additional detailed audit of contractors through review of cancelled checks, time cards, and related records (as needed).
11. Monthly report to the Client regarding compliance of contractors and subcontractors audited. To the extent that a contractor is either not in compliance and/or additional paperwork is needed for review, the Client and the general contractor are contacted by CCMI.

CCMI's goal is not to stop or slow down any construction project and it is not our intent to withhold contractor's funds without justification. We pride ourselves in our prompt turnaround time in notifying contractors by phone, e-mail or fax of potential problems and working quickly to resolve these issues.

12. Communication of potential violations to the Client with recommended action. In the event that potential paperwork or compliance issues with a contractor cannot be resolved quickly, the Client will be notified of this potential problem and a recommendation will be made to the Client to retain a certain portion of the scheduled progress payment until the issue is resolved.
13. Communications with Contractors. CCMI will work with all contractors and subcontractors with the goal of amicable agreement on resolving issues related to violations, penalties and compliance. All meetings and calls with contractors will be documented in the project folder maintained by CCMI.
14. Third Party Requests for documents. A project with a high profile oftentimes draws the attention of certain local watchdog groups who frequently request copies of certified payrolls and related "Public Documents". CCMI will provide the appropriate redacted copies (employees names, addresses and social security numbers are not given to the general public) of certified payroll and related LCP documentation to any third party who makes an appropriate request.
15. Final close of project including imposition of penalties and reports to the Labor Commissioner; issuing Notices to Withhold and other close out documentation.

CCMI prides itself in taking a proactive, educational/team approach in working with Clients and contractors before problems arise. Wilder's extensive experience in this area over the last 30 years has given her particular insight into spotting potential problems early on during project construction. CCMI is committed to implementing and enforcing a program that is fair to all contractors, but one which requires strict adherence to the requirements of prevailing wage and Labor Compliance. Our breadth of experience and expertise cannot be matched by any other LCP firm in the State.

Experience/References

CCMI has worked on hundreds of projects in the last 5 years. We have assisted our clients with just State or federal prevailing wage requirements and others in which both California and Davis Bacon prevailing wage requirements were imposed. Listed below are two references.

Calleguas Water District

Project Description: 4 projects (including Prop 84 and Davis Bacon funded projects)

Status of Project: 2008-current

Construction Cost: \$12-\$14 Million

Reference: Kristine McCaffrey, P.E.
Calleguas Municipal Water District
2100 Olsen Rd.
Thousand Oaks, California 91360
(805) 579-7173 (phone)
(805) 526-3675 (fax)
KMcCaffrey@calleguas.com

City of Campbell

Project Description: 2 projects- Federal Davis Bacon/Prop 84 funding

Status of Project: 2014-2015

Construction Cost: \$700,000-\$4 million

Staffing: Staff included Yvonne Nickles, Christina Sanchez (jobwalks)

Reference: City of Campbell
70 North First St
Campbell, CA 95008
Fred Ho Sr Civil Eng.
FredH@ci.campbell.ca.us 408-866-2156
Roland Neufeld Proj Eng
rolandn@cityofcampbell.com 408-866-2155

Las Gallinas Valley Sanitary District

Project Descriptions: 12 projects, CA, and Prop 84

Status of Projects: 2013- present

Construction Costs: \$100,000-\$6.8 million

Staffing: Katherine Martins, Christina Sanchez(job walks)

Reference: Susan M. McGuire, CPA, SHRM-SCP, SPHR
Administrative Services Manager
Las Gallinas Valley Sanitary District
300 Smith Ranch Road
San Rafael, CA 94903
ph. 415-472-1033 x 19
Email: smcguire@lgvsd.org

3. Proposed Project Team/Personnel

- (i) CCMI's employment of individuals with construction and prevailing wage experience is key to establishing good working relationships with the public entity and the various contractors. We are not merely a "consulting" firm, but rather a group of individuals who understand the needs of our Clients and contractors to "get the project done."
 - a. **Yvonne Nickles, Senior Analyst:** Yvonne has been with CCMI since 2006 and has provided services to dozens of contractors and public agencies during the last 10 years. Her prior experience includes working for the City of Dublin Public Works Department. She is extremely knowledgeable and thorough. She works well with contractors, answering questions and providing amicable resolution whenever possible.
 - b. **Katherine Martins – Sr. Analyst:** Katherine has been with CCMI since 2004 and is one of our most experienced Senior Analysts. She has a good rapport with contractors and is able to communicate concisely and effectively. She has a degree from the University of California Berkeley.
 - c. **Technicians:** Technicians are employees who have worked for CCMI for less than two years, have some experience in the field and work under the direct supervision of an Analyst or Manager. Technicians are assigned to provide routine review and monitoring of certified payrolls.
 - d. Additional staff will be assigned as necessary. CCMI has a total of 12 staff members.

CCMI prefers to permanently assign its staff to work with a specific client so that both the Client and CCMI establish a relationship of trust and accountability. Deborah Wilder always remains available for additional consultation, complex issues or Administrative hearing matters.

4. Capabilities

Labor Compliance Program Experience

Contractor Compliance and Monitoring, Inc.'s staff works closely with the staff of the Department of Industrial Relations, whether through the OPRL, DLSE, DAS, Office of the Director or legal units. CCMI frequently attends meetings with the Director and DIR staff and also assists in the writing of regulations by contributing comments on proposed regulations impacting LCPs.

Experience with the Department of Industrial Relations

A substantial part of the CCMI's experience involves the monitoring of certified payrolls, including the proper use of wage determinations published by the Department of Industrial Relations (DIR) as well as the proper understanding and use of apprenticeship requirements, i.e. DAS-140 forms, training contributions and the requirements of Labor Code Section 1777.5 regarding the training of apprentices. All three principals in the company have been involved in issues relating to payroll monitoring, apprenticeship training, registration and contribution.

The firm's experience includes being involved with over three hundred audits with the Department of Industrial Relations. This includes both a "paper audit" of the certified payroll and related forms, as well as investigation of claims or charges of impropriety brought by the DIR and/or individual third parties against a contractor. CCMI has a good reputation with the DIR and has had several hundreds of its Request for Forfeitures approved without modification.

Experience with the Division of Apprenticeship Standards

CCMI is in contact with the Division of Apprenticeship Standards on a regular basis, at least monthly. Our staff has attended various training seminars offered by the DAS, as well as had individual training sessions with them for clarification of updated regulations and procedures.

Experience with the Office of Policy, Research and Legislation

CCMI staff is constantly working with the OPRL (formerly the DLSR) and the information and data it publishes. Important notices are issued by the DIR frequently (usually a weekly basis) and ALL CCMI staff subscribe to this information.

Experience with the Division of Labor Standards Enforcement

Deborah Wilder, president of CCMI, has over three decades of experience with the DLSE. This is the division which enforces the prevailing wage requirements and also conducts Administrative Hearings on behalf of the DIR. Deborah has both prosecuted and defended hearings before the DLSE.

Davis-Bacon Experience

CCMI staff has worked on over 100 Davis-Bacon funded projects and successfully completed over two dozen federal prevailing wage audits for our clients. CCMI's expertise is recognized nationwide in part to Deborah Wilder's authoring the *AGC of America's Davis-Bacon Federal Compliance Manual* and Deborah's national presentation and training on the topic of prevailing wage, Davis-Bacon and related ARRA compliance.

Quality Control

CCMI staff attends all LCP training conducted by the DIR (usually twice a year). CCMI staff regularly attends training conducted every year or two by the U.S. Department of Labor on Davis Bacon compliance. In addition, CCMI president Deborah Wilder conducts her own in house staff training on new and updated regulations and implementations on a regular basis. Each staff member has his/her own Administrative Procedures manual (which is updated annually) to insure consistent implementation and compliance of LCP requirements.

5. Additional Data

Ownership of Work:

CCMI is required to maintain all reports and certified payrolls and other information collection during the project for 3 years after the completion of the project.

Contract Terminations:

CCMI has never had a contract terminated for cause or default.

Insurance:

CCMI maintains \$2 million in general liability as well as automobile liability of at least \$1 million. CCMI will name the District, its officers and agents, volunteers and employees as additional insured. CCMI also maintains professional liability insurance of \$1 million.

Worker's Compensation:

All CCMI employees are covered by worker's compensation.

Recycled Paper:

CCMI has used 30% recycled paper for all of its work for the last 10 years. The cost of paper at the 30% recycled level is 13% more than regular virgin paper. (The cost of 50% recycled paper is 24% more than regular virgin paper)

Conflict of Interest:

CCMI does not foresee any conflict of interest

Statement of Economic Interest:

No principal, officer or employee of CCMI has any prior or current relationship with the District. We have completed Form 700s before with no incident.

Testimonials:

Listed below are two testimonials regarding CCMI's work and Deborah's book on prevailing wages. We strongly encourage you to contact our references!

"If you don't want to worry about your labor compliance, CCMI are the people for you. They go the extra mile to make sure everyone understands what is required and takes the time to work with the large customers as well as the Mom and Pop shops. They are very hands on and I feel like they always have my best interest in mind. I feel well taken care of from the start of a job to the very end."

-Jan Shipley, Construction Supervisor, Livermore Valley Joint Unified School District

"Deborah is one of the most knowledgeable people I know when it comes to both Federal and California prevailing wage compliance. She is able to assist contractors, in a very easy to understand way, about the very complex requirements of prevailing wage. Her book, "What Every Contractor Should Know About Prevailing Wages", should be a staple resource in every contractor's library. I know it is for me. My copy is already well used" *Anne Quick, former chair of the California Apprenticeship Council.*

6. Preliminary Fee Proposal/Cost and Price Summary

Flat Fee: Contractor Compliance and Monitoring Inc. is submitting the following bid for labor compliance services for **Probation Tank Replacement**. Our bid is based on the understanding that: the total price for the work is \$1.4 million; project will be completed within 6 months; and the project does not have any Prop 84 or Davis Bacon funding. CCMI is prepared to provide all labor compliance monitoring work for a flat fee price of \$5,000. Billing would be \$500.00 per month over 10 months.

Rates for work extending past the completion date and for the monitoring will be billed at an additional \$500.00 per month.

CCMI does not perform legal work. Any legal work can be performed by Deborah Wilder through her Law Firm and at the rate of \$400 per hour.

Conclusion

Contractor Compliance and Monitoring, Inc. provides knowledgeable personnel with scores of years of experience in public works, prevailing wage and labor law compliance issues. We are a rare coalition of individuals with expertise in these areas and offer a practical and labor neutral solution for Labor Compliance. We seek to enforce full compliance with labor and employment laws with all parties regardless of union or labor affiliation. The systems we have set in place are created for quick turnaround time and communication with the Client, contractors and subcontractors to ensure both prompt compliance with the law as well as working within the Client's pay schedule and timelines to avoid hampering a contractor's ability to be paid in a timely manner. CCMI would appreciate the opportunity to work with you.



President,
Contractor Compliance and Monitoring, Inc.

FEHR ENGINEERING COMPANY, INC.



June 27, 2018

Rodney Cahill, P.E., LEED AP
Principal
Mesiti-Miller Engineering, Inc
Civil & Structural Engineering
224 Walnut Street, Suite B
Santa Cruz, CA 95060

Re: SLVWD Probation Tank – Construction Support Services (Revised)
FE No. 15045.00

Dear Rodney,

We provide you with our fee proposal for Construction Support Services for the referenced project as follow:

Construction Support Services (CSS):

- CSS will be billed on a time and materials basis in addition to our stated design fee. The estimated CSS fee is in the \$3,000.00 range and includes the following tasks:
 - Bid assistance.
 - Pre-construction meeting.
 - RFI's – our proposal allocates 2 hours of engineering time for RFI's.
 - Coordinate project with PG&E and AT&T.
 - We are allocating 2 hours of engineering time for change orders.
 - Record drawings on standard bond paper.

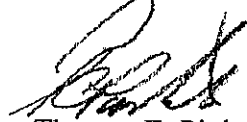
Compensation:

All projects are billed monthly based upon the percentage of completion. Payment is due upon receipt of all monthly statements. Payments are considered delinquent after 45 days. At our discretion, work on delinquent projects may be suspended until payment is received.

This proposal offer expires in 60 days. Fehr Engineering Company, Inc. has the sole right to determine if an extension will be granted.

We trust the above is in agreement with your understanding of our participation in this project and meets with your approval. We are most interested in your input and if there is something about our proposal that needs further explanation or if you would like to make adjustments in the scope of work, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Pinkerton', written over a horizontal line.

Thomas E. Pinkerton, P.E.
Registration No. E 14906, Exp. 06/30/19
Project Manager

HARO, KASUNICH AND ASSOCIATES, INC.

CONSULTING GEOTECHNICAL & COASTAL ENGINEERS

P18-090
13 April 2018

SAN LORENZO VALLEY WATER DISTRICT
c/o Mesiti-Miller Engineering, Inc.
224 Walnut Street, Suite B
Santa Cruz, California 95060

Attention: Mr. Rodney Cahill

Subject: **Proposal Agreement for Geotechnical Services**
Construction Observation
Laboratory Compaction Testing
Field In-Place Density Testing

Reference: Probation Tank Replacement Project
Graham Hill Road
Felton, California

Dear Mr. Cahill,

Haro, Kasunich & Associates is pleased to present this proposal agreement for geotechnical services for the Probation Tank Replacement Project on Graham Hill Road in Felton, California. Our Geotechnical investigation for the project is dated 12 February 2016. Project Plans, dated 17 February 2016, were prepared by Mesiti-Miller Engineering Inc. The plans were provided for review and use.

PURPOSE

The purpose of our work will be to provide geotechnical observation and testing services during construction of the replacement Probation Tank and associated improvements. We will assist SLVWD and Mesiti-Miller engineers to evaluate contractor's conformance with our geotechnical recommendations and the Project Plans.

Earthwork observation and laboratory and field compaction testing will be performed during: 1) repair of the access road water main trench; 2) site grading and construction of the new tank pad; 3) construction of 4–14 foot high wood lagging and soldier beam site retaining walls to support cut and fill slopes on the expanded building pad; 4) construction of drainage and water piping; 5) construction of the tank ring foundation; 6) driveway subgrade and aggregate base compaction; and 6) final site observations following installation of erosion control measures and completion of drainage improvements. We will prepare a report presenting a summary of our observations and the results of our laboratory

Mr. Rodney Cahill/Mesiti-Miller Engineering
P18-090
PA For Geotechnical Services
Probation Tank Replacement Project
Page 2

and field moisture density testing services.

The duties of Haro, Kasunich & Associates (HKA) are limited to reporting our test results to the CLIENT only. No action of HKA's or the ENGINEER'S site representative can be construed as altering any AGREEMENT between the CLIENT and others. HKA has no right to reject or stop work of any agent of the CLIENT. Such rights are reserved solely for the completion or quality of the performance of the work of any party retained by the CLIENT to provide construction-related services. HKA will not be responsible for and will not have control of the specific means, methods, techniques, sequences, or procedures of construction selected by any agent or agreement of the CLIENT, or safety precautions and programs incident thereto. Additional charges may be applicable if the composition of backfill material varies, or if technicians are required to make extra visits due to failing tests or delays.

This proposal is specific to the referenced project which is ongoing. In the event the size of the project changes substantially or if additional requirements regarding observations and testing are imposed by local jurisdictions, we reserve the right to modify this proposal or to submit an additional proposal reflecting the new scope of work.

SCOPE OF WORK

1. Attendance at one Pre-Construction meeting. An HKA senior engineer and field technicians will provide observation and testing services during the course of construction as requested by the on-site project contractor and/or field engineer to perform field in-place density tests per ASTM 6938-10. We will co-ordinate our services with the construction manager, Mesiti-Miller Engineers and representatives of SLVWD. We estimate each testing visit will take 2 to 3 hours to complete depending on traffic. Testing visits are charged portal to portal. Travel time will be shared with other projects in the area if possible.
2. Collection of up to four (4) bulk samples of on-site soil, aggregate base and sand backfill material as needed and transportation to our laboratory. Perform up to two (4) laboratory compaction tests per ASTM D 1557-12. Laboratory compaction tests will be performed as needed and/or requested by the project field engineer.
3. An HKA senior engineer will coordinate with the Mesiti-Miller office and SLVWD office concerning project requirements and brief with the field technician concerning ongoing testing results. The contractor field engineer will be informed of our test results on a daily basis by the field

Mr. Rodney Cahill/Mesiti-Miller Engineering
P18-090
PA For Geotechnical Services
Probation Tank Replacement Project
Page 3

technician. The senior engineer will also provide project consultation, conduct site meetings when necessary, and prepare and submit a report summarizing earthwork observations and presenting laboratory and field compaction test results and test location maps at the completion of the project.

4. Our services will be provided on an on-call basis as requested by the field or district engineer. HKA Dispatch: (831) 722-4175, Ext. 106 (Sylvia Ruvalcaba).

The services outlined above will be provided on a time and materials basis with the rates and terms shown on our current Standard Fee Schedule (attached). We anticipate the following personnel may be involved in the project:

<u>Personnel</u>	<u>Rate</u>
Senior Engineer	\$165.00/hr
Staff Engineer	\$130.00/hr
Field Technician	\$ 85.00/hr
Field Technician Prevailing Wage	\$110.00/hr

OWNER-FURNISHED SERVICES

It is understood that the Owner would furnish the following:

- A. Right of entry.
- B. All available data, maps, drawings, and reports pertinent to the referenced site. We request a map of the site to use as a base map to plot our test locations.
- C. Location of all underground utilities.

ADDITIONAL SERVICES

- A. Labor and equipment to perform additional geotechnical study if the initially collected field data is insufficient to address specific site conditions and/or requirements set by your designers.
- B. Any other items of work not specifically mentioned above.

EXTRA SERVICES

Presentations, Consultations and Construction Observation Services

Presentations and consultation meetings may be required during public agency

Mr. Rodney Cahill/Mesiti-Miller Engineering
P18-090
PA For Geotechnical Services
Probation Tank Replacement Project
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review and approval phases of the project, after our report is submitted. **Attendance at meetings and presentations to public agencies will be undertaken on an "as required" basis as authorized by the Client, and will be considered extra services.**

Consultation meetings and telephone consultation regarding the project not specifically detailed in this proposal are also considered extra services.

Extra Services will be billed on a "time and material" basis in accordance with our current Fee Schedule (1 March 2017).

TERMS AND CONDITIONS

It is understood that we would be granted free access to the site for all necessary equipment and personnel, and that the Client has notified any and all possessors of the project site, whether they be lawfully or unlawfully in possession.

Services performed by us under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. The Client recognizes that subsurface conditions may vary from those encountered at the location where borings or tests are made by the Consultant; and that the data, interpretations, and recommendations of the Consultant are based solely on the information available to him.

STANDARD OF CARE

Services performed by the **ENGINEER** under this **AGREEMENT** are expected by the **CLIENT** to be conducted in a manner consistent with the level of care and skill ordinarily exercised by members of the geotechnical engineering profession providing similar services and practicing contemporaneously under similar conditions at the same time and in the same locality of the project.

No other warranty beyond the standard of care, expressed or implied, is made or intended in connection with the work to be performed by us or by the proposal for consulting or other services, or by the furnishing of oral or written reports of findings made by us.

The **CLIENT** recognizes that subsurface conditions may vary from those observed at locations where borings, surveys, tests or explorations are made, and that site conditions may change with time. Data, interpretations, and recommendations by the **ENGINEER** will be based solely on information available to the **ENGINEER**. The **ENGINEER** is responsible for those data,

Mr. Rodney Cahill/Mesiti-Miller Engineering
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PA For Geotechnical Services
Probation Tank Replacement Project
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interpretations, and recommendations, but will not be responsible for any other parties' interpretations or use of the information developed.

THE AGREEMENT

This **AGREEMENT** is made by and between **HARO, KASUNICH AND ASSOCIATES, INC.**, hereinafter referred to as **ENGINEER**, and **MR. RODNEY CAHILL OF MESITI-MILLER ENGINEERS, A REPRESENTATIVE OF THE SAN LORENZO VALLEY WATER DISTRICT**, hereinafter referred to as **CLIENT**.

The **AGREEMENT** between the parties consists of these **TERMS**, and any exhibits or attachments noted in this **PROPOSAL**. Together these elements will constitute the entire **AGREEMENT**, superseding any and all prior negotiations, correspondence, or agreements, either written or oral. Any changes to this **AGREEMENT** must be mutually agreed to in writing.

BILLING AND PAYMENT

CLIENT will pay **ENGINEER** the lump sum amount indicated in this **PROPOSAL** or, if no lump sum amount is indicated, in accordance with the schedule of fees and other equipment charges, as shown in this **PROPOSAL** and its attachments. Invoices will be submitted to **CLIENT** by **ENGINEER**, and will be due and payable upon presentation. If **CLIENT** objects to all or any portion of any invoice, **CLIENT** will so notify **ENGINEER** in writing within fourteen (14) calendar days of the invoice date, identify the cause of disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice. In the absence of written notification described above, the balance as stated on the invoice will be paid.

Invoices are delinquent if payment has not been received within thirty (30) days from date of invoice. **CLIENT** will pay an additional charge of 1½ (1.5) percent per month (or the maximum percentage allowed by law, whichever is lower) on any delinquent amount, except any portion of the invoice amount in dispute and resolved in favor of **CLIENT**. Payment thereafter will first be applied to accrued interest and then to the principle unpaid amount. All time spent and expenses incurred (including any attorney's fees) in connection with collection of any delinquent amount will be paid by **CLIENT** to **ENGINEER** per **ENGINEER's** current fee schedules. In the event **CLIENT** fails to pay **ENGINEER** within sixty (60) days after invoices are rendered, **CLIENT** agrees that **ENGINEER** will have the right to consider the failure to pay the **ENGINEER's** invoice as a breach of this **AGREEMENT**.

Mr. Rodney Cahill/Mesiti-Miller Engineering
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PA For Geotechnical Services
Probation Tank Replacement Project
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TERMINATION

This **AGREEMENT** may be terminated by either party seven (7) days after written notice in the event of any breach of any provision of this **AGREEMENT** or in the event of substantial failure of performance by the other party, or if the **CLIENT** suspends the work for more than three (3) months. This **AGREEMENT** may also be terminated if **CLIENT** suspends work for a period of less than three (3) months if the right to so terminate is specified in this **PROPOSAL**.

In the event of termination, **ENGINEER** will be paid for services performed prior to the date of termination plus reasonable termination expenses including the cost of completing analysis, records and reports necessary to document job status at the time of termination.

COMPENSATION FOR SERVICES

Our services will be provided in accordance with the rates and terms shown on our attached Standard Fee Schedule dated 1 March 2017 (attached). Our estimated cost to perform the outlined Scope of Services for the Probation Tank Replacement Project is \$18,920.00 (see Page 7 for cost estimate breakdown).

Additional charges can be incurred should the scope of services be altered or unforeseen circumstances arise during the study. Should unforeseen circumstances arise, they will be brought to your attention for action.

Should you have any question regarding the scope of services and/or require further comments, please call our office. If the above proposal meets with your approval, please sign and return one copy to our office. We appreciate this opportunity to be of service to you on this project.

Respectfully submitted,



Christopher A. George
C.E. 50871

CAG/cag

Attachment: Fee Schedule

Copies: 1 to Addressee via email only (Rodney@m-me.com)

Accepted by: _____ Date: _____

Mr. Rodney Cahill/Mesiti-Miller Engineering
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PA For Geotechnical Services
Probation Tank Replacement Project
Page 7

HKA Personnel and rates

Principal Engineer @ \$190.00/hr
Senior Engineer @ \$165.00/hr
Soil Technician @ \$110.00/hr
(Prevailing Wage)

ESTIMATED COSTS

PRECONSTRUCTION

Administration	6 hrs. @ \$165.00/hr	=	\$ 990.00
Preconstruction Meeting	3 hrs. @ \$165.00/hr	=	\$ 495.00
Review Final Plans & Brief Tech	1hr. @ \$165.00/hr	=	\$ 165.00
Tech Review File & Plans	2 hrs. @ \$110.00/hr	=	<u>\$ 220.00</u>
			<u>\$ 1,870.00</u>

LABORATORY TESTING

Laboratory Compaction Tests	4 @ \$200.00 ea.	=	\$ 800.00
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CONSTRUCTION OBSERVATION

1. Access Road Repair			
2 visits for trench backfill testing	3 hrs. @ \$110.00/hr	=	\$ 660.00
2 visits AB testing	3 hrs. @ \$110.00/hr	=	\$ 660.00
2. Compaction Testing for Piping Trench Backfill			
2 visits	2.5 hrs @ \$110.00/hr	=	\$ 550.00
3. Site Grading (Eval slope ex and pad subex)			
2 visits	4 hrs. @ \$165.00/hr	=	\$ 660.00
4. Subexcavate and Recompect Pad			
5 days	8 hrs. @ \$110.00/hr	=	\$ 4,400.00
5. Observe Pier Holes for Two Walls			
4 visits	2.5 hrs. @ \$110.00/hr	=	\$ 1100.00
6. Observe Wall Backdrain Installation			
2 visits (1 visit/wall)	2.5 hrs. @ \$110.00/hr	=	\$ 550.00
7. Compact Wall Backfill			
2 visits	3 hrs. @ \$110.00/hr	=	\$ 660.00
8. Observe Ring Tank Footing Ex and test AB			
2 visits	4.0 hrs. @ \$110.00/hr	=	\$ 880.00
9. Observe and Test Trench Backfill for Piping			
2 visits	3.0 hrs. @ \$110.00/hr	=	\$ 660.00
10. Road Subgrade and AB Testing prior to paving			
4 visits	3 hrs. @ \$110.00/hr	=	\$ 1,320.00
11. Observe Installation of Drainage Outfall	3 hrs. @ \$110.00/hr	=	<u>\$ 330.00</u>
			<u>\$12,430.00</u>

ADMINISTRATION

12. Administration, write reports, consultation			
	22 hrs. @ \$165.00/hr	=	\$ 3,630.00
	1 hr. @ \$190.00/hr	=	<u>\$ 190.00</u>
		=	\$ 3,820.00

Total – Preconstruction + Lab Testing + Const. Obs.+ Admin.		=	\$18,920.00
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HARO, KASUNICH AND ASSOCIATES, INC.

FEE SCHEDULE 1 March 2017

CONSULTING GEOTECHNICAL & COASTAL ENGINEERS

The following schedule presents the rates for professional services and laboratory tests. If desired, services other than construction observation and testing can be contracted on a negotiated fixed fee basis. Hours for professional and technical services are charged portal-to-portal from our office. Services during construction such as testing and observation of grading require both professional and technical services. Depending on the scope and duration of the construction project, budgets can be estimated. Minimum fee for any project is \$950.00.

PROFESSIONAL SERVICES

Principal Consultant	\$200.00 per hour
Principal Engineer	\$190.00 per hour
Coastal Engineer	\$190.00 per hour
Coastal Engineering Geologist	\$185.00 per hour
Senior Engineer	\$165.00 per hour
Staff Engineer	\$130.00 per hour
CAD Technician/Designer	\$ 98.00 per hour
Computer Technician/Engineer Assistant	\$ 87.00 per hour

Expert Witness Fees including Preparation, Consultation, Arbitration, Deposition, Hearings and Court Appearance, including travel time to and from will be billed at one and half (1.5) times the hourly rates indicated above.

Consultation meetings and telephone consultation will be billed at the hourly rate indicated.

ENGINEER OVERTIME RATES

Principal Engineer, Engineering Geologist, Senior Engineer, Staff Engineer
(In excess of 8 hours day and Saturdays, 1.4 times the stated rate)

Principal Engineer, Engineering Geologist, Senior Engineer, Staff Engineer
(Sundays and Company Holidays, 1.8 times the stated rate)

PERSONNEL CHARGES

Technical Assistant	\$60.00 per hour
Clerical Administration	\$40.00 per hour
Field Technician	\$85.00 per hour
Prevailing Wage Field Technician (PWT) (Subject to DIR)	\$110.00 per hour

TECHNICIAN OVERTIME HOURLY WAGES

Weekdays (in excess of 8 hours/day 1.5 times)	\$127.50 per hour
Saturdays (initial 8 hours - 1.5 times)	\$127.50 per hour
Saturdays (in excess of 8 hours - 2.0 times)	\$170.00 per hour
Sundays and Holidays (2.0 times)	\$170.00 per hour

- Field services are billed portal-to-portal in accordance with the following minimum charges:
2 hours minimum charge for inspections, sampling, testing operations or show-up time;
- Per diem will be billed cost plus 20% but not less than \$100.00/day per person.

MILEAGE AND INCIDENTAL EXPENSES

Auto Mileage	\$ 0.55/mile
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Incidental expenses, such as consultant's fee, special services, equipment rental, aerial photographs, out-of-town travel, etc., are reimbursable at cost plus 15%.

DRILLING AND SAMPLING

Drilling rig, crawler or truck mounted with crew and engineer supervision basic rates:

Mobilization	\$395.00 to \$410.00 per hour
Straight Time (This includes portal to portal, yard prep, de-prep and tooling)	\$395.00 to \$410.00 per hour
Overtime	\$445.00 to \$495.00 per hour
Double Time (Holidays and Sundays)	On Request Cost Plus 15%

Prevailing Wage Drilling
Overtime

\$475.00 to \$490.00 per hour
\$550.00 to \$565.00 per hour

Item: 10h

Portable Drill Rigs

Stated Rate plus an additional \$65.00/hour for additional crew member.

Overtime Rate in excess of 8 hours = \$90.00 per hour for additional crew member.

Above charges are subject to change dependent upon engaged Drilling Company.

For portable rigs, crawler-mounted or rotary-wash type drilling rigs, and support equipment the rate is cost plus 15%. Drilling is charged at 5 hours minimum. Time is charged portal-to-portal from yard of engaged Drilling Contractor. Casing, Shelby Tubes and any special sampling or subcontract equipment and related support services will be charged at cost plus 15%.

FIELD TESTS

Plate bearing load, pile load and vane shear tests; piezometer and slope indicator installations; and other special tests will be charged at standard engineering and personnel rates plus cost of and including 15% surcharge for special equipment/personnel.

LABORATORY TESTS

Sample Preparation, per hour	\$ 65.00
Sieve Analysis, pit run with 200 wash, ASTM D-422, per test	\$100.00
Percent Passing #200 Sieve (wash)	\$ 70.00
Short Hydrometer Analysis (without Sp. Gr.) ASTM D-422	\$150.00
Specific Gravity (Sand and Gravel) ASTM D-854	\$ 80.00
Moisture Determination, ASTM D-2216	\$ 15.00
Unit Weight	\$ 30.00
Sand Equivalent	\$100.00
Atterberg Limits:	
a. Plasticity Index, ASTM D-4318 Wet	\$185.00
b. Plasticity Index, ASTM D-4318 Dry	\$155.00
Unconfined Compression, ASTM D-2166	\$ 65.00
Swell Test Shrink-Swell & Expansion Pressure	\$260.00
Direct Shear, per point ASTM D3080	\$100.00
Residual Direct Shear (Modified ASTM)	\$Quote
CU Modified ASTM per point	\$ 80.00
Consolidation full curve	\$360.00
R-Value	\$Quote
R-Value, Cement, Lime or other additives	\$Quote
Compaction Curve	
a. Modified, 4" mold, ASTM D-1557	\$200.00
b. Modified, 6" mold, ASTM D-1557	\$250.00
c. Impact, California State Highway	\$250.00
d. 1 Point Verification	\$100.00
Soil Corrosivity Tests (PH, Resistivity, Soluble Chloride & Sulfate)	\$230.00
Triaxial, permeability and other special tests at hourly rates or as quoted.	

Notes: Consultation meetings will be billed at the hourly rates indicated. Field services are billed portal-to-portal with a 2-hour minimum charge. Hourly rates shown are for ordinary engineering services and include all payroll, office overhead, taxes, supplies and insurance. Higher rates are applicable for extra services such as special certifications and projects which require professional liability insurance, etc. Invoices will be prepared at the completion of work or at monthly intervals and are payable upon presentation. Invoices 30 days past due will be assessed a service charge of 1.5% per month.

Note: In the event consultant's fee schedule changes due to any increase of costs such as the granting of wage increases and/or other employee benefits to office employees due to the terms of any labor agreement, or rise in the cost of living, during the lifetime of the agreement, a percentage increase shall be applied to all remaining compensation.

CHANGES

This Fee Schedule is subject to change without notification.

Scope of Service

SLVWD Probation Water Storage Tank Construction Support Services

For Mesiti Miller

Background

Schaaf & Wheeler has assisted Mesiti-Miller in the design of the Probation Tank replacement for the San Lorenzo Water District. This scope of service is to provide engineering support services during construction. Mesiti-Miller would be the primary point of contract with the District, similar to the design phase of the project.

Detailed Scope

Task 1 – Respond to Questions, Request for Information (RFI's)

1. Respond to questions forwarded from Mesiti-Miller from the contractor
2. Respond to questions forwarded from Mesiti-Miller from the District

Task 2 – Review Contractor Submittals

1. Review of contractor submittals forwarded from Mesiti-Miller

Task 3 – Construction Observation

1. Before acceptance of temporary system
2. Progress observations as requested by the District/Mesiti-Miller
3. Before testing of the tank
4. Final punch list
5. At anniversary inspection

Task 4 – Record Drawings

1. Prepare record drawings based on contractor markup drawings

Work Not Included in Scope of Services

1. Surveying
2. Inspection
3. Testing
4. Division of Drinking Water permitting and approval
5. Coordination of testing and inspections

Probation Tank Construction Support Services Schaaf & Wheeler Fee Proposal -February 18, 2016		Project Manager	Senior Engineer	Associate Engineer	Schaaf & Wheeler Subtotal
	Hourly Rate	\$225	\$200	\$180	
Task 1	Respond to Questions	8	0	16	\$ 4,680
1	From Contractor	4		8	\$ 2,340
2	From District	4		8	\$ 2,340
Task 2	Review Contractor Submittals	8	0	40	\$ 9,000
1	Review Contractor Submittals	8		40	\$ 9,000
Task 3	Construction Observation	16	0	28	\$ 8,640
1	Temporary 'System	2		4	\$ 1,170
2	Progress Observations	4		8	\$ 2,340
3	Tank Testing	2		8	\$ 1,890
4	Final Punch List	4		4	\$ 1,620
5	Anniversary Inspection	4		4	\$ 1,620
Task 4	Record Drawings	4	0	8	\$ 2,340
1	Prepare Record Drawings	4		8	\$ 2,340
	PROJECT TOTALS	36	0	92	\$ 24,660



SMITH-EMERY SAN FRANCISCO
The Full Service Independent Testing Laboratory, Established 1904

Agenda: 11.15.18
Item: 10h

1940 Oakdale Avenue
791 East Washington Boulevard

San Francisco, California 94124
Los Angeles, California 90021

(415) 642-7326 P
(213) 741-9411 P

(415) 642-7055 F
(213) 741-8620 F

Mr. Brian Lee, District Manager
San Lorenzo Valley Water District
13060 CA-9, Boulder Creek, CA 95006
c/o Mr. Rodney Cahill, Principal Engineer
MME Civil + Structural Engineering

(rev) October 23, 2018

RE: Testing and Inspection Services
Probation Water Tank, Graham Hill Road, Santa Cruz County

Dear Mr. Lee,

Smith-Emery SF is pleased to provide this revised proposal for the above-referenced project. Our revisions are as per our review of the contractor's schedule dated 10/15/18, and additional shop welding inspection schedule information provided by Desiree Brumley/Paso Robles Tank, Inc. on 10/22/18.

We have reviewed the project plans and specifications and have also discussed the project requirements with MME. Our proposal includes Geotechnical /Soils and Asphalt Services, for an overall budgetary estimate for the project's quality assurance requirements.

As always, Smith-Emery's services are provided on an as-needed basis, at the call-out request of the District's contractor field representative and offsite steel fabricator(s), in half-day increments. We have enclosed our standard two-page basis of charges for your review. We will not charge for travel time nor mileage to/from the jobsite.

Note that we have proposed herein for all special inspections to be provided by Smith-Emery's own inhouse personnel – including for offsite steel shop fabrications inspections which will be needed in Paso Robles, CA and Hemet, CA. If the District prefers, we will be pleased to subcontract to a local, qualified special inspection agency for the Paso Robles steel shop welding inspections, as a value engineering provision. Smith-Emery's Southern California branch offices will provide inspections at the Hemet steel shop location.

We look forward to participating with the District's project team for this upcoming endeavor, and will remain available to review our proposal with you. Please contact either the undersigned, or Mr. Patrick Morrison, P.G, C.E.G. at our office phone number above.

Very truly yours,

SMITH-EMERY SAN FRANCISCO

Monica Kahler, Sr. Project Manager

Proposal Reviewed / Accepted by:

Client's Signature /date

Client's Printed Name /SLVWD



Probation Water Tank

Graham Hill Road, Santa Cruz County

Smith-Emery San Francisco

1940 Oakdale Ave, CA 94124, PH 415/642-5410

rev. 11/1/18

Schedule dated: 10/15/18

ESTIMATED

Inspections / Testing

	DAYS	SAMPLES	HOURS	RATE	TOTAL
Asphalt Placement Observation and Compaction Testing					
Asphalt Compaction Technician with Nuclear Gauge	6		32	\$108.00	\$3,456.00
HMA Maximum Theoretical Density		1		\$250.00	\$250.00
Staff Professional Review			2	\$114.00	\$228.00
				subtotal	\$3,934.00
Concrete					
Rebar Placement Inspection-- excluded	0		0	\$108.00	\$0.00
Concrete Sampling	7		32	\$108.00	\$3,456.00
Cylinder Compression Tests		36		\$28.00	\$1,008.00
Pick-up Concrete Cylinders		36		\$14.00	\$504.00
Mix Designs Submittal Reviews-- by project EOR					\$0.00
				subtotal	\$4,968.00
Structural Welding (tank)					
<u>Shop / Paso Robles, CA--</u>					
Shop Welding Inspection (4 wks, 8-hr day shift)	20		160	\$108.00	\$17,280.00
Travel Time (4 round trips, SF to Paso Robles)			48	\$88.00	\$4,224.00
Mileage (4 round trips, SF to Paso Robles)			2120	\$0.59	\$1,251.00
Per Diem (local accommodations, meals)			24	\$130.00	\$3,120.00
				subtotal	\$8,595.00
<u>Field Welding Inspection</u>					
	20		160	\$108.00	\$17,280.00
Non-destructive Testing Equipment, if needed (UT, MT)			80	\$4.50	\$360.00
Welding Procedure Spec (WPS) formal submittal Review			8	\$114.00	\$912.00
				subtotal	\$18,552.00
Misc. Steel Welding (appurtenances, ladders, handrails)					
<u>Shop / Hemet, CA--</u>					
Shop Welding Inspection (Periodic, 1 day/wk)	5		40	\$108.00	\$4,320.00
Travel Time, IF needed (allowance)			30	\$88.00	\$2,640.00
Mileage, IF needed (allowance)			1300	\$0.59	\$767.00
				subtotal	\$7,727.00
Project Close-Out Document / Other:					
Civil Engineer's Review / Affidavit		1		\$325.00	\$325.00
Project Mgmt / Field Supervision (5% of invoice amt)					\$2,205.00
				subtotal	\$2,530.00

Estimated Total	58	74	4,036	\$46,306.00
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Schedule Contingency \$4,630.60

Clarifications, Exclusions: *Water Piping, bolting, hydrostatic testing - by others; *Cut Wood Ends Treatment Inspections (if applicable)- by others; *Excavation Inspections- by others; *Specialty Coatings-by others; *Electrical Systems- by others; *Smith-Emery may be able to subcontract to a local qualified firm for (CWI) shop welding inspections in Paso Robles, for cost savings.

ALTERNATE: Concrete Lagging

Smith-Emery can obtain samples & perform Cylinder Compression Tests for Concrete Lagging as needed. The number of samples is yet to be determined. Unit/hourly rates proposed above, will apply.



Basis of Charges

The Charges for Services and General Conditions set forth below will govern the provision of services and will constitute the contract terms between the Client and Smith-Emery of San Francisco Inc. ("Smith-Emery") unless the Client and Smith-Emery have executed a written contract with respect to such services, in which case the terms and provisions of the written contract shall control. Services are provided on time and materials. Effective through June 30, 2019.

1. Working Conditions and Hours – Field Services

1.1 Minimum Charges

Show-Up – No work performed – 2 hours
Work 1 to 4 hours of inspection – Bill 4 hours
Work 4 to 8 hours of inspection – Bill 8 hours
NOTE: Less than 24 hour call-out may necessitate premium charges.

1.2 Regular Time

First 8 hours, Monday through Friday
Day Shift starts after 4am or before 2 pm

1.3 Time and One-Half

Over 8 hours Monday through Friday
Hours 1 through 8 on Saturday

1.4 Double Time

Over 12 hours Monday through Friday and over 8 hours on Saturday
Hours 1 through 8 on Sunday

1.5 Holidays

All holidays at the jobsite will be billed at Double Time. Holidays are: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, and Christmas. If the holiday falls on a Sunday the following Monday will be billed at double time rates. If the holiday falls on a Saturday, the preceding Friday will be billed at a double time rate.

1.6 Travel Time and Mileage

No Travel Time or Mileage to/from the jobsite if the jobsite is within a fifty (50) mile radius of Smith-Emery's office or the inspector's place of residence, whichever is closer to the jobsite. If a jobsite falls outside of a fifty (50) mile radius as described above, travel time and mileage will be charged. Travel time will be charged at the inspector's billing rate and mileage will be charged at the Internal Revenue Service (IRS) mileage rates- <http://www.irs.gov/Tax-Professionals/Standard-Mileage-Rates>.

Technician time charges may be portal to portal (if necessary to pick up equipment) to closest lab location plus mileage reimbursement.

1.7 Parking

When not furnished, parking will be charged as paid by the SESF representative.

1.8 Subsistence

On remote jobs, subsistence, when not furnished for the inspector, will be charged by quotation.

1.9 Shift Differential

Add 12.5% for all Night Shift Differential, including California Steel Shops.
Night Shifts are defined as shifts starting after 2:00pm and before 4:00 am.

1.10 Completion

SESF representative will remain on the job until discharged by competent authority.

1.11 Cancellation

No Charge if made before 4:00pm of the preceding day. Charge will be incurred by client if not cancelled by 4:00pm of the preceding day. See section 1.1 Minimum Charges.

1.12 Insurance

Smith-Emery carries all insurance required by law. Additional cost of extra insurance certificates, coinsurance endorsements or additional insurance will be invoiced to the client at cost.

1.13 Concurrent Projects- Shop Fabrication

Smith-Emery Company reserves the right to schedule other inspection work concurrent with client's project at no additional cost to client provided that the inspection is per specification and applicable codes.

1.14 Ultrasonic Testing

Add +\$4.25 per hour - Ultrasonic Scope usage and calibration: \$34.00 per day of use.

2. Terms of Payment

2.1 Upon ordering work from Smith-Emery and in consideration of the extension of credit, Client and Smith-Emery agrees as follows:

- a. Invoices for services will be rendered weekly and payments thereof are due upon presentation of invoice.
- b. Where credit terms have been requested and approved by Smith-Emery, invoice terms will be net fifteen (15) days.
- c. Client will notify Smith-Emery of any invoice errors or necessary corrections within fifteen (15) days of receipt of invoice; thereafter, client acknowledges invoices shall be deemed to be correct.
- d. Invoices shall be deemed delinquent if not paid within thirty (30) days from the date of the invoice, and will be subject to a late payment charge of 1.5% of the invoice total plus an additional charge of 1.5% of the invoice total for each month for additional credit and collection expense incurred thereby.
- e. Smith-Emery reserves the right to terminate its Services to Client without notice if all invoices are not paid currently. Upon such termination of Services, the entire amount accrued for all Services performed shall immediately become due and payable. Client waves any and all claims against Smith-Emery, its subsidiaries, affiliates, servants and agents, in connection with termination of work pursuant to this paragraph.

Continued-



- f. Should Smith-Emery deem it necessary to refer to a past-due account to an attorney or to file suit for collection, Client agrees to pay all actual expenses and costs incurred thereby, including actual attorney's fees and costs. Jurisdiction and venue of all such actions and any other actions arising from this agreement of the provision of services by Smith-Emery shall be in Los Angeles County, State of California.

3. Escalation Clause

- 3.1** Smith-Emery is a member of the Council of Engineer and Labor Employers, Inc. and is a Signatory to an Agreement with the International Union of Operating Engineers, Local 3, AFL-CIO, covering the licensed building inspectors. This union agreement covers wages, fringe benefits, and conditions and working hours. The prices quoted below for inspection services are firm until the first June date which occurs after Client and Smith-Emery enter into this contract. On July first (7/1) of each year thereafter, the charges for services set forth in the Schedule of Fees will be adjusted by the percentage change resulting from our union contract renegotiation plus corresponding changes in our general administrative and overhead expenses. These modifications will be set forth in a current Schedule of Fees, and such adjusted charges shall become the agreed upon basis for charges by Smith-Emery to Client.

4. Anticipated Costs

- 4.1** Client recognizes and agrees that any "anticipated costs," "budget estimates," or the like that may be prepared by Smith-Emery are NOT "guaranteed maximums," "lump sums," or "not-to-exceed totals." Client will be invoiced for all work performed and only for work performed.

General Conditions

1. Indemnification

- 1.1** In the event of any claim against Smith-Emery by any party other than the Client, Client agrees to hold Smith-Emery, including its shareholders, officers, directors, employees, agents and representatives, free and harmless of and from, and to indemnify and defend Smith-Emery against, any and all liability, claims, causes of action, demands, judgments, losses, damages, expenses or costs (including, but not limited to, all costs and fees of litigation) of every kind, nature and description, including, but not limited to, any and all demands arising by reason of injury or death to person or damage to property, real or personal, including loss of use thereof, economic loss or loss or damages otherwise arising directly or indirectly out of the obligations herein undertaken, or out of operations conducted by Client, however caused or alleged to have been caused, even if due to the acts, errors, omissions or negligence, active, affirmative or passive of Smith-Emery, except for such losses or damages arising out of or caused by the sole negligence or willful misconduct of Smith-Emery.

2. Limitation of Liability

- 2.1** Client and Smith-Emery agree to limit the liability, including but not limited to liability for consequential damages, of Smith-Emery, including its shareholders, officers, directors, employees, agents and representatives for any acts, errors, omissions, breaches of contract, or negligence, active, affirmative, passive, concurrent or sole, on the part of Smith-Emery, arising directly or indirectly from the performance of the professional services under this Agreement, to Client to \$10,000 or an amount equal to Smith-Emery's fee, whichever is greater.
- 2.2** Client agrees and understands that, in order to provide the professional services requested at the agreed-upon fees, this Agreement does not provide for full liability of Smith-Emery for losses or damages which may arise directly or indirectly under this Agreement. Client has the opportunity to negotiate in advance a higher limitation of liability, or to eliminate entirely such limit of liability, but that the higher fees commensurate with this higher risk of liability to Smith-Emery shall be subject to agreement. Client agrees that this provision limiting Smith-Emery's liability cannot be modified, altered, or varied except by written instrument signed by client and Smith-Emery.
- 2.3** Client understands and agrees that Smith-Emery is not an insurer; that this Agreement does not provide Client with insurance coverage by Smith-Emery or anyone acting on its behalf; that all fees hereunder are based solely on the value of the professional services to be provided by Smith-Emery; that insurance, if any, shall be obtained by Client at Client's sole expense.

3. Dominant Terms

- 3.1** The terms and conditions of this Agreement shall take precedence over any terms and conditions which may appear in Client's purchase order, approval or acceptance. Any terms and conditions of Client's purchase order, approval or acceptance which are not identical to the terms and conditions of this Agreement are null and void, are not part of the Agreement between Smith-Emery and Client and are not binding upon Smith-Emery. The terms and Conditions of this agreement may not be varied or changed, nor any of its provisions waived, except by written agreement, signed by an authorized representative of Smith-Emery.

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Basis of Charges

The Charges for Services and General Conditions set forth below will govern the provision of services and will constitute the contract terms between the Client and Smith-Emery of San Francisco Inc. ("Smith-Emery") unless the Client and Smith-Emery have executed a written contract with respect to such services, in which case the terms and provisions of the written contract shall control. Services are provided on time and materials. Effective through June 30, 2019.

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Continued-



- f. Should Smith-Emery deem it necessary to refer to a past-due account to an attorney or to file suit for collection, Client agrees to pay all actual expenses and costs incurred thereby, including actual attorney's fees and costs. Jurisdiction and venue of all such actions and any other actions arising from this agreement of the provision of services by Smith-Emery shall be in Los Angeles County, State of California.

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- 3.1** The terms and conditions of this Agreement shall take precedence over any terms and conditions which may appear in Client's purchase order, approval or acceptance. Any terms and conditions of Client's purchase order, approval or acceptance which are not identical to the terms and conditions of this Agreement are null and void, are not part of the Agreement between Smith-Emery and Client and are not binding upon Smith-Emery. The terms and Conditions of this agreement may not be varied or changed, nor any of its provisions waived, except by written agreement, signed by an authorized representative of Smith-Emery.

PLEASE READ THESE GENERAL CONDITIONS WITH CARE



The Smith-Emery Difference

EXECUTIVE SUMMARY

Smith-Emery understands the importance of selecting the right laboratory for your project.

We suggest the following considerations for your decision-making process:

PEOPLE:

Our people are what make our company great.

Dedication, Expertise, Experience & Service.

Smith-Emery San Francisco is a team of professionals dedicated to providing your project with properly qualified and experienced personnel-- to most efficiently meet your project needs. We staff your project with multi-certified /licensed senior technicians, with years of industry experience. We are eager to collaborate as an integral part of your project team.

SERVICE:

Prompt Response / Highly Qualified Technicians-- to meet your highly demanding project needs.

Smith-Emery is the West Coast's largest testing agency, with a labor force large enough to staff your project at a moment's notice. When you need us, we'll be there-- prepared and on time. In the lab- your project's sample test reports are electronically generated and expedited to you immediately upon test completion.

COMPANY:

Longevity in the Industry, Financial Stability and Good Reputation.

Smith-Emery SF offers you the experience of 114 years in this industry in San Francisco. We have the personnel, equipment inventory, and financial stability to assure you of a secure, positive, long-term partnership.

SAFETY FOCUS:

100% Compliance Protects All.

Smith-Emery's first priority is the safety of our personnel and fellow teammates – both onsite and offsite. From personal protective equipment to jobsite tailgate meetings– all are scheduled, recorded, and enthusiastically adhered to.








“BEST VALUE” FOR YOUR PROJECT:

Competitive cost without sacrificing Value and Service.

Our price includes not only testing and inspection services, but also highly qualified engineering and management support staff that you can rely on to provide timely problem-solving resolutions to keep your project on schedule and within budget.

Project Manager: Eric Jerabek	10/31/2018
Owner: SLVWD	
Customer: SLVWD	General Contractor: RSH Construction

Activity ID	Submittal	Activity Name	Original Duration	Start	Finish	Duration % Complete	Total Float	Notes
50039C - San Lorenzo Valley WD - Probation Tai			330	07-Jun-18 A	25-Sep-19	5.16%	2	
Preliminary & Contractual Phase			78	07-Jun-18 A	27-Sep-18	21.79%	1	
P&C 1000		Preliminary & Contractual Phase Tasks	78	07-Jun-18 A	26-Sep-18	21.79%	1	
P&C 1005		Notice of Award	0	07-Jun-18 A		100%		
P&C 1030		Turn Over Package to Accounting	5	02-Jul-18	09-Jul-18	0%	57	
P&C 1015		Bond Issued	5	02-Jul-18	09-Jul-18	0%	57	
P&C 1020		Insurance Verified	5	02-Jul-18	09-Jul-18	0%	57	
P&C 1025		Subcontracts Issued/Executed	5	02-Jul-18	09-Jul-18	0%	57	
P&C 1010		Agreement Between Owner & Contractor	5	02-Jul-18	09-Jul-18	0%	56	
P&C 1035		Preconstruction Meeting	1	10-Jul-18	10-Jul-18	0%	56	
P&C 1040		Notice to Proceed	0	27-Sep-18*		0%	1 NTP (09/27/18) + 365 = Must	
Engineering & Drafting Phase			46	30-Jul-18	02-Oct-18	0%	87	
ENG2000		Engineering & Drafting Phase Tasks	46	30-Jul-18	02-Oct-18	0%	87	
Prepare & Submittal Phase			76	30-Jul-18 A	10-Oct-18	6.58%	243	
P&S2070		Engineering - Shop Drawings	10	30-Jul-18 A	16-Jul-18	0%	87	
P&S2190		Site Specific Safety Plan	10	27-Sep-18	10-Oct-18	0%	213	
P&S2200		Steel Coatings	10	27-Sep-18	10-Oct-18	0%	61	
P&S2050		Construction Progress Schedule (P6)	10	27-Sep-18	10-Oct-18	0%	243	
P&S2020		Cathodic Protection	10	27-Sep-18	10-Oct-18	0%	170	
P&S2120		Mixing System	10	27-Sep-18	10-Oct-18	0%	166	
P&S2220		Valves	10	27-Sep-18	10-Oct-18	0%	243	
P&S2090		General Electrical Requirement	10	27-Sep-18	10-Oct-18	0%	121	
P&S2110		Instrumentation	10	27-Sep-18	10-Oct-18	0%	168	
P&S2030		Concrete Mix Design	10	27-Sep-18	10-Oct-18	0%	108	
P&S2040		Concrete Reinforcing (Rebar)	10	27-Sep-18	10-Oct-18	0%	96	
P&S2010		BMP Plan	10	27-Sep-18	10-Oct-18	0%	208	
P&S2180		Schedule of Values	10	27-Sep-18	10-Oct-18	0%	213	
P&S2140		Piping	10	27-Sep-18	10-Oct-18	0%	188	
P&S2060		Timbers	10	27-Sep-18	10-Oct-18	0%	11	
P&S2080		Steel Beams Retaining Wall	10	27-Sep-18	10-Oct-18	0%	1	
Review & Approvals Phase			81	17-Jul-18	07-Nov-18	0%	213	
R&A2070		Engineering - Shop Drawings	55	17-Jul-18	02-Oct-18	0%	87	
R&A2190		Site Specific Safety Plan Approval	20	11-Oct-18	07-Nov-18	0%	213	
R&A2200		Steel Coatings Approval	20	11-Oct-18	07-Nov-18	0%	61	
R&A2020		Cathodic Protection Approved	20	11-Oct-18	07-Nov-18	0%	170	
R&A2120		Mixing System Approved	20	11-Oct-18	07-Nov-18	0%	166	
R&A2090		General Electrical Approved	20	11-Oct-18	07-Nov-18	0%	121	
R&A2110		Instrumentation Approved	20	11-Oct-18	07-Nov-18	0%	168	
R&A2030		Concrete Mix Design Approved	20	11-Oct-18	07-Nov-18	0%	108	
R&A2040		Concrete Reinforcing (Rebar) Approved	20	11-Oct-18	07-Nov-18	0%	96	
R&A2010		BMP Plan Approved	20	11-Oct-18	07-Nov-18	0%	208	
R&A2180		Schedule of Values Approved	20	11-Oct-18	07-Nov-18	0%	213	
R&A2140		Piping Approval	20	11-Oct-18	07-Nov-18	0%	188	
R&A2050		Timbers	20	11-Oct-18	07-Nov-18	0%	11	
R&A2060		Steel Beams Retaining Wall	20	11-Oct-18	07-Nov-18	0%	1	
Procure/Recieved/Deliver Phase			199	03-Oct-18	18-Jul-19	0%	35	

 Remaining Level of Effort  Milestone
 Actual Level of Effort  Summary
 Actual Work
 Remaining Work
 Critical Remaining Work

Procurement Requirement: Buy American (No)	
	TASK filter: All Activities

Project Name
50039C - San Lorenzo Valley WD -
Probation Tank

Project Manager: Eric Jerabek	10/31/2018
Owner: SLVWD	
Customer: SLVWD	General Contractor: RSH Construction

Activity ID	Submittal	Activity Name	Original Duration	Start	Finish	Duration % Complete	Total Float	Notes	2018						2019														
									Qtr 3			Qtr 4			Qtr 1			Qtr 2		Qtr 3			Qtr 4						
									Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct					
PRD2010		Appurtenances/Accessories	40	03-Oct-18	05-Dec-18	0%	87	~ 8 Weeks																					
PRD2060		Steel for Tank	40	08-Nov-18	14-Jan-19	0%	61	~ 8 Weeks																					
PRD2140		Piping	5	08-Nov-18	14-Nov-18	0%	198																						
PRD2020		CP System	5	08-Nov-18	14-Nov-18	0%	170																						
PRD2040		Concrete Reinforcing (Rebar)	5	08-Nov-18	14-Nov-18	0%	96																						
PRD2220		Valve - Altitude	20	08-Nov-18	13-Dec-18	0%	188																						
PRD2090		General Electrical	10	08-Nov-18	28-Nov-18	0%	121																						
PRD2110		Instrumentation	10	08-Nov-18	28-Nov-18	0%	168																						
PRD2120		Mixer	5	08-Nov-18	14-Nov-18	0%	166																						
PRD2130		Steel Beams Retaining Wall	30	08-Nov-18	28-Dec-18	0%	1																						
PRD2150		Timbers	20	08-Nov-18	13-Dec-18	0%	11																						
PRD2100		Order SCADA Equipment	70	12-Apr-19	18-Jul-19*	0%	0	10 Week Lead Time																					
Shop Fabrication & Painting			56	15-Jan-19	23-Apr-19	0%	4																						
Hemet Shop Fabrication & Painting Phase			56	15-Jan-19	23-Apr-19	0%	4																						
F&P4090		Shop Fabrication & Painting Phase Tasks	56	15-Jan-19	23-Apr-19	0%	2	48hr																					
F&P4110		Fabrication and Painting (H)	3	15-Jan-19	17-Jan-19	0%	57																						
Paso Shop Fabrication & Painting Phase			56	15-Jan-19	23-Apr-19	0%	2																						
F&P4000		Shop Fabrication & Painting Phase Tasks	56	15-Jan-19	23-Apr-19	0%	2	145hr																					
F&P4010		Fabrication and Painting (P)	9	15-Jan-19	29-Jan-19	0%	49																						
On-Site Construction Phase			217	08-Nov-18	18-Sep-19	0%	7																						
C5000		On-Site Construction Phase Tasks	187	31-Dec-18	18-Sep-19	0%	2																						
Mobilization			19	12-Dec-18	09-Jan-19	0%	176																						
C5070		Site Survey	1	12-Dec-18	12-Dec-18	0%	194																						
C5010		Move in / Set up	2	31-Dec-18	02-Jan-19	0%	1																						
C5005		Safety Precautions	1	03-Jan-19	03-Jan-19	0%	143																						
C5040		USA for Existing Utilities	1	03-Jan-19	03-Jan-19	0%	170																						
C5050		Pre - Construction Video	1	03-Jan-19	03-Jan-19	0%	180																						
C5080		Install BMP's	5	03-Jan-19	09-Jan-19	0%	176																						
C5090		Access Road Trench Repair	5	03-Jan-19	09-Jan-19	0%	1																						
Civil Work			150	08-Nov-18	17-Jun-19	0%	74																						
Foundation			113	08-Nov-18	25-Apr-19	0%	110																						
C5480		PG&E Notification for Electrical Shutdown	35	08-Nov-18	07-Jan-19	0%	22																						
C5400		Clear & Grub	7	10-Jan-19	18-Jan-19	0%	1																						
C5405		Pot Hole	3	21-Jan-19	23-Jan-19	0%	1																						
C5410		Demolition	10	24-Jan-19	06-Feb-19	0%	1																						
C5545		PG&E Power Shut Down for Drilling	1	31-Jan-19*	31-Jan-19	0%	5																						
C5415		Over Excavate & Recompat	15	07-Feb-19	27-Feb-19	0%	12																						
C5515		Drill for Beams @ Retaining Wall Perimeter	10	07-Feb-19	20-Feb-19	0%	1																						
C5525		Place Concrete For Beams @ Retaining Wall	5	21-Feb-19	27-Feb-19	0%	1																						
C5420		Additional Slope Grading	15	28-Feb-19	20-Mar-19	0%	12																						
C5460		Place 6" Drain	5	28-Feb-19	06-Mar-19	0%	1																						
C5535		Install Concrete @ Retaining Wall	15	07-Mar-19	27-Mar-19	0%	1																						
C5470		Install Drain Rock and Fabric @ Retaining Wall	6	28-Mar-19	04-Apr-19	0%	1																						
C5425		Excavate Footing Ringwall	2	05-Apr-19	08-Apr-19	0%	1																						
C5430		Place Rebar to Ringwall	5	09-Apr-19	15-Apr-19	0%	1																						
C5435		Form Ringwall	4	12-Apr-19	17-Apr-19	0%	1																						
C5440		Pour / Place Concrete at Ringwall	2	18-Apr-19	19-Apr-19	0%	1																						

- Remaining Level of Effort
- Actual Level of Effort
- Actual Work
- Remaining Work
- Critical Remaining Work
- Milestone
- Summary

Procurement Requirement: Buy American (No)

TASK filter: All Activities

Project Name
50039C - San Lorenzo Valley WD -
Probation Tank

Project Manager: Eric Jerabek	10/31/2018
Owner: SLVWD	
Customer: SLVWD	General Contractor: RSH Construction

Activity ID	Submittal	Activity Name	Original Duration	Start	Finish	Duration % Complete	Total Float	Notes	2018												2019											
									Qtr 3			Qtr 4			Qtr 1			Qtr 2			Qtr 3			Qtr 4								
									Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct								
		C5445	Cure Time	7	19-Apr-19	25-Apr-19	0%	4											Cure Time													
		C5450	Strip Forms	1	22-Apr-19	22-Apr-19	0%	2											Strip Forms													
		C5495	Verify foundation slope is within tolerance	1	23-Apr-19	23-Apr-19	0%	112											Verify foundation slope is within tolerance													
		C5505	Back Fill Ringwall	3	23-Apr-19	25-Apr-19	0%	110											Back Fill Ringwall													
		Piping Phase		93	07-Feb-19	17-Jun-19	0%	74																								
		C5300	Install U/G Strom Drain Piping, Outlets, ar	20	07-Feb-19	06-Mar-19	0%	146																								
		C5320	Install U/G Piping	10	23-Apr-19	06-May-19	0%	11																								
		C5330	Install Make-Up Piping	5	03-Jun-19	10-Jun-19	0%	64																								
		C5085	Above Ground Piping to Tank	5	10-Jun-19	17-Jun-19	0%	64																								
		Field Erection Phase		35	23-Apr-19	10-Jun-19	0%	2																								
		FE7010	Safety Precautions	1	23-Apr-19	23-Apr-19	0%	2																								
		FE7000	Field Erection Phase Tasks	35	23-Apr-19	10-Jun-19	0%	2 (60x32) 852hr																								
		FE7005	Move in / Set up (Target Start 03/27/19)	2	23-Apr-19	24-Apr-19	0%	2																								
		FE7090	Survey Foudation Elevation	1	23-Apr-19	23-Apr-19	0%	33																								
		FE7020	Install Construction Ring and Bottom Plate	5	23-Apr-19	30-Apr-19	0%	2																								
		FE7030	Weld Floor	4	30-Apr-19	06-May-19	0%	17																								
		FE7025	Hang, Fit, Weld Ring #1	4	30-Apr-19	06-May-19	0%	2																								
		FE7040	Install Lower Appurt/Accessories	4	06-May-19	10-May-19	0%	17																								
		FE7035	Hang, Fit, Weld Ring #2	3	06-May-19	09-May-19	0%	2																								
		FE7045	Hang, Fit, Weld Ring #3	3	09-May-19	14-May-19	0%	2																								
		FE7085	RT Inspection (1st)	1	09-May-19	10-May-19	0%	20																								
		FE7050	Hang, Fit, Weld Ring #4	3	14-May-19	17-May-19	0%	2																								
		FE7055	Install Top Angle/Compression Ring	2	17-May-19	21-May-19	0%	2																								
		FE7060	Install Structure	4	21-May-19	27-May-19	0%	2																								
		FE7065	Install Roof Plate	4	27-May-19	31-May-19	0%	2																								
		FE7110	Install Brackets - (CP & Electrical)	1	27-May-19	28-May-19	0%	9																								
		FE7070	Seal Welding	3	31-May-19	05-Jun-19	0%	2																								
		FE7095	RT Inspection (Final)	1	31-May-19	03-Jun-19	0%	5																								
		FE7100	Tank Punch List / QC Tank Inspection	1	31-May-19	03-Jun-19	0%	7																								
		FE7120	Vacuum Test Floor	1	31-May-19	03-Jun-19	0%	5																								
		FE7130	Install Upper Appurt/Accessories	4	31-May-19	06-Jun-19	0%	2																								
		FE7075	Remove Scaffold / Plug Down	1	05-Jun-19	06-Jun-19	0%	2																								
		FE7080	Detail, Clean up & Move Off	2	06-Jun-19	10-Jun-19	0%	2																								
		Field Coatings Phase		35	10-Jun-19	26-Jul-19	0%	9																								
		FC8000	Field Coating Phase Tasks	35	10-Jun-19	26-Jul-19	0%	9																								
		FC8020	Move In & Setup (Target Start __/__/__)	2	10-Jun-19	12-Jun-19	0%	2																								
		FC8005	Safety Precautions	1	12-Jun-19	12-Jun-19	0%	2																								
		Coatings Closeout		11	11-Jul-19	26-Jul-19	0%	9																								
		FC8115	Wash Down / Disinfect	5	11-Jul-19	18-Jul-19	0%	14																								
		FC8130	QC Final	1	24-Jul-19	24-Jul-19	0%	9																								
		FC8140	Incidental Or Remedial Work	1	25-Jul-19	25-Jul-19	0%	9																								
		FC8145	Cleanup Demobilization	1	26-Jul-19	26-Jul-19	0%	9																								
		Exterior		13	05-Jul-19	23-Jul-19	0%	2																								
		FC8095	Setup Exterior Access System	1	05-Jul-19	05-Jul-19	0%	2																								
		FC8100	Abrasive Blast Roof/Shell (Exterior)	2	08-Jul-19	09-Jul-19	0%	2																								
		FC8105	Apply Prime Coat (Exterior)	1	10-Jul-19	10-Jul-19	0%	2																								
		FC8110	Apply Intermediate Coat (Exterior)	2	11-Jul-19	12-Jul-19	0%	2																								
		FC8120	Apply Finish Coat (Exterior)	2	15-Jul-19	16-Jul-19	0%	2																								








- Remaining Level of Effort
- Actual Level of Effort
- Actual Work
- Remaining Work
- Critical Remaining Work
- Milestone
- Summary

Procurement Requirement: Buy American (No)

TASK filter: All Activities

Project Manager: Eric Jerabek	10/31/2018
Owner: SLVWD	
Customer: SLVWD	General Contractor: RSH Construction

[illegible]

 Remaining Level of Effort  Milestone
 Actual Level of Effort  Summary
 Actual Work
 Remaining Work
 Critical Remaining Work

Procurement Requirement: Buy American (No)	
	TASK filter: All Activities



August 6, 2015

Brian Lee, General Manager
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006

Re: SLVWD Probation Tank Replacement
Contract Amendment #1: Electrical Engineering
MME Project No: 14176-2

Dear Mr. Lee:

Following our field coordination meeting with PG&E we request the District authorize us to retain the services of Thomas Pinkerton P.E. of Fehr Engineering Co Inc of Aptos to provide electrical engineering services to establish electrical service and telephone service at the Probation Water Tank. We estimate the following additional tasks:

1. Coordination with PG&E to provide new service at the project location. This work includes the tank new service, coordination efforts to re-establish service to the cellular phone tower and power distribution to control elements for water tank controls.
2. Coordination with the telephone utility to establish a new phone service at the site and re-establish service requirements at the cellular tower. We assume that service work to the cellular tower is a straight forward reconnection of existing services.
3. Power and signal distribution to various control elements at the site including power to the existing communications shed.
4. Provide biddable construction documents including the electrical specification on the plan sheets.
5. Construction support services based upon past similar projects of this nature.
6. Provide the administrative support services to accomplish these tasks

We do hereby request our current authorization be increased by **\$6,800**.

All other provisions of our original agreement are considered to be in full force and effect with respect to these additional services. Please confirm your authorization to proceed with and complete these additional services by signing, dating, and returning one copy of this letter in the space provided on the next page.

Respectfully yours,

Rodney Cahill, P.E.
Principal

cc: Contract file



Agreement

I have read and fully understand this proposal for additional engineering services. I agree to all the foregoing terms and understand that the signing and dating of this letter constitutes formal agreement on my part, and on behalf of all the owners of this project.

Accepted By: Brian C Lee Date: 8/7/15

Printed Name: Brian C Lee



MME

CIVIL + STRUCTURAL ENGINEERING • SINCE 1987

February 14, 2018

Brian Lee, General Manager
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006

Re: SLVWD Probation Tank Replacement
Contract Amendment #4: Bidding Support Services
MME Project No: 14176-5

Dear Mr. Lee:

Thank you for meeting with us today. As discussed, you would like us to proceed with bidding support services for this project. These services will start today and continue through to the start of construction. Tasks may include:

Bidding Support Services

1. Update front end specifications template to suit SLVWD standards.
2. Assist in contacting and assembling a list of five or more interested Contractors.
3. Prepare a one paragraph, project narrative describing the scope of the work and a detailed bid item and quantity spreadsheet suitable for bidding. Prepare and deliver an Invitation to Bid and a PDF set of bid documents to all bidders.
4. Coordinate and manage an on-site, pre-bid meeting with interested bidders if needed. Collect bidder's questions and prepare and deliver a Bid Addendum to all bidders if needed.
5. Review the bids received and rank them in price order. Verify the minimum requirements of the bid documents have been met by the apparent low bidder.
6. Provide the administrative support necessary for us to perform these services.

Compensation for these services will on a time and materials basis as requested.

All other provisions of our original agreement are considered to be in full force and effect with respect to these additional services. Please confirm your authorization to complete these additional services by signing, dating, and returning one copy of this letter.

Respectfully yours,

Rodney Cahill, P.E.
Principal

I have read and fully understand this proposal and agree to these additional services.

Accepted By:

Date: Feb 15, 2018

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Schedule of Standard Billing Rates

Effective through December, 2018

Office Personnel

Engineer I	\$ 110 / hour
Engineer II	\$ 128 / hour
Engineer III (<i>licensed P.E.</i>)	\$ 148 / hour
Engineer IV (<i>licensed P.E.</i>)	\$ 170 / hour
Engineer V (<i>licensed P.E.</i>)	\$ 190 / hour
Principal Engineer	\$ 200 / hour
Expert Witness Services	\$ 330 / hour
Deposition, court appearance and preparation	
Administrative Assistant	\$ 82 / hour
CAD Technician I	\$ 80 / hour
CAD Technician II	\$ 100 / hour
Field Technician I	\$ 95 / hour
Field Technician II	\$ 120 / hour
Minimum Consultation Fee	\$ 750

Reimbursable Expenses

Sub-Consultants	Direct Billing x 1.10
Outside Services	Direct Cost x 1.15
Printing, delivery, equipment rental and other direct project expenses	
In-House Services	
Photocopies	\$ 0.10 sheet
Plotting -internal check plots on bond	\$ 2.00 sheet
-final plots on bond	\$ 10.00 sheet
Travel	
Automobile mileage	\$ 0.54 mile
Airfare, Car Rental, etc.	Direct Cost x 1.15
Per Diem Allowance (varies by location)	\$ 150/day

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M E M O

TO: Board of Directors

FROM: District Manager

SUBJECT: DEBT MANAGEMENT POLICY

DATE: November 15, 2018

RECOMMENDATION:

It is recommended that the Board of Directors review and adopt, via resolution, the proposed Debt Management Policy.

BACKGROUND:

In its publication entitled Best Practice Debt Management Policy, the Government Finance Officers Association (GFOA) states that Debt management policies are written guidelines, allowances, and restrictions that guide debt issuance practices of Board adopted issuance processes, management of a debt portfolio, and adherence to state and federal laws and regulations. A debt management policy should improve the quality of decisions, and articulate policy goals, provide guidelines for the structure of debt issuance, and demonstrate a commitment to long-term capital financial planning. The District's proposed Debt Management Policy provides a set of comprehensive guidelines for the issuance and management of District's debt portfolio. Adherence to the policy is essential to ensure the District maintains a diversified debt portfolio that supports the District's financing needs and minimizes the District's cost of funds.

RESOLUTION NO. 14 (18-19)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN LORENZO VALLEY WATER DISTRICT APPROVING THE SAN LORENZO VALLEY WATER DISTRICT DEBT MANAGEMENT POLICY

WHEREAS, the Board of Directors (the “Board”) of the San Lorenzo Valley Water District (the “District”) recognizes that cost-effective access to the capital markets depends on prudent management of the District’s debt program; and

WHEREAS, Government Code section 8855(i) requires any issuer of public debt to provide to California Debt and Investment Advisory Commission (CDIAC) no later than 30 days prior to the sale of any debt issue a report of the proposed issuance (the “Report of Proposed Debt Issuance”), and must certify on the Report of Proposed Debt Issuance that they have adopted local debt policies concerning the use of debt and that the proposed debt issuance is consistent with those policies (the “CDIAC Requirements”); and

WHEREAS, the Board wishes to set parameters for issuing debt, managing the debt portfolio and providing guidance to decision makers; and

WHEREAS, the Board finds and determines that adoption of the attached Debt Management Policy (the “Debt Management Policy”) will help ensure that debt is issued and managed prudently in order to maintain sound fiscal policy, and is in compliance with the CDIAC Requirements; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Lorenzo Valley Water District hereby orders and determines as follows:

Section 1. Recitals. The Board hereby specifically finds and declares that each of the recitals set forth above are true and correct and are hereby incorporated in conjunction with the respective staff report.

Section 2. Approval of the Debt Management Policy. This Board hereby declares that the proposed Debt Management Policy attached hereto, is hereby approved as the San Lorenzo Valley Water District Debt Management Policy to be effective November 15, 2018.

Section 3. Authorization to Manage Debt Issuance Functions. The District Manager, or a designee thereof, is hereby authorized to manage debt issuance functions for the District in accordance with the Debt Management Policy.

Section 4. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

The foregoing resolution was adopted at a regular meeting of the Board of Directors of the San Lorenzo Valley Water District held on the on the 15th day of November, 2018 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED

PRESIDENT

ATTESTED:

SECRETARY

SAN LORENZO VALLEY WATER DISTRICT DEBT MANAGEMENT POLICY Effective: November 15, 2018

Policy Statement

This policy documents the goals and guidelines of the San Lorenzo Valley Water District (the "District") for the use of debt instruments for financing the District's water and sewer systems, and projects therefor, and other financing needs. The District recognizes the need to invest in ongoing capital replacement and rehabilitation of its facilities as well as new infrastructure to ensure future viability of services, and that the appropriate use of debt can facilitate the timely construction of such facilities.

The District expects to pay for infrastructure and other projects from a combination of current revenues, available reserves, and prudently issued debt. The District recognizes that debt can provide an equitable means of financing projects for its customers and provide access to new capital needed for infrastructure and project needs. Debt will be used to meet financing needs (i) if it meets the goals of equitable treatment of all customers, both current and future; (ii) if it is cost-effective and fiscally prudent, responsible, and diligent under the prevailing economic conditions; and (iii) if there are other important policy reasons therefor. All District debt must be approved by the Board of Directors ("Board").

To endorse prudent financial management and achieve the highest practical credit ratings, the District is committed to systematic capital planning, and long-term financial planning. Evidence of this commitment to long-term capital planning is demonstrated through adoption and periodic adjustment of the District's current capital improvement program or plan ("CIP") identifying the benefits, costs and method of funding capital improvement projects over the planning horizon.

Purpose of Policy

The purpose of this debt management policy is to:

- Establish parameters for issuing debt, including the purposes for which debt can be issued and used;
- Describe how debt and debt proceeds will be managed;
- Provide guidance as to the type of debt to be issued; and
- Provide guidance as to the relationship between the capital improvement plan and debt issuance.

Purpose and Use of Debt

The District will utilize reasonable debt financing to fund long-term improvements and thus ensure equitable allocation of costs. Long-term improvements may include the acquisition of land, facilities, and infrastructure; and enhancements or expansions to existing facilities for providing drinking water services and sewage collection and treatment services to those properties located within the District's boundaries. Debt can be issued to fund the planning, pre-design, design, land and/or easement

acquisition, construction, and related fixtures, equipment and other costs as permitted by law. The District will not issue debt to cover operating needs.

The District may utilize short-term financing (including leases) to, among other things, finance certain essential equipment and vehicles. These assets can range from service vehicles to equipment. The underlying asset must have a minimum useful life of one year or more. Short-term financings, including loans, on bill financing and capital lease purchase agreements, are executed to meet such needs.

The District Manager will periodically evaluate the District's existing debt and recommend refinancings or prepayment (refunding) when economically beneficial. A refinancing may include the issuance of bonds to refund existing bonds or the issuance of bonds in order to refund other obligations, such as commercial paper or loans.

The District Manager, Underwriter and Municipal Advisor (if any shall then be retained) as appropriate shall be responsible for analyzing any debt financing proposal to determine if it is beneficial to the District and if it complies with the District's long-term financial planning objectives, including maintaining or improving the current credit ratings assigned to outstanding debt by the major credit rating agencies.

The proceeds of any debt obligation shall be expended only for the purpose for which it was authorized. Debt may only be issued upon Board authorization. No debt shall be issued with a maturity date greater than the expected weighted average useful life of the facilities or improvements being financed. The final maturity of bonds or state or federal loan debt shall be limited to 40 years after the date of issuance.

Debt Management

The District will provide for a periodic review of its financial performance and review its performance relative to the financial policies outlined herein. These financial policies will be taken into account during the capital planning, budgeting, and rate setting process. As part of the rate setting process, the District may choose to hire an independent Rate Consultant to prepare a Rate Study. Necessary appropriations for annual debt service requirements will be routinely included in the District's annual budget. The District will maintain proactive communication with the investment community, including rating agencies, credit enhancers and investors, to ensure future capital market access at the lowest possible interest rates.

The following principles outline the District's approach to debt management:

- The District will issue debt only in the case where there is an identified source of repayment. Debt will be issued to the extent that (i) projected existing revenues are sufficient to pay for the proposed debt service together with existing debt service covered by such existing revenues, (ii) additional revenues, as necessary, have been identified as a source of repayment in an amount sufficient to pay for the proposed debt, and (iii) bond covenants will be maintained.
- Debt will be structured for the shortest period possible, consistent with an equitable allocation of costs to current and future users. Borrowings by the District should be of a

duration that does not exceed the useful life of the improvement that it finances and where feasible, should be shorter than the projected economic life.

- The District may issue bonds on a fixed or variable interest rate basis. The District's standard practice shall be to issue bonds on a fixed rate basis. Fixed rate securities ensure budget certainty through the life of the securities and can be advantageous in a low interest rate environment. In rare instances, where the financial advantage of such financing structure is significant and only with the unanimous approval of the District's Board members, the District may choose to issue securities that pay a rate of interest that varies according to a predetermined formula or results from a periodic remarketing of the securities. Such variable rate bonds will be limited to no more than 25% of outstanding debt.

The proceeds of the bond sales will be invested until used for the intended project(s) in order to maximize utilization of the public funds. The investments will be made to obtain the highest level of safety. The District's Investment Policy and the specific bond Indentures govern objectives and criteria for investment of bond proceeds. The District Manager will oversee the investment of bond proceeds in a manner to avoid, if possible, and minimize any potential negative arbitrage over the life of the bond issuance, while complying with arbitrage and tax provisions.

Bond proceeds will be deposited and recorded in separate accounts to ensure funds are not comingled with other forms of District cash and investments. The District's trustee will administer the disbursement of bond proceeds pursuant to an Indenture of Trust, a Trust Agreement, Installment Sale Agreement, or such other documents governing debt issuance (collectively, the "Indenture"). Requisition for the disbursement of bonds funds must be approved by the District Manager.

The District Manager will monitor dedicated debt reserve fund balances and periodically review the advisability of prepayment or refunding of related debt. The financial advantages of a current refunding must outweigh the cost of reissuing new debt. A potential refunding will be assessed in combination with any new capital projects requiring financing, and the benefits of the refunding will be evaluated in relation to its costs and risks.

Debt can be refunded to achieve one or more of the following objectives:

- To reduce future interest costs;
- To restructure future debt service in response to evolving conditions regarding anticipated revenue sources;
- To accomplish tax-exempt refundings (that is, refinancings within 90 days of the call date), which must meet a minimum net present value savings target of 2.5% of refunded bonds; and
- To restructure the legal requirements, termed covenants of the original issue to reflect more closely the changing conditions of the District or the type of debt.

Debt Service Coverage Target

The District will not engage in debt financing unless the proposed obligation, when combined with all existing debts, will result in acceptable debt service coverage ratios. In determining the affordability of proposed revenue bonds, the District will perform an analysis comparing projected

annual net revenues (after payment of operating and maintenance (“O&M expense”) to estimated annual debt service and estimated debt service coverage ratio (“DCR”). DCR is the amount of cash flow available to meet annual interest and principal payment on debt.

The District’s objective is to maintain a DCR at or above 1.25 times to maintain its high quality credit rating.

Debt Instrument Rating

The District Manager, with the advice of the District’s Municipal Advisor (if any shall then be retained), will assess whether a credit rating should be obtained for an issuance and make a recommendation to the Board. If it is determined that a credit rating is desirable, the probable rating of the proposed debt issuance is assessed before its issuance, and necessary steps are taken in structuring the debt issuance to ensure that the best possible rating is achieved.

Debt Structuring

In structuring a debt issuance, the District will manage the amortization of debt, and to the extent possible, match its cash flow to the anticipated debt service payments. The District will seek to structure debt with aggregate level principal and interest payments over the life of the borrowing. “Backloading” of debt service will be considered only when such structuring is beneficial to the District’s aggregate overall debt payment schedule.

The District Manager, with the advice of the District’s Underwriter or Municipal Advisor, as applicable (if any shall then be retained), will evaluate and recommend to the Board the use of a call option, if any, and call protection period for each issuance. A call option, or optional redemption provision, gives the District the right to prepay or retire debt prior to its stated maturity. This option may permit the District to achieve interest savings in the future through refunding of the bonds. Because the cost of call options can vary widely, depending on market conditions, an evaluation of factors, such as the call premium, time until the bonds may be called at a premium or at par, and interest rate volatility will guide the decision to issue bonds with a call option. Generally, 30-year tax exempt municipal borrowings are structured with a 10-year call. From time to time, shorter call options (5-9 years) may also be used.

Types of Debt

Permissible types of debt issuable under this policy include, but are not limited to, revenue bonds, Certificates of Participation, variable rate bonds, state revolving fund (“SRF”) loans, federal loans, bank loans, notes, commercial paper, direct placements, capital leases, and lease-purchase financing. The weighted average useful life of the asset(s) or project shall exceed the payout schedule of any debt the District assumes.

In addition to the aforementioned long and short-term financing instruments, the District may also consider joint arrangements with other governmental agencies. Communication and coordination will be made with local governments regarding cost sharing in potential joint projects, including leveraging grants and funding sources.

The District is authorized to join with other special districts and/or municipal agencies to create a separate entity, a Joint Powers Authority, to issue debt on behalf of the District, the special district or

municipality. The District will only be liable for its share of debt service, as specified in a contract executed in connection with the joint venture debt.

Credit Enhancement

Credit enhancement may be used to improve or establish a credit rating on District debt obligation. Types of credit enhancement include Letters of Credit, bond insurance or surety policies. The District Manager will recommend to the Board the use of credit enhancement if it reduces the overall cost of the proposed financing or if, in the opinion of the District Manager (with the advice of counsel and the District's Municipal Advisor, if any shall then be retained), the use of such credit enhancement furthers the District's overall financial objectives.

Debt Service Reserve Fund/Surety Policy

Unless there are market requirements or it is important to increase credit ratings, the District will not fund a debt service reserve fund as part of its debt issuance. To the extent the District Manager (with the advice of counsel and the District's Municipal Advisor, if any shall then be retained) determine that a debt service reserve fund is advantageous, the debt reserves will be maintained in accordance with the applicable Indenture or the current District reserve policy (if any).

Capitalized Interest

Generally, interest shall be capitalized for the construction period of a revenue-producing project, and debt service does not begin until the project is expected to be operational and producing revenues. In addition, for lease back arrangements, such as those used for lease revenue bond transactions, interest may be capitalized for the construction period, until the asset is operational. Only under extraordinary circumstances, interest may be capitalized for a period longer than the construction period.

Credit Ratings

The District will seek to maintain the highest possible credit ratings that can be achieved for debt instruments without compromising the District's policy objectives. Ratings are a reflection of the general fiscal health of the District. By maintaining the highest possible credit ratings, the District can issue its debt at a lower interest cost. To enhance creditworthiness, the District is committed to prudent financial management, systematic capital planning, and long-term financial planning.

The District recognizes that external economic, natural, or other events may from time to time affect the creditworthiness of its debt. Each proposal for additional debt will be analyzed for its impact upon the District's debt rating on outstanding debt.

Rating Agency Relationships

The District may seek credit ratings from any or all of the major credit rating agencies - Standard & Poor's, Moody's Investors Service, and Fitch Investors Service, as appropriate. In addition, the District will evaluate the value of additional ratings on a case by case basis (e.g., Kroll Rating Services). District staff will provide periodic updates to the rating agencies, both formal and

informal, on the District's general financial condition and coordinate meetings and presentations in conjunction with a new debt issuance when determined necessary.

The retention of a rating agency relationship will be based on a determination of the potential for more favorable interest costs as compared to the direct and indirect cost of maintaining that relationship.

Bond Ratings

The District Manager, with the advice of the District's Underwriter or Municipal Advisor, as applicable, (if any shall then be retained), shall be responsible for determining whether a rating shall be requested on a particular financing, and which of the major rating agencies shall be asked to provide such a rating.

Method of Sale

The District will select the method of sale which best fits the type of bonds being sold based on the term of the project, market conditions, and the structure of bond maturities which enhances the overall performance of the entire debt portfolio. Three general methods exist for the sale of municipal bonds:

- I. ***Competitive sale.*** Bonds will be marketed to a wide audience of investment banking (underwriting) firms. The underwriter is selected based on its best bid for its securities. The District will award the sale of the competitively sold bonds on a true interest cost ("TIC") basis. Pursuant to this policy, the District Manager is hereby authorized to sign the bid form on behalf of the District fixing the interest rates on bonds sold on a competitive basis.
- II. ***Negotiated sale.*** The District Manager shall select the underwriter, or team of underwriters, of its securities in advance of the bond sale, subject to Board approval. The District works with the underwriter to bring the issue to market and negotiates all rates and terms of the sale. In advance of the sale, after receiving approval from the Board of Directors, and with advice from the District's Municipal Advisor (if any shall then be retained), the District Manager will determine compensation for and liability of each underwriter employed and the designation rules and priority of orders under which the sale itself will be conducted. Pursuant to this policy, the District Manager is hereby authorized to sign the bond purchase agreement on behalf of the District fixing the interest rates on bonds sold on a negotiated basis.
- III. ***Private placement.*** The District may elect to issue debt on a private placement basis. Such method shall be considered if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable and timing considerations require that a financing be completed.

Roles and Responsibility

The primary responsibility for developing debt financing recommendations rests with the District Manager. In developing such recommendations, the District Manager shall consider the need for debt financing and assess progress on the current CIP and any other program/improvement deemed

necessary by the District. The Board authorizes and approves debt financing and/or debt service related recommendations and proposals.

All proposed debt financings shall be approved by the Board. Debt is to be issued pursuant to the authority of and in full compliance with provisions, restrictions and limitations of the Constitution and laws of the State of California, including Government Code ("CGC") §54300 et seq. and §53570 et seq.

Bond Counsel

The District will retain external bond counsel for all debt issues. As part of its responsibility to oversee and coordinate the marketing of all District indebtedness, the District Manager shall make recommendations for approval by the Board on the retention of bond counsel.

Bond counsel will prepare the necessary authorizing resolutions, agreements and other documents necessary to execute the financing. All debt issued by the District will include a written opinion by bond counsel affirming that the District is authorized to issue the debt, stating that the District has met all state constitutional and statutory requirements necessary for issuance, and determining the debt's federal income tax status.

Municipal Advisors

The District will seek the advice of the Municipal Advisor when necessary. The Municipal Advisor will advise on the structuring of obligations to be issued, provide information on various options, give advice as to how choices will impact the marketability of the District's obligations and will provide other services as required.

Underwriters

When a negotiated sale will provide significant benefits to the District that would not be achieved through a competitive sale, the District may elect to sell its debt obligations through negotiated sale, upon approval by the Board of Directors. Such determination may be made on an issue-by-issue basis, for a series of issues, or for part or all of a specific financing program. The District Manager shall select the Underwriter. A competitive process may be used but shall not be required. Before work commences on a bond issue to be sold at negotiated sale, the Underwriter shall provide the District Manager a detailed estimate of all components of their compensation and disclose any potential conflicts of interest.

Federal Arbitrage and Rebate Compliance – Internal Controls

The District will fully comply with federal arbitrage and rebate regulations. Concurrent with this policy, the District Manager will take all permitted steps to minimize any rebate liability through proactive management in the structuring and oversight of its individual debt issues. All of the District's tax-exempt issues, including lease purchase agreements, are subject to arbitrage compliance regulations.

The District Manager shall be responsible for the following:

- I. Monitoring the expenditure of bond proceeds to ensure they are used only for the purpose and authority for which the bonds were issued and exercising best efforts to spend bond proceeds in such a manner that the District shall meet one of the spend-down exemptions from arbitrage rebate. Tax-exempt bonds will not be issued unless it can be reasonably expected that 85% of the proceeds will be expended within the three-year temporary period.
- II. Monitoring the investment of bond proceeds with awareness of rules pertaining to yield restrictions. Maintaining detailed investment records, including purchase prices, sale prices and comparable market prices for all securities.
- III. Contracting the services of outside arbitrage consultants to establish and maintain a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of federal tax code.

To the extent any arbitrage rebate liability exists, the District will report such liability in its annual audited financial statements.

Continuing Disclosure

The District will meet secondary disclosure requirements in a timely and comprehensive manner, as stipulated by the Securities Exchange Commission Rule 15c2-12. The District Manager shall be responsible for providing ongoing disclosure information to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, the central depository designated by the SEC for ongoing disclosures by municipal issuers. The District Manager may determine to hire an outside consultant to assist the District with its secondary disclosure requirements under Rule 15c2-12.

The District will keep current with any changes in both the administrative aspects of its filing requirements and the national repositories responsible for ensuring issuer compliance with the continuing disclosure regulations. In the event a "listed event" occurs requiring immediate disclosure, the District Manager will ensure information flows to the appropriate disclosure notification parties.

Compliance with Bond Covenants

In addition to financial disclosure and arbitrage compliance, once the bonds are issued, the District is responsible for verifying compliance with all undertakings, covenants, and agreements of each bond issuance on an ongoing basis. This typically includes ensuring:

- Annual appropriation of revenues to meet debt service payments;
- Timely transfer of debt service payments to the trustee or paying agent;
- Compliance with insurance requirements;
- Compliance with rate covenants, where applicable; and
- Compliance with all other bond covenants.

On an annual basis, the District Manager will prepare all required debt related schedules and footnotes for inclusion in the District's audited financial statements. The audited financial statements shall describe in detail all funds, fund balances and debt service coverage tables, if applicable,

established as part of any direct debt financing of the District, including the following information for each fiscal year:

- Debt authorized at the beginning of, during, and at the end of the fiscal year, whether or not such debt is issued, as well as debt authority lapsed during the fiscal year;
- Principal amount of initial outstanding debt, paid outstanding debt, and remaining outstanding debt at the end of the fiscal year;
- Amount of initial debt proceeds, expended debt proceeds and their purpose, and debt proceeds remaining at the end of the fiscal year.

The audited financial statements may also contain a report detailing any material or rate covenants contained in any direct offering of the District and whether or not such covenants have been satisfied.

Policy Review

On an as needed basis, the District Manager will be responsible for updating and revising this Policy which shall be reviewed at the Board meeting and adopted by the Board of Directors.

M E M O

TO: Board of Directors

FROM: District Manager

SUBJECT: AUTHORIZATION FOR THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE SALE OF CERTIFICATES OF PARTICIPATION, AND RELATED ACTIONS

DATE: November 15, 2018

RECOMMENDATION:

It is recommended that the Board of Directors ("Board") review and adopt Resolution No. 15 (18-19), entitled "RESOLUTION OF THE SAN LORENZO VALLEY WATER DISTRICT APPROVING AN INSTALLMENT PURCHASE CONTRACT, A TRUST AGREEMENT, A CERTIFICATE PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND AN OFFICIAL STATEMENT; MAKING CERTAIN DETERMINATIONS RELATING THERETO; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH."

It is further recommended that the Board review and approve the attached Addendum No. 1 to Engagement Agreement for Legal Services with Nossaman LLP.

BACKGROUND:

The San Lorenzo Valley Water District (the "District") desires to finance the cost of high-priority water system capital improvements, specifically the Probation Tank replacement ("Project"), and to reimburse the District for costs previously expended on the Project. In order to finance the Project, to establish a reserve fund or purchase a reserve fund surety bond, and to pay the costs of the transaction, the District desires to sell "San Lorenzo Valley Water District Certificates of Participation, Series 2018" (the "Certificates").

The aggregate principal amount of the Certificates may not exceed \$2,000,000, with the aggregate true interest cost not to exceed 3.8%, and maturity not to exceed 30 years.

The Resolution would permit the sale of the Certificates and certain related actions. This financing structure is similar in some ways to a bond issuance, but it is not a bond issuance. The structure is described further in the next section below, and in the attached Nossaman memorandum.

The Resolution also would appoint Nossaman as Special Counsel representing the District in connection with this financing. Although the existing Engagement Letter with Nossaman covers public finance advice, this type of matter typically has a different fee

structure as set forth in the Addendum. It will be billed at a flat fee of \$40,000 (rather than hourly), including expenses, payable only upon closing of the financing, and only from the proceeds of the financing.

FINANCING STRUCTURE:

For an overview of the proposed financing structure, please see the attached Executive Summary prepared by Nossaman.

In short, to accomplish the financing, the District will partner with a California nonprofit public benefit corporation (the "Corporation"), which will serve as a counterparty for the transaction. The District will grant the Corporation a property interest in the Project, and this property interest will be the subject of the installment purchase financing. The District will pay Installment Payments to a Trustee for the Certificates pursuant to a Trust Agreement, Installment Purchase Contract, and an Assignment Agreement.

The Certificates are to be sold to Municipal Capital Markets Group, Inc. (the "Underwriter"), who will in turn place the Certificates with investors, pursuant to a negotiated sale. The terms of the sale of the Certificates are set forth in the Certificate Purchase Contract.

The Resolution approves the forms of the Trust Agreement and Installment Purchase Contract, together with related documents, including the Assignment Agreement, Certificate Purchase Contract, Continuing Disclosure Agreement, and a Preliminary Official Statement, and authorizes the District Manager and his designees to take any and all actions necessary to consummate the sale, execution and delivery of the Certificates.

ATTACHMENTS:

1. Executive Summary of the Transaction (Nossaman Memorandum)
2. Draft Resolution No. 15 (18-19)
3. Proposed Addendum No. 1 to Engagement Agreement for Legal Services

The Resolution in final form and transaction documents will be provided as soon as possible to the distribution list for Board agenda packets. These documents also will be made available for review at the District's office located at 13057 Highway 9, Boulder Creek, CA 95006. For questions, please contact Stephanie Hill, District Director of Finance and Business Services.

FISCAL IMACT:

Total principal and interest to be paid over 30 years will be approximately \$3,200,000.



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Refer To File #: 502665-0002

December 15, 2018

SAN LORENZO VALLEY WATER DISTRICT

Revenue Certificates of Participation, Series 2018

Executive Summary of the Transaction

The San Lorenzo Valley Water District (the “District”) desires to finance the cost of certain water system improvements and to reimburse the District for costs previously expended on certain water system improvements (the “Project”). In order to finance such Project, the District is currently considering entering into a new installment purchase financing through the sale and delivery of the San Lorenzo Valley Water District Revenue Certificates of Participation, Series 2018 (the “Certificates”). The purposes of this transaction are to finance the purchase of the Project, to fund a reserve fund or to purchase a reserve fund surety bond, and to pay the costs of the sale and delivery of the Certificates.

To accomplish the financing, the District will grant a California-based nonprofit public benefit corporation still to be selected (the “Corporation”), as counterparty, a property interest in the Project, which interest shall be the subject matter of the installment purchase financing. The District will pay Installment Payments to the Trustee for the Certificates pursuant to an Installment Purchase Contract (the “Installment Purchase Contract”) and an Assignment Agreement (the “Assignment Agreement”), each described below.

This memorandum provides a brief summary of the structure of the financing, as well as an explanation of the financing documents and the rights and obligations of the District under the financing documents.

There are seven main documents involved in this installment purchase. These include:

1. District Resolution;
2. Trust Agreement;
3. Installment Purchase Contract;
4. Assignment Agreement;
5. Certificate Purchase Contract;

6. Continuing Disclosure Agreement; and
7. Preliminary Official Statement.

All of these documents have been prepared anticipating that the District will obtain a municipal bond insurance policy to be issued concurrently with the delivery of the Certificates to guarantee the District's payment of principal of and interest on the Certificates, when due.

DISTRICT RESOLUTION

The Resolution of the Board of Directors of the District (the "District Resolution") authorizes the sale of the Certificates and specifies certain basic parameters of the Certificates, approves the forms of Trust Agreement, Installment Purchase Contract, Certificate Purchase Contract, Continuing Disclosure Agreement, and Preliminary Official Statement, all described below. In particular, Section 3 of the District Resolution establishes the maximum aggregate principal amount of the Certificates to be issued (\$2,000,000). Section 4 of the District Resolution provides for a negotiated sale of the Certificates pursuant to the Certificate Purchase Contract. Section 9 of the District Resolution, together with Exhibit A thereto, set forth good faith estimates of the following information: (a) the true interest cost of the Certificates, (b) the sum of all fees and charges paid to third parties with respect to the Certificates, (c) the amount of proceeds of the Certificates expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Certificates, and (d) the sum total of all debt service payments on the Certificates calculated to the final maturity of the Certificates plus the fees and charges paid to third parties not paid with the proceeds of the Certificates, all in compliance with California law.

TRUST AGREEMENT

The Trust Agreement (the "Trust Agreement") specifies the basic terms, parameters and forms of the Certificates. The Certificates will represent interests in the stream of Installment Payments created by the Installment Purchase Contract, as described below, which interests shall be sold to investors. The portion of the Installment Payments representing interest payments under the Installment Purchase Contract are exempt from federal and state income taxes, thus making the Certificates secured by such Installment Payments the equivalent of a tax-exempt bond to an investor.

Article II of the Trust Agreement provides authorization for the issuance and sale of the Certificates and describes their form and registration. Article IV of the Trust Agreement describes how the Certificates may be prepaid prior to their maturity. Specifically, the Certificates maturing after dates specified in Article IV may be prepaid at the option of the District, by the prepayment of Installment Payments, as described below.

Article III of the Trust Agreement provides for the payment of principal and interest of the Certificates utilizing Installment Payments received by the Trustee under the Installment Purchase Contract and the Assignment Agreement. Section 3.04 of the Trust Agreement provides for a Reserve Fund, the funds of which are to be used to make payments of principal and interest on the Certificates if the District should become unable to make timely Installment Payments. Article VI of the Trust Agreement describes events of default under the Trust Agreement, which are the same as those stated in the Installment Purchase Contract, and provides remedies that may be sought by the

Trustee, on behalf of the owners of the Certificates. The form of the Certificates is attached to the Trust Agreement.

INSTALLMENT PURCHASE CONTRACT

The Installment Purchase Contract sets forth the key business terms of the financing and many of the other financing documents are ancillary to it. Under the Installment Purchase Contract, the District agrees to acquire the Project from the Corporation and to make periodic Installment Payments to the Corporation.

The Project and Title to the Project

The Project will be used as collateral for the Installment Purchase Contract and title and control over such Project remains with the District through the term of the agreement. The District grants the Corporation a property interest in the Project which will automatically terminate when the Installment Purchase Contract expires. The District will always remain the owner of the Project.

Installment Purchase Contract Term

The term of the Installment Purchase Contract will commence on the date the Installment Purchase Contract is delivered and is expected to end on December 1, 2043, or such earlier date when all of the Installment Payments and any additional sums required thereunder are paid. The Installment Purchase Contract term may be shorter, however, if the District (1) exercises its option to prepay the Installment Payments, (2) prepays Installment Payments from the proceeds of an eminent domain award should the Project taken, or (3) defaults on its obligations under the Installment Purchase Contract as a consequence of which the Corporation elects to terminate the Installment Purchase Contract. Alternatively, the Installment Purchase Contract term may be extended beyond the specified date if the District has not met all of its obligations to make Installment Payments as scheduled, resulting in the Installment Purchase Contract having not been paid in full by their maturity date.

Installment Payments

Throughout the term of the Installment Purchase Contract the District will make Installment Payments for the use and possession of the Project. The District will make Installment Payments semiannually according to a predetermined Installment Purchase Contract Payment schedule (each June 1 and December 1, commencing December 1, 2019). Installment Payments will be in amounts equal to the principal and interest due with respect to the Certificates and, for this reason, the Installment Purchase Contract payment schedule will be determined at the time the Certificates are sold and their interest rates are determined. Installment Payments will be made to the Trustee pursuant to the Assignment Agreement and the Trust Agreement. The District covenants in the Installment Purchase Contract to include all Installment Payments in the District's annual budget, and to certify to the Trustee that it has done so.

Option to Prepay Installment Payments

The Installment Purchase Contract grants the District an option to prepay all or a portion of the Installment Payments required by the Installment Purchase Contract on the dates indicated in in Article IV of the Trust Agreement. As a result, the Trustee would have funds available to prepay all

or a portion of the Certificates. In the event that the District elects to prepay all of the Installment Payments, the District's obligations under the Installment Purchase Contract will cease, and the Installment Purchase Contract will terminate. Should the District elect to prepay only a portion of the scheduled Installment Payments, the Installment Purchase Contract will remain in effect and the amount of such prepayment will be applied to reduce the principal component of the remaining Installment Payments *pro rata* at the election of the District.

Other Costs

The District will be required to pay certain administrative costs associated with the Installment Purchase Contract. These obligations are in addition to the District's obligation to make Installment Payments.

Events of Default

Failures by the District to meet certain of its obligations under the Installment Purchase Contract constitute "Events of Default." Such Events of Default include (1) the failure of the District to make Installment Payments when due, (2) the failure of the District to perform any warranty, covenant, condition or agreement under the Installment Purchase Contract for a period of 60 days after notice of such failure is given to the District, (3) the occurrence of certain events of bankruptcy or insolvency with respect to the District and (4) the occurrence of an event of default under any other debt instrument of the District. The occurrence of an Event of Default gives the Trustee, as assignee of the Corporation, the right to exercise certain remedies.

Remedies

The Trustee, as assignee of the Corporation's rights pursuant to the Assignment Agreement, has certain remedies available to it under the Installment Purchase Contract should an Event of Default occur. Most significantly, upon default by the District, the Trustee will have the right to accelerate Installment Payments and to declare Installment Payments not yet due to be immediately due and payable. In addition to these remedies specifically provided by the Installment Purchase Contract, the Trustee may also exercise any other remedy available to it at law.

Summary of the District's Duties Under the Installment Purchase Contract

The District has the following duties under the Installment Purchase Contract:

- 1) To make Installment Payments semiannually.
- 2) To include all Installment Payments in the District's proposed and actual annual budgets.
- 3) To fix, prescribe and collect rates, fees and charges in connection with the District's enterprises so as to yield revenues at least sufficient, after making reasonable allowances for contingencies and errors in the estimates, to pay the following amounts in the order below set forth: (i) all maintenance and operation costs of the District's enterprises; (ii) the Installment Payments and all payments with respect to related parity debt obligations issued or incurred in the future; (iii) amounts necessary to bring the amount of funds in the Reserve up to the requirement therefor within two years of a withdrawal therefrom; and (iv) all payments required to meet any other obligations of the District which are charges,

liens, encumbrances upon, or which are otherwise payable from the revenues during such Fiscal Year. Revenues leftover after the payment of all maintenance and operation costs of the District's enterprises must equal at least 125% of the Installment Payments and payments due under any related parity debt obligations issued or incurred in the future in each fiscal year.

4) To pay all taxes, assessments, utilities, maintenance and repair costs and other charges relating to the Project.

5) To maintain and preserve the District's enterprises in good repair and working order at all times and to operate the District's enterprises in an efficient and economical manner.

6) To not sell, lease, encumber or otherwise dispose of the District's enterprises or any significant part thereof, unless such sale, lease, encumbrance or disposition will not materially adversely affect the operation of the enterprises.

7) To pay the fees and expenses of the Corporation, as well as the fees of any auditors, accountants or engineers.

8) To maintain insurance on the District's enterprises with commercial insurers or through participation in a joint powers insurance authority, in such amounts, with such deductibles and against such risks (including accident to or destruction of the enterprises) as are usually insurable in connection with similar enterprises.

9) To indemnify the Corporation and its directors and employees against any loss or claim to which such parties may become subject in connection with the Installment Purchase Contract.

10) To avoid any use of proceeds of the Installment Purchase Contract or other property which may cause the Installment Purchase Contract to become "arbitrage Certificates," "private activity Certificates," or "federally guaranteed" within the meaning of the Internal Revenue Code of 1986, and to comply with all applicable Internal Revenue Code provisions and Treasury regulations.

ASSIGNMENT AGREEMENT

In order to allow the Trustee to receive the stream of Installment Payments for use to pay principal and interest payments on the Certificates, and to enable the Trustee to perform certain other acts with respect to the Installment Purchase Contract required by the Installment Purchase Contract, the Corporation assigns certain of its rights under the Installment Purchase Contract to the Trustee. Specifically, the Corporation assigns its right to receive Installment Payments, its right to receive the proceeds of certain insurance on the Project and its right to enforce remedies under the Installment Purchase Contract.

CERTIFICATE PURCHASE CONTRACT

Pursuant to the Certificate Purchase Contract, Municipal Capital Markets Group, Inc. (the “Underwriter”) will agree to buy the Certificates from the District. All the conditions of closing the transaction are set forth in this document, including the documentation to be provided at the closing by various parties. Upon the pricing of the Certificates, the final execution copy of the Purchase Contract will be prepared following this form.

CONTINUING DISCLOSURE AGREEMENT

All underwriters of municipal bonds are obligated to procure from any public agency issuing debt a covenant that such public agency will annually file “material financial information and operating data” with respect to such public agency through the web-based Electronic Municipal Market Access (“EMMA”) system maintained by the Municipal Securities Rulemaking Board (a federal agency that regulates “broker-dealers,” including investment bank firms that underwrite municipal obligations). This requirement is expected to be satisfied by the filing of the District’s audited financial statements and other operating information about the District, in the same manner the District has filed in connection with prior bond issuances.

PRELIMINARY OFFICIAL STATEMENT

The Preliminary Official Statement (the “POS”) is the offering document describing the Certificates which may be distributed to prospective purchasers of the Certificates. The POS discloses information with respect to, among other things, (i) the proposed uses of proceeds of the Certificates, (ii) the terms of the Certificates (interest rate, redemption terms, etc.), (iii) the bond insurance policy for the Certificates, if any, (iv) the security for repayment of the Certificates (the Installment Purchase Contract and Installment Payments), (v) information with respect to the District financial and operating data (as the District’s general fund is the source of payment for the Installment Payments), (vi) continuing disclosure with respect to the Certificates and the District, and (vii) absence of litigation and other miscellaneous matters expected to be of interest to prospective purchasers of the Certificates. Following the pricing of the Certificates, a final Official Statement for the Certificates will be prepared, substantially in the form of the POS.

RESOLUTION NO. 15 (18-19)

RESOLUTION OF THE SAN LORENZO VALLEY WATER DISTRICT APPROVING AN INSTALLMENT PURCHASE CONTRACT, A TRUST AGREEMENT, A CERTIFICATE PURCHASE AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND AN OFFICIAL STATEMENT; MAKING CERTAIN DETERMINATIONS RELATING THERETO; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the San Lorenzo Valley Water District (the “District”) is a county water agency duly organized and validly existing under the laws of the State of California; and

WHEREAS, the District is authorized to sell and purchase its property to finance and refinance public capital improvements, including certain water storage facilities the District has or intends to acquire (the “Project”); and

WHEREAS, in order to finance the Project, the District has determined to enter into an Installment Purchase Contract with the _____ (the “Corporation”) pursuant to which the District will repurchase the Project from the Corporation; and

WHEREAS, under and pursuant to such Installment Purchase Contract, the District will be obligated to make certain installment payments to the Corporation; and

WHEREAS, the District has determined that it would be in the best interests of the District and the citizens of the community to authorize the preparation, execution and delivery of its Revenue Certificates of Participation, Series 2018 (the “Certificates”), in a principal amount sufficient to finance the Project, which Certificates shall be payable from, among other sources, payments made by the District under and pursuant to such Installment Purchase Contract, all under and in accordance with the laws of the State of California; and

WHEREAS, there have been presented at this meeting forms of an Installment Purchase Contract, a Trust Agreement, a Certificate Purchase Agreement, a Continuing Disclosure Agreement and a preliminary official statement; and

WHEREAS, the District desires to appoint Nossaman LLP, as special counsel (“Special Counsel”), in connection with the financing of the Project; and

WHEREAS, Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) (“SB 450”) requires that the Board of Directors of the District (the “Board”) obtain from an underwriter, municipal advisor or private lender and disclose, prior to authorization of the issuance of bonds, including debt instruments such as the Certificates, with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the Certificates, (b) the sum of all fees and charges paid to third parties with respect to the Certificates, (c) the amount of proceeds of the Certificates expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Certificates, and (d) the sum total of all

debt service payments on the Certificates calculated to the final maturity of the Certificates plus the fees and charges paid to third parties not paid with the proceeds of the Certificates; and

WHEREAS, in compliance with SB 450, the Board obtained from the Underwriter (defined herein) the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE SAN LORENZO VALLEY WATER DISTRICT AS FOLLOWS:

SECTION 1. Recitals. All of the recitals herein contained are true and correct and the Board of Directors so finds.

SECTION 2. Approval of Installment Purchase Contract. The form of Installment Purchase Contract, currently dated as of December 1, 2018 (the "Installment Purchase Contract"), between the District and the Corporation, as presented to the District at this meeting, is hereby approved. The President of the Board of Directors, District Manager, the Director of Finance and Business Services, and the District Secretary or any other officers duly designated by the District (the "Officers") are hereby authorized and directed, for and on behalf of the District, to execute, acknowledge and deliver the Installment Purchase Contract, in substantially the form presented to the District at this meeting, with such changes therein as such Officers may require or approve, with the advice and approval of counsel to the District, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 3. Approval of Trust Agreement. The proposed form of the Trust Agreement currently dated as of December 1, 2018 (the "Trust Agreement"), among the Corporation, _____, as trustee (the "Trustee") and the District, as presented to the District at this meeting, is hereby approved. Each of the Officers is hereby authorized and directed, for and on behalf of the District, to execute, acknowledge and deliver the Trust Agreement, in substantially the form presented to the District at this meeting, with such changes therein as such Officers may require or approve, with the advice and approval of counsel to the District, such approval to be conclusively evidenced by the execution and delivery thereof. In connection therewith, the District approves the execution and delivery of the Certificates so long as the maturity does not exceed 30 years, the aggregate true interest cost does not exceed 3.8%, and the aggregate principal amount does not exceed \$2,000,000.

SECTION 4. Approval of Certificate Purchase Agreement. The form of Certificate Purchase Agreement (the "Purchase Agreement"), between the District and Municipal Capital Markets Group, Inc. (the "Underwriter"), as presented to the District at this meeting, is

hereby approved. Each of the Officers is hereby authorized and directed, for and on behalf of the District, to execute, acknowledge and deliver the Purchase Agreement, in substantially the form presented to the District at this meeting, with such changes therein as such Officers may require or approve, with the advice and approval of counsel to the District, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 5. Approval of Preliminary and Final Official Statement. The form of Preliminary Official Statement as presented to the District at this meeting, is hereby approved. Each of the Officers is hereby authorized and directed, for and on behalf of the District, to execute all certificates necessary to deem final the Preliminary Official Statement as of its date within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, with the exception of certain final pricing and related information. Each of the Officers is hereby authorized and directed, for and on behalf of the District, to execute and deliver the final Official Statement when completed. The use and distribution of said Preliminary Official Statement and use and distribution of the final Official Statement in connection with the sale of the Certificates is hereby ratified and approved. The Underwriter is directed to deliver copies of the final Official Statement to all actual purchasers of the Certificates.

SECTION 6. Approval of Continuing Disclosure Certificate. The proposed form of the Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"), to be executed by the District, as presented to the District at this meeting, is hereby approved. Each of the Officers is hereby authorized and directed, for and on behalf of the District, to execute, acknowledge and deliver the Continuing Disclosure Certificate, in substantially the form presented to the District at this meeting, with such changes therein as such Officers may require or approve, with the advice and approval of counsel to the District, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 7. Municipal Bond Insurance. The Board of Directors of the District hereby authorizes the Director of Finance and Business Services to select a municipal bond insurer to insure payments of principal of and interest on all or a portion of the Certificates so long as the Director of Finance and Business Services determines that obtaining the municipal bond insurance policy provided thereby will result in a lower interest rate or yield to maturity with respect to such Certificates. Further, the Board of Directors of the District hereby authorizes the Director of Finance and Business Services to select a municipal bond insurer to provide a reserve fund surety bond to be deposited into the reserve fund for the Certificates, so long as the Director of Finance and Business Services determines that obtaining the reserve fund surety will be cost effective to the District. Each of the Officers is hereby authorized to execute and deliver any customary agreement with the municipal bond insurer providing the reserve fund surety bond. Special Counsel, is hereby directed to make all changes to the Trust Agreement, the Installment Purchase Contract, the Preliminary Official Statement, the Certificate Purchase Agreement and the Continuing Disclosure Certificate, as are necessary to reflect the selection of a municipal bond insurer and/or reserve fund surety bond and the reasonable comments thereof.

SECTION 8. Financial Covenants. Notwithstanding anything to the contrary in this Resolution, the District, with the advice of District Counsel and Special Counsel, may modify the financial covenants and requirements set forth in the Installment Purchase Contract and Trust Agreement, including, but not limited to, the parity obligations test, rate covenant and

the necessity of a reserve fund for the Certificates, to the extent such revisions are deemed necessary or desirable by the District for the execution and delivery of the Certificates based on advice from District Counsel and Special Counsel; provided, however, that any such modifications or revisions shall not materially increase the financial or operational risks to the District and shall otherwise be subject to the terms hereof.

SECTION 9. SB 450 Information. In accordance with SB 450, good faith estimates of the following have been obtained from the Underwriter and are set forth on Exhibit A attached hereto: (a) the true interest cost of the Certificates, (b) the sum of all fees and charges paid to third parties with respect to the Certificates, (c) the amount of proceeds of the Certificates expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Certificates, and (d) the sum total of all debt service payments on the Certificates calculated to the final maturity of the Certificates plus the fees and charges paid to third parties not paid with the proceeds of the Certificates.

SECTION 10. Special Counsel. The Board of Directors hereby appoints the firm of Nossaman LLP, as Special Counsel, in connection with the financing of the Project. The Board of Directors hereby authorizes the District Manager and the Director of Finance and Business Services to execute and deliver an agreement with said firm for its services. Payment of fees and expenses with respect to such agreement shall be contingent upon the execution of the Certificates.

SECTION 11. Other Acts. The Officers and staff of the District are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any and all documents, which in consultation with District Counsel and Special Counsel, they may deem necessary or advisable in order to effectuate the purposes of this Resolution, including without limitation, obtaining insurance with respect to the payment of the interest and principal represented by the Certificates or ratings on the Certificates, and any and all such actions previously taken by such Officers or staff members are hereby ratified and confirmed.

SECTION 12. Effective Date. This Resolution shall take effect upon adoption.

PASSED, APPROVED AND ADOPTED this 15th day of November, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SAN LORENZO VALLEY WATER DISTRICT

President

ATTESTED:

District Secretary

I hereby certify that the above Resolution No. 15 (18-19) was duly introduced,
read and adopted by the District at a regular meeting held on November 15, 2018
.

District Secretary

Exhibit A

GOOD FAITH ESTIMATES

The following information was obtained from the Underwriter and is provided in compliance with Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) with respect to the Certificates:

1. *True Interest Cost of the Certificates.* A good faith estimate of the true interest cost of the Certificates, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Certificates, is ____%.

2. *Finance Charge of the Certificates.* A good faith estimate of the District's finance charge of the Certificates, which means the sum of all fees and charges paid to third parties (or costs associated with the Certificates), is \$_____.

3. *Amount of Proceeds to be Received by the District.* A good faith estimate of the amount of proceeds expected to be received by the District for sale of the Certificates less the finance charge of the Certificates described in paragraph 2 above, is \$__,000,000.

4. *Total Payment Amount.* A good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Certificates plus the finance charge of the Certificates described in paragraph 2 above not paid with the proceeds of the Certificates, calculated to the final maturity of the Certificates, is \$_____.

Addendum No. 1 to Engagement Agreement for Legal Services

THIS ADDENDUM (the “Addendum”) is made and entered into this ____ day of November 2018, by and between the San Lorenzo Valley Water District, whose address is 13060 Highway 9, Boulder Creek, CA 95006 (the “District”), and Nossaman LLP, a partnership including professional corporations (“Nossaman”), whose address is 777 S. Figueroa Street, 34th Floor, Los Angeles, CA 90017.

WITNESSETH:

WHEREAS, the District and Nossaman have previously entered into an Engagement Agreement for Legal Services as General Counsel to San Lorenzo Valley Water District, dated as of June 20, 2017 (the “Agreement”), pursuant to which certain special counsel services, including bond and financial services, are to be billed on an hourly basis at the rates set forth therein;

WHEREAS, the District now proposes to finance the acquisition and construction of certain improvements to its water system of the District (the “Project”); and

WHEREAS, Nossaman is specifically trained and experienced in the conduct of proceedings for accomplishing financing of the Project through the preparation, sale and delivery of tax-exempt certificates of participation or revenue bonds for such purposes (the “Obligations”); and

NOW, THEREFORE, in consideration of the covenants and premises herein contained and other good and valuable consideration, the parties hereto agree as follows:

1. Duties. Nossaman shall provide legal services in connection with the authorization, issuance, sale, execution and delivery of the Obligations (the “Transaction”). Such services shall include, but not be limited to, the following:

a. Conferring and consulting with the District’s officers, administrative staff, financial advisor, underwriter and other representatives of the District in connection with the preparation and formulation of the Transaction.

b. Attendance at all meetings of the District and any administrative meetings at which the Transaction is to be discussed or otherwise deemed necessary for the proper planning of the Transaction, when requested to attend such meetings by the District.

c. Preparation of the Resolution of Issuance, security documents and all other resolutions, agreements, notices and other documents necessary for the proper conduct and consummation of the Transaction, including formation of a joint powers authority, if necessary.

d. A review of all financial documents for legal sufficiency.

e. Preparation of the official statement or disclosure document in connection with the Transaction to assure the disclosure of all material facts within the knowledge of the District.

f. Preparation of an incumbency certificate, an arbitrage certificate, and any and all other closing documents required of the District to accompany delivery of the financing documents.

g. Preparation of documentation and assistance in obtaining credit enhancement and/or a rating on the Obligations if such a rating is sought.

h. Attendance at and supervision of the closing, and issuing the legal opinion of Nossaman stating that the interest payments with respect to the Obligations is exempt from present Federal and State income taxes, as the case may be, and approving in all respects the legality of all proceedings for the authorization, issuance, sale and delivery of the Obligations and other agreements relating to the Transaction.

i. Preparation of a transcript of the closing of the Transaction.

j. Conferring and consulting with District officials and agents with regard to any problems which may arise prior to the maturity of the issuance.

k. Providing any other necessary services, including ongoing monitoring of the Transaction after the sale of the Obligations and assistance to the District regarding the Transaction, generally expected of Nossaman not listed above.

2. Compensation. For provision of the services to be rendered pursuant to this Addendum relating to the financing of the Project, and in lieu of the usual hourly billing for legal services described in the Agreement, the District shall pay Nossaman a flat fee of not to exceed \$40,000, which fee shall include any out-of-pocket expenses incurred by it in the course of this engagement, such as reproduction and printing costs, word processing time, long distance telephone calls, travel at the request of the District and similar items. Said fee is payable only upon issuance of the Obligations, and shall be paid from proceeds thereof.

In the event Nossaman is requested to perform additional work outside of its normal and customary services as special counsel or disclosure counsel, such as litigation, Nossaman will be paid pursuant to the standard terms of the Agreement.

3. Assignment. This Addendum may be assigned by the District to any other issuer of the securities as may be necessary to consummate the Transaction, without the consent of but with notice to Nossaman.

4. No Guarantees; Entire Agreement. Nothing in this Addendum and nothing in our statements to you should be construed as a guarantee or promise about the outcome of the Transaction or any phase thereof. We make no such guarantees or promises. Comments about the course or outcome of the Transaction or any phase thereof which we may make from time to time are expressions of opinion only. This written Addendum constitutes the entire agreement between the parties hereto with respect to Nossaman services with respect to the Transaction and the Obligations only, and neither party has been induced to make or enter into this Addendum by reason or promise, agreement, representation, statement or warranty other than as herein contained.

5. Counterparts. This Addendum may be executed in counterparts each of which shall be deemed an original but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed by their respective officers and representatives thereto duly authorized, all as of the day and year first above written.

**SAN LORENZO VALLEY WATER
DISTRICT**

By: _____
District Manager

NOSSAMAN LLP, a partnership including
professional corporations

By: _____
Gina R. Nicholls, a Partner

Memo

To: Board of Directors

From: District Manager

Subject: Hydrogeological Services, Assessment of Quail Hollow Well 5A and Olympia Well 3, Sole Source Procurement

Date: November 15, 2018

Recommendation:

It is recommended that the Board of Directors review this memo and adopt the attached resolution approving sole source procurement Hydrogeological consulting services, assessment of Quail Hollow 5A and Olympia Well 3, and authorize the District Manager to enter into a contract with Martin B. Feeney Consulting Hydrogeologist in the amount of \$10,570.00.

Background

The District's Quail Hollow Well 5A and Olympia Well 3 have been losing water production over the past three years. The loss of production may be a result of plugging or declining water levels or a combination of both. An assessment is needed to determine the cause of the reduction in production. This work would be a review of current hydrogeological conditions in these wells to allow the District to make an informed decision as to whether to rehabilitate the wells.

Martin B. Feeney has been the Districts Consulting Hydrogeologist for many years and has a long term understanding of the District's wellfields, well construction and maintenance.

District Rules and Regulations, Article XIV, Section 14.07 (a) Waiver of Provisions, states "Notwithstanding any other provision of these rules, the Board by four-fifths (4/5) vote may waive as to individual purchases, the competitive bidding requirements of these rules and may make such purchasing without calling for bids".

Staff is recommending the Board of Directors adopt the attached resolution waiving formal bidding procedures in accordance with District Rules and Regulations, Article 14.09(a) and authorize the District Manager to execute an

agreement with, Martin B. Feeney Consulting Hydrogeologist for assessment of Quail Hollow 5A and Olympia Well 3, and authorize the District Manager to enter into a contract in the amount of \$10,570.00.

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 13 (18-19)

SUBJECT: QUAIL HOLLOW/OLYMPIA WELLS REHABILITATION EVALUATION

WHEREAS, the District's Quail Hollow Well 5A and Olympia Well 3 have been losing water production over the past three years; and

WHEREAS, the loss of production may be a result of plugging or declining water levels or a combination of both; and

WHEREAS, an assessment is needed to determine the cause of the reduction in production; and

WHEREAS, District Rules and Regulations, Article XIV, Section 14.07 (a) Waiver of Provisions, states "Notwithstanding any other provision of these rules, the Board by four-fifths (4/5) vote may waive as to individual purchases, the competitive bidding requirements".

NOW THEREFORE, BE IT RESOLVED the Board of Directors waives competitive bidding and authorizes the District Manager to execute an agreement with Martin B. Feeney Consulting Hydrogeologist for assessment of Quail Hollow Well 5A and Olympia Well 3, and authorize the District Manager to enter into a contract in the amount of \$10,570.00.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 15th day of November 2018, by the following vote of the members thereof:

AYES:
NOES:
ABSTAIN:
ABSENT:

Holly B. Hossack
Secretary of the Board
San Lorenzo Valley Water District



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
MINUTES
October 18, 2018**

MISSION STATEMENT: Our Mission is to provide our customers and future generations with reliable, safe and high quality water at an equitable price; to create and maintain outstanding service and community relations; to manage and protect the environmental health of the aquifers and watersheds; and to ensure the fiscal vitality of the San Lorenzo Valley Water District.

Thursday, October 18, 2018 at 5:00 p.m., Zayante Fire Protection District, 7700 E. Zayante Rd., Felton, CA 95018.

1. President Baughman called the meeting to order at 5:04 pm
Roll Call
Present: Dir. Smallman, Dir. Hayes, Dir. Bruce, Dir. Ratcliffe, Pres. Baughman
Staff: G. Nicholls-Dist. Counsel, R. Rogers-Acting Dist. Manager, J. Furtado-Acting Dir. of Operations, H. Hossack-Dist. Secretary
2. Additions and Deletions to Closed Session Agenda: None
3. Oral Communications Regarding Items in Closed Session: None
4. Adjournment to Closed Session 5:05 pm
 - a. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Vierra v. San Lorenzo Valley Water District, et al.
(Santa Cruz Superior Court Case No. 18CV00890)
 - b. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Holloway v. Showcase Realty Agents, Inc. et al.
(Santa Cruz Superior Court Case No. CV180394; 6th District Court of Appeal Case Nos. H043704, H043492).
 - c. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
DeBert v. San Lorenzo Valley Water District et al. (Santa Cruz County Superior Court Case No. 17CV02729).

Closed Session Note:

The Brown Act prohibits the disclosure of confidential information acquired in a closed session by any person present and offers various remedies to

address willful breaches of confidentiality. These include injunctive relief, disciplinary action against an employee, and referral of a member of the legislative body to the grand jury. It is incumbent upon all those attending lawful closed sessions to protect the confidentiality of those discussions. Only the legislative body acting as a body may agree to divulge confidential closed session information; regarding attorney/client privileged communications, the entire body is the holder of the privilege and only a majority vote of the entire body can authorize the waive of the privilege.

5. Convene to Open Session at 6:30 p.m.

Present: Dir. Smallman, Dir. Hayes, Dir. Bruce, Dir. Ratcliffe, Pres. Baughman

Staff: G. Nicholls, R. Rogers, S. Hill-Director of Finance & Business Services, J. Michelsen-Environmental Programs Manager, J. Furtado, H. Hossack

6. Report of Actions Taken in Closed Session

Pres. Baughman said that no reportable action was taken.

7. Additions and Deletions to Open Session Agenda: None

8. Oral Communications:

L. Henry-Lompico and D. Loewen-Lompico addressed the Board.

9. Unfinished Business:

a. UPPER ZAYANTE CREEK STREAM WOOD HABITAT ENHANCEMENT PROJECT ACCESS AGREEMENT

J. Michelsen introduced this item.

Discussion by the Board and staff regarding an access agreement between Resource Conservation District of Santa Cruz County and SLVWD.

A motion was made and seconded to authorize the District Manager execute the access agreement and to authorize the District Manager to enter into a cooperative agreement associated with the actual permit.

All present voted in favor of the motion. Motion passed.

10. New Business:

a. DISTRICT MANAGER EMPLOYMENT CONTRACT

Dir. Bruce introduced this item with clarification by Dist. Counsel.

Discussion by the Board and staff regarding employment contract for the District Manager.

D. Loewen and L. Henry addressed the Board.

A motion was made and seconded to name R. Rogers as the District Manager under the terms of his agreement.

All present voted in favor of the motion. Motion passed.

R. Rogers addressed the Board and public.

b. OTHER POST EMPLOYMENT BENEFITS (OPEB) TRUST FUND ADMINISTRATOR

S. Hill introduced this item.

Discussion by the Board and staff regarding OPEB Trust Fund Administrator.

Discussion by the Board and staff.

A motion was made and seconded to authorize the District to enter into a trust agreement for the pre-funding of OPEB and also authorize the District Manager and/or the Director of Finance and Business Services to select the timing and amount of funding.

All present voted in favor of the motion. The motion passed.

A motion was made and seconded to approve Resolution No. 8 (18-19)

Delegation of Authority to Request Disbursements.

All present voted in favor of the motion. The motion passed.

11. Consent Agenda:

- a. MINUTES FROM BOARD OF DIRECTORS MEETING SEPTEMBER 20, 2018.
Consideration and possible action by the Board to approve minutes from the September 20, 2018 BoD meeting.
- b. MINUTES FROM SPECIAL BOARD OF DIRECTORS MEETING OCTOBER 3, 2018.
Consideration and possible action by the Board to approve minutes from the October 3, 2018 Special BoD meeting.
- c. PASATIEMPO WELL 8 PROJECT-CONTRACT FOR PREVAILING WAGE & LABOR COMPLIANCE SERVICES
Consideration and possible action by the Board to authorize the District Manager to execute an agreement for prevailing wage & labor compliance services.
- d. ATT/VERIZON CELL TOWER SUBLEASE CONSENT
Consideration and possible action by the Board to Authorize the District Manager to execute the consent request by Crown Castle.
A motion was made and seconded to approve the Consent Agenda. All present voted in favor of the motion. The motion passed.

12. District Reports:

- DEPARTMENT STATUS REPORTS
Receipt and consideration by the Board of Department Status Reports regarding ongoing projects and other activities.
 - Administration/Engineering
 - Finance
 - Environmental
 - Operations
 - Legal
- COMMITTEE REPORTS
 - Future Committee Agenda Items
 - Committee Meeting Notes/Minutes

1. Special Admin Committee September 17, 2018
2. Environmental Committee September 18, 2018
3. Special Engineering Committee October 1, 2018
4. Admin Committee October 10, 2018

D. Loewen addressed the Board.
Discussion by the Board.

- DIRECTORS REPORTS
 - Director's Communication
 - Future Board of Directors Meeting Agenda Items

Dir. Smallman and Dir. Bruce addressed the Board to describe their CSDA Conference experience.

- DIRECTORS REPORTS
 - Director's Communication
 - Future Board of Directors Meeting Agenda Items

13. Written Communication:

- Letter from D. Schwanbeck 9.18.18

14. Informational Material:

- Fall Creek Fish Ladder 9.19.18-Press Banner
- Water District Leaders 9.20.18-SC Sentinel
- Two Slates Vie in SLVWD Race 10.4.18-SC Sentinel
- SLVWD CY2017 Verification Report
- SLVWD CY2017 Verification Statement

15. Adjournment 7:18 pm

MEMO

To: Board of Directors
From: District Manager
Subject: October 2018 Administration Department Monthly Report
Date: November 15, 2018

Recommendation

It is recommended that the Board of Directors review and file the Administration Department Monthly Report for October 2018.

COMMUNITY OUTREACH

During the reporting period the District Manager and Director of Finance & Business Services conducted two community chats in Ben Lomond and Scotts Valley. Approximately 8 to 12 people attended, asking questions on a wide range of topics, including Capital Improvement Program, Water Quality, Finance, Lompico Projects, bimonthly Board of Directors meetings and leak repairs.

Additional Community chats will be scheduled monthly at various locations and times throughout the water service area.

PASATIEMPO WELL 8 CONSTRUCTION

Pasatiempo Well 8 construction is going well but slowly. The well has been drilled and casing has been installed. The contractor is currently setting up equipment for test pumping the well. Well completion is still on schedule for late March 2019.

PROBATION TANK REPLACEMENT

The Probation Tank Construction project is continuing. During the reporting period the tank steel has been procured and being rolled and assembled in Fresno. The contractor is still submitting material submittals. Project completion date is September 27, 2019.

LOMPICO ASSESSMENT DISTRICT PROJECT

Staff has been working with Engineering Consultants on the design of the water storage tanks and PRV replacement projects. Six redwood tanks and six PRV's are being replaced as part of the consolidation assessment district. Water consumption data was submitted to the design engineers for pressure zone water storage analysis.

M E M O

TO: Board of Directors

FROM: District Manager

PREPARED BY: Director of Finance & Business Services

SUBJECT: FINANCE & BUSINESS SERVICES STATUS REPORT

DATE: November 15, 2018

RECOMMENDATION:

It is recommended that the Board of Directors review and file the Finance & Business Services Department Status Report.

BACKGROUND:

AUDIT

We have received back the final draft numbers and the CAFR. We are going through and doing final reviews/edits so that we can have a final report ready for the Special BOD meeting on 11/28/2018.

BEAR CREEK ESTATES

The Prop 218 Public Hearing is at the 11/15 meeting.

LOANS – FEMA, USDA & OTHER LOANS

The USDA application is now in their FY1819, with funds anticipated to be distributed in November. This will then hopefully lead to our application being approved based on the funds they are allocated.

The Probation Tank \$2M loan will hopefully be ready for the 11/15 meeting. There is a chance the final draft paperwork will only be ready, which means we will then try and have this approved at the Special BOD meeting on 11/28 so that we can get funded as soon as possible.

BANK ACCOUNTS

The District closed the Wells Fargo savings account. The District will begin migrating some savings into LAIF since it has been performing better than the SCCF recently. The District had a couple very high bills get paid out recently, which delayed depositing money into LAIF. I am going to review timing of the Probation Tank timeline to decide if we can deposit into LAIF now, or wait for the loan funding to be complete.

CUSTOMER SERVICE SUPPORT

Customer Service stats and information is included in this status report for review.

BILL LIST

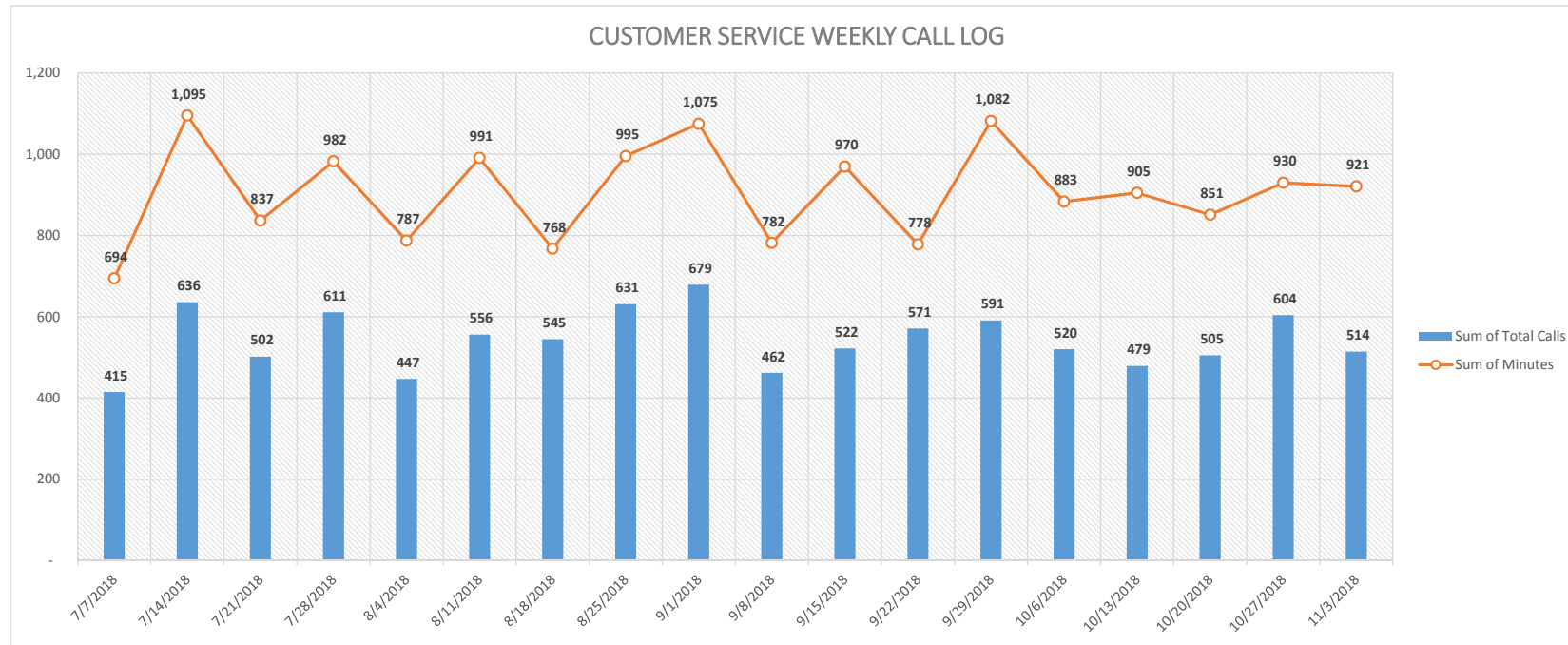
The Bill List is included in this status report for review.

FINANCIAL SUMMARY

The September 2018 and Q1 FY1819 results are herein. Draft FY1718 audited numbers were recently presented to the Budget & Finance Committee. The next Budget & Finance Committee meeting will have a further review of the final FY1718 numbers as compared to budget, which we will then also include in the December Board package.

REVENUE STABILIZATION RATE ANALYSIS

This packet contains the current consumption as compared to the prior 3 year averages for the revenue rate stabilization. As of September, 2018 consumption, the cumulative consumption is at the baseline. There are no triggers identified per the revenue stabilization rate policy.



Week Ending	Incoming Calls		Outgoing Calls		Total Calls	
	# Calls	Minutes	# Calls	Minutes	# Calls	Minutes
7/7/2018	279	589	136	105	415	694
7/14/2018	394	887	242	208	636	1,095
7/21/2018	287	645	215	192	502	837
7/28/2018	362	827	249	156	611	982
8/4/2018	307	679	140	108	447	787
8/11/2018	328	728	228	262	556	991
8/18/2018	332	598	213	169	545	768
8/25/2018	356	759	275	236	631	995
9/1/2018	396	858	283	217	679	1,075
9/8/2018	265	594	197	187	462	782
9/15/2018	310	792	212	177	522	970
9/22/2018	340	584	231	194	571	778
9/29/2018	369	825	222	256	591	1,082
10/6/2018	309	711	211	172	520	883
10/13/2018	307	675	172	230	479	905
10/20/2018	303	675	202	176	505	851
10/27/2018	348	774	256	156	604	930
11/3/2018	329	731	185	190	514	921

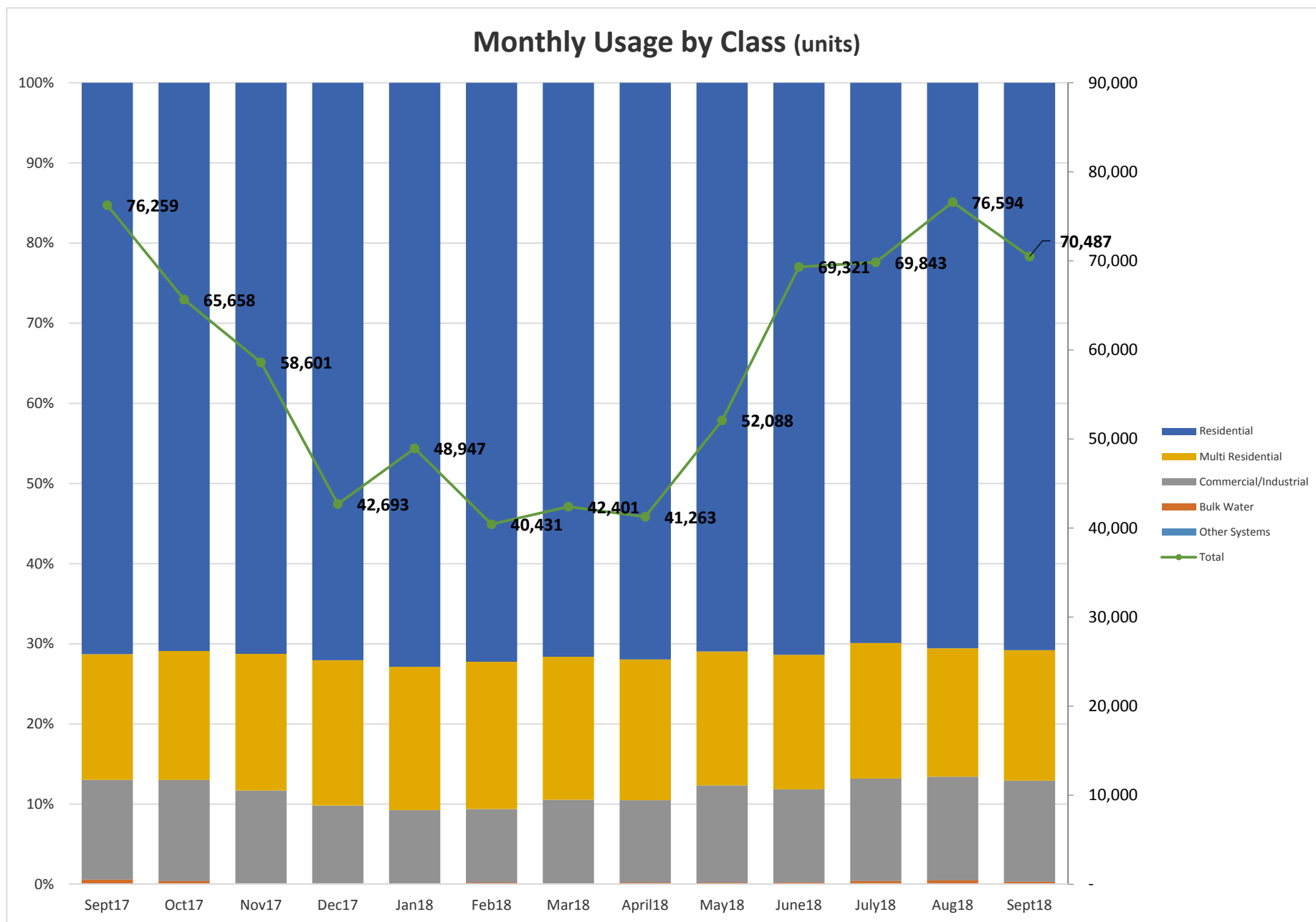
Weekly Notes
Tags, Main Break: Highland Drive, Felton Safeway, Bear Creek Road
Turn offs, Main Break: Fernwood Ave, Felton Watershed, West Park Ave, Kessler Dr, Pacific Ave, Oakwood Ln
Tags, Main Break: Blueridge Dr, River Dr, Lomond St., 12805 Hwy 9, Alta Via Rd, Boulder Brook/Madrone Dr, Lorenzo Ave
Turn offs, Main Break: Starview, Trinkling Creek, Madrone, Riverside Park Dr/Madrone, Booth Ln
Tags: Main Break: Kessler Dr, Redwood Dr/Stewart, Forest Way, Graham Hill near Sims, 14850 Hwy 9
Turn offs, Main Break: Scenic Way, Applewood & Starview Place, Hwy 9/Brookdale PO, Lompico Rd, Boulder Brook, Sunnyside
Tags, Main Break: Orman, Dundee Ave, 8500 HWY 9, Redwood & Madrone, Berts Rd, Felton Fair Shopping Ctr, Prospect Ave & Taylor Way
Turn offs, Main Break: Condor Ave, Vera Ave, Lake Blvd, Blue Ridge
Tags
Turn offs
Tags, Main Break: Alta Via, 11181 HWY 9, 13192 Middleton Ave, 1545 Jackson Ave, 10240 Hwy 9, 160 Mitchell Dr
Turn offs, Main Break: Felton Covered Bridge Park, 200 Old River Lane, 204 Celia Ave, 13690 West Park
Tags, Main Break: Pine St, 4700 Hwy 9, California Dr, 230 Mitchell Dr, Azalea Ave
Turn offs, Main Break: 18674 HWY 9 & Sylvan, Igo Way
Main Breaks: 10065 East Zayante Rd, 150 Pike dr, Lost Acre Dr,
Tags, Main Breaks: 10820 Westwood Rd, 14070 West Park Ave, 313 Madrone Ave, Whispering Pines, 10820 Westwood, 9795 Central Ave, 190 Willowbrook, Bar King Rd, Kings Creek Rd,
Turn Offs, Main Breaks: 260 Riverside Park Dr, 13515 West Park Ave, 560 River Dr, 15840 Kings Creek Rd, 615 Wente St, Love Creek and
Sunnyside, End of Balch Wy, Old County Rd,
Tags, Main Breaks: 8050 Hermosa, 200 Buena Vista,

CUSTOMER SERVICE DEPT SUMMARY

			**					**			*		*			
Monthly Stats:	Oct-18	Sep-18	Aug-18	Jul-18	Jun-18	May-18	Apr-18	Mar-18	Feb-18	Jan-18	Dec-17	Nov-17	Oct-17	Sep-17	Aug-17	Jul-17
Cut In/Outs	66	59	77	86	59	68	58	30	42	61	62	55	81	59	114	52
Final Bills	74	64	115	40	66	71	42	34	58	57	66	50	79	79	58	49
Tags	158	206	275	176	121	232	72	312	198	194	118	240	128	260	264	163
Turn-offs	42	32	36	22	23	25	29	24	32	26	42	24	26	25	29	24
Online / Going Green																
<i>As of 11/07/2018</i>																
Online Sign-ups	3,938	3,883	3,839	3,779	3,726	3,680	3,636	3,599	3,543	3,499	3,443	3,398	3,331	3,283	3,244	3,201
E-Bills	1,284	1,260	1,238	1,210	1,193	1,174	1,157	1,145	1,120	1,092	1,064	1,043	1,018	998	979	957
Auto Pay	2,603	2,553	2,509	2,492	2,463	2,445	2,427	2,386	2,350	2,316	2,283	2,257	2,202	2,184	2,144	2,134

* Due to timing, only had 1 tag/turn off cycle

** Due to timing, had 3 tag/turn off cycle



Accounts Payable

Outstanding Invoices

User: KendraNegro
Printed: 11/7/2018 - 1:04 PM
Date Type: JE Date
Date Range: 10/10/2018 to 11/07/2018



13060 Highway 9
Boulder Creek, CA 95006-9119
(831) 338-2153 phone
(831) 338-7986 fax

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00020 - HARO, KASUNICH & ASSOCIATES						
01-000-1565	10/17/2018	10/10/2018	04090-18101	00147-04-2019	4,828.61	LYON PLANT SLIDE
01-000-1565	10/17/2018	10/3/2018	04090-18102	00147-04-2019	1,696.70	BLUETANK ENGINEERING_WO#521
Task Label: CAP-1718001A		Type: S	PO Number:			
Total for Vendor 00020 - HARO, KASUNICH & ASSOCIATES:					6,525.31	
00047 - SOIL CONTROL LAB						
01-800-5202	10/24/2018	10/23/2018	8100292	00220-04-2019	78.00	WATER ANALYSIS_OLY 2 & 3
Task Label:		Type:	PO Number: 0000101098			
01-800-5202	10/24/2018	10/19/2018	8100523	00220-04-2019	145.00	WATER ANALYSIS_7 LOCATIONS
Task Label:		Type:	PO Number: 0000101098			
01-800-5202	10/26/2018	10/23/2018	8100524	00246-04-2019	78.00	WATER ANALYSIS_OLY 2&3
Task Label:		Type:	PO Number: 0000101098			
01-800-5202	10/31/2018	10/31/2026	8100775	00271-04-2019	145.00	WATER ANALYSIS_5 LOCATIONS
Task Label:		Type:	PO Number: 0000101098			
Total for Vendor 00047 - SOIL CONTROL LAB:					446.00	
00055 - AT&T						
01-800-5510	11/5/2018	10/19/2018	1018_8313355273	00020-05-2019	141.70	PHONE_FELTON ACRES_WTP
Total for Vendor 00055 - AT&T:					141.70	
00067 - CALIFORNIA SPECIAL DISTRICT						
01-100-5631	10/19/2018	10/1/2018	2019_252	00179-04-2019	7,252.00	CSDA 2019 MEMBERSHIP RENEWAL
Total for Vendor 00067 - CALIFORNIA SPECIAL DISTRICT:					7,252.00	
00080 - GRANITE CONSTRUCTION CO						
01-400-5300	10/24/2018	10/10/2018	1482208	00220-04-2019	490.11	EAST ZAYANTE MAIN BREAK/REPAIR
01-400-5300	10/24/2018	10/11/2018	1482685	00220-04-2019	342.00	PAVING EAST ZAYANTE

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
Total for Vendor 00080 - GRANITE CONSTRUCTION CO:					832.11	
00118 - FARMER BROTHERS COFFEE						
01-400-5600	10/19/2018	10/17/2018	68489328	00179-04-2019	317.16	COFFEE SUPPLIES_OPS
Total for Vendor 00118 - FARMER BROTHERS COFFEE:					317.16	
00125 - SCARBOROUGH LUMBER						
01-800-5300	11/5/2018	10/24/2018	323118	00021-05-2019	33.71	KIRBY TOILET REPAIR_WTP
01-400-5300	11/5/2018	10/24/2018	323119	00021-05-2019	35.75	NUT DRIVER/METER KEY
01-800-5300	11/5/2018	10/24/2018	323149_CM	00021-05-2019	-19.29	KIRBY TOILET REPAIR_RETURNED PARTS
01-800-5300	11/5/2018	10/29/2018	323421	00021-05-2019	48.37	SUPPLIES FOR OLY 2 & 3_WTP
01-400-5300	11/5/2018	10/29/2018	323451	00021-05-2019	27.94	MISC SUPPLIES_OPS
01-400-5300	11/5/2018	10/29/2018	577453	00021-05-2019	1,049.79	WEST WINNER HYDRO_OPS
01-400-5300	11/5/2018	10/30/2018	577496	00021-05-2019	102.12	WEST WINNER HYDRO_OPS
01-400-5300	11/5/2018	10/30/2018	577497	00021-05-2019	11.18	WEST WINNER HYDRO_OPS
01-400-5300	11/5/2018	10/30/2018	577522	00021-05-2019	38.63	TANK HATCH WEATHER STRIPPING_OPS
01-400-5300	11/5/2018	10/31/2018	K57746	00021-05-2019	9.70	WEATHER STRIPPING_OPS
Total for Vendor 00125 - SCARBOROUGH LUMBER:					1,337.90	
00156 - STERLING WATER TECHNOLOGIES						
01-800-5301	10/17/2018	9/26/2018	8689	00147-04-2019	3,838.95	TREATMENT CHEMICAL_WTP
Total for Vendor 00156 - STERLING WATER TECHNOLOGIES:					3,838.95	
00181 - LAS ANIMAS CONCRETE						
01-400-5300	10/26/2018	10/18/2018	139055	00246-04-2019	813.67	SLURRY_BACKFILL
Total for Vendor 00181 - LAS ANIMAS CONCRETE:					813.67	
00231 - JODI McGRAW, Ph.D						
01-500-5200	10/31/2018	10/29/2018	102918_INTERTII	00271-04-2019	825.78	CONSULTING SERVICES FROM JULY-SEPTEMBER 2018_INTERTIE BIOLOGI
01-000-1565	10/31/2018	10/29/2018	102918_OLY	00271-04-2019	4,597.92	CONSULTING SERVICES FROM JULY-SEPTEMBER 2018_WO#823
Task Label: CAP-1516002A Type: S PO Number:						
01-000-1565	10/31/2018	10/29/2018	102918_PASO6	00271-04-2019	2,915.02	CONSULTING SERVICES FROM JULY-SEPTEMBER 2018_WO#814
01-000-1565	10/31/2018	10/29/2018	102918_PASO7	00271-04-2019	2,915.03	CONSULTING SERVICES FROM JULY-SEPTEMBER 2018_WO#815
01-000-1565	10/31/2018	10/29/2018	102918_PROB	00271-04-2019	9,292.38	CONSULTING SERVICES FROM JULY-SEPTEMBER 2018_WO#823
Task Label: CAP-1516002A Type: S PO Number:						
Total for Vendor 00231 - JODI McGRAW, Ph.D:					20,546.13	

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00264 - RAIN FOR RENT						
01-000-1565	10/31/2018	10/22/2018	1269762	00271-04-2019	3,044.43	PASO WELL #8 DISCHARGE PIPING
Total for Vendor 00264 - RAIN FOR RENT:					3,044.43	
00309 - AT&T IP SERVICES						
01-100-5510	10/26/2018	10/19/2018	OCT_1717987456	00247-04-2019	393.81	TELEPHONE_ADMIN
01-400-5510	10/26/2018	10/19/2018	OCT_1717987456	00247-04-2019	393.81	TELEPHONE_OPS
01-800-5510	10/26/2018	10/19/2018	OCT_1717987456	00247-04-2019	393.81	TELEPHONE_WTP
Total for Vendor 00309 - AT&T IP SERVICES:					1,181.43	
00313 - MET LIFE						
01-100-5141	11/5/2018	10/14/2018	110118_313A	00020-05-2019	325.32	NOV 2018_ADMIN DENTAL
01-100-5144	11/5/2018	10/14/2018	110118_313B	00020-05-2019	84.83	NOV 2018_ADMIN DISABILITY
01-100-5143	11/5/2018	10/14/2018	110118_313C	00020-05-2019	33.30	NOV 2018_ADMIN LIFE INSURANCE
01-200-5141	11/5/2018	10/14/2018	110118_313D	00020-05-2019	1,425.60	NOV 2018_FINANCE DENTAL
01-200-5144	11/5/2018	10/14/2018	110118_313E	00020-05-2019	195.98	NOV 2018_FINANCE DISABILITY
01-200-5143	11/5/2018	10/14/2018	110118_313F	00020-05-2019	138.19	NOV 2018_FINANCE LIFE INSURANCE
01-300-5141	11/5/2018	10/14/2018	110118_313G	00020-05-2019	62.57	NOV 2018_ENG DENTAL
01-300-5144	11/5/2018	10/14/2018	110118_313H	00020-05-2019	41.45	NOV 2018_ENG DISABILITY
01-300-5143	11/5/2018	10/14/2018	110118_313I	00020-05-2019	16.65	NOV 2018_ENG LIFE INSURANCE
01-400-5141	11/5/2018	10/14/2018	110118_313J	00020-05-2019	1,945.38	NOV 2018_OPS DENTAL
01-400-5144	11/5/2018	10/14/2018	110118_313K	00020-05-2019	342.98	NOV 2018_OPS DISABILITY
01-400-5143	11/5/2018	10/14/2018	110118_313L	00020-05-2019	186.48	NOV 2018_OPS LIFE INSURANCE
01-500-5141	11/5/2018	10/14/2018	110118_313M	00020-05-2019	192.14	NOV 2018_ENVIRON DENTAL
01-500-5144	11/5/2018	10/14/2018	110118_313N	00020-05-2019	78.38	NOV 2018_ENVIRON DISABILITY
01-500-5143	11/5/2018	10/14/2018	110118_313O	00020-05-2019	33.30	NOV 2018_ENVIRON LIFE INSURANCE
01-800-5141	11/5/2018	10/14/2018	110118_313P	00020-05-2019	1,202.00	NOV 2018_WTP DENTAL
01-800-5144	11/5/2018	10/14/2018	110118_313Q	00020-05-2019	320.28	NOV 2018_WTP DISABILITY
01-800-5143	11/5/2018	10/14/2018	110118_313R	00020-05-2019	146.52	NOV 2018_WTP LIFE INSURANCE
Total for Vendor 00313 - MET LIFE:					6,771.35	
00329 - GRAINGER						
01-400-5300	10/24/2018	10/18/2018	9939133808	00220-04-2019	14.58	MARKING FLAGS_OPS
01-400-5300	10/24/2018	10/18/2018	9939371267	00220-04-2019	29.13	BLUE MARKING FLAGS_OPS
01-400-5300	10/26/2018	10/19/2018	9940612378	00246-04-2019	219.90	BLUE MARKING FLAGS_OPS
01-400-5300	10/31/2018	10/22/2018	9941956840	00271-04-2019	109.96	WHITE MARKING FLAGS_OPS
Total for Vendor 00329 - GRAINGER:					373.57	

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00342 - BRASS KEY LOCKSMITH						
01-400-5300	10/31/2018	10/25/2018	949806	00271-04-2019	13.06	KEYS_FORKLIFT
Total for Vendor 00342 - BRASS KEY LOCKSMITH:					13.06	
00363 - CINCINNATI LIFE INSURANCE CO						
01-000-2202	11/5/2018	11/1/2018	110118_363	00020-05-2019	28.00	201 LIFE INSURANCE_NOV 2018
Task Label:		Type:	PO Number:	0000101146		
Total for Vendor 00363 - CINCINNATI LIFE INSURANCE CO:					28.00	
00384 - DON ALLEY						
01-500-5200	10/26/2018	10/23/2018	1018-01	00246-04-2019	1,578.36	STREAM FLOW & WATER QUALITY MEASUREMENTS
Task Label: EXP-1516001A		Type: E	PO Number:			
Total for Vendor 00384 - DON ALLEY:					1,578.36	
00399 - VISION SERVICE PLAN - (CA)						
01-100-5142	11/5/2018	10/18/2018	110118_399A	00020-05-2019	17.30	VISION NOVEMBER_ADMIN
01-200-5142	11/5/2018	10/18/2018	110118_399B	00020-05-2019	156.50	VISION NOVEMBER_FINANCE
01-300-5142	11/5/2018	10/18/2018	110118_399C	00020-05-2019	11.14	VISION NOVEMBER_ENG
01-400-5142	11/5/2018	10/18/2018	110118_399D	00020-05-2019	357.72	VISION NOVEMBER_OPS
01-500-5142	11/5/2018	10/18/2018	110118_399E	00020-05-2019	38.58	VISION NOVEMBER_ENVIR
01-800-5142	11/5/2018	10/18/2018	110118_399F	00020-05-2019	157.50	VISION NOVEMBER_WTP
Total for Vendor 00399 - VISION SERVICE PLAN - (CA):					738.74	
00450 - EUROFINS						
01-800-5202	10/26/2018	10/25/2018	L0419217	00246-04-2019	475.00	WATER ANALYSIS_LYONS WTP
Task Label:		Type:	PO Number:	0000101092		
01-800-5202	10/26/2018	10/25/2018	L0419241	00246-04-2019	40.00	WATER ANALYSIS_OLY 2
Task Label:		Type:	PO Number:	0000101092		
Total for Vendor 00450 - EUROFINS:					515.00	
00550 - HACH COMPANY						
01-800-5300	10/31/2018	10/25/2018	11194574	00271-04-2019	3,829.21	CHLORINE ANALYZER
Task Label:		Type:	PO Number:	0000101134		
Total for Vendor 00550 - HACH COMPANY:					3,829.21	
00609 - BALANCE HYDROLOGICS, INC						
01-500-5200	10/31/2018	10/25/2018	218018-T10B	00271-04-2019	9,656.25	FALL CREEK MONITORING STATION REHAB

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00609 - BALANCE HYDROLOGICS, INC						
Task Label:	EXP-1516001A	Type: E	PO Number:			
Total for Vendor 00609 - BALANCE HYDROLOGICS, INC:					9,656.25	
00711 - ROBERTS & BRUNE CO.						
01-000-1310	11/5/2018	10/25/2018	S1780809.005A	00022-05-2019	210.45	GATE VALVE 1"
Task Label:		Type:	PO Number:	0000101130		
01-000-1310	11/5/2018	10/25/2018	S1780809.005B	00022-05-2019	5.29	BUSHING GALV 2" X 3/4"
Task Label:		Type:	PO Number:	0000101130		
01-000-1310	11/5/2018	10/25/2018	S1780809.005C	00022-05-2019	3.16	NIPPLE GALV 3/4" X 3"
Task Label:		Type:	PO Number:	0000101130		
01-000-1310	11/5/2018	10/25/2018	S1789501.001A	00022-05-2019	14.71	CAP GALV 1"
Task Label:		Type:	PO Number:	0000101142		
01-000-1310	11/5/2018	10/25/2018	S1789501.001B	00022-05-2019	39.14	NIPPLE GALV 2" X 6"
Task Label:		Type:	PO Number:	0000101142		
01-000-1310	11/5/2018	10/25/2018	S1789501.001C	00022-05-2019	429.83	GATE VALVE 2"
Task Label:		Type:	PO Number:	0000101142		
01-000-1310	11/5/2018	10/25/2018	S1789501.001D	00022-05-2019	217.86	CHECK VALVE 2"
Task Label:		Type:	PO Number:	0000101142		
01-000-1310	11/5/2018	10/28/2018	S1791105.001	00022-05-2019	710.78	METER BOX B16
Task Label:		Type:	PO Number:	0000101143		
Total for Vendor 00711 - ROBERTS & BRUNE CO.:					1,631.22	
00729 - ALPHA ANALYTICAL LABS						
02-600-5202	10/16/2018	10/10/2018	8102268-SLVWD	00124-04-2019	430.00	LAB FEES-ANALYTICAL SERVICES
Task Label:		Type:	PO Number:	0000101087		
02-600-5202	10/22/2018	10/22/2018	8103282	00187-04-2019	1,032.00	LAB FEES-ANALYTICAL SERVICES
Task Label:		Type:	PO Number:	0000101087		
Total for Vendor 00729 - ALPHA ANALYTICAL LABS:					1,462.00	
00746 - SCOTTS VALLEY BANNER						
01-100-5600	10/24/2018	10/19/2018	56266	00220-04-2019	220.00	AD COMMUNITY CHATS
Total for Vendor 00746 - SCOTTS VALLEY BANNER:					220.00	
00768 - USA BLUEBOOK_HD SUPPLY						
01-800-5300	10/31/2018	10/24/2018	718695	00271-04-2019	2,061.87	CHLORINE PUMP REPAIR PARTS
Task Label:		Type:	PO Number:	0000101140		
01-800-5300	10/31/2018	10/24/2018	718699	00271-04-2019	2,429.29	FILTER SAMPLING TOOL
Task Label:		Type:	PO Number:	0000101138		
01-800-5300	10/31/2018	10/24/2018	718798	00271-04-2019	169.15	CHLORINE PUMP REPAIR PARTS
Task Label:		Type:	PO Number:	0000101140		

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
Total for Vendor 00768 - USA BLUEBOOK_HD SUPPLY:					4,660.31	
00781 - UTILITY SERVICES ASSOCIATES						
01-400-5200	10/19/2018	10/15/2018	125868	00179-04-2019	12,653.00	SYSTEM WIDE LEAK DETECTION_WO#1060
Total for Vendor 00781 - UTILITY SERVICES ASSOCIATES:					12,653.00	
01050 - COLONIAL LIFE						
01-000-2206	11/5/2018	10/25/2018	4377735-1013603	00020-05-2019	584.72	SUPPLEMENTAL INS FOR PP 10/13/18 & 10/28/18
Total for Vendor 01050 - COLONIAL LIFE:					584.72	
10171 - CWEA SERVICES						
01-800-5630	11/5/2018	11/2/2018	110218_10171	00020-05-2019	70.00	TNI TRAINING_SESSION 5_WTP
Total for Vendor 10171 - CWEA SERVICES:					70.00	
10207 - CITI CARDS_COSTCO						
01-100-5600	10/24/2018	9/22/2018	OCT2018_10207A	00220-04-2019	76.80	SUPPLIES_ADMIN
01-100-5200	10/24/2018	9/23/2018	OCT2018_10207B	00220-04-2019	50.00	MAIL CHIMP_MARKETING
01-800-5600	10/24/2018	9/26/2018	OCT2018_10207C	00220-04-2019	55.65	SUPPLIES_WTP
01-400-5600	10/24/2018	9/26/2018	OCT2018_10207D	00220-04-2019	173.49	SUPPLIES_OPS
01-100-5640	10/24/2018	10/1/2018	OCT2018_10207E	00220-04-2019	226.00	ADVERTISING
Total for Vendor 10207 - CITI CARDS_COSTCO:					581.94	
10223 - BANNER BANK_ESCROW NO 1474						
01-000-1565	10/25/2018	10/19/2018	101918_1474	00228-04-2019	1,812.00	PROBATION TANK_WO#823
Task Label: CAP-1516002A		Type: E	PO Number:			
Total for Vendor 10223 - BANNER BANK_ESCROW NO 1474:					1,812.00	
10227 - CANYON SPRINGS ENTERPRISES						
01-000-1565	10/25/2018	10/19/2018	101918_10227	00228-04-2019	34,438.00	PROBATION TANK_WO#823
Task Label: CAP-1516002A		Type: E	PO Number:			
Total for Vendor 10227 - CANYON SPRINGS ENTERPRISES:					34,438.00	
10231 - TIAA COMMERCIAL FINANCE, INC.						
01-100-5320	11/5/2018	10/23/2018	5671267	00020-05-2019	252.28	5 YR LEASE NEW COPIER_NOV 2018
Task Label:		Type:	PO Number: 0000101122			

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
Total for Vendor 10231 - TIAA COMMERCIAL FINANCE, INC.:					252.28	
Report Total:					128,145.80	

Accounts Payable

Checks by Date - Detail by Check Number

User: KendraNegro
Printed: 11/7/2018 1:04 PM



13060 Highway 9
Boulder Creek, CA 95006-9119
(831) 338-2153 phone
(831) 338-7986 fax

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
ACH	00178	CALPERS	11/01/2018		
	NOVEMBER 2018.1	HEALTH INSURANCE			131.57
	NOVEMBER 2018.2	HEALTH INSURANCE			450.00
	NOVEMBER 2018.3	HEALTH INSURANCE			779.86
	NOVEMBER 2018.4	HEALTH INSURANCE			1,618.42
	NOVEMBER 2018.5	HEALTH INSURANCE			3,006.53
	NOVEMBER 2018.6	HEALTH INSURANCE			4,233.43
	NOVEMBER 2018.7	HEALTH INSURANCE			11,053.36
	NOVEMBER 2018.8	HEALTH INSURANCE			14,634.17
	NOVEMBER 2018.9	HEALTH INSURANCE			18,039.43
Total for this ACH Check for Vendor 00178:				0.00	53,946.77
15964	00309	AT&T IP SERVICES	10/12/2018		
	918_1717987456A	INTERNET_ADMIN			392.49
	918_1717987456B	INTERNET_OPS			392.49
	918_1717987456C	INTERNET_WTP			392.49
Total for Check Number 15964:				0.00	1,177.47
15965	00378	BANKCARD CENTER BANK OF THE W	10/12/2018		
	92818_00378A	ADVERTISING			212.90
	92818_00378B	AP RIVER CLOUD SERVICES			163.35
Total for Check Number 15965:				0.00	376.25
15966	10145	BFP FIRE PROTECTION, INC	10/12/2018		
	18496	KIRBY ANNUAL INSPECTION_WTP			660.00
Total for Check Number 15966:				0.00	660.00
15967	10173	CARLY BLANCHARD	10/12/2018		
	09.27.18_10173	TOOLS FOR WATER AUDIT_ENV			35.21
	10.8.18_10173	MILEAGE_ENV			30.78
Total for Check Number 15967:				0.00	65.99
15968	10229	CALIFORNIA CONSERVATION CORPS	10/12/2018		
	INNU-002651	FALL CREEK DEBRIS REMOVAL_WO#280			13,860.00
Total for Check Number 15968:				0.00	13,860.00
15969	00174	CARUS CORPORATION	10/12/2018		
	10070014	CHEMICALS_WTP			1,783.71
Total for Check Number 15969:				0.00	1,783.71
15970	10224	CAVANAUGH & ASSOCIATES, P.A.	10/12/2018		
	WE.18.074-1	2017 AWWA WATER AUDIT LEVEL 1 VALID			2,500.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15970:	0.00	2,500.00
15971	00234 918_71033330001	CITY OF SCOTTS VALLEY MANANA WTP SEWER_323 KINGS VILLAG	10/12/2018		79.00
			Total for Check Number 15971:	0.00	79.00
15972	00788 92618_0987198	COMCAST INTERNET_195 KIRBY WTP	10/12/2018		151.12
			Total for Check Number 15972:	0.00	151.12
15973	UB*00503	MARY & GEORGE DEMAR Refund Check Refund Check	10/12/2018		54.76 1.88
			Total for Check Number 15973:	0.00	56.64
15974	00343 71080 71278 71304	ERNIE'S SERVICE CENTER SERVICE COLINA/KEY_TRUCK 338 TRUCK 249 SERVICE TRUCK 155_OVER HEATING/LEAK	10/12/2018		894.02 345.16 170.89
			Total for Check Number 15974:	0.00	1,410.07
15975	00450 L0415002 L0415807 L0416454 L0416455 L0416623 L0416629 L0416632 L0416633 L0416634	EUROFINS WATER ANALYSIS_PASO 7 WATER ANALYSIS_PASO 7 WATER ANALYSIS_PASATIEMPO WELL 5A WATER ANALYSIS_PASATIEMPO WELL 7 WATER ANALYSIS_OLYMPIA 2 WATER ANALYSIS_OLYMPIA WELL 3 WATER ANALYSIS_QUAIL HOLLOW WELL WATER ANALYSIS_PASATIEMPO WELL 5A WATER ANALYSIS_LYONS WTP	10/12/2018		90.00 20.00 560.00 560.00 1,475.00 835.00 560.00 560.00 560.00
			Total for Check Number 15975:	0.00	5,220.00
15976	00118 68404818A 68404818B	FARMER BROTHERS COFFEE COFFEE SUPPLIES_OPS COFFEE SUPPLIES_ADMIN	10/12/2018		309.06 38.72
			Total for Check Number 15976:	0.00	347.78
15977	00550 11148363	HACH COMPANY REAGENT	10/12/2018		934.26
			Total for Check Number 15977:	0.00	934.26
15978	00615 92818_00615A 92818_00615B	HOME DEPOT CREDIT SERVICES FALL CREEK INTAKE_WO#280 SHOVELS_OPS	10/12/2018		428.54 59.57
			Total for Check Number 15978:	0.00	488.11
15979	10005 50419	ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING_PP ENDING	10/12/2018		3,909.52
			Total for Check Number 15979:	0.00	3,909.52
15980	00058	IHWY, INC.	10/12/2018		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	100118_12206	BUSINESS HOSTING			25.00
			Total for Check Number 15980:	0.00	25.00
15981	00216 115975	B C AUTO PARTS, KATHLEEN GERRIT GLOVES_OPS	10/12/2018		27.11
			Total for Check Number 15981:	0.00	27.11
15982	00082 229887A 229887B	MID VALLEY SUPPLY PAPERTOWELS_WTP PAPERTOWELS_ADMIN	10/12/2018		110.67 106.71
			Total for Check Number 15982:	0.00	217.38
15983	UB*00501	LOREN MILLER Refund Check Refund Check	10/12/2018		4.24 22.74
			Total for Check Number 15983:	0.00	26.98
15984	01075 10271	MPRESS DIGITAL, INC CIP UPDATE	10/12/2018		2,792.91
			Total for Check Number 15984:	0.00	2,792.91
15985	UB*00502	DEAN NEWBURY Refund Check	10/12/2018		21.29
			Total for Check Number 15985:	0.00	21.29
15986	00054 1018_2564996928	PACIFIC GAS AND ELECTRIC UTILITIES_1150 REBECCA DRIVE	10/12/2018		42.57
			Total for Check Number 15986:	0.00	42.57
15987	00054 1018_2836470071	PACIFIC GAS AND ELECTRIC UTILITIES_ZAYANTE DR & ROSEBLOOM	10/12/2018		2,027.12
			Total for Check Number 15987:	0.00	2,027.12
15988	00054 1018_6279346884	PACIFIC GAS AND ELECTRIC UTILITIES_19 SUMMIT AVENUE	10/12/2018		516.90
			Total for Check Number 15988:	0.00	516.90
15989	00054 918_97544193341	PACIFIC GAS AND ELECTRIC UTILITES_LAZYWOODS	10/12/2018		139.08
			Total for Check Number 15989:	0.00	139.08
15990	00074 180370REISSUE	PAUL FUELING DROUGHT BANNERS_ENV	10/12/2018		1,395.20
			Total for Check Number 15990:	0.00	1,395.20
15991	00050 021-291-01	CO. OF SANTA CRUZ RECORDER'S OF RECORDING FEES FOR 021-291-01	10/12/2018		14.00
			Total for Check Number 15991:	0.00	14.00
15992	00050 APN#081-253-25	CO. OF SANTA CRUZ RECORDER'S OF RECORDING FEES FOR 081-253-25	10/12/2018		29.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15992:	0.00	29.00
15993	00125	SCARBOROUGH LUMBER	10/12/2018		
	322197	BCWW DISSOLVED D2 PROBE			15.66
	387317	MISC CHLORINE LEAK REPAIR_WTP			40.74
	576672	WATER COOLER REPAIR_ADMIN			1.68
			Total for Check Number 15993:	0.00	58.08
15994	00746	SCOTTS VALLEY BANNER	10/12/2018		
	55542	NEWSPAPER AD_COFFEE CHAT			220.00
			Total for Check Number 15994:	0.00	220.00
15995	00183	SDRMA	10/12/2018		
	1718007161-0001	CUSTOMER CLAIM_PD1718007161-0001			500.00
			Total for Check Number 15995:	0.00	500.00
15996	10231	TIAA COMMERCIAL FINANCE, INC.	10/12/2018		
	5594434	5 YR LEASE NEW COPIER_SEPT2018			334.78
			Total for Check Number 15996:	0.00	334.78
15997	00055	AT&T	10/18/2018		
	10189607360489A	TELEPHONE_ADMIN			207.72
	10189607360489B	TELEPHONE_OPS			3,877.23
	10189607360489C	TELEPHONE_WTP			2,062.65
	10189607360489D	TELEPHONE_BCE WASTEWATER			384.42
			Total for Check Number 15997:	0.00	6,532.02
15998	00687	AT&T U-VERSE	10/18/2018		
	1018_137458730	INTERNET_13057 HWY 9			75.00
			Total for Check Number 15998:	0.00	75.00
15999	00449	AW DIRECT, INC	10/18/2018		
	600492	WORK GLOVES_OPS			175.00
			Total for Check Number 15999:	0.00	175.00
16000	00220	BAY BUILDING JANITORIAL, INC	10/18/2018		
	31574	JANITORIAL SERVICES_OCTOBER 2018			424.42
			Total for Check Number 16000:	0.00	424.42
16001	00342	BRASS KEY LOCKSMITH	10/18/2018		
	949617	DUPLICATE KEYS_OPS			47.01
			Total for Check Number 16001:	0.00	47.01
16002	10106	CEL ANALYTICAL, INC	10/18/2018		
	7162	WATER TESTING_WTP			409.00
			Total for Check Number 16002:	0.00	409.00
16003	00788	COMCAST	10/18/2018		
	10118_1236033	INTERNET_215 BLACKSTONE DRIVE			172.66
			Total for Check Number 16003:	0.00	172.66

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
16004	00788 10318_0956185	COMCAST INTERNET_545 FALL CREEK DRIVE	10/18/2018		173.50
			Total for Check Number 16004:	0.00	173.50
16005	00788 1018_1318922	COMCAST INTERNET_3652 GRAHAM HILL RD	10/18/2018		143.29
			Total for Check Number 16005:	0.00	143.29
16006	00788 1018_1323641	COMCAST INTERNET_365 MADRONE DR OFC	10/18/2018		264.13
			Total for Check Number 16006:	0.00	264.13
16007	00788 1018_0302438	COMCAST INTERNET_1075 WHISPERING PINES DRIV	10/18/2018		193.38
			Total for Check Number 16007:	0.00	193.38
16008	00788 1018_1236165	COMCAST INTERNET_280 BLUERIDGE DRIVE	10/18/2018		174.82
			Total for Check Number 16008:	0.00	174.82
16009	00788 1018_1318955	COMCAST INTERNET_1150 REBECCA DRIVE	10/18/2018		143.29
			Total for Check Number 16009:	0.00	143.29
16010	00788 1018_1236017	COMCAST INTERNET_295 EAST ROAD	10/18/2018		174.82
			Total for Check Number 16010:	0.00	174.82
16011	00788 1018_1323583	COMCAST INTERNET_365 MADRONE DR	10/18/2018		264.13
			Total for Check Number 16011:	0.00	264.13
16012	00788 1018_1236058	COMCAST INTERNET_17277 HIGHWAY 9	10/18/2018		174.82
			Total for Check Number 16012:	0.00	174.82
16013	00788 1018_1236124	COMCAST INTERNET_15819 FOREST HILL DRIVE	10/18/2018		174.82
			Total for Check Number 16013:	0.00	174.82
16014	10232 1_10232	COMMUNITY FOUNDATION SANTA C OLYMPIA WELLFIELD HABITAT ENDOWM	10/18/2018		25,000.00
			Total for Check Number 16014:	0.00	25,000.00
16015	00505 10268557154	DELL MARKETING LP ADMIN. COMPUTER	10/18/2018		538.79
			Total for Check Number 16015:	0.00	538.79
16016	00037 34415	CO. OF SANTA CRUZ DEPT OF PUBLIC DUMP FEES_OPS	10/18/2018		11.50

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 16016:	0.00	11.50
16017	00147 9073014	EMERSON PROCESS MANAGEMENT SCADA PROGRAMMING	10/18/2018		5,516.05
			Total for Check Number 16017:	0.00	5,516.05
16018	00076 755891	ERNIE'S AUTO CENTER NEW TRAILER HITCH BALL	10/18/2018		231.70
			Total for Check Number 16018:	0.00	231.70
16019	10189 370610 370612	EXPONENT, INC WATER RESOURCES CONSULTING WATER RESOURCES CONSULTING	10/18/2018		2,250.00 7,350.00
			Total for Check Number 16019:	0.00	9,600.00
16020	UB*00506	LINDA FOSTER Refund Check	10/18/2018		23.56
			Total for Check Number 16020:	0.00	23.56
16021	UB*00505	Tony Gonzalez Refund Check	10/18/2018		64.63
			Total for Check Number 16021:	0.00	64.63
16022	00016 3665267_041484	GREENWASTE RECOVERY, INC TRASH/RECYCLE/YARDWASTE SERVICES	10/18/2018		395.14
			Total for Check Number 16022:	0.00	395.14
16023	00713 14451192	GREG PATTERSON OPS. GATES	10/18/2018		3,500.00
			Total for Check Number 16023:	0.00	3,500.00
16024	00236 3037217464	IDEXX DISTRIBUTION CORP LAB SUPPLIES_WTP	10/18/2018		1,243.52
			Total for Check Number 16024:	0.00	1,243.52
16025	10136 92618_10136	DANIEL MACK SAMSUNG GALAXY TABLET_ENG	10/18/2018		310.89
			Total for Check Number 16025:	0.00	310.89
16026	10017 101018_10017	JEN MICHELSEN MILEAGE FOR MEETINGS	10/18/2018		26.03
			Total for Check Number 16026:	0.00	26.03
16027	10139 S1105461.002	NATIONAL METER & AUTOMATION 8001-012 ME ENDPOINT DRIVE-BY_NIC	10/18/2018		1,186.54
			Total for Check Number 16027:	0.00	1,186.54
16028	00027 F250 FORD TRUCK	NORTH BAY FORD VEHICLE PURCHASE-DISTRIBUTION	10/18/2018		44,498.69

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 16028:	0.00	44,498.69
16029	00054 10418_717925358	PACIFIC GAS AND ELECTRIC ELECTRIC CHARGES_WTP	10/18/2018		591.23
			Total for Check Number 16029:	0.00	591.23
16030	00054 1018_9655817646	PACIFIC GAS AND ELECTRIC UTILITIES_140 ELENA COURT	10/18/2018		9.64
			Total for Check Number 16030:	0.00	9.64
16031	UB*00504	JON PAYNE Refund Check	10/18/2018		8.48
			Total for Check Number 16031:	0.00	8.48
16032	00264 1257239	RAIN FOR RENT PASO WELL #8 DISCHARGE PIPING_WO#8	10/18/2018		4,716.92
			Total for Check Number 16032:	0.00	4,716.92
16033	00263 93018_2154	RAYNE WATER CONDITIONING BENNETT CHLOR-WATER SOFTENER_10/0	10/18/2018		35.50
			Total for Check Number 16033:	0.00	35.50
16034	10151 255921	OSCAR RODAS MAINTENANCE_SEPTMBER	10/18/2018		250.00
			Total for Check Number 16034:	0.00	250.00
16035	00168 152070	SCOTTS VALLEY SPRINKLER PVC PARTS	10/18/2018		128.68
			Total for Check Number 16035:	0.00	128.68
16036	10191 100918_10191	KEN SWEDMARK EMPLOYEE UNIFORM_WTP	10/18/2018		85.82
			Total for Check Number 16036:	0.00	85.82
16037	00599 56050997A 56050997B 56050997C	WEX BANK FUEL_FINANCE FUEL_OPS FUEL_WTP	10/18/2018		849.02 3,588.47 1,667.75
			Total for Check Number 16037:	0.00	6,105.24
16038	10190 1004	SANTA MARGARITA GROUNDWATER SERVICES_FY 2019 BUDGET	10/19/2018		61,535.40
			Total for Check Number 16038:	0.00	61,535.40
16039	10234 2401	AA AUTO COLLISION BED LINER_WO#831	10/24/2018		831.50
			Total for Check Number 16039:	0.00	831.50
16040	00545 725779	AFLAC SUPPLEMENTAL INS_OCT 2018	10/24/2018		221.77

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 16040:	0.00	221.77
16041	00162 61304704	ANTHEM BLUE CROSS RETIRED EMPLOYEE MEDICAL_11/01/18-1	10/24/2018		325.50
			Total for Check Number 16041:	0.00	325.50
16042	00767 967426471	ANTHEM BLUE CROSS MEDICARERX_11/01/18-12/01/18	10/24/2018		169.80
			Total for Check Number 16042:	0.00	169.80
16043	10023 3049860	AT & T CAPITAL SERVICES, INC V2 PHONE MAINTENANCE	10/24/2018		396.07
			Total for Check Number 16043:	0.00	396.07
16044	00309 1018_8310007219	AT&T IP SERVICES IP SERVICES_195 KIRBY STREET	10/24/2018		273.34
			Total for Check Number 16044:	0.00	273.34
16045	00687 1018_132166881	AT&T U-VERSE INTERNET_MANANA WOODS	10/24/2018		85.00
			Total for Check Number 16045:	0.00	85.00
16046	00687 1018_132182018	AT&T U-VERSE INTERNET_345 QUAIL TERRACE	10/24/2018		75.00
			Total for Check Number 16046:	0.00	75.00
16047	10113 NOV2018_10113A NOV2018_10113B	BANK MIDWEST SOLAR LOAN_INTEREST SOLAR LOAN_PRINCIPAL	10/24/2018		833.63 2,416.27
			Total for Check Number 16047:	0.00	3,249.90
16048	10200 101618_10200	BOULDER CREEK RECREATION & PAI PSA SERVICES_ENV	10/24/2018		100.00
			Total for Check Number 16048:	0.00	100.00
16049	UB*00509	CRAIG COKER Refund Check	10/24/2018		55.54
			Total for Check Number 16049:	0.00	55.54
16050	00788 1018_1171123	COMCAST INTERNET_23 SUMMIT AE	10/24/2018		143.29
			Total for Check Number 16050:	0.00	143.29
16051	00788 1018_1236074	COMCAST INTERNET_200 ANNIES WAY_OPS	10/24/2018		174.82
			Total for Check Number 16051:	0.00	174.82
16052	00273 30387607	CORELOGIC, INC. REALQUEST SERVICES	10/24/2018		206.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 16052:	0.00	206.00
16053	00757 100818_757	JOE DAVIS EMPLOYEE REIMBURSEMENT_JEANS	10/24/2018		81.33
			Total for Check Number 16053:	0.00	81.33
16054	00037 34274A 34274B 34274C	CO. OF SANTA CRUZ DEPT OF PUBLIC WATER REBATES_ENV HAZMAT DISPOSAL_OPS FALL CREEK DEBRI_WOODWASTE_WO#28	10/24/2018		15.00 61.00 15.30
			Total for Check Number 16054:	0.00	91.30
16055	00076 756967	ERNIE'S AUTO CENTER VACCUM TEST KIT	10/24/2018		123.98
			Total for Check Number 16055:	0.00	123.98
16056	00343 70897 71460 71663	ERNIE'S SERVICE CENTER LIGHT REPAIR_VE#260 OIL LEAK/TIRES/SVC_TRUCK #341 WATER PUMP REPAIR_VE #155	10/24/2018		409.39 1,264.19 587.68
			Total for Check Number 16056:	0.00	2,261.26
16057	00080 1474358 1478370 1479467 1479871 1479917	GRANITE CONSTRUCTION CO BASEROCK/BACKFILL HOT MIX/LEAK REPAIR PAVING HOT MIX/PAVING LEAK REPAIR_BACKFILL AZALEA QUAIL BINS	10/24/2018		67.05 359.15 259.72 45.24 63.96
			Total for Check Number 16057:	0.00	795.12
16058	00573 101918_573 103118_573	STEPHANIE HILL MILEAGE/MEETINGS MILEAGE/MEETINGS	10/24/2018		103.22 34.02
			Total for Check Number 16058:	0.00	137.24
16059	10081 11086	INFRASTRUCTURE ENGINEERING CO BEAR CREEK WASTEWATER_WO#842	10/24/2018		6,900.00
			Total for Check Number 16059:	0.00	6,900.00
16060	10000 100118_1000	FRED MC PHERSON FINAL 10% OF EDUCATION GRANT	10/24/2018		250.00
			Total for Check Number 16060:	0.00	250.00
16061	00296 0918021 0918031	MESITI-MILLER ENGINEERING,INC SUPPORT SERVICES_WO#823 STRUCTURAL DESIGN BLUE TANK_WO#5:	10/24/2018		6,934.20 2,289.40
			Total for Check Number 16061:	0.00	9,223.60
16062	00054 SEP_3658024062A SEP_3658024062B SEP_3658024062C	PACIFIC GAS AND ELECTRIC UTILITIES_ADMIN UTILITIES_OPS UTILITIES_WTP	10/24/2018		716.40 10,184.22 29,904.37

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	SEP_3658024062D	UTILITIES_BCE WASTEWATER			147.06
			Total for Check Number 16062:	0.00	40,952.05
16063	00944	PDNC, INC.	10/24/2018		
	2902	MONTHLY SERVER SUPPORT			517.68
	2926	AFTER HOURS SERVER WORK_ADMIN			512.53
			Total for Check Number 16063:	0.00	1,030.21
16064	00711	ROBERTS & BRUNE CO.	10/24/2018		
	S1765316.007A	NIPPLE GALV 3/4" X 6"			1.91
	S1765316.007B	PLUG GALV 1"			6.76
	S1774746.003A	MTR CPLG CORP-COPR 3PT 3/4"			203.49
	S1774746.003B	PIPE-COMPRESSION 2"			223.63
	S1774746.003C	FLEX COUPLING 1" X 5"			198.48
	S1774746.003D	CPLG COPR-PIPE MALE 3/4"			201.33
	S1774746.003E	MTR CPLG PIPE-MTR 3/4 X 1.58			176.38
	S1774746.003F	CPLG COPR-PIPE FEM 3/4"			198.60
	S1774746.003G	MTR VLV PIPE-MTR STRT 2X2"			414.38
	S1780809.001A	NIPPLE GALV 3/4" X 3"			0.62
	S1780809.001B	ELL 90 GALV 2"			67.19
	S1780809.001C	ELL 45 GALV 2"			51.69
	S1780809.001D	BUSHING GALV 1" X 3/4"			18.92
	S1780809.002A	FULL CIRCLE 4.45-4.73 12.50"			240.97
	S1780809.002B	FULL CIRCLE 3.46-3.70 12.50"			110.74
	S1780809.003A	NIPPLE GALV 2" X 3"			23.39
	S1780809.003B	NIPPLE GALV 3/4" X 3"			1.07
	S1780809.003C	COUPLING GALV 3"			53.32
	S1780809.003D	FULL CIRCLE 3.46-3.70 7.50"			66.75
	S1780809.003E	ELL 90 STREET GALV 1/2"			13.67
	S1780809.003F	THREADING COMPOUND RECTOR SEAL			36.76
	S1780809.003G	UNION GALV 2"			83.43
	S1780809.003H	BUSHING GALV 2" X 3/4"			59.32
	S1786180.001A	VALVE BOX G5 BOX			569.73
	S1786180.001B	HYDRANT(YW) 2-1/2" x 2-1/2" x 4-1/2"			5,479.25
			Total for Check Number 16064:	0.00	8,501.78
16065	UB*00508	J SABANKAYA	10/24/2018		
		Refund Check			21.63
			Total for Check Number 16065:	0.00	21.63
16066	00125	SCARBOROUGH LUMBER	10/24/2018		
	322394	MAILBOX REPAIR_OPS			30.09
	322614	CAULKING TANK REPAIR_WTP			19.31
			Total for Check Number 16066:	0.00	49.40
16067	10233	SCHAAF & WHEELER, CONSULTING C	10/24/2018		
	30246	PROFESSIONAL SERVICES_LOMPICO ASSI			5,205.00
			Total for Check Number 16067:	0.00	5,205.00
16068	00168	SCOTTS VALLEY SPRINKLER	10/24/2018		
	152118	PRESSURE GAUGE			9.89
			Total for Check Number 16068:	0.00	9.89
16069	00047	SOIL CONTROL LAB	10/24/2018		
	8090547	WATER ANALYSIS_6 LOCATIONS & OLY 2/			78.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	8090548	WATER ANALYSIS_6 LOCATIONS & OLY 2/			39.00
	8090748	WATER ANALYSIS_5 LOCATIONS & OLY 2/			145.00
			Total for Check Number 16069:	0.00	262.00
16070	00555	STORDOK, INC.	10/24/2018		
	53540737	SHREDDING SERVICES_OCT 9TH			45.00
			Total for Check Number 16070:	0.00	45.00
16071	00166	SANTA CRUZ COUNTY TAX COLLECT	10/24/2018		
	1160272	PROPERTY TAX_PARCEL #08120407			28.20
			Total for Check Number 16071:	0.00	28.20
16072	00166	SANTA CRUZ COUNTY TAX COLLECT	10/24/2018		
	1189845	PROPERTY TAX_PARCEL #08120401			28.20
			Total for Check Number 16072:	0.00	28.20
16073	10184	THATCHER COMPANY, INC	10/24/2018		
	257693	CHEMICALS			776.81
	257831	CHEMICALS			3,784.09
	257832	CHEMICALS_CONTAINER REFUND			-1,160.00
			Total for Check Number 16073:	0.00	3,400.90
16074	10217	UMPQUA BANK	10/24/2018		
	918_10217A	OFFICE DESK_OPS			264.73
	918_10217B	OFFICE SUPPLIES_OPS			47.40
	918_10217C	EXCEL TRAINING_WTP			250.00
	918_10217D	EXCEL TRAINING_WTP			250.00
	918_10217E	LD-12 LOCATOR REPAIR_OPS			194.25
	918_10217F	SERVICES_WTP			200.00
	918_10217G	SERVICES_WTP			224.25
	918_10217H	CONFERENCE_BOD			225.00
	918_10217I	EMPLOYEE UNIFORM_OPS			70.52
	918_10217J	EMPLOYEE UNIFORM_OPS			314.66
	918_10217K	VIDEO CABLE_OPS			42.71
	918_10217L	COFFEE MEETING_ADMIN			34.22
			Total for Check Number 16074:	0.00	2,117.74
16075	00721	UNITED SITE SVCS.,INC	10/24/2018		
	114-7478658	PORT-O-POTTY_WO#823			179.47
			Total for Check Number 16075:	0.00	179.47
16076	00768	USA BLUEBOOK_HD SUPPLY	10/24/2018		
	699710	CHEMICAL TUBING			466.16
	710925	CHART RECORDER SOFTWARE			720.68
			Total for Check Number 16076:	0.00	1,186.84
16077	00011	VERIZON WIRELESS	10/24/2018		
	9816496440A	CELL PHONE_ADMIN			138.39
	9816496440B	CELL PHONE_OPS			596.39
	9816496440C	CELL PHONE_WTP			370.84
			Total for Check Number 16077:	0.00	1,105.62
16078	00011	VERIZON WIRELESS	10/24/2018		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	9816496441A	TABLET/PHONE CHARGES_ENV			95.22
	9816496441B	TABLET/PHONE CHARGES_OPS			329.99
	9816496441C	TABLET/PHONE CHARGES_WTP			95.22
			Total for Check Number 16078:	0.00	520.43
16079	10225	WATER DISTRICT JOBS	10/24/2018		
	1121808	RECRUITEMENT AD_PROJECT COORDINA			145.00
			Total for Check Number 16079:	0.00	145.00
16080	10072	WATER SYSTEMS CONSULTING, INC	10/24/2018		
	3421	USDA PHASE 1 FUNDING SUPPORT_09/01/1			24,314.62
			Total for Check Number 16080:	0.00	24,314.62
16081	10152	WESTAMERICA BANK	10/24/2018		
	OCT2018_10152A	TRUCK LOAN_INTEREST			238.19
	OCT2018_10152B	TRUCK LOAN_PRINCIPAL			1,862.49
			Total for Check Number 16081:	0.00	2,100.68
16082	UB*00507	VICTOR M. WYMAN	10/24/2018		
		Refund Check			35.81
		Refund Check			20.24
			Total for Check Number 16082:	0.00	56.05
16083	00362	ACCELA, INC #774375	11/01/2018		
	INV-ACC42186A	WEB PAYMENTS_BANK FEES			185.00
	INV-ACC42186B	WEB PAYMENTS_TRANSACTION FEE			2,621.00
	INV-ACC42436	ANNUAL SOFTWARE_ADMIN			23,546.09
			Total for Check Number 16083:	0.00	26,352.09
16084	00057	AFSCME COUNCIL 57	11/01/2018		
	OCT 2018_57	UNION DUES_OCT 2018			998.66
			Total for Check Number 16084:	0.00	998.66
16085	00384	DON ALLEY	11/01/2018		
	918-03	STREAM FLOW & WATER QUALITY MEAS			1,578.36
			Total for Check Number 16085:	0.00	1,578.36
16086	00246	AM CONSERVATION GROUP,INC	11/01/2018		
	276483	HOSE NOZZLES_ENV			182.44
			Total for Check Number 16086:	0.00	182.44
16087	00309	AT&T IP SERVICES	11/01/2018		
	9819944400A	IP SERVICES_ADMIN			250.50
	9819944400B	IP SERVICES_OPS			250.49
	9819944400C	IP SERVICES_WTP			250.49
			Total for Check Number 16087:	0.00	751.48
16088	00686	AT&T LONG DISTANCE	11/01/2018		
	1018_834287386A	LONG DISTANCE_ADMIN			16.03
	1018_834287386B	LONG DISTANCE_OPS			521.35
	1018_834287386C	LONG DISTANCE_WTP			0.24

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 16088:	0.00	537.62
16089	00687 1018_132338293	AT&T U-VERSE INTERNET_GRAHAM HILL	11/01/2018		75.00
			Total for Check Number 16089:	0.00	75.00
16090	10025 80024821	BADGER METER, INC BEACON SERVICES_SEPTMBER 2018	11/01/2018		1,354.58
			Total for Check Number 16090:	0.00	1,354.58
16091	00342 949059 949757	BRASS KEY LOCKSMITH ADMIN DOOR_OPS GATE KEY TAGS_OPS	11/01/2018		153.00 8.85
			Total for Check Number 16091:	0.00	161.85
16092	00099 NOV2018_99	JOEL BUSA RETIREE MEDICAL_NOV2018	11/01/2018		125.00
			Total for Check Number 16092:	0.00	125.00
16093	00566 181000059101	C S S C ANSWERING SERVICE_10/22/18-11/21/18	11/01/2018		213.85
			Total for Check Number 16093:	0.00	213.85
16094	00415 NOV2018_415	CA BANK & TRUST/GOV SVC DEPT_10 1976 SAFE DRINKING WATER BOND_NOV2	11/01/2018		15,581.43
			Total for Check Number 16094:	0.00	15,581.43
16095	00788 1018_1018662	COMCAST INTERNET_264 ORCHARD ROAD	11/01/2018		148.29
			Total for Check Number 16095:	0.00	148.29
16096	00788 1018_1028380	COMCAST INTERNET_7400 HIGHWAY 9	11/01/2018		153.29
			Total for Check Number 16096:	0.00	153.29
16097	00265 2576	COMMUNITY TELEVISION BOD MEETING ON 09/20/2018	11/01/2018		423.50
			Total for Check Number 16097:	0.00	423.50
16098	00409 101118_409	EASYPERMIT POSTAGE POSTAGE_ADMIN	11/01/2018		500.00
			Total for Check Number 16098:	0.00	500.00
16099	00450 L0416630 L0417288 L0417580 L0417582 L0417713 L0418227 L0418627 L0418628	EUROFINS WATER ANALYSIS_OLYMPIA WELL 2 WATER ANALYSIS_FALL CREEK_BULL 1 & WATER ANALYSIS_LYONS WTP WATER ANALYSIS_SWEETWATER CREEK WATER ANALYSIS_OLYMPIA WELL 2&3_P/ WATER ANALYSIS_PASO 7 WATER ANALYSIS_OLYMPIA 2 WATER ANALYSIS_PASO 5 & 7_BOBS LANI	11/01/2018		835.00 360.00 475.00 1,475.00 540.00 15.00 125.00 80.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 16099:	0.00	3,905.00
16100	10069 101218_10069	NATE GILLESPIE EMPLOYEE REIMBURSEMENT_SAFETY SI	11/01/2018		163.45
			Total for Check Number 16100:	0.00	163.45
16101	00589 OCT2018_7621	RONALD RAY GREENLY SEPTIC TANK PLUMBING (KIRBY PLANT)	11/01/2018		300.00
			Total for Check Number 16101:	0.00	300.00
16102	10005 54695	ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING_PP ENDING	11/01/2018		3,859.52
			Total for Check Number 16102:	0.00	3,859.52
16103	00367 142689A 142689B	INFOSEND, INC POSTAGE FEES MAILING FEES	11/01/2018		2,632.97 1,122.17
			Total for Check Number 16103:	0.00	3,755.14
16104	10137 83018_10137	KEVIN M DONOVAN PASO 7 FENCE REPAIR	11/01/2018		3,698.00
			Total for Check Number 16104:	0.00	3,698.00
16105	00208 NOV2018_208	LEONARD KUHNLEIN RETIREE MEDICAL_NOV2018	11/01/2018		125.00
			Total for Check Number 16105:	0.00	125.00
16106	00608 352412	LLOYD'S TIRE SERVICE, INC TIRES_TRUCK #485	11/01/2018		511.91
			Total for Check Number 16106:	0.00	511.91
16107	00610 C18-154	MAGGIORA BROS DRILLING PASATIEMPO WELL #8	11/01/2018		324,070.00
			Total for Check Number 16107:	0.00	324,070.00
16108	10017 102418_10017	JEN MICHELSEN ENVIRONMENTAL MEETINGS MILEAGE_F	11/01/2018		77.97
			Total for Check Number 16108:	0.00	77.97
16109	00539 0918SLV	MILLER MAXFIELD, INC CONSULTING SERVICES_PUBLIC OUTREA	11/01/2018		3,506.25
			Total for Check Number 16109:	0.00	3,506.25
16110	00662 NOV2018_662	JAMES A. MUELLER RETIREE MEDICAL_NOV2018	11/01/2018		50.00
			Total for Check Number 16110:	0.00	50.00
16111	10202 113257	NEW RESOURCES GROUP, INC WATER CONSERVATION DEVICES_ENVIR	11/01/2018		500.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 16111:	0.00	500.00
16112	00775 903153143	NORTHERN SAFETY CO.,INC. HEARING PROTECTION_OPS	11/01/2018		128.41
			Total for Check Number 16112:	0.00	128.41
16113	10158 487356A 487356B 487357A 487357B 487400A 487400B 487403A 487403B	NOSSAMAN, LLP PROFESSIONAL SERVICES RENDERED THI DISBURSEMENTS THROUGH 06/30/18 PROFESSIONAL SERVICES RENDERED THI DISBURSEMENTS THROUGH 07/31/18 PROFESSIONAL SERVICES RENDERED THI DISBURSEMENTS THROUGH 08/31/18 PROFESSIONAL SERVICES RENDERED THI DISBURSEMENTS THROUGH 09/30/18	11/01/2018		41,125.50 1,857.13 26,453.00 1,088.52 22,852.00 763.81 24,789.00 656.20
			Total for Check Number 16113:	0.00	119,585.16
16114	00350 102518_350	HOWARD OLIPHANT EMPLOYEE REIMBURSEMENT_UNIFORMS	11/01/2018		241.40
			Total for Check Number 16114:	0.00	241.40
16115	00054 1018_3658024062	PACIFIC GAS AND ELECTRIC UTILITIES_EAST ZAYANTE	11/01/2018		53.00
			Total for Check Number 16115:	0.00	53.00
16116	00264 1264813	RAIN FOR RENT PASO WELL #8 DISCHARGE PIPING_WO#8	11/01/2018		2,847.17
			Total for Check Number 16116:	0.00	2,847.17
16117	10205 20181010033845	RED WING BUSINESS ADVANTAGE AC BOOTS FOR 217	11/01/2018		334.29
			Total for Check Number 16117:	0.00	334.29
16118	00102 102418_102	ANDY ROBUSTELLI EMPLOYEE REIMBURSEMENT_UNIFORMS	11/01/2018		291.85
			Total for Check Number 16118:	0.00	291.85
16119	00001 7719-635598 7719-636203 7719-636204 7719-636595	ROYAL WHOLESALE ELECTRIC 120V RELAY_LYON PLANT MADRONE BOOSTER_PANEL CONTROLS I MADRONE BOOSTER_PANEL CONTROLS I 120V RELAY_LYON PLANT	11/01/2018		275.52 155.06 124.65 403.14
			Total for Check Number 16119:	0.00	958.37
16120	00125 322425 322888 323017 323127 323144 323150 323188 577063	SCARBOROUGH LUMBER HOUSEHOLD CLEAING_KIRBY BCE WASTEWATER TANK HATCH SEALING_WTP 485 PARK DRIVE_BACKFLOW INSTALL 485 PARK DRIVE_BACKFLOW INSTALL TANK SCREENING MATERIAL_WTP SUPPLIES_BCE WASTEWATER HOUSEHOLD SUPPLIES_LYON PLANT	11/01/2018		38.39 99.87 38.63 27.53 19.87 13.52 79.61 49.86

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	577243	485 PARK DRIVE_FORM MATERIALS FOR I			19.84
			Total for Check Number 16120:	0.00	387.12
16121	00047	SOIL CONTROL LAB	11/01/2018		
	8090749	WATER ANALYSIS_OLY 2&3			78.00
	8100081	WATER ANALYSIS_7 LOCATIONS			145.00
	8100082	WATER ANALYSIS_OLY 2&3			78.00
	8100291	WATER ANALYSIS_5 LOCATIONS			145.00
	8100293	WATER ANALYSIS_OLY 2			29.00
			Total for Check Number 16121:	0.00	475.00
16122	00166	SANTA CRUZ COUNTY TAX COLLECT	11/01/2018		
	1118586	195 KIRBY STREET_PROPERTY TAX			101.00
			Total for Check Number 16122:	0.00	101.00
16123	00369	CAROLE TRIANTAFILLOS	11/01/2018		
	NOV2018_369	RETIREE MEDICAL_NOV2018			125.00
			Total for Check Number 16123:	0.00	125.00
16124	00129	UNITED RENTALS (NORTH AMERICA)	11/01/2018		
	162457222-001	EAST ZAYANTE PAVING-ROLLER			309.39
			Total for Check Number 16124:	0.00	309.39
16125	00721	UNITED SITE SVCS.,INC	11/01/2018		
	114-7513145	QUAIL 5 TOILET SERVICE AND CLEANING			187.12
			Total for Check Number 16125:	0.00	187.12
16126	00268	WATTS ON	11/01/2018		
	12231_268	GENERATOR SERVICE_ANNUAL			679.52
	12232	GENERATOR SERVICE_ANNUAL			450.45
	12233	GENERATOR SERVICE_ANNUAL			513.21
			Total for Check Number 16126:	0.00	1,643.18
16127	10235	WRA INC	11/01/2018		
	28213-34087	FALL CREEK IMPROVEMENT PROJECT_W			2,746.25
			Total for Check Number 16127:	0.00	2,746.25
			Report Total (165 checks):	0.00	912,189.61

EFT TRANSACTIONS

OCTOBER 2018



13060 Highway 9
Boulder Creek, CA 95006-9119
(831) 338-2153 phone
(831) 338-7986 fax

Date	Check No	Vendor	Description	Amount
10/10/2018	EFT	PAYCHEX	ADMIN & DELIVERY FEES	\$ 227.65
10/10/2018	EFT	PAYCHEX	PAYROLL	\$ 97,368.47
10/24/2018	EFT	PAYCHEX	ADMIN & DELIVERY FEES	\$ 230.90
10/24/2018	EFT	PAYCHEX	PAYROLL	\$ 98,270.80
10/24/2018	EFT	CALPERS	RETIREMENT BENEFITS	\$ 16,980.42
10/30/2018	EFT	CALPERS	RETIREMENT BENEFITS	\$ 16,983.07
TOTAL EFT TRANSACTIONS				<u>\$ 230,061.31</u>

0084 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 10/10/18: \$110,099.39****TRANSACTION SUMMARY**

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	97,368.47
	TOTAL NEGOTIABLE CHECKS	12,730.92
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	110,099.39
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	14,552.37
	CASH REQUIRED FOR CHECK DATE 10/10/18	124,651.76

TRANSACTION DETAIL**ELECTRONIC FUNDS TRANSFER** - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
10/09/18	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	63,036.64	63,036.64
10/09/18	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	6,675.91	
				Medicare	1,659.69	
				Fed Income Tax	11,977.77	
				CA Income Tax	4,606.14	
				CA Disability	1,076.74	
				Total Withholdings	25,996.25	
				Employer Liabilities		
				Social Security	6,675.91	
				Medicare	1,659.67	
				Total Liabilities	8,335.58	34,331.83
				EFT FOR 10/09/18		97,368.47
				TOTAL EFT		97,368.47

NEGOTIABLE CHECKS - *Check amounts will be debited when payees cash checks. Funds must be available on check date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
10/10/18	WELLS FARGO BANK, NA	xxxxxx1358	Payroll	Check Amounts	12,730.92	
				TOTAL NEGOTIABLE CHECKS		12,730.92

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
10/10/18	Refer to your records for account	Information	Payroll	Employee Deductions		
				Aflc/Col Post	55.34	
				Aflc/Col Pre	347.92	

0084 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 10/10/18: \$110,099.39****REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (cont.)** - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
10/10/18	Refer to your records for account	Information	Payroll	Employee Deductions (cont.)	
				Calper 457	25.00
				Calpers 457 Catch Up	1,000.00
				DPer	7,215.76
				Health	809.14
				ICMA	3,909.52
				Life Ins	14.00
				PXDCA EE PRE	192.30
				PXUME EE PRE	505.77
				Union dues	477.62
				Total Deductions	14,552.37
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES					14,552.37

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - This information serves as a record of payment.

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	
10/17/18	Taxpay®	FED IT PMT Group	28,648.95
10/17/18	Taxpay®	CA IT PMT Group	5,682.88

0084 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 10/24/18: \$108,736.98****TRANSACTION SUMMARY**

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	98,270.80
	TOTAL NEGOTIABLE CHECKS	10,466.18
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	108,736.98
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	14,465.60
	CASH REQUIRED FOR CHECK DATE 10/24/18	123,202.58

TRANSACTION DETAIL**ELECTRONIC FUNDS TRANSFER** - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
10/23/18	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	64,396.96	64,396.96
10/23/18	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	6,601.45	
				Medicare	1,642.25	
				Fed Income Tax	11,838.18	
				CA Income Tax	4,518.83	
				CA Disability	1,029.42	
				Total Withholdings	25,630.13	
				Employer Liabilities		
				Social Security	6,601.43	
				Medicare	1,642.28	
				Total Liabilities	8,243.71	33,873.84
				EFT FOR 10/23/18		98,270.80
				TOTAL EFT		98,270.80

NEGOTIABLE CHECKS - *Check amounts will be debited when payees cash checks. Funds must be available on check date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
10/24/18	WELLS FARGO BANK, NA	xxxxxx1358	Payroll	Check Amounts	10,466.18	
				TOTAL NEGOTIABLE CHECKS		10,466.18

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
10/24/18	Refer to your records for account	Information	Payroll	Employee Deductions		
				Aflc/Col Post	55.34	
				Aflc/Col Pre	347.92	

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 10/24/18: \$108,736.98

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (cont.) - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

TRANS. DATE	BANK NAME	ACCOUNT NUMBER	PRODUCT	DESCRIPTION	TOTAL
10/24/18	Refer to your records for account Information		Payroll	Employee Deductions (cont.)	
				Calper 457	25.00
				Calpers 457 Catch Up	1,000.00
				DPer	7,157.28
				Health	809.14
				ICMA	2,859.52
				ICMA 457 Catch up	1,000.00
				Life Ins	14.00
				PXDCA EE PRE	192.30
				PXUME EE PRE	505.77
				Union dues	499.33
				Total Deductions	14,465.60
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES					14,465.60

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - This information serves as a record of payment.

DUE DATE	PRODUCT	DESCRIPTION	
10/31/18	Taxpay®	FED IT PMT Group	28,325.59
10/31/18	Taxpay®	CA IT PMT Group	5,548.25

Fiscal Year 2018/2019

First Quarter Financial Summary

Management's Discussion and Analysis (MDA)

Overview

This section presents management's analysis of the San Lorenzo Valley Water District's (the District) financial condition and activities as of the above mentioned period. This information should be read in conjunction with the unaudited financial information that follows. For a complete review of a fiscal year, it is best to come back and look at the audited Annual Financial Report.

The District does a hard year end close, through that process there are yearend expenses that are booked at yearend and not represented in the monthly expenses. There may also be annual expenses paid upfront that could cause individual months to appear skewed. Data is continuously being reviewed, so it is not un-common for a prior month balance to change slightly throughout the year as accounts are reconciled. It is important to understand this in connection with the numbers that follow.

Operations Net Results

For the three months ended September 30, 2018, the District had an operating income of \$742K. Quarterly operating revenue was \$2.6M with operating expenses of \$1.9M. Being Q1, YTD operating income is \$742K. The first 3 months of the year typically have higher consumption and the remaining quarters have lower consumption. We have seen these more recent months being closer to the average prior years consumption. Consumption trends dipped below the prior year, but are about the same as the three year average. The slight decrease in consumption may be related to the higher volumetric rate charges. With the rate structure change, consumption plays a large part in operating revenue fluctuations. Consumption is still expected to be in line with the budgeted 650,000 units.

Operating Revenue

Quarterly operating revenue of \$2.6M is in line with expectations. July, August and September had usage of 69.8K, 76.6K and 70.5K units of water billed, respectively.

Q1 CY compared to Q1 PY had an increase of \$562K, this is due to Q1 CY having the new rates in effect.

Operating Expenses

Quarterly operating expenses were \$1.9M, or 23% of the annual budget.

Q1 CY compared to Q1 PY had an increase of \$37.5K, or 2%. The majority of the fluctuation related to salaries and benefits. There were multiple final employee checks cut and the PY had a credit from a workman compensation insurance bill. It is also important to note that Q1 CY does not have the regular legal bills (\$75K). There was a delay in billings, which resulted in the bills all coming in October.

Non-Operating Revenue & Expenses

Below itemizes the different non-operating revenue and expenses of the District as of Q1.

Non-operating Revenue	Q1 Total	YTD Total
Lease Revenue	\$ 5,940	\$ 5,940
Property Taxes	-	-
Assessment Revenue	-	-
Rental Income	3,018	3,018
Interest	6,849	6,849
	<u>\$ 15,807</u>	<u>\$ 15,807</u>

Non-operating Expenses	Q1 Total	YTD Total
Interest Expense	\$ 12,270	\$ 12,270

Debt Obligations

Below itemizes current debt obligations of the District as of Q1. Some of the debt obligations are solely funded from assessments and not paid out of the general fund.

	Balance 2018	Additions	Payments	Balance 2019
Felton Loan	\$ 1,502,664			\$ 1,502,664
Refunding Bond	1,845,823		330,857	1,514,966
Olympia SRF Loan	1,527,028			1,527,028
Other Loans	374,467		15,146	359,321
Other Bonds	-			-
	<u>\$ 5,249,982</u>	<u>\$ -</u>	<u>\$ 346,003</u>	<u>\$ 4,903,979</u>

Capital Projects & Expenditures

Below itemizes the Q1 capital expenditures that have been spent. Please note if any projects used in-house labor, these amounts have may not yet be allocated to the projects. In Q1 there were approximately \$438K in capital expenditures, varying across the board for multiple projects. The Hwy 9/Western repair was completed, Probation Tank, Well Replacement and multiple other FEMA projects were some of the main projects. There is more significant work in Q2 already for the Well Replacement and Probation Tank.

PROJECT LISTING OF ADDITIONS TO CIP							
PROJECT	FY1718 BALANCES	Q1 FY1819 ADDITIONS	Q2 FY1819 ADDITIONS	Q3 FY1819 ADDITIONS	Q4 FY1819 ADDITIONS	PROJECT TOTAL	
BCEWW IMPROVEMENTS / CAP-1617001A	\$ 62,472.12	\$ 6,135.00	\$ -	\$ -	\$ -	\$ 68,607.12	
WO 823 - PROBATION TANK / CAP-1516002A	\$ 379,230.50	\$ 56,877.18	\$ -	\$ -	\$ -	\$ 436,107.68	
SWIM TANK DESIGN / CAP-1516003A	\$ 86,439.64	\$ -	\$ -	\$ -	\$ -	\$ 86,439.64	
WO 272/549 - LYON WATER TREATMENT PLANT ACCESS RD REPAIR	\$ 107,381.57	\$ -	\$ -	\$ -	\$ -	\$ 107,381.57	
LOST ACRES WATER TANK PROJECT	\$ 7,416.40	\$ -	\$ -	\$ -	\$ -	\$ 7,416.40	
WO 521 - BLUE TANK REPLACEMENT PROJECT / CAP-1718001A	\$ 49,766.24	\$ 9,168.00	\$ -	\$ -	\$ -	\$ 58,934.24	
WO 411 - FELTON METER CHANGE OUT PROJECT	\$ 219,863.06	\$ 11,125.46	\$ -	\$ -	\$ -	\$ 230,988.52	
WO 358 - COMBINE SPRINGS RAW WATER LINE	\$ 95,288.66	\$ 75.75	\$ -	\$ -	\$ -	\$ 95,364.41	
WO 550 - HIGHWAY 9/WESTERN AVE 6" MAIN REPAIR	\$ 57,938.55	\$ 101,883.74	\$ -	\$ -	\$ -	\$ 159,822.29	
WO 280 - FALL CREEK INTAKE FEMA	\$ 62,353.53	\$ 35,861.97	\$ -	\$ -	\$ -	\$ 98,215.50	
WO 525 - LOMPICO SERVICE LINE REPLACEMENT	\$ 24,287.87	\$ 4,915.82	\$ -	\$ -	\$ -	\$ 29,203.69	
WO 814 - PASO WELL 6 REPLACEMENT	\$ 22,950.32	\$ 44,521.78	\$ -	\$ -	\$ -	\$ 67,472.10	
WO 815 - PASO WELL 7 REHABILITATION	\$ 88,548.46	\$ 26,908.93	\$ -	\$ -	\$ -	\$ 115,457.39	
WO 837 - MAIN PRV STATION REPLACEMENTS	\$ 6,528.12	\$ 2,335.00	\$ -	\$ -	\$ -	\$ 8,863.12	
WO 838 - MADRONE BOOSTER PRV STATION REPLACEMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
WO 901 - GENERAL METER CHANGE OUTS	\$ 36,432.52	\$ 9,326.09	\$ -	\$ -	\$ -	\$ 45,758.61	
DISTRICT TWO WAY RADIO SYSTEM	\$ 59,626.24	\$ -	\$ -	\$ -	\$ -	\$ 59,626.24	
WO 950 - USDA LOAN	\$ 118,442.43	\$ 131,183.49	\$ -	\$ -	\$ -	\$ 249,625.92	
NEW METER SETS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
GATE OPENER - OPERATIONS BUILDING	\$ -	\$ 4,080.00	\$ -	\$ -	\$ -	\$ 4,080.00	
	\$ 1,422,494.11	\$ 438,263.20	\$ -	\$ -	\$ -	\$ 1,860,757.31	
FUND 01 BEG BALANCE	\$ 2,840,095.29	\$ 3,278,358.49	\$ 3,278,358.49	\$ 3,278,358.49	\$ 3,278,358.49		
FUND 01 ADDITIONS	\$ 438,263.20	\$ -	\$ -	\$ -	\$ -		
FUND 01 END BALANCE	\$ 3,278,358.49	\$ 3,278,358.49	\$ 3,278,358.49	\$ 3,278,358.49	\$ 3,278,358.49		

OPERATING ANALYSIS - SEPTEMBER 2018

REVENUE BY CATEGORY

DESCRIPTION

WATER USAGE
BASIC CHARGES
METERS, PENALTIES & OTHER
SEWER CHARGES
TOTAL OPERATING REVENUE

COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
\$ 706,435	73.7%	\$ 423,848	\$ 282,586	67%	10%	\$ 6,846,000	68%
236,928	24.7%	299,969	(63,041)	-21%	8%	2,986,000	30%
6,665	0.7%	18,342	(11,677)	-64%	7%	90,000	1%
8,344	0.9%	8,463	(119)	-1%	8%	100,000	1%
\$ 958,372	100.0%	\$ 750,623	\$ 207,749	28%	10%	\$ 10,022,000	100%

REVENUE COMMENTS

Sept 18 contains the new rates, which explains the decrease in the basic charge and the increase in usage. Consumption for Sept 18 was 8% less than Sept 17.

EXPENSES BY CATEGORY

DESCRIPTION

SALARIES & BENEFITS
CONTRACT/PROF. SERVICES
OPERATING EXPENSES
MAINTENANCE
FACILITIES
GEN. & ADMIN.
TOTAL OPERATING EXPENSES

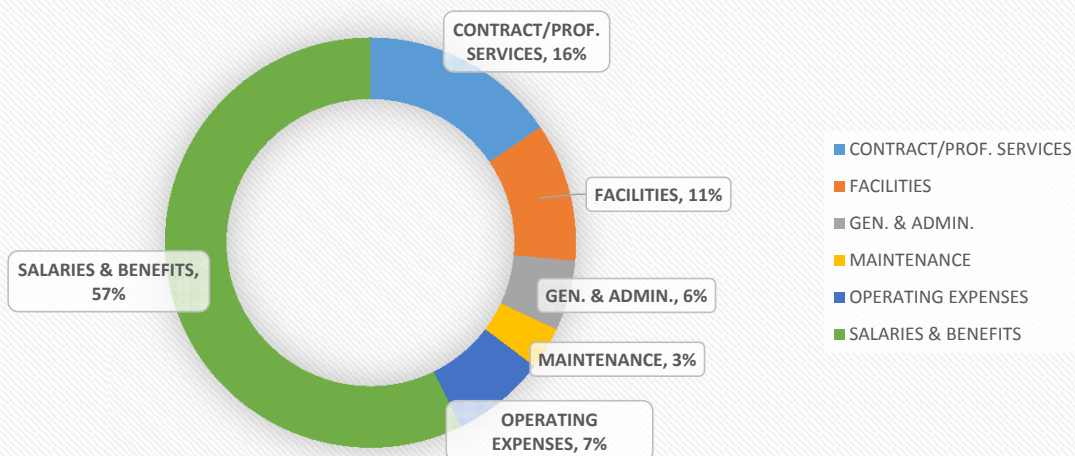
COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
\$ 321,910	57.2%	\$ 265,336	\$ 56,574	21%	6%	\$ 5,048,246	63%
87,073	15.5%	117,704	(30,632)	-26%	7%	1,316,360	17%
41,893	7.5%	29,566	12,328	42%	10%	420,500	5%
18,770	3.3%	12,561	6,209	49%	10%	184,350	2%
61,400	10.9%	55,352	6,049	11%	11%	571,800	7%
31,246	5.6%	25,446	5,800	23%	7%	420,400	5%
\$ 562,292	100%	\$ 505,965	\$ 56,327	11%	7%	\$ 7,961,656	100%

EXPENSE COMMENTS

Sept 2017 had a credit from workman comp insurance, which is why Salaries & Benefits looks higher than prior year.

Professional Services are slightly lower, estimated to be timing related. July-Sept legal bill has not yet been received, which is why professional services is below budget. We have since received the legal bills, which were approximately \$25K each month, so \$75K for July-Sept, these will show up in October.

% BREAKDOWN OF CATEGORY EXPENDITURES



OPERATING ANALYSIS - Q1 FY1819 (JULY-SEPT)

REVENUE BY CATEGORY

DESCRIPTION	COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
	ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
WATER USAGE	\$ 1,842,773	70.8%	\$ 1,083,316	\$ 759,457	70%	27%	\$ 6,846,000	68%
BASIC CHARGES	711,441	27.4%	900,180	(188,739)	-21%	24%	2,986,000	30%
METERS, PENALTIES & OTHER	21,770	0.8%	30,667	(8,897)	-29%	24%	90,000	1%
SEWER CHARGES	25,033	1.0%	25,036	(3)	0%	25%	100,000	1%
TOTAL OPERATING REVENUE	\$ 2,601,017	100.0%	\$ 2,039,199	\$ 561,818	28%	26%	\$ 10,022,000	100%

REVENUE COMMENTS

Q1 FY1819 contains the new rates, which explains the decrease in the basic charge and the increase in usage charge compared to prior year. Consumption for Q1 FY1819 was 8% lower than Q1 FY1718, however, only 1% below the 3 year average.

EXPENSES BY CATEGORY

DESCRIPTION	COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
	ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
SALARIES & BENEFITS	\$ 1,346,077	72.4%	\$ 1,234,093	\$ 111,985	9%	27%	\$ 5,048,246	63%
CONTRACT/PROF. SERVICES	140,788	7.6%	227,508	(86,720)	-38%	11%	1,316,360	17%
OPERATING EXPENSES	87,356	4.7%	68,286	19,070	28%	21%	420,500	5%
MAINTENANCE	31,952	1.7%	30,704	1,248	4%	17%	184,350	2%
FACILITIES	103,804	5.6%	122,163	(18,359)	-15%	18%	571,800	7%
GEN. & ADMIN.	149,273	8.0%	138,956	10,318	7%	36%	420,400	5%
TOTAL OPERATING EXPENSES	\$ 1,859,251	100%	\$ 1,821,709	\$ 37,542	2%	23%	\$ 7,961,656	100%

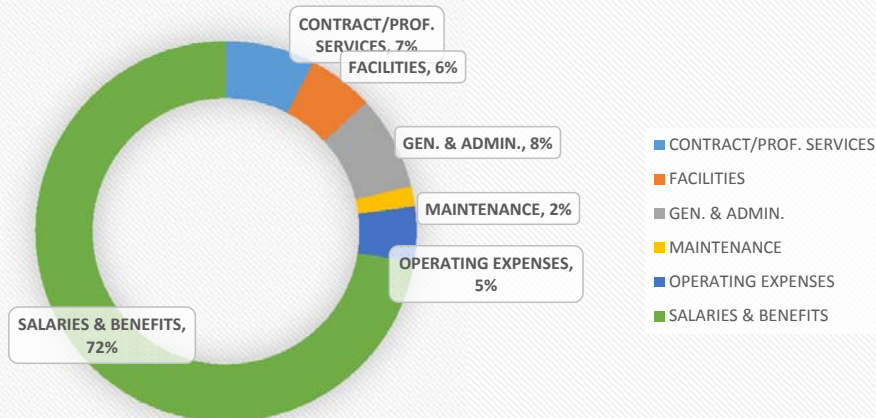
EXPENSE COMMENTS

For the most part, expenses were tracking similar to the prior year and expected budget.

Salaries/Benefits: There was an increase from employee final checks and the insurance reimbursement from the PY. Otherwise related to full year new hires.

Contract/Prof Serv: Timing related to delayed legal bills. October will recognize approximately \$75K in legal bills for Q1.

% BREAKDOWN OF CATEGORY EXPENDITURES



OPERATING EXPENSE ANALYSIS - Q1 FY1819 (JULY-SEPT)

DETAILED EXPENSES BY DEPARTMENT

ADMINISTRATIVE	Q1 CY ACTUALS	% of Budget	25% of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 139,385	31%	\$ 112,703	\$ 450,812	Employee final paycheck, OK
CONTRACT/PROFESSIONAL SERVICES	18,123	3%	133,500	534,000	
OPERATING EXPENSES	-	0%	248	993	
MAINTENANCE	3,092	19%	3,972	15,887	
FACILITIES	5,366	21%	6,454	25,817	Full year of insurances, OK
GEN. & ADMIN.	110,249	65%	42,368	169,471	
TOTAL ADMINISTRATIVE	\$ 276,216	23%	\$ 299,245	\$ 1,196,980	

FINANCE	Q1 CY ACTUALS	% of Budget	25% of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 267,129	25%	\$ 268,815	\$ 1,075,259	
CONTRACT/PROFESSIONAL SERVICES	14,062	13%	26,313	105,253	
OPERATING EXPENSES	33	3%	248	993	
MAINTENANCE	2,313	18%	3,190	12,759	
FACILITIES	-	0%	-	-	
GEN. & ADMIN.	34,023	21%	39,917	159,667	
TOTAL FINANCE	\$ 317,559	23%	\$ 338,483	\$ 1,353,931	

ENGINEERING	Q1 CY ACTUALS	% of Budget	25% of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 23,608	10%	\$ 61,541	\$ 246,165	Savings from budgeted position not yet hired
CONTRACT/PROFESSIONAL SERVICES	2,456	16%	3,750	15,000	
OPERATING EXPENSES	-	0%	-	-	
MAINTENANCE	-	0%	-	-	
FACILITIES	190	16%	300	1,200	
GEN. & ADMIN.	103	2%	1,625	6,500	
TOTAL ENGINEERING	\$ 26,358	10%	\$ 67,216	\$ 268,865	

DISTRIBUTION	Q1 CY ACTUALS	% of Budget	25% of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 453,848	30%	\$ 382,469	\$ 1,529,876	Tracking to annual expectations, 3PP August
CONTRACT/PROFESSIONAL SERVICES	12,216	9%	35,500	142,000	
OPERATING EXPENSES	41,362	22%	46,750	187,000	
MAINTENANCE	20,177	19%	27,182	108,728	
FACILITIES	41,569	22%	47,847	191,387	
GEN. & ADMIN.	1,318	14%	2,358	9,433	
TOTAL DISTRIBUTION	\$ 570,489	26%	\$ 542,106	\$ 2,168,424	

DETAILED EXPENSES BY DEPARTMENT (continued)

WATERSHED	Q1 CY ACTUALS	% of Budget	25% of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 68,446	26%	\$ 66,151	\$ 264,605	Tracking to annual expectations, 3PP August
CONTRACT/PROFESSIONAL SERVICES	53,992	20%	68,840	275,360	
OPERATING EXPENSES	140	3%	1,125	4,500	
MAINTENANCE	-	0%	2,500	10,000	
FACILITIES	285	48%	150	600	
GEN. & ADMIN.	2,911	4%	16,400	65,600	
TOTAL WATERSHED	\$ 125,774	20%	\$ 155,166	\$ 620,665	

SUPPLY & TREATMENT	Q1 CY ACTUALS	% of Budget	25% of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 387,923	27%	\$ 359,627	\$ 1,438,509	Tracking to annual expectations, 3PP August
CONTRACT/PROFESSIONAL SERVICES	31,717	18%	45,000	180,000	
OPERATING EXPENSES	41,459	20%	51,000	204,000	
MAINTENANCE	6,370	18%	8,688	34,753	
FACILITIES	54,605	16%	85,417	341,669	
GEN. & ADMIN.	669	8%	1,986	7,944	
TOTAL SUPPLY & TREATMENT	\$ 522,742	24%	\$ 551,719	\$ 2,206,874	

WASTEWATER	Q1 CY ACTUALS	% of Budget	25% of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 5,739	13%	\$ 10,755	\$ 43,020	
CONTRACT/PROFESSIONAL SERVICES	8,222	13%	16,187	64,747	
OPERATING EXPENSES	4,363	19%	5,754	23,014	
MAINTENANCE	-	0%	555	2,222	
FACILITIES	1,788	16%	2,782	11,128	
GEN. & ADMIN.	-	0%	446	1,785	
ALLOCATIONS	-	0%	-	-	
TOTAL WASTEWATER	\$ 20,112	14%	\$ 36,479	\$ 145,917	Indirect allocations occur annually

TOTAL OPERATING EXPENSES	\$ 1,859,251	23%	\$ 1,990,414	\$ 7,961,656	
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OPERATING ANALYSIS - YTD TREND FY1819

REVENUE BY CATEGORY

DESCRIPTION	JULY	AUGUST	SEPTEMBER	YTD	BUDGET	% OF BUD.
WATER USAGE	359,119	777,219	706,435	1,842,773	6,846,000	27%
BASIC CHARGES	237,313	237,200	236,928	711,441	2,986,000	24%
METERS, PENALTIES & OTHER	5,250	9,855	6,665	21,770	90,000	24%
SEWER CHARGES	8,344	8,345	8,344	25,033	100,000	25%
TOTAL OPERATING REVENUE	610,027	1,032,619	958,372	2,601,017	10,022,000	26%

EXPENSES BY CATEGORY

DESCRIPTION	JULY	AUGUST	SEPTEMBER	YTD	BUDGET	% OF BUD.
SALARY & BENEFITS	514,027	510,140	321,910	1,346,077	5,048,246	27%
CONTRACT/PROF. SERVICES	5,572	48,144	87,073	140,788	1,316,360	11%
OPERATING EXPENSES	11,986	33,476	41,893	87,356	420,500	21%
MAINTENANCE	3,079	10,102	18,770	31,952	184,350	17%
FACILITIES	11,383	31,020	61,400	103,804	571,800	18%
GEN. & ADMIN.	101,568	16,460	31,246	149,273	420,400	36%
TOTAL OPERATING EXPENSES	647,615	649,343	562,292	1,859,251	7,961,656	23%
OPERATING INCOME (LOSS)	(37,589)	383,276	396,079	741,766	2,060,344	36%

COMMENTS

REVENUE/EXPENSES:

Current year to date revenue and expenses are tracking as expected overall. Please refer to the current month analysis for any further detail on revenue or expenses.

GENERAL/PROCESS:

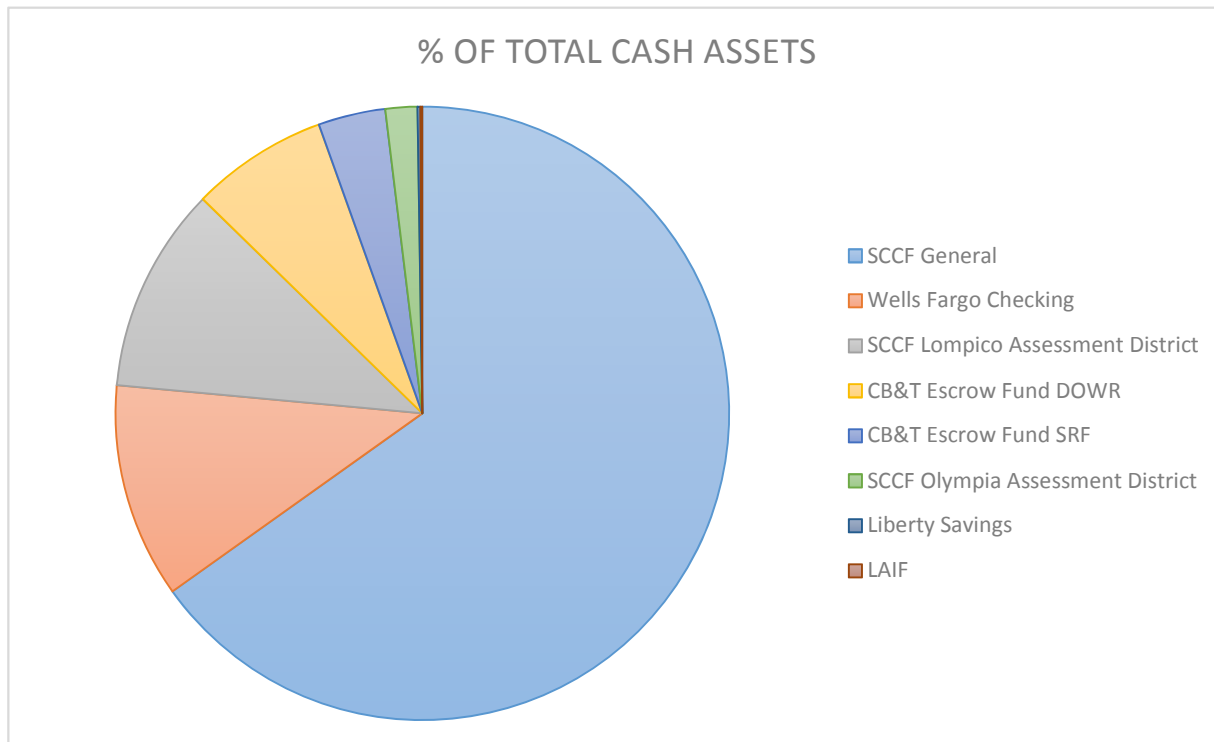
There are annual/one-time expenses paid upfront that could cause individual months to appear skewed or accrual based accounting that will impact June/July more so. An example of this would be some insurances are paid in July, this causes July expenses to appear higher than other months. The District operates on an annual budget and performs accrual based accounting procedures for a hard year end close, this is typical for governmental accounting.

Data is continuously being reviewed, so it is not un-common for a prior report balance to change slightly throughout the year as accounts are reconciled.

CASH BALANCES AS OF

9/30/2018

		<i>Ave Interest Rate</i>
OPERATING ACCOUNTS	CASH BALANCE	
Wells Fargo Checking	\$ 361,944	0.35%
Liberty Savings	\$ 4,511	0.10%
LAIF	\$ 3,441	2.06%
SCCF General	\$ 2,082,322	1.63%
OPERATING BALANCE	\$ 2,452,218	
RESTRICTED ACCOUNTS		
SCCF Lompico Assessment District	\$ 346,798	1.63% <i>For AD Projects</i>
SCCF Olympia Assessment District	\$ 53,623	1.63% <i>For Debt Repayment</i>
CB&T Escrow Fund SRF	\$ 113,176	0.02% <i>For Debt Repayment</i>
CB&T Escrow Fund DOWR	\$ 230,947	0.02% <i>For Debt Repayment</i>
RESTRICTED BALANCE	\$ 744,544	



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp

October 11, 2018

SAN LORENZO VALLEY WATER DISTRICT

DISTRICT MANAGER
13060 HIGHWAY 9
BOULDER CREEK, CA 95006

[PMIA Average Monthly Yields](#)

[Tran Type Definitions](#)

September 2018 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	3,440.82
Total Withdrawal:	0.00	Ending Balance:	3,440.82

G/L Balances

Criteria: As Of = 9/30/2018; Fund = 76644, 76530

G/L Account	Title	Beginning Balance	Year-To-Date Debits	Year-To-Date Credits	End Balance
Fund 76530 -- SLV- EFF 6/2/16					
101	EQUITY IN POOLED CASH	450,344.24	2,167.47	(14,682.04)	437,829.67
240	STALE DATED WARRANTS LIABILITY	(1,363.90)	0.00	0.00	(1,363.90)
344	FUND BALANCE	(448,980.34)	14,682.04	(2,167.47)	(436,465.77)
Total Fund 76530		0.00	16,849.51	(16,849.51)	0.00
Fund 76644 -- SAN LORENZO VALLEY WATER TRUST					
101	EQUITY IN POOLED CASH	2,019,013.79	50,770.31	(24,871.29)	2,044,912.81
344	Fund Balance	(2,019,013.79)	24,871.29	(50,770.31)	(2,044,912.81)
Total Fund 76644		0.00	75,641.60	(75,641.60)	0.00

REVENUE STABILIZATION RATE ANALYSIS FY1819

In accordance with the District's Revenue Stabilization Rates Policy & Procedures, the District Manager shall provide the Board of Directors with the average units of water sales (by month) for the rolling previous three years, which will serve as the baseline against which current annual sales to date will be compared. If the District Manager determines that budget-year water sales (in units) to date, and corresponding revenue, is more than 10% below expected year-to-date levels (based on monthly averages over the previous three years), the District Manager shall notify, at a public meeting, the Board of Directors of this determination at or before the next regularly scheduled Board meeting. For more information, please refer to the District's full Policy & Procedures.

MONTHLY CONSUMPTION IN UNITS BY FISCAL YEAR (BASELINE)

	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
FY1516	66,779	64,961	69,609	60,022	49,837	41,773	44,025	37,290	42,433	43,153	48,328	68,129	636,340
FY1617	74,199	73,414	71,825	59,518	41,777	45,698	45,401	37,667	41,173	42,898	52,932	68,388	654,889
FY1718	81,254	78,331	76,259	65,658	58,601	42,693	48,947	40,431	42,401	41,263	52,088	69,321	697,247
3 YR AVERAGE (BASELINE)	74,077	72,235	72,564	61,733	50,072	43,388	46,124	38,463	42,002	42,438	51,116	68,613	662,826

ACTUAL FY1819 CONSUMPTION

FY1819	69,843	76,594	70,487										216,924
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CUMULATIVE ANALYSIS

% Above or Below Average	-6%	6%	-3%
Cumulative %	-6%	0%	-1%

NOTES:

Consumption is cumulatively slightly below the prior three year average baseline. As of September 2018 consumption, the cumulative consumption is 1% below the baseline. There are no triggers identified per the revenue stabilization rate policy.

M E M O

TO: Board of Directors

FROM: District Manager

PREPARED BY: Environmental Programs Manager

SUBJECT: Environmental Department Status Report

DATE: November 15, 2018

RECOMMENDATION:

It is recommended that the Board of Directors review and file the Environmental Department status report.

WATER SUSTAINABILITY PLANNING

CONJUNCTIVE USE GRANT

- Resource Agency Meeting conducted November 5, 2018 attended by CDFW, USFWS, NMFS, County Water Resources and SLVWD Consultants and Staff.
- Hydrological Assessment is complete. Final report pending.
- Fish Assessment strategy is clear and underway.
- Public Engagement Workshop to be announced following Fish Assessment Report Completion.

Detailed analysis shall be completed for the following scenarios:

- 1) During dry periods, reduce Felton diversions to comply with water rights by using existing interties to supply the Felton service area with (a) additional groundwater pumping from South system wells and (b) if necessary, excess diversions and/or groundwater pumping from the North system. During wet periods, (a) provide the South System service areas with excess diversions from the Felton system and (b) if possible also provide water to the North system to reduce groundwater pumping during dry periods.
- 2) Utilize the District's right to 313 AFY of Loch Lomond water, in the following priority of use: first to supply the Felton service area and reduce Fall Creek diversions to comply with water rights; second, to serve the South service area and reduce South system groundwater pumping (i.e., achieve in-lieu recharge); and lastly to supply the North service area in order to reduce diversions, achieve in-lieu recharge, and increase groundwater discharge to dry-period base flows.

Preliminary feasibility-level analysis shall be completed for the following scenarios:

- 3) Recharge the Olympia area aquifer by injecting excess wet period diversions from the North system, Felton system, and/or Loch Lomond. Increase dry-period

Olympia groundwater pumping by a comparable amount to reduce North system diversions.

- 4) Supply the South system and Scotts Valley Water District with excess wet period diversions from the Felton system, North system, and/or Loch Lomond in order to achieve in-lieu recharge. Utilize increased groundwater storage to increase dry period groundwater use and reduce stream diversions in the Felton system and North system.

STREAMFLOW, TEMPERATURE AND RELATED OBSERVATIONS FOR THE SAN LORENZO VALLEY WATER DISTRICT'S SURFACE SOURCES OF COMMUNITY WATER SUPPLY *WATER YEAR 2014 TO 2017*

Planning for water year 2019 and beyond:

The District has been conducting Stream gaging associated with the District's surface water diversions since WY 2014 to learn more about how the District's water supply production impacts habitat in the San Lorenzo River and associated tributaries. Staff facilitated a Regulatory Agency meeting to discuss the results of the study and to discuss the future of the program, in addition to the Conjunctive Use Planning Effort. Staff will be conducting a public, board workshop in the near future to bring the new board up to speed with the effort.

SANTA MARGARITA SUSTAINABLE GROUNDWATER MANAGEMENT AGENCY (SMGWA.ORG)

- Staff provides ongoing support and District representation at the SMGWA at staff level.
- An RFP for a Technical Consultant is underway which will correct the deficiencies identified in the hydrologic model, and assist with the technical writing of the Sustainable Groundwater Management Plan.
- Staff met with the Facilitation Committee in a publicly noticed meeting on November 14th, to plan a series of 3 Educational Workshops that will focus on Local Hydrology, Land Use & Water and Integrated Water Management & Surface Water Groundwater Interactions.
- Staff met with the Hydrologic Consultant, John Fio with Hydro Focus Inc. who recently changed to EKI Environment and Water. Water agency staff and consultant hydrologists for SLVWD, SVWD, and the City of Santa Cruz received a full report of the Hydrological Model Analysis which was presented September 12, 2018. The analysis evaluated the existing hydrologic model and made recommendations to improve the model in order to adequately serve the purpose of writing a sustainability plan and to insure the work will comply with the Sustainable Groundwater Management Act. Comments on the report were submitted and incorporated into the report which is available on the SMGWA website: <https://smgwa.org/wp-content/uploads/2018/10/Agenda-Packet-10-25-18.pdf>
- The next SGMWA Meeting will be held Thursday, November 29th at 7:00 PM at Scott's Valley Water District. For more information <http://smgwa.org/>

ENVIRONMENTAL COMPLIANCE - CAPITAL IMPROVEMENT PROGRAM

SANDHILLS HABITAT CONSERVATION PLAN FOR THE SAN LORENZO VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PLAN

Staff is recommending the District prepare a Habitat Conservation Plan to mitigate the impacts to listed species in sandhills habitat which result from the District's Capital Improvement Projects. THE HCP will cover the District's capital improvement projects, operations and maintenance activities, and watershed management actions, that impact endangered species and sensitive habitat of the Santa Cruz sandhills. The District Sandhills HCP (DSHCP) will provide the basis for the United States Fish and Wildlife Service (USFWS), which administers the ESA for terrestrial species, to issue the District an Incidental Take Permit (ITP) to cover all of the capital improvement projects, operations and maintenance activities, and watershed management actions that affect the covered species. This approach will greatly reduce the timeline and cost for project permitting compared to preparing individual HCPs for each project or site.

USDA LOAN CIP PROJECT PERMITTING

Staff is working to secure permits & USDA low interest loans to fund the following pipeline projects. The application has been submitted to USDA and is pending a consultation with USFWS for a permit.

Swim Tank \$ 678,000 Hihn Road Pipeline \$ 90,000 Lyon Pipeline \$ 450,000 Worth Lane Pipe \$ 120,000 Sequoia Road Pipe \$ 120,000 Bennett Booster \$ 390,000 Hillside Drive Pipe \$ 240,000 Riverview Drive Pipe \$ 240,000 Two Bar Road Pipe \$ 450,000 Orman Road Pipe \$ 300,000 California Drive Pipe \$ 240,000 Fall Creek Fish Ladder \$ 1,160,000

WATERSHED MANAGEMENT

ZAYANTE CREEK STREAM WOOD HABITAT ENHANCEMENT PROJECT

The San Lorenzo Valley Water District owns about 0.5 mile of Zayante Creek upstream of the Mountain Charlie Gulch confluence. This stream reach has the potential to serve as extremely valuable spawning and rearing habitat for both steelhead and Coho salmon. With the District's ownership, this reach is not impacted by residential development, which is prevalent in lower Zayante Creek, and is down stream of multiple obstructions that limit steelhead access into upper Zayante Creek.

The project focuses on habitat enhancement measures on publicly held properties, owned by the City and the SLVWD, with the objective of developing cost-effective restoration actions that attempt to restore historic functions that created and maintained the physical habitat necessary to support key life stages for these listed species. The design process to date has included technical review, site visits, and collaboration with the City, SLVWD, the City's consulting forester, County of Santa Cruz, Santa Cruz County Resource Conservation District, National Marine Fisheries Service, and California Department of Fish and Wildlife.

Timeline:

1. October 2, 2014: The SLVWD Board granted permission for the project to take place on District property.

2. July 2018: Resource Conservation District received a grant from State Water Resources Control Board for the Upper Zayante Creek Stream Wood Enhancement Project, and are in the process of mobilizing to begin work.
3. 2019: District to enter into cooperative agreement associated with permitting and implementation of the project.
4. 2018-19: Acquire Permits from State and Federal agencies, under the direction of the RCD.
5. Summer 2019: Large wood to be installed.

FIRE MANAGEMENT PLANNING ON DISTRICT WATERSHED LANDS

Staff has initiated an effort to improve mapping, road access and communications with Fire Prevention Agencies, in order to improve access to District Lands in case of a wildfire.

WATER CONSERVATION

The District is working on a multi-tier effort to diversify water sources for each water system through the following efforts:

- Conjunctive Use
- Water Conservation
- Improving System Efficiencies
- Intertie Pipelines
- Sustainable Groundwater Management
- Climate Adaptation and Mitigation
- New Groundwater Supplies

Water Conservation Rebate Quarterly Report

19 Q1 Ending Sept. 30, 2018

Code	Type	Water Savings by type	# Rebates	Amount	Water SavedGallons per year
RBDRIPsqft	Drip	4,500 gpy/ 500sf	0	\$-	0
RBHECW	Clothes Washers	5100GPY	3	\$300.00	15300
RBHWRS	Recirculation System	7800GPY	0	\$-	0
RBLAWN	Lawn	6 ft/sqft or 7.48*6=44.88 gpy/sqft	0	\$-	0
RBT1.6	Toilet 1.6	1280 gpy	2	\$150.00	2560
RBT3.5	Toilet 3.5	5000gpcy	3	\$568.00	60000
RBWBICSI	Irrigation Controller	1.7g/sqft/y	0	\$-	0
RBGWLL	Greywater Irrigation	14,565 gpy	0	\$-	0
			8	\$1,018.00	77860

Additional efforts to reduce water consumption system wide include:

- Staff is working with teachers throughout District to plan conservation workshops & in-class presentations for Spring 2019
- Water audit program formation is complete. Staff is currently working with commercial and high water users. Water-wise audits are being offered upon request to all customers. Staff will begin to advertise and add water audit information to the District website in early 2019.
- Water Conservation Coalition of Santa Cruz meeting bi-monthly. Will discuss rebate programs, upcoming workshops, future events and water wise programing.
- Water conservation staff to take over high usage and leak prevention tagging follow-ups.
- Conservation staff reordering conservation devices and outreach materials. Currently all water conservation devices in stock. Staff plans to reassess inventory in Spring of 2019.
- Staff working to update current rebate programs and add additional programs. New programs should be adopted in Spring 2019.
- 2019 Education and Data Collection grant schedule and planning initiated November 2018.
- Environmental staff monitoring and mapping invasive species on District properties.
- Create content for public outreach such as videos, content for social media and district workshops. Working with various agencies to create content efficiently.
- Environmental staff prepping to create a schedule of District run community workshops and volunteer events for 2019.

CLIMATE ADAPTATION

- The initial phase of completing the Climate Action Plan is to inventory existing carbon outputs from District operations. District plans to use 2012 as the base year and update inventory from 2017 onward.
- Inventory of 2017 has been completed and is undergoing verification through Cameron-Cole, LLC. Report is provided in the informational items of the October 18th Board Agenda.
- Staff is working to summarize all 2017 and onward District GHG emissions data to update "Our Carbon Footprint" page on the District website.
- Environmental staff has initiated a Climate Action Plan. Staff will undergo training on climate change planning in preparation to write SLVWD's Climate Action Plan (as required for the Watershed Management update).

PUBLIC OUTREACH

- The District Facebook page and website are updated regularly (5-7 times per week).
- The District is running ads in the Mountain Bulletin bimonthly.
- The District is running ads in the Press Banner twice a month.
- CIP Flyer 1 year update from Rate Increase was mailed to all customers.

- Staff is conducting regular interviews on KBCZ regarding drought, infrastructure projects and other news from SLVWD. Rick Rogers interview is airing several time over 2 weeks in Mid October.
- Staff interviewed with the Press Banner on Fall Creek Fish Ladder & CIP Flyer for separate articles.

FELTON LIBRARY OUTDOOR EDUCATION PARK

Staff continues to participate as part of the Felton Library Design Team. Community stakeholders meet monthly to discuss design, outreach & education opportunities for the Nature Discovery Park that will be associated with the new Felton Library.

UPCOMING EVENTS

- Environmental Town Hall November 17th 1 -3 at Felton Community Hall. Staff will be having a booth.

NETWORKING/ COLLABORATIONS

WEED MANAGEMENT AREA OF SANTA CRUZ (WMA)

The Weed Management Area of Santa Cruz (WMA) meets 4 times annually. The group is working on the Strategic Plan, and prioritizing efforts for Santa Cruz County, and working to acquire resources to achieve the goal of fighting invasive species that impact biodiversity. The WMA will continue its use of the Calfora Observer app to allow for real time mapping which will allow land managers to monitor invasive and non-invasive plant life. As the WMA develops it is shifting its goals to better support member's needs; such as invasive removal, invasive plant prevention, engaging the community to be better stewards and collaborating to share information, and resources to protect biodiversity. On 7/10/18 the WMA held its summer quarter meeting. Networking, discussion of current invasive species and invasive removal practices were discussed. The next meeting will focus on French Broom removal and best practices.

FIRE SAFE SANTA CRUZ COUNTY <https://www.firesafesantacruz.org/>

Fire Safe Santa Cruz County is currently seeking applications from community members in need of funding to reduce fire hazards in their neighborhoods. Contact Fire Safe SCC for applications.

Staff serves as a board member representing SLVWD on the Fire Safe Santa Cruz County.

The purpose of the Fire Safe Santa Cruz County (FSSCC) is to help residents and landowners prepare for and respond to the effects of wildfire in Santa Cruz County in an effort to maintain the quality of life, property and the environment. FSSCC will assist in coordinating the fire preparedness actions of local residents, landowners/managers, utilities, fire districts, CALFIRE and local fire safe councils. FSSCC will identify and seek funding for the highest fire safety priorities, coordinate work activities, assist neighborhoods in securing equipment and labor, and best position fire-safe entities working in the County for funding opportunities and applications.

FSSCC is organized and operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

SAN LORENZO 2025

The San Lorenzo River Watershed is the main source of drinking water for multiple communities and tens of thousands of residents. This watershed is home to dozens of species of fish and wildlife, including both threatened and endangered species. It is the heart of our community and is at risk because the San Lorenzo River is under stress from the effects of drought, climate change, and habitat degradation. Acting now we can keep the San Lorenzo River watershed viable for our communities and our native fish and wildlife for generations to come.

San Lorenzo River 2025 is a collaborative effort focused on addressing the risks facing the San Lorenzo River over the next ten years. Through a partnership between local governments, water districts, the Resource Conservation District and local nonprofits, San Lorenzo River 2025 seeks to achieve **reliability** of water, **restoration** of watershed habitats, and a **resilient and safe** community resource. This effort will increase both the pace and the scale of investment into the San Lorenzo Watershed.

San Lorenzo River 2025 will:

- Implement a suite of habitat restoration and watershed protection activities to maintain and improve water supplies, water quality, and natural habitats for native fish and wildlife
- Provide wildfire planning and readiness to avoid catastrophic events in the watershed
- Improve ailing infrastructure for flood protection and projected sea level rise
- Maintain and improve public areas, trails, and places for the community to enjoy the river.

FELTON LIBRARY - <http://feltonlibraryfriends.org/>

Staff continues to participate with the Technical Advisory Committee including Friends of the Felton Library, the Valley Women's Club and County Planners and administrators to design and implement a new Library building located on Gushee Street in Felton as well as an outdoor education area adjacent to the location and the District's Kirby Treatment Plant. The New Library has been awarded 10 million dollars for construction of a new library. Meetings held several times a month.

SANTA CRUZ MOUNTAINS STEWARDSHIP NETWORK - <http://scmsn.net/>

The Santa Cruz Mountains Stewardship Network is a region-wide and cross-sector collaboration of independent individuals and organizations who are committed to working together to help cultivate a resilient, vibrant region where human and natural systems thrive for generations to come.

SANTA CRUZ MOUNTAINS BIOREGIONAL COUNCIL - <http://www.scmbsc.org/>

Jen Michelsen was nominated to serve as president of the Santa Cruz Mountains Bioregional Council. The Bioregional Council is dedicated to the preservation and enhancement of regional biodiversity over time through education, the dissemination of accurate scientific information and assistance in the planning, coordination and implementation of conservation efforts. Next meeting scheduled May 19th.

WATER CONSERVATION COALITION - <http://watersavingtips.org/>

The Water Conservation Coalition is a partnership between all the local Water Districts in Santa Cruz County as well as the County Water Resources Division, Ecology Action and other groups who share a passion for water conservation and public education. Our goal is to combine efforts and share resources to provide a common message about water conservation issues to residents throughout Santa Cruz County, which is a special place because ALL of our water supply comes from rain that falls within our County boundaries. Though each water district gets drinking water from different sources, we all share a common goal and work together to protect water resources in our aquifers and watersheds and continue to provide safe, high quality drinking water to all who live, work and play in Santa Cruz County. Meeting held quarterly or monthly depending on activity level.

SANTA MARGARITA GROUNDWATER AGENCY- <http://smgwa.org/>

Under the Sustainable Groundwater Management Act of 2014, over-drafted groundwater basins need to be sustainably managed by a Groundwater Sustainability Agency (GSA) through the development of a Groundwater Sustainability Plan (GSP). The GSP must be completed by 2022, and the basin must reach sustainability by 2040.

Under development is the Santa Margarita Groundwater Agency (SMGA), a three-member agency comprised of the Scotts Valley Water District, San Lorenzo Valley Water District and the County of Santa Cruz, which will oversee the groundwater management activities of the Santa Margarita Basin Area in Santa Cruz County, California. The Board of Directors of the SMGA includes two Board members from each of the water districts, one from the County, one from the City of Scotts Valley, one from the City of Santa Cruz, one from the Mount Hermon Association Community Water System and two private well owner representatives.

Once a Joint Powers Agreement (JPA) is completed in early 2017, the SMGA will apply to the state Department of Water Resources to become the GSA for the Basin.

SANTA CRUZ INTEGRATED GROUNDWATER MANAGEMENT - <http://www.santacruzirwmp.org/>

The Santa Cruz Integrated Regional Water Management (IRWM) program provides a framework for local stakeholders to manage this region's water and water-related resources. The Santa Cruz IRWM Plan was developed in response to California's IRWM planning initiative to promote an informed, locally-driven, and consensus-based approach to water resources management.

The IRWM Plan includes strategies for developing and implementing policies and projects to ensure sustainable water use, reliable water supply, better water quality, improved flood protection and storm water management, and environmental stewardship. [Find out more.](#)

COMPLIANCE COMPLETION REPORTS 2018

FALL CREEK FISH LADDER DEBRIS REMOVAL PROJECT COMPLETED

Acquisition of permits from the following agencies:

- 1600 Maintenance Agreement from CDFW
- 401 Cert from RWQCB
- County Riparian Exception
- Letter of Concurrence from USFWS & NMFS
- NWP Army Corps
- FEMA Approval

BULL CREEK PIPE REMOVAL PROJECT

The old defunct pipeline in Bull Creek was removed in June 2018 under permit from the California Department of Fish and Wildlife.

SOUTH SYSTEM CAPITAL IMPROVEMENT

- Probation Tank Replacement - Permits acquired, project underway.
- Paso #6 Well Replacement - Permits acquired, project underway.
- Paso Well #5 Rehab: Permits acquired, minimization and mitigation satisfied. Project completed.

SAN LORENZO RIVER AND NORTH COAST SANITARY SURVEY UPDATE 2018

<http://slvwd.com/pdf/2018WatershedSanitarySurvey.pdf>

CDFW STREAMBED ALTERATION AGREEMENT PERMIT ACQUIRED

To conduct pipe removal project on Bull Creek Pipeline.

PASO WELL REPLACEMENT PROJECT

The District received the permit to replace the Paso Wells 6 with Paso 8, which is underway. Staff received the NOE for a Statutory Exemption, (California Code of Regulations, Title 14, Division 6, Chapter 3, Article 19, Section 15269 (b)) for emergency repairs to publicly or privately owned service facilities necessary to maintain service essential to the public health, safety or welfare.

REGIONAL INTERTIE HCP REPORT

Submitted as required as part of the intertie project mitigation

CONSERVATION/MITIGATION BANK

SLVWD now has its own conservation area which comprises of 6.7 acres of land at the Olympia Wellfield which will be used for mitigation to compensate for impacts to other Sandhills habitat which result from ongoing District Operations and Maintenance. As part of the Habitat Conservation Plan, the District has established a non wasting endowment to fund the management and monitoring of the 6.7 acres of habitat set aside.

GREEN BUSINESS CERTIFICATION

The District received notice from the California Green Business Network that the District has satisfied all requirements and is now a Certified Green Business. The District received the official letter in January 2018.

PROBATION TANK

USFWS Federal Endangered Species Act permit has been received. CEQA is complete. Construction has begun on the Probation Replacement Project.

SWIM TANKS MITIGATED NEGATIVE DECLARATION

Environmental compliance (CEQA) requirements for the Swim Tank Replacement Project are complete.

MEMO

TO: District Manager

FROM: Director of Operations

SUBJECT: OPERATIONS DEPARTMENT STATUS REPORT
OCTOBER 2018

DATE: NOVEMBER 15, 2018

RECOMMENDATION:

It is recommended that the District Manager review and file the Operations Department Project Status Report for the month of October 2018.

BACKGROUND:

SYSTEM LEAK DETECTION

Two weeks of leak detection with an outside contractor was done during this period. The District is continuing its efforts of minimizing water loss and leaks in the system. Twelve system leaks were found during these two weeks of leak detection. One of the twelve was a very substantial leak in the Zayante area of the District. The leak was very deep and in sandstone where the water was not surfacing and instead seeping down the fractured sandstone. In all the twelve leaks are estimated to have been leaking about 35 gpm. To put it in perspective that accumulates to about 50,000 gallons of water a day.

The contractor did return November 5th for two weeks, to complete the rest of the Districts system. It is recommended by the state to complete leak detection of a water system every three years. This is a substantial way of minimizing water loss in a distribution system.

BLUE TANK REPLACEMENT

Plans and specifications for site enhancements to be complete before putting the new tank on the existing concrete slab have been reviewed by the District. The concrete slab enhancement plans and specifications are in the process of being put out to bid. Following the concrete slab enhancements the plans and specifications will be put out to bid for the construction of the new tank on the existing enhanced concrete slab.

During routine inspection it was discovered that the Districts Blue Tank in Manana Woods has experienced extensive corrosion to the upper ring of staves, roof and internal roof structure system. In addition to corrosion the tank experienced buckling damage from the 1989 Loma Prieta Earthquake.

FELTON WATER SYSTEM WATER METER REPLACEMENT

Staff is continuing with the Felton Water System Meter Replacement Project. Domestic water meters are being replaced as existing metering has reached their life expectancy. Meters are being changed to the new Beacon “Eye on Water” system that will allow customers to monitor their water usage over the internet.

PASO WELL #8

The new Paso Well #8 construction continues. The well hole and casing has been placed. Test pumping and development is being done now. This will determine the size of the pump and the depth it is to be set at. With difficult and constraining site conditions it is taking longer than expected to perform the whole construction of this well.

District staff continues to work with the contractor, and maintain environmental protection fencing around the area.

Paso Well #8 is a replacement to Paso Well #6 that began splitting in it's casing in 2015, which was allowing sand to overcome the pump and motor. Many attempts to fix and seal the casing on the Well were unsuccessful leading to full replacement of the Well.

SCADA (Supervisory control and data acquisition) UPGRADE

The District is about 50% done with conversion of the new SCADA and HMI system. The conversion that is done is operational and live. Our equipment and software are out of date and have been crashing needing restarting and rebooting several times a month, leading to this upgrade. District staff has been working with an outside contractor that was contracted to do the upgrade and replacement.

MAINTENANCE ISSUES

Service Line Replacement Lompico

Service Line Replacement:

11513 Lake Blvd

10578 Lake Blvd

Main Line Replacement

6 inch main line repairs and fire hydrant install Hwy 9 Ben Lomond

6 inch main repairs E. Zayante Rd Felton

4 inch main repairs West Drive Lompico

System Wide

20+ Mainline/Service Line Leaks Were Repaired

Lowered fifty feet of 2" main line exposed on Annies Way Brookdale

Full service line replacement 15840 Kings Creek Boulder Creek

Moved 1" main line out of customer's back yard 1440 Forest St Brookdale

Replaced piping and fencing West Winner Hydro Station Bear Creek Estates

Investigated pipe sizing for PRV replacements Lompico

Supplied drinking water tank and fill station for Felton Anniversary Event

Dead Meter Change Out

Boulder Creek

Ben Lomond

Scotts Valley

James Furtado

Acting Director of Operations

SAN LORENZO VALLEY WATER DISTRICT PRODUCTION COMPARRISON

Source	October-18	September-18	October-13	Difference This Year To 2013
North System				
Surface Water Sources				
Foreman Creek	2,748,853	2,720,726	7,303,000	
Peavine Creek + Hydro	1,816,722	2,010,732	1,740,000	
Clear Creek	2,418,855	2,714,725	0	
Sweetwater Creek	1,612,570	1,809,817	0	
Sub-Total (Streams)	8,597,000	9,256,000	9,043,000	-4.93%
Wells (North)				
Olympia No. 2	15,746,000	15,333,000	15,339,000	
Olympia No. 3	2,541,000	6,832,000	4,942,000	
Quail Well No. 4-A	8,816,000	9,595,000	8,358,000	
Quail Well No. 5-A	2,939,300	3,272,300	5,312,000	
Sub Total North Wells	30,042,300	35,032,300	33,951,000	-11.51%
South System Wells				
Pasatiempo 5A	7,870,400	8,032,600	N/A	
Pasatiempo 6	-	-	8,724,000	
Pasatiempo 7	2,192,000	2,209,000	2,713,000	
Sub Total Pasatiempo Wells	10,062,400	10,241,600	11,437,000	-12.02%
North South All Sources Combined	48,701,700	54,529,900	54,431,000	-10.53%
Felton System - Surface Water				
Fall Creek	7,635,430	7,568,368	9,166,410	
Bennett Spring	1,367,344	1,709,928	3,272,500	
Bull 1 & 2	1,603,712	1,515,448	0	
Total Felton System Sources	10,606,486	10,793,744	12,438,910	-14.73%
Manana Woods System				
Well 1	-	-	847,107	
Total Manana Woods Sources	-	-	847,107	
Sub - Total Production				
North / Felton / Manana	59,308,186	65,323,644	67,717,017	-12.42%
Surface	19,203,486	20,049,744	21,481,910	-10.61%
Wells	40,104,700	45,273,900	46,235,107	-13.26%
Total Surface Water Percentage	32.38	30.69	31.72	2.07%
Total Wells Percentage	67.62	69.31	68.28	-0.96%

**SAN LORENZO VALLEY WATER DISTRICT
PRODUCTION BY SYSTEM
+/- INTERTIES
October 2018**

North System All Sources	48,701,700
Interties IN +	76
Interties OUT -	2,510,973
TOTAL NORHT SYSTEM	46,190,803
Felton Water system All Sources	10,606,486
Interties IN +	0
Interties OUT -	0
TOTAL FELTON SYSTEM	10,606,486
Manana Woods System	
Manana Woods Well 1	0
Interties IN +	N/A
TOTAL MANANA WOODS	0

SAN LORENZO VALLEY WATER DISTRICT INTERTIE USAGE October 2018

INTERTIE 2

SLVWD to SVWD 0

SVWD to SLVWD 0

INTERTIE 3

SLV SOUTH to SLV NORTH 76

SLV NORTH to SLV SOUTH 298,797

INTERTIE 4

SLVWD to MHWD 0

MHWD to SLVWD 0

INTERTIE 6

SLV NORTH to SLV FELTON -

SLV FELTON to SLV NORTH -

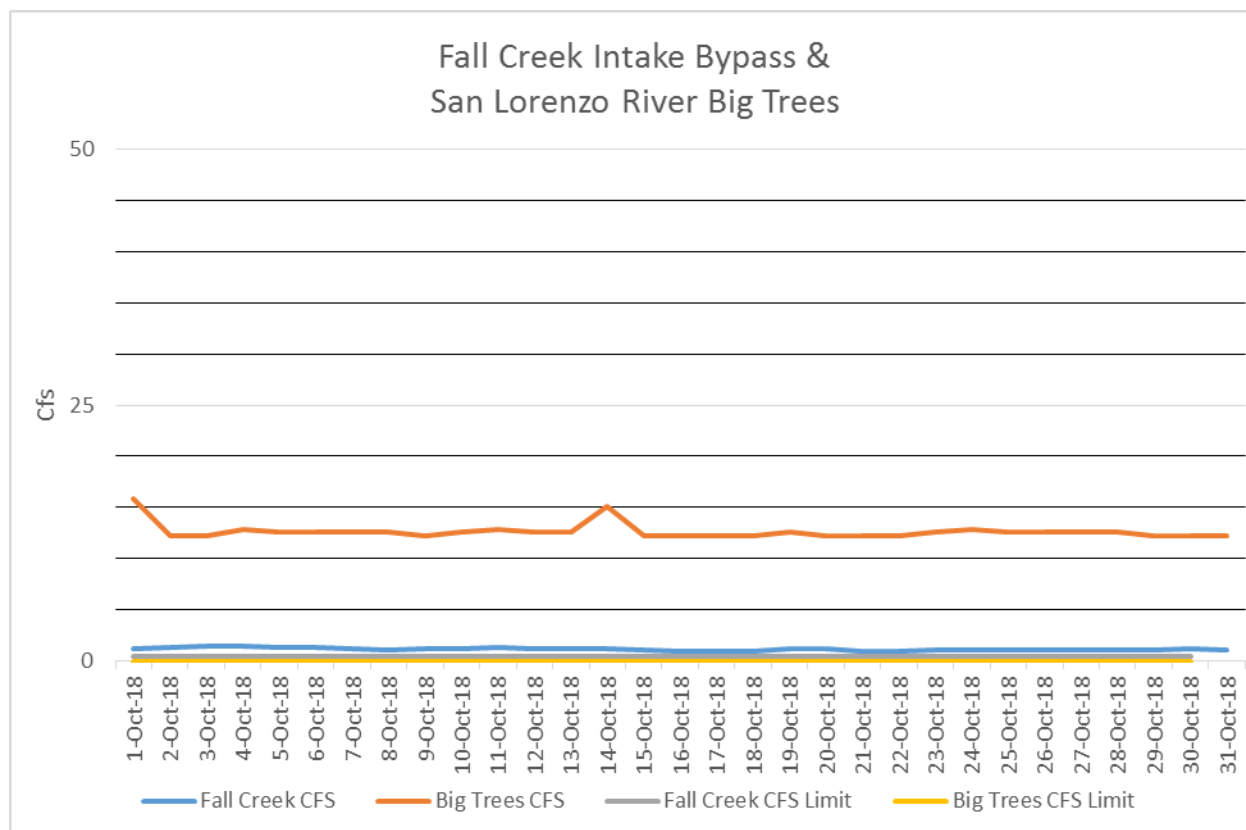
LOMPICO INTERTIE

SLV NORTH to LOMPICO 2,212,176

MANANA WOODS INTERTIE

SLVWD to MANANA WOODS N/A

Fall Creek Intake October 2018



Normal Rainfall Fall Creek Intake Bypass Requirements

April 1 through October 31 1.0 cubic feet per second

November 1 through March 31 1.5 cubic feet per second

Dry Conditions Fall Creek Intake Bypass Requirements

April 1 through October 31 0.5 cubic feet per second

November 1 through March 31 0.75 cubic feet per second

Number of Days in month 0.5 cfs or below, ZERO days

San Lorenzo River USGS Big Trees Flow Requirements

September 11 cubic feet per second

October 26 cubic feet per second

November 1 through May 31 21 cubic feet per second

June - August No Requirements

Fall Creek Intake October 2018







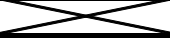


For the protection of fish and wildlife, during the period: (a) April 1 through October 31 bypass a minimum of 0.5 cfs; (b) November 1 through March 31 bypass a minimum of 1.5 cfs past the Fall Creek point of diversion. The natural streamflow shall be bypassed whenever it is less than 1.5 cfs; provided, however, that during a dry year, the bypass requirement shall be reduced from 1.5 to 0.75 cfs. A dry year is defined on a monthly basis of cumulative runoff beginning October 1 of each season in the San Lorenzo River at the USGS gage at Big Trees. These runoff figures are based on approximately 50 percent of normal runoff as the dividing level between normal and dry year runoff and are as follows:

- November 1 for the month of October 500 af
- December 1 for October-November, inclusive 1,500 af
- January 1 for October-December, inclusive 5,000 af
- February 1 for October-January, inclusive 12,500 af
- March 1 for October-February, inclusive 26,500 af

Fall Creek Weir Measurement

Agenda: 11.15.18

Item: 12.4

Fall Creek Weir Measurement												
	Month:	October		Year: 2018		Big Trees > 26,500 Acre-ft Oct-Feb Normal Yr <input type="checkbox"/>				Big Trees <26,500 Acre-ft Oct-Feb Dry Yr <input checked="" type="checkbox"/>		
Date	Time	Initials	Pump #	Fall Cr. GPM into Kirby plant	Weir Board Height	Weir Height Measurement	Fall Creek (Cubic Feet per Second)	Big Trees (Cubic Feet per Second)	Rainfall (Feltton gauge)	Met Fall Cr, Bypass Requirement: Normal Year April 1 - Oct 31 1.0 cfs Dry Year April 1- Oct 31 0.5 cfs Nov. 1 - March 31 0.75 cfs (yes/no)	Met Big Trees Requirement Nov-May 21cfs Sept 11 cfs Oct 26 cfs (yes/no)	Notes
1	8:35	JG	1	189	25.0	32.33	1.263	15.9	0	Yes	No	
2	7:50	JG	1	166	25.0	32.53	1.351	12.2	0	Yes	No	
3	9:35	JG	1	124	25.0	32.72	1.419	12.2	0	Yes	No	
4	8:30	JT	2	150	25.0	32.72	1.419	12.9	0.05	Yes	No	
5	8:45	JG	2	156	25.0	32.53	1.351	12.6	0	Yes	No	
6	9:00	JT	2	166	25.0	32.50	1.337	12.6	0	Yes	No	
7	8:40	JT	2	165	25.0	32.1	1.158	12.6	0	Yes	No	
8	10:50	DB	2	175	25.0	31.90	1.086	12.6	0	Yes	No	
9	7:35	JG	2	178	25.0	32.14	1.182	12.2	0	Yes	No	
10	10:40	JT	2	213	25.0	32.33	1.258	12.6	0	Yes	No	
11	8:45	JT	2	204	25.0	32.53	1.351	12.9	0	Yes	No	
12	8:35	JG	2	183	25.0	32.33	1.258	12.6	0	Yes	No	
13	6:45	HO	2	165	25.0	32.33	1.258	12.6	0	Yes	No	
14	6:50	HO	2	200	25.0	32.33	1.258	15.1	0	Yes	No	
15	10:15	JT	2	206	25.0	31.95	1.109	12.2	0	Yes	No	
16	8:05	JG	2	230	25.0	31.56	0.957	12.2	0	Yes	No	
17	9:45	DB	2	221	25.0	31.60	0.971	12.2	0	Yes	No	
18	8:25	JG	2	183	25.0	31.75	1.028	12.2	0	Yes	No	
19	8:05	JG	2	150	25.0	32.14	1.182	12.6	0	Yes	No	
20	8:30	KS	2	160	25.0	32.33	1.263	12.2	0	Yes	No	
21	8:00	KS	2	215	25.0	31.56	0.957	12.2	0	Yes	No	
22	8:25	JT	2	180	25.0	31.75	1.028	12.2	0	Yes	No	
23	9:15	DB	2	186	25.0		1.120	12.6	0	Yes	No	On 10/22/2018, Balance Hydrologics installed a new stream gage for Fall Creek. Fall Creek bypass flow in CFS is now recorded from SCADA viewer screen without the use of the Weir Height Measurement.
24	10:30	JG	2	200	25.0		1.085	12.9	0	Yes	No	
25	8:45	JT	2	163	25.0		1.140	12.6	0	Yes	No	
26	8:45	JT	2	163	25.0		1.144	12.6	0	Yes	No	
27	11:35	JT	2	177	25.0		1.087	12.6	0	Yes	No	
28	8:20	JT	2	180	25.0		1.095	12.6	0	Yes	No	
29	7:50	JG	2	178	25.0		1.143	12.2	0	Yes	No	
30	8:50	JT	2	142	25.0		1.183	12.2	0	Yes	No	
31	8:05	DB	2	148	25.0		1.150	12.2	0	Yes	No	

San Lorenzo Valley Water District Loch Lomond Water Supply October 2018

Loch Lomond Water Level



Week ending 10 / 31 / 2018

(in feet above mean sea level; lake spills at 577.15 feet)

Currently: 570.65 ft

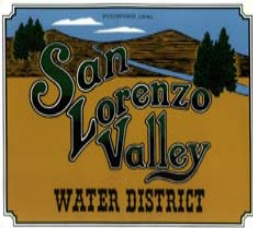
Percent of Capacity: 86.9 %

In 1958 SLVWD sold 2,500 acres of property in the vicinity of the Newell Creek Watershed to the City of Santa Cruz, with the agreement that SLVWD would be entitled to purchase 12 ½ percent of the annual safe yield from a future Newell Creek reservoir, up to a maximum of 500 AF/yr. Based on the 1958 agreement, SLVWD began receiving deliveries of Loch Lomond water from the City in 1963. In 1965 the District constructed the Glen Arbor Water treatment plant for treating Loch Lomond water. Toward the end of the 1976-77 drought, the City stipulated that the District was not entitled to an allocation of 500 AF/yr, merely 12.5% of the safe yield. This decision based on a reduction to the estimated annual safe yield from the Newell Creek Reservoir, reduced the Districts contractual allocation. On June 7, 1977, the District filed a Complaint for Declaratory Relief, which requested the court to make a judicial determination of the respective parties' duties and rights. In June 1980 a court order fixed the estimated safe yield from Newell Creek Reservoir at reduced quantity, which resulted in a reduction to the Districts contractual allocation to 313 AF/yr.

Production Loch Lomond to SLVWD

Date	Total Used	Total Available
1976 July to June 1977	353 AF	
1977 July to June 2015	0	313 AF
2015 July to 02/2016	0	313 AF
2/20/16 to Current	0	313 AF

Last time District used Loch Lomond water was June 1977

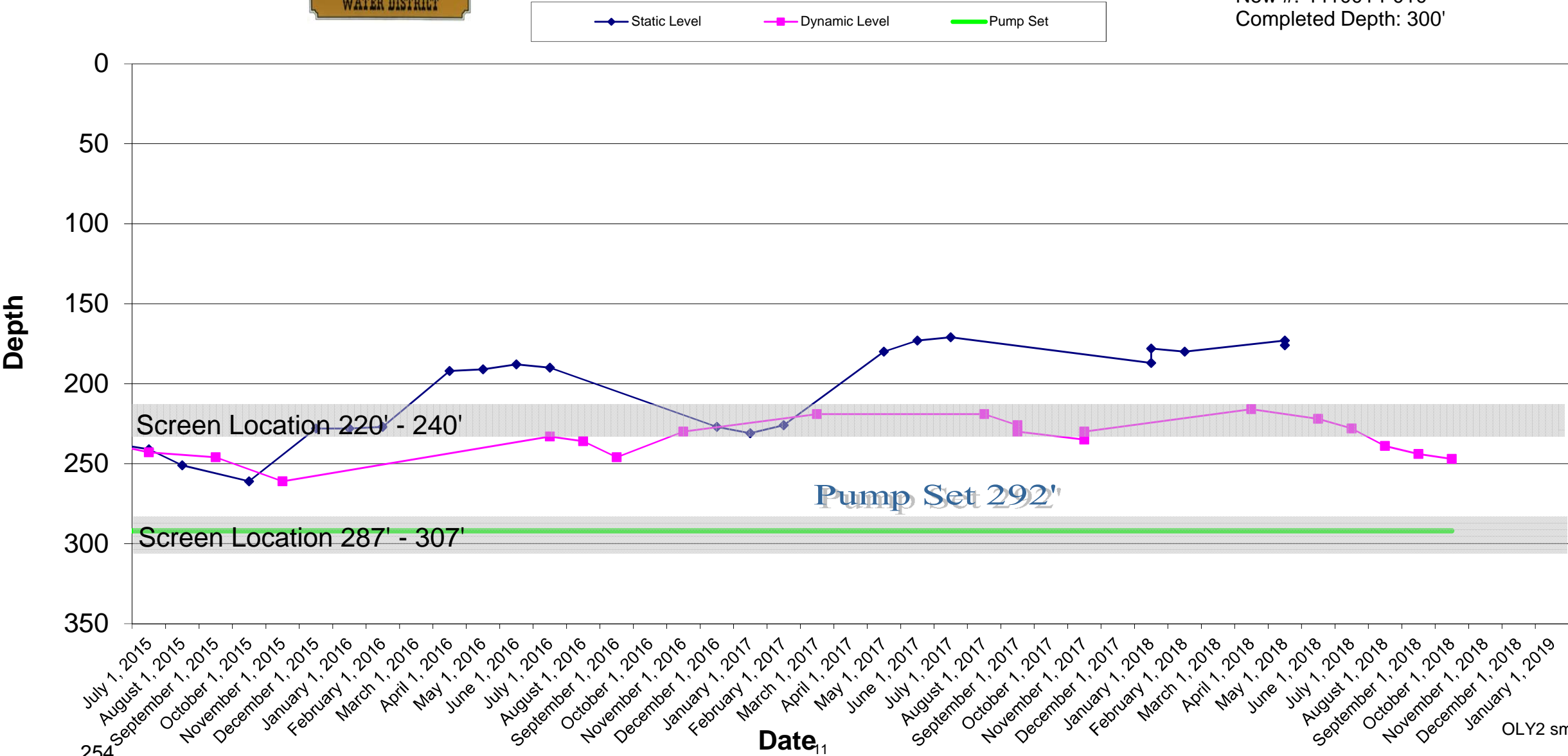


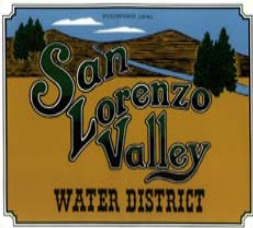
SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Olympia 2

Location: 7701 E. Zayante Rd.
Elevation: 525'
Installed: April 28, 1980
State Well #:10S/O2W-11P01
New #: 4410014-010
Completed Depth: 300'



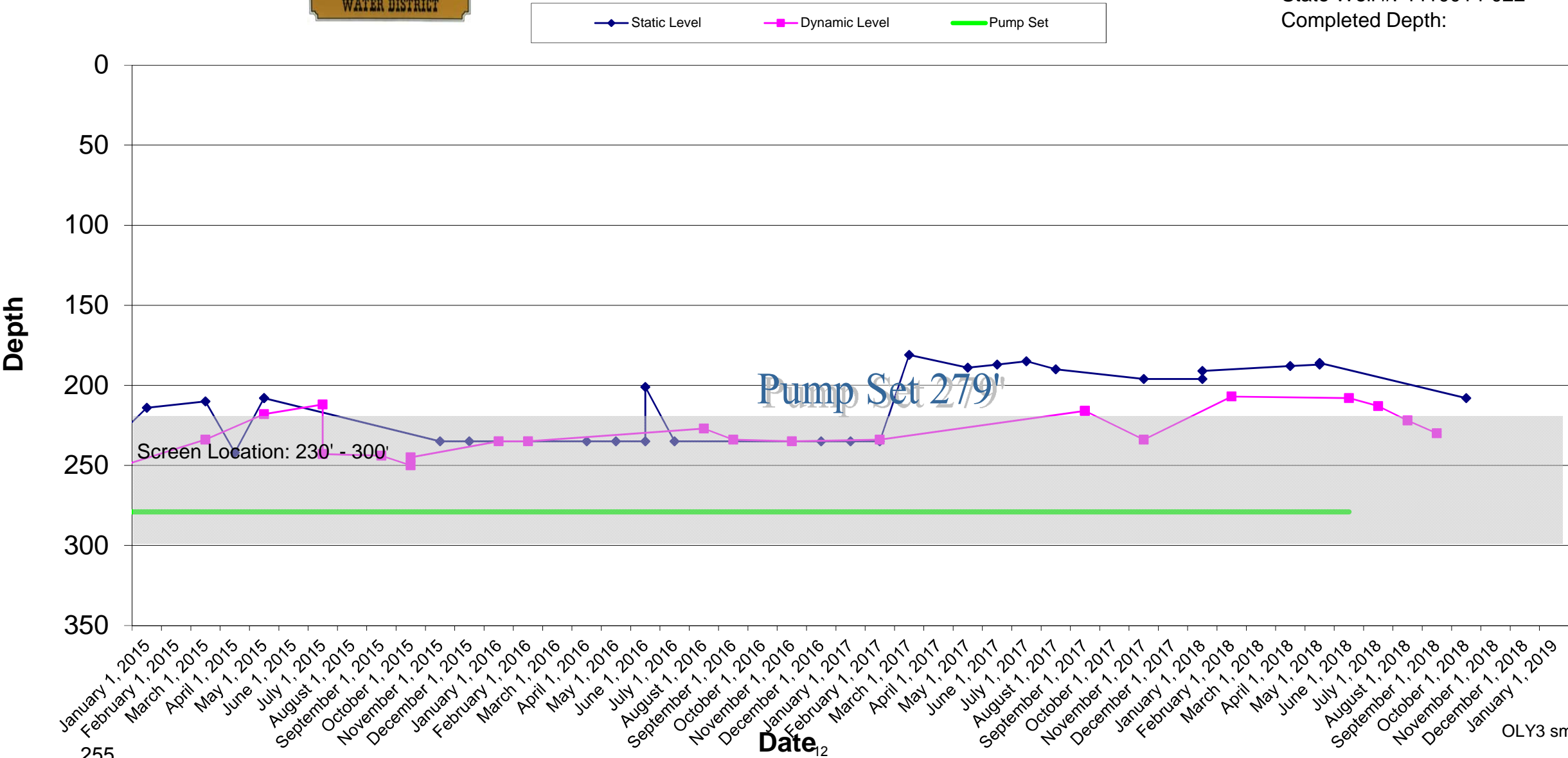


SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Olympia 3

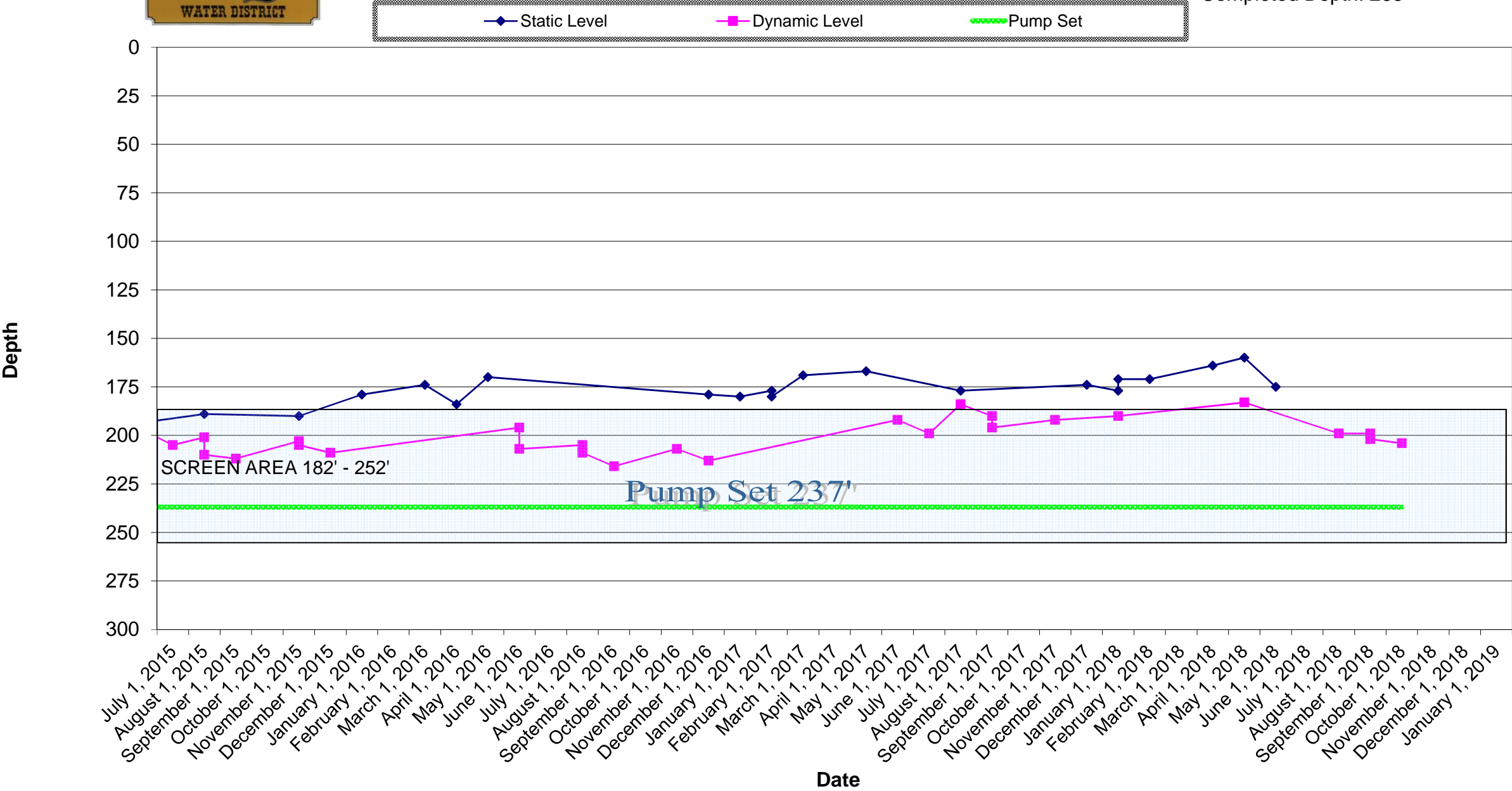
Location: 7701 E. Zayante Rd
Elevation: 538' Mean Sea Level
Installed: 8-15-90
State Well #: 4410014-022
Completed Depth:

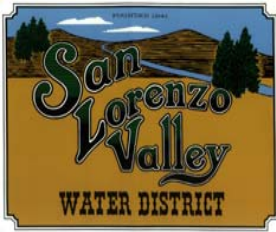




SAN LORENZO VALLEY WATER DISTRICT
Well Drawdown Report
Quail Well 4-A

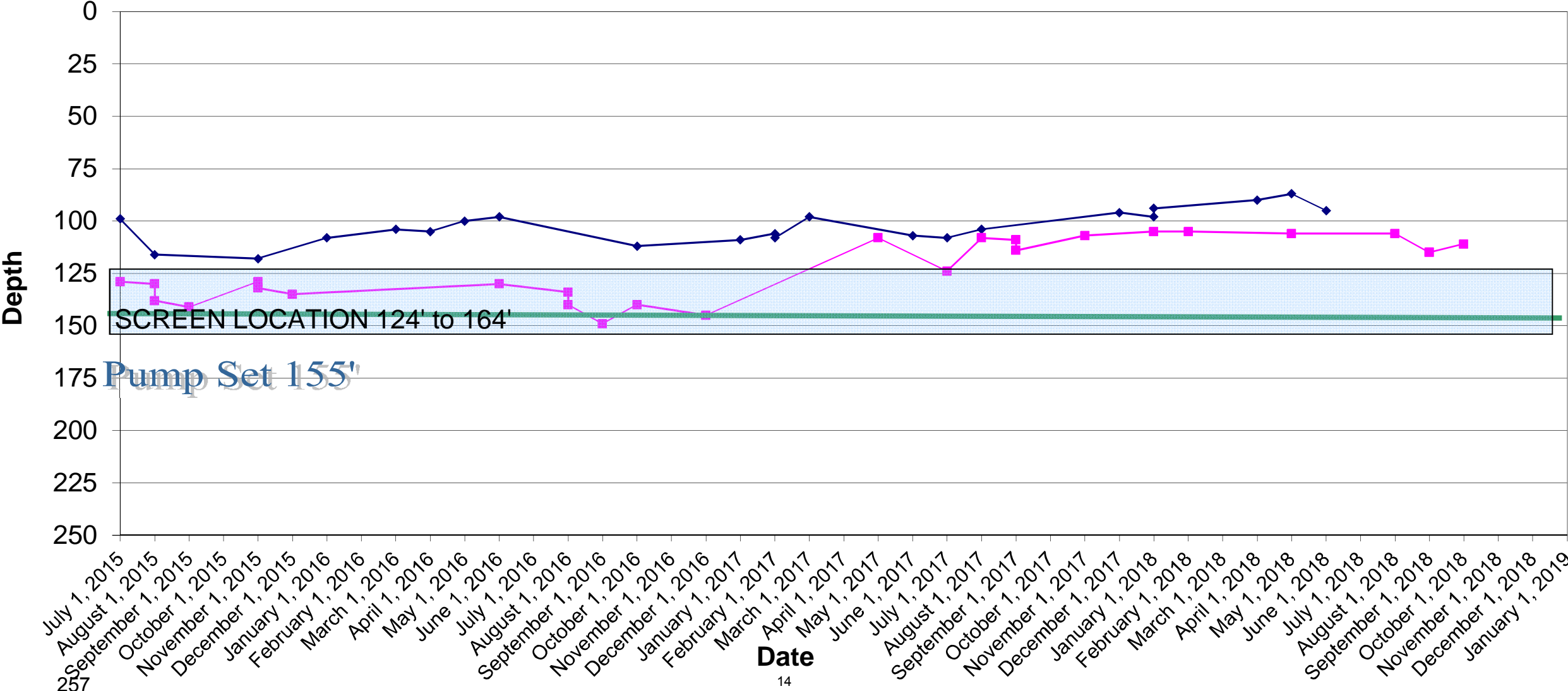
Location: Cumora Ln. Ben Lomond
Elevation: 596.54 ft @ Pad
Installed: 6-07-2001
State Well #: 4410014-026
Completed Depth: 265

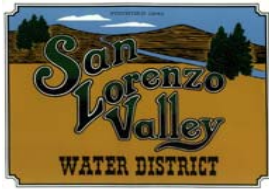




SAN LORENZO VALLEY WATER DISTRICT
Well Drawdown Report
Quail Well 5-A

Location: 1161 Quail Hollow Rd.
Ben Lomond
Elevation: 517.65 ft. @ Pad
Installed: March 2000
State Well #: 4410014-025
Completed Depth: 174'



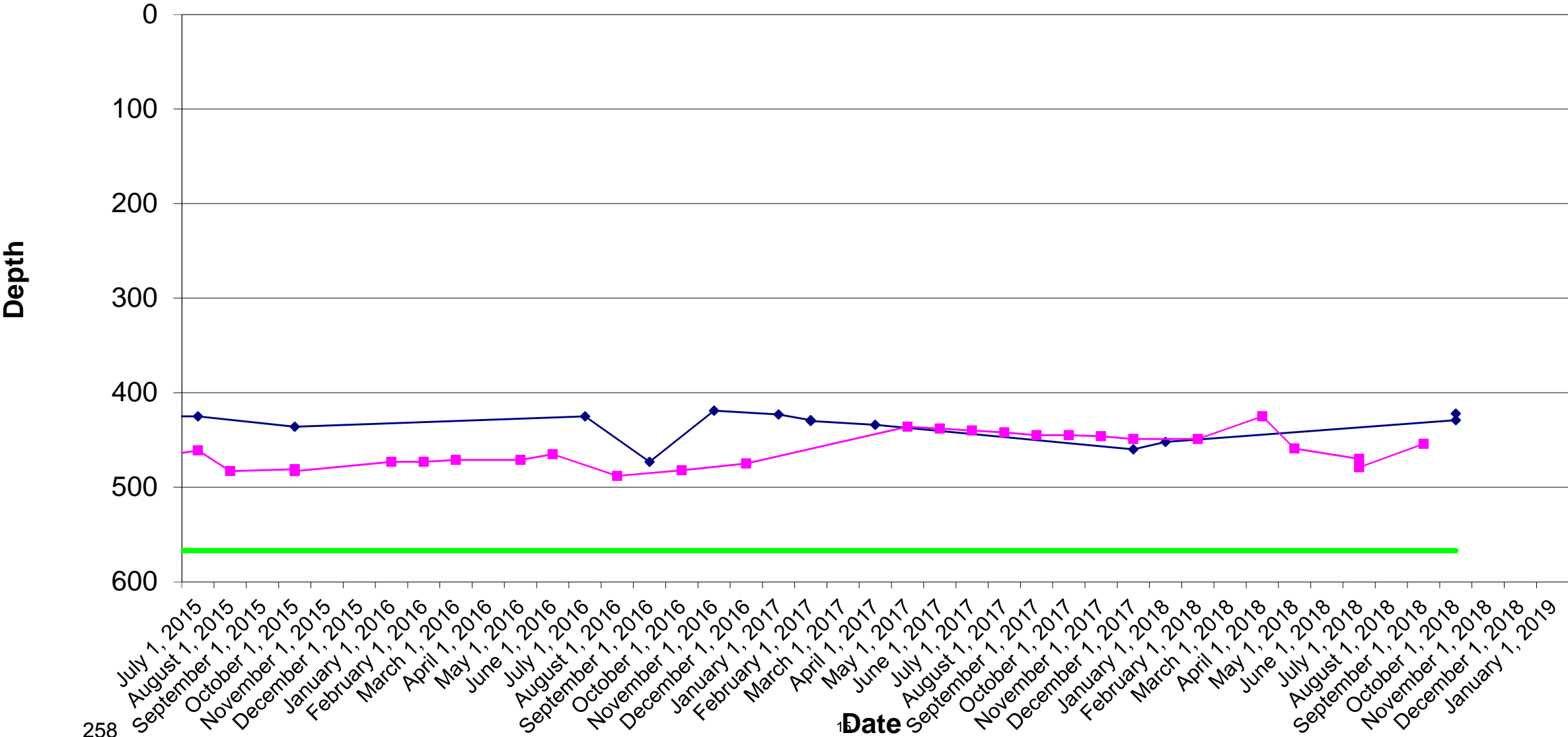


SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Pasatiempo 5-A

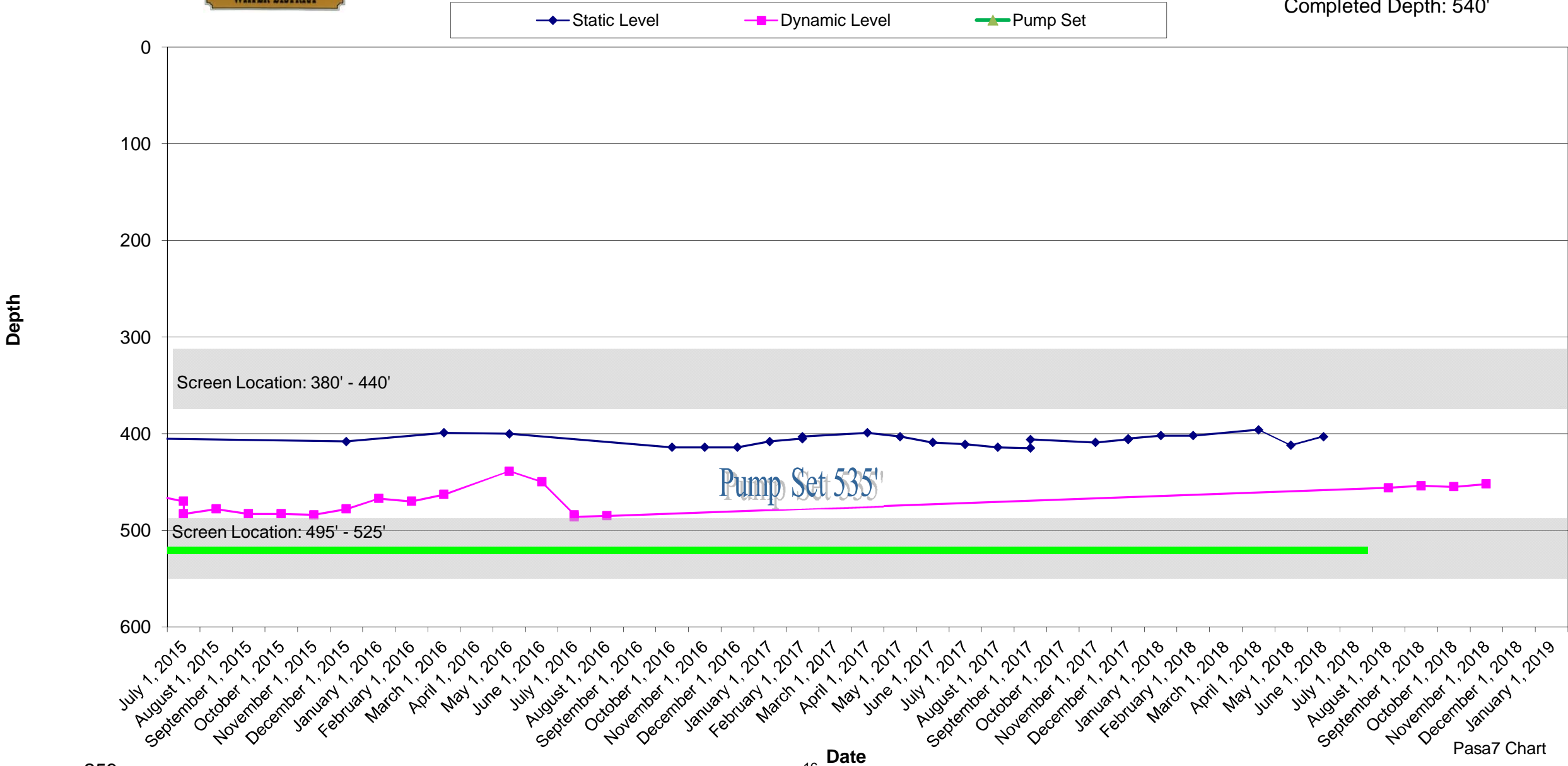
Location: So. Of 3650 Graham Hill Rd
Elevation: 752'
Installed 1-1-14
State Well #:4410014-014
Completed Depth: 710'





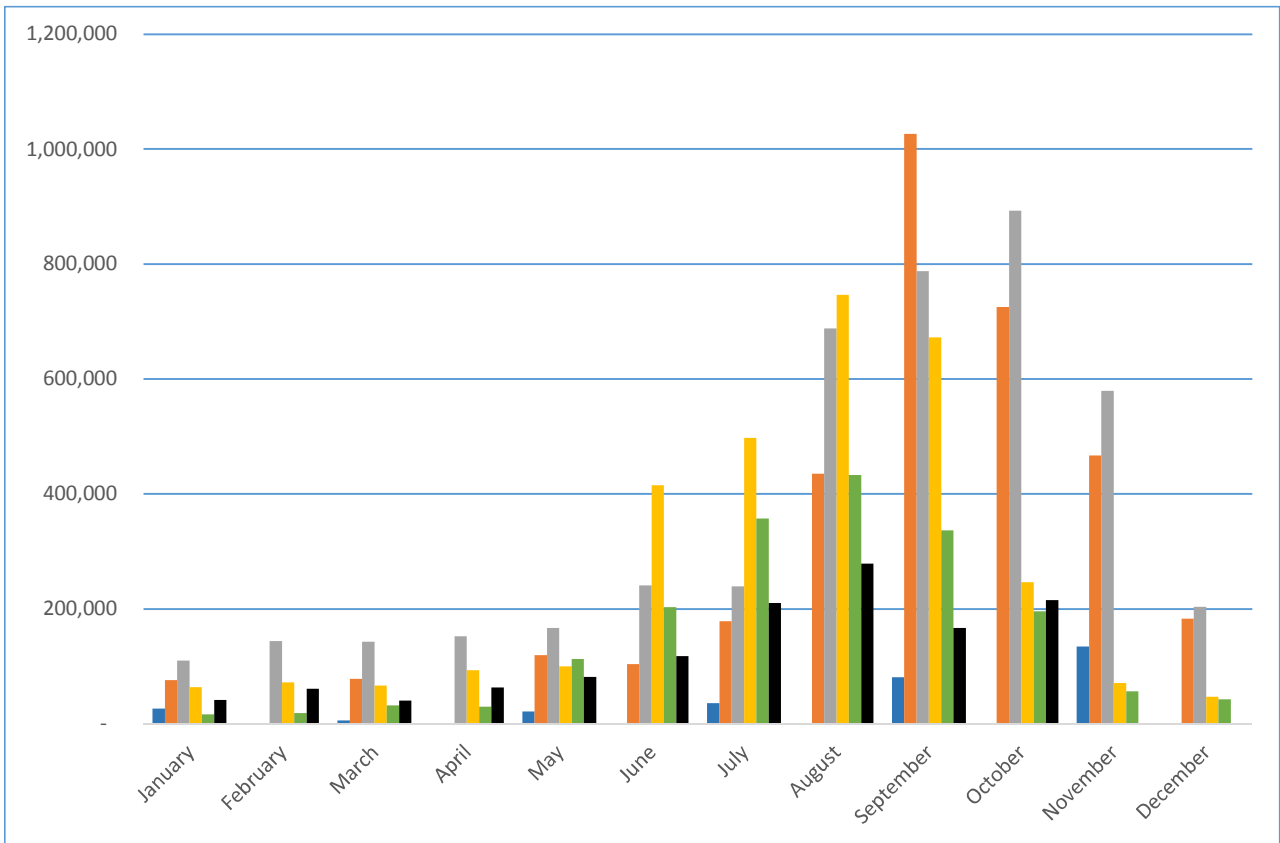
SAN LORENZO VALLEY WATER DISTRICT
Well Drawdown Report
Pasatiempo 7

Location: South of Probation
Center
Elevation: 734' MSL
Installed: July 21, 1990
State Well #: 4410014-024
Completed Depth: 540'



SAN LORENZO VALLEY WATER DISTRICT
BULK WATER SALES
GALLONS
October 2018

Agenda: 11.15.18
Item: 12.4



Month	2013	2014	2015	2016	2017	2018
January	26,928	76,296	109,965	63,850	16,456	41,888
February			144,364	72,556	18,700	61,366
March	5,984	78,540	142,868	66,572	32,164	40,392
April			152,592	93,500	29,920	63,580
May	21,692	119,680	166,804	100,232	112,948	81,532
June		103,972	240,983	415,140	203,179	118,184
July	35,904	178,772	239,360	497,420	357,544	210,188
August		435,336	688,160	746,504	433,092	279,004
September	81,352	1,026,256	787,644	672,183	336,570	166,804
October		725,560	893,112	246,840	195,976	215,424
November	134,640	466,752	579,700	71,060	56,848	
December		183,260	203,456	47,124	42,636	
Totals	306,500	3,394,424	4,349,008	3,092,981	1,836,033	1,278,362

SAN LORENZO VALLEY WATER DISTRICT
MONTHLY LEAK REPORT
October 2018

Agenda: 11.15.18
Item: 12.4

Leak Type	Location	Town	Gallons Lost
400 MAIN LEAKING	615 Wente St.	BEN LOMOND	1,440
400 MAIN LEAKING	8074 Fernwood Ave	BEN LOMOND	720
400 MAIN LEAKING	260 Riverside Park Dr	BEN LOMOND	1,000
400 MAIN LEAKING	LOVE CREEK & SUNNYSIDE IN DITCH	BEN LOMOND	72,000
400 MAIN LEAKING	8050 HERMOSA	BEN LOMOND	2,880
400 MAIN LEAKING	150 PIKE DR	BEN LOMOND	300
400 MAIN LEAKING	END OF BALCH WAY	BEN LOMOND	28,800
400 MAIN LEAKING	15840 KINGS CREEK RD	BOULDER CREEK	5,760
400 MAIN LEAKING	230 Mitchell Dr	BOULDER CREEK	180
400 MAIN LEAKING	560 RIVER DR	BOULDER CREEK	240
400 MAIN LEAKING	IGO WY	BOULDER CREEK	1,440
400 MAIN LEAKING	Kings Creek Rd	BOULDER CREEK	5,760
400 MAIN LEAKING	313 MADRONE AVE. (100' OFF BOULDER BROOK DR.)	BOULDER CREEK	3,600
400 MAIN LEAKING	18674 HWY 9 AND SYLVAN	BOULDER CREEK	180
400 MAIN LEAKING	OLD COUNTY	BOULDER CREEK	3,600
400 MAIN LEAKING	370 MORE DR	BOULDER CREEK	17,280
TOTAL			145,180
FELTON SYSTEM			
400 MAIN LEAKING	10065 EAST ZAYANTE RD	FELTON	6,000,000
400 MAIN LEAKING	10820 WESTWOOD	FELTON	200
400 MAIN LEAKING	10820 WESTWOOD RD.	FELTON	-
Total Felton System			6,000,200
SCOTTS VALLEY			
Total Scotts Valley			-
Total All Systems			-

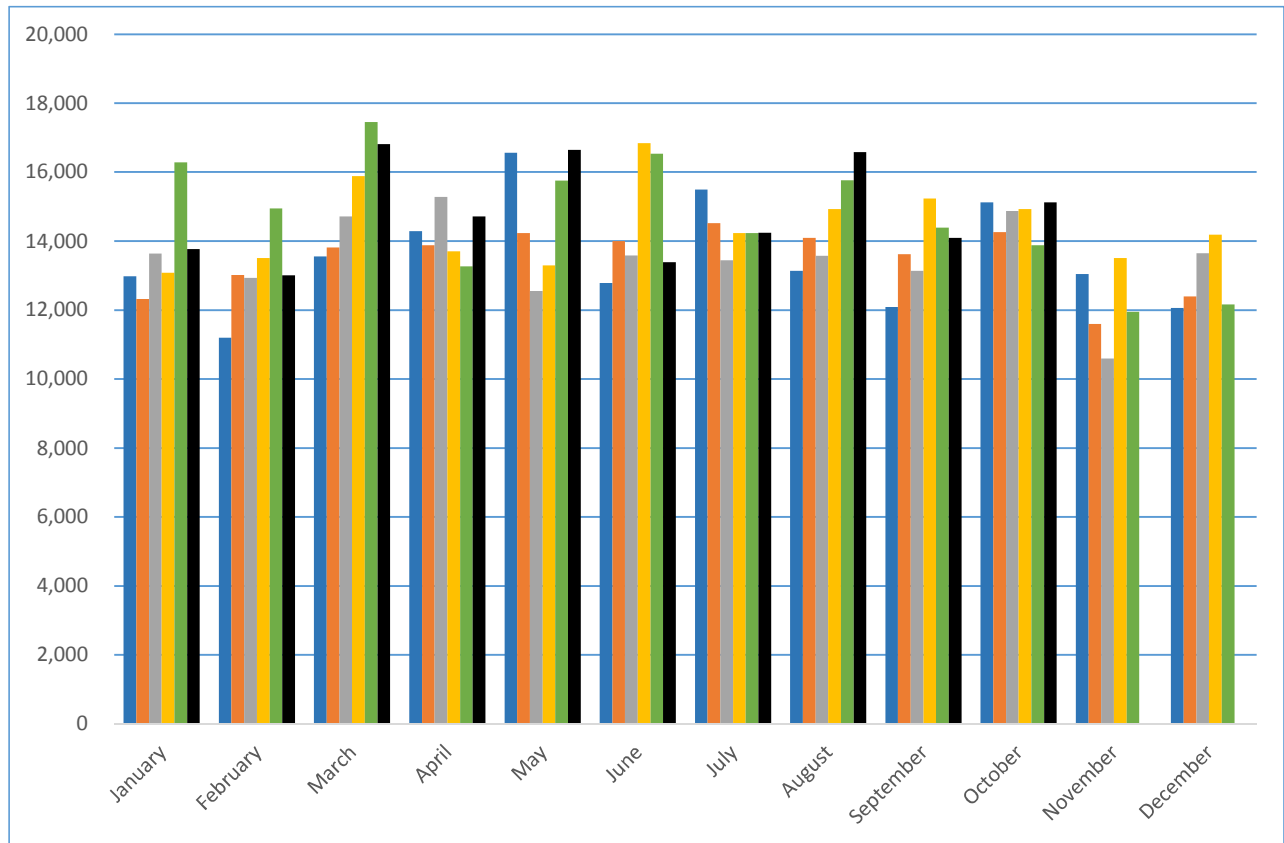
				Water Quality Complaint List						
Date Received	Type Of Complaint							Address	Conclusion	System
	Taste/ Odor	Color	Turbidity/ Particles	Worms/ Other Visible Organisms	Pressure (High/Low)	Illness (Waterborne)	Other (Specify)			
10/24/2018			X				Customer complained of grit found in bath tub, possibly due to the water coming out of tub spout.	12385 Coleman Ave	Upon investigation by SLVWD staff, water quality results appeared normal and within range at customers front hose bib. Turbidity was 0.5 NTU, while free chlorine was 0.8 mg/L. No visible particles were observed.	SLVWD-North

SAN LORENZO VALLEY WATER DISTRICT

VEHICLE MILEAGE

October 2018

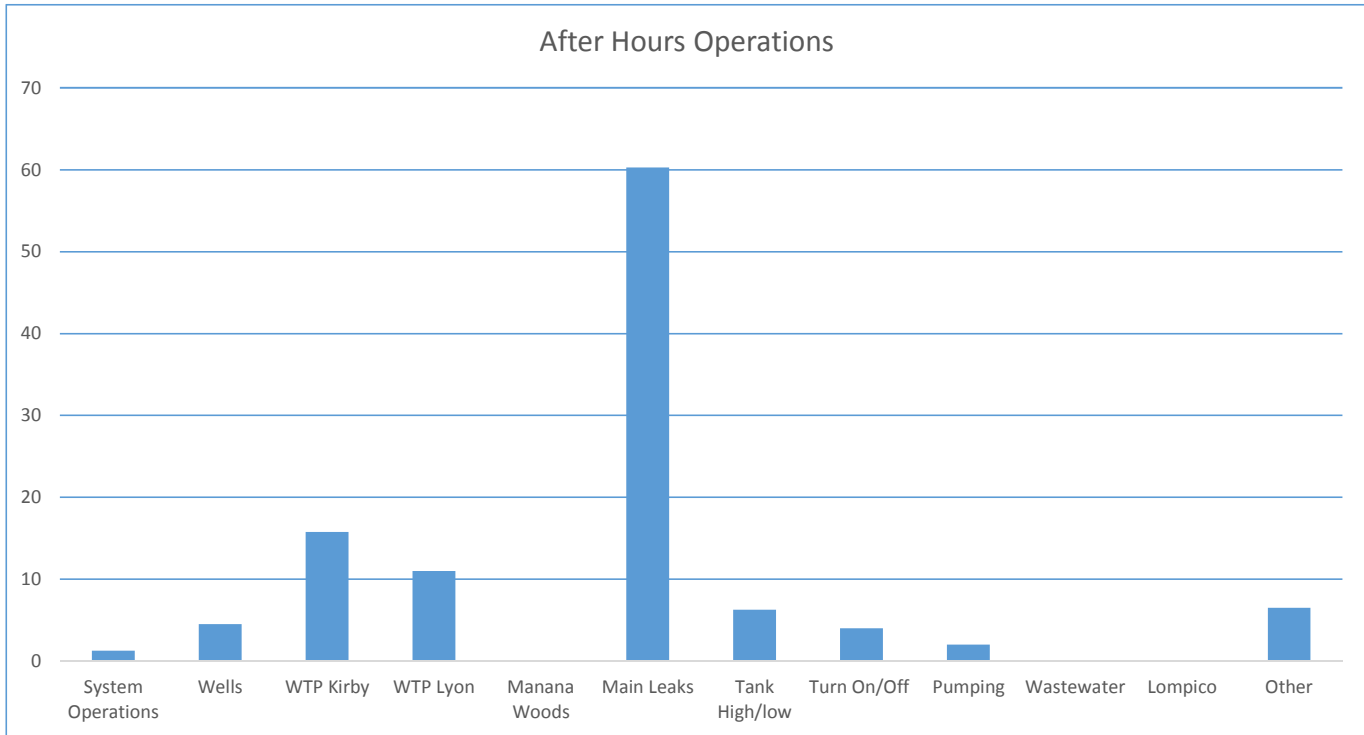
Agenda: 11.15.18
Item: 12.4



Month	2013	2014	2015	2016	2017	2018
January	12,976	12,317	13,633	13,082	16,286	13,763
February	11,201	13,015	12,934	13,505	14,945	13,003
March	13,558	13,817	14,714	15,882	17,451	16,809
April	14,283	13,883	15,279	13,704	13,270	14,711
May	16,560	14,228	12,550	13,290	15,757	16,646
June	12,780	14,000	13,582	16,841	16,534	13,390
July	15,497	14,519	13,441	14,228	14,229	14,242
August	13,136	14,096	13,569	14,923	15,761	16,576
September	12,087	13,622	13,137	15,229	14,388	14,094
October	15,120	14,261	14,868	14,924	13,880	15,126
November	13,046	11,594	10,591	13,510	11,952	
December	12,060	12,394	13,648	14,187	12,158	
Totals	162,304	161,746	161,946	173,305	176,611	148,360

**SAN LORENZO VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
October 2018**

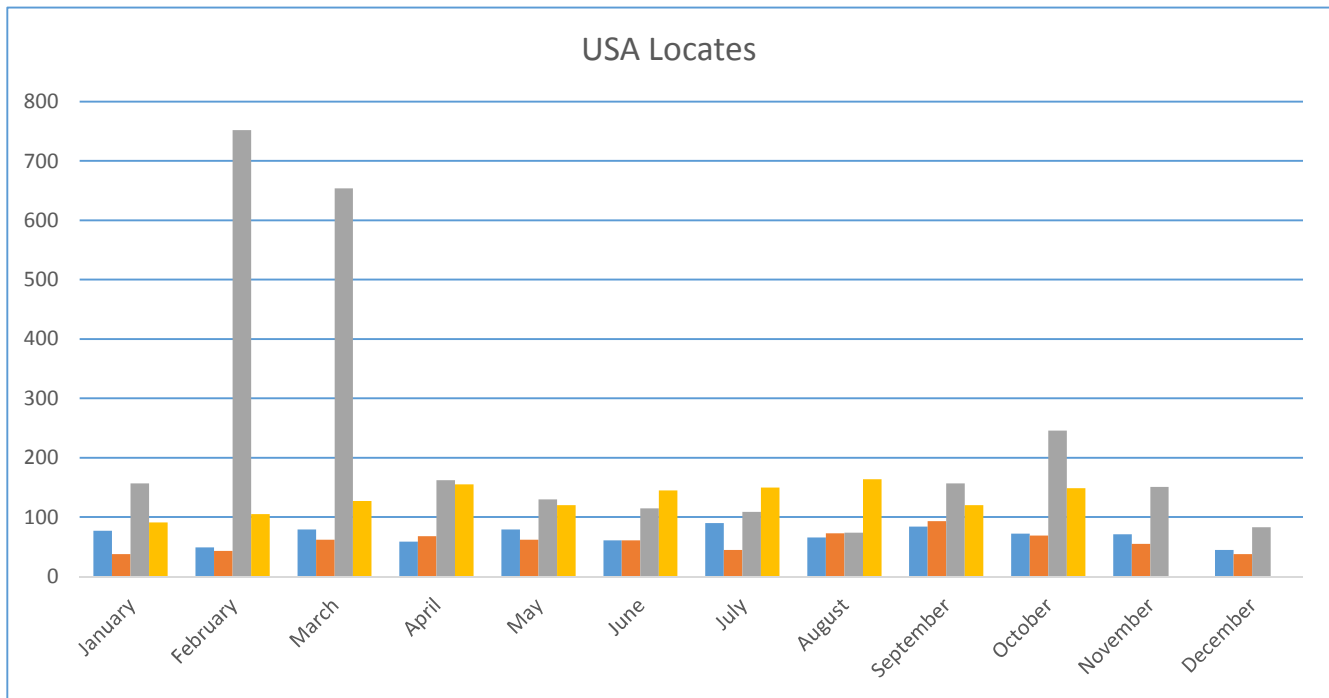
Agenda: 11.15.18
Item: 12.4



Description	Hours		2015	2016	2017	2018
System Operations	1.25	January	N/A	145.00	280.75	90.50
Wells	4.5	February	N/A	86.50	192.25	72.00
WTP Kirby	15.75	March	N/A	153.75	105.75	80.25
WTP Lyon	11	April	82.50	72.00	128.75	19.00
Manana Woods	0	May	104.75	49.25	132.75	105.5
Main Leaks	60.25	June	172.50	83.25	112.75	89.00
Tank High/low	6.25	July	124.25	80.25	162.00	145.25
Turn On/Off	4	August	111.75	81.25	141.25	134.5
Pumping	2	September	230.25	175.00	201.25	155.25
Wastewater	0	October	128.25	78.50	104.00	111.5
Lompico	0	November	114.25	96.25	122.50	
Other	6.5	December	186.25	130.75	134.00	
Total	111.5		1254.75	1231.75	1818.00	1002.75

SAN LORENZO VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
October 2018

Agenda: 11.15.18
 Item: 12.4



<u>Month</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
January	77	38	157	91
February	49	43	752	105
March	79	62	654	127
April	59	68	162	155
May	79	62	130	120
June	61	61	115	145
July	90	45	109	150
August	66	73	74	164
September	84	93	157	120
October	72	69	246	149
November	71	55	151	
December	45	38	83	
Total to Date	832	707	2,790	1326





NOSSAMAN LLP

Memorandum

TO: Board of Directors,
San Lorenzo Valley Water District

FROM: Gina R. Nicholls, District Counsel

DATE: November 9, 2018

RE: Legal Department Status Report
502665-0001

I have been asked by the San Lorenzo Valley Water District ("District") to provide information about the District's legal expenditures in a format that is suitable for public disclosure.¹ Since the last legal department status report dated October 11, 2018, the most significant broad categories of expenses arise from providing legal advice and support in the following areas, listed in descending order of their approximate significance in terms of cost to the District:²

- Financing
- Pending litigation
- Board meetings
- Employment
- District policies and procedures & Proposition 218
- Contracts and related issues
- Election issues
- Other

During the past month, pending litigation (3 cases against the District) has comprised roughly one-fourth of the legal work performed on behalf of the District. This excludes work performed by counsel appointed and paid by the District's insurance providers.

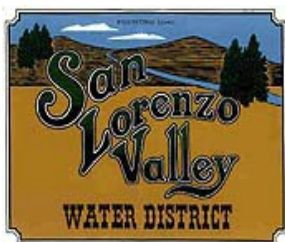
¹ Legal work performed for the District is confidential and privileged. Accordingly, the information provided herein is written in broad and general terms to avoid waiver and any disclosures that might compromise the District's interests in pending or future legal matters.

² List includes general and special counsel work by Nossaman and other law firms, if any, representing the District.

Memorandum
November 9, 2018
Page 2

The most significant areas of effort over the next month are likely to include the following:

- Financing
- Board meetings
- Pending litigation
- Contracts



MINUTES OF ENVIRONMENTAL COMMITTEE MEETING

Responsible for matters of stewardship of the District's property including: Urban Water Management Plans; Water Conservation Programs; Classis Watershed Education Grants; Watershed Management; Resource Management and other environmental related matter.

Tuesday, **October 16, 2018 at 10:00 a.m.** at the Operations Building, 13057 Highway 9, Boulder Creek, California.

MINUTES:

1. Convene Meeting 10:00 am
Roll Call ; Chair Ratcliffe, Dir. Bruce, J. Gomez
J. Michelsen-Environmental Programs Manager, H. Hossack-Dist. Secretary
2. Oral Communications:

F. McPherson-Boulder Creek addressed the Committee.
3. Old Business:
 - A. SOLAR POWER PURCHASE AGREEMENT (PPA) UPDATE

C. Blanchard introduced this item and presented data.

Discussion by the Committee and staff regarding the Solar PPA.

F. McPherson addressed the Committee.

Discussion by the Committee and staff.
4. New Business:
 - A. CLIMATE CHANGE ADAPTION AND MITIGATION PLAN CONSULTANT

J. Michelsen introduced this item.

Discussion by the Committee and staff regarding possibly hiring a consultant for a Climate Change Adaption and Mitigation Plan.

F, McPherson addressed the Committee.

Discussion by the Committee and staff.
 - B. HYDROLOGICAL CONSULTANT

J. Michelsen introduced this item.

Discussion by the Committee regarding the hiring of a Hydrological Consultant.

F, McPherson addressed the Committee.

Discussion by Committee and staff.
5. Informational Material:

Discussion by the Committee and staff.

6. Future Agenda Items:
 - Bring Solar PPA back for further discussion.
 - Hydrological Consultant
7. Adjournment 10:50



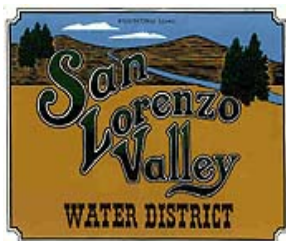
MINUTES OF ENGINEERING COMMITTEE MEETING

Covering Design, Construction, Capital Improvement,
Master Plan and other Engineering, Operational and
Planning Related Matters

Monday, October 22, 2018 at 9:00 am at the Operations Building, 13057 Highway 9, Boulder Creek, California.

MINUTES

1. Convene Meeting 9:00 am
Roll Call
Present: C. Baughman and B. Smallman
Staff: R. Rodgers, Dist. Manager S. Hill Dir. Finance and C. Sladwick Cust. Service
2. Oral Communications
3. New Business:
 - A. BEAR CREEK ESTATES WASTEWATER ENTERPRISE - REQUEST FOR PROPSAL
R. Rodgers introduced this item.
Discussion by the Committee and staff regarding the BCEWWE RFP for system improvements.
S. Wilbur- Boulder Creek, unidentified women addressed the Committee.
 - B. ENGINEERING STAFF
R. Rodgers introduced this item.
Discussion by the Committee and staff regarding Engineering Staff.
S. Wilbur, E. Lowen-Lompico, S. Wilbur addressed the committee.
Discussion by the Committee and staff regarding Engineering Staff.
4. Old Business:
 - A. UPDATE ON THE DISTRICT'S CAPITAL IMPROVEMENT PROJECTS
R. Rodgers introduced this item.
Kirstin addressed the committee, Discussion by the Committee and staff regarding an update on the District's CIP.
E. Lowen-Lompico, B. Holloway-Boulder Creek, S. Wellborn-Boulder Creek, D. Lowen-Lompico addressed the board.
Discussion by the Committee and staff regarding an update on the District's CIP.
5. Informational Material: None
6. Future Agenda Items:
New Engineering Staff TBD in November
7. Adjournment 10:02



MINUTES OF SPECIAL BUDGET & FINANCE COMMITTEE MEETING

Responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget and reserves; audit; investments; insurance; and other financial matters.

Wednesday, November 7, 2018 at 10:00 a.m. at the SLVWD Boardroom, 13057 Highway 9, Boulder Creek, California.

MINUTES

1. Convene Meeting 10:02 am
Roll Call: Dir. Hayes and Chair Ratcliffe
Staff: R. Rogers-District Manager, S. Hill-Director of Finance and Business Services and H. Hossack-District Secretary
2. Oral Communications: None
3. Old Business: None
4. New Business:
 - A. DEBT MANAGEMENT POLICY
S. Hill introduced this item.
Discussion by the Committee and staff regarding the proposed Debt Management Policy.
 - B. DRAFT FISCAL YEAR 2017-2018 AUDIT
S. Hill introduced this item.
Discussion by the Committee and staff regarding the draft FY17-18 audited financial results.
B. Holloway-Boulder Creek addressed the Committee.
S. Hill responded to the questions.
 - C. GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) DISTINGUISHED BUDGET PRESENTATION AWARDS PROGRAM
S. Hill introduced this item.
Discussion by the Committee and staff regarding the GFOA Budget Award requirements.
5. Future Agenda Items:
6. Adjournment 10:30

Holly Hossack

From: Dennis Lynch <7lynch@gmail.com>
Sent: Saturday, October 20, 2018 1:40 PM
To: Board of Directors; Jennifer Gómez
Subject: LADOC

Follow Up Flag: Follow up
Flag Status: Flagged

To SLVWD Board of Directors,

This is to notify you that I need to withdraw from the Lompico Assessment District Oversight Committee. I am doing this for personal reasons. I am sorry for any disruption this might cause.

Respectfully,

Dennis Lynch



Mr. Robert J. Pagett



To the SLV WATER
Board!



Because of the humanitarian
work we do, I've been
gone to India, Bulgaria
& most recently



Romania

Why is my water bill
over \$300 a month!



I have friends to Ripon &
Modesto with larger lot
than mine & there bill
is never over \$60, per
Month.



CAN you explain why I'm
paying so much more?



Bob Pagett
Fardor



Assist International
Hm address: 800 Whispering Pines DR. #11

A familiar face to lead SLVWD

- By Libby Leyden
- October 26, 2018



Courtesy photo

For one longtime San Lorenzo Valley District employee, the opportunity to serve as District Manager was never in his general plan. But with the departure of former District Manager Brian Lee in August, Rick Rogers, director of operations, stepped forward asking to be considered for the position to help lead the district forward.

“I thought I had something to offer,” Rogers said in an interview with the Press Banner. “I have sat in board meetings. I have talked to people. I have sat in people’s living rooms—and I think I know what they want and I think I can help facilitate that to the board.”

On Oct. 18 the board directors announced the hiring of Rogers as the new district manager. Rogers, who prior to serving as interim district manager in Lee’s absence, was formerly the district’s director of operations. A resident of Brookdale since 1968, Rogers started working with SLVWD at age 19 and has been employed with the district since.

“I first started out working for the district by installing fencing as a part-time job during a summer vacation in between school,” Rogers said. “After that job ended, the district manager at the time asked me to come work for the district as a water quality technician/ maintenance person. Since then I have pretty much worked every job since and continued to work myself up the ladder so to speak.”

Rogers has continuously been employed with SLVWD for 42 years, but according to Rogers becoming district manager was never his intent. But after Lee resigned, Rogers decided that with several capital improvement projects outstanding, it was in the best interest of the district to have a person who was trained and ready to get to work right away.

In his new role, Rogers said, his priorities are to improve the district’s infrastructure by moving forward with the capital improvement projects, as well as establish and maintain lines of communication between the district and the community.

“I see the district in fairly great shape,” Rogers said. “We do have infrastructure problems and we have a large capital improvement list, but the functionality of the district I see to be really good. Now we need to move forward with the capital improvement program.”

Rogers said the top priority for his three-year contract is to get “pipes in the ground” and see the capital improvement projects started and completed. The rate increase that happened last year is something Rogers acknowledges as necessary for the district to have the funding to make the projects happen. But according to Rogers, this is why he wants to be sure ratepayers see where the money from the rate increase is being spent.

“That is the common thing I have been hearing from ratepayers: is they did not mind the rate increase as long as they see progress being made on projects,” Rogers said. “And that is my job to get those projects constructed.”

Beyond just the capital improvement projects, Rogers said the Lompico projects are also on his radar and he would like to see a lot of those projects completed during his tenure. Additionally,

Rogers understands the importance of working with the Santa Margarita Groundwater Agency (SMGWA) and coming up with a plan for aquifer management.

“I think I have the trust of the community. It is important for me to be honest and straightforward with people,” Rogers said.

Rogers recognizes the importance of keeping the ratepayer informed about what the district is doing and working on. Last month, Rogers started hosting “Community Chats” throughout the San Lorenzo Valley/Scotts Valley to invite ratepayers in to ask questions with Rogers and finance manager Stephanie Hill.

“A lot of times at public meetings it is just so clinical and you can’t always address everything with the community,” Rogers said. “That is why I came up with the idea for community chats and I hope to continue those after the election.”

With the election of three board of director positions coming next month, Rogers said he is not worried about working with whoever sits on the next board.

“I know them all and I seem to have their support,” Rogers said. “I think once they get on we will be here to work on the same issues together.”

After the election and the new board is in place, Rogers wants to slow down and prioritize the capital improvement projects and focus on what is needed to run the district.

But for now, Rogers said while he is still getting used to his new title, he is excited about the role and his plans for the district.

“I am part of the community, I have been here for a long time,” Rogers said. “I have a track record and I plan to continue it.” Rogers, who will manage 31 district employees, started his three-year contract on Oct. 19 with an annual salary of \$180,998. According to Rogers, the district is doing an internal recruitment to fill his former role of director of operations.

ENVIRONMENT

Impacts of water projects under review Santa Cruz County-wide



SHMUEL THALER — SANTA CRUZ SENTINEL FILE

The San Lorenzo River flows through Henry Cowell Redwoods State Park on its way to the river mouth and the Monterey Bay.

By Jessica A. York

jjork@santacruzsentinel.com
@reporterjess on Twitter

SANTA CRUZ » Preparing to begin spreading the wealth of its riverwater to neighboring agencies, the Santa Cruz Water Department is set to study the impacts of changing its water-sharing rules.

In an initial report outlining the areas the city plans to study for environmental impacts, a city notice of preparation lays out the potential to share its unused water supply with Soquel Creek Water District, Scotts Valley Water District, San Lorenzo Valley Water District and Central Water District. Though the

city struggles to meet customers' water supply during drought years, the water system's problem is that it does not have sufficient storage capacity to stock up ahead of dry years. The rest of Santa Cruz County has the opposite problem, with water agencies pulling their supply from overtaxed underground aquifers which are slow to refill and slow to diminish. Access to water supply sources outside the region are nonexistent.

Another significant stumbling block in the city's long-term water supply planning is the pending completion of a habitat conservation plan, 17 years in the making, that ensures enough water remains in local streams

to support federally endangered coho salmon and threatened steelhead. The upcoming environmental impact study includes negotiated provisions of the plan, as though the city were already operating under the new agreed-upon minimum stream flows, Water Director Rosemary Menard told the Sentinel.

"This implementation of the agreed flows further reduces the city's dry-year and drought-year water supply reliability," according to the city's initial report preparing for an environmental study.

The initial report reveals areas the city plans to study for unmanageable environmental impact and requests public com-

ment on the plan, through Nov. 14. Two public meetings, both at 6:30 p.m., are scheduled this week. On Wednesday, the meeting will be held at the Harvey West Scouthouse, 326 Evergreen St. On Thursday, a meeting will be held at the Highlands Park House, 8500 Highway 9 in Ben Lomond.

Preparation of the environmental study comes ahead of the city seeking to modify its water sharing rights, particularly waters that flow down Newell Creek and the San Lorenzo River. The city maintains flexibility in sharing water coming from North Coast streams, as its rights for those supplies

WATER » PAGE 5

Water

FROM PAGE 3

were established prior to 1914, when more stringent rules were set in place statewide. The Newell Creek and San Lorenzo River flows are restricted, for example, by

a provision that the water be stored for 30 days before usage.

In addition to Santa Cruz's initial study on water rights changes, the city also has recently released a draft environmental impact report for a proposed plan to replace the Newell Creek Dam inlet/outlet pipe

is available for public review and comment through Dec. 21.

Separately, Soquel Creek Water District recently completed its environmental study of the proposed Twin Lakes Church Pilot Recharge Well project. The effort's draft initial study/ mitigated negative declara-

tion will be before the district's board of directors for approval by the Soquel Creek Water District board at its 6 p.m. meeting Tuesday, to be held at the Community Foundation, 7807 Soquel Drive, Aptos.

Contact reporter Jessica A. York at 831-706-3264.