



**REVISED  
BOARD OF DIRECTORS  
SAN LORENZO VALLEY WATER DISTRICT  
AGENDA  
September 20, 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, September 20, 2018 at 5:00 p.m.**, Highlands Park Senior Center, 8500 CA-9, Ben Lomond, CA.

*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](http://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 agendum.*

- a. EDUCATION GRANT FINAL REPORT  
Discussion and possible action by the Board regarding a video produced by Fred and Roberta McPherson - Turkey Foot.
- b. LOMPICO ASSESSMENT DISTRICT OVERSIGHT COMMITTEE APPOINTMENTS  
Discussion and possible action by the Board regarding possible Committee appointments.
- c. LEAK ADJUSTMENT POLICY  
Discussion and possible action by the Board regarding the Leak Adjustment Policy.
- d. USDA LOAN APPLICATION UPDATE  
Discussion and possible action by the Board regarding the USDA loan application update - presented by K. Plonka.
- e. REQUEST FOR EXTENSION FOR ON-CALL AS-NEEDED ENGINEERING CONTRACT WITH WSC ENGINEERING  
Discussion and possible action by the Board regarding an increase of \$50K for on-call as-needed engineering contract with WSC Engineering.
- f. SCHEDULE FOR BOARD OF DIRECTORS MEETINGS THROUGH THE END OF 2018  
Discussion and possible action by the Board regarding BoD meetings for the remainder of 2018.

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. SAN LORENZO VALLEY HABITAT RESTORATION PROGRAM  
Discussion and possible action by the Board regarding the SLV Habitat Restoration Program presented by Linda Skeff.
- b. OLYMPIA MITIGATION RESERVE ENDOWMENT  
Discussion and possible action by the Board regarding the Olympia Mitigation Reserve Endowment.
- c. PROPOSED RESOLUTION NO. 7 (18-19) TO UPDATE THE DISTRICT'S POLICIES AND PROCEDURES FOR CONDUCTING PROPOSITION 218 PROCEEDINGS  
Discussion and possible action by the Board to revise Article V of the District's Policies and Procedures for conducting Proposition 218 proceedings.
- d. BEAR CREEK ESTATES WASTEWATER ENTERPRISE PROPOSED SEWER RATES  
Discussion and possible action by the Board regarding initiating the Proposition 218 process for proposed increases to wastewater rates for Bear Creek Estates.
- e. 2017/18 ANNUAL EMPLOYEE REIMBURSEMENT  
Discussion and possible action by the Board regarding the 2017/18 Annual Employee Reimbursement.
- f. ACTING DISTRICT MANAGER SALARY  
Discussion and possible action by the Board regarding the Acting District Manager Salary.
- g. 2018 CONFLICT OF INTEREST CODE  
Discussion and possible action by the Board regarding proposed updates to the Conflict of Interest Code.
- h. DISTRICT MANAGER RECRUITMENT  
Discussion and possible action by the Board regarding recruitment for a new District Manager.
- i. 150 YEARS OF FELTON CELEBRATION  
Discussion and possible action by the Board regarding 150 Years of Felton Celebration request for water truck.



- j. INVESTMENT BANKING AGREEMENT  
Discussion and possible action by the Board regarding the Investment Banking Agreement.

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 SPECIAL BOARD OF DIRECTORS MEETING  
JUNE 27, 2018.  
Consideration and possible action by the Board to approve minutes from the June 27, 2018 Special BoD meeting.
- b. MINUTES FROM BOARD OF DIRECTORS MEETING AUGUST 16, 2018.  
Consideration and possible action by the Board to approve minutes from the August 16, 2018 BoD meeting.
- c. REVISED AGREEMENT FOR FIRE HYDRANT, WATER METER AND FIRE SERVICES INSTALLATION  
Discussion and possible action by the Board to approve a revised Agreement for Fire Hydrant, Water Meter and Fire Services Installation - Papahn/Shayesteh - APN 081-235-25.

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](mailto: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 August 21, 2018
    - 2. Special Budget & Finance Committee September 12, 2018
    - 3. Ad Hoc Committee

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

13. Written Communication:

- State Water Resources Control Board - Permit Amendment No. 7

14. Informational Material:

- Navigating Purpose and Collaboration in Social Impact Networks
- Water Dist. Candidate Forum is Sept. 25
- Email from B. Maxfield

15. Adjournment

**Certification of Posting**

I hereby certify that on September 17, 2018 I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, Boulder Creek, California and at the Highlands Park Senior Center, 8500 CA-9, Ben Lomond, CA, 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 September 17, 2018

\_\_\_\_\_  
Holly B. Hossack  
District Secretary

## MEMO

To: Board of Directors

From: District Manager

Prepared by: Environmental Programs Manager

SUBJECT: FINAL REPORT FOR 2017 CLASSIC WATERSHED EDUCATION  
GRANT Getting to Know our Watershed: The Turkey Foot - Where  
Boulder Creek and Bear Creek meet the San Lorenzo River

DATE: September 20, 2018

### **RECOMMENDATION**

It is recommended that the Board of Directors review this memo and accept the Final Reports for the 2017 Classic Watershed Education Grant called Getting to Know our Watershed: The Turkey Foot - Where Boulder Creek and Bear Creek meet the San Lorenzo River

### **BACKGROUND**

On June 5, 2017 the board awarded four Classic Watershed Education Grants for a total amount of \$2,500.

In August 18, 2018 the District received the Turkey Foot for the grant (attached). This grant will successfully expanded environmental literacy in the San Lorenzo Valley community about our watershed. It is recommended that your Board view and accept the video.

Fred and Roberta McPherson will be performing an educational component by making the video available and distributed on DVD to local schools and other groups. It will help acquaint and instruct teachers and students about SLVWD operations & the watershed. The video will also be distributed to local libraries, as well as showing it at community watershed educational events, and to other community organizations (such as SLV Rotary, Valley Women's Club Environmental Committee, Henry Cowell Docents and the Santa Cruz Mountains Bioregional Council).

**FISCAL IMPACT:**  
\$2,500

**STRATEGIC PLAN:**  
Strategic Element 2.4 Watershed Stewardship - Environmental Education Program

**San Lorenzo Valley Water District  
Classic Watershed Education Grant Application  
February 27, 2017**

**1. Name of Individual(s)/Organization Submitting Proposal:**

Fredrick L. and Roberta L. McPherson

**2. Name, Address, Telephone Number(s) and Email Address of Contact Person:**

Provide the name, address, telephone number(s) and email address of one contact individual who carries the proposal/project responsibilities.

Fred McPherson

P. O. Box 544

Boulder Creek, CA 95006

(831) 338-2097

*fredwood@cruzio.com*

**3. Title of Project:**

Getting to Know Our Watershed: The Turkey Foot – Where Boulder Creek and Bear Creek meet the San Lorenzo River

**4. Amount of Funds Requested:** \$2,500.00 (plus optional public outreach DVD. See #16 below.)

**5. Briefly describe and summarize your project.**

We would like to continue our description and educational exploration of the San Lorenzo River Watershed, this time bringing attention to understanding the northern part of the watershed by producing a 10- to 15-minute video about the Turkey Foot, that area in Boulder Creek often referred to as The Junction. It's a very important place from both a geological and hydrological perspective in understanding the northern part of the San Lorenzo River watershed. Geologically, it's where the Ben Lomond and Zayante faults meet and where the northern part of Ben Lomond Mountain ends and the southern part of the Butano Ridge begins.

In terms of hydrology, it's where, within a very short distance, Boulder Creek and Bear Creek join the San Lorenzo River, forming what looked to early pioneers like a turkey's foot.

This video will deal with the Boulder Creek Treatment Plant and the associated pipelines only in a general way. A more detailed description of this system and facilities deserves a whole video in itself, assuming the San Lorenzo Valley Water District would like more detailed documentation about the northern system to be made public.

**6. Briefly describe why this project is needed and/or what specific problems your project will address.**

People's lives are so busy that it is often hard for them to see beyond superficial political issues to develop an understanding of the deeper reality of what is needed to provide them with high-quality drinking water every day.

There is much more to learn about the San Lorenzo River Watershed and the work the San Lorenzo Valley Water District does in relation to it. Focusing on the northern end of the watersheds will help extend Water District customers' knowledge and understanding of the extent of the area involved in bringing their water supply to their homes.

Many customers within the District who spend time researching the District website could benefit from and enjoy learning about this aspect of their watershed.

**7. Identify the overall goal(s) and primary objective(s) of your**

**project/program:** (Objectives are the "real world" things you will do as a means of achieving your goals.)

Our overall goal remains to help people to understand the unique characteristics of their watershed, where their water comes from, and how it gets to them, by continuing our video series about the San Lorenzo River Watershed. Our primary objective is to focus on the confluences of Boulder Creek, Bear Creek and the San Lorenzo River as a reference point for understanding the underlying geology, hydrology, and natural history of the upper watershed.

The idea continues to be to get customers invested in their watershed, as something to be appreciated and cared for, not only because of its beauty, but also because it provides essential ecosystem services and high-quality drinking water.

This video would be the second in a series of videos documenting various aspects of the San Lorenzo River watershed, its tributary sub-watersheds, and their contribution to our surface and ground water supply.

**8. Describe how you will demonstrate achievement of the stated goal(s) and proposed objective(s).**

We will demonstrate achievement of the stated goals by completing and delivering a video that tells a story about the watershed as described above.

**9. Describe your qualifications to complete the grant proposal.**

Fred McPherson has been involved with and actively working on issues of the San Lorenzo River and its watershed for over 40 years. Throughout this time, he has been working as a teacher and biologist studying and teaching about the San Lorenzo River and its watershed and the Santa Cruz Mountains. His PhD (received in 1976) was a comparative project focusing on the differences between how people perceived and used the upper San Lorenzo River compared with the lower river. He was a founding member of Save San Lorenzo River Association in the 70's, has served on

the SLVWD Board of Directors and its various committees and study groups for a number of years, and is well versed in the issues and ideas necessary to make the above presentation. In the last 15 years, he has turned his interest in photographing plants, animals, and landscapes of the Santa Cruz Mountains toward video work, taping hundreds of hours of footage documenting this diverse area.

Roberta McPherson has gained an extensive knowledge of video editing, script writing, and narration through the production of the various video documentaries she and Fred have produced over the years.

We have produced numerous videos, including "Getting to Know Our Watershed: Fall Creek," funded by a grant from the SLV Water District; "A Fish Tale," commissioned by Henry Cowell for exhibit in their Visitor Center; "The Wonders of Henry Cowell Redwoods State Park," "Introduction to the Merced National Wildlife Refuges," and "Eye of the Flycatcher." Our videos have been shown in the Santa Cruz Film Festival, the Henry Cowell Natural History Film Festival, to the docents at Henry Cowell and Natural Bridges State Parks, at public meetings of the California Native Plant Society, SLV Rotary, at the Watershed Conference of the Valley Women's Club, and in science classes at SLV High School, Middle School, and both SLV elementary schools.

Our video work can also be seen on our YouTube channel – Natural History Santa Cruz Mountains.

**10. Identify the key participants and leadership of your proposal project.** If you are a group or organization, identify the stated purpose of your group/organization.

Fred and Roberta McPherson are the key participants of this project. As well as interviewing pertinent Water District personnel and area geologists, we plan to work with at least one local drone pilot to get overview shots of the area.

**11. Briefly describe exactly what you are going to do and how you are going to accomplish your proposed project.** Provide a clear statement of the work to be undertaken.

As videographers we have been documenting the San Lorenzo River and its watershed for over 10 years and have accumulated a wealth of archived video footage about Boulder Creek, Bear Creek and the San Lorenzo River. We will augment this with new seasonal footage, geological overview footage, and possible interviews of involved District personnel and area geologists, which will be woven together to tell a story about the San Lorenzo River watershed at the Turkey Foot and in the surrounding area.

As part of the educational option we would be happy to make 25 copies of a DVD with an attractive label for distribution as described below in #16.

**12. Identify specific timelines and milestones for project completion and the final project report.**

1. Prepare an outline and draft script; 2. Inventory and assemble archival images into a draft timeline to ascertain what additional footage is needed; 3. Travel to various locations in the Northern Watershed area to shoot any needed additional video footage; 4. Engage the services of a local drone pilot to get certain overview shots of the area; 5. Interview involved District personnel and area geologists, if available; 6. Organize and edit the video clips into an easily understood, interesting storyline; 7. Complete a final draft of the script for narration; 8. Record voice-over narrative and add any interviews and background music; 9. Complete the final video for viewing on the website and on a thumb drive and/or master DVD; 10. As part of the educational option, we would also prepare a set of 25 DVD's for distribution as described above.

**13. Describe your proposed project monitoring program.**

We do not have a monitoring program as such, but the project will be done in phases as described above in #12.

**14. Briefly describe how your proposed project relates to and supports the Education Program Mission Statement.**

This project directly relates to the Education Program Mission Statement in that it provides a visual introduction to two key tributaries in the San Lorenzo River watershed and will increase the understanding of the watershed, its use as a source of surface water, and needs for protection on the part of anyone viewing the District's website. It has the potential to educate a large number of people about another important aspect of the watershed not only through the District website, but also in classrooms, and public presentations to community groups.

**15. Identify any other source(s) of funding for your proposed project. Include any matching funds, materials, services, equipment, personnel and/or other resources.**

We have no other sources of funding for this project.

**16. Optional public outreach component:** To be eligible for up to \$500.00 in additional funding, describe how you would publicize your project. What media would you use? How would you make it interesting to your audience?

Aside from being designed for viewing by the general public on the District's Website (with links to YouTube, Face Book, etc.), as an optional educational component of this grant, the video can also be made available and distributed on DVD to local schools and other groups. It could help acquaint and instruct teachers and students about SLVWD operations. To broaden the scope of who will see this information, we would also be happy to distribute copies to local libraries, as well as showing it at community watershed educational events, and to other community organizations (such as SLV Rotary, Valley Women's Club Environmental Committee, Henry Cowell Docents).

### Budget Summary

<u>Program Expense Item</u>	<u>Cost</u>
Labor involved with script writing, working with local drone pilots, video editing, shooting new video, and production as described above to provide a video of approximately 10 to 15 minutes in length. Use of video and computer equipment is included in the above charges.	\$2,400.00
*See note below	
Cost of materials (Mini DVD Video Tapes, DVD's, etc.)	<u>\$100.00</u>
TOTAL	\$2,500.00
Optional Public Outreach DVD, making 25 copies for distribution, and presentations to local schools and civic organizations.	<u>\$500.00</u>
OPTIONAL GRAND TOTAL	\$3,000.00

\*NOTE: Every minute of completed video will represent countless hours of work: Weeks in the field shooting footage and gathering information and many hours in post-production developing the story, finding just the right clips to illustrate a specific point, writing a script to tell the story, and editing audio together with visual to produce the final video.



## M E M O

**TO:** Board of Directors

**FROM:** Acting District Manager

**SUBJECT:** LOMPICO ASSESSMENT DISTRICT OVERSIGHT COMMITTEE  
(LADOC) APPLICATIONS

**DATE:** September 20, 2018

RECOMMENDATION:

It is recommended that the Board review the attached applications and choose qualified applicants to replace Andrew Rippert, Lydia Hammack and Ruth Shaw who resigned from the LADOC.

BACKGROUND:

The merger of Lompico County Water District and San Lorenzo Valley Water District was completed on June 1, 2016. The Local Agency Formation Commission (LAFCO) made a condition of the merger to be that SLVWD create a Lompico Oversight Committee.

On May 19, 2016 the District modified Section 14 - 'Committees' of the Board Policy Manual to include a Lompico Oversight Committee, later becoming the Lompico Assessment District Oversight Committee (LADCO).

The District appointed the five charter members of the LADOC.

1. April Crittenden
2. John Grunow
3. Lydia Hammack
4. Ruth Shaw
5. Antoinette (Toni) Norton

April Crittenden and John Grunow resigned from the LADOC at the beginning of 2018 and were replaced by Mary Ann LoBalbo and Andrew Rippert. Andrew Rippert resigned from the committee on June 5, 2018 to take a job in Oregon, Ruth Shaw resigned June 22, 2018 and Lydia Hammack resigned July 9, 2018. The District advertised for applicants for the open positions and received the attached applications. It is recommended that the Board appoint qualified applicants.

STRATEGIC PLAN:

Element 5.2 Funding Infrastructure Replacement  
Element 6.2 Increase Civic Understanding and Engagement

FISCAL IMPACT:

None



**RECEIVED**

**JUN 25 2018**

SAN LORENZO VALLEY  
WATER DISTRICT

# Lompico Assessment District Oversight Committee Application Form

Thank you for your interest in participating in LADOC.

Members of the public play a vital role in shaping the District and your willingness to contribute time and effort is greatly appreciated.

Please send your completed application to the District Secretary, 13060 Hwy. 9, Boulder Creek, CA 95006 or to hnmorrison@slvwd.com by August 8, 2018 at 3:00 p.m.

## Personal Details

Name: Jennifer Gómez Mr. ☐ Mrs. ☐ Miss ☐ Ms. ☒

Postal Address: 288 Carrol Ave. Felton, CA 95018

Telephone: (Home) N/A (Mobile) (562)760-9892

E-Mail: jagomez173@gmail.com

## The Committee

This committee will be made up of 5 individuals interested in assisting in an advisory role to review matters of revenue and expenses directly related to Assessment District 2016-1 projects. We ask that you be a customer of the former Lompico County Water District.

## Why You Want to Participate

I have lived in Lompico for over 4 years and am a customer of the former Lompico County Water District. I also attended several LCWD meetings prior to the merger, and canvassed in support of the bond measure for the proposed merger.

I attended the last quarterly LADOC meeting, and am sorry to learn that there have been more resignations including a newly appointed member moving out of state. I believe my background in data analysis as well as my expanding knowledge of Lompico and the assessment district projects makes me a good candidate to serve on LADOC. I am also reliable and unlikely to move, and hope to bring continuity to the committee.

Currently I am serving on the SLVWD Environmental Committee, and I would appreciate the opportunity to continue to serve my neighborhood and the district.



## Lompico Oversight Committee Application Form

Thank you for your interest in participating in a Lompico Oversight Committee.

Members of the public play a vital role in shaping the District and your willingness to contribute time and effort is greatly appreciated.

Please send your completed application to the District Secretary, 13080 Hwy. 9, Boulder Creek, CA 95008 or to [hmorrison@slvwd.com](mailto:hmorrison@slvwd.com)

### Personal Details

Name: Debra A. Loewen Mr. ☐ Mrs. ☐ Miss ☐ Ms. ☐

Postal Address: PO Box 66165, Scotts Valley CA 95067

Telephone: (Home) 831 335-7963 (Mobile) \_\_\_\_\_

E-Mail: LFsolar@yahoo.com

### The Committee

This committee will be made up of 5 individuals interested in assisting in the transition of Lompico County Water District in the merger with SLVWD. We ask that you be customers of the former Lompico water district. Your input with SLVWD will be advisory.

### Why You Want to Participate

I'm very excited about potential changes to the Lompico Oversight Committee starting in 2018, to include training, analysis, preparing reports, and community outreach for AD-16. I'd love to be part of this team moving forward.

I have experience being a citizen member on two committees while a customer of Lompico County Water District (LCWD). I found this type of collaborative work on both committees with board members and other citizens greatly satisfying and rewarding.

My experience includes

2011-2015 Citizens Advisory Committee, LCWD. This committee was tasked by the board to provide reliable, fact-based information about the proposed SLVWD merger to Lompico customers. Included research, outreach, website posts, and organizing workshops.

2013-2014 Citizen member, Grand & Loan Committee, LCWD, working with two board members, Shannar Abraham and Sherwin Gott; Research, prepare reports and make recommendations to the board; Attend workshops, gather info from State & Federal agencies.

My work on the Lompico Citizens Advisory Committee included making signs and creating graphics that would reach out to the community and invite participation.



I also contributed collaboratively to our website posts, answering ratepayer questions by interviewing experts and writing responses in a clear and concise factual form approved by the committee.

The Citizen's Advisory Committee organized a workshop at our local fire house, inviting San Lorenzo Valley Water District staff & experts from throughout the County to answer questions one-on-one with Lompico ratepayers, to help analyze this important decision to merge or remain independent. The committee provided written and visual tools, such as comparing "units", to answer common questions.



My work on the Grant & Loan committee included preparing graphics for identifying the committee at workshops (business cards for contacts), reports to the board, and overviews of potential projects for presentations to the board and potential funding agencies. As a member of the public I've attended several water district Brown Act and Board Training workshops sponsored by the California Rural Water Association.

Education: BA San Jose State University, Art.

Major Work Experience:

Civil Service, San Mateo County and City of San Jose, Public Library systems; public and technical services  
Graphics and Drafting business, self-employed in partnership with my husband; design services.  
Contractor, solar thermal water systems; Co-Owner, Field Technician and Office Manager 31 years

Retired

## Lompico County Water District Grant and Loan Committee

MEMO TO THE BOARD  
March 11, 2014

### Consideration of Survey for Median Household Income (MHI)

The committee finds grants are highly competitive, and most favor disadvantaged communities. This determination is made via census Median Household Income (MHI). Lompico's MHI is currently above the State average. The census MHI can be challenged by Lompico using a third party survey, such as RCAC. The committee recommends the Board consider challenging the MHI, if the district wishes to obtain grants. The survey will finalize the question of eligibility.

The committee recommends the board consider the following options:

*From Karen McBride of RCAC in her email February 2014, attached.*

1. Apply for a CDPH grant for MHI after July 2014, and challenge the cost via RCAC
2. Apply for USDA grant; they will reimburse MHI study if grant approved.
3. Ask RCAC to give a quote, then hire them to perform survey.

*The committee also adds a recommendation:*

4. Appoint a contact to meet with John Ricker of County Environmental Health, who has offered advice on challenging census MHI via survey and is familiar with grant requirements.

#### Background

- Lompico is a Census Designated Place (CDP); population 1,137, with 550 housing units (2010).
  - Lompico's MHI **\$77,955** (1999-2000 census); 2010 census did not do income (RCAC 2013)
  - Lompico's MHI **\$84,000** per American Community Survey (ACS) 2008-2012\*
  - Statewide MHI for 2013 is **\$58,724**. (CDPH Sept 2013)
  - Santa Cruz County MHI is **\$66,571** (ACS 2008-12)
  - Disadvantaged Community= MHI less than 80% of Statewide MHI, or under **\$49,749** (CDPH 2013)
- \*ACS= annual sampling and updating by the Census bureau (census.gov). ACS MHI for Santa Cruz County cities= Watsonville \$46,603; Capitola \$54,129; Santa Cruz \$62,755; Ben Lomond \$78,281; Aptos \$80,000; Rio Del Mar \$95,536; Scotts Valley \$103,769.

#### USDA Drought Emergency Community Water Grant Feb 2014

- Eligible if under 10,000 population, and MHI under **\$62,883**

#### Funding Fair September 2013

- State Community Development Block Grants eligibility = at or below 80% of County MHI.
- State Water Resources eligibility = at or below 80% of State MHI
- CDPH State Revolving Fund grants are only available to disadvantaged communities, maximum funding is 80% of project.
- CDPH other grants give priorities to disadvantaged small water systems
- Bureau of Reclamation and California Dept of Water Resources = no restrictions on grants, but DWR disadvantaged (DAC) status for IRWM grants = **\$48,706** (DWR website)

Karen McBride, RCAC, January 2013 Special Meeting

- Standard used for MHI data is American Community Census (ACS) 1999 + 2000
- **Disadvantaged = under \$57,000 MHI**
- RCAC can be contracted to do Survey. Must be done by accredited third party.
- Survey form required by Federal Government, has five questions: number of people, combined household income, their name, address, and signature. Info will not be shared.
- Target return on surveys is 40-50%. Survey will be mailed; wait 2 weeks, then second mail. If target not reached, will go door-to-door.
- Cost factor determined by # of mailings and on site visits, staff time. They can bid, generally \$5000-\$8000.

Grant and Loan fund availability

- Applications generally are for loans, but can be turned into grants if specific criteria met.
- CDPH administers State Revolving Fund = funded every year. Projects prioritized rated A-M.
- State funds are limited (Prop 50, 84 et al), no new money in these funds, gets used up.
- Lompico is on the CDPH SRF grant application Project Priority List (PPL) for list of bond capital projects, since 2010 (SCADA, tanks, laterals, et al); Currently falls below funded A-M levels.
- USDA visited Lompico 2014 and is interested in giving the district a loan for projects.

Funding A-Z Workshop October 2010 RCAC

- There are 3600 rural water suppliers having less than 200 connections; they are the priority.
- Applicants are expected to pay for some of project out of reserves; few 100% grants / loans.
- TMF required: a rating of 70% in each area is important for funding eligibility.
- LCWD must be prepared to spend money to apply for most grants; preliminary engineering reports (PER) and studies for typical infrastructure project grant or loan application cost about \$30-40k (and Ricker Mar 2014)

Successfully challenging the MHI for Lompico and gaining Disadvantaged status helps Lompico County Water District competitively, in the ability to meet application criteria and priorities for most grants.

## Grant and Loan Committee

*Director Shannar Abraham*

*Director Sherwin Gott*

*Public member Debra Loewen*





## LOMPICO COUNTY WATER DISTRICT

11255 Lompico Road, Felton, CA 95018

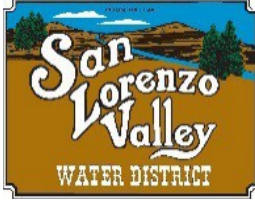
(831) 335-5200 (FAX) 335-4627

lompicowaterdistrict@comcast.net

Project Title:	<b>Storage tank upgrade, redwood to steel</b>  <i><b>This project is critical</b></i>
Description of Problem:	The District currently has 440,000 gallons of storage total in six redwood tanks. Tanks range in age from 23 to over 40 years. In their May 2013 Inspection Report, California <b>Department of Public Health</b> say that they wish to see all redwood tanks replaced with steel or concrete reservoirs. Redwood tanks are susceptible to leaks and water loss, and are <b>high maintenance and labor hours for a limited staff</b> . Redwood tanks are susceptible to earthquake damage. Staff must now physically climb and inspect tanks to check conditions and levels on a daily basis. CDPH has given short term deadlines for three of the tanks to be replaced.
Proposed Solution:	Upgrade replacement of redwood tanks , to bolted steel or welded steel reservoirs. New tanks will have improved earthquake measures to protect the water supply. New tanks will have automated fill and level indicators to reduce staff labor time. This will allow staff time to be used for other maintenance needs.
Scope of the Project:	<ol style="list-style-type: none"> <li>1. Pre-engineering analysis of storage requirements</li> <li>2. Pre-engineering—soils study of tank sites: <i>this has been completed</i></li> <li>3. Preliminary Engineering Report for alternatives and costs</li> <li>4. Engineered plan for replacement; materials, timeline, contractors</li> <li>5. Demolition of old tanks and sell for salvage</li> <li>6. Installation of pads, tanks, and plumbing to system</li> </ol>
Estimated Cost:	\$ 705,000
Estimated Time:	6 months– 1 year



ID#, location	#4410015 Santa Cruz County
Connections	494 residential services in 2 sq mi area; at limit ; 1300 pop.+-
Water Source	Surface water and groundwater: 22k gal per day allotment Lompico Creek ; 3 wells total 50 gpm
Contact	District Secretary : Debra Ortiz , contact info above
Prepared by	<b>Grant Committee per General Plan:</b> Directors Shannar Abraham & Sherwin Gott; Debra Loewen, citizen member. Sept 2013



# Lompico Assessment District Oversight Committee Application Form

Thank you for your interest in participating in LADOC.

Members of the public play a vital role in shaping the District and your willingness to contribute time and effort is greatly appreciated.

Please send your completed application and your resume or other information to the District Secretary, 13060 Hwy. 9, Boulder Creek, CA 95006 or to [hhossack@slvwd.com](mailto:hhossack@slvwd.com) by September 13, 2018 at 5:00 p.m.

---

## Personal Details

Name: Dennis Lynch

Postal Address: 11891 Lake Blvd, Felton, CA 95018

Telephone: (Home) 831-335-4682 (Mobile) 408-512-3838

E-Mail: 7Lynch@gmail.com

## The Committee

This committee consists of 5 individuals interested in assisting in an advisory role to review matters of revenue and expenses directly related to Assessment District 2016-1 projects. We require that you be a resident of AD 2016-1.

## Why You Want to Participate

I have lived in Lompico since 1987. During that time I have not done much to give back to my community. When Jenny Gomez told me about the need for additional public committee members for LADOC, I felt that this would be an opportunity to help.

I am a semi-retired real estate appraiser. I have been appraising throughout the Monterey/San Francisco bay areas since 1992. Attached is my résumé.



**DENNIS LYNCH**

Lynch Appraisal Service, PO Box 527, Felton, CA 95018 • (408) 512-3838 • Dennis@Lynch-as.com

Certified Real Estate Appraiser • License Number AR013793 • FHA Approved

**KEY STRENGTHS**

Detail oriented • Reliable • Punctual • Committed to professional growth and development

**RELEVANT QUALIFICATIONS**

- **Researched, analyzed, and evaluated data** pertaining to the subject property, real estate sales, pending sales, and listings for the purpose of real estate appraisal.
- **Investigated** this market data to determine whether they were factually correct and accurate.
- **Developed comparative analyses** for each relevant unit of comparison (e.g., sales price per square foot), and made appropriate adjustments between the subject property and comparable sales according to the units of comparison.
- **Reconciled** the multiple value indications that resulted from the adjustments of the comparable sales into a single value indication.
- **Used excellent communication skills** in detailed written reports for lenders as well as written and oral communication with mortgage loan agents, real estate agents, escrow officers, city and county officials, and home owners; always responded promptly to voice mails, emails, and text messages; at UCSC, typed narrative evaluations after proofreading and editing them for grammar, punctuation, format, and compliance with UCSC guidelines.
- **Used excellent interpersonal skills** to interact with flexibility, sensitivity, and tact in dealing with diverse groups of people from all ethnic backgrounds and all economic levels; courteous and respectful of others.
- **Prioritized** and made decisions under pressure of competing deadlines.
- **Exercised good judgment and discretion** when dealing with confidential financial matters relating to mortgage loans and real estate sales.
- **Interpreted and applied policies**, adhering to strict guidelines prepared by The Appraisal Foundation, which is authorized by Congress to develop national appraisal standards.
- **Kept careful records** with attention to accuracy and detail; hard and electronic copies of over 2,000 appraisal reports and 16,000 digital photographs; safeguarded with multiple backup systems.

**SKILLS**

ACI Appraisal Software • Word • Access • PowerPoint • Excel VBA Programming • Automation Programming

**EMPLOYMENT**

<b>Real Estate Appraiser</b> – Lynch Appraisal Service, Felton, CA	2016-Now
<b>Real Estate Appraiser</b> – Accurate Appraisal & Review, San Jose, CA	1998-2016
<b>Editor/Proofreader</b> – University of California Santa Cruz, Santa Cruz, CA	1996-1998
<b>Real Estate Sales Agent</b> – Century 21, Felton, CA	1995-1996
<b>Real Estate Appraiser</b> – Glenn Fuller & Associates, Santa Cruz, CA	1992-1994

**EDUCATION**

**Cabrillo College**, Aptos, California – 1987-2009 -- Real Estate Appraisal, Real Estate Finance, Real Estate Principles, Accounting, Business Information Systems, Mathematics – GPA 4.0

**Denison University**, Granville, Ohio – 1975 -- B.A., Liberal Arts

**CONTINUING EDUCATION CLASSES (Partial List)**

Appraising FHA Today, Finance & the Mortgage Market, Green Building, Land & Site Valuation, Mortgage Fraud, Oddball Appraisals, Residential Appraisal Review, Concepts of Analysis



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

Agenda: 9.20.18  
Item: 9b

## Lompico Assessment District Oversight Committee Application Form

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Please send your completed application to the District Secretary, 13060 Hwy. 9, Boulder Creek, CA 95006 or to [hhossack@slvwd.com](mailto:hhossack@slvwd.com) by September 13, 2018 at 5:00 p.m.

### Personal Details

Name: Carolyn Chabot  
Postal Address: 10888 Lake Blvd Felton  
Telephone: (Home) \_\_\_\_\_ (Mobile) 831-278-0249  
E-Mail: Chabot8@gmail.com

### The Committee

This committee will be made up of 5 individuals interested in assisting in an advisory role to review matters of revenue and expenses directly related to Assessment District 2016-1 projects. We ask that you be a customer of the former Lompico County Water District.

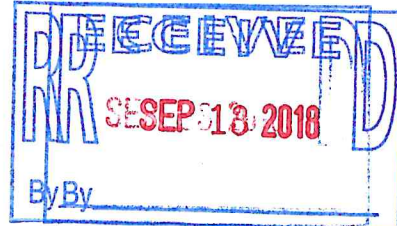
### Why You Want to Participate

I would like to be informed.  
There are also new neighbors to our  
neighbor hood & I can keep them  
informed.

11



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



# Lompico Assessment District Oversight Committee Application Form

Thank you for your interest in participating in LADOC.

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Please send your completed application to the District Secretary, 13060 Hwy. 9, Boulder Creek, CA 95006 or to [hhossack@slvwd.com](mailto:hhossack@slvwd.com) by September 13, 2018 at 5:00 p.m.

## Personal Details

Name: John Wright

Postal Address: 10765 Creekwood Dr Felton CA 95018

Telephone: (Home) NA (Mobile) (916) 715-1358

E-Mail: john.dalewright@icloud.com

## The Committee

This committee will be made up of 5 individuals interested in assisting in an advisory role to review matters of revenue and expenses directly related to Assessment District 2016-1 projects. We ask that you be a customer of the former Lompico County Water District.

## Why You Want to Participate

I would like to participate in LADOC to give back to the community in which I live. I believe I have a background which allows me to contribute to matters pertaining to revenue and expenses. I have a degree in finance and manage a company that works in mostly new construction.

## **M E M O**

**TO:** Board of Directors  
**FROM:** Acting District Manager  
**SUBJECT:** LEAK ADJUSTMENT POLICY  
**DATE:** September 20, 2017

San Lorenzo Valley Water District realizes that leaks occasionally occur that will cause the customer's bill to be extraordinarily high. The District adopted a Water Bill Adjustment in the Rules and Regulations to assist customers with a leak adjustment. To obtain a leak adjustment, the customer must submit a written leak adjustment request within 90 days of the due date printed on the customer's bill. After review and approval, adjustments can be made to the customer's account.

The policy has been rewritten to give more clarity and expand coverage from only one billing period to no more than two billing periods. The expanded policy also changes the leak adjustment from one time to once per customer account within a five-year period.

It is recommended the Board review the revised written policy and adopt.

**STRATEGIC PLAN:**  
Element 6.0 - Public Affairs

**FISCAL IMPACT:**  
TBD

## Section 10.04 Water Leak Bill Adjustment

Recognizing that leaks occasionally occur that are outside of the customer's control, resulting in unusually high water bill(s), the District establishes the following policy a customer can follow to obtain a leak adjustment:

- Within 90 days of the due date printed on a customer's bill, customer can submit a leak adjustment request form to the District's Customer Service department, either by mail, in person or e-mailed to [customerservice@slvwd.com](mailto:customerservice@slvwd.com)
  - a. With the request, customer shall submit proof of repairs consisting of a repair bill, receipt for parts, or a picture of the repairs.
- Leak adjustments are administered one time per customer account within a five-year period and may be applied to an event spanning no more than two consecutive billing cycles.
  - a. If another leak occurs within the five-year period, that is larger than the previous leak, the customer may submit another leak adjustment request to receive the difference between the current and prior leak adjustment amounts.
- Upon making a determination that the customer's bill for water usage was excessively high due to a leak and said leak was repaired within the 90 days mentioned above, the District Manager may authorize an adjustment to the customer's account to cover the event:
  - a. The adjustment will be 50% of usage in excess of the customer's average usage for a representative 12-month period prior to the leak event.
  - b. The District Manager may enter into a repayment arrangement for the remaining balance. Full repayment shall occur within twelve months from determination.
- Approved adjustments will be processed as credits against the water bill account
- During a pending leak adjustment request, the customer must continue to make timely water bill payments to avoid late fees and penalties
- The District retains the right to deny a leak adjustment request
- ❖ Example: Regular Leak Adjustment
  - Bill usage (including leak) is 50 units
  - Average usage is 4 units
  - 50% Usage adjustment:  $(50 - 4) \times 50\% = 23$  units
  - \$ adjustment: 23 units x usage rate at time of billing(s)
    - As an example, 23 units x \$10 = \$230 credit to customer account
- ❖ Example: Second leak adjustment, within five-years:
  - Bill usage (including leak) is 80 units
  - Average usage is 4 units
  - 50% Usage adjustment:  $(80 - 4) \times 50\% = 38$  units
  - \$ adjustment: 38 units x usage rate at time of billing(s), minus \$230 from 1<sup>st</sup> leak
    - As an example, 38 units x \$10 = \$380 - \$230 = \$150 credit to customer account

## MEMO

TO: Board of Directors

FROM: District Manager

DATE: September 20, 2018

SUBJECT: PROJECT LIST TO BE CONSIDERED FOR USDA LOAN APPLICATION

### RECOMMENDATION:

It is recommended that the Board of Directors review this memo and the information presented regarding the update for the USDA loan application.

### BACKGROUND:

The Board has been given information on the USDA loan/grant opportunity over the last year. Staff is currently working with the PER and CEQA/NEPA consultants to complete the USDA Preliminary Engineering Report, the USDA Application Package, and the USDA environmental documents before August 30, 2018. The first application submission for a total of \$8.8M was sent on 9/11/2018, however the District is waiting on consultation with US Fish and Wildlife for NEPA requirements to be complete and comments from USDA for the application to be complete.

The environmental consultant is still working on CEQA for the USDA projects, however CEQA will not affect the application process.

The next step is acceptance of the package by USDA.

### STRATEGIC PLAN:

Element 3.1 - Capital Improvement Program

### FISCAL IMPACT:

TBD



## MEMO

To: Board of Directors

From: District Manager

SUBJECT: DISCUSSION AND POSSIBLE ACTION REGARDING REQUEST FOR INCREASE OF \$50K IN CURRENT ON-CALL AS-NEEDED ENGINEERING CONTRACT WITH WSC ENGINEERING

DATE: SEPTEMBER 20, 2018

### **RECOMMENDATION**

Staff requests the Board approve an increase of \$50,000 to the current On-Call As-Needed Engineering contract with WSC Engineering.

### **BACKGROUND**

In May, 2017 the Board awarded an On-Call As-Needed Engineering contract to WSC Engineering (attached) for a not-to-exceed price of \$60,000. The intent was to provide engineering services to the District for small or emergency projects without initiating a Request for Proposal (RFP) every time services are needed. Items covered under this contract were pursuit of funding options, front end-documents for Pasatiempo Well 5, a portion of the Bear Creek Road Pipeline Project, a portion of the Highway 9 Storm Repairs Pipeline Project, and extension of staff services.

In November 2017, the Board awarded an amendment for \$20,000 in order to continue work on as-needed items, including finishing design and coordination with Caltrans for the Highway 9 Storm Repairs Pipeline Project and funding support.

Staff is requesting an extension to the current On-Call As-Needed contract the District has with WSC Engineering. To date, this contract has been very effective in providing critical engineering services for emergency and high-priority projects for the District.

Additional engineering work remains while we issue a new On-Call As-Needed Engineering Services. The work remaining includes, but is not limited to:

- Create a standard drawing for hydrants, water services, and gate valves size 6"+
- Write an RFP for the Lyon Tank access road and support design
- Assign and manage various projects to the as-needed design firms
- Create a bid package for installation of 8 PRV's

**STRATEGIC PLAN:**

Element 3.1 Capital Improvement Program

**FISCAL IMPACT:**

\$50,000 capitalized across various improvement projects



**AGREEMENT FOR PROFESSIONAL SERVICES  
by and between the  
SAN LORENZO VALLEY WATER DISTRICT (District)  
and  
WATER SYSTEMS CONSULTING, INC. (Consultant)**

**PREAMBLE**

This agreement for the performance of professional services ("Agreement") is made and entered into on this **15** day of **JUNE, 2017** ("Effective Date"), by and between **WATER SYSTEMS CONSULTING, INC.** with its principal place of business located at **SAN LUIS OBISPO** ("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 "Scope of Services"; for **ON-CALL AS-NEEDED ENGINEERING SERVICES**
- 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, legal 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.

**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.** 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 B, "Services Fee Schedule." 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 the "Services Fee Schedule" attached as Exhibit B. 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 on a time and material basis, with a total contract not-to-exceed limit of **\$60,000** 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 sixty (60) 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.

Consultant is not obligated to indemnify District in any manner whatsoever for District's own negligence.

**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 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:

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

And to Consultant addressed as follows:

JEFFERY SZYTEL  
PRINCIPAL  
WATER SYSTEMS CONSULTING, INC.  
PO BOX 4255  
SAN LUIS OBISPO, CA 93403

**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. 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, the Party prevailing in any such action or proceeding shall be entitled to recover from the non-prevailing Party all reasonable attorneys' fees, costs and expenses incurred by the prevailing Party.

**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,**

  
\_\_\_\_\_  
Brian C. Lee  
District Manager  
San Lorenzo Valley Water District

  
\_\_\_\_\_  
Jerroen Olthof  
Chief Operating Officer  
Water Systems Consulting, Inc.

Approved as to form:

  
\_\_\_\_\_  
Marc G. Hynes,  
District Counsel

## EXHIBIT "A"

### SCOPE OF SERVICES

The following is an example of typical services, however it is not intended to be a comprehensive list of work that may be requested by the District.

(1) Under general engineering requirements, Water Systems Consulting (WSC) may be required to provide the following services:

- a. Serve as technical consultant to the District and provide input and guidance on matters dealing with planning and engineering issues
- b. Assist the District staff in developing budgets for capital projects
- c. Attend Board meetings, public meetings, or meetings with other agencies as requested
- d. Provide plan-check services and conduct feasibility and specialized studies for development
- e. Provide condition assessment services
- f. Provide planning, modeling, preliminary design, detailed design, bidding assistance, and construction engineering support for District's capital projects
- g. Develop a standards manual including drawings and specs for the District
- h. Provide funding assistance for the District including USDA and/or SRF as appropriate
- i. Provide other services as needed

WSC will track costs for each assignment as required by the District.



**EXHIBIT "B"**  
**2017 RATE SCHEDULE**



## 2017 Classifications and Rates

Labor Classification	Hourly Rate
Principal	\$275
Senior Engineer V	\$255
Senior Engineer IV	\$240
Senior Engineer III	\$225
Senior Engineer II	\$210
Senior Engineer I	\$200
Associate Planner/Engineer III	\$185
Associate Planner/Engineer II	\$175
Associate Planner/Engineer I	\$165
Staff Planner/Engineer III	\$159
Staff Planner/Engineer II	\$150
Staff Planner/Engineer I	\$137
Assistant Engineer	\$126
Engineering Intern	\$110
Construction Inspector (Prevailing Wage – Group 1)	\$154
Construction Inspector (Prevailing Wage – Group 2)	\$148
Construction Inspector (Prevailing Wage – Group 3)	\$133
Construction Inspector (Prevailing Wage – Group 4)	\$120
Construction Inspector (Non-Prevailing Wage)	\$120
Senior Technician/ CAD Designer	\$125
Technician/ CAD Operator	\$110
Outreach Specialist / Facilitator	\$185
Project Coordinator / Controller	\$110
Administration / Clerical	\$90

10% mark-up on direct expenses; 15% mark-up for sub-contracted services

Standard mileage rate \$0.535 per mile (or current Federal Mileage Reimbursement Rate)

Airplane mileage rate \$1.15 per mile (or current Federal Airplane Mileage Reimbursement Rate)

Rates are subject to revision as of January 1, 2018

## **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.



# CERTIFICATE OF LIABILITY INSURANCE

WATESYS-01

Agenda: 9.20.18

Item: 9e

FRANCISCON

DATE (MM/DD/YYYY)

6/2/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0E67768

IOA Insurance Services  
3875 Hopyard Road  
Suite 240  
Pleasanton, CA 94588

CONTACT NAME: Cassandra Thompson

PHONE

(A/C, No, Ext):

FAX

(A/C, No): (925) 416-7869

E-MAIL

ADDRESS: Cassandra.Thompson@ioausa.com

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A : RLI Insurance Company

13056

INSURER B : Arch Insurance Company

11150

INSURER C :

INSURER D :

INSURER E :

INSURER F :

INSURED

Water Systems Consulting, Inc.  
P.O. Box 4255  
San Luis Obispo, CA 93403

## COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	X		PSB0001311	12/06/2016	12/06/2017	EACH OCCURRENCE \$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
							MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC						
	OTHER:						
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY						
	<input checked="" type="checkbox"/> ANY AUTO	X		PSA0001082	12/06/2016	12/06/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> OWNED AUTOS ONLY						BODILY INJURY (Per person) \$
	<input type="checkbox"/> HIRED AUTOS ONLY						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> NON-OWNED AUTOS ONLY						
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB			PSE0001238	12/06/2016	12/06/2017	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$ 1,000,000
	DED RETENTION \$						
A	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			PSW0001601	10/07/2016	10/07/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER \$ 1,000,000
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y / N	N / A				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$
B	<input checked="" type="checkbox"/> Professional Liab.			PAAEP0009101	12/06/2016	12/06/2017	Per Claim 2,000,000
B	<input checked="" type="checkbox"/> Professional Liab.			PAAEP0009101	12/06/2016	12/06/2017	Aggregate 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: Project: On-Call As-Needed Engineering Services

All operations of the Named Insured, including the aforementioned project, if any.

## CERTIFICATE HOLDER

## CANCELLATION

San Lorenzo Valley Water District, a California County Water District  
13060 Highway 9  
Boulder Creek, CA 95006

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.


AUTHORIZED REPRESENTATIVE


**AMENDMENT #1**  
**To the**  
**AGREEMENT FOR PROFESSIONAL SERVICES**  
**by and between the**  
**SAN LORENZO VALLEY WATER DISTRICT (District)**  
**and**  
**WATER SYSTEMS CONSULTING, INC. (Consultant)**

Pursuant to the June 15, 2017 Agreement for Professional Services between the San Lorenzo Valley Water District, hereinafter referred to as "District" and Water Systems Consulting, Inc. hereinafter referred to as "Consultant" District and Consultant hereby agree as follows:

1. Additional professional services shall be performed by Consultant, as Directed by the District to support design efforts for the On Call As Needed Engineering Services on a time and material basis, with a not-to-exceed limit of \$20,000 unless changed in writing by District.
2. The revised fee under the June 15, 2017 agreement, plus the Additional Services Authorized by this Amendment, made and entered into on this 20 day of November, 2017, is \$80,000 (eighty thousand dollars).
3. All other provisions of the June 15, 2017 agreement between District and Consultant shall remain in full force and effect.

**SAN LORENZO VALLEY WATER DISTRICT,**

  
\_\_\_\_\_  
Brian C. Lee  
District Manager  
San Lorenzo Valley Water District

  
\_\_\_\_\_  
Jeff Szytel  
President  
Water Systems Consulting, Inc.

Approved as to form:

\_\_\_\_\_  
Gina Nicholls,  
District Counsel

**AMENDMENT #2**  
**To the**  
**AGREEMENT FOR PROFESSIONAL SERVICES**  
**by and between the**  
**SAN LORENZO VALLEY WATER DISTRICT (District)**  
**and**  
**WATER SYSTEMS CONSULTING, INC. (Consultant)**

Pursuant to the June 15, 2017 Agreement for Professional Services between the San Lorenzo Valley Water District, hereinafter referred to as "District" and Water Systems Consulting, Inc. hereinafter referred to as "Consultant" District and Consultant hereby agree as follows:

1. Additional professional services shall be performed by Consultant, as Directed by the District to support efforts for the On Call As Needed Engineering Services on a time and material basis, with a not-to-exceed limit of \$50,000 unless changed in writing by District. Services to be provided to the District are more fully described in "Exhibit C", Scope of Services for Amendment No. 2.
2. The revised fee under the June 15, 2017 agreement, plus the Additional Services Authorized by this Amendment, made and entered into on this 20th day of September, 2018, is \$130,000 (one hundred eighty thousand dollars).
3. All other provisions of the June 15, 2017 and November 20, 2017 amendment and between District and Consultant shall remain in full force and effect.

**SAN LORENZO VALLEY WATER DISTRICT,**

\_\_\_\_\_  
Rick Rogers  
Interim District Manager  
San Lorenzo Valley Water District

\_\_\_\_\_  
Jeff Szytel  
President  
Water Systems Consulting, Inc.

Approved as to form:

\_\_\_\_\_  
Gina Nicholls,  
District Counsel

## EXHIBIT "C"

### SCOPE OF SERVICES FOR AMENDMENT NO. 2

The following is an example of typical services, however is not intended to be a comprehensive list of work that may be requested by the District from time to time. Support includes tasks such as, but not limited to:

- a. Create a standard drawing for hydrants, water services, and gate valves size 6"+
- b. Write an RFP for the Lyon Tank access road and support design
- c. Assign and manage various projects to the as-needed design firms
- d. Create a bid package for installation of 8 PRV's
- e. Attending Board and Committee Meetings as-needed
- f. Provide other services as needed

WSC will track costs for each assignment as requested by the District.

## MEMO

TO: BOARD OF DIRECTORS

FROM: ACTING DISTRICT MANGER

SUBJECT: BOARD OF DIRECTORS MEETINGS RESCHEDULED

DATE: September 20, 2018

### RECOMMENDATION

It is recommended that the Board of Directors discuss and consider relocation to the SLVWD Operations Building Boardroom the November 15, 2018 Board of Directors meeting and to move the October 18, 2018 BoD meeting to the Zayante Fire Station.

### BACKGROUND

On July 19, 2019 the Board of Directors voted in favor of moving the location of the Board meetings previously scheduled to be held at the Boulder Creek Fire Station to the Zayante Fire Station. We were not able to hold the August 16<sup>th</sup> meeting at the Zayante Fire Station because the Zayante Board of Directors must approve all meetings at the station and they were not going to meet until after August 16<sup>th</sup>. We were approved for the November 15<sup>th</sup> BoD meeting but now we have scheduled a public hearing for the Bear Creek Estates Wastewater Prop 218 on that date. The Bear Creek Estates customers requested that the meeting be held closer to Boulder Creek. We have now requested that the October 18<sup>th</sup> BoD meeting be held at the Zayante Fire Station.

### STRATEGIC PLAN:

Element 9.0 - Administrative Management

### FISCAL IMPACT:

N/A



## MEMO

TO: Board of Directors

FROM: District Manager  
PREPARED BY: Environmental Analyst

SUBJECT: SLV Native Habitat Restoration Program

DATE: September 20, 2018

### **RECOMMENDATION:**

It is recommended that the Board review this memo and sponsor the SLV Native Habitat Restoration Program.

### **BACKGROUND:**

NEED: This project addresses the crucial need for environmental restoration through restoration projects and community education in collaboration with AmeriCorps. Also, the AmeriCorps team will collaborate with community organizations in service learning for the underserved, and the disabled. The project focuses on the missions of the San Lorenzo Valley Native Habitat Restoration Program, the AmeriCorps' mission to incorporate service learning into the experience of its members, and the community needs of food insecurity, organizational integration outreach for the underserved, and the care of the disabled.

#### **BACKGROUND:**

The mission of the San Lorenzo Valley (SLV) Native Habitat Restoration Program is to enhance and sustain the health of the natural environment and watershed through increasing the diversity of the native flora and fauna within the Santa Cruz Mountains. Through the eradication of invasive non-native plants, the program will continue expanding corridors of native habitat across the SLV, connecting Henry Cowell Redwood State Park and Big Basin Redwood State Park.

The Native Habitat Program: 1) seeks to educate the community in the importance and methods of integrating the needs of the native habitat with the needs of the community, 2) seeks to educate the community through restored public areas used by the community at large. Also, this 2019 program will expand AmeriCorps service learning benefiting the community in conjunction with 1) Second Harvest Food Bank, 2) Mountain Community Resources outreach program, and 3) Easter Seals Camp Harmon, thus expanding the team's education into the issues of food insecurity, community organizational integration for the underserved, and addressing the needs of the disabled.

#### **GOALS RELATED TO COMMUNITY NEEDS:**

The project goals build on the success of prior AmeriCorps teams in 2016, 2017, and 2018. Goals include: 1) continued and expanded SLV habitat restoration, 2) continued development of community educational methods regarding restoration, 3) teaching AmeriCorps volunteers regarding food insecurity, county outreach, and approaches to assist the disabled. The prior projects restoration of numerous public areas created public appreciation and interest in habitat restoration, and most importantly, created alliances between organizations to influence long-term environmental preservation.

Collaborating organizations include the Santa Cruz County Parks, San Lorenzo Valley Water District, Friends of Quail Hollow, Friends of the Felton Library, Santa Cruz Mountains Art Center, Mountain Community Resources, Boulder Creek Rec and Parks District, the City of Santa Cruz Parks Dept. and the SLV Habitat Restoration Program of the Valley Women's Club. In addition, we had the support of County Supervisor Bruce McPherson and State Assemblyman Mark Stone.

#### METHODS:

##### - Environmental Restoration

The program addresses the preservation of the environment within the San Lorenzo Valley watershed, essential to the health and purity of the community's water supply. We will continue to expand restored areas and identify new ones in need. In addition, we will continue to develop the organizational and community infrastructure required for on-going restoration and education.

Secondly, this program will utilize several methods to educate the community, including the website, the creation of project demonstration boards for viewing at public events, and the use of public areas as demonstration sites of restored native habitat. This education is necessary because community members require knowledge regarding the negative effects of invasive, non-native plants on watershed health, enabling them to take action at home, in neighborhoods and beyond.

Thirdly, the program addresses the maintenance and improvement of public sites dedicated to the elderly, children and families, thus, addressing a variety of community needs. Sites include:

- Senior Citizen's Center at Highland Park, Ben Lomond
- Kreative Kids Club Pre-School, Ben Lomond
- Santa Cruz Mountain Art Center, Ben Lomond
- Mountain Community Resources, Felton
- Second Harvest Food Bank, Felton
- Nature Discovery Park of the new Felton Library
- Boulder Creek Rec and Parks District, Boulder Creek
- Junction Park in Boulder Creek
- Quail Hollow Ranch's unique and rare sandhill habitat, Ben Lomond
- The riparian corridor of the San Lorenzo River in the City of Santa Cruz, Ben
- Highlands Park

Long-term successful habitat restoration requires the organizational infrastructure to continue the focus on habitat restoration. Therefore, this program will continue to expand organizational collaborations of the Environmental Committee of the Valley Women's Club with multiple additional organizations, including:

- Boulder Creek Library
- Boulder Creek Museum
- Camp Joy
- Camp Harmon
- Ben Lomond Library
- Ben Lomond Park
- Henry Cowell Redwood State Park

#### FISCAL IMPACT:

FY 14-15 Budget - Land Management \$1000

#### 2015 STRATEGIC PLAN:

Strategic Element 2.0 - Watershed Stewardship

**San Lorenzo Valley Habitat Restoration Program  
Valley Women's Club of San Lorenzo Valley  
PO BOX 574  
Ben Lomond, CA 95005**

Dear San Lorenzo Valley Water District Board of Directors,

We are writing to invite you to support the Valley Women's Club Native Habitat Restoration Program, which is sponsoring another AmeriCorps team for 2019.

**Because prior funding may now be limited, we are asking local businesses to join the Valley Women's Club in supporting the 2019 AmeriCorps Project.**

Your support will be publically acknowledged in the Valley Women's Club newsletter, on the Restoration Program website, at the AmeriCorps Media Event, and in our brochure.

The 2019 AmeriCorps team will bring to our community efforts valued at over \$175,000. All told for 2016, 2017, 2018, and 2019, these volunteers will have contributed 20,760 hours to our community. (We have attached examples of their accomplishments.) Because of the benefits of these projects to our community, we are seeking to establish ongoing community financial support for SLV restoration activities.

During the last three years, these AmeriCorps teams of young adults from all over the country have contributed to habitat restoration in the San Lorenzo Valley while learning the principles of environmental preservation. Each team now spends 14 weeks working full time on various SLV Restoration Program sites. The team's financial support requires approximately \$14,000 annually for direct expenses of food, lodging, tools and other expenses. Donations raised go directly to pay for these expenses.

**We invite you to consider an annual sponsorship or a one-time donation to support this important community endeavor.** Again, we will acknowledge your support in all organizational media. A donation in any amount will be appreciated in providing support for this important goal. If you choose to donate, a form for your donation is provided on the back of this letter.

We thank you in advance for your consideration.

Sincerely,

Linda Skeff, Program Director  
Native Habitat Restoration Program  
Valley Women's Club

Yes! I would like to support this important work! I am including a check made out to:

Valley Women's Club SLV Restoration Program  
C/O VWC  
PO BOX 574  
Ben Lomond, CA 95005

FOR TAX PURPOSES:  
**Valley Women's Club of San Lorenzo Valley**  
**Tax ID# 94-2900221**

**Annual Sponsorship**

\$250 \_\_\_\_ \$500 \_\_\_\_ \$1000 \_\_\_\_ Other \$\_\_\_\_\_

**One time donation:**

\$25 \_\_\_\_ \$50 \_\_\_\_ \$100 \_\_\_\_ \$250 \_\_\_\_ \$500 \_\_\_\_

Other\_\_\_\_\_

Business name:

\_\_\_\_\_

Contact name:

\_\_\_\_\_

Address:

\_\_\_\_\_

Email: \_\_\_\_\_

# MEMO

TO: Board of Directors  
FROM: S. Hill, Director of Finance & Business Services  
SUBJECT: Olympia Mitigation Reserve Endowment  
DATE: September 20, 2018

## RECOMMENDATION:

It is recommended that the Board review and approve the Community Foundation Santa Cruz County Agency Endowment Fund Agreement for the San Lorenzo Valley Water District Olympia Wellfield Habitat Set-Aside Endowment Fund. It is also recommended the Board select the Socially Responsible Long-Term (SRI) pool as the fund for the agreement.

## BACKGROUND:

As part of the District's habitat conservation plan and capital project mitigation, the District set up its own land bank for an area in the Olympia Watershed to be preserved.

Part of this process requires the District to establish a non-wasting endowment which is funded as capital projects require environmental mitigation. The District cannot easily invest money in perpetuity to gain interest rates at the expected rates the plan requires. This has required us to look into how we should establish the endowment.

The Budget & Finance Committee reviewed documents and a presentation from Community Foundation of Santa Cruz County (CFSCC). Attached are informational support from CFSCC.

Both of CFSCC's long-term investment pools offer similar returns, with the SRI recently having slightly better returns and less volatility. The SRI plan is diversified, but screened to exclude societally-damaging investments and encouraging investments in companies with positive environmental, social, or governance policies. This pool also devotes 20% of its assets to Impact Investments to benefit County residents (These have included loans to the Opportunity Fund, the Landed program to help teachers buy houses locally, California FarmLink to help new farmers lease or buy land, and others are in the "pipeline.")

## STRATEGIC PLAN:

Element 2.0 – Watershed Stewardship

## FISCAL IMPACT:

Minimum \$25,000 initial funding. Unknown after that, the investment return should outweigh the administration fee, but will be dependent on funding levels of the endowment.

**Community Foundation Santa Cruz County  
Agency Endowment Fund Agreement  
for the  
San Lorenzo Valley Water District Olympia Wellfield Habitat  
Set-Aside Endowment Fund**

This Agency Endowment Fund Agreement ("Agreement") is made on September 21, 2018 (the "Effective Date") by and between SAN LORENZO VALLEY WATER DISTRICT ("Organization"), and COMMUNITY FOUNDATION SANTA CRUZ COUNTY ("Foundation"), a California nonprofit public benefit corporation, to create a charitable fund at the Foundation. This Agreement sets out the terms and conditions that will apply to said Fund beginning on the date of the initial contribution to the Fund.

**Agreement, Part A**

**1. Initial Contribution**

The initial contribution must be a minimum of Twenty-five Thousand Dollars. The Organization hereby irrevocably transfers or will cause to be transferred to the Foundation for deposit in the Fund as the initial contribution to the Fund the following asset(s):

An initial cash contribution of approximately \$116,667, and subsequent contributions up to a total of approximately \$786,000.

**2. Fund Establishment and Fund Name**

Upon acceptance of the initial contribution by the Foundation, a fund shall be established on the books of the Foundation, which shall be known as the "San Lorenzo Valley Water District Olympia Wellfield Habitat Set-Aside Endowment Fund" (the "Fund").

**Commented [A1]:** Changed the name to be more specific than Environmental Endowment.

**3. Fund Purpose**

The Fund's general purpose is to promote and further the Foundation's charitable purposes as set forth in the Foundation's Articles of Incorporation and Bylaws. In particular, the Fund is being established solely to fund annual habitat management and monitoring within the habitat set-aside located at the Olympia Watershed.

**Commented [A2]:** Added.

**4. Type of Fund**

a. Not a Donor-advised Fund. It is the express intent of the Organization and the Foundation that the Fund shall not be treated as a "donor-advised fund," as defined in Internal Revenue Code Section 4966(d), by virtue of the Fund being described in Internal Revenue Code Section 4966(d)(2)(B)(i), as a fund that benefits only a single identified organization, to wit, the Organization.

b. Agency Endowment Fund. As an endowment, it is intended that the Fund will continue to provide for the charitable purposes described above in perpetuity. The Fund will be an endowment fund, and distributions from the Fund shall be subject to the spending plan for endowed funds approved by the Board of Directors of the Foundation, as the same may be amended from time to time. Currently, the spending plan provides for a 4% annual payout calculated on the average balance of the Fund over 12 trailing quarters (or such shorter period of time as the Fund has been in existence) ending on December 31 each year (each December 31 will be referred to as a "Measurement Date"). The payout amount, if any, will be disbursed to the Organization by February 28 of the following year; provided, however, that no distributions shall be made from the Fund unless the Fund has been in existence for not less than four calendar quarters as of the Measurement Date, and only to the extent that accumulated earnings are available to spend on the Measurement Date.

## 5. Fund Investment Pool Selection

Organization wishes the Fund Assets to be invested in the (put investment pool name here) as described in Part B, Section 1 of this Agreement.

## 6. Foundation Services Fee

The Foundation Services Fee helps to cover management services that the Foundation provides directly to the Fund. The Foundation Services Fee also supports the services of the Foundation which benefit our community. These include, but are not limited to programs that 1) assist donors, 2) educate and strengthen local nonprofits, and 3) build regional partnerships to address critical local issues.

The annualized Foundation Services Fee will be an amount equal to the greater of:

- (a) 1.00% of the Fund balance, if balance is \$2,000,000 or more; or
- (b) 1.25% of the Fund balance, if balance is \$1,000,000 to \$1,999,999; or
- (c) 1.50% of Fund balances less than \$1,000,000.

Based upon the foregoing annualized Foundation Services Fee formula, the monthly Foundation Services Fee will equal (a) 0.0833333%, or (b) 0.104166%, or (c) 0.125% of the balance of the Fund as of the last day of the month and will be due and payable in arrears on a monthly basis.

In the event the aggregate amount of Foundation Services Fees paid out of the Assets for the year is less than \$250, the difference in the two amounts shall be due and payable and shall be deducted from the Assets.

#### **7. Dissolution of the Foundation**

In the event of the dissolution of the Foundation, or in the event the Foundation ceases to be a Charitable Organization (defined below), the Assets remaining in the Fund, after payment or making provision for payment of any fees, expenses or other liabilities properly chargeable to the Fund, shall be distributed:

- a. to the Organization; or
- b. if the Organization is not then in existence or has ceased to be a Charitable Organization or a unit of government, to one or more such other Charitable Organizations or governmental units located in Santa Cruz County that serve purposes that are similar to those of the Organization as the Foundation's Board of Directors shall determine.
- c. As used in this Agreement, a "Charitable Organization" is a nonprofit public benefit corporation or a charitable trust that is organized under the laws of the State of California and recognized by the Internal Revenue Service as being described in Internal Revenue Code Section 501(c)(3) other than a "private foundation" (as defined by Internal Revenue Code Section 509(a)).

#### **8. Dissolution of the Organization**

In the event of the dissolution of the Organization, or in the event the Organization ceases to be a Charitable Organization or a unit of government, the Foundation shall maintain the Fund; provided, however, the purposes of the Fund shall be modified to provide financial support to one or more such other Charitable Organizations or governmental units that serve purposes similar to those of the Organization as the Foundation's Board of Directors shall determine.

#### **9. Merger or Change in Structure of the Organization**

If the Organization merges with another organization, the entity resulting from such a merger shall succeed to the rights, powers and privileges of the Organization under this Agreement, but only if such resulting entity is a Charitable Organization or governmental unit. If the resulting entity is not a Charitable Organization or governmental unit, the Foundation shall maintain the Fund, and the Fund's purposes shall be modified in the same manner as is described in Part A, Section 8 above.



## **10. No Partnership**

This Agreement does not constitute and shall not be construed as constituting a partnership or joint venture between the Foundation and the Organization. Neither the Organization nor its governing board nor any representative of said board shall have any right to obligate or bind the Foundation in any manner whatsoever, and nothing in this Agreement shall give, or is intended to give, any rights of any kind to any third persons.

## **11. Representations and Warranties**

The Organization and the Foundation each represent and warrant to each other that:

a. it has received a ruling from the Internal Revenue Service (the "Service") that it is an organization described in Internal Revenue Code Section 501(c)(3) other than a private foundation and a ruling from the California Franchise Tax Board ("FTB") that it is an organization exempt from California income and franchise taxes under California Revenue & Tax Code ("California R&T Code") Section 23701d; (b) the facts and circumstances forming the basis for the issuance of these rulings have not substantially changed since the date of issuance thereof; and (c) the rulings have not been revoked;

OR in the case of the Organization, that it is a governmental or quasi-governmental unit as described in Internal Revenue Code Section 170(c)(1) or Internal Revenue Code Section 115.

b. it shall promptly notify the other party in writing in the event the Service or the FTB revokes its ruling that the Organization is a tax exempt organization described in Internal Revenue Code Section 501(c)(3) other than a private foundation or Section 23701d of the California R&T Code, as the case may be, or if the Service, the FTB or the California Attorney General's office has commenced proceedings or an investigation that may result in any of these actions; and

c. this Agreement has been duly authorized by requisite action of the representing party and has been executed on behalf of the representing party by persons authorized to do so.

## **12. Notice**

Any notice required or permitted to be given by this Agreement shall be in writing and shall be deemed given (1) when delivered in person, (2) when dispatched by facsimile or electronic mail transfer (confirmed in writing by postage prepaid first class mail simultaneously dispatched), (3) when sent by nationally-recognized overnight courier service (with receipt confirmed by such overnight courier service), or (4) when sent by registered or certified mail, to the other party at the address of such party set forth below or at such other address as such party may from time to time specify in writing to the other party in accordance with this Section 12.

If to the Organization:

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

If to the Foundation:

Community Foundation Santa Cruz County  
7807 Soquel Drive  
Aptos, CA 95003  
Attn: Robin Larsen, Donor Services Officer

### **13. Amendment**

This Agreement may be amended only by an agreement in writing approved by a majority of the Board of Directors of the Foundation and the governing body of the Organization. No amendment shall be valid if it would be inconsistent with or jeopardizes the Foundation's status as a Charitable Organization.

### **14. Arbitration**

The Organization hereby agrees that all controversies which may arise between the Foundation and the Organization concerning any transaction or the construction, performance, or breach of any provision of this Agreement, whether entered into prior to, on, or subsequent to the date herein, shall be determined by arbitration. Any arbitration shall be held in Santa Cruz County, State of California, and shall be governed by the rules of the American Arbitration Association and the laws of the State of California.

**End of Part A – No further text on this page.**

## **Agreement for San Lorenzo Water District Olympia Wellfield Habitat Set-Aside Endowment Fund Part B-Endowed Funds**

### **1. Asset Management and Investment Pool Descriptions**

**a. Asset Management.** The Foundation will hold, manage, invest and reinvest the Assets as part of the Foundation's investment portfolio consistent with the Foundation's investment policy, a copy of which is available upon request. Although the Assets may be commingled with other assets of the Foundation, the Fund's separate identity will be maintained.

**b. Choice of Investment Pool.** The Assets will be managed in the investment pool set forth in Part A, Section 5 of this Agreement.

**c.** There are several choices available depending on the expected duration of the Fund and the Organization's risk tolerance. Endowed funds may be invested in either the Long-Term Pool or the Socially Responsible Long-Term Pool described below.

Long-Term. Invested for long-term growth in accordance with the Foundation's investment policy.

Socially Responsible Long-Term. Invested with same target return and asset allocations as the Long-Term Pool, with a preference toward three areas:

**i. *Socially Responsible Investing (SRI).*** An exclusionary approach that seeks to avoid investing in companies whose products or services are ethically and environmentally questionable or controversial.

**ii. *Environmental, Social, and Governance (ESG).*** An integrative approach that seeks to include companies that have been identified as "best-in-class" when evaluated against key environmental, social, and governance metrics.

**iii. *Impact Investing.*** An approach that seeks investments that deliver social good within our community, as well as competitive financial returns.

**d.** The Organization, may recommend once per calendar year that the Fund Assets be moved into another investment pool by submitting its recommendation to the Foundation in writing, which recommendation will be considered and evaluated by the Foundation. Organization must include a reference

that its Board of Directors has approved the change in investment pools in its written request. Approved changes will be effective by the end of the month following the month the request is received (*e.g.*, If the request is received in March, the fund will be moved no later than April 30).

## **2. No Guarantee of Investment Return**

a. Rate of Return. The Foundation does not guarantee that the Fund will earn a particular rate of return with respect to the investment of the Assets; rather, the Assets shall be invested in the investment pool selected in accordance with Part A, Section 5 above and shall earn the identical return on those assets in said investment pool that the Foundation earns with respect to its other assets invested in that particular investment pool. All income and capital gains or losses of the investment pool in which the Assets are invested shall be allocated to the Fund on a monthly and pro rata basis, based upon the ratio that the value of the Assets invested in the investment pool bears to the aggregate value of all assets invested in said pool.

b. Diminution of Value. The Foundation will not be liable for any diminution in value of the Assets, including, but not limited to, losses directly or indirectly caused by acts of war, acts of terrorism, labor disputes, exchange or market decisions, including the suspension of trading, market volatility, trade volume, or by government restriction or otherwise.

## **3. Fees and Expenses Description**

a. Foundation Services Fee. The Foundation Services Fee helps to cover management services that the Foundation provides directly to the Fund. The Foundation Services Fee also supports the services of the Foundation which benefit our community. These include, but are not limited to programs 1) that assist donors, 2) educate and strengthen local nonprofits, and 3) build regional partnerships to address critical local issues. The Fund shall be charged the Foundation Services Fee as determined in accordance with the formula set forth in Part A, Section 6 ("Foundation Services Fee"). Said formula is subject to change from time to time on advance notice of such change to the Organization.

b. Investment Management Fees. Investment management and other fees and costs charged by the investment managers managing the investment pool in which the Assets are invested shall be allocated and charged to the Fund on a pro rata basis, based upon the ratio that the value of the Assets invested in said investment pool bears to the aggregate value of all assets invested in said pool.

c. Direct Expenses. In addition to the Investment Management Fees described in Part B, Section 3(b) above, the Foundation may, from time to time, incur third-party expenses in connection with the administration of the Fund, including but not limited to legal, accounting, credit card fees, and other

professional fees and related charges (collectively, the "Direct Expenses"). Such Direct Expenses shall be allocated and charged to the Fund. Where such Direct Expenses relate to one or more investment pools in which Assets were invested, they will be allocated and charged to the Fund on a pro rata basis, based upon the ratio that the value of the Assets invested in the applicable investment pool bears to the aggregate value of all assets invested in said investment pool.

**d. Organization's Expenses.** The Organization shall be responsible for payment of all fees to the Organization's own professional advisors (attorney, accountant, financial advisor, etc.) involved in the set-up of the Fund.

**e. Payment of Fees and Expenses**

**i. *Foundation Services Fee.*** The Foundation Services Fee shall be due and payable in arrears and shall be deducted from the Assets on the last day of each month.

**ii. *Investment Management Fees.*** The Investment Management Fees shall be deducted from the Assets in accordance with agreements between the Foundation and the applicable investment managers for the pool or pools in which the Assets are invested.

**iii. *Direct Expenses.*** The Foundation shall be entitled to reimbursement for Direct Expenses out of the Assets. The Foundation shall deliver to the Organization a notice of its intent to be reimbursed within fifteen (15) days in advance of the applicable reimbursement.

**4. Additions to Fund**

**a.** It is anticipated by the Organization and the Foundation that, from time to time, other assets may be contributed to the Fund. Contributions of cash and marketable securities from the Organization may be accepted and deposited into the Fund at any time. The Foundation will have the discretion to accept or refuse any non-cash contributions. All of the property transferred to the Foundation by the Organization for deposit in the Fund, including additional contributions and any net income, minus any net losses derived from the investment of such property as provided herein shall be collectively referred to as the "Assets" and shall be administered and distributed in accordance to the provisions of this Agreement, including, without limitation, for the purpose set forth in Part A, Section 3 of this Agreement

**b.** Contributions of cash and securities from third parties (those other than the Organization) may be accepted, but per Financial Accounting Standards Board Statement 136, the assets from third parties will be deposited in a Donor Gifts

Fund Sub-Fund of the Fund for accounting purposes and reported to the Organization separately. All of the property transferred to the Foundation by the third parties for deposit in the Fund, including additional contributions and any net income, minus any net losses derived from the investment of such property as provided herein shall be collectively referred to as the "Donor Gift Sub-Fund Assets" and shall be administered and distributed in accordance to the provisions of this Agreement and accounted for in accordance with Financial Accounting Standards Board Statement 136.

c. Any materials (including materials in written or electronic form or intended for broadcast) designed to raise money for or to otherwise publicize the Fund must be submitted in writing for review by the Foundation. No such materials shall be used without the Foundation's prior approval.

## **5. Ownership of Assets**

All gifts and contributions made to the Fund are irrevocable and become the sole property of the Foundation. The assets of the Fund will, at all times, be the property of the Foundation, held by the Foundation in its corporate capacity as a component fund of the Foundation under Treasury Regulation Section 1.170A-9(e)(11), and the Fund will not be deemed a trust fund held by the Foundation in a trustee capacity. The assets of the Fund will be reported as assets of the Foundation for both tax reporting purposes and for purposes of the Foundation's financial statements.

## **6. Reports**

The Foundation shall report to the Organization the investment performance of the investment pool in which the Assets are invested. Reporting shall be made on a quarterly basis approximately thirty (30) days following the end of each calendar quarter during the term. Audited annual financial statements of the Foundation will be made available on our web site and upon request.

## **7. Compliance with Internal Revenue Code**

Nothing in this Agreement shall affect the status of the Foundation as an organization described in Internal Revenue Code Section 501(c)(3), and as an organizations that is not a private foundation within the meaning of Section 509(a) of said Code. This Agreement shall be interpreted to conform to the requirements of the foregoing provisions of the Internal Revenue Code and any regulations issued pursuant thereto. The Foundation is authorized to amend this Agreement to conform to the provisions of any applicable law or government regulation.

## **8. Variance Power**

The Organization acknowledges and agrees that the Fund and all of the Assets will be administered by the Foundation in accordance with the terms and conditions of the Foundation's Articles of Incorporation and Bylaws, and applicable California and Federal statutes as may be amended from time to time. The Organization also acknowledges that, notwithstanding any provision contained in this Agreement to the contrary, the Foundation's Board of Directors has the sole variance power to modify any restrictions or conditions imposed upon the Fund or the Assets if, in the judgment of the Foundation's Board, such restriction becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable purposes or needs served by the Foundation.

## **9. Miscellaneous**

a. The Fund assets shall be administered and this Agreement and the validity thereof shall be governed by and construed in accordance with the laws of the State of California, without regard for the conflicts of laws principle thereof, and the applicable provisions of the Internal Revenue Code, as the same may be amended from time to time.

b. The captions of this Agreement are included for convenience only and shall in no way define or limit any of the provisions hereof or otherwise affect their construction or effect.

c. Neither party may assign any of its rights or delegate any of its duties under this Agreement. This Agreement shall be binding upon and shall inure to the benefits of the parties hereto and their respective successors.

d. If in any jurisdiction any provision of this Agreement or its application to any party or circumstance is restricted, prohibited or unenforceable, such provision shall, as to such jurisdiction, be ineffective only to the extent of the restriction, prohibition or unenforceability without invalidating the remaining provisions hereof and without affecting the validity or enforceability of such provision in any other jurisdiction or its application to other parties or circumstances.

e. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were upon the same instrument.

f. This Agreement may not be modified except by written instrument signed by both the Foundation and the Organization and only as consistent with all applicable state and federal law; provided, however, that while restrictions, if any, imposed by the Donor(s)/Organization upon the Fund may be removed by an amendment to this Agreement, no such restrictions may be changed and no new restrictions may be added by the Organization.

g. This Agreement, together with the exhibits and other documents referred to herein, contains the entire agreement of the Organization and the Foundation concerning the subject matter hereof and supersedes all prior and contemporaneous negotiations, correspondence, understanding, letters of intent, and agreements, whether verbal or written, between the parties regarding the subject matter hereof.

**End of Part B, no further text on this page**



Agreement for **San Lorenzo Water District Olympia Wellfield Habitat  
Set-Aside Endowment Fund**  
**Signature Page**

**IN WITNESS WHEREOF**, the Organization and the Foundation have  
caused this Agreement to be executed as of the date written above on  
Part A, page 1.

**SAN LORENZO VALLEY WATER DISTRICT**

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Charles Baughman  
President  
13060 Highway 9  
Boulder Creek, CA 95006

**COMMUNITY FOUNDATION  
SANTA CRUZ COUNTY**

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Susan True  
Chief Executive Officer  
7807 Soquel Drive  
Aptos, CA 95003  
[strue@cfsc.org](mailto:strue@cfsc.org)

**Community Foundation Santa Cruz County  
Agency Endowment Fund Agreement  
for the  
San Lorenzo Valley Water District Olympia Wellfield Habitat  
Set-Aside Endowment Fund**

This Agency Endowment Fund Agreement ("Agreement") is made on September 21, 2018 (the "Effective Date") by and between SAN LORENZO VALLEY WATER DISTRICT ("Organization"), and COMMUNITY FOUNDATION SANTA CRUZ COUNTY ("Foundation"), a California nonprofit public benefit corporation, to create a charitable fund at the Foundation. This Agreement sets out the terms and conditions that will apply to said Fund beginning on the date of the initial contribution to the Fund.

**Agreement, Part A**

**1. Initial Contribution**

The initial contribution must be a minimum of Twenty-five Thousand Dollars. The Organization hereby irrevocably transfers or will cause to be transferred to the Foundation for deposit in the Fund as the initial contribution to the Fund the following asset(s):

An initial cash contribution of approximately \$116,667, and subsequent contributions up to a total of approximately \$786,000.

**2. Fund Establishment and Fund Name**

Upon acceptance of the initial contribution by the Foundation, a fund shall be established on the books of the Foundation, which shall be known as the "San Lorenzo Valley Water District Olympia Wellfield Habitat Set-Aside Endowment Fund" (the "Fund").

**Commented [A1]:** Changed the name to be more specific than Environmental Endowment.

**3. Fund Purpose**

The Fund's general purpose is to promote and further the Foundation's charitable purposes as set forth in the Foundation's Articles of Incorporation and Bylaws. In particular, the Fund is being established solely to fund annual habitat management and monitoring within the habitat set-aside located at the Olympia Watershed.

**Commented [A2]:** Added.

**4. Type of Fund**

SLV Water District Olympia Wellfield Habitat Set-Aside Endowment Fund Agreement

a. Not a Donor-advised Fund. It is the express intent of the Organization and the Foundation that the Fund shall not be treated as a "donor-advised fund," as defined in Internal Revenue Code Section 4966(d), by virtue of the Fund being described in Internal Revenue Code Section 4966(d)(2)(B)(i), as a fund that benefits only a single identified organization, to wit, the Organization.

b. Agency Endowment Fund. As an endowment, it is intended that the Fund will continue to provide for the charitable purposes described above in perpetuity. The Fund will be an endowment fund, and distributions from the Fund shall be subject to the spending plan for endowed funds approved by the Board of Directors of the Foundation, as the same may be amended from time to time. Currently, the spending plan provides for a 4% annual payout calculated on the average balance of the Fund over 12 trailing quarters (or such shorter period of time as the Fund has been in existence) ending on December 31 each year (each December 31 will be referred to as a "Measurement Date"). The payout amount, if any, will be disbursed to the Organization by February 28 of the following year; provided, however, that no distributions shall be made from the Fund unless the Fund has been in existence for not less than four calendar quarters as of the Measurement Date, and only to the extent that accumulated earnings are available to spend on the Measurement Date.

## 5. Fund Investment Pool Selection

Organization wishes the Fund Assets to be invested in the (put investment pool name here) as described in Part B, Section 1 of this Agreement.

## 6. Foundation Services Fee

The Foundation Services Fee helps to cover management services that the Foundation provides directly to the Fund. The Foundation Services Fee also supports the services of the Foundation which benefit our community. These include, but are not limited to programs that 1) assist donors, 2) educate and strengthen local nonprofits, and 3) build regional partnerships to address critical local issues.

The Foundation shall charge this Fund a monthly Foundation Services Fee, determined as follows:

The annualized Foundation Services Fee for agency endowment funds will be an amount equal to the greater of (a) \$250 or (b) 1.50% of the Fund balance.

Based upon the foregoing annualized Foundation Services Fee formula, the monthly Foundation Services Fee for agency endowment funds will equal 0.125% of the balance of the Fund as of the last day of the month. The Foundation Services Fee will be due and payable in arrears on a monthly basis.

In the event the aggregate amount of Foundation Services Fee paid out of the Assets for the year is less than \$250, the difference in the two amounts shall be due and payable and shall be deducted from the Assets.

#### **7. Dissolution of the Foundation**

In the event of the dissolution of the Foundation, or in the event the Foundation ceases to be a Charitable Organization (defined below), the Assets remaining in the Fund, after payment or making provision for payment of any fees, expenses or other liabilities properly chargeable to the Fund, shall be distributed:

a. to the Organization; or

b. if the Organization is not then in existence or has ceased to be a Charitable Organization or a unit of government, to one or more such other Charitable Organizations or governmental units located in Santa Cruz County that serve purposes that are similar to those of the Organization as the Foundation's Board of Directors shall determine.

c. As used in this Agreement, a "Charitable Organization" is a nonprofit public benefit corporation or a charitable trust that is organized under the laws of the State of California and recognized by the Internal Revenue Service as being described in Internal Revenue Code Section 501(c)(3) other than a "private foundation" (as defined by Internal Revenue Code Section 509(a)).

#### **8. Dissolution of the Organization**

In the event of the dissolution of the Organization, or in the event the Organization ceases to be a Charitable Organization or a unit of government, the Foundation shall maintain the Fund; provided, however, the purposes of the Fund shall be modified to provide financial support to one or more such other Charitable Organizations or governmental units that serve purposes similar to those of the Organization as the Foundation's Board of Directors shall determine.

#### **9. Merger or Change in Structure of the Organization**

If the Organization merges with another organization, the entity resulting from such a merger shall succeed to the rights, powers and privileges of the Organization under this Agreement, but only if such resulting entity is a Charitable Organization or governmental unit. If the resulting entity is not a Charitable Organization or governmental unit, the Foundation shall maintain the Fund, and the Fund's purposes shall be modified in the same manner as is described in Part A, Section 8 above.

## **10. No Partnership**

This Agreement does not constitute and shall not be construed as constituting a partnership or joint venture between the Foundation and the Organization. Neither the Organization nor its governing board nor any representative of said board shall have any right to obligate or bind the Foundation in any manner whatsoever, and nothing in this Agreement shall give, or is intended to give, any rights of any kind to any third persons.

## **11. Representations and Warranties**

The Organization and the Foundation each represent and warrant to each other that:

a. it has received a ruling from the Internal Revenue Service (the "Service") that it is an organization described in Internal Revenue Code Section 501(c)(3) other than a private foundation and a ruling from the California Franchise Tax Board ("FTB") that it is an organization exempt from California income and franchise taxes under California Revenue & Tax Code ("California R&T Code") Section 23701d; (b) the facts and circumstances forming the basis for the issuance of these rulings have not substantially changed since the date of issuance thereof; and (c) the rulings have not been revoked;

OR in the case of the Organization, that it is a governmental or quasi-governmental unit as described in Internal Revenue Code Section 170(c)(1) or Internal Revenue Code Section 115.

b. it shall promptly notify the other party in writing in the event the Service or the FTB revokes its ruling that the Organization is a tax exempt organization described in Internal Revenue Code Section 501(c)(3) other than a private foundation or Section 23701d of the California R&T Code, as the case may be, or if the Service, the FTB or the California Attorney General's office has commenced proceedings or an investigation that may result in any of these actions; and

c. this Agreement has been duly authorized by requisite action of the representing party and has been executed on behalf of the representing party by persons authorized to do so.

## **12. Notice**

Any notice required or permitted to be given by this Agreement shall be in writing and shall be deemed given (1) when delivered in person, (2) when dispatched by facsimile or electronic mail transfer (confirmed in writing by postage prepaid first class mail simultaneously dispatched), (3) when sent by nationally-recognized overnight courier service (with receipt confirmed by such overnight courier service), or (4) when sent by registered or certified mail, to the other party at the address of such party set forth below or at such other address as such party may from time to time specify in writing to the other party in accordance with this Section 12.

If to the Organization:

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

If to the Foundation:

Community Foundation Santa Cruz County  
7807 Soquel Drive  
Aptos, CA 95003  
Attn: Robin Larsen, Donor Services Officer

### **13. Amendment**

This Agreement may be amended only by an agreement in writing approved by a majority of the Board of Directors of the Foundation and the governing body of the Organization. No amendment shall be valid if it would be inconsistent with or jeopardizes the Foundation's status as a Charitable Organization.

### **14. Arbitration**

The Organization hereby agrees that all controversies which may arise between the Foundation and the Organization concerning any transaction or the construction, performance, or breach of any provision of this Agreement, whether entered into prior to, on, or subsequent to the date herein, shall be determined by arbitration. Any arbitration shall be held in Santa Cruz County, State of California, and shall be governed by the rules of the American Arbitration Association and the laws of the State of California.

**End of Part A – No further text on this page.**

## **Agreement for San Lorenzo Water District Olympia Wellfield Habitat Set-Aside Endowment Fund Part B-Endowed Funds**

### **1. Asset Management and Investment Pool Descriptions**

**a. Asset Management.** The Foundation will hold, manage, invest and reinvest the Assets as part of the Foundation's investment portfolio consistent with the Foundation's investment policy, a copy of which is available upon request. Although the Assets may be commingled with other assets of the Foundation, the Fund's separate identity will be maintained.

**b. Choice of Investment Pool.** The Assets will be managed in the investment pool set forth in Part A, Section 5 of this Agreement.

**c.** There are several choices available depending on the expected duration of the Fund and the Organization's risk tolerance. Endowed funds may be invested in either the Long-Term Pool or the Socially Responsible Long-Term Pool described below.

Long-Term. Invested for long-term growth in accordance with the Foundation's investment policy.

Socially Responsible Long-Term. Invested with same target return and asset allocations as the Long-Term Pool, with a preference toward three areas:

**i. *Socially Responsible Investing (SRI).*** An exclusionary approach that seeks to avoid investing in companies whose products or services are ethically and environmentally questionable or controversial.

**ii. *Environmental, Social, and Governance (ESG).*** An integrative approach that seeks to include companies that have been identified as "best-in-class" when evaluated against key environmental, social, and governance metrics.

**iii. *Impact Investing.*** An approach that seeks investments that deliver social good within our community, as well as competitive financial returns.

**d.** The Organization, may recommend once per calendar year that the Fund Assets be moved into another investment pool by submitting its recommendation to the Foundation in writing, which recommendation will be considered and evaluated by the Foundation. Organization must include a reference

that its Board of Directors has approved the change in investment pools in its written request. Approved changes will be effective by the end of the month following the month the request is received (*e.g.*, If the request is received in March, the fund will be moved no later than April 30).

## **2. No Guarantee of Investment Return**

a. Rate of Return. The Foundation does not guarantee that the Fund will earn a particular rate of return with respect to the investment of the Assets; rather, the Assets shall be invested in the investment pool selected in accordance with Part A, Section 5 above and shall earn the identical return on those assets in said investment pool that the Foundation earns with respect to its other assets invested in that particular investment pool. All income and capital gains or losses of the investment pool in which the Assets are invested shall be allocated to the Fund on a monthly and pro rata basis, based upon the ratio that the value of the Assets invested in the investment pool bears to the aggregate value of all assets invested in said pool.

b. Diminution of Value. The Foundation will not be liable for any diminution in value of the Assets, including, but not limited to, losses directly or indirectly caused by acts of war, acts of terrorism, labor disputes, exchange or market decisions, including the suspension of trading, market volatility, trade volume, or by government restriction or otherwise.

## **3. Fees and Expenses Description**

a. Foundation Services Fee. The Foundation Services Fee helps to cover management services that the Foundation provides directly to the Fund. The Foundation Services Fee also supports the services of the Foundation which benefit our community. These include, but are not limited to programs 1) that assist donors, 2) educate and strengthen local nonprofits, and 3) build regional partnerships to address critical local issues. The Fund shall be charged the Foundation Services Fee as determined in accordance with the formula set forth in Part A, Section 6 ("Foundation Services Fee"). Said formula is subject to change from time to time on advance notice of such change to the Organization.

b. Investment Management Fees. Investment management and other fees and costs charged by the investment managers managing the investment pool in which the Assets are invested shall be allocated and charged to the Fund on a pro rata basis, based upon the ratio that the value of the Assets invested in said investment pool bears to the aggregate value of all assets invested in said pool.

c. Direct Expenses. In addition to the Investment Management Fees described in Part B, Section 3(b) above, the Foundation may, from time to time, incur third-party expenses in connection with the administration of the Fund, including but not limited to legal, accounting, credit card fees, and other



professional fees and related charges (collectively, the "Direct Expenses"). Such Direct Expenses shall be allocated and charged to the Fund. Where such Direct Expenses relate to one or more investment pools in which Assets were invested, they will be allocated and charged to the Fund on a pro rata basis, based upon the ratio that the value of the Assets invested in the applicable investment pool bears to the aggregate value of all assets invested in said investment pool.

**d. Organization's Expenses.** The Organization shall be responsible for payment of all fees to the Organization's own professional advisors (attorney, accountant, financial advisor, etc.) involved in the set-up of the Fund.

**e. Payment of Fees and Expenses**

**i. *Foundation Services Fee.*** The Foundation Services Fee shall be due and payable in arrears and shall be deducted from the Assets on the last day of each month.

**ii. *Investment Management Fees.*** The Investment Management Fees shall be deducted from the Assets in accordance with agreements between the Foundation and the applicable investment managers for the pool or pools in which the Assets are invested.

**iii. *Direct Expenses.*** The Foundation shall be entitled to reimbursement for Direct Expenses out of the Assets. The Foundation shall deliver to the Organization a notice of its intent to be reimbursed within fifteen (15) days in advance of the applicable reimbursement.

**4. Additions to Fund**

**a.** It is anticipated by the Organization and the Foundation that, from time to time, other assets may be contributed to the Fund. Contributions of cash and marketable securities from the Organization may be accepted and deposited into the Fund at any time. The Foundation will have the discretion to accept or refuse any non-cash contributions. All of the property transferred to the Foundation by the Organization for deposit in the Fund, including additional contributions and any net income, minus any net losses derived from the investment of such property as provided herein shall be collectively referred to as the "Assets" and shall be administered and distributed in accordance to the provisions of this Agreement, including, without limitation, for the purpose set forth in Part A, Section 3 of this Agreement

**b.** Contributions of cash and securities from third parties (those other than the Organization) may be accepted, but per Financial Accounting Standards Board Statement 136, the assets from third parties will be deposited in a Donor Gifts

Fund Sub-Fund of the Fund for accounting purposes and reported to the Organization separately. All of the property transferred to the Foundation by the third parties for deposit in the Fund, including additional contributions and any net income, minus any net losses derived from the investment of such property as provided herein shall be collectively referred to as the "Donor Gift Sub-Fund Assets" and shall be administered and distributed in accordance to the provisions of this Agreement and accounted for in accordance with Financial Accounting Standards Board Statement Statement 136.

c. Any materials (including materials in written or electronic form or intended for broadcast) designed to raise money for or to otherwise publicize the Fund must be submitted in writing for review by the Foundation. No such materials shall be used without the Foundation's prior approval.

## **5. Ownership of Assets**

All gifts and contributions made to the Fund are irrevocable and become the sole property of the Foundation. The assets of the Fund will, at all times, be the property of the Foundation, held by the Foundation in its corporate capacity as a component fund of the Foundation under Treasury Regulation Section 1.170A-9(e)(11), and the Fund will not be deemed a trust fund held by the Foundation in a trustee capacity. The assets of the Fund will be reported as assets of the Foundation for both tax reporting purposes and for purposes of the Foundation's financial statements.

## **6. Reports**

The Foundation shall report to the Organization the investment performance of the investment pool in which the Assets are invested. Reporting shall be made on a quarterly basis approximately thirty (30) days following the end of each calendar quarter during the term. Audited annual financial statements of the Foundation will be made available on our web site and upon request.

## **7. Compliance with Internal Revenue Code**

Nothing in this Agreement shall affect the status of the Foundation as an organization described in Internal Revenue Code Section 501(c)(3), and as an organizations that is not a private foundation within the meaning of Section 509(a) of said Code. This Agreement shall be interpreted to conform to the requirements of the foregoing provisions of the Internal Revenue Code and any regulations issued pursuant thereto. The Foundation is authorized to amend this Agreement to conform to the provisions of any applicable law or government regulation.

## **8. Variance Power**

The Organization acknowledges and agrees that the Fund and all of the Assets will be administered by the Foundation in accordance with the terms and conditions of the Foundation's Articles of Incorporation and Bylaws, and applicable California and Federal statutes as may be amended from time to time. The Organization also acknowledges that, notwithstanding any provision contained in this Agreement to the contrary, the Foundation's Board of Directors has the sole variance power to modify any restrictions or conditions imposed upon the Fund or the Assets if, in the judgment of the Foundation's Board, such restriction becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable purposes or needs served by the Foundation.

## **9. Miscellaneous**

a. The Fund assets shall be administered and this Agreement and the validity thereof shall be governed by and construed in accordance with the laws of the State of California, without regard for the conflicts of laws principle thereof, and the applicable provisions of the Internal Revenue Code, as the same may be amended from time to time.

b. The captions of this Agreement are included for convenience only and shall in no way define or limit any of the provisions hereof or otherwise affect their construction or effect.

c. Neither party may assign any of its rights or delegate any of its duties under this Agreement. This Agreement shall be binding upon and shall inure to the benefits of the parties hereto and their respective successors.

d. If in any jurisdiction any provision of this Agreement or its application to any party or circumstance is restricted, prohibited or unenforceable, such provision shall, as to such jurisdiction, be ineffective only to the extent of the restriction, prohibition or unenforceability without invalidating the remaining provisions hereof and without affecting the validity or enforceability of such provision in any other jurisdiction or its application to other parties or circumstances.

e. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were upon the same instrument.

f. This Agreement may not be modified except by written instrument signed by both the Foundation and the Organization and only as consistent with all applicable state and federal law; provided, however, that while restrictions, if any, imposed by the Donor(s)/Organization upon the Fund may be removed by an amendment to this Agreement, no such restrictions may be changed and no new restrictions may be added by the Organization.

g. This Agreement, together with the exhibits and other documents referred to herein, contains the entire agreement of the Organization and the Foundation concerning the subject matter hereof and supersedes all prior and contemporaneous negotiations, correspondence, understanding, letters of intent, and agreements, whether verbal or written, between the parties regarding the subject matter hereof.

**End of Part B, no further text on this page**

Agreement for **San Lorenzo Water District Olympia Wellfield Habitat  
Set-Aside Endowment Fund**  
**Signature Page**

**IN WITNESS WHEREOF**, the Organization and the Foundation have  
caused this Agreement to be executed as of the date written above on  
Part A, page 1.

**SAN LORENZO VALLEY WATER DISTRICT**

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Charles Baughman  
President  
13060 Highway 9  
Boulder Creek, CA 95006

**COMMUNITY FOUNDATION  
SANTA CRUZ COUNTY**

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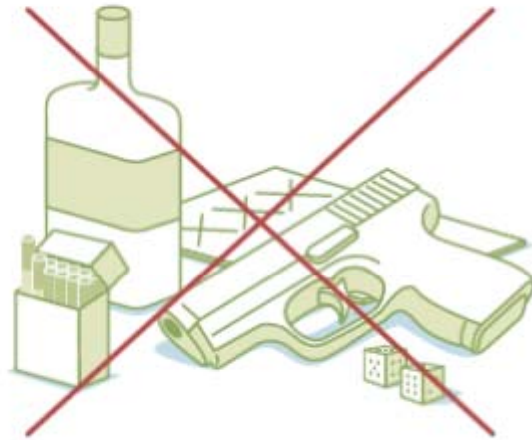
Susan True  
Chief Executive Officer  
7807 Soquel Drive  
Aptos, CA 95003  
[strue@cfsc.org](mailto:strue@cfsc.org)

# Approaches to sustainable investing

## Exclusion

*Avoid controversial activities*

USD 19.9trn



## Integration

*Use relevant sustainability information*

USD 13.8trn



## Impact investing

*Positive impact and financial return*










USD 0.1trn



Source: UBS, figures from Global Sustainable Investment Alliance (GSIA)

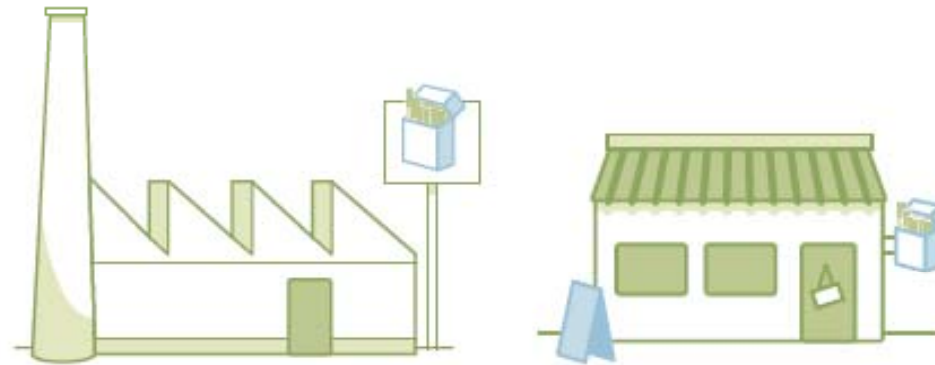
# Socially Responsible Landscape

## The Evolution of Responsible Investing

	"Sin Stocks"	1900s
	Shareholder Activism	1960s
	Environment	1970s
	South Africa	1980s
	Product Safety, Workplace & Consumer Protection	1990s
	Corporate Scandals & the Financial Crisis	2000s
	Fossil Fuel Divestment	2010s
	SRI	
	ESG	

# Exclusionary approaches

Companies involved in certain activities are removed from an investor's portfolio



Business activity to exclude	Production	Distribution
Tobacco	Tobacco manufacturers	Retailers, airlines, hotels
Alcohol	Alcohol manufacturers	Retailers, airlines, hotels, restaurants, cruise lines
Weapons	Weapons manufacturers Defense contractors	Retailers
Gambling	Casinos, hotels, cruise lines	
Adult entertainment	Specialized media	Media, cable and telecom companies, cruise lines, hotels

Source: UBS



# Integration Approaches

Integration approaches combine environmental, social and governance (ESG) information with traditional financial information to guide sustainable investment decisions



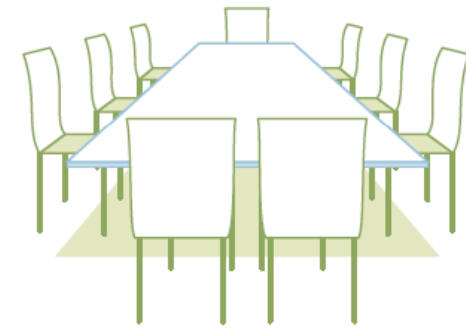
## **Environmental**

- Environmental policy and management
- Energy footprint
- Water supply
- Sustainable transport
- Waste management
- Climate change strategy



## **Social**

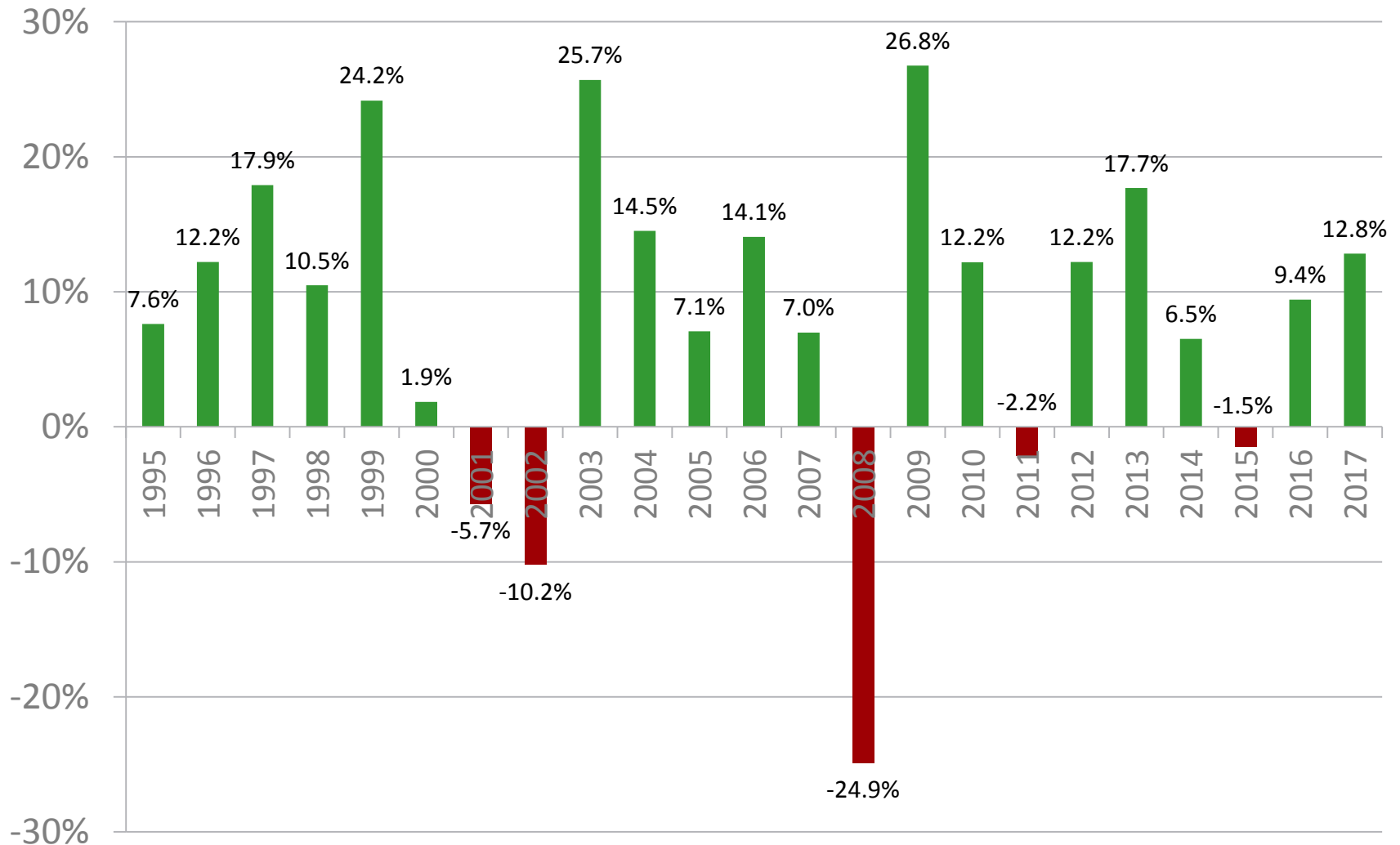
- Consumer rights
- Supply chain management
- Health and safety
- Product safety
- Labor relationships
- Community relations
- Stakeholder relations
- Human rights



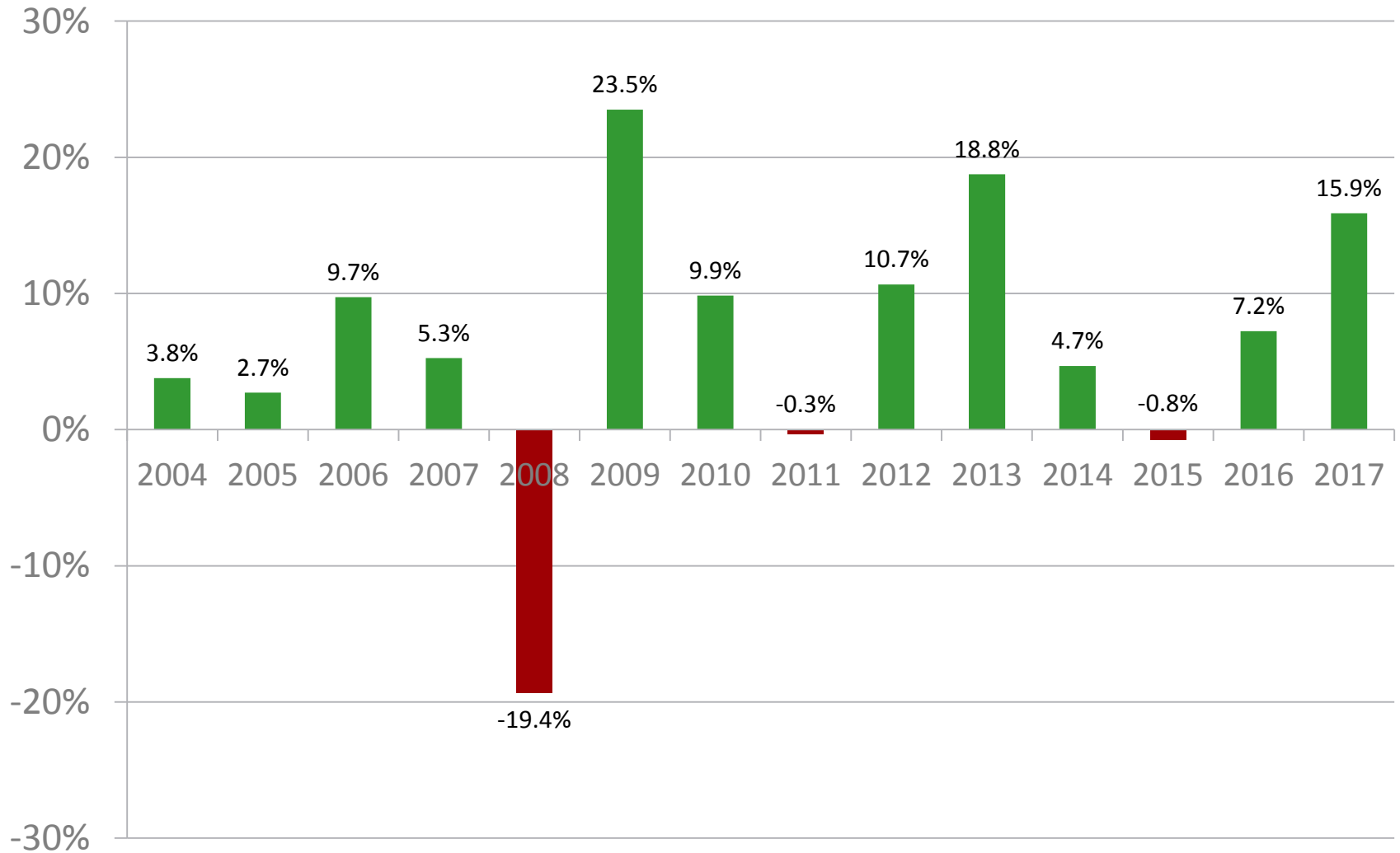
## **Governance**

- Board structure
- Board diversity
- Executive pay
- Shareowner rights
- Accounting/ audit
- Business ethics
- Conflicts of interest

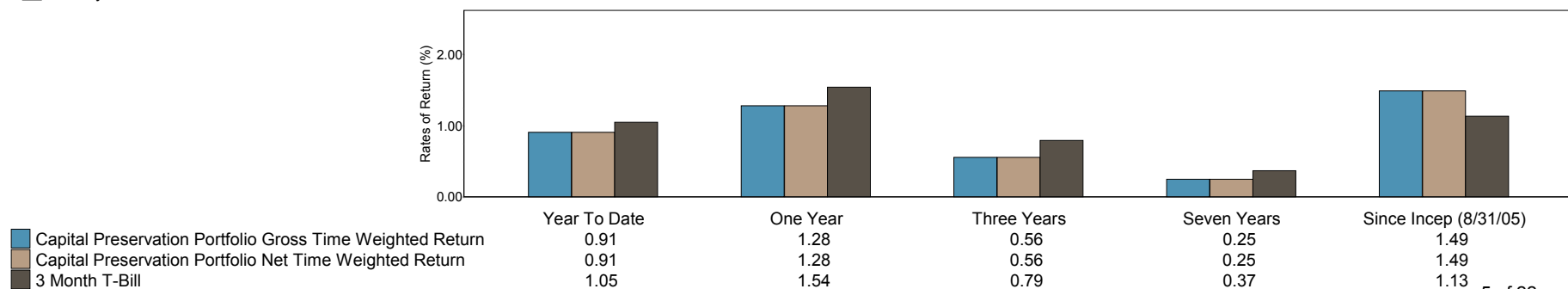
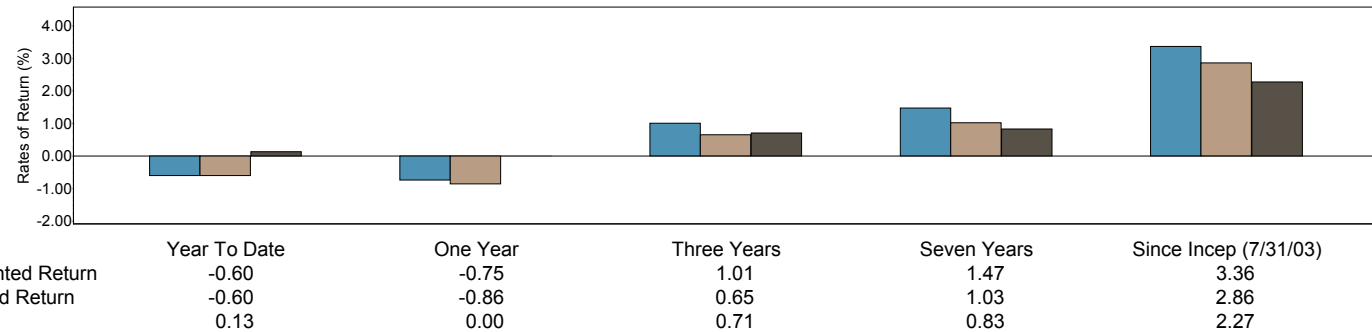
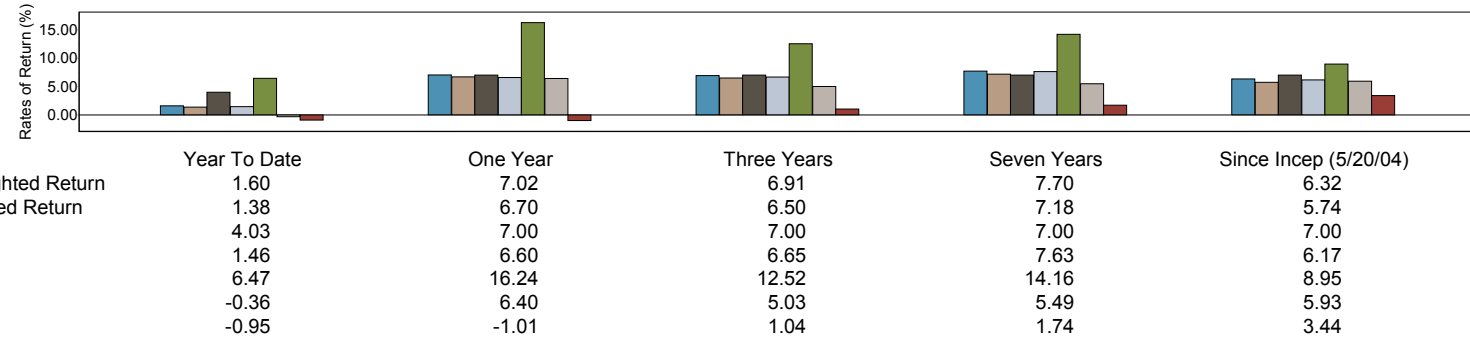
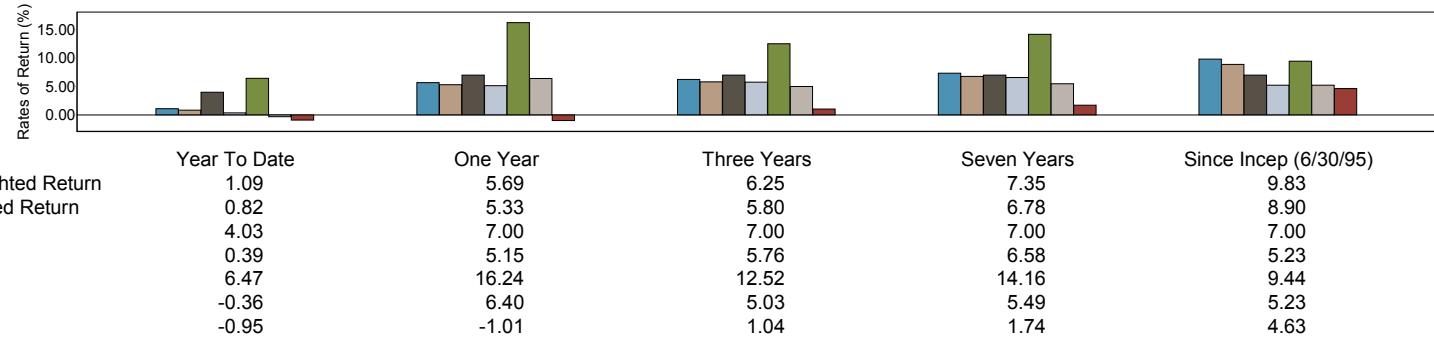
## LONG TERM PORTFOLIO - ANNUAL RETURNS



## SOCIALLY RESPONSIBLE PORTFOLIO – ANNUAL RETURNS



**THE COMMUNITY FOUNDATION OF SANTA CRUZ COUNTY**  
**JULY 31, 2018**





NOSSAMAN LLP

## Memorandum

**TO:** Board of Directors,  
San Lorenzo Valley Water District

**FROM:** Gina R. Nicholls, District Counsel

**DATE:** September 14, 2018

**RE:** Proposed Resolution No. 7 (18-19) to Revise the District's Policies and Procedures for Conducting Proposition 218 Proceedings

---

### **RECOMMENDATION**

Review and discuss proposed Resolution No. 7 (17-18) which would revise the San Lorenzo Valley Water District's ("District's") policies and procedures for conducting Proposition 218 proceedings. Adopt the resolution as written, or with specific revisions.

### **BACKGROUND**

The District is in the process of initiating a Proposition 218 process regarding sewer fees and charges for Bear Creek Estates. As part of the proposed Proposition 218 process, I reviewed the District's existing policies and procedures for conducting Proposition 218 proceedings for property-related fees and charges (Const. art. XIII D, § 6). As a result of this review, I am recommending minor clean-up revisions show in Exhibit A to the proposed resolution.

**FISCAL IMACT:**  
N/A

**STRATEGIC PLAN:**  
N/A

### **ATTACHMENTS:**

1. Proposed Resolution No. 7 (18-19) and Exhibit A thereto.
2. Existing Policies and Procedures for Conducting Proposition 218 Proceedings.

SAN LORENZO VALLEY WATER DISTRICT  
RESOLUTION NO. 7 (18-19)  
REVISIONS TO POLICIES AND PROCEDURES FOR CONDUCTING PROPOSITION 218 PROPERTY-  
RELATED FEES AND CHARGES PROCEEDINGS

WHEREAS, the San Lorenzo Valley Water District (District) is in the process of initiating a Proposition 218 process regarding sewer fees and charges;

WHEREAS, as part of the proposed Proposition 218 process, the District has reviewed its existing policies and procedures for conducting such proceedings; and

WHEREAS, as a result of this review, District Counsel has recommended minor changes to the District's existing policies and procedures.

NOW, THEREFORE, BE IT RESOLVED that, effective September 20, 2018, the San Lorenzo Valley Water District Board of Directors hereby approves and adopts revisions to the District's policies and procedures for conducting Proposition 218 property-related fees and charges proceedings as set forth in Exhibit "A" attached hereto; and

BE IT FURTHER RESOLVED that the District Manager is hereby authorized and directed to take all action necessary to implement this Resolution, including without limitation making appropriate changes to the District's Policies and Procedures based on the changes set forth in Exhibit "A".

-----  
PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 20th day of September, 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"

**REVISIONS TO POLICIES AND PROCEDURES OF THE  
SAN LORENZO VALLEY WATER DISTRICT  
ADOPTED BY RESOLUTION 7 (18-19)  
Effective 9.20.2018**

Amended:

**ARTICLE V. ELECTIONS AND PUBLIC VOTING**

**SECTION 5.01 CONDUCTING PROPOSITION 218 PROPERTY- RELATED FEES AND CHARGES  
PROCEEDINGS**

Section 5.01 Conducting Proposition 218 Property Related Fees and Charges Proceedings

- (a) Statement of Legislative Intent. It is the Board's intent to adopt procedures for property related fees and charges proceedings which are consistent and in compliance with Articles XIIC and XIID of the California Constitution and, with the Proposition 218 Omnibus Implementation Act (Government Code sections 53750 through 53754). It is not the intent of the Board to vary in any way from the requirements of Articles XIIC and XIID or the Proposition 218 Omnibus Implementation Act.
- (b) Procedures for new or Increased Property Related Fees and Charges. The District shall apply the following procedures for the establishment of new or increased property related fees or charges, such as, for example, increases to water use rates or, changes in the water use rate structures. Said procedures follow the requirements of Article XIID, section 6 of the California Constitution:
- (i) The District shall identify each parcel upon which new or increased property related fees or charges are proposed for imposition.
  - (ii) The District shall calculate the amount of any proposed property related fees or charges.
  - (iii) The District shall provide written notice by mail of any proposed property related fees or charges to:
    - 1. the record owner(s) of each identified parcel upon which the fees or charges are proposed for imposition and
    - 2. the service account holder of record for each identified parcel upon which the fees or charges are proposed for imposition, if different from the record owner.

Deleted: property mailing address

(iv) Such written notice shall contain, as a minimum,

1. the amount of the proposed property related fees or charges to be imposed upon each parcel, and/or the basis upon which the amount of the proposed property related fees or charges were calculated, and

Deleted: ¶  
2.

2. the reason(s) for the proposed property related fees or charges, and

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3. the date, time and location for a public hearing on the proposed property related fees or charges.

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(c) Notice of Proposed Property Related Fees or Charges. The District shall apply the following procedures to provide property owner(s) with a notice of proposed property related fees or charges.

(i) The record owner(s) and property mailing address of record of each parcel upon which new or increased property related fees or charges are proposed may be determined from the last equalized secured property tax assessment roll. If this method is used, and the property tax roll indicates more than one owner at different mailing addresses, notice shall be mailed to each owner.

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Deleted: shall receive notice

(ii) Said notice shall be mailed at least forty-five (45) calendar days prior to the date set for a public hearing on the proposed property related fees or charges.

(iii) The notice provided by this section and in accordance with Article XIID, section 6 of the California Constitution shall supersede and be in lieu of any other statute requiring notice relative to the imposition or increase of any property related fees or charges, including but not limited to the notices required by California Government Code sections 53753(d) and 54954.6.

(iv) Failure of any person to receive notice shall not invalidate the proceedings.

(v) The cost of providing notice may be included as a cost of the property related fees and charges.

(d) Public Hearing. The District shall apply the following procedures pursuant to a public hearing for proposed property related fees or charges:

(i) The Board shall conduct a public hearing relative to any new or increased of property related fees or charges.

(ii) Said public hearing shall be conducted not less than forty-five (45) calendar days after mailing the notice.

Deleted: of proposed property related fees or charges to the record owner(s) of each identified parcel upon which the fees or charges are proposed for imposition



(iii) At the public hearing, the Board shall hear and consider public testimony regarding the proposed property related fees or charges and, shall accept written protests until the close of the public testimony portion of the public hearing.

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Deleted: against the proposed property related fees or charges from the record owner(s) of each identified parcel upon which the fees or charges are proposed for imposition

(iv) The Board may impose reasonable time limits on both the length of the entire hearing and the length of each speaker's testimony.

(e) Property Related Fees and Charges Requiring a Protest Vote (NO vote only). The District shall apply the following procedures to protest pursuant to property related fees or charges requiring a protest vote.

(i) Upon establishing the date for a public hearing, the Board will appoint an individual or group to act as an impartial arbiter to collect all protest forms that have been properly submitted, present the protest tabulation to the Board, and if necessary, determine the validity of protests received and present a final tabulation. No sitting Board Member may be appointed arbiter.

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(ii) After the conclusion of the public testimony portion of the public hearing, the arbiter shall tabulate the written protests received, including those received during the public hearing.

(iii) If it is not possible to tabulate the written protests on the day of the public hearing, or if additional time is necessary for public testimony, the Board may continue the public hearing to a later date to receive additional testimony, or to finish tabulating the written protests only.

(iv) The arbiter shall provide the Board with a final tabulation of written protests if necessary to determine whether there is a majority protest. A final tabulation will not be required if, at the conclusion of the public testimony portion of the hearing, it is manifestly apparent whether or not there is a majority protest.

(v) All written protests must be dated, contain a description of the property such as physical address and/or Assessor's Parcel Number, and be signed by the owner or account holder of record.

Deleted: <#>Upon final tabulation of written protests, if written protests against the proposed property related fees or charges are presented by a majority of the properties upon which the fee or charge would be imposed (50% + 1), the Board shall not impose the property related fees or charges.¶

(vi) An account holder of record includes lawful tenants occupying the property and holding an account in good standing with the District for the property in question. The District reserves the right to require that the account holder of record provide proof of lawful tenancy of the property in question. Said proof may include a copy of a legal rental contract or a utility bill other than water or sewer. Other proof of lawful tenancy may be allowed, at the

arbitrator's discretion. In these proceedings the arbitrator's decision regarding lawful tenancy is final.

- (vii) Protest~~s~~ may be made using the form provided by the District. As long as the protest contains all of the specified information it does not need to be on the District-provided form.
- (viii) Only one (1) written protest shall be counted for each individual parcel that receives the property-related service.
- (ix) All written protest are a "public record" as that phrase is defined by the California Public Records Act (Government Code, §6252) and shall be open to public inspection after final tabulation of the written protest.

(x) After submitting a protest to the District the person who signed the protest may withdraw it by submitting a written statement to the District directing the District to withdraw the protest. Such statement must be received by the District prior to close of the public testimony portion of the public hearing. When protests are tabulated, the District shall segregate withdrawn protests from all other submitted protests. The District shall retain all withdrawn protests and shall indicate on the face of such withdrawn protests that they have been withdrawn.

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Subsection (f) of Section 5.01 shall be deleted in its entirety.

POLICIES AND PROCEDURES OF  
THE SAN LORENZO VALLEY WATER DISTRICT  
(Adopted FEBRUARY 4, 2016)

## **Article V. ELECTIONS AND PUBLIC VOTING**

### **Section 5.01 Conducting Proposition 218 Property Related Fees and Charges Proceedings**

- (a) Statement of Legislative Intent. It is the Board's intent to adopt procedures for property related fees and charges proceedings which are consistent and in compliance with Articles XIIC and XIID of the California Constitution and, with the Proposition 218 Omnibus Implementation Act (Government Code sections 53750 through 53754). It is not the intent of the Board to vary in any way from the requirements of Articles XIIC and XIID or the Proposition 218 Omnibus Implementation Act.
- (b) Procedures for new or Increased Property Related Fees and Charges. The District shall apply the following procedures for the establishment of new or increased property related fees or charges, such as, for example, increases to water use rates or, changes in the water use rate structures. Said procedures follow the requirements of Article XIID, section 6 of the California Constitution:
  - (i) The District shall identify each parcel upon which new or increased property related fees or charges are proposed for imposition.
  - (ii) The District shall calculate the amount of any proposed property related fees or charges.
  - (iii) The District shall provide written notice by mail of any proposed property related fees or charges to:
    - 1. the record owner(s) of each identified parcel upon which the fees or charges are proposed for imposition and
    - 2. the property mailing address of record for each identified parcel upon which the fees or charges are proposed for imposition,
  - (iv) Such written notice shall contain, as a minimum,
    - 1. the amount of the proposed property related fees or charges to be imposed upon each parcel, and
    - 2. the basis upon which the amount of the proposed property related fees or charges were calculated, and
    - 3. the reason for the proposed property related fees or charges, and
    - 4. the date, time and location for a public hearing on the proposed property related fees or charges.

(c) Notice of Proposed Property Related Fees or Charges. The District shall apply the following procedures to provide property owner(s) with a notice of proposed property related fees or charges.

- (i) The record owner(s) and property mailing address of record of each parcel upon which new or increased property related fees or charges are proposed shall be determined from the last equalized secured property tax assessment roll. If the property tax roll indicates more than one owner, each owner shall receive notice.
- (ii) Said notice shall be mailed at least forty-five (45) calendar days prior to the date set for a public hearing on the proposed property related fees or charges.
- (iii) The notice provided by this section and in accordance with Article XIID, section 6 of the California Constitution shall supersede and be in lieu of any other statute requiring notice relative to the imposition or increase of any property related fees or charges, including but not limited to the notices required by California Government Code sections 53753(d) and 54954.6.
- (iv) Failure of any person to receive notice shall not invalidate the proceedings.
- (v) The cost of providing notice may be included as a cost of the property related fees and charges.

(d) Public Hearing. The District shall apply the following procedures pursuant to a public hearing for proposed property related fees or charges:

- (i) The Board shall conduct a public hearing relative to any new or increased of property related fees or charges.
- (ii) Said public hearing shall be conducted not less than forty-five (45) calendar days after mailing the notice of proposed property related fees or charges to the record owner(s) of each identified parcel upon which the fees or charges are proposed for imposition.
- (iii) At the public hearing, the Board shall hear and consider all public testimony regarding the proposed property related fees or charges and, shall accept written protests against the proposed property related fees or charges from the record owner(s) of each identified parcel upon which the fees or charges are proposed for imposition until the close of the public testimony portion of the public hearing.
- (iv) The Board may impose reasonable time limits on both the length of the entire hearing and the length of each speaker's testimony.

(e) Property Related Fees and Charges Requiring a Protest Vote (NO vote only). The District shall apply the following procedures to protest pursuant to property related fees or charges requiring a protest vote.

- (i) Upon establishing the date for a public hearing, the Board will appoint an individual or group to act as an impartial arbiter to present the final protest

tabulation to the Board, determine acceptability of received protests and determine the lawful tenancy of any protests received. No sitting Board Member may be appointed arbiter.

- (ii) At the conclusion of the public testimony portion of the public hearing, the arbiter shall finalize tabulation of the written protests received, including those received during the public hearing.
  - (iii) If it is not possible to tabulate the written protests on the day of the public hearing, or if additional time is necessary for public testimony, the Board may continue the public hearing to a later date to receive additional testimony, or to finish tabulating the written protests.
  - (iv) The arbiter shall provide the Board with a final tabulation of written protests.
  - (v) Upon final tabulation of written protests, if written protests against the proposed property related fees or charges are presented by a majority of the properties upon which the fee or charge would be imposed (50% + 1), the Board shall not impose the property related fees or charges.
  - (vi) All protests must be in writing and returned by mail or hand delivered to the District at the address indicated on the Notice of Proposed Property Related Fees or Charges, or hand delivery to the arbiter at the public hearing. Protests must be received by the District not later than the close of the public testimony portion of the public hearing on the proposed property related fees or charges.
  - (vii) All written protests must be dated, contain a description of the property such as physical address and/or Assessor's Parcel Number, and be signed by the owner or account holder of record.
  - (viii) An account holder of record includes lawful tenants occupying the property and holding an account in good standing with the District for the property in question. The District reserves the right to require that the account holder of record provide proof of lawful tenancy of the property in question. Said proof may include a copy of a legal rental contract or a utility bill other than water or sewer. Other proof of lawful tenancy may be allowed, at the arbiter's discretion. In these proceedings the arbiter's decision regarding lawful tenancy is final.
  - (ix) Protest ballots may be made using the template provided by the District. As long as the protest ballot contains all of the specified information it does not need to be on the District-provided template.
  - (x) Only one (1) written protest shall be counted for each individual parcel.
  - (xi) All written protest are a "public record" as that phrase is defined by the California Public Records Act (Government Code, §6252) and shall be open to public inspection after final tabulation of the written protest.
- (f) Property Related Fees or Charges Requiring a Ballot Proceeding (YES or NO vote).

Procedures Pursuant to Article XIID, section 6 (c), of the California Constitution, whenever proposed property related fees or charges are required to be submitted and approved by ballot proceedings, the District shall apply the following procedures:

- 1st The District shall conduct a ballot proceeding when required by Article XIID, section 6(c), of the California Constitution.
- 2nd Ballots shall be mailed to all property owners of record of each identified parcel upon which property related fees or charges are proposed for imposition at least forty-five (45) calendar days prior to the date for a public hearing on the ballot proceedings. The ballot shall comply with California Government Code Section 53753(c). The mailing address of record owner(s) shall be determined from the last equalized secured property tax assessment roll.
- 3rd The Board shall conduct a public hearing on the ballot proceedings. The public hearing shall be conducted not less than forty-five (45) calendar days after mailing the ballots to record owner(s) of each identified parcel upon which the fees or charges are proposed for imposition. At the public hearing, the District shall consider public testimony and tabulate the written ballots.
- 4th The District shall not impose property related fees or charges if there is a majority protest. A majority protest exists if, upon the conclusion of the public hearing, written ballots submitted and not withdrawn, in opposition to the property related fees or charges exceeds the written ballots submitted, and not withdrawn, in favor of the property fees or charges.
- 5th All ballots must be returned by mail to the District at the address indicated on the ballot, or hand delivered to the District Secretary at the ballot proceedings public hearing. Ballots must be received by the District not later than the close of the public testimony portion of the public hearing on the ballot proceedings. Ballots must be sealed in the envelope provided by the District.
  - (i) Each ballot must be signed by the owner of record under penalty of perjury.
  - (ii) A tenant of real property shall not, solely by virtue of such tenancy, have the power or authority to submit a ballot.
  - (iii) If a parcel has multiple owners, any owner may request a proportional ballot. If the ownership interest of the owner is not shown on the last secured property tax assessment roll, such request must include evidence satisfactory to the arbiter, of the owner's proportional rights to the parcel. The District will provide the proportional ballot to the owner at the address shown on the last equalized secured property tax assessment roll. Any request for a ballot to be mailed to another location must be made in writing and, must include evidence satisfactory to the arbiter, of the identity of the person requesting the ballot. Each proportional ballot will be marked to show the date on which the ballot was issued, to identify it as a proportional ballot, and to indicate the owner's proportional rights in the parcel. The District will keep a record of each proportional ballot provided to an owner.

- (iv) The District will accept only official ballots with original signatures. Photocopies will not be accepted.
- (v) Upon receipt of a written request, signed by the owner and delivered to the District, the District may issue a duplicate ballot to any property owner whose original ballot was lost, withdrawn, destroyed, or never received. The duplicate ballot will be marked to show the date on which it was issued, and to identify it as a duplicate ballot or a duplicate proportional ballot. The above procedure also applies to duplicate ballots or duplicate proportional ballots that are lost, withdrawn, destroyed or never received.
- (vi) A ballot proceeding relative to property related fees or charges is not an election.
- (vii) All ballots are a “public record” as that phrase is identified by the California Public Records Act (Government Code, §6252) and shall be open to public inspection after final tabulation of the ballots.
- (viii) To complete a ballot, a person must:
  - 1. Mark the appropriate box supporting or opposing the proposed property related fees or charges; and
  - 2. Sign, under penalty of perjury, the statement on the ballot that the person completing the ballot is the owner of the parcel or the owner’s authorized representative.

Only one box may be stamped or marked on each ballot. All incomplete or improperly marked ballots shall be disqualified from balloting. The District shall retain all disqualified ballots.

- (ix) After submitting a ballot to the District the person who signed the ballot may withdraw the ballot by submitting a written statement to the District directing the District to withdraw the ballot. Such statement must be received by the District prior to close of the public testimony portion at the ballot proceedings public hearing. When ballots for the proposed property related fees or charges are tabulated, the District shall segregate withdrawn ballots from all other submitted ballots. The District shall retain all withdrawn ballots and shall indicate on the face of such withdrawn ballots that they have been withdrawn.
- (x) In order to change the contents of a ballot that has been submitted, the person who submitted the ballot must:
  - 1. Request that such ballot be withdrawn; and
  - 2. Request that a duplicate ballot be issued and return the duplicate ballot fully completed.

Each of these steps must be completed according to the procedures set forth herein.

- (xi) Tabulating Ballots. Pursuant to Article XIID, section 6(c), of the California Constitution, whenever proposed property related fees or chargers are required



to be submitted and approved by ballot proceedings, the District shall apply the following procedures:

- (xii) The Board will appoint an individual or group to act as an impartial arbiter to present the final ballot tabulation to the Board, determine acceptability of received ballots and settle disputes regarding ballots received. No sitting Board Member may be appointed arbiter.
- (xiii) The arbiter shall determine the validity of all ballots. All ballots submitted, and not withdrawn, shall be accepted as valid except those in the following categories:
  - 1. A photocopy of a ballot;
  - 2. A ballot that does not contain an original signature;
  - 3. A letter or other form of a ballot that is not an official ballot provided by the District;
  - 4. An unsigned ballot, or ballot signed by an unauthorized individual;
  - 5. A ballot that lacks an identifiable mark in the box of a "yes" or "no" vote or, with more than one box marked;
  - 6. A ballot not sealed in the envelope provided by the District.
  - 7. A ballot received after the close of the balloting time period;
  - 8. A ballot that appears tampered with or otherwise invalid based upon its appearance or method of delivery or other circumstances.

The decision of the arbiter, after consultation with legal counsel, that a ballot is invalid shall be final and may not be appealed to the Board.

- (xiv) In the event of a dispute regarding whether the signer of a ballot is the owner of the parcel to which the ballot applies the arbiter will make such determination from the last equalized secured property tax assessment roll and any evidence of ownership submitted to the District prior to the close of the public testimony portion of the ballot proceeding public hearing. The arbiter will be under no duty to obtain or consider any other evidence as to ownership of the property. Determination of ownership by the arbiter will be final and conclusive.
- (xv) In the event of a dispute regarding whether the signer of a ballot is an authorized representative of the owner of the parcel, the arbiter may rely on the statement on the ballot signed under penalty of perjury that the person completing the ballot is the owner's authorized representative and any evidence submitted to the District prior to close of the public testimony portion of the ballot proceedings public hearing. The arbiter will be under no duty to obtain or consider any other evidence as to whether the signer of the ballot is an authorized representative of the owner(s). Determination of an authorized representation by the arbiter will be final and conclusive.

- (xvi) For properties with more than one owner of record, ballots will be accepted from each owner of record. In the event that more than one of the record owners of a parcel submits a ballot, each ballot shall be tabulated in proportion to the respective record of ownership, established to the satisfaction of the District, by documentation provided by those record owners. If only one owner of record votes, that vote shall be tabulated on behalf of the entire parcel.
- (xvii) A property owner's failure to receive a ballot shall not invalidate the ballot proceedings conducted pursuant to this resolution and Article XIID, section 6(c) of the California Constitution.

# MEMO

TO: Board of Directors  
FROM: Acting District Manager  
SUBJECT: Bear Creek Estates Wastewater Rates, Proposition 218  
DATE: September 20, 2018

## RECOMMENDATION:

It is recommended the Board review the new 3 year rate increase proposal and direct staff to proceed with a Proposition 218 process as follows: (1) authorize staff to finalize and mail the draft Proposition 218 notice to the affected property owners and customers; and (2) to appoint the Board Secretary to serve as arbiter.

## BACKGROUND:

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 received enough protests to block the proposed increase.

Through continued meetings with the community, the District has reduced the proposed rate increases 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 operational 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.

The District is committed to follow through with the capital improvement study following implementation of this rate increase. Below is the 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.

Copies of the 2017 final rate study and cost of service study are available on the District's website, [www.slvwd.com](http://www.slvwd.com).

**STRATEGIC PLAN:**

Element 4.0 - Wastewater Management

**FISCAL IMPACT:**

Increased revenues in FY1819 \$11,682

**ATTACHMENTS:**

1. Draft Proposition 218 Notice.



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: TBD

### 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 received 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 operational 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 the wastewater rate increase 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 5<sup>th</sup>, 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%
<b>Monthly Fixed Service Charge:</b>				
Sewer Rate, all customers	\$ 149.00	\$ 178.80	\$ 214.56	\$ 257.47

## 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 to be conducted on Thursday, November 15, 2018. To be valid, 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](mailto:hhossack@slvwd.com). For additional information regarding the proposed wastewater rate increase, call SLVWD at (831) 338-2153.

# **BEAR CREEK ESTATES SEWER RATE PROPOSAL**

	EST	BUDGETED	PROPOSED								
	FY1718	FY1819	FY1920	FY2021	FY2122	FY2223	FY2324	FY2425	FY2526	FY2627	FY2728
SEWER REVENUES											
CURRENT	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
RATE INCREASE		11,682	32,041	58,475	72,893	72,893	72,893	72,893	72,893	72,893	72,893
TOTAL REVENUE	100,000	111,682	132,041	158,475	172,893	172,893	172,893	172,893	172,893	172,893	172,893
OPERATING EXPENSES	107,000	146,000	129,780	133,673	137,684	141,814	146,069	150,451	154,964	159,613	164,401
CAPITAL EXPENSES	1,800	20,000	45,000								
TOTAL EXPENSES	108,800	166,000	174,780	133,673	137,684	141,814	146,069	150,451	154,964	159,613	164,401
GAIN/(LOSS)	(8,800)	(54,318)	(42,739)	24,801	35,210	31,079	26,825	22,443	17,929	13,280	8,492
RUNNING INCOME (LOSS)	(124,562)	(178,880)	(221,619)	(196,818)	(161,609)	(130,529)	(103,705)	(81,262)	(63,333)	(50,053)	(41,561)
	(115,762)										

		PROPOSED PROP 218 INCREASE			FUTURE POTENTIAL PROP 218						
		YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	YR 8	YR 9	YR 10
CURRENT RATE	\$ 149.00										
PROPOSED INCREASE		20.00%	20.00%	20.00%							
<b>NEW PROPOSED RATE</b>		<b>\$ 178.80</b>	<b>\$ 214.56</b>	<b>\$ 257.47</b>	<b>\$ 257.47</b>	<b>\$ 257.47</b>	<b>\$ 257.47</b>	<b>\$ 257.47</b>	<b>\$ 257.47</b>	<b>\$ 257.47</b>	<b>\$ 257.47</b>
% INCREASE FROM \$149		20%	44%	73%	73%	73%	73%	73%	73%	73%	73%
ORIGINAL PROP 218 PROPOSED		\$ 181.82	\$ 218.18	\$ 261.82	\$ 314.18	\$ 377.02					

## Assumptions:

- \* This is assuming 20K of the one-time costs associated with increased testing for the study goes away, then 3% expense increase annually
- \* This is only factoring the capital expense planned for the wastewater master plan (\$20K in FY1819, \$45K FY1920)
- \* Decisions will still need to be made on how to finance the actual project, and what the future planned operating costs will be

## MEMO

TO: SLVWD Board of Directors

FROM: R. Rogers, Acting District Manager

PREPARED BY: S. Hill, Director of Finance and Business Services

DATE: September 20, 2018

SUBJECT: Annual Disclosure Report of Employee Reimbursements for Fiscal Year 2017-2018

### RECOMMENDATION:

It is recommended that the Board of Directors accept and file the Annual Disclosure Report of Employee Reimbursements for Fiscal Year 2017-2018.

### BACKGROUND:

In accordance with Government Code Section 53065.5, each special district shall, at least annually, disclose and make available for public inspection, any reimbursement paid by the District within the immediately preceding fiscal year of at least one hundred dollars (\$100) for each individual charge for services for product received. "Individual charge" includes, but is not limited to, one meal, lodging for one day, transportation or a registration fee paid to any employee or member of the governing body of the District.

STRATEGIC PLAN: 8.0 Organizational Health/Personnel

FISCAL IMPACT: \$10,204.89



**SAN LORENZO VALLEY WATER DISTRICT  
REIMBURSEMENT DISCLOSURE REPORT  
JULY 1, 2017 - JUNE 30, 2018**

DATE	EMPLOYEE	TOTAL	CATEGORY
07/21/17	DAVE BASLER	\$ 107.87	DISTRICT UNIFORM
07/18/17	HOLLY HOSSACK	\$ 296.37	MEETING
08/02/17	NATE GILLESPIE	\$ 409.35	DISTRICT UNIFORM
08/11/17	JAMES FURTADO	\$ 221.25	DISTRICT UNIFORM
08/17/17	ANDY ROBUSTELLI	\$ 108.55	AFSCME REIMBURSEMENT
08/21/17	GREG UNGER	\$ 130.37	EXAM/UNIFORM REIMBURSEMENT
10/11/17	GENE RATCLIFFE	\$ 697.58	CONFERENCE
10/26/17	BILL SMALLMAN	\$ 826.84	ANNUAL CSDA CONFERENCE
11/02/17	CARLY BLANCHARD	\$ 143.86	MEETING/SUPPLIES
11/03/17	HOLLY HOSSACK	\$ 645.45	MEETING/SUPPLIES
11/09/17	ANDY ROBUSTELLI	\$ 193.67	DISTRICT UNIFORM
11/22/17	SCOTT MATTOCH	\$ 212.46	SUPPLIES/MILEAGE
11/30/17	OCTAVIO FERNANDEZ	\$ 165.97	DISTRICT UNIFORM
12/27/17	OCTAVIO FERNANDEZ	\$ 363.67	DISTRICT UNIFORM
01/08/18	CARLY BLANCHARD	\$ 279.50	TRAINING
01/12/18	HOWARD OLIPHANT	\$ 259.39	DISTRICT UNIFORM
01/12/18	NATE GILLESPIE	\$ 125.55	DISTRICT UNIFORM
01/18/18	CARLY BLANCHARD	\$ 447.01	MEETING/MILEAGE
01/22/18	SCOTT MATTOCH	\$ 225.25	DISTRICT SUPPLIES
01/22/18	DAVE BASLER	\$ 127.00	DISTRICT UNIFORM
02/01/18	HOLLY HOSSACK	\$ 460.74	MEETING/MILEAGE
02/01/18	DAN MACK	\$ 333.74	DISTRICT SUPPLIES
02/01/18	KEN SWEDMARK	\$ 103.77	DISTRICT UNIFORM
02/21/18	CARLY BLANCHARD	\$ 236.13	TRAINING/MILEAGE
02/26/18	JEN MICHELSON	\$ 226.72	DISTRICT UNIFORM
03/01/18	DETLEF ADAM	\$ 180.76	DISTRICT UNIFORM
03/05/18	JEN MICHELSON	\$ 528.36	MEETING/TRAINING
03/09/18	KENDRA CONRAD	\$ 133.33	TRAINING/MILEAGE
03/09/18	HOLLY HOSSACK	\$ 122.97	SUPPLIES/MILEAGE
03/27/18	RACHEL MUNOZ	\$ 150.00	DISTRICT UNIFORM
03/28/18	CARLY BLANCHARD	\$ 538.06	TRAINING/MILEAGE
04/26/18	HOLLY HOSSACK	\$ 379.83	MEETING/MILEAGE
05/01/18	CARLY BLANCHARD	\$ 465.34	MEETING/MILEAGE
05/01/18	JOE CONE	\$ 163.47	DISTRICT UNIFORM
05/01/18	JESSE GUIVER	\$ 215.79	DISTRICT UNIFORM
05/01/18	HOLLY HOSSACK	\$ 144.99	DISTRICT UNIFORM
05/08/18	HOWARD OLIPHANT	\$ 148.23	DISTRICT UNIFORM
05/14/18	HOWARD OLIPHANT	\$ 120.89	DISTRICT UNIFORM
05/15/18	DETLEF ADAM	\$ 202.90	DISTRICT UNIFORM
06/07/18	JOHN TREGEMBO	\$ 173.56	DISTRICT UNIFORM
06/12/18	JESSE GUIVER	\$ 132.83	DISTRICT UNIFORM
06/14/18	BEAU SIFTON	\$ 281.19	DISTRICT UNIFORM
06/14/18	KEN SWEDMARK	\$ 103.13	DISTRICT UNIFORM
		<b>\$ 11,533.69</b>	

This report was prepared pursuant to California Government Code Section 53065.5.

## MEMO

To: Board of Directors  
From: Acting District Manager  
Subject: COMPENSATION ACTING DISTRICT MANAGER  
Date: September 20, 2018

### Recommendation

It is recommend that the Board of Directors review this memo and adopt the attached resolution approving a salary increase of 21.42% for Rick Rogers, classification Director of Operations to the position of Acting District Manager effective 5:00 p.m., September 4, 2018.

### Background

The Board of Directors, by motion of the Board, at the August 16, 2018 Board of Directors meeting, appointed Rick Rogers, Director of Operations to the position of Acting District Manager. The Board directed staff to bring to the September 20, 2018 regular Board of Directors meeting a salary for the temporary position. In review of the current salary of the Director of Operations and District Manager there is a 42.83% differential between the salaries. It is recommended that the increase be calculated by splitting the differential between the two positions calculated at 21.42% for the position of Acting District Manager.

It is recommend that the Board of Directors review this memo and adopt the attached resolution approving compensation increase of 21.42% for Rick Rogers, Acting District Manager.

## SAN LORENZO VALLEY WATER DISTRICT

### RESOLUTION NO. 5 (18-19)

**SUBJECT: RESOLUTION TO DETERMINE AND ASSIGN COMPENSATION TO  
ACTING DISTRICT MANAGER POSITION**

WHEREAS, on August 9, 2018 the Board of Directors accepted the resignation of the District Manager, Brian C. Lee; and

WHEREAS, on August 16, 2018 the Board of Directors appointed Director of Operations, Rick Rogers, as Acting District Manager, effective September 4, 5:00 p.m.; and

WHEREAS, at the time of appointment no salary was set for the Acting District Manager position; and

WHEREAS, the existing salary differential between the Director of Operations and District Manager is 42.83%;

NOW, THEREFORE, BE IT RESOLVED BY THE Board of Directors of the San Lorenzo Valley Water District approve a compensation increase of 21.42% for Rick Rogers, Acting District Manager, effective September 4, 5:00 p.m.

\*\*\*\*\*

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California on the 20<sup>th</sup> or September, 2018 by the following vote of the members thereof:

AYES:  
NOS:  
ABSTAIN:  
ABSENT:

---

Holly B. Hossack, District Secretary  
San Lorenzo Valley Water District



NOSSAMAN LLP

## Memorandum

**TO:** Board of Directors,  
San Lorenzo Valley Water District

**FROM:** Gina R. Nicholls, District Counsel

**DATE:** September 13, 2018

**RE:** 2018 Biennial Review of Conflict of Interest Code

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### **RECOMMENDATION**

Receive, review and discuss the proposed revisions to the San Lorenzo Valley Water District's ("District's") Conflict of Interest Code. Adopt the proposed revisions as written, or with specific revisions, and authorize submission of the proposed revisions to Santa Cruz County ("County").

### **BACKGROUND**

The District has conducted its biennial review of the Conflict of Interest Code pursuant to notice from the County that such review is due by October 1, 2018. The District's review has included the following: (1) ensuring the Code's structure conforms to statute and FPPC rules and guidelines; (2) comparing the positions identified in the existing Code against the District's current organizational structure; and (3) reviewing the disclosure categories.

The proposed revisions eliminate old District staff positions that no longer exist and update the titles of existing positions. Additionally, we have attempted to clarify the District Secretary's limited role in maintaining Form 700s in light of Santa Cruz County's implementation of an online filing system, in a manner consistent with Government Code section 81008.

The District's Board of Directors does not need to formally adopt the proposed Code revisions. The County Board of Supervisors serves as the "code reviewing body" and will either approve the Code as submitted by the District or request further revisions.

It is important to note that State law, and not the District's Conflict of Interest Code, is controlling as to whether individuals are subject to Government Code section 87200.

### **FISCAL IMACT:**

N/A

### **STRATEGIC PLAN:**

N/A

ATTACHMENTS:

1. 2018 Local Agency Biennial Notice
2. Proposed Revisions to Conflict of Interest Code (Redline)
3. Proposed Revisions to Conflict of Interest Code (Clean Copy)

**Holly Morrison**

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**From:** NetFile on behalf of Mari Segura, Program Coordinator, County of Santa Cruz <do-not-reply@netfile.com>  
**Sent:** Monday, July 23, 2018 4:06 PM  
**To:** Holly Morrison  
**Subject:** Reminder - Annual Form 700 - Statement of Economic Interests Filing

July 23, 2018

To: Form 700 Department Coordinators

From: Mari Segura, County Clerk's Office

Subject: **2018 Conflict of Interest Code Review**

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### **2018 Conflict of Interest Code Biennial Notice Instructions for Local Agencies**

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Dear Filing Officer:

We want to take this opportunity to update you on upcoming deadlines and appropriate documents available for the 2018 Local Agency Biennial Conflict of Interest Code updates.

As we have communicated throughout the year regarding your entity's Form 700 filers and their filings, we have also been reminding to review your entity's Conflict of Interest Code (COI) for any necessary edits for the upcoming 2018 Fair Political Practices Commission's requirement. Your COI is viewable to you per the NetFile database but because some of you are new "Filing Officers", we have also been providing copies for your review.

If amendments to an agency's conflict of-interest code are necessary, the amended code must be forwarded to the Board of Supervisors for approval within **90 days** of filing the biennial notice. An agency's amended code is not effective until it has been approved by the Board of Supervisors.

The Political Reform Act requires every local government agency to review its conflict-of-interest code biennially. **No later than October 1, 2018**, each agency must submit a notice indicating whether or not an amendment is necessary. The enclosed "2018 Local Agency Biennial Notice" form must be returned to this office. **This document is not submitted to the Fair Political Practices Commission.**

You can find the 2018 Local Agency Biennial Notice form [HERE](#) .

You are encouraged to review the online webinar on how to amend a conflict of interest code. The webinar is located on FPPC's [Training and Outreach Page](#) .

## 2018 Local Agency Biennial Notice

Name of Agency: San Lorenzo Valley Water District  
Mailing Address: 13060 Highway 9, Boulder Creek, CA 95006  
Contact Person: Holly Hossack Phone No. (831) 430-4636  
Email: hhossack@slvwd.com Alternate Email: rrogers@slvwd.com

**Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.**

This agency has reviewed its conflict of interest code and has determined that (*check one BOX*):

☐ **An amendment is required. The following amendments are necessary:**

(*Check all that apply.*)

- ☐ Include new positions
- ☐ Revise disclosure categories
- ☐ Revise the titles of existing positions
- ☐ Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- ☐ Other (*describe*) \_\_\_\_\_

☐ **The code is currently under review by the code reviewing body.**

☐ **No amendment is required.** (If your code is over five years old, amendments may be necessary.)

---

### Verification (to be completed if no amendment is required)

*This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.*

\_\_\_\_\_  
*Signature of Chief Executive Officer*

\_\_\_\_\_  
*Date*

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2018**, or by the date specified by your agency, if earlier, to:

(PLACE RETURN ADDRESS OF CODE REVIEWING BODY HERE)

**PLEASE DO NOT RETURN THIS FORM TO THE FPPC.**

## SAN LORENZO VALLEY WATER DISTRICT CONFLICT OF INTEREST CODE

### SECTION 1. INCORPORATION OF STATE REGULATIONS BY REFERENCE

The Political Reform Act of 1974 (California Government Code Section 81000, *et seq.*), hereinafter referred to as "Act," requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission, hereinafter referred to as "FPPC," has adopted regulations which contain the terms of a standard conflict of interest code. Therefore, the terms of Title 2, California Administrative Code, Section 18730, hereinafter referred to as "Regulation," and any amendments thereto duly adopted by the FPPC, are hereby incorporated by reference and made a part of the San Lorenzo Valley Water District Conflict of Interest Code.

Said Regulation, along with the attached Appendices: Exhibit 1 designating officials and employees of the San Lorenzo Valley Water District subject to reporting requirements, and Exhibit 2 establishing disclosure categories, shall constitute the San Lorenzo Valley Water District Conflict of Interest Code.

### SECTION 2. DESIGNATED POSITIONS WITH REPORTING REQUIREMENTS

Elected officials, members of board and/or commissions appointed by the Board of Directors, District Employees and consultants holding designated positions as stated in Exhibit "1," attached hereto and made a part hereof, shall be considered designated positions subject to reporting requirements under the San Lorenzo Valley Water District Conflict of Interest Code. Persons holding designated positions shall disclosure interests as stated in Exhibit "2," attached hereto and made a part hereof, listing individual disclosure categories under the San Lorenzo Valley Water District Conflict of Interest Code.

### SECTION 3. FILING OF STATEMENTS

Persons holding designated positions shall file a Statement of Economic Interests with the San Lorenzo Valley Water District on FPPC forms, in conformance with the individual disclosure categories and State of California [law and](#) guidelines. The District Secretary shall [coordinate with the Santa Cruz County Clerk of the Board of Supervisors to comply with the County's online filing system](#). Statements of Economic Interests are public records subject to Government Code Section 81008, available for public inspection not later than the second business day following the day on which the request for inspection was received.

**Deleted:** , when required by the District Secretary

**Deleted:** make and retain a copy of all statements filed and forward the original of such statements to

**Deleted:** Statements for all public officials and designated employees will be retained by the District.



#### **SECTION 4. EFFECTIVE DATE OF CONFLICT OF INTEREST CODE**

The effective date of the Conflict of Interest Code shall be the date the Code is approved by the code reviewing body. Notwithstanding the effective date, the adoption of this Conflict of Interest Code shall not be considered an original adoption as to those designated officials or employees who have already been filing annual Statements of Economic Interest; those persons shall not be required to file again this year. Newly designated officials or employees shall file statements within 30 days of the effective date of this Code, and all designated officials and employees shall continue to file statements upon assuming or leaving office.

## EXHIBIT "1"

### SAN LORENZO VALLEY WATER DISTRICT CONFLICT OF INTEREST CODE

#### LIST OF DESIGNATED POSITIONS

##### GENERAL PROVISIONS

Persons occupying the following specifically enumerated designated positions are subject to reporting requirements under the San Lorenzo Valley Water District Conflict of Interest Code and shall disclose interests as set forth in Exhibit "2" listing individual reporting requirements:

<u>LIST OF DESIGNATED POSITIONS</u>	<u>DISCLOSURE CATEGORIES</u>
MEMBERS OF THE BOARD OF DIRECTORS	1, 2
MEMBERS OF THE EDUCATION ADVISORY COMMISSION	1, 2
DISTRICT COUNSEL	1, 2
DISTRICT MANAGER	1, 2
DISTRICT SECRETARY/ADMINISTRATIVE ASSISTANT	1, 2
ENVIRONMENTAL <del>PROGRAMS MANAGER</del>	1, 2
<del>DIRECTOR OF FINANCE AND BUSINESS SERVICES</del>	1, 2
DIRECTOR OF OPERATIONS	1, 2
CONSULTANTS	3

**Deleted:** COMMUNICATIONS SPECIALIST . . . . 1, 2

**Deleted:** ANALYST

**Deleted:** . .

**Deleted:** MANAGER

**Deleted:** . .

**Deleted:** . .

## EXHIBIT "1"

56555378.v1

### CATEGORY 3

Consultants shall disclose pursuant to the broadest disclosure category in the Conflict of Interest Code subject to the following limitation: The District Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements of the broadest but instead must comply with more detailed disclosure requirements specific to that consultant. Such a determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. All such determinations are public records and shall be retained for public inspection along with this Conflict of Interest Code.

## **SAN LORENZO VALLEY WATER DISTRICT CONFLICT OF INTEREST CODE**

### **SECTION 1. INCORPORATION OF STATE REGULATIONS BY REFERENCE**

The Political Reform Act of 1974 (California Government Code Section 81000, *et seq.*), hereinafter referred to as "Act," requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission, hereinafter referred to as "FPPC," has adopted regulations which contain the terms of a standard conflict of interest code. Therefore, the terms of Title 2, California Administrative Code, Section 18730, hereinafter referred to as "Regulation," and any amendments thereto duly adopted by the FPPC, are hereby incorporated by reference and made a part of the San Lorenzo Valley Water District Conflict of Interest Code.

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#### **SECTION 4. EFFECTIVE DATE OF CONFLICT OF INTEREST CODE**

The effective date of the Conflict of Interest Code shall be the date the Code is approved by the code reviewing body. Notwithstanding the effective date, the adoption of this Conflict of Interest Code shall not be considered an original adoption as to those designated officials or employees who have already been filing annual Statements of Economic Interest; those persons shall not be required to file again this year. Newly designated officials or employees shall file statements within 30 days of the effective date of this Code, and all designated officials and employees shall continue to file statements upon assuming or leaving office.

## **EXHIBIT "1"**

### **SAN LORENZO VALLEY WATER DISTRICT CONFLICT OF INTEREST CODE**

#### **LIST OF DESIGNATED POSITIONS**

##### GENERAL PROVISIONS

Persons occupying the following specifically enumerated designated positions are subject to reporting requirements under the San Lorenzo Valley Water District Conflict of Interest Code and shall disclose interests as set forth in Exhibit "2" listing individual reporting requirements:

<u>LIST OF DESIGNATED POSITIONS</u>	<u>DISCLOSURE CATEGORIES</u>
MEMBERS OF THE BOARD OF DIRECTORS	1, 2
MEMBERS OF THE EDUCATION ADVISORY COMMISSION	1, 2
DISTRICT COUNSEL	1, 2
DISTRICT MANAGER	1, 2
DISTRICT SECRETARY/ADMINISTRATIVE ASSISTANT	1, 2
ENVIRONMENTAL PROGRAMS MANAGER	1, 2
DIRECTOR OF FINANCE AND BUSINESS SERVICES	1, 2
DIRECTOR OF OPERATIONS	1, 2
CONSULTANTS	3

## **EXHIBIT "2"**

### **SAN LORENZO VALLEY WATER DISTRICT CONFLICT OF INTEREST CODE**

#### **DISCLOSURE CATEGORIES**

##### **GENERAL PROVISIONS**

Persons holding designated positions subject to reporting requirements shall conform to the following disclosure categories:

##### **CATEGORY 1**

Persons in this category shall disclose all interests in real property within the jurisdiction of the San Lorenzo Valley Water District. Real property shall be deemed to be within the jurisdiction of the San Lorenzo Valley Water District if the property or any part of it is located within or not more than two miles outside the boundaries of the San Lorenzo Valley Water District or within two miles of any land owned or used by the San Lorenzo Valley Water District.

##### **CATEGORY 2**

Persons in this category shall disclose:

- (a) All investments, business positions, and income (including gifts, loans and travel payments) from:
  - (i) all sources subject to the regulatory, permit or licensing authority of the District; and
  - (ii) all sources that provide, plan to provide, or have provided in the last two years, facilities, goods, software, hardware, or related technology, equipment, vehicles, machinery, or services, including training or consultant services, to the District; and
  - (iii) all sources that are engaged in any real estate activity including, but not limited to, real estate appraisal, development, construction, planning/architectural design, engineering, sales, brokerage, leasing, lending, insurance, rights of way, and/or studies; and/or property or facilities management/maintenance/custodial and utility services, used by the District or provides capital for the purchase of property used or sold by the District.

### CATEGORY 3

Consultants shall disclose pursuant to the broadest disclosure category in the Conflict of Interest Code subject to the following limitation: The District Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements of the broadest but instead must comply with more detailed disclosure requirements specific to that consultant. Such a determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. All such determinations are public records and shall be retained for public inspection along with this Conflict of Interest Code.



## MEMO

To: Board of Directors  
From: Acting District Manager  
Date: September 20, 2018  
Subject: District Manager Recruitment

### Recommendation

It is recommend that the Board of Directors review this memo and direct Staff by motion of the Board to prepare a request for proposal for consulting services for replacement of the District Manager.

### Background

On August 9, 2019 the District Manager submitted his resignation of employment from the District effective September 4, 2018. At the regular Board of Directors meeting on August 16, 2018 the Board appointed Rick Rogers as Acting District Manager. To facilitate replacement of the District Manager it is recommended that a recruitment service is utilized. This approach provides quality executive recruitment. The search process begins by requesting proposals from qualified consultants developing both an understanding of the District and the role of the position to be filled.

The Consultant reviews functions of the position, workplace environment, including its people, responsibilities, issues, and customers. Understanding exactly how the position fits within the organization and community is key to recruitment. Based on this knowledge, a job description is designed to define the assignment, and to find the best possible match for the District. That fit comes from spending time up-front to determine the District's functions and its concerns for the future.

### Summary

On August 9, 2019 the District Manager submitted his resignation of employment from the District effective September 4, 2018. To facilitate replacement of the District Manager it is recommended that a recruitment service is utilized. This approach provides quality executive recruitment. It is recommended that the

Board of Directors direct staff to move forward with a request for proposal for District Manager recruitment services and return to the Board for consultant selection.

**STRATEGIC PLAN:**

Element 8.0 - Organizational Health/Personnel

**FISCAL IMPACT:**

\$25,000+

## MEMO

To: Board of Directors  
From: Acting District Manager  
Subject: Request for Bulk Water Felton 150 year Anniversary  
Date: September 13, 2018

### Recommendation:

It is recommended that the Board of Directors review and approve by motion of the Board the attached request from the Felton Business Association requesting the District supply bulk water for the upcoming 150 Years of Felton Celebration.

### Background:

The Felton Business Association is planning a celebration of 150 years of Felton. The Association has requested the District supply bulk drinking water for this event. In the past the District has provided this service for Civic events such as High School Football Games and the Redwood Fair. The cost to the District is estimated at approximately \$650.

### STRATEGIC ELEMENT:

Element 6.2 - Increase Civic Understanding and Engagement

### FISCAL IMPACT:

\$650

## Holly Hossack

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**From:** Rick Rogers  
**Sent:** Tuesday, September 11, 2018 1:32 PM  
**To:** Holly Hossack  
**Subject:** FW: felton 150th celebration

Holly, for the agenda, new business, I will write the memo. Thanks

Rick

**From:** oldfelton@aol.com [mailto:oldfelton@aol.com]  
**Sent:** Tuesday, September 11, 2018 11:21 AM  
**To:** Rick Rogers  
**Subject:** felton 150th celebration

Hi Rick

The Felton Business Association and friends are planning a celebration of 150 years of Felton at the Community Hall and Fire Station--Kirby St. will be closed. We were hoping that the district could bring the water dispenser that is used at the Redwood Fair. If this needs to be approved by board, could you please add it to the upcoming agenda. I have already contacted Jenn M. about having representatives there.

Thanks

Randall

# MEMO

TO: Board of Directors  
FROM: R. Rogers, Acting District Manager  
SUBJECT: Investment Banking Agreement – Short and Long-term Financing Needs  
DATE: September 20, 2018

## RECOMMENDATION:

It is recommended the Board review the investment banking agreement and designate the Acting District Manager to enter into the agreement to begin the process. There will be a future resolution requested of the Board to finalize the terms and agreements of financing.

## BACKGROUND:

There are 3 key possibilities for financing needs in the near future:

- 1) Approximately \$2M long term loan for the Probation Tank project
- 2) Approximately \$6.5M bridge loan for the USDA projects
- 3) Approximately \$1M for Lompico Assessment District projects

The Budget & Finance Committee reviewed the analysis from staff of 4 potential lending sources. There was a clear benefit, given the current lending market, to continue with Municipal Capital Markets Group (MCM). MCM is a registered investment bank with experience underwriting projects with USDA and other special districts within California, and is also USDA recommended.

- a) Would be a revenue bond/note
- b) Term can be up to 25 years, quoted at 3.80% interest rate for the current need
- c) USDA Bridge loan quoted at effective interest rate of 1.86%, assumes the construction funds are deposited into an interest bearing account to reduce the net effective interest rate
- d) Fees are all factored into the interest rates above

Traditional banking has been impacted more by the 2018 tax reform and rising Federal short term rates. There is still a stronger appetite in the capital markets for public sector projects, such as ours, which is making MCM the most financially feasible in the current market.

This agreement will show commitment from both parties to begin the labor intensive process.

## ***INVESTMENT BANKING AGREEMENT***

This is an agreement made the 14th day of September 14, 2018 by and between Municipal Capital Markets Group, Inc. ("MCM") having offices at 8400 East Prentice Ave., Suite 500 Greenwood Village, Colorado 80111, and San Lorenzo Valley Water District ("SLVWD") having its offices at 13060 Hwy 9 Boulder Creek, CA 95006

Whereas, MCM is engaged in the business of providing financing services to Non-profits, Districts, municipalities and/or Water/Sewer Authorities interested in selling debt instruments in capital markets to secure project financing; and

Whereas SLVWD may resolve to borrow funds on a long term basis for approximately \$2,000,000, a short term loan (USDA interim loan) for approximately \$6,500,000, and approximately \$1,000,000 for the Lompico Assessment District ("the Notes") to build (the "Projects"); and

Now therefore in consideration of the mutual covenants set forth herein, MCM and SLVWD hereby agree as follows:

**1. Engagement.** SLVWD hereby engages MCM as Investment Banker to underwrite all Notes to fund the projects. MCM's responsibility pursuant to this Agreement shall be to purchase and or place the resulting Notes at a mutually agreeable interest rate and term.

**2. Investment Banking Fees and MCM Expenses.** MCM will underwrite the Notes and pay issuance costs including but not limited to: Underwriters Counsel, Disclosure Counsel, Tax Opinion, Trustee Costs, Ratings, and/or documentation and printing costs. MCM's Fee shall be generated from the proceeds collected from investor clients and fully set forth in a mutually agreeable Note purchase agreement. SLVWD at its expense shall provide an opinion from its counsel to verify the validity of the Notes in compliance with state and local laws.

**4. Term of Agreement.** This agreement will be effective for a term of 1 year from the dated date of the Agreement, and will automatically renew annually unless cancelled by either party on the renewal date or within 20 days before the renewal date.

**5. Best Efforts Basis.** SLVWD hereby agrees that MCM shall be under no obligation to purchase or place the Notes with Investors and/or Broker/Dealers, and MCM agrees that SLVWD shall be under no obligation sell Notes and shall be solely on a "best efforts" basis; however MCM and SLVWD agree to devote whatever time and effort is necessary to close the transaction in a professional manner.

**6. Independent Contractor Status.** Nothing set forth in this agreement shall in any way be construed to create a relationship between MCM and SLVWD other than that of independent contractor. MCM will be acting as a principal for its own account and shall not be an agent of SLVWD. Upon closing of the financing, MCM will purchase the Notes for its own account.

**7. Benefit.** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto.

**8. Entire Agreement.** This Agreement contains the entire agreement of the parties hereto and no modification of this Agreement shall be valid or binding unless the same is in writing and signed by both parties.

**9. Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.

**10. Invalid Provisions.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable under the present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect.

**San Lorenzo Valley Water District**

By: \_\_\_\_\_ Date: \_\_\_\_\_

**Municipal Capital Markets Group, Inc.**  
Christopher Perlitz  
Federal Program Banker



By: \_\_\_\_\_ Date: **September 14, 2018**



## SAN LORENZO VALLEY WATER DISTRICT

### BOARD OF DIRECTORS SPECIAL MEETING June 27, 2018

Wednesday, June 27, 2018 at 6:30 p.m., 13057 Highway 9, Boulder Creek, California.

#### MINUTES

1. 6:30 Convene Meeting

**Roll Call:** Dir. Smallman, Dir. Hayes, Pres. Baughman, Dir. Ratcliffe, Dir. Bruce

**Present:** S. Hill-Director of Finance & Business Services, R. Rogers-Director of Operations, H. Hossack-District Secretary

2. Additions and Deletions to Open Session Agenda: None

3. New Business:

c. AMENDMENT TO WATER SYSTEMS CONSULTING - USDA  
CONTRACT

Director of Operations introduced this item.

K. Plonka addressed the Board.

Discussion by the Board and staff regarding the extension of services, the addition of Rincon as sub-consultant for NEPA requirements.

L. Henry-Lompico, J. Schneider-Lompico, E. Frech-Lompico, D. Loewen addressed the Board.

Discussion by the Board and staff.

A motion was made and seconded to approve the increase of \$76,752 to the current on-call as needed engineering contract with WSC Engineering. All present voted in favor of the motion. The motion passed.

a. PROPOSED FORMATION OF *AD HOC* COMMITTEE

Pres. Baughman introduced this item.

Discussion by the Board regarding the formation of an *ad hoc* committee to coordinate preparation of the Board's draft response to the 2017-18 Grand Jury Report.

G. Nicholls-District Counsel addressed the Board.

Discussion by the Board.

J. Schneider, E. Frech, D. Loewen addressed the Board.

A motion was made and seconded to approve the formation of the Ad Hoc as proposed made up of Dir. Hayes and Dir. Baughman.

4 of the directors voted in favor of the motion, Dir. Smallman voted no. Motion passed.



b. 2017-18 GRAND JURY REPORT

Pres. Baughman introduced this item.

Discussion by the Board regarding comments on the 2017-18 Grand Jury Report.

First finding - lack of effective communication between the District and the community regarding the administration of the Assessment District has caused public concern regarding the timing and implementation of Assessment District projects.

L. Henry addressed the Board.

D. Loewen addressed the Board.

Discussion by the Board.

Second finding - District has not provided adequate authority, guidance, training, or support to the LADOC to ensure that the committee can fulfill its assessment district oversight responsibilities, thus reducing transparency and accountability to the public.

Discussion by the Board.

L. Henry addressed the Board.

Discussion by the Board.

J. Schneider addressed the Board.

D. Loewen addressed the Board.

J. Schneider addressed the Board.

Discussion by the Board.

Third Finding - lack of effective District communication practices has reduced public access to the decision-making process, and contributed to acrimony and on-going relationship challenges with the community, causing stress on elected officials and staff, as well as frustration among ratepayers.

Discussion by the Board.

E. Frech addressed the Board.

L. Henry addressed the Board.

D. Loewen addressed the Board.

Discussion by the Board.

J. Schneider addressed the Board.

Discussion by the Board.

L. Henry addressed the Board.

D. Loewen addressed the Board.

Discussion by the Board.

Recommendation 1 - LADOC should produce an annual report detailing the status of Assessment District revenues and expenditures.

Discussion by the Board.

D. Loewen addressed the Board.

L. Henry addressed the Board.

Discussion by the Board.

Recommendation 2 - District should schedule annual public study sessions or workshops to review the LADOC annual report and discuss the Administration of the Assessment District in order to provide in depth

information to the public about the timing, funding and execution of AD projects.

Discussion by the Board.

Recommendation 3 - Board and LADOC should work in concert to create a charter for LADOC that describes in detail the committee's responsibilities and its authority to fulfill its oversight role.

Discussion by the Board.

Recommendation 4 - Board should ensure that LADOC received adequate professional, technical, and administrative support from the District, as well as the authority to carry out its oversight responsibilities.

Discussion by the Board.

D. Loewen addressed the Board.

L. Henry addressed the Board.

Recommendation 5 - District should provide formal training for all LADOC citizen committee members in governance, meeting management, and the Brown Act.

Discussion by the Board.

L. Henry addressed the Board.

Recommendation 6 - District should provide formal training about assessment districts to LADOC members and all others involved in the administration of the Assessment District.

Discussion by the Board.

D. Loewen addressed the Board.

Recommendation 7 - District should record all Board and committee meetings, and post the recording online for public access.

Discussion by the Board.

Recommendation 8 - District should provide formal training to all Board and committee members and senior staff on how to communicate with the public on contentious issues.

Discussion by the Board.

L. Henry addressed the Board.

Discussion by the Board.

D. Loewen addressed the Board.

Discussion by the Board.

- d. CAPITAL IMPROVEMENT PROGRAM AD HOC COMMITTEE  
Pres. Baughman introduced this item.  
Discussion by the Board regarding the existing CIP Ad Hoc Committee currently comprised of Chair Baughman and Director Bruce, including whether to adjust the committee membership or conclude it.  
A motion was made and seconded to dissolve the CIP Ad Hoc Committee. All present voted in favor of the motion. Motion passed.
- e. BUDGET AND FINANCE COMMITTEE ASSIGNMENT  
Pres. Baughman introduced this item.  
Discussion by the Board regarding possible appointment of Board representative.

A motion was made and seconded to designate Dir. Hayes as a standing Board member and declare a vacancy for the public position.  
All present voted in favor of the motion. Motion passed.

4. Additions and Deletions to Closed Session Agenda: None
5. Oral Communications Regarding Item in Closed Session: None
6. 8:38 Adjournment 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)
7. 9:56 Reconvene to Open Session
8. Report Actions Taken in Closed Session  
No reportable action taken.
9. 9:57 Adjournment



**BOARD OF DIRECTORS  
SAN LORENZO VALLEY WATER DISTRICT  
MINUTES  
August 16, 2018**

**Thursday, August 16, 2018 at 5:00 p.m.,** SLVWD Operations Building, 13057 Highway 9, Boulder Creek, CA 95006

1. Convene Meeting 5:00pm  
Roll Call  
**Present:** Pres. Baughman, Dir. Bruce, Dir. Hayes, Dir. Ratcliffe,  
**Staff:** B. Lee-Dist. Manager, R. Rogers-Dir. Operations, C. Sladwick-Cust. Service
2. Additions and Deletions to Closed Session Agenda:
3. Oral Communications Regarding Items in Closed Session:  
B. Holloway - Boulder Creek addressed the board.
4. Adjournment to Closed Session @ 5:07pm
  - 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).
5. Convene to Open Session at 6:30 p.m.  
**Present:** Pres. Baughman, Dir. Bruce, Dir. Hayes, Dir. Ratcliffe,  
**Staff:** B. Lee-Dist. Manager, R. Rogers-Dir. Operations, J. Michelsen Environmental Programs Manager, C. Sladwick-Cust. Service

6. Report of Actions Taken in Closed Session

Pres. Baughman reported no reportable actions from the Closed Session.

7. Additions and Deletions to Open Session Agenda:

8. Oral Communications:

D. Loewen-Lompico & T. Norton-Lompico addressed the board.

9. Unfinished Business:

a. PROJECT LIST FOR UNITED STATES DEPARTMENT OF AGRICULTURE LOAN APPLICATION

DM Lee introduced this item.

Presentation made by K. Plonka and A. Donald of WSC

***Dir. Smallman arrived @ 6:42pm***

Discussion by the board and staff.

E. Frech-Lompico, T. Norton, B. Fultz-Boulder Creek, D. Loewen, B. Holloway-Boulder Creek addressed the board.

Discussion by Board and staff.

Motion was made and seconded approve Resolution No. 4 (18-19) to replace the \$8.5 million with \$9.4 million.

Motion was passed unanimously.

b. 2017/18 GRAND JURY RESPONSE AND AD HOC COMMITTEE

***5min recess***

Dir. Baughman introduced this item.

Discussion by the Board regarding the final draft response to Grand Jury Report and proposed term extension of the *Ad Hoc* Committee to oversee implementation of the recommendations.

D. Loewen, T. Norton, L. Henry-Lompico, B. Fultz, B. Holloway-Boulder Creek, L. Ferris-Felton addressed the board.

Discussion by the Board.

A motion was made and seconded to approve the Response to the Grand Jury with the minor editorial change of *plan of attack* to *plan of action*.

All present voted in favor of motion. Motion passed.

A motion was made and seconded to extend the Ad Hoc committee for a period not to exceed 6 months.

4 voted in favor, Dir. Smallman voted no. The motion passed.

10. New Business:

a. JUVENILE SALMON AND STEELHEAD HABITAT MONITORING PROGRAM WEBSITE

DM Lee introduced this item.

Discussion by the Board and staff regarding the 2018 Esri Storytelling with Maps 3<sup>rd</sup> Place Award to JSSH Monitoring Program website.

L. Henry, J. Gomez-Lompico and B. Holloway addressed the board.  
Discussion by the Board and staff.

b. MULTIPLE VARIANCE FOR 2018/19

DM Lee introduced this item.

Discussion by the Board regarding the 2018/19 Multiple User Variance.

A motion was made and seconded to approve Resolution No. 3 (18-19) Multiple User Variance.

All present voted in favor of motion. Motion passed.

c. CALIFORNIA SPECIAL DISTRICTS ASSOCIATION 2018 ANNUAL CONFERENCE

Dir. Baughman introduced this item.

Discussion by the Board regarding the attendance of Board members at the CSDA 2018 Annual Conference.

B. Holloway, L. Henry, L. Ferris, B. Fultz addressed the board.

Discussion by the Board.

A motion was made and seconded to authorize travel and conference expenses, excluding recreational activity, for up to 3 Board members.

All present voted in favor of motion. Motion passed.

d. RESOURCE CONSERVATION DISTRICT CONTRACT AMENDMENT

J. Michelsen introduced this item.

Discussion by the Board and staff regarding the contract amendment with the Resource Conservation District

B. Norwald, L. Henry addressed the Board.

Discussion of Board Members

A motion was made and seconded to approve the contract amendment for the Fish Ladder debris removal additional amount of \$12,888.

All present voted in favor of motion. Motion passed.

e. LOMPICO ASSESSMENT DISTRICT OVERSIGHT COMMITTEE MEMBER APPOINTMENT

Dir. Baughman introduced this item.

Discussion by the Board and staff regarding the appointment of a new member.

D. Loewen, J. Gomez, B. Fultz, L. Henry, T. Norton addressed board.

Discussion by Board, staff and counsel.

Motion was made and seconded to postpone the vote to the September BoD meeting and to follow the Maddy act.

f. AWARD CONTRACT FOR DESIGN SERVICES OF LOMPICO TANKS

DM Lee introduced this item.

Discussion by the Board regarding the award of contract for design services of Lompico tanks.

D. Loewen, B. Fultz, T. Norton, L. Ferris addressed the board

Discussion by Board and staff.

A motion was made and seconded to authorize the District Manager to enter into a design contract for the Lompico tanks for \$124,700.

All present voted in favor of motion. Motion passed.

g. SELECTION OF VICE PRESIDENT TO THE BOARD OF DIRECTORS

Dir. Baughman introduced this item.

Discussion by the Board regarding the selection of the Vice President of the Board.

B. Holloway addressed the Board.

A motion was made and seconded to appoint Dir. Ratcliffe to be the Vice President of the Board.

All present voted in favor of motion. Motion passed.

h. 32<sup>nd</sup> ANNUAL RIVER & ROAD CLEAN UP

Dir. Baughman introduced this item.

Discussion by the Board and staff regarding the District's participation in the River and Road Clean Up.

A motion was made and seconded to approve continued support of the River & Road Clean up.

All present voted in favor of motion. Motion passed.

i. APPOINTMENT OF INTERIM DISTRICT MANAGER

Dir. Baughman introduced this item.

Discussion by the Board and staff regarding the appointment of an interim District Manager.

B. Holloway, L. Henry, T. Norton, S. Swan-Ben Lomond, D. Loewen, E. Loewen-Lompico. B. Fultz addressed the Board.

Discussion by the Board.

A motion was made and seconded to appoint R. Rogers as the interim district manager.

Discussion by Board and staff.

All present voted in favor of motion. Motion passed.

11. Consent Agenda:

a. MINUTES FROM BOARD OF DIRECTORS MEETING JUNE 21, 2018

b. MINUTES FROM BOARD OF DIRECTORS MEETING JULY 19, 2018.

A motion was made and seconded to approve the Consent Agenda.

All present voted in favor of motion. 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
- Operations
- Legal
- COMMITTEE REPORTS
  - Future Committee Agenda Items
  - Committee Meeting Notes/Minutes
    1. Environmental Committee July 17, 2018
    2. Engineering Committee July 23, 2018
- DIRECTORS REPORTS
  - Director's Communication
  - Future Board of Directors Meeting Agenda Items

B. Holloway addressed the Board.  
Discussion by the Board.

13. Written Communication: None

14. Informational Material:

- WHAT'S SO GREAT ABOUT SLV-Press Banner 7.13.18
- SLVWD BOARD MOVES FORWARD-Press Banner 7.25.18
- COURT RULES WATER RATES INVALID-SC Sentinel 7.31.18

15. Adjournment 10:22pm



## MEMO

TO: Board of Directors

FROM: Acting District Manger

DATE: September 20, 2018

SUBJECT: Agreement for Water Distribution System Improvements,  
APN 081-253-25

### **RECOMMENDATION:**

It is recommended that the Board of Directors review this memorandum and the attached proposed agreement between the District and Molook Papahn APN 081-253-25 approve the attached resolution.

### **BACKGROUND:**

The owner of APN 081-253-25 is rebuilding structures and is upgrading water services installing multiple water services, steamer fire hydrant and fire sprinkler service. The Board previously approved this agreement on June 21, 2018 but it was discovered that Molook Papahn was actually the owner of the property and needed to be the signer on the agreement.

An agreement with the District is required as it is the responsibility of the owner to install the desired water distribution system improvements, which will become property of the District upon satisfactory installation.

It is recommended that the District Manager approve and forward to the Board the attached resolution which authorizes and directs the Acting District Manager to execute the subject agreement on behalf of the District.

### STRATEGIC PLAN:

Element 1.0 - Water Supply Management

### FISCAL IMPACT:

TBD

Recorded at the Request of:

SAN LORENZO VALLEY WATER DISTRICT

and when recorded mail to:

SAN LORENZO VALLEY WATER DISTRICT  
13060 HIGHWAY 9  
BOULDER CREEK, CA 95006-9119

*No Documentary Transfer Tax Due  
R & T Code § 11922*

**SAN LORENZO VALLEY WATER DISTRICT  
AGREEMENT FOR FIRE HYDRANT WATER  
METER AND FIRE SERVICES INSTALLATION  
MOLOOK PAPAHN  
APN 081-253-25**

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THIS AGREEMENT is made this \_\_\_\_ day of \_\_\_\_\_, 2018  
by and between the SAN LORENZO VALLEY WATER DISTRICT, hereinafter  
referred to as "DISTRICT" and Molook Papahn, owner of APN 081-253-25,  
hereinafter referred to as "APPLICANT."

**W I T N E S S E T H**

WHEREAS, APPLICANT desire to install a 6" diameter steamer fire  
hydrant with one 4-1/2" nozzle and two 2-1/2" nozzles, four domestic water  
services, and one 4" fire service; and

WHEREAS, APPLICANT'S property, APN 081-253-25, is located  
within the boundaries of the San Lorenzo Valley Water District at 12600 Highway 9,  
Boulder Creek; and

WHEREAS, APPLICANT represents that he is the sole owner of  
APN 081-253-25 with authority to execute this agreement; and

NOW, THEREFORE, in consideration of their mutual promises,  
obligations and covenants hereinafter contained, the parties hereto agree as follows:

1. **TERM.** The term of this Agreement shall be from the date this  
Agreement is made and entered, as first written above, until one (1) year after date  
of this Agreement. Paragraphs 4 to 14 of this AGREEMENT shall survive in  
perpetuity after the term or the termination of this AGREEMENT.

## **APPLICANT'S OBLIGATION**

2. **TIME OF INSTALLATION.** APPLICANT agrees that the fire hydrant, four domestic water services, and one 4" fire service; shall be installed within one (1) year of the date of this Agreement. Should the work not be so completed, this Agreement shall be void. Any refund of deposits will be made in accordance with DISTRICT'S rules, regulations, and specifications.

3. **PAYMENT.** APPLICANT shall pay a deposit of \$500 to the DISTRICT for the cost of inspecting installation of the fire hydrant.

4. **DESCRIPTION OF FACILITIES.** APPLICANT shall install a 6- inch diameter "steamer" fire hydrant with one 4-1/2" nozzle, two 2-1/2" nozzles, four (4) 5/8" domestic water meters, one (1) 4" fire service and appurtenances at a mutually agreed location in the public right-of-way of the applicant's property at 12600 Highway 9, Boulder Creek APN 081-253-25. All services shall be installed with Reduced Pressure Cross-Connection control devices located at the water meter and fire service.

5. **OWNERSHIP.** All of the improvements or facilities described in or constructed pursuant to this AGREEMENT shall become the property of DISTRICT and, except as hereinafter provided, shall thereafter be maintained by DISTRICT.

6. **HOLD HARMLESS.** APPLICANT agree that they shall hold harmless the DISTRICT and its officers, agents and employees from all suits, actions, damages or claims of every name and description, to which DISTRICT may be subjected or put by reason of damage or injury to persons or property arising out of or resulting from this AGREEMENT, including, but not limited to, the execution of the work; the negligence or carelessness on the part of DISTRICT, their agents, or employees; or by or on account of any act or omission of DISTRICT, their agents, or employees, including any failure to fulfill the terms of all laws and regulations which apply to this AGREEMENT.

7. **SPECIFICATIONS.** All work shall be in conformance with DISTRICT'S construction standards.

## **DISTRICT'S OBLIGATIONS**

8. **INSPECTION.** All work shall be inspected for conformance with DISTRICT'S construction standards by DISTRICT staff. The cost of inspection, including but not limited to the \$500 deposit for inspection of the fire hydrant, shall be paid for by the applicant.

9. **MAINTENANCE AND OPERATION.** After the fire hydrant and services has been completed and accepted by DISTRICT, it shall be the property of DISTRICT and part of its system, and thereafter DISTRICT may make extensions therefrom and laterals thereto at any point thereon. DISTRICT agrees that upon acceptance of the facilities, DISTRICT shall operate, maintain, and manage the same as part of its system, subject to DISTRICT's rules and regulations and to the rates and charges DISTRICT establishes from time to time.

10. **NOTICES.** All written notices to the parties hereto shall be sent United States mail postage prepaid, by registered mail, return receipt requested, addressed as follows:

**DISTRICT:**

District Manager  
San Lorenzo Valley Water Dist.  
13060 Highway  
Boulder Creek, CA 95006  
(831) 430-4636

**APPLICANT:**

Molook Papahn  
130 Grove Street  
Boulder Creek, CA 95006

With a copy to:

Ahmed Shayesteh  
1180 Saranap Ave. #103  
Walnut Creek, CA 94595  
(408) 438-2681

Changes to the above addresses and person can be made by the same form of notice.

11. **INCORPORATION BY REFERENCE.** DISTRICT'S construction standards and specifications are hereby incorporated in and made a part of this Agreement.

12. APPLICANT'S PARCEL. APPLICANT'S parcel is APN 081-253-25.

13. AUTHORITY TO EXECUTE AGREEMENT. Both DISTRICT and APPLICANT do covenant that each individual executing this Agreement on behalf of each party is a person duly authorized and empowered to execute Agreement for said party.

14. UNPAID COSTS. APPLICANT's signature to this AGREEMENT shall be notarized and shall make APPLICANT and their agents personally liable for any unpaid costs. APPLICANT agrees to pay all legal fees incurred by the DISTRICT in recovering any unpaid balance.

SAN LORENZO VALLEY WATER  
DISTRICT:

APPLICANT:

\_\_\_\_\_  
Rick Rogers, Interim District Manager  
San Lorenzo Valley Water Dist.

\_\_\_\_\_  
Molook Papahn

ATTEST:

\_\_\_\_\_  
Holly B. Hossack, District Secretary

**SAN LORENZO VALLEY WATER DISTRICT  
RESOLUTION NO. 6 (18-19)**

**SUBJECT: AGREEMENT FOR WATER DISTRIBUTION SYSTEM  
IMPROVEMENTS, APN 081-253-25**

WHEREAS, Molook Papahn, the owner of APN 081-253-25 generally located at 12600 Highway 9, Boulder Creek desires to install a public fire hydrant, four domestic water services and a fire service; and

WHEREAS, staff has determined that the cost of said installation should be the property owner's responsibility.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District hereby authorizes the District Manager to execute the attached agreement and carry out all necessary actions to fulfill said agreement.

\* \* \* \* \*

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 20th day of September 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

## M E M O

TO: Board of Directors  
FROM: Acting District Manager  
SUBJECT: Administration/Engineering Departments Status Report  
DATE: September 20, 2018

### RECOMMENDATION:

It is recommended that the Board of Directors review and file the Administration/Engineering Departments status report.

### BACKGROUND:

#### COMMUNICATIONS OF NOTE

The District announced that Acting District Manager Rick Rogers and Board President Chuck Baughman will be hosting a series of Community Chats throughout the valley. These chats will be informal, drop-in opportunities for District customers to get feedback and ask questions on issues important to them. If the chats are successful the District plans to expand the Community Chats to additional locations and times.

#### BEAR CREEK ESTATES PROPOSED RATE INCREASE

A special Budget and Finance Committee meeting was held on August 8 at the Bear Creek Estates Country Club to discuss funding the Wastewater Enterprise Fund. Staff will be working with volunteers of BCE to develop a final proposed rate structure. Staff presented the proposed rate structure discussed with the BCEWW to the B & F Committee at its regular meeting on September 12, seeking input from the public and Committee before presentation to the Board.

#### ADMINISTRATION BUILDING

Staff is preparing an RFP for a Facility Assessment to determine if the current Ops Building is sufficient in size and shape to house the Administrative functions of the District. If the building is deemed sufficient, the District will proceed with determining if the Prosser property is sufficient in size and shape to house the Operations functions of the District. If the building is deemed insufficient, staff will return to the Board for a public discussion of remaining options.

#### PROBATION TANK REPLACEMENT PROJECT

Contract has been awarded to Canyon Springs Enterprise for \$1,829,652 at the regular May 2018 Board Meeting.

Contracts have been fully executed. Preconstruction meeting was held with Engineer and Contractor. Construction schedules are currently being reviewed. PG&E has moved their facilities.

## UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) RURAL DEVELOPMENT LOAN

On the agenda for tonight's meeting.

### SWIM TANKS REPLACEMENT PROJECT

Project is bid ready. WSC continues to work with staff in preparation for obtaining a federal USDA loan. Additionally, WSC has provided their planning level cost opinion for Swim Tank based on today's construction market. The original construction estimate was ~\$440,000. Today's estimate is \$1,863,000 (\$1,490,000 construction plus \$373,000 contingency). This is a sizable difference. The two estimates were provided by two different engineering firms and are representative of today's competitive bidding environment. The second estimate also benefitted from knowledge gained after the first bid opening where a single bid was received. The true construction cost will be known when bids are opened. Staff is hopeful that we will receive multiple competitive bids somewhere in the middle.

### FALL CREEK FISH LADDER

100% plans and specifications for improvements are under staff review.

Staff was informed in 2016 by Federal Fish and Wildlife (FFW) that the Fall Creek Diversion and Fish Ladder do not qualify for streamlined permitting. This is a change of direction from past conversations over the last three years. Individual consultation will be required and the District has submitted a request to the Army Corp of Civil Engineers. This new information will delay the project at least a year, if not longer.

Funding for the improvement project is expected to be accomplished through low-interest USDA loans.

During the 2017 Winter Storms Fall Creek Fish Ladder experienced significant debris build-up and damage. The repair project has been submitted and approved by FEMA. Staff has begun to remove the storm debris with the assistance of the CCC.

### FELTON HEIGHTS WATER STORAGE TANK

Staff is working to obtain necessary easements on neighboring property. Design is expected for winter of 2018 with construction occurring in Spring 2019. The delay is due to timing of the USDA loan.



## LOMPICO ASSESSMENT DISTRICT

Staff has completed a district PRV standard and is working toward obtaining quotes for four of the eight PRV's scheduled for replacement in the Lompico Assessment District. In addition to the four PRV replacements, staff also expects the contractor to replace 60 service laterals. Staff anticipates bringing a recommendation to award a construction contract to the Board at the regular July meeting. Assuming a bid price of \$45k per PRV and \$1,500 per lateral, the total contract is estimated to be about \$240k.

After this project completion the Assessment District reserves will have about \$60,000 remaining. Prior to receipt of this year's tax assessments in Nov 2018 and April 2019, staff anticipates using the remaining funds to work on environmental and design services for the three AD reservoir sites (Lewis, Kaski and Madrone).

Staff is currently working with the engineering firm Schaaf and Wheeler to prepare a proposal for design of the three reservoir sites. Schaaf and Wheeler were one of three firms selected for on-call as-needed services. Staff anticipates bringing a proposal to the Board at its regularly scheduled August meeting.

## 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: September 20, 2018

### RECOMMENDATION:

It is recommended that the Board of Directors review and file the Finance & Business Services Department Status Report.

### BACKGROUND:

#### **AUDIT**

We are very much in the thick of closing out the prior fiscal year. June has the most required entries for year end cut-off. Given we are in the middle of all these entries, renders the current ledger unavailable. The September report will have a draft FY1718 financial view. Along with the regular SLVWD audit, I am also working on closing the year for the Santa Margarita Groundwater Agency.

#### **BEAR CREEK ESTATES**

The District recently met with Bear Creek Estates customers on a proposed rate increase. The new proposed 3 year plan seems to be going over well. The District hopes to move forward with a Prop 218 process.

#### **LOANS – FEMA, USDA & OTHER LOANS**

Between regular capital projects, FEMA and USDA projects, the District has been looking at multiple loan options. The 2018 tax reform and increasing interest rates add to the complexity. The District has found a recommended lender for the USDA bridge loan and some other capital projects.

#### **CUSTOMER SERVICE SUPPORT**

Customer Service stats and information is included in this status report for review. I wanted to note the high volume of final bills from a very active home sale and rental market. Spikes in areas like this add a more unexpected workload to the front office and field customer service staff. I want to commend all my staff on their continued ability to pivot and adapt when necessary.

## **BILL LIST**

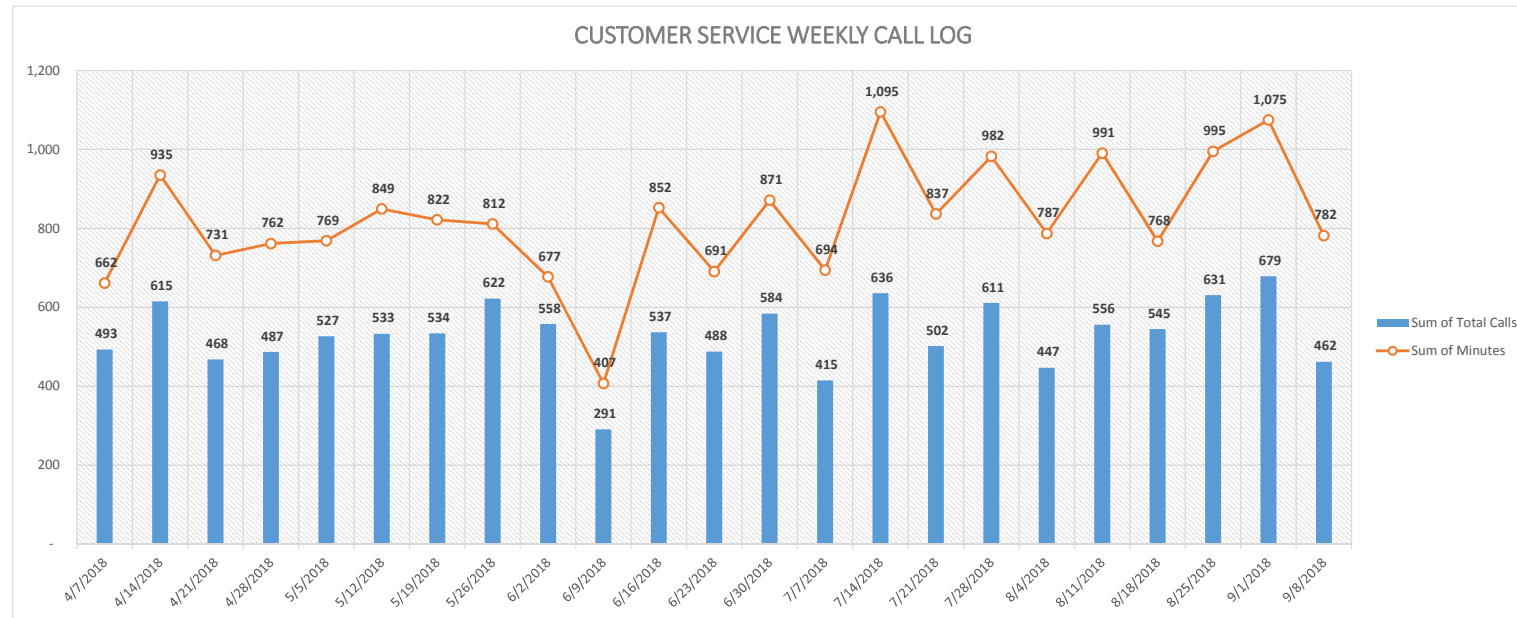
The Bill List is included in this status report for review.

## **FINANCIAL SUMMARY**

This packet contains the June and FY1718 YTD financial information. There are still some entries we are working on, a final FY1718 will be presented once we have a final working trial balance from the auditors, likely with the November package. The July financial information is also included within.

## **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 July, 2018 consumption, the cumulative consumption is 3% above 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
4/7/2018	291	546	202	116	493	662
4/14/2018	359	720	256	215	615	935
4/21/2018	242	530	226	201	468	731
4/28/2018	272	553	215	209	487	762
5/5/2018	322	651	205	117	527	769
5/12/2018	305	586	228	264	533	849
5/19/2018	317	644	217	178	534	822
5/26/2018	356	629	266	183	622	812
6/2/2018	311	541	247	136	558	677
6/9/2018	155	295	136	112	291	407
6/16/2018	344	703	193	149	537	852
6/23/2018	271	546	217	144	488	691
6/30/2018	345	700	239	171	584	871
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

Weekly Notes
Turn offs, Main Break: Azalea Circle, Hartman Ave, Brookside Ave
Tags, Main Break: Bear Creek Rd, Lomita Ave, El Solyo Ave, Camino Sinuoso
Turn offs, Main Break: Highland Drive - Hydrant, Blue Ridge
Old County Hwy, Blackstone - Hydrant, Apple Knoll, Pine Dr, Dana Ct, Cresta Dr, Bean Ave, Forest Way
Tags, Main Break: Country Club Lane, Center St, Valley View Road
Turn offs, Main Break: Summer Place, California Drive
Tags, Main Break: Reynolds Dr., Whispering Pines, Pacific St., Hermosa & Oak, Big Basin Way
Turn offs, Main Break: Blue Ridge Dr., Teilh Dr., Carrol Ave & Lompico Rd.
Tags, Main Break: Two Bar Road, Douglas Ave.
Turn Offs, Main Break: HWY 9, California Drive, Blue Ridge Drive
Tags, Main Break: Oak Ave/Fernwood Ave, Kings Creeks/Sunbeam, Riverside Dr., 9730 Hwy 9, Glen Arbor, California Dr, Dundee, 9505 Hwy 9, Russell Ave.
Turn offs, Main Break: High Street, Riverview, Lost Acre,
Main Break: Azalea Ave
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

**CUSTOMER SERVICE DEPT SUMMARY**

	**				**				*		*			
Monthly Stats:	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	77	86	59	68	58	30	42	61	62	55	81	59	114	52
Final Bills	115	40	66	71	42	34	58	57	66	50	79	79	58	49
Tags	275	176	121	232	72	312	198	194	118	240	128	260	264	163
Turn-offs	36	22	23	25	29	24	32	26	42	24	26	25	29	24

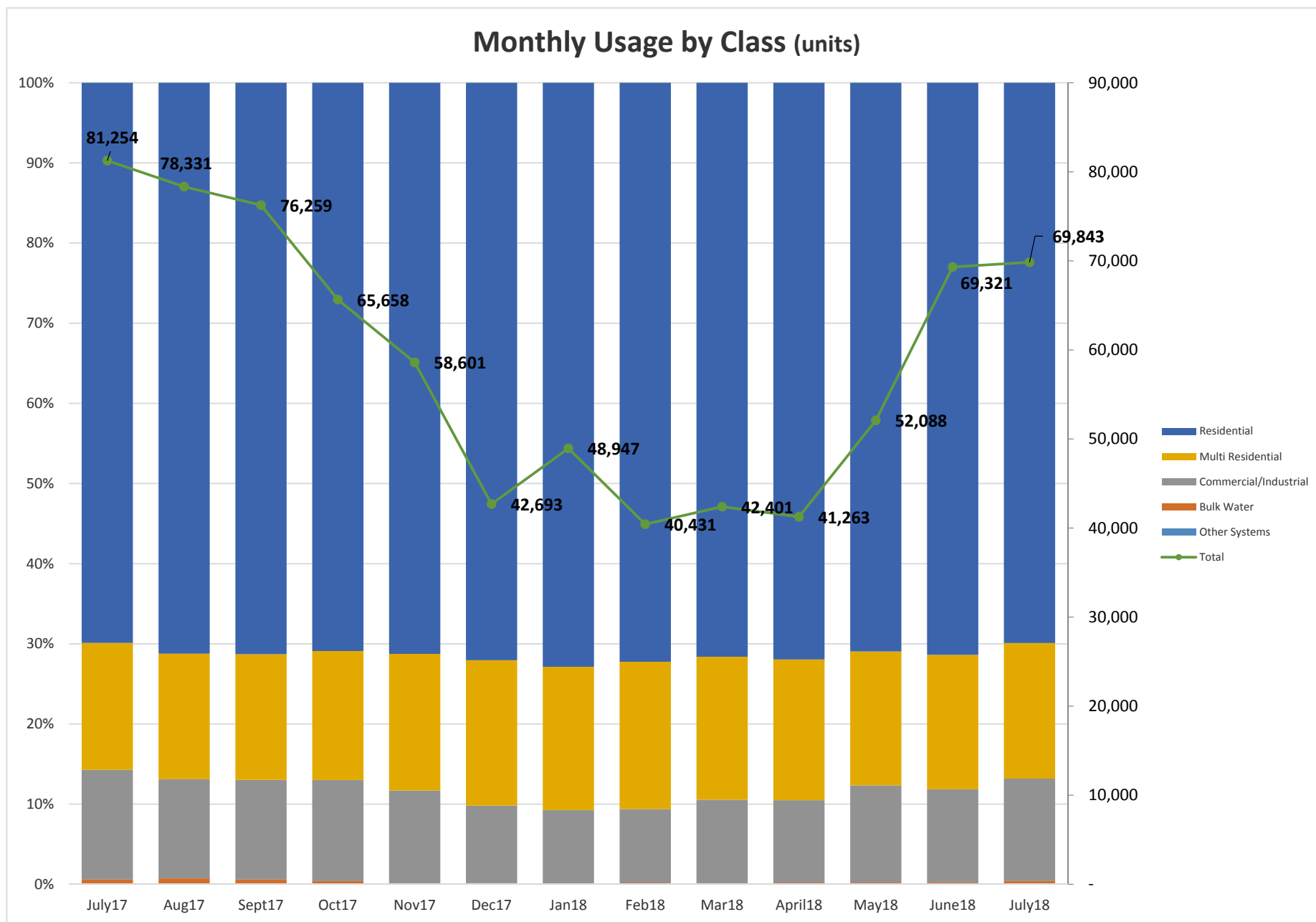
**Online / Going Green**

*As of 09/12/2018*

Online Sign-ups	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	1,238	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	2,509	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: 9/12/2018 - 11:39 AM  
Date Type: JE Date  
Date Range: 08/10/2018 to 09/12/2018



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
10209 - GORDON N. BALL, INC						
01-000-1565	9/12/2018	7/31/2018	1247	00066-03-2019	99,621.00	MAIN REPLACEMENT HWY 9 & WESTERN AVE_WO#550
Task Label:		Type:		PO Number: 0000101056		
Total for Vendor 10209 - GORDON N. BALL, INC:					99,621.00	
UB*00477 - JERRI GILLETTE						
01-000-2100	9/11/2018	9/11/2018		00058-03-2019	28.27	Refund Check
Task Label:		Type:		PO Number:		
Total for Vendor UB*00477 - JERRI GILLETTE:					28.27	
UB*00478 - TINA HUNT						
01-000-2100	9/11/2018	9/11/2018		00058-03-2019	20.73	Refund Check
Task Label:		Type:		PO Number:		
Total for Vendor UB*00478 - TINA HUNT:					20.73	
UB*00479 - MICHAEL SHULTS						
01-000-2100	9/11/2018	9/11/2018		00058-03-2019	23.34	Refund Check
Task Label:		Type:		PO Number:		
01-000-2100	9/11/2018	9/11/2018		00058-03-2019	86.69	Refund Check
Task Label:		Type:		PO Number:		
Total for Vendor UB*00479 - MICHAEL SHULTS:					110.03	
UB*00480 - PAUL HEADY						
01-000-2100	9/11/2018	9/11/2018		00058-03-2019	2.83	Refund Check
Task Label:		Type:		PO Number:		
Total for Vendor UB*00480 - PAUL HEADY:					2.83	
UB*00481 - STEPHANIE & RODERICK LARSEN						

**Vendor**

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
UB*00481 - STEPHANIE & RODERICK LARSEN						
01-000-2100	9/11/2018	9/11/2018		00058-03-2019	19.79	Refund Check
Task Label:		Type:	PO Number:			
Total for Vendor UB*00481 - STEPHANIE & RODERICK LARSEN:					19.79	
Report Total:					99,802.65	



# Accounts Payable

## Checks by Date - Detail by Check Number

User: KendraNegro  
Printed: 9/12/2018 10:09 AM



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	09/01/2018		
	SEPT 2018.1	HEALTH INSURANCE			138.84
	SEPT 2018.2	HEALTH INSURANCE			750.00
	SEPT 2018.3	HEALTH INSURANCE			779.86
	SEPT 2018.4	HEALTH INSURANCE			1,549.36
	SEPT 2018.5	HEALTH INSURANCE			3,006.53
	SEPT 2018.6	HEALTH INSURANCE			3,377.02
	SEPT 2018.7	HEALTH INSURANCE			11,395.93
	SEPT 2018.8	HEALTH INSURANCE			16,346.99
	SEPT 2018.9	HEALTH INSURANCE			18,553.27
Total for this ACH Check for Vendor 00178:				0.00	55,897.80
15577	10126	AT &T	08/14/2018		
	197425	PLACE COPPER & FIBER TO NEW POLE LI			17,954.32
Total for Check Number 15577:				0.00	17,954.32
15578	UB*00465	MARK CANNELORA Refund Check	08/15/2018		28.27
Total for Check Number 15578:				0.00	28.27
15579	UB*00466	STEVEN GUINEY Refund Check	08/15/2018		38.39
Total for Check Number 15579:				0.00	38.39
15580	UB*00470	Nathan Jones Refund Check	08/15/2018		74.85
Total for Check Number 15580:				0.00	74.85
15581	UB*00468	MONICA MENARD Refund Check	08/15/2018		0.25
Total for Check Number 15581:				0.00	0.25
15582	UB*00464	Devin Merchant Refund Check	08/15/2018		3.98
Total for Check Number 15582:				0.00	3.98
15583	UB*00469	DEVA PFLUEGER Refund Check	08/15/2018		0.11
Total for Check Number 15583:				0.00	0.11
15584	UB*00467	MICHAEL RUGGIERO Refund Check	08/15/2018		6.84

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15584:	0.00	6.84
15585	00687 072018_25035402	AT&T U-VERSE UVERSE_365 MADRONE AVE_WTP	08/15/2018		55.00
			Total for Check Number 15585:	0.00	55.00
15586	00788 072618_0987198	COMCAST INTERNET_195 KIRBY_WTP	08/15/2018		151.12
			Total for Check Number 15586:	0.00	151.12
15587	00788 080118_1236033	COMCAST INTERNET_215 BLACKSTONE DRIVE_OPS	08/15/2018		172.60
			Total for Check Number 15587:	0.00	172.60
15588	00016 3559857	GREENWASTE RECOVERY,INC TRASH/RECYCLE/YARDWASTE SERVICES_	08/15/2018		395.14
			Total for Check Number 15588:	0.00	395.14
15589	00054 0818_9754419334	PACIFIC GAS AND ELECTRIC PG&E_ROSEBLUM_OPS	08/15/2018		2,038.94
			Total for Check Number 15589:	0.00	2,038.94
15590	00054 0718_2836470071	PACIFIC GAS AND ELECTRIC PG&E_LAZYWOODS_OPS	08/15/2018		69.36
			Total for Check Number 15590:	0.00	69.36
15591	00054 8218_2564996928	PACIFIC GAS AND ELECTRIC UTILITIES_1150 REBECCA DRIVE	08/15/2018		45.60
			Total for Check Number 15591:	0.00	45.60
15592	00054 8318_7179253583	PACIFIC GAS AND ELECTRIC ELECTRIC_LOMPICO	08/15/2018		538.30
			Total for Check Number 15592:	0.00	538.30
15593	00054 8218_6279346884	PACIFIC GAS AND ELECTRIC UTILITIES_19 SUMMIT	08/15/2018		493.53
			Total for Check Number 15593:	0.00	493.53
15594	00054 73018_365802406 73018_365802406 73018_365802406 73018_365802406	PACIFIC GAS AND ELECTRIC ELECTRIC_WTP ELECTRIC_13060 CENTRAL & 12788 HWY 5 ELECTRIC_BCE WASTE WATER ELECTRIC_OPS	08/15/2018		42,376.80 1,616.61 1,150.26 18,032.77
			Total for Check Number 15594:	0.00	63,176.44
15595	00011 9810919136 9810919136 9810919136	VERIZON WIRELESS VERIZON_WTP VERIZON_ADMIN VERIZON_OPS	08/15/2018		370.77 100.11 579.46
			Total for Check Number 15595:	0.00	1,050.34

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
15596	00384 718-03	DON ALLEY STREAM CREEK PIPELINE	08/15/2018		1,444.72
		Total for Check Number 15596:		0.00	1,444.72
15597	00760 23243	ANGELO BARTOLOTTA BLUE BLANK DOOR HANGERS & LETTERS	08/15/2018		479.28
		Total for Check Number 15597:		0.00	479.28
15598	00609 217018-0618	BALANCE HYDROLOGICS, INC BULL & BENNETT, FALL CREEK, LOMPIC	08/15/2018		1,477.50
		Total for Check Number 15598:		0.00	1,477.50
15599	10113 AUG 2018 AUG 2018	BANK MIDWEST SOLAR LOAN_INTEREST SOLAR LOAN_PRINCIPAL	08/15/2018		855.68 2,394.22
		Total for Check Number 15599:		0.00	3,249.90
15600	00099 AUGUST 2018	JOEL BUSA RETIRED EMPLOYEE MEDICAL	08/15/2018		125.00
		Total for Check Number 15600:		0.00	125.00
15601	00012 9660W	C & N TRACTORS FERME TRACTOR MOLER DRIVELINE	08/15/2018		215.45
		Total for Check Number 15601:		0.00	215.45
15602	00265 2549	COMMUNITY TELEVISION MEETING COVERAGE_06/21/18	08/15/2018		272.00
		Total for Check Number 15602:		0.00	272.00
15603	00750 073118	FEDAK & BROWN, LLP JULY AUDIT SERVICES_FINANCE	08/15/2018		1,800.00
		Total for Check Number 15603:		0.00	1,800.00
15604	00329 9845834671	GRAINGER RETURN SHIPPING	08/15/2018		13.86
		Total for Check Number 15604:		0.00	13.86
15605	00589 7587	RONALD RAY GREENLY KIRBY HAULOUT	08/15/2018		300.00
		Total for Check Number 15605:		0.00	300.00
15606	00256 080118	JESSE GUIVER EMP REIMBURSE_UNIFORM SHORTS	08/15/2018		75.92
		Total for Check Number 15606:		0.00	75.92
15607	00208 AUGUST 2018	LEONARD KUHNLEIN RETIRED EMPLOYEE MEDICAL	08/15/2018		125.00
		Total for Check Number 15607:		0.00	125.00
15608	00662 AUGUST 2018	JAMES A. MUELLER RETIRED EMPLOYEE MEDICAL	08/15/2018		50.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15608:	0.00	50.00
15609	10139	NATIONAL METER & AUTOMATION	08/15/2018		
	S1102470-001	METER 1 1/2" BADGER MODEL 120			1,159.04
	S1102470-002	ME ENDPOINT DRIVE-BY_NICOR CONNEC			2,140.37
			Total for Check Number 15609:	0.00	3,299.41
15610	10202	NEW RESOURCES GROUP, INC	08/15/2018		
	00110032	HOSE NOZZLES_ENVIRN			99.50
			Total for Check Number 15610:	0.00	99.50
15611	00428	RCD OF SANTA CRUZ COUNTY	08/15/2018		
	18 FLP 02	FISH LADDER PERMITTING			10,032.39
			Total for Check Number 15611:	0.00	10,032.39
15612	10220	GARY REDENBACHER	08/15/2018		
	080818	LEGAL FEES_CV180394			483.50
			Total for Check Number 15612:	0.00	483.50
15613	00142	SAN LORENZO LUMBER	08/15/2018		
	61-0121202	PASO 5 WELL_WTP			195.02
			Total for Check Number 15613:	0.00	195.02
15614	00125	SCARBOROUGH LUMBER	08/15/2018		
	317313	MISC. SCREWS			4.14
	317374	LANDSCAPE RAKE			40.59
	317392	HOSE & NOZZLE GUN			38.87
	317617	MISC/WASP SPRAY			27.88
	317869	MISC BOLTS-TRUCK 380_MOUNTING HAR			2.52
	384514	SOAP REFILLS			30.18
	573238	TRIMMER STRING			48.53
	573791	TRASH BAGS			25.76
	573896	PAINT			40.35
	574094	DISTRILLED WATER BATTERY/MAINTENA			5.78
	574218	SHOVEL			28.99
	574266	POST HOLE DIGGER			53.70
	574300	PAINT/HYDRANT BALLARDS			34.73
	574308	HYDRANT PROTECTION			17.72
	574350	OPS_DRAINOPENER			24.77
	574357	DISTRICT WATER			55.18
	574486	MISC/MOUNTING PARTS			14.91
	574506	CUTTING OIL			37.57
			Total for Check Number 15614:	0.00	532.17
15615	00746	SCOTTS VALLEY BANNER	08/15/2018		
	53803	VACANCY ADVERTISMENT_ADMIN			220.00
			Total for Check Number 15615:	0.00	220.00
15616	00510	TOM'S SEPTIC CONSTRUCTION	08/15/2018		
	21079	ADMIN SEPTIC INSPECTION			350.00
			Total for Check Number 15616:	0.00	350.00
15617	00768	USA BLUEBOOK_HD SUPPLY	08/15/2018		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	624055	HIGH PRESSURE PUMP OLY WELL 2_CHLC			560.97
	624124	HIGH PRESSURE PUMP OLY WELL 2			2,311.00
Total for Check Number 15617:				0.00	2,871.97
15618	10156	VORTEX INDUSTRIES, INC	08/15/2018		
	44-1260966-1	GATE MAINTENANCE_395 MADRONE DR			198.00
	44-1260968-1	GATE MAINTENANCE_1584 QUAIL HOLLO			198.00
	44-1260970-1	GATE MAINTENANCE_600 SAN LORENZO			198.00
	44-1260971-1	GATE MAINTENANCE_195 KIRBY			198.00
Total for Check Number 15618:				0.00	792.00
15619	00599	WEX BANK	08/15/2018		
	55274597	FUEL_CS			825.51
	55274597	FUEL_OPS			3,191.34
	55274597	FUEL_WTP			1,843.25
Total for Check Number 15619:				0.00	5,860.10
15620	00055	AT&T	08/17/2018		
	8118_9607360489	TELEPHONE_OPS			3,908.12
	8118_9607360489	TELEPHONE_WTP			2,204.22
	8118_9607360489	TELEPHONE_BCE WASTEWATER			385.81
	8118_9607360489	TELEPHONE_ADMIN			208.79
Total for Check Number 15620:				0.00	6,706.94
15621	00687	AT&T U-VERSE	08/17/2018		
	80518_137458730	INTERNET_13057 HWY 9			75.00
Total for Check Number 15621:				0.00	75.00
15622	00220	BAY BUILDING JANITORIAL,INC	08/17/2018		
	31324	JANITORIAL SERVICES_AUGUST 2018			424.42
Total for Check Number 15622:				0.00	424.42
15623	01077	JOSEPH B BEASLEY	08/17/2018		
	081518	EMPLOYEE REIMBURSEMENT_SAFETY TC			314.07
Total for Check Number 15623:				0.00	314.07
15624	UB*00474	JODY & JOEL ROGGENBACK BISSON	08/17/2018		
		Refund Check			54.76
		Refund Check			6.60
Total for Check Number 15624:				0.00	61.36
15625	UB*00472	JULIE BRAZIL	08/17/2018		
		Refund Check			3.77
Total for Check Number 15625:				0.00	3.77
15626	00788	COMCAST	08/17/2018		
	080418_0302438	INTERNET_1075 WHISPERING PINES			191.20
Total for Check Number 15626:				0.00	191.20
15627	00788	COMCAST	08/17/2018		
	080318_0956185	INTERNET_545 FALL CREEK DRIVE			169.06

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15627:	0.00	169.06
15628	10221 1825-1	CONCRETE SCIENCE, INC. FIELD TESTING OF CONCRETE_BLUE TAN	08/17/2018		6,275.00
			Total for Check Number 15628:	0.00	6,275.00
15629	00172 081218	JOSEPH F. CONE EMPLOYEE REMIBURSEMENT_UNIFORMS	08/17/2018		272.45
			Total for Check Number 15629:	0.00	272.45
15630	UB*00471	BRENT DICHTER Refund Check	08/17/2018		0.94
			Total for Check Number 15630:	0.00	0.94
15631	10005 102618956	ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING_PP ENDING	08/17/2018		3,888.08
			Total for Check Number 15631:	0.00	3,888.08
15632	00539 0718SLV	MILLER MAXFIELD, INC CONSULTING SERVICES_JULY 2018	08/17/2018		1,475.00
			Total for Check Number 15632:	0.00	1,475.00
15633	UB*00473	KATHERINE OGG Refund Check Refund Check	08/17/2018		64.88 8.48
			Total for Check Number 15633:	0.00	73.36
15634	00054 8918_9655817646	PACIFIC GAS AND ELECTRIC ELECTRIC_140 ELENA	08/17/2018		9.96
			Total for Check Number 15634:	0.00	9.96
15635	10080 081118	RICARDO VILLA EMPLOYEE REIMBURSEMENT_MEALS	08/17/2018		15.00
			Total for Check Number 15635:	0.00	15.00
15636	00545 871416	AFLAC SUPPLEMENTAL INS_SEPT 2018	08/23/2018		221.77
			Total for Check Number 15636:	0.00	221.77
15637	10023 3044524	AT & T CAPITAL SERVICES, INC V2 PHONE MAINTENANCE	08/23/2018		396.07
			Total for Check Number 15637:	0.00	396.07
15638	00309 818_1717955506 818_1717955506 818_1717955506	AT&T IP SERVICES INTERNET_ADMIN INTERNET_WTP INTERNET_OPS	08/23/2018		248.90 248.90 248.90
			Total for Check Number 15638:	0.00	746.70
15639	00309 4898663400	AT&T IP SERVICES IP SERVICES_195 KIRBY STREET	08/23/2018		268.29

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15639:	0.00	268.29
15640	00687 8718_132182018	AT&T U-VERSE INTERNET_345 QUAIL TERRACE	08/23/2018		75.00
			Total for Check Number 15640:	0.00	75.00
15641	00687 8618_132166881	AT&T U-VERSE INTERNET_MANANA WOODS	08/23/2018		85.00
			Total for Check Number 15641:	0.00	85.00
15642	00609 217018-0718 218018-0618	BALANCE HYDROLOGICS, INC DATA WORK UP FOR BULL & LOMPICO CR JUNE 2018 GAGING RECORD MAINTENAN	08/23/2018		1,793.75 13,327.87
			Total for Check Number 15642:	0.00	15,121.62
15643	10200 081318	BOULDER CREEK RECREATION & PAI PSA SERVICES_ENVIRON	08/23/2018		100.00
			Total for Check Number 15643:	0.00	100.00
15644	00124 0097358-IN	BRUCE BARTON PUMP, INC PUMP SEAL KIT_LOMPICO BOOSTER	08/23/2018		314.64
			Total for Check Number 15644:	0.00	314.64
15645	00788 81118_1171123	COMCAST INTERNET_23 SUMMIT AVE	08/23/2018		141.12
			Total for Check Number 15645:	0.00	141.12
15646	00788 81118_1236017	COMCAST INTERNET_295 EAST ROAD	08/23/2018		172.60
			Total for Check Number 15646:	0.00	172.60
15647	00788 8518_1236165	COMCAST INTERNET_260 BLUE RIDGE DRIVE	08/23/2018		172.60
			Total for Check Number 15647:	0.00	172.60
15648	00788 8618_1318955	COMCAST INTERNET_1150 REBECCA DRIVE	08/23/2018		141.12
			Total for Check Number 15648:	0.00	141.12
15649	00788 8718_1236124	COMCAST INTERNET_15819 FOREST HILL DR	08/23/2018		172.60
			Total for Check Number 15649:	0.00	172.60
15650	00788 8818_1323583	COMCAST INTERNET_365 MADRONE DR	08/23/2018		261.79
			Total for Check Number 15650:	0.00	261.79
15651	00788 8818_1236058	COMCAST INTERNET_17277 HWY 9	08/23/2018		172.60

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15651:	0.00	172.60
15652	00788 8818_1323641	COMCAST INTERNET_365 MADRONE DR OFC	08/23/2018		261.79
			Total for Check Number 15652:	0.00	261.79
15653	00788 8918_1318922	COMCAST INTERNET_3652 GRAHAM HILL RD	08/23/2018		141.12
			Total for Check Number 15653:	0.00	141.12
15654	00317 9932	D C TAPPING SERVICES_500 FAIRVIEW_TAP FOR SERVIC	08/23/2018		575.00
			Total for Check Number 15654:	0.00	575.00
15655	00037 02-00842999 02-00844281 02-00844656 02-00848646	CO. OF SANTA CRUZ DEPT OF PUBLIC WOODWASTE_YARD WASTE WOODWASTE_SITE CLEAN UP LOMPICO WOODWASTE_SITE CLEAN UP LOMPICO & WOODWASTE_SITE CLEAN UP PALLETS F	08/23/2018		15.00 15.00 15.00 29.58
			Total for Check Number 15655:	0.00	74.58
15656	01039 874319	ERA - A WATERS COMPANY SERVICES_LAB TESTING_WTP	08/23/2018		493.77
			Total for Check Number 15656:	0.00	493.77
15657	00343 69881 69886 69918	ERNIE'S SERVICE CENTER MAINTENANCE_V#280 MAINTENANCE MIRROR_V#341 MAINTENANCE_TRUCK 155 SERVICE	08/23/2018		110.34 114.30 1,269.18
			Total for Check Number 15657:	0.00	1,493.82
15658	10208 S102372	GOLDEN STATE COMUNICATIONS, IN RADIO MOUNTS_OPS	08/23/2018		1,232.02
			Total for Check Number 15658:	0.00	1,232.02
15659	00329 9866795579	GRAINGER ROAD STRIPING MATERIAL	08/23/2018		258.20
			Total for Check Number 15659:	0.00	258.20
15660	00080 1429732 1434283 1438615	GRANITE CONSTRUCTION CO HOT MIX_OPS BASE ROCK 2.5 BINS HOT MIX_OPS	08/23/2018		354.86 101.07 171.43
			Total for Check Number 15660:	0.00	627.36
15661	00058 12206_0818	IHWY, INC. BUSINESS HOSTING_AUG	08/23/2018		25.00
			Total for Check Number 15661:	0.00	25.00
15662	00367 140219 140219	INFOSEND, INC POSTAGE FEES MAILING FEES	08/23/2018		2,636.33 1,116.67



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15662:	0.00	3,753.00
15663	10081 10938	INFRASTRUCTURE ENGINEERING CO SERVICES FOR BCE WASTEWATER	08/23/2018		3,940.00
			Total for Check Number 15663:	0.00	3,940.00
15664	00336 7-2018	LAND TRUST OF SANTA CRUZ COUN OLYMPIA PATROL SERVICE_ENVIRON	08/23/2018		771.83
			Total for Check Number 15664:	0.00	771.83
15665	00181 137047	LAS ANIMAS CONCRETE SCURRY_TWO BAR	08/23/2018		705.90
			Total for Check Number 15665:	0.00	705.90
15666	00296 0718035 0718047	MESITI-MILLER ENGINEERING,INC BLUE TANK PROBATION TANK	08/23/2018		646.00 2,123.60
			Total for Check Number 15666:	0.00	2,769.60
15667	00944 2791 2791	PDNC, INC. MANAGED SERVER_JULY MONTHLY SERVICE BACK UP FOR 4 SERV	08/23/2018		338.28 179.40
			Total for Check Number 15667:	0.00	517.68
15668	00944 2815	PDNC, INC. SERVICE_FIELD TECHNICIAN 4	08/23/2018		64.07
			Total for Check Number 15668:	0.00	64.07
15669	00263 2154_73118	RAYNE WATER CONDITIONING SERVICES_AUGUST	08/23/2018		71.00
			Total for Check Number 15669:	0.00	71.00
15670	00047 7060637 7060809 7061051 7061052	SOIL CONTROL LAB WATER ANALYSIS_PASO WELLS WATER ANALYSIS WATER ANALYSIS WATER ANALYSIS	08/23/2018		510.00 145.00 145.00 306.00
			Total for Check Number 15670:	0.00	1,106.00
15671	00047 8070551 8070720 8070875	SOIL CONTROL LAB WATER ANALYSIS_OLY 2 & 3 WATER ANALYSIS_OLY 2 & 3 WATER ANALYSIS_5 LOCATIONS	08/23/2018		78.00 78.00 145.00
			Total for Check Number 15671:	0.00	301.00
15672	00567 082018	TRAVIS TREE PROFESSIONALS, INC PROBATION TANK PROJECT	08/23/2018		18,461.00
			Total for Check Number 15672:	0.00	18,461.00
15673	00768 644266	USA BLUEBOOK_HD SUPPLY SHOVELS_FALL CREEK WO#756	08/23/2018		777.11

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15673:	0.00	777.11
15674	10072 3325	WATER SYSTEMS CONSULTING, INC USDA PHASE 1 FUNDING	08/23/2018		73,519.67
			Total for Check Number 15674:	0.00	73,519.67
15675	00687 0818_250354021	AT&T U-VERSE INTERNET_365 MADRONE AVENUE	08/24/2018		75.00
			Total for Check Number 15675:	0.00	75.00
15676	00609 218018-0718	BALANCE HYDROLOGICS, INC JULY GAGING RECORD MAINTENANCE &	08/24/2018		8,982.22
			Total for Check Number 15676:	0.00	8,982.22
15677	00378 72818.a 72818.b 72818.c 72818.d 72818.e 72818.f	BANKCARD CENTER BANK OF THE W SERVICES_INDEED AP RIVER CLOUD SERVICES PAYPAL LOCALENDARC INTERNET_FINANCE INTERNET_ENVIRON SOFTWARE_ADMIN	08/24/2018		5.06 158.40 29.95 4.00 4.00 180.00
			Total for Check Number 15677:	0.00	381.41
15678	10173 81518.a 81518.b 81518.c	CARLY BLANCHARD STEEL TOE WORK BOOTS MILEAGE_REBATE APPT MILEAGE_FELTON FARMERS MARKET	08/24/2018		139.99 3.24 2.16
			Total for Check Number 15678:	0.00	145.39
15679	00164 411436	FIRST ALARM ALARM SERVICES_195 KIRBY STREET	08/24/2018		95.00
			Total for Check Number 15679:	0.00	95.00
15680	00233 74451	JACK LADD TOWING_VE340	08/24/2018		200.00
			Total for Check Number 15680:	0.00	200.00
15681	10151 455927	OSCAR RODAS MAINTENANCE_JULY 2018	08/24/2018		250.00
			Total for Check Number 15681:	0.00	250.00
15682	00354 NP1851802	SONICWALL SERVICES VPN-SCADA_OPS	08/24/2018		129.00
			Total for Check Number 15682:	0.00	129.00
15683	00555 53540412	STORDOK, INC. SHREDDING SERVICES	08/24/2018		45.00
			Total for Check Number 15683:	0.00	45.00
15684	00266 0818_9380943	TERMINIX PROCESSING CENTER PEST CONTROL_QTRLY	08/24/2018		144.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15684:	0.00	144.00
15685	10217	UMPQUA BANK	08/24/2018		
	73118.a	HANDPUMPS_OPS			436.46
	73118.b	LOCK BOX_OPS			162.25
	73118.c	CHEMICAL LABELS_WTP			486.80
	73118.d	FILTER CARTRIDGES_OPS			119.95
	73118.e	STATE HEALTH INSPECTION LUNCH_WTP			64.52
	73118.f	STATE HEALTH INSPECTION LUNCH_WTP			63.00
	73118.g	WDS MANUAL & ENROLLMENT PACKET_			159.53
	73118.h	STATE INSPECTION WORKING LUNCH_OP			60.00
	73118.i	DISTRICT HATS_OPS			1,340.34
	73118.j	SCOTTS VALLEY/PGE MEETING_OPS			66.00
	73118.k	FINANCE CHARGE			3.20
			Total for Check Number 15685:	0.00	2,962.05
15686	00721	UNITED SITE SVCS.,INC	08/24/2018		
	114-7203538	QUAIL 5 TOILET SERVICE AND CLEANINF			241.38
			Total for Check Number 15686:	0.00	241.38
15687	00679	WATERTRAX	08/24/2018		
	400650689	WATER QUALITY REPORTING PROGRAM_			9,155.83
			Total for Check Number 15687:	0.00	9,155.83
15688	00398	WATSONVILLE METAL CO.,INC	08/24/2018		
	8425033	OLY DUMPSTER_OPS			600.00
			Total for Check Number 15688:	0.00	600.00
15689	10222	PROJECT RESOURCES GROUP, INC.	08/28/2018		
	273245	FORCED RELOCATION OF COMCAST UTIL			5,293.86
			Total for Check Number 15689:	0.00	5,293.86
15690	UB*00475	Daniel Alexander	08/28/2018		
		Refund Check			30.15
			Total for Check Number 15690:	0.00	30.15
15691	00162	ANTHEM BLUE CROSS	08/28/2018		
	57272965	RETIRED EMPLOYEE MEDICAL_9/1/18-9/30			325.50
			Total for Check Number 15691:	0.00	325.50
15692	00767	ANTHEM BLUE CROSS	08/28/2018		
	0964562311	MEDICARERX_9/1/18-10/1/18			169.80
			Total for Check Number 15692:	0.00	169.80
15693	00449	AW DIRECT, INC	08/28/2018		
	SIO4270998	SAFETY VESTS_OPS			193.85
	SIO4273434	SAFETY VESTS_OPS			141.89
			Total for Check Number 15693:	0.00	335.74
15694	10113	BANK MIDWEST	08/28/2018		
	SEPT 2018A	SOLAR LOAN_INTEREST			848.35
	SEPT 2018B	SOLAR LOAN_PRINCIPAL			2,401.55

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15694:	0.00	3,249.90
15695	00342 949395	BRASS KEY LOCKSMITH RE-KEY 5 KEYS	08/28/2018		102.82
			Total for Check Number 15695:	0.00	102.82
15696	00099 0918_00099	JOEL BUSA RETIRED EMPLOYEE MEDICAL	08/28/2018		125.00
			Total for Check Number 15696:	0.00	125.00
15697	00566 180800059101	C S S C ANSWERING SERVICE_8/22/18-9/21/18	08/28/2018		326.20
			Total for Check Number 15697:	0.00	326.20
15698	00415 AUG 2018_00415	CA BANK & TRUST/GOV SVC DEPT_10 1976 SAFE DRINKING WATER BOND	08/28/2018		15,581.43
			Total for Check Number 15698:	0.00	15,581.43
15699	10106 6888	CEL ANALYTICAL, INC WATER TESTING_LT2 MONITORING	08/28/2018		409.00
			Total for Check Number 15699:	0.00	409.00
15700	00363 SEPT 2018_00363	CINCINNATI LIFE INSURANCE CO LIFE INSURANCE_SEPT 2018	08/28/2018		42.00
			Total for Check Number 15700:	0.00	42.00
15701	01050 0813682	COLONIAL LIFE SUPPLEMENTAL INS FOR PP 8/13/18-8/28/18	08/28/2018		584.72
			Total for Check Number 15701:	0.00	584.72
15702	00265 2558	COMMUNITY TELEVISION MEETING COVERAGE_07/19/18	08/28/2018		346.50
			Total for Check Number 15702:	0.00	346.50
15703	00061 2082	DHS PUBLIC HEALTH LAB TICK TEST FOR LYME DISEASE	08/28/2018		33.00
			Total for Check Number 15703:	0.00	33.00
15704	00312 072018	DOCTORS ON DUTY EMPLOYEE PHYSICAL	08/28/2018		80.00
			Total for Check Number 15704:	0.00	80.00
15705	00343 70221	ERNIE'S SERVICE CENTER SERVICE_METER READING TRUCK #340	08/28/2018		666.42
			Total for Check Number 15705:	0.00	666.42
15706	10103 082018_10103	OCTAVIO FERNANDEZ UNIFORM/JEANS	08/28/2018		151.88
			Total for Check Number 15706:	0.00	151.88

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
15707	00080 1441274	GRANITE CONSTRUCTION CO FILL SAND	08/28/2018		74.21
			Total for Check Number 15707:	0.00	74.21
15708	00589 7601_8918	RONALD RAY GREENLY SEPTIC TANK PLUMBING (KIRBY PLANT)	08/28/2018		300.00
			Total for Check Number 15708:	0.00	300.00
15709	10073 7	KEN GIROUARD 11623 ALTA VIA METER REVIEW	08/28/2018		65.00
			Total for Check Number 15709:	0.00	65.00
15710	00208 0918_00208	LEONARD KUHNLEIN RETIRED EMPLOYEE MEDICAL	08/28/2018		125.00
			Total for Check Number 15710:	0.00	125.00
15711	00643 542599	MANCO, INC SPARE TANK LEVEL TRANSDEUCERS	08/28/2018		2,775.00
			Total for Check Number 15711:	0.00	2,775.00
15712	00313	MET LIFE	08/28/2018		
	SEPT 2018 A	DENTAL_ADMIN			325.32
	SEPT 2018 B	DISABILITY_ADMIN			84.83
	SEPT 2018 C	LIFE INS_ADMIN			33.30
	SEPT 2018 D	DENTAL_FINANCE			1,550.74
	SEPT 2018 E	DISABILITY_FINANCE			373.73
	SEPT 2018 F	LIFE INS_FINANCE			188.14
	SEPT 2018 G	DENTAL_ENG			62.57
	SEPT 2018 H	DISABILITY_ENG			41.45
	SEPT 2018 I	LIFE INS_ENG			16.65
	SEPT 2018 J	DENTAL_OPS			1,945.38
	SEPT 2018 K	DISABILITY_OPS			342.98
	SEPT 2018 L	LIFE INS_OPS			186.48
	SEPT 2018 M	DENTAL_ENIVRON			192.14
	SEPT 2018 N	DISABILITY_ENIVRON			78.38
	SEPT 2018 O	LIFE INS_ENIVRON			33.30
	SEPT 2018 P	DENTAL_WTP			1,202.00
	SEPT 2018 Q	DISABILITY_WTP			320.28
	SEPT 2018 R	LIFE INS_WTP			146.52
			Total for Check Number 15712:	0.00	7,124.19
15713	00082 228708	MID VALLEY SUPPLY PAPER TOWELS_ADMIN	08/28/2018		110.67
			Total for Check Number 15713:	0.00	110.67
15714	00662 0918_00662	JAMES A. MUELLER RETIRED EMPLOYEE MEDICAL	08/28/2018		50.00
			Total for Check Number 15714:	0.00	50.00
15715	00711	ROBERTS & BRUNE CO.	08/28/2018		
	S1765316.002a	FULL CIRCLE 2.35-2.63 12.50"			195.74
	S1765316.002b	FULL CIRCLE 4.45-4.73 12.50"			243.01
	S1765316.002c	TRACER WIRE 12 GUAGE COATED			268.38
	S1765316.002d	BACKFLOW RED PRESS 1"			1,114.63

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	S1765316.002e	BUSHING GALV 2-1/2" X 2"			14.30
	S1765316.002f	NIPPLE GALV 3/4" X 2"			4.30
	S1765316.002g	FLEX COUPLING 3/4" X 4.5"			401.82
	S1765316.003a	NIPPLE GALV 2" X 6"			31.52
	S1765316.003b	BUSHING GALV 1-1/2" X 3/4"			50.11
	S1765316.003c	FULL CIRCLE 6.84-7.24 12.50"			281.69
	S1765316.003d	PLUG GALV 1"			3.33
	S1765316.003e	NIPPLE BRASS 3/4" X 0"			17.57
	S1765316.003f	6 HYMAX FLEX CPLG 6.42-7.68			465.44
	S1765316.003g	COUPLING GALV 3/4"			17.01
	S1765316.003h	PLUG GALV 2"			35.11
	S1765316.004a	BACKFLOW DBL CHK VALVE 1"			520.03
	S1765316.004b	FLEX CPLG 6.60-6.91			166.87
	S1765316.004c	GATE VALVE 3/4"			158.97
	S1765364.001a	PIPE DUCTILE IRON 12"(18") C350			598.11
	S1765364.001b	PIPE DUCTILE IRON 6"(18")CL350			543.54
	S1765364.001c	HYDRANT BURY 6" X 24" W/ACC			445.47
	S1765364.004	METER BOX LID B16 -BADGER ORION			1,475.26
	S1765375.001	FULL CIRCLE 12.62-13.02 12.50"			229.16
Total for Check Number 15715:				0.00	7,281.37
15716	00659	SANTA CRUZ FIRE EQUIP CO	08/28/2018		
	102898	ANNUAL EXTINGUISHER REPAIR_WTP			2,498.67
	102899	ANNUAL EXTINGUISHER REPAIR_OPS			1,177.79
Total for Check Number 15716:				0.00	3,676.46
15717	00746	SCOTTS VALLEY BANNER	08/28/2018		
	53560	CELEBRATE SCOTTS VALLEY_ADMIN			290.00
Total for Check Number 15717:				0.00	290.00
15718	00047	SOIL CONTROL LAB	08/28/2018		
	8070719	WATER ANALYSIS			37.00
	8080209	WATER ANALYSIS			145.00
	8080210	WATER ANALYSIS			29.00
Total for Check Number 15718:				0.00	211.00
15719	00369	CAROLE TRIANTAFILLOS	08/28/2018		
	SEPTEMBER 2018	RETIRED EMPLOYEE MEDICAL			125.00
Total for Check Number 15719:				0.00	125.00
15720	00768	USA BLUEBOOK_HD SUPPLY	08/28/2018		
	646866	RUBBER GLOVES_WTP			326.89
Total for Check Number 15720:				0.00	326.89
15721	10072	WATER SYSTEMS CONSULTING, INC	08/28/2018		
	3318	FALL CREEK FISH LADDER DEBRIS REMO			990.00
Total for Check Number 15721:				0.00	990.00
15722	10134	WESTERN ALLIANCE BANK - LOAN P.	08/28/2018		
	080318A	REFUNDING BOND_PRINCIPAL			330,856.84
	080318B	REFUNDING BOND_INTEREST			24,113.24
Total for Check Number 15722:				0.00	354,970.08
15723	00415	CA BANK & TRUST/GOV SVC DEPT_10	09/05/2018		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	SEPT 2018_00415	1976 SAFE DRINKING WATER BOND			15,581.43
			Total for Check Number 15723:	0.00	15,581.43
15724	00362	ACCELA, INC #774375	09/06/2018		
	INV-ACC41371A	WEB PAYMENTS_BANK FEES			185.00
	INV-ACC41371B	WEB PAYMENTS_TRANSACTION FEES			2,594.00
			Total for Check Number 15724:	0.00	2,779.00
15725	00055	AT&T	09/06/2018		
	818_8313355273	PHONE_FELTON ACRES_WTP			121.47
			Total for Check Number 15725:	0.00	121.47
15726	00686	AT&T LONG DISTANCE	09/06/2018		
	834287386A	LONG DISTANCE_ADMIN			40.73
	834287386B	LONG DISTANCE_OPS			66.72
			Total for Check Number 15726:	0.00	107.45
15727	00687	AT&T U-VERSE	09/06/2018		
	0818_132338293	UVERSE_GRAHAM HILL			84.25
			Total for Check Number 15727:	0.00	84.25
15728	00687	AT&T U-VERSE	09/06/2018		
	81918_250354029	UVERSE_365 MADRONE AVE_WTP			64.25
			Total for Check Number 15728:	0.00	64.25
15729	00213	CHESTNUT IDENTITY APPAREL, INC	09/06/2018		
	112401A	UNIFORM EMBROIDERING_OPS			1,068.06
	112401B	UNIFORM EMBROIDERING_WTP			534.53
	112401C	UNIFORM EMBROIDERING_FINANCE			76.18
			Total for Check Number 15729:	0.00	1,678.77
15730	UB*00271	STEPHEN TYLER COLLINS	09/06/2018		
		Refund Check			28.27
			Total for Check Number 15730:	0.00	28.27
15731	00788	COMCAST	09/06/2018		
	818_1018662	INTERNET_264 ORCHARD WAY			146.12
			Total for Check Number 15731:	0.00	146.12
15732	00788	COMCAST	09/06/2018		
	818_1236074	INTERNET_200 ANNIES WAY			172.60
			Total for Check Number 15732:	0.00	172.60
15733	00788	COMCAST	09/06/2018		
	818_1028380	INTERNET_7400 HWY 9			151.12
			Total for Check Number 15733:	0.00	151.12
15734	00502	DLT SOLUTIONS, LLC	09/06/2018		
	4690488A	CAD SOFTWARE_ENG			1,244.60
			Total for Check Number 15734:	0.00	1,244.60

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
15735	00076 750928	ERNIE'S AUTO CENTER KUBOTA TRAILER LIGHTING	09/06/2018		62.81
			Total for Check Number 15735:	0.00	62.81
15736	00204 628584824	FEDERAL EXPRESS CORP POSTAGE_ADMIN	09/06/2018		23.45
			Total for Check Number 15736:	0.00	23.45
15737	00329 9867453848	GRAINGER ROAD STRIPING	09/06/2018		247.18
			Total for Check Number 15737:	0.00	247.18
15738	00080 1439521 1444772 1445925	GRANITE CONSTRUCTION CO BASE ROCK MAIN REPAIR BASE ROCK Q5 BINS/BACKFILL BASE ROCK/BACKFILL	09/06/2018		82.68 58.10 73.24
			Total for Check Number 15738:	0.00	214.02
15739	10136 082918	DANIEL MACK EMPLOYEE REIMB_BOOK	09/06/2018		103.00
			Total for Check Number 15739:	0.00	103.00
15740	00610 103610	MAGGIORA BROS DRILLING PASO 7 WELL PUMP/COLUMN	09/06/2018		25,949.50
			Total for Check Number 15740:	0.00	25,949.50
15741	00074 180370	PAUL FUELING DROUGHT BANNERS_ENVIRON	09/06/2018		1,395.20
			Total for Check Number 15741:	0.00	1,395.20
15742	00264 1241354	RAIN FOR RENT EQUIPMENT RENTAL_PASO 8	09/06/2018		2,847.17
			Total for Check Number 15742:	0.00	2,847.17
15743	00711 S1734964.006A S1765364-005	ROBERTS & BRUNE CO. SALES TAX NOT PAID METER BOX LID B9 -BADGER ORION	09/06/2018		85.85 2,245.62
			Total for Check Number 15743:	0.00	2,331.47
15744	00142 61-0122471 61-0122497 61-0123331 61-0123421	SAN LORENZO LUMBER PROBATION TANK WO#823_ORANGE BAR PROBATION TANK WO#823_NOZZLE, HOSI GLOVES/DIGGING BAR REBAR CAPS AND STAKES	09/06/2018		32.54 65.99 59.63 163.94
			Total for Check Number 15744:	0.00	322.10
15745	00125 318269 318624 318787 318877 319253	SCARBOROUGH LUMBER SMALL TOOLS_WTP CHLORINE ROPAN PARTS_WTP PASO WELL_FENCING SPOILS CAN_OPS PIPE WRENCH_OPS	09/06/2018		164.22 62.92 188.99 32.24 33.82



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	319517	EQUIPMENT SHELF			15.71
	319743	SUPPLIES MISC_OPS			61.27
	319767	CAR CLEANING SUPPLIES			27.04
	319777	FALL CREEK DEBRIS REMOVAL_WO#280			7.80
	319786	MISC TOOLS_TANK INSP			41.54
	319896	BROOM			40.24
	385285	MISC SUPPLIES_TRUCK 228			50.24
	574496	INTAKE LINERS_WTP			23.15
	574764	BUILD MAIN SUPPLIES_OPS			21.63
	574983	MARKING PAINT_OPS			15.44
	575043	PVC PARTS MAIN REPAIR			68.62
	575123	DOOR HANDLE_ADMIN			15.03
	575233	PVC PARTS SVC REPAIR			74.92
Total for Check Number 15745:				0.00	944.82
15746	UB*00476	SCOTT TUCKER Refund Check	09/06/2018		28.27
Total for Check Number 15746:				0.00	28.27
15747	00721 114-7244822	UNITED SITE SVCS.,INC QUAIL 5 TOILET SERVICE AND CLEANING	09/06/2018		187.12
Total for Check Number 15747:				0.00	187.12
15748	00011 9812773765A 9812773765B 9812773765C	VERIZON WIRELESS CELL PHONE CHARGES_ADMIN CELL PHONE CHARGES_OPS CELL PHONE CHARGES_WTP	09/06/2018		100.11 579.46 370.77
Total for Check Number 15748:				0.00	1,050.34
15749	00011 9812773766A 9812773766B 9812773766C	VERIZON WIRELESS TABLET CHARGES_ENG TABLET CHARGES_OPS TABLET CHARGES_ENV	09/06/2018		95.16 268.39 95.16
Total for Check Number 15749:				0.00	458.71
15750	10152 082018A 082018B	WESTAMERICA BANK TRUCK LOAN_PRINCIPAL TRUCK LOAN_INTEREST	09/06/2018		1,851.33 249.35
Total for Check Number 15750:				0.00	2,100.68
15751	00729 8081808-SLVWD	ALPHA ANALYTICAL LABS LAB FEES-ANALYTICAL SERVICES	09/10/2018		430.00
Total for Check Number 15751:				0.00	430.00
15752	00309 2506473400A 2506473400B 2506473400C	AT&T IP SERVICES IP SERVICES_ADMIN IP SERVICES_OPS IP SERVICES_WTP	09/10/2018		391.87 391.86 391.86
Total for Check Number 15752:				0.00	1,175.59
15753	00449 SI04276449	AW DIRECT, INC SAFETY VESTS_OPS	09/10/2018		64.95

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15753:	0.00	64.95
15754	00609	BALANCE HYDROLOGICS, INC	09/10/2018		
	217018-0818	GAGING FALL CREEK, FOREMAN, PEAVIN			5,073.75
	218018-0818	AUGUST GAGING_END OF YEAR REPORT			17,308.77
			Total for Check Number 15754:	0.00	22,382.52
15755	00378	BANKCARD CENTER BANK OF THE W	09/10/2018		
	AUG2018_00378A	AP RIVER CLOUD SERVICES			166.86
	AUG2018_00378B	INTERNET_ADMIN			4.00
	AUG2018_00378C	INTERNET_ENVIR			4.00
	AUG2018_00378D	BACKGROUND CHECK_FINANCE			79.90
			Total for Check Number 15755:	0.00	254.76
15756	00342	BRASS KEY LOCKSMITH	09/10/2018		
	949414	KEY FOB BATTERY CASE_OPS			17.42
			Total for Check Number 15756:	0.00	17.42
15757	10207	CITI CARDS_COSTCO	09/10/2018		
	081618A	OFFICE SUPPLIES_OPS			159.76
	081618B	PROFESSIONAL SERVICES_ADMIN			50.00
	081618C	ADVERTISING_ADMIN			226.00
	081618D	OFFICE SUPPLIES_ADMIN			37.03
	081618E	OFFICE SUPPLIES_ADMIN			13.43
	081618F	OFFICE SUPPLIES_ADMIN			76.68
	081618G	FLOWERS_ADMIN			64.93
	081618H	SANTA CRUZ JOBS.COM_ENG			299.00
	081618I	OFFICE SUPPLIES_ADMIN			47.72
			Total for Check Number 15757:	0.00	974.55
15758	00788	COMCAST	09/10/2018		
	0818_0987198	INTERNET_195 KIRBY_WTP			161.12
			Total for Check Number 15758:	0.00	161.12
15759	00343	ERNIE'S SERVICE CENTER	09/10/2018		
	70401	TRUCK 338_BATTERIES/SERVICE			392.11
	70413	SERVICE VE-325			486.90
			Total for Check Number 15759:	0.00	879.01
15760	00450	EUROFINS	09/10/2018		
	L0403196	WATER ANALYSIS_PASO 5_BOBS LANE			60.00
	L0403310	WATER ANALYSIS_LYONS WTP			475.00
	L0403632	WATER ANALYSIS_PASO 5 & QUAIL 4 & 5			2,040.00
	L0405829	WATER ANALYSIS_OLY 2 & 3			1,360.00
	L0406058	WATER ANALYSIS_LYONS WTP			475.00
	L0406067	WATER ANALYSIS_OLY 2 & 3			40.00
	L0406760	WATER ANALYSIS_PASO 5 & BOBS LANE			60.00
	L0408680	WATER ANALYSIS_OLY 3			825.00
	L0408806	WATER ANALYSIS_LYONS WTP			475.00
	L0408810	WATER ANALYSIS_LYON WTP			100.00
	L0409371	WATER ANALYSIS_PASO/OLYMPIA/QUAIL			450.00
	L0409388	WATER ANALYSIS_PASO 7			10.00
	L0410082	WATER ANALYSIS_FOREST HILL,SYLVAN/			700.00
	L0410085	WATER ANALYSIS_CREEKWOOD DR & LA			400.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 15760:	0.00	7,470.00
15761	00329 9876020141	GRAINGER HARD HATS_OPS	09/10/2018		253.48
			Total for Check Number 15761:	0.00	253.48
15762	00550 11091896	HACH COMPANY LAB SUPPLIES_WTP	09/10/2018		512.37
			Total for Check Number 15762:	0.00	512.37
15763	10005 40752	ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING_PP ENDING	09/10/2018		3,888.08
			Total for Check Number 15763:	0.00	3,888.08
15764	00181 137494	LAS ANIMAS CONCRETE SLURRY_OPS	09/10/2018		705.90
			Total for Check Number 15764:	0.00	705.90
15765	00539 0818SLV	MILLER MAXFIELD, INC CONSULTING SERVICES_PUBLIC OUTREA	09/10/2018		4,187.50
			Total for Check Number 15765:	0.00	4,187.50
15766	00054 818_97544193341	PACIFIC GAS AND ELECTRIC PG&E_LAZYWOODS_OPS	09/10/2018		332.22
			Total for Check Number 15766:	0.00	332.22
15767	10214 2048	MIKE PODLECH PROF SERVICES_DATA REVIEW, DRAFT RI	09/10/2018		2,362.50
			Total for Check Number 15767:	0.00	2,362.50
15768	10205 082218_10205 48461	RED WING BUSINESS ADVANTAGE AC EMPLOYEE UNIFORM_BOOTS 201 EMPLOYEE UNIFORM_BOOTS 216	09/10/2018		412.26 226.97
			Total for Check Number 15768:	0.00	639.23
15769	00125 319863 320181 574690 575446	SCARBOROUGH LUMBER FALL CREEK DEBRIS PROJECT MISC TOOLS_OPS FAIRVIEW HYDRANT_OPS BULBS_ADMIN OFFICE	09/10/2018		120.48 199.43 22.29 46.34
			Total for Check Number 15769:	0.00	388.54
15770	00746 54450	SCOTTS VALLEY BANNER ADVERTISING WATER STAGES_ADMIN	09/10/2018		220.00
			Total for Check Number 15770:	0.00	220.00
15771	00510 104TSC	TOM'S SEPTIC CONSTRUCTION BEAR CREEK PUMPDOWN_BCE WASTEW/	09/10/2018		3,609.00
			Total for Check Number 15771:	0.00	3,609.00
15772	00399	VISION SERVICE PLAN - (CA)	09/10/2018		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	SEPT 2018C	VISION SEPTEMBER_ENG			11.14
	SEPT 2018D	VISION SEPTEMBER_OPS			357.72
	SEPT 2018E	VISION SEPTEMBER_ENV			38.58
	SEPT 2018F	VISION SEPTEMBER_WTP			157.50
	SEPT2018A	VISION SEPTEMBER_ADMIN			44.74
	SEPT2018B	VISION SEPTEMBER_FINANCE			162.66
Total for Check Number 15772:				0.00	772.34
Report Total (197 checks):				0.00	868,876.84

## EFT TRANSACTIONS

AUGUST 2018



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

Date	Check No	Vendor	Description	Amount
7/25/2018	EFT	PAYCHEX	ADMIN & DELIVERY FEES	\$ 119.35
7/25/2018	EFT	PAYCHEX	PAYROLL	\$ 13,506.67
8/1/2018	EFT	PAYCHEX	ADMIN & DELIVERY FEES	\$ 228.05
8/1/2018	EFT	PAYCHEX	PAYROLL	\$ 99,503.44
8/15/2018	EFT	PAYCHEX	ADMIN & DELIVERY FEES	\$ 236.60
8/15/2018	EFT	PAYCHEX	PAYROLL	\$ 98,955.43
8/29/2018	EFT	PAYCHEX	ADMIN & DELIVERY FEES	\$ 225.20
8/29/2018	EFT	PAYCHEX	PAYROLL	\$ 103,385.69
8/31/2018	EFT	PAYCHEX	ADMIN & DELIVERY FEES	\$ 130.35
8/31/2018	EFT	PAYCHEX	PAYROLL	\$ 7,062.67
8/15/2018	EFT	CALPERS	RETIREMENT BENEFITS	\$ 16,345.43
8/24/2018	EFT	CALPERS	RETIREMENT BENEFITS	\$ 20,472.42
8/30/2018	EFT	CALPERS	RETIREMENT BENEFITS	\$ 18,070.83
TOTAL EFT TRANSACTIONS				<u>\$ 378,242.13</u>

0084 A87P-7177 San Lorenzo Valley Water District

**CASH REQUIREMENTS****CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 07/25/18: \$13,506.67****TRANSACTION SUMMARY**

<b>SUMMARY BY TRANSACTION TYPE -</b>	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	13,506.67
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	<b>13,506.67</b>
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	300.70
	CASH REQUIRED FOR CHECK DATE 07/25/18	13,807.37

**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>		<b>BANK DRAFT AMOUNTS &amp; OTHER TOTALS</b>
07/25/18	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	8,611.37	8,611.37
07/25/18	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	795.23	
				Medicare	185.98	
				Fed Income Tax	2,033.91	
				CA Income Tax	770.72	
				CA Disability	128.26	
				<b>Total Withholdings</b>	<b>3,914.10</b>	
				Employer Liabilities		
				Social Security	795.22	
				Medicare	185.98	
				<b>Total Liabilities</b>	<b>981.20</b>	<b>4,895.30</b>
				<b>EFT FOR 07/25/18</b>		<b>13,506.67</b>
				<b>TOTAL EFT</b>		<b>13,506.67</b>

**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>
07/25/18	Refer to your records for account	Information	Payroll	Employee Deductions		
				DPer	290.90	
				Union dues	9.80	
				<b>Total Deductions</b>	<b>300.70</b>	
				<b>TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES</b>		<b>300.70</b>

0084 A87P-7177 San Lorenzo Valley Water District

## CASH REQUIREMENTS

**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 07/25/18: \$13,506.67**

**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>	
08/01/18	Taxpay®	FED IT PMT Group	3,996.32
08/01/18	Taxpay®	CA IT PMT Group	898.98

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0084 A87P-7177 San Lorenzo Valley Water District

**CASH REQUIREMENTS****CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 08/01/18: \$113,176.30****TRANSACTION SUMMARY**

<b>SUMMARY BY TRANSACTION TYPE -</b>	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	99,503.44
	TOTAL NEGOTIABLE CHECKS	13,672.86
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	<b>113,176.30</b>
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	14,977.05
	CASH REQUIRED FOR CHECK DATE 08/01/18	128,153.35

**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>		<b>BANK DRAFT AMOUNTS &amp; OTHER TOTALS</b>
07/31/18	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	65,772.75	65,772.75
07/31/18	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	6,703.03	
				Medicare	1,710.39	
				Fed Income Tax	11,524.80	
				CA Income Tax	4,308.13	
				CA Disability	1,071.08	
				<b>Total Withholdings</b>	<b>25,317.43</b>	
				Employer Liabilities		
				Social Security	6,702.90	
				Medicare	1,710.36	
				<b>Total Liabilities</b>	<b>8,413.26</b>	33,730.69
				<b>EFT FOR 07/31/18</b>		<b>99,503.44</b>
				<b>TOTAL EFT</b>		<b>99,503.44</b>

**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>
08/01/18	WELLS FARGO BANK, NA	xxxxxx1358	Payroll	Check Amounts	13,672.86	
				<b>TOTAL NEGOTIABLE CHECKS</b>		<b>13,672.86</b>

**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>
08/01/18	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 08/01/18: \$113,176.30**

**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>
08/01/18	Refer to your records for account Information		Payroll	Employee Deductions (cont.)	
				Calper 457	1,025.00
				DPer	7,589.52
				ICMA	3,988.08
				Life Ins	14.00
				PXCMP EE PRE	774.61
				PXDCA EE PRE	192.31
				PXUME EE PRE	469.23
				Union dues	521.04
				<b>Total Deductions</b>	<b>14,977.05</b>
<b>TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES</b>					<b>14,977.05</b>

**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>	
08/08/18	Taxpay®	FED IT PMT Group	28,351.48
08/08/18	Taxpay®	CA IT PMT Group	5,379.21

0084 A87P-7177 San Lorenzo Valley Water District

**CASH REQUIREMENTS****CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 08/15/18: \$114,078.93****TRANSACTION SUMMARY**

<b>SUMMARY BY TRANSACTION TYPE -</b>	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	98,955.43
	TOTAL NEGOTIABLE CHECKS	15,123.50
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	<b>114,078.93</b>
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	15,307.62
	CASH REQUIRED FOR CHECK DATE 08/15/18	129,386.55

**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>		<b>BANK DRAFT AMOUNTS &amp; OTHER TOTALS</b>
08/14/18	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	64,416.62	<b>64,416.62</b>
08/14/18	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	6,897.98	
				Medicare	1,724.44	
				Fed Income Tax	11,771.89	
				CA Income Tax	4,409.51	
				CA Disability	1,112.60	
				<b>Total Withholdings</b>	<b>25,916.42</b>	
				Employer Liabilities		
				Social Security	6,897.97	
				Medicare	1,724.42	
				<b>Total Liabilities</b>	<b>8,622.39</b>	<b>34,538.81</b>
				<b>EFT FOR 08/14/18</b>		<b>98,955.43</b>
				<b>TOTAL EFT</b>		<b>98,955.43</b>

**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>
08/15/18	WELLS FARGO BANK, NA	xxxxxx1358	Payroll	Check Amounts	15,123.50	
				<b>TOTAL NEGOTIABLE CHECKS</b>		<b>15,123.50</b>

**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>
08/15/18	Refer to your records for account	Information	Payroll	Employee Deductions		
				Advance	130.20	
				Aflc/Col Post	55.34	

0084 A87P-7177 San Lorenzo Valley Water District

**CASH REQUIREMENTS****CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 08/15/18: \$114,078.93****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>
08/15/18	Refer to your records for account	Information	Payroll	Employee Deductions (cont.)	
				Aflc/Col Pre	347.92
				Calper 457	1,025.00
				DPer	7,783.31
				FSA	75.00
				ICMA	3,888.08
				Life Ins	14.00
				PXCMP EE PRE	774.61
				PXDCA EE PRE	192.31
				PXUME EE PRE	544.23
				Union dues	477.62
				<b>Total Deductions</b>	<b>15,307.62</b>
<b>TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES</b>					<b>15,307.62</b>

**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>	
08/22/18	Taxpay®	FED IT PMT Group	29,016.70
08/22/18	Taxpay®	CA IT PMT Group	5,522.11

0084 A87P-7177 San Lorenzo Valley Water District

**CASH REQUIREMENTS****CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 08/29/18: \$118,059.53****TRANSACTION SUMMARY**

<b>SUMMARY BY TRANSACTION TYPE -</b>	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	103,385.69
	TOTAL NEGOTIABLE CHECKS	14,673.84
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	<b>118,059.53</b>
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	13,282.12
	CASH REQUIRED FOR CHECK DATE 08/29/18	131,341.65

**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>		<b>BANK DRAFT AMOUNTS &amp; OTHER TOTALS</b>
08/28/18	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	67,428.75	67,428.75
08/28/18	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	7,098.38	
				Medicare	1,771.29	
				Fed Income Tax	12,409.24	
				CA Income Tax	4,679.08	
				CA Disability	1,129.25	
				<b>Total Withholdings</b>	<b>27,087.24</b>	
				Employer Liabilities		
				Social Security	7,098.40	
				Medicare	1,771.30	
				<b>Total Liabilities</b>	<b>8,869.70</b>	35,956.94
				<b>EFT FOR 08/28/18</b>		<b>103,385.69</b>
				<b>TOTAL EFT</b>		<b>103,385.69</b>

**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>
08/29/18	WELLS FARGO BANK, NA	xxxxxx1358	Payroll	Check Amounts	14,673.84	
				<b>TOTAL NEGOTIABLE CHECKS</b>		<b>14,673.84</b>

**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>
08/29/18	Refer to your records for account	Information	Payroll	Employee Deductions		
				Calper 457	1,025.00	
				DPer	7,693.50	

0084 A87P-7177 San Lorenzo Valley Water District

# CASH REQUIREMENTS

**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 08/29/18: \$118,059.53**

**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>
08/29/18	Refer to your records for account Information		Payroll	Employee Deductions (cont.)	
				FSA	-75.00
				ICMA	3,888.08
				Life Ins	14.00
				PXDCA EE PRE	192.31
				PXUME EE PRE	544.23
				<b>Total Deductions</b>	<b>13,282.12</b>
<b>TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES</b>					<b>13,282.12</b>

**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>	
09/06/18	Taxpay®	FED IT PMT Group	30,148.61
09/06/18	Taxpay®	CA IT PMT Group	5,808.33

## OPERATING ANALYSIS - JUNE 2018

*\* There are still entries being made for year end close, these are rough draft numbers*

### REVENUE BY CATEGORY

#### DESCRIPTION

WATER USAGE
BASIC CHARGES
METERS, PENALTIES & OTHER
SEWER CHARGES
<b>TOTAL OPERATING REVENUE</b>

COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
\$ 1,045,996	80.7%	\$ 613,409	\$ 432,587	71%	19%	\$ 5,390,000	62%
237,631	18.3%	300,537	(62,906)	-21%	8%	3,076,000	35%
4,145	0.3%	103,784	(99,639)	-96%	4%	110,000	1%
8,344	0.6%	8,344	-	0%	8%	100,000	1%
<b>\$ 1,296,116</b>	<b>100.0%</b>	<b>\$ 1,026,074</b>	<b>\$ 270,042</b>	<b>26%</b>	<b>15%</b>	<b>\$ 8,676,000</b>	<b>100%</b>

### REVENUE COMMENTS

JUNE 18 contains the new rates, which explains the decrease in the basic charge and the increase in usage. Consumption for JUNE 18 was 1.4% more than JUNE 17.

### EXPENSES BY CATEGORY

#### DESCRIPTION

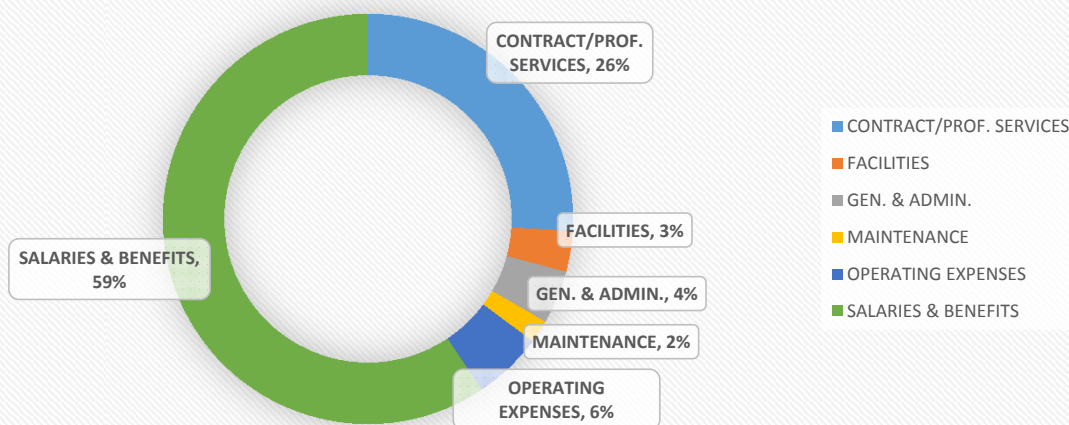
SALARIES & BENEFITS
CONTRACT/PROF. SERVICES
OPERATING EXPENSES
MAINTENANCE
FACILITIES
GEN. & ADMIN.
<b>TOTAL OPERATING EXPENSES</b>

COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
\$ 541,696	59.4%	\$ 625,422	\$ (83,727)	-13%	12%	\$ 4,531,632	61%
236,742	25.9%	220,027	16,715	8%	16%	1,520,561	20%
50,148	5.5%	52,698	(2,550)	-5%	13%	373,100	5%
16,415	1.8%	22,779	(6,364)	-28%	9%	174,000	2%
29,329	3.2%	71,072	(41,744)	-59%	6%	510,300	7%
38,374	4.2%	32,773	5,602	17%	10%	377,450	5%
<b>\$ 912,704</b>	<b>100%</b>	<b>\$ 1,024,771</b>	<b>\$ (112,068)</b>	<b>-11%</b>	<b>12%</b>	<b>\$ 7,487,043</b>	<b>100%</b>

### EXPENSE COMMENTS

Expenses appear similar to prior year. Salaries & Benefits at year end tends to vary based on number of days needing to be accrued back into the fiscal year.

## % BREAKDOWN OF CATEGORY EXPENDITURES



## OPERATING ANALYSIS - YTD 2018 (JULY-JUNE)

### REVENUE BY CATEGORY

#### DESCRIPTION

WATER USAGE
BASIC CHARGES
METERS, PENALTIES & OTHER
SEWER CHARGES
<b>TOTAL OPERATING REVENUE</b>

COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
\$ 5,927,570	64.4%	\$ 3,530,570	\$ 2,396,999	68%	110%	\$ 5,390,000	62%
3,090,432	33.6%	3,627,079	(536,647)	-15%	100%	3,076,000	35%
86,200	0.9%	178,632	(92,431)	-52%	78%	110,000	1%
100,138	1.1%	102,107	(1,970)	-2%	100%	100,000	1%
<b>\$ 9,204,340</b>	<b>100.0%</b>	<b>\$ 7,438,388</b>	<b>\$ 1,765,952</b>	<b>24%</b>	<b>106%</b>	<b>\$ 8,676,000</b>	<b>100%</b>

### REVENUE COMMENTS

YTD revenues have two reasons they are higher/shifted. 1) overall consumption is higher than the prior year and 2) the shift in the new rates pushes higher revenue on the usage vs. basic.

### EXPENSES BY CATEGORY

#### DESCRIPTION

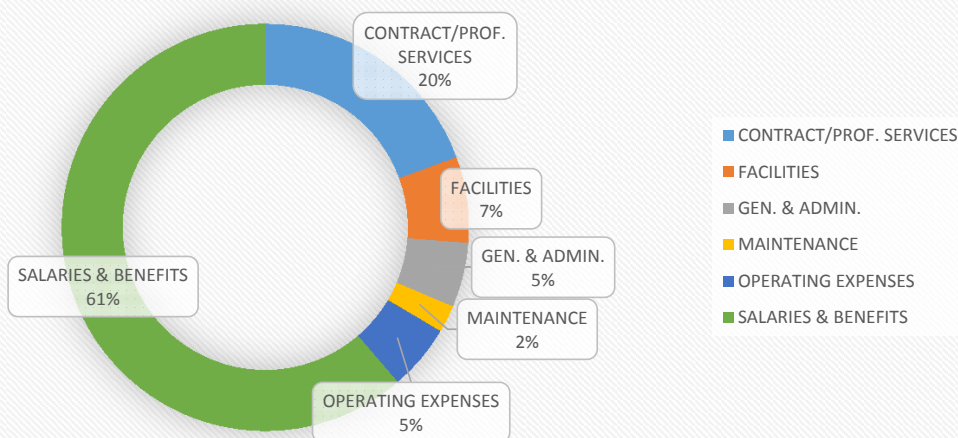
SALARIES & BENEFITS
CONTRACT/PROF. SERVICES
OPERATING EXPENSES
MAINTENANCE
FACILITIES
GEN. & ADMIN.
<b>TOTAL OPERATING EXPENSES</b>

COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
\$ 4,539,737	61.3%	\$ 4,498,595	\$ 41,142	1%	100%	\$ 4,531,632	61%
1,437,016	19.4%	1,202,004	235,012	20%	95%	1,520,561	20%
386,532	5.2%	462,177	(75,646)	-16%	104%	373,100	5%
159,920	2.2%	132,302	27,618	21%	92%	174,000	2%
504,762	6.8%	499,401	5,361	1%	99%	510,300	7%
380,103	5.1%	314,979	65,125	21%	101%	377,450	5%
<b>\$ 7,408,070</b>	<b>100%</b>	<b>\$ 7,109,458</b>	<b>\$ 298,612</b>	<b>4%</b>	<b>99%</b>	<b>\$ 7,487,043</b>	<b>100%</b>

### EXPENSE COMMENTS

For the most part, expenses were tracking similar to the prior year, outside of budgeted increases. Reasons for the swing in Salaries/Benefits and Contract/Prof Serv are mainly being timing of expenses or budgeted increases planned for this year. However, there were some unexpected maintenance needed on well repairs of ~\$50K.

### % BREAKDOWN OF CATEGORY EXPENDITURES



**OPERATING ANALYSIS - YTD TREND FY1718**

**REVENUE BY CATEGORY**

DESCRIPTION	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	YTD	BUDGET	% OF BUD.
WATER USAGE	217,386	442,081	423,848	475,748	590,116	430,207	491,609	425,445	426,630	416,442	519,795	1,045,996	5,905,305	5,390,000	110%
BASIC CHARGES	299,905	300,306	299,969	274,396	246,655	246,501	236,991	237,269	237,105	236,793	236,911	237,631	3,090,432	3,076,000	100%
METERS, PENALTIES & OTHER	4,950	7,375	18,342	4,797	7,405	4,655	6,055	5,760	12,761	2,740	7,215	4,145	86,200	110,000	78%
SEWER CHARGES	8,344	8,229	8,463	8,344	8,344	8,344	8,344	8,344	8,344	8,344	8,350	8,344	100,138	100,000	100%
<b>TOTAL OPERATING REVENUE</b>	<b>530,586</b>	<b>757,991</b>	<b>750,623</b>	<b>763,285</b>	<b>852,520</b>	<b>689,707</b>	<b>743,000</b>	<b>676,818</b>	<b>684,840</b>	<b>664,319</b>	<b>772,271</b>	<b>1,296,116</b>	<b>9,182,075</b>	<b>8,676,000</b>	<b>106%</b>

**EXPENSES BY CATEGORY**

DESCRIPTION	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	YTD	BUDGET	% OF BUD.
SALARY & BENEFITS	563,268	422,914	265,336	309,876	309,986	266,297	512,914	334,151	338,326	283,540	391,434	541,696	4,539,737	4,531,632	100%
CONTRACT/PROF. SERVICES	30,644	86,967	130,591	145,466	149,885	74,147	99,253	161,057	82,111	148,900	91,252	236,742	1,437,016	1,520,561	95%
OPERATING EXPENSES	12,148	26,573	32,390	25,600	30,382	33,548	56,446	28,602	34,051	29,978	26,666	50,148	386,532	373,100	104%
MAINTENANCE	7,245	10,897	12,561	20,260	9,135	20,690	7,696	14,083	8,782	12,131	20,024	16,415	159,920	174,000	92%
FACILITIES	14,530	52,281	55,352	57,133	16,509	74,518	44,393	34,961	41,112	37,588	47,058	29,329	504,762	510,300	99%
GEN. & ADMIN.	94,278	19,232	25,442	18,622	26,626	27,048	37,751	21,081	20,886	20,324	30,439	38,374	380,103	377,450	101%
<b>TOTAL OPERATING EXPENSES</b>	<b>722,113</b>	<b>618,864</b>	<b>521,671</b>	<b>576,958</b>	<b>542,523</b>	<b>496,248</b>	<b>758,453</b>	<b>593,935</b>	<b>525,268</b>	<b>532,460</b>	<b>606,873</b>	<b>912,704</b>	<b>7,408,070</b>	<b>7,487,043</b>	<b>99%</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(191,527)</b>	<b>139,127</b>	<b>228,951</b>	<b>186,327</b>	<b>309,996</b>	<b>193,459</b>	<b>(15,453)</b>	<b>82,883</b>	<b>159,573</b>	<b>131,859</b>	<b>165,398</b>	<b>383,412</b>	<b>1,774,005</b>	<b>1,188,957</b>	<b>149%</b>

**COMMENTS**

**REVENUE/EXPENSES:**

We are still in the process of closing out the fiscal year end. There will likely be some small revisions to these numbers. In general, expenses came in as expected to budget. Revenue tracked higher than expected due to an approximate 6% increase in consumption. It is still unclear how the rate increase will impact consumption, when reviewing July 2018 consumption, it is 6% below the prior July 3yr average and 14% below July 2017.

**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.



## OPERATING ANALYSIS - JULY 2018

### REVENUE BY CATEGORY

#### DESCRIPTION

WATER USAGE
BASIC CHARGES
METERS, PENALTIES & OTHER
SEWER CHARGES
<b>TOTAL OPERATING REVENUE</b>

COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
\$ 359,119	58.9%	\$ 217,386	\$ 141,733	65%	5%	\$ 6,846,000	68%
237,313	38.9%	299,905	(62,592)	-21%	8%	2,986,000	30%
5,250	0.9%	4,950	300	6%	6%	90,000	1%
8,344	1.4%	8,344	-	0%	8%	100,000	1%
<b>\$ 610,027</b>	<b>100.0%</b>	<b>\$ 530,586</b>	<b>\$ 79,441</b>	<b>15%</b>	<b>6%</b>	<b>\$ 10,022,000</b>	<b>100%</b>

### REVENUE COMMENTS

July 18 contains the new rates, which explains the decrease in the basic charge and the increase in usage. Consumption for July 18 was 14% less than July 17.

### EXPENSES BY CATEGORY

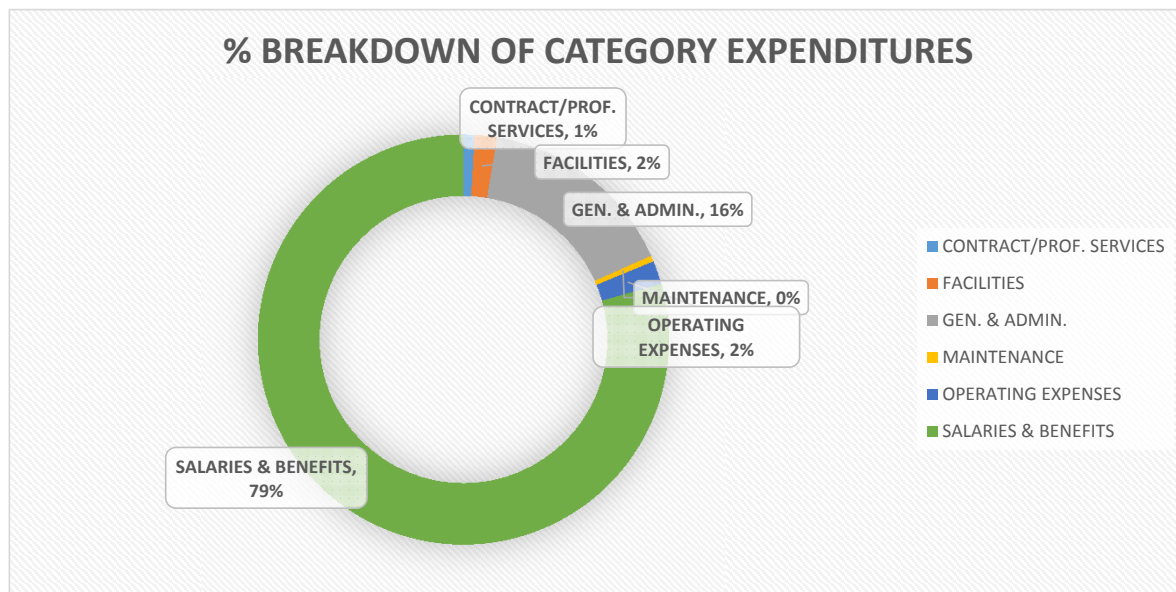
#### DESCRIPTION

SALARIES & BENEFITS
CONTRACT/PROF. SERVICES
OPERATING EXPENSES
MAINTENANCE
FACILITIES
GEN. & ADMIN.
<b>TOTAL OPERATING EXPENSES</b>

COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
\$ 514,027	79.4%	\$ 563,268	\$ (49,241)	-9%	10%	\$ 5,048,246	63%
5,572	0.9%	30,644	(25,072)	-82%	0%	1,316,360	17%
11,986	1.9%	12,148	(161)	-1%	3%	420,500	5%
3,079	0.5%	7,245	(4,166)	-58%	2%	184,350	2%
11,383	1.8%	14,530	(3,147)	-22%	2%	571,800	7%
101,568	15.7%	94,278	7,290	8%	24%	420,400	5%
<b>\$ 647,615</b>	<b>100%</b>	<b>\$ 722,113</b>	<b>\$ (74,498)</b>	<b>-10%</b>	<b>8%</b>	<b>\$ 7,961,656</b>	<b>100%</b>

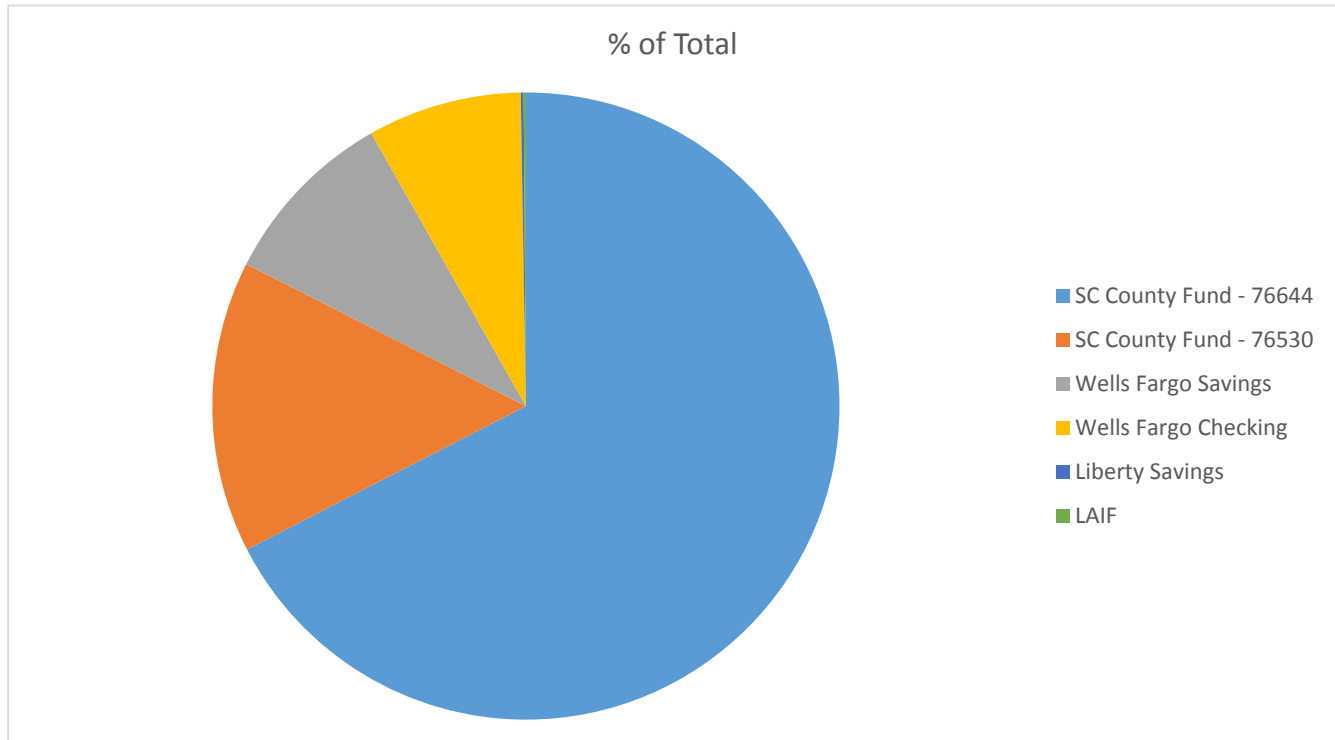
### EXPENSE COMMENTS

Operating expenses are slightly lower, estimated to be timing related. July legal bill has not yet been received, which is why professional services is below budget.



AS OF 7/31/2018

<b>LIQUID ASSETS</b>	<b>\$ Amount</b>	<b>% of Total</b>	<b>Ave Interest Rate</b>
Wells Fargo Checking	238,345	7.9%	0.35%
Wells Fargo Savings	279,574	9.3%	0.10%
Liberty Savings	4,510	0.2%	0.15%
SC County Fund - 76530	451,211	15.0%	1.60%
SC County Fund - 76644	2,023,910	67.4%	1.60%
LAIF	3,441	0.1%	1.94%
	<u>\$ 3,000,993</u>	<u>100%</u>	



## 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	<b>636,340</b>
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	<b>654,889</b>
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	<b>697,247</b>
<b>FY 3 YR AVERAGE</b>	<b>74,077</b>	<b>72,235</b>	<b>72,564</b>	<b>61,733</b>	<b>50,072</b>	<b>43,388</b>	<b>46,124</b>	<b>38,463</b>	<b>42,002</b>	<b>42,438</b>	<b>51,116</b>	<b>68,613</b>	<b>662,826</b>

**ROLLING 3 YR AVERAGE**      **75,099**

### ACTUAL FY1819 CONSUMPTION

FY1819	69,843	<b>69,843</b>
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### CUMULATIVE ANALYSIS

% Above or Below Average	-6%
<b>Cumulative Rolling 12 mo. %</b>	<b>3%</b>

### NOTES:

Consumption is cumulatively higher than the prior three year average baseline. As of July 2018 consumption, the cumulative consumption is 3% above 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: September 20, 2018

### RECOMMENDATION:

It is recommended that the Board of Directors review and file the Environmental Department status report.

### WATER SUSTAINABILITY PLANNING

#### CONJUNCTIVE USE GRANT

- Contracts executed with fish & hydrological consultant.
- Staff received a 3<sup>rd</sup> update on the progress on the hydrological analysis.
- Staff will be scheduling a resource agency meeting to discuss findings and next steps.

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.

## SANTA MARGARITA SUSTAINABLE GROUNDWATER MANAGEMENT AGENCY (SMGWA.ORG)

Staff provides ongoing support and District representation at the SMGWA at staff level.

Dave Ceppos from California State University, Sacramento - College of Continuing Education Center for Collaborative Policy is working to build board consensus among the members of the board and to assist with process design and facilitation of the public education and engagement plan. Staff met with a Facilitation Committee in a publicly noticed meeting on September 11, to review Educational Topics identified by the Board, and to discuss the Guiding Principles for the Board.

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.

The next SGMWA Meeting will be held Thursday, September 27th at 7:00 PM (the time may change to 6:00 to provide time for a presentation) at Scott's Valley Water District. For more information <http://smgwa.org/>

## ENVIRONMENTAL COMPLIANCE

### CAPITOL IMPROVEMENT PROGRAM

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

Fall Creek Fish Ladder Debris Removal- All required permits have been received and include:

- California Department of Fish and Wildlife
- US Fish and Wildlife
- National Marine Fisheries Service
- Regional Water Quality Control Board
- County Riparian Exception
- FEMA Approval

The District contracted with the California Conservation Corps to conduct work from September 10 - September 20<sup>th</sup>. The district began dewatering on September 4<sup>th</sup>. Work will be completed by September 20<sup>th</sup> on the Debris Removal from the 2017 storms.

## **COMPLETION REPORTS 2018**

### **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.

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.

### **CATEGORICAL EXEMPTION FOR PASO WELL #8 REPLACEMENT PROJECT**

#### **REGIONAL INTERTIE HCP REPORT**

Submitted as required as part of the intertie project mitigation

### **PASO WELL REPLACEMENT PROJECT**

The District Received the permit to replace the Paso Wells 6 which is underway.

### **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 is working to establish 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 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.

## WATERSHED MANAGEMENT

### BLUE RIBBON PANEL ON SANDHILLS ADAPTIVE MANAGEMENT

Staff is working with 8 local experts participating on the “blue ribbon” panel to review the District’s approach to broom management in Sandhills. The Panel has met four times, much of the outline is complete. Most panel members are on sabbatical, so the panel is taking a break from this project for the summer and will reconvene in October.

### 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.

### 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.

## 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

Additional efforts to reduce water consumption system wide include:

- Teacher conservation workshop & in-class presentations have been scheduled with SLV Elementary in April for Earth Day. Water conservation lessons will be taught by staff to 1<sup>st</sup>-3<sup>rd</sup> grade classes. More presentations to take place throughout the year.
- At home water wise audit program in early stages of creation. Staff is currently working with other districts to develop the program. As the program becomes active collaboration with other businesses to maintain larger accounts (such as schools, parks, industrial) will need to be discussed. Many of Santa Cruz's utilizes use Waterfluence as their partner.
- Water Conservation Coalition of Santa Cruz meeting bi-monthly. Will discuss rebate programs, upcoming workshops and water wise program.
- Water conservation staff to take over high usage and leak prevention tagging.
- Conservation staff reordering conservation devices and outreach materials. Low flow shower heads to be restocked.
- Environmental staff working to revamp rebate program. Proposal to offer rain collection rebate and commercial rebates for businesses.
- Create content for public outreach such as videos, and district workshops. Working with various agencies to create content efficiently.
- Environmental staff working to create SLVWD workshops for community.

### CLIMATE ADAPTATION

- The initial phase of completing the Climate Action Plan is to inventory existing carbon outputs from District operations.
- Data entry has begun with the Climate Registry. Verification should take place for 2013-2016 in 2018-2019. Completed entry and reports should be available by January 2019.
- Inventory of 2017 has been completed and is undergoing verification through Cameron-Cole, LLC. Completion of verification for year 2017 is set for the end of September 2018. Report will be released as soon as verification complete.

### EVENTS

- Felton Library Ground Breaking on September 21<sup>st</sup> at 4:00 PM at the New Felton Library Site on Gushee in Felton.
- SLV Elementary Family Science Night on October 4<sup>th</sup> – SLVWD staff will be attending to staff a booth and interactive activity.
- Felton 150<sup>th</sup> Anniversary on October 6<sup>th</sup> – SLVWD will be staffing a booth



- Community Chats – Wednesdays, September 26 at Coffee 9, October 10 at Rocky's Cafe & October 24<sup>th</sup> Heavenly Roadside Café from 9 – 10. The Public is invited to stop in to talk with the Acting District Manager & the Board President.
- Farmer's markets SLVWD booth the Last Tuesday of every month.

## **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 monthly.
- The District is running ads in the Press Banner twice a monthly.
- Post cards were mailed to the South System Customers regarding infrastructure construction related water shortage.
- Press release was sent to the Media regarding infrastructure construction and water shortage in the south system.
- Outreach materials regarding CIP information in process of creation.
- Staff is conducting regular interviews on KBCZ regarding drought, infrastructure projects and other news from SLVWD.
- Staff working with local papers on Fall Creek Fish Ladder article.

## **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.

## **NETWORKING/ COLLABORATIONS**

**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.scmhc.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 19<sup>th</sup>.

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.](#)

## MEMO

TO: District Manager

FROM: Director of Operations

SUBJECT: OPERATIONS DEPARTMENT STATUS REPORT  
AUGUST 2018

DATE: SEPTEMBER 20, 2018

### RECOMMENDATION:

It is recommended that the District Manager review and file the Operations Department Project Status Report for the month of August 2018.

### BACKGROUND:

#### BLUE TANK REPLACEMENT

Consultants are putting together plans and specifications for site enhancements that need to be complete before putting the new tank on the existing 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.

#### HWY 9 & BROOKDALE STORM DAMAGE REPAIRS

Staff worked with the contractor to provide valve boxes for the main line replacement valves in the roadway. Several hundred feet to main line washed out with Highway 9. The new main line has been placed in service. The District is now done with our end of the project and will be submitting payment to the contractor and submitting for FEMA reimbursement.

#### FALL CREEK FISH LADDER DEBRIS REMOVAL

District staff began preparation for dewatering and debris removal of Fall Creek Fish Ladder. Fall Creek Fish Ladder has been permitted for debris removal from the chambers of the fish ladder for fish passage this coming winter. The fish ladder

was filled with silt and cobble debris in the winter of 2017 causing poor fish passage.

## MAINTENANCE ISSUES

Service Line Replacement Lompico

Service Line Replacement 12212 La Lena

Main Line Replacement

6" Fire Hydrant repair 505 Farview

Replaced 6" Fire Hydrant Felton Fair Parking Lot

4" Warf Hydrant Install Westwood

Main Line Repairs 14850 Hwy 9

Main Repairs 6" Main Line Valve Replaced

Quarterly Water Tank Maintenance Inspections

District Wide

System Wide

23 Mainline/Service Line Leaks Were Repaired

Dead Meter Change Out

Boulder Creek

Ben Lomond

Scotts Valley

James Furtado

Director of Operations

## SAN LORENZO VALLEY WATER DISTRICT

### PRODUCTION COMPARRISON

Source	August-18	July-18	August-13	Difference This Year To 2013
<b>North System</b>				
<b>Surface Water Sources</b>				
Foreman Creek	4,095,844	6,816,356	9,503,000	
Peavine Creek + Hydro	1,505,690	230,277	2,662,000	
Clear Creek	3,190,480	4,820,620	0	
Sweetwater Creek	2,126,986	3,213,747	0	
<b>Sub-Total (Streams)</b>	<b>10,919,000</b>	<b>15,081,000</b>	<b>12,165,000</b>	-10.24%
<b>Wells (North)</b>				
Olympia No. 2	14,814,000	14,958,000	15,905,000	
Olympia No. 3	6,929,000	7,150,000	10,475,000	
Quail Well No. 4-A	9,676,000	7,989,000	7,841,000	
Quail Well No. 5-A	4,137,700	2,631,000	4,843,000	
<b>Sub Total North Wells</b>	<b>35,556,700</b>	<b>32,728,000</b>	<b>39,064,000</b>	-8.98%
<b>South System Wells</b>				
Pasatiempo 5A	8,583,700	9,483,700	N/A	
Pasatiempo 6	-	-	9,923,000	
Pasatiempo 7	1,562,000	-	3,078,000	
<b>Sub Total Pasatiempo Wells</b>	<b>10,145,700</b>	<b>9,483,700</b>	<b>13,001,000</b>	-21.96%
<b>North South All Sources Combined</b>	<b>56,621,400</b>	<b>57,292,700</b>	<b>64,230,000</b>	-11.85%
<b>Felton System - Surface Water</b>				
Fall Creek	10,634,797	8,369,500	10,724,420	
Bennett Spring	2,336,752	1,638,860	3,137,000	
Bull 1 & 2	1,947,044	1,795,200	0	
<b>Total Felton System Sources</b>	<b>14,918,593</b>	<b>11,803,560</b>	<b>13,861,420</b>	7.63%
<b>Manana Woods System</b>				
Well 1	-	-	1,003,519	
<b>Total Manana Woods Sources</b>	<b>-</b>	<b>-</b>	<b>1,003,519</b>	
<b>Sub - Total Production</b>				
<b>North / Felton / Manana</b>	<b>71,539,993</b>	<b>69,096,260</b>	<b>79,094,939</b>	-9.55%
<b>Surface</b>	<b>25,837,593</b>	<b>26,884,560</b>	<b>26,026,420</b>	-0.73%
<b>Wells</b>	<b>45,702,400</b>	<b>42,211,700</b>	<b>53,068,519</b>	-13.88%
<b>Total Surface Water Percentage</b>	<b>36.12</b>	<b>38.91</b>	<b>32.91</b>	9.76%
<b>Total Wells Percentage</b>	<b>63.88</b>	<b>61.09</b>	<b>67.09</b>	-4.79%

**SAN LORENZO VALLEY WATER DISTRICT  
PRODUCTION BY SYSTEM  
+/- INTERTIES  
August 2018**

North System All Sources	<u>56,621,400</u>
Interties IN +	<u>1,758,559</u>
Interties OUT -	<u>2,544,325</u>
<b>TOTAL NORHT SYSTEM</b>	<b><u>55,835,634</u></b>
Felton Water system All Sources	<u>14,918,593</u>
Interties IN +	<u>3</u>
Interties OUT -	<u>1,737,406</u>
<b>TOTAL FELTON SYSTEM</b>	<b><u>13,181,190</u></b>
Manana Woods System	
Manana Woods Well 1	<u>0</u>
Interties IN +	<u>N/A</u>
<b>TOTAL MANANA WOODS</b>	<b><u>0</u></b>

**SAN LORENZO VALLEY WATER DISTRICT**  
**INTERTIE USAGE**  
**August 2018**

**INTERTIE 2**

SLVWD to SVWD 0

SVWD to SLVWD 0

**INTERTIE 3**

SLV SOUTH to SLV NORTH 21,153

SLV NORTH to SLV SOUTH 401,378

**INTERTIE 4**

SLVWD to MHWD 0

MHWD to SLVWD 0

**INTERTIE 6**

SLV NORTH to SLV FELTON 3

SLV FELTON to SLV NORTH 1,737,406

**LOMPICO INTERTIE**

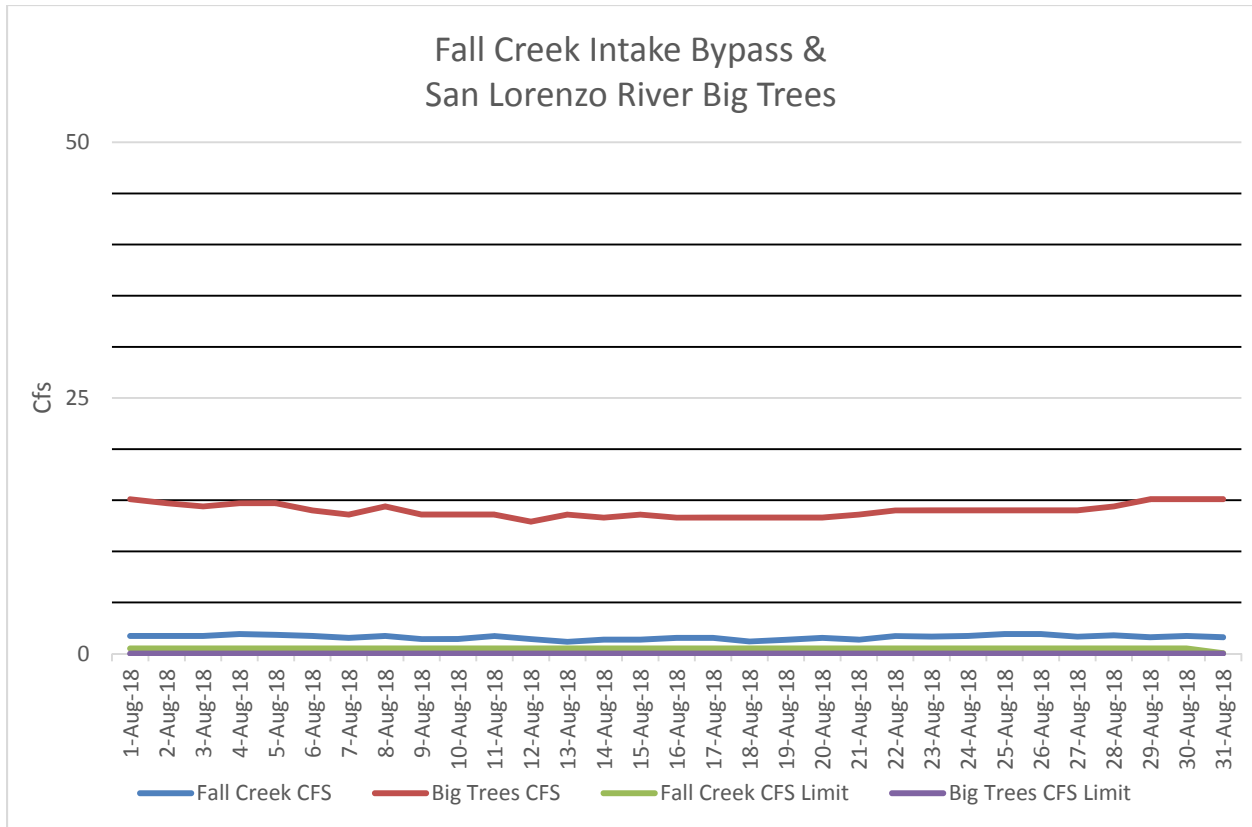
SLV NORTH to LOMPICO 2,142,944

**MANANA WOODS INTERTIE**

SLVWD to MANANA WOODS N/A



## Fall Creek Intake August 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

## Fall Creek Intake August 2018

June - August

No Requirements

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: 0-20-10

Item: 12.4

Month:		August		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	9:40	DB	1	240	25.0	33.30	1.712	15.1	0	Yes	N/A	
2	9:20	DB	1	233	25.0	33.30	1.712	14.7	0	Yes	N/A	
3	7:55	DB	2	234	25.0	33.30	1.712	14.4	0	Yes	N/A	
4	10:50	JG	2	180	25.0	33.68	1.905	14.7	0	Yes	N/A	
5	9:45	JG	2	175	25.0	33.49	1.823	14.7	0	Yes	N/A	
6	13:45	HO	2	196	25.0	33.30	1.712	14.0	0	Yes	N/A	
7	7:45	HO	2	200	25.0	32.91	1.532	13.6	0	Yes	N/A	
8	11:10	HO	2	250	25.0	33.30	1.712	14.4	0	Yes	N/A	
9	11:00	DB	2	325	25.0	32.70	1.428	13.6	0	Yes	N/A	IT6 Online- McCloud to Brookdale
10	13:05	DB	2	323	25.0	32.70	1.428	13.6	0	Yes	N/A	
11	9:45	HO	2	260	25.0	33.30	1.712	13.6	0	Yes	N/A	
12	7:30	HO	2	250	25.0	32.72	1.419	12.9	0	Yes	N/A	
13	11:30	DB	2	371	25.0	32.10	1.158	13.6	0	Yes	N/A	
14	11:15	DB	2	315	25.0	32.50	1.364	13.3	0	Yes	N/A	
15	9:45	HO	2	318	25.0	32.53	1.364	13.6	0	Yes	N/A	
16	10:25	HO	2	260	25.0	32.91	1.532	13.3	0	Yes	N/A	
17	9:30	HO	2	300	25.0	32.91	1.532	13.3	0	Yes	N/A	
18	8:00	KS	2	312	25.0	32.14	1.182	13.3	0	Yes	N/A	
19	8:55	KS	2	271	25.0	32.53	1.351	13.3	0	Yes	N/A	
20	10:35	DB	2	248	25.0	32.90	1.537	13.3	0	Yes	N/A	IT6 Offline
21	8:15	DB	2	235	25.0	32.50	1.364	13.6	0	Yes	N/A	
22	10:15	DB	2	206	252.0	33.30	1.712	14.0	0	Yes	N/A	
23	10:50	DB	2	241	25.0	33.10	1.651	14.0	0	Yes	N/A	
24	8:50	JG	2	169	25.0	33.30	1.712	14.0	0	Yes	N/A	
25	10:15	JG	2	126	25.0	33.68	1.905	14.0	0	Yes	N/A	
26	10:25	JG	2	125	25.0	33.68	1.905	14.0	0	Yes	N/A	
27	8:15	DB	2	173	25.0	33.10	1.651	14.0	0	Yes	N/A	
28	7:50	HO	2	156	25.0	33.49	1.775	14.4	0	Yes	N/A	
29	9:50	HO	2	170	25.0	33.11	1.591	15.1	0	Yes	N/A	
30	8:25	HO	2	150	25.0	33.30	1.712	15.1	0	Yes	N/A	
31	9:35	HO	2	168	25.0	33.11	1.591	15.1	0	Yes	N/A	

San Lorenzo Valley Water District  
Loch Lomond Water Supply  
August 2018

Loch Lomond Water Level



**Week ending 9/05/2018**

(in feet above mean sea level; lake spills at 577.15 feet)

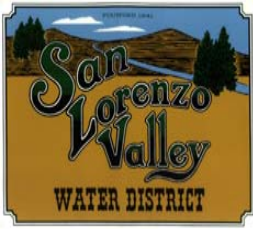
Currently:	573.45 ft
Percent of capacity:	92.1 %

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

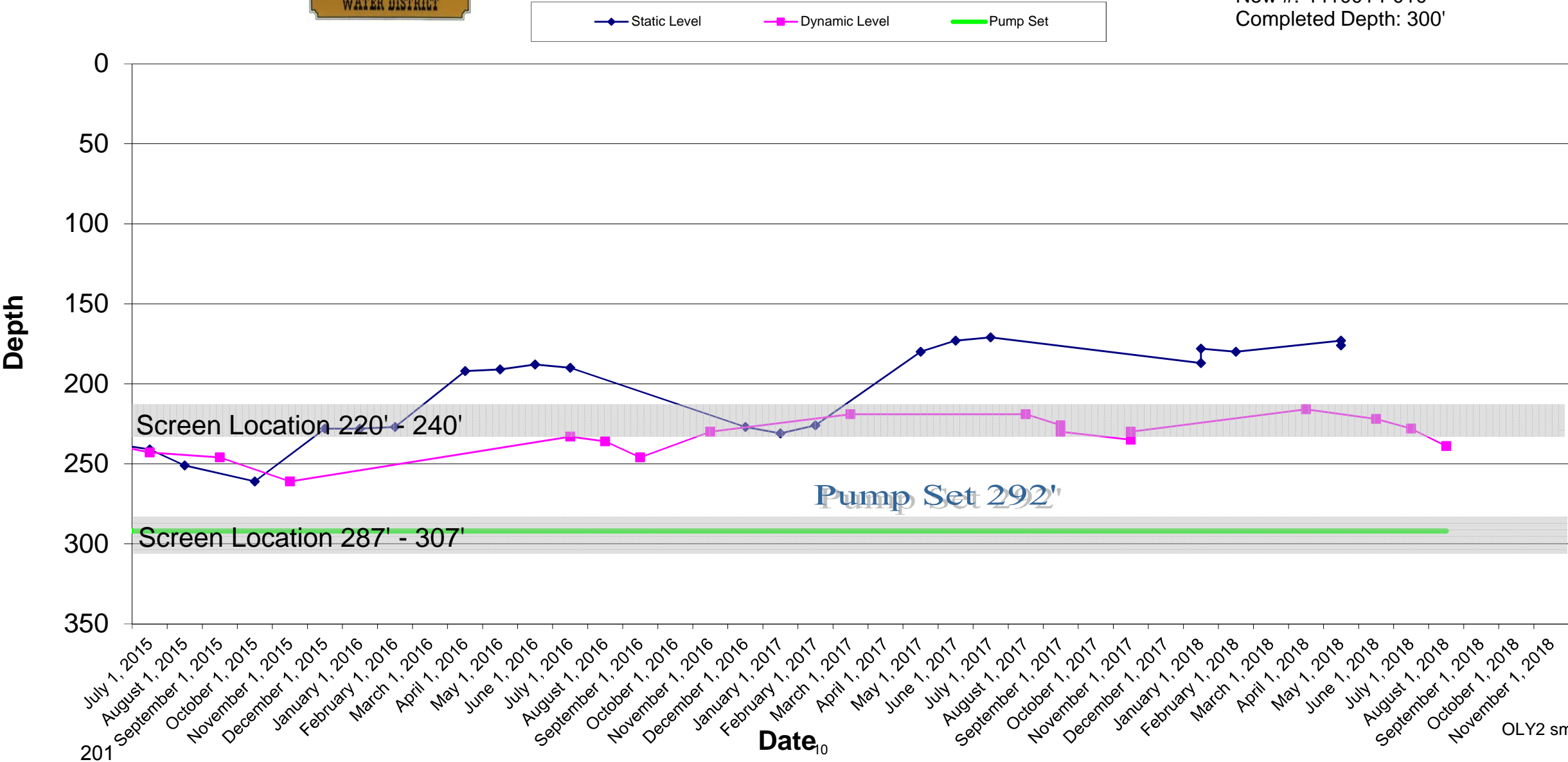


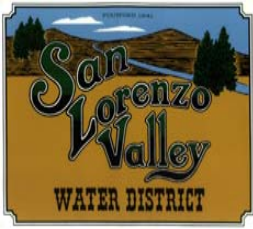
# SAN LORENZO VALLEY WATER DISTRICT

## 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'



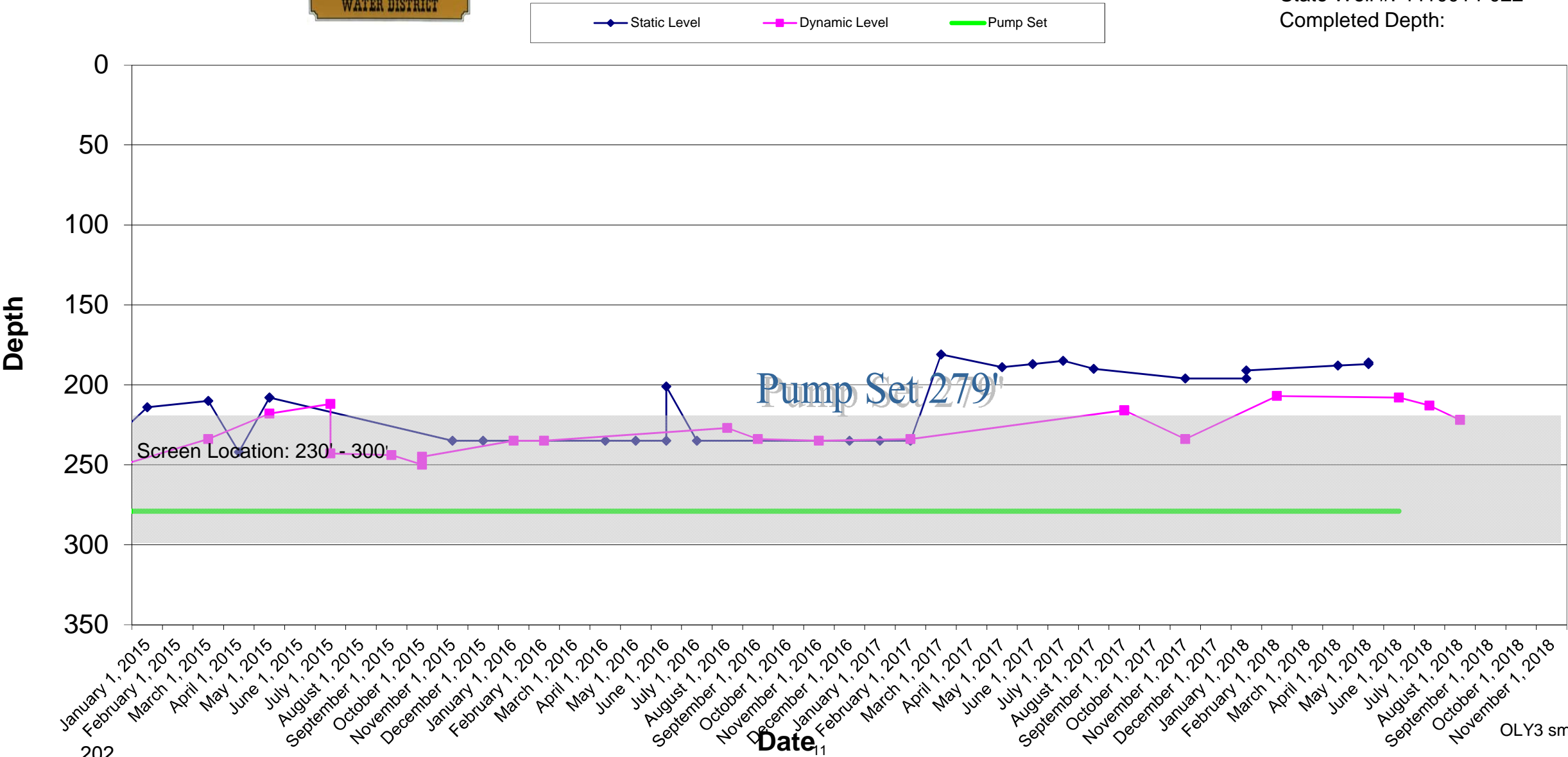


# SAN LORENZO VALLEY WATER DISTRICT

## 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:



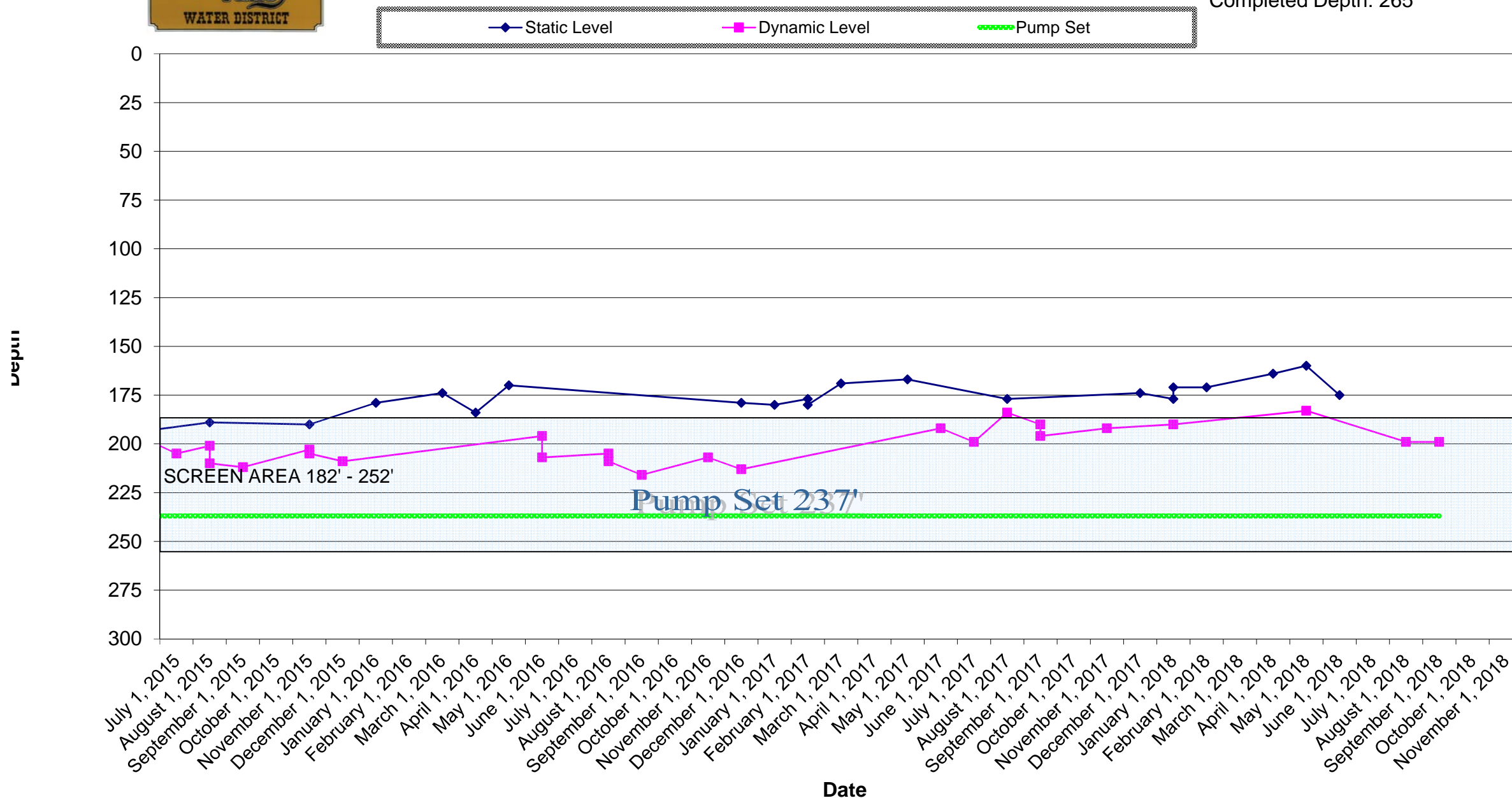


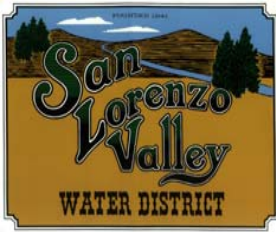
# SAN LORENZO VALLEY WATER DISTRICT

## 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



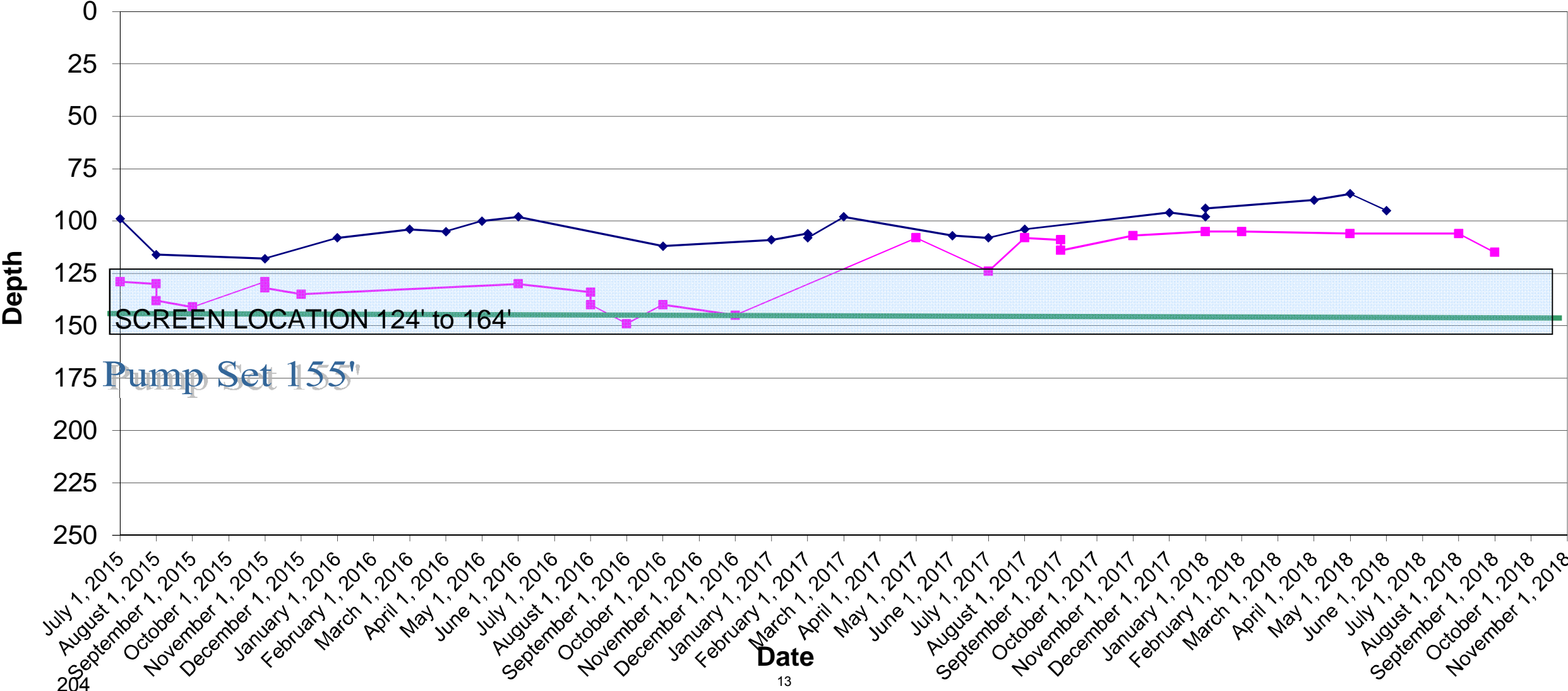


# SAN LORENZO VALLEY WATER DISTRICT

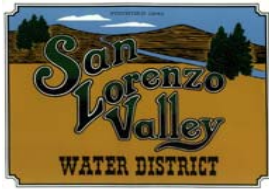
## Well Drawdown Report

### 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'





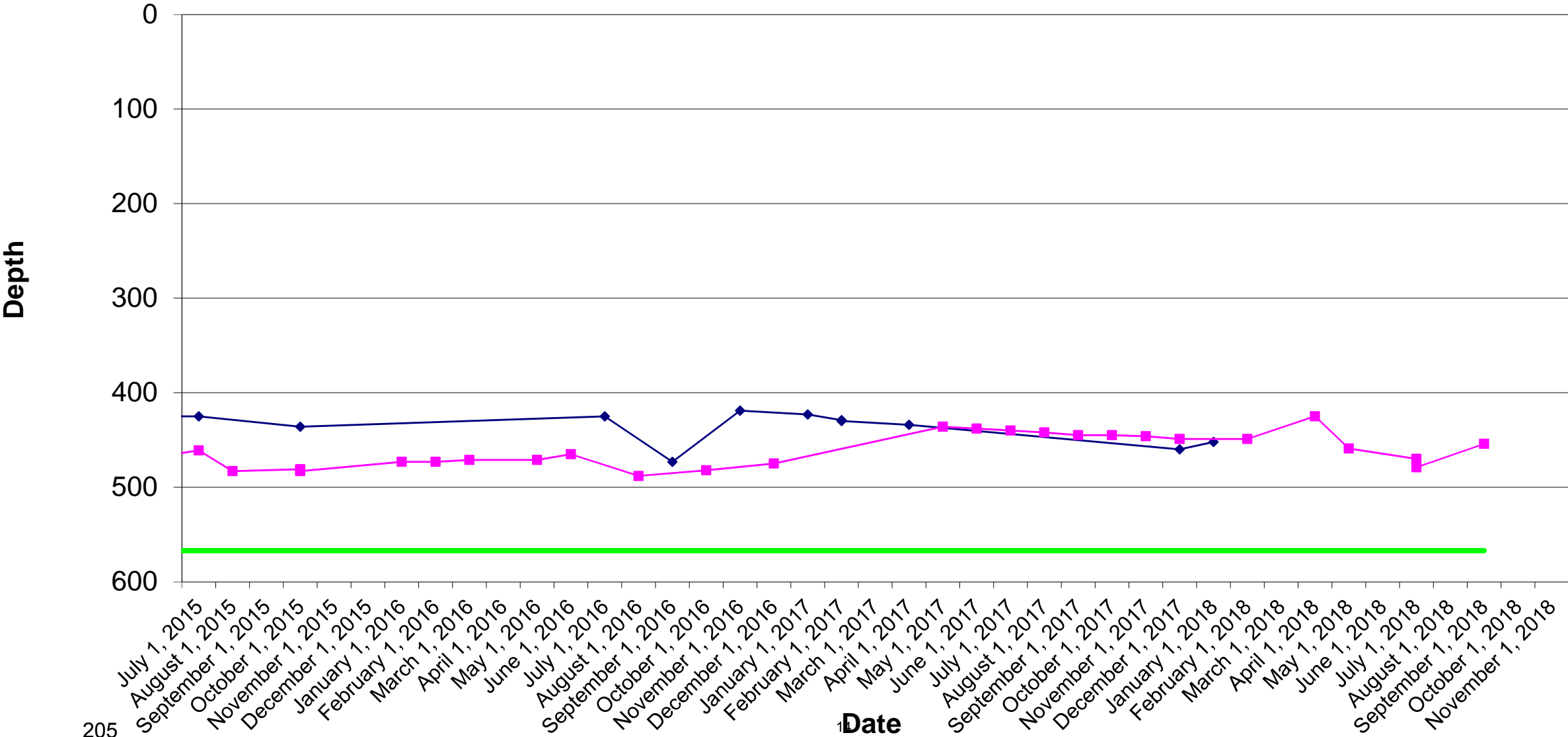


# ***SAN LORENZO VALLEY WATER DISTRICT***

## ***Well Drawdown Report***

### ***Pasatiempo 5-A***

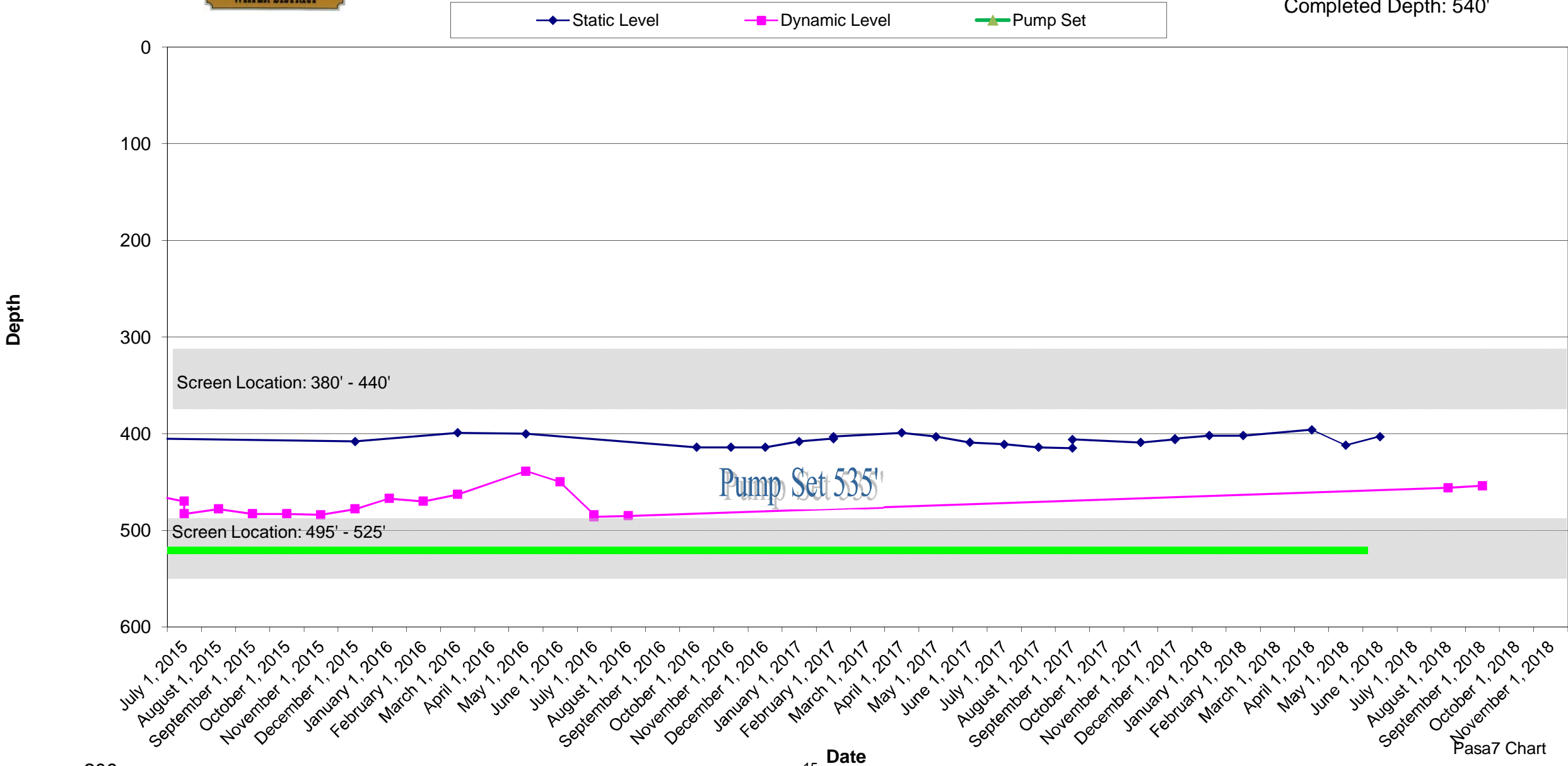
Location: So. Of 3650 Graham Hill Rd  
Elevation: 752'  
Installed 1-1-14  
State Well #:4410014-014  
Completed Depth: 710'





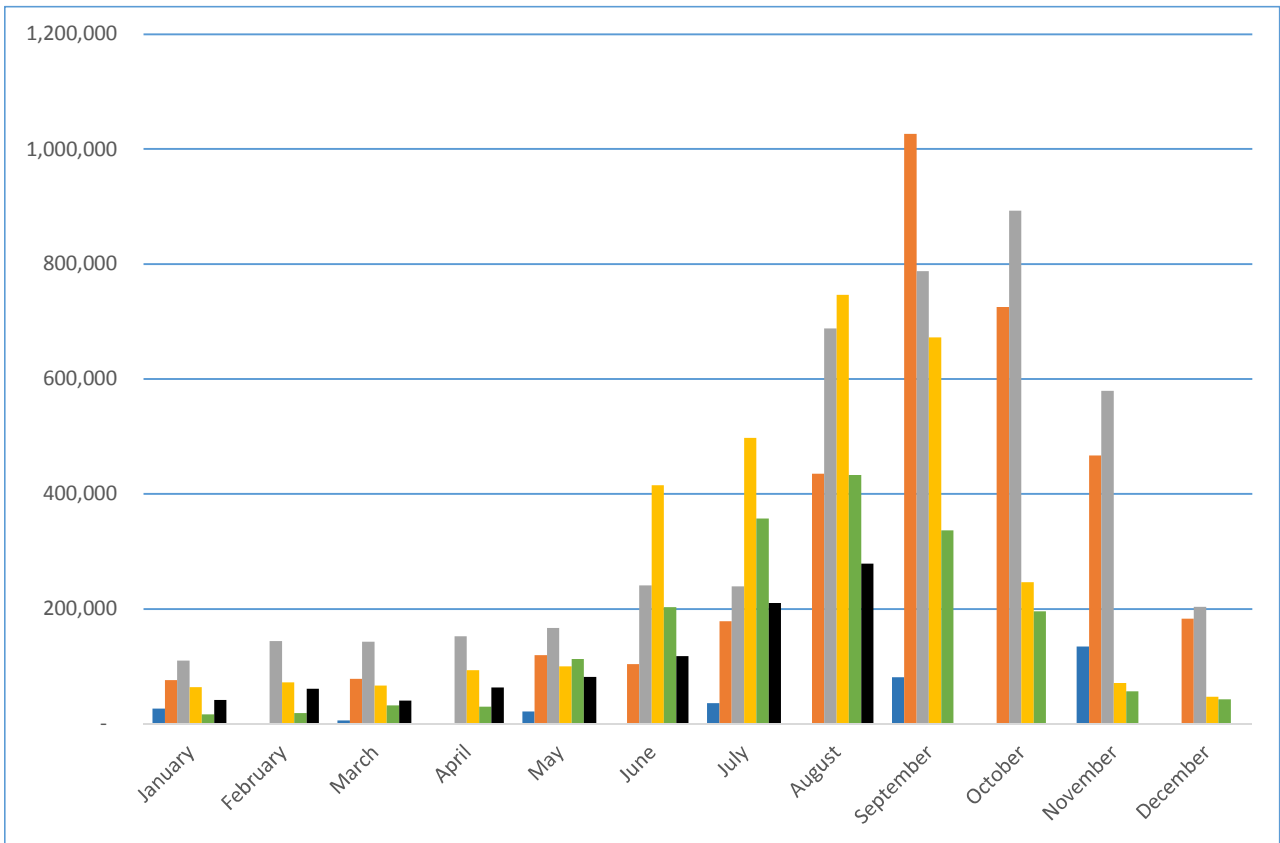
**SAN LORENZO VALLEY WATER DISTRICT**  
**Well Drawdown Report**  
**Pasatiempo 7**

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**  
**August 2018**

Agenda: 9.20.18  
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	
October		725,560	893,112	246,840	195,976	
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	896,134

SAN LORENZO VALLEY WATER DISTRICT  
MONTHLY LEAK REPORT  
August 2018

Agenda: 9.20.18  
Item: 12.4

**NORTH SYSTEM**

Leak Type	Location	Town	Gallons Lost
400 MAIN LEAKING	272 KESSLER DR.	BEN LOMOND	1440
400 MAIN LEAKING	575 SCENIC WY	BEN LOMOND	12
400 MAIN LEAKING	9480 Sunnyside	BEN LOMOND	30
400 MAIN LEAKING	1211 Dundee Ave	BEN LOMOND	1260
400 MAIN LEAKING	400 Berts Rd	BEN LOMOND	10080
400 MAIN LEAKING	107 STARVIEW PLACE	BOULDER CREEK	10080
400 MAIN LEAKING	BEFORE REDWOOD DRIVE TURNS INTO STEWART	BOULDER CREEK	720
400 MAIN LEAKING	14850 HWY 9 PAST TWO BAR RD.	BOULDER CREEK	3600
400 MAIN LEAKING	CORNER OF APPLEWOOD RD. & STARVIEW PLACE	BOULDER CREEK	30240
400 MAIN LEAKING	825 BOULDER BROOK	BOULDER CREEK	180
400 MAIN LEAKING	ORMAN RD.	BOULDER CREEK	30240
400 MAIN LEAKING	REDWOOD AND MADRONA	BOULDER CREEK	86400
400 MAIN LEAKING	GROVE ST	BOULDER CREEK	43200
400 MAIN LEAKING	450 BLUE RIDGE	BOULDER CREEK	2700
400 MAIN LEAKING	1044 FOREST WY	BROOKDALE	1200
400 MAIN LEAKING	HWY 9 BY BROOKDALE POST OFFICE	BROOKDALE	10800
400 MAIN LEAKING	10040 LAKE BLVD	LOMPICO	1800
Total North System			233,982
<b>FELTON SYSTEM</b>			
400 MAIN LEAKING	PROSPECT AVE. & TAYLOR WAY	FELTON	1800
420 HYDRANT LEAK/REPAIRS	FELTON FAIRE SHOPPING CENTER	FELTON	10080
Total Felton System			11,880
<b>SCOTTS VALLEY</b>			
400 MAIN LEAKING	232 LOCKWOOD LANE	SCOTTS VALLEY	20,000
Total Scotts Valley			20,000
Total All Systems			265,862

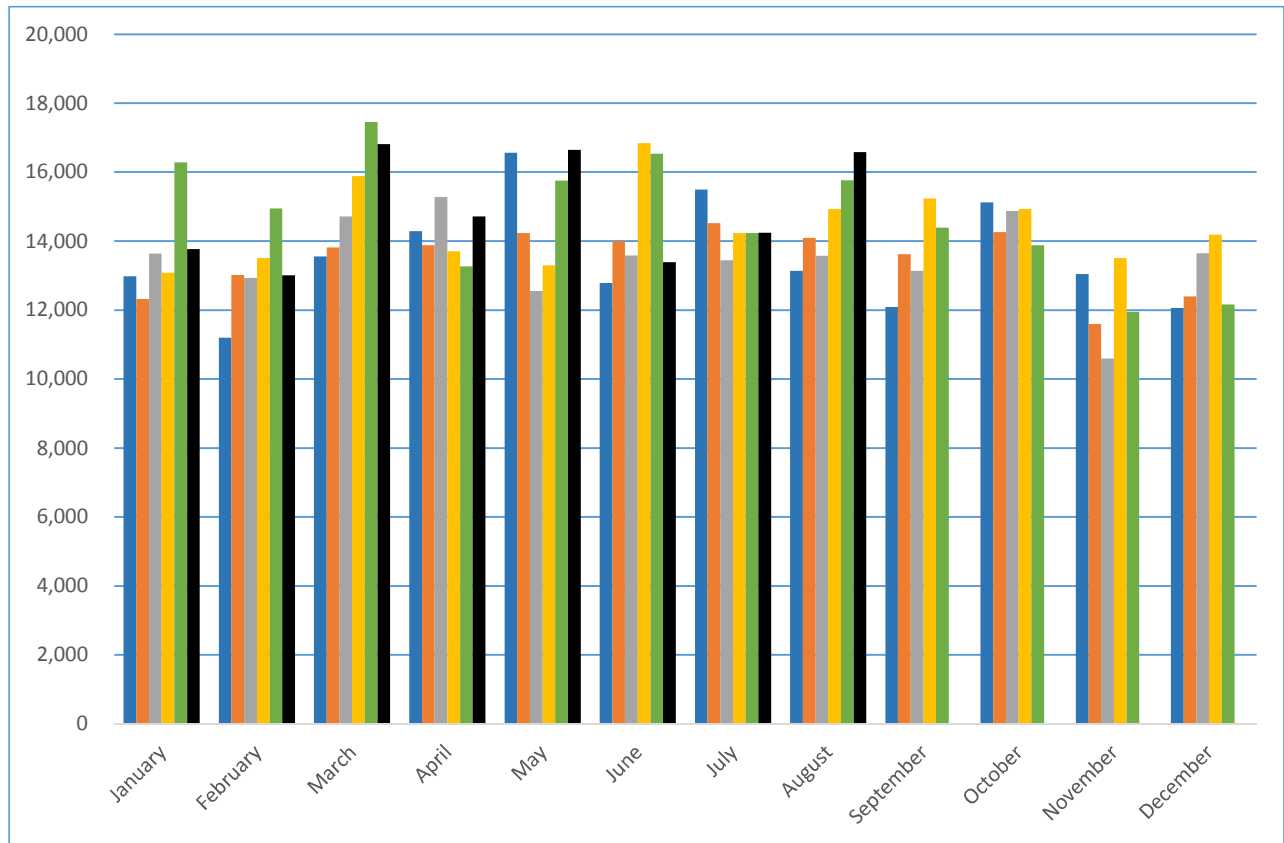
				Water Quality Complaint List						
Date Received	Type Of Complaint							Address	Conclusion	System
	Taste/ Odor	Color	Turbidity/ Particles	Worms/ Other Visible Organisms	Pressure (High/Low)	Illness (Waterborne)	Other (Specify)			
8/16/2018			X				Customer stated that water was coming out of faucet 'murky'	180 E. Terrace Dr	Upon investigation by SLVWD staff, water quality results appeared normal and within range at outside hose bib. Free chlorine was 0.8 mg/L and water did not visually appear turbid. Customer was informed of results and will call back if problem returns.	SLVWD-North
8/17/2018	X						Customer stated that water coming out of kitchen tap smells like gas. Also stated that water coming out of bathroom tap smells normal.	10 Fernwood Dr	Upon investigation by SLVWD staff, water quality results appeared normal and within range at outside hose bib. Free chlorine was 0.8 mg/L and no odor was detected. Customer stated that an in line water filter was discovered under the kitchen sink. Customer was advised to contact a plumber to service the water filter.	SLVWD-North

# SAN LORENZO VALLEY WATER DISTRICT

## VEHICLE MILEAGE

### August 2018

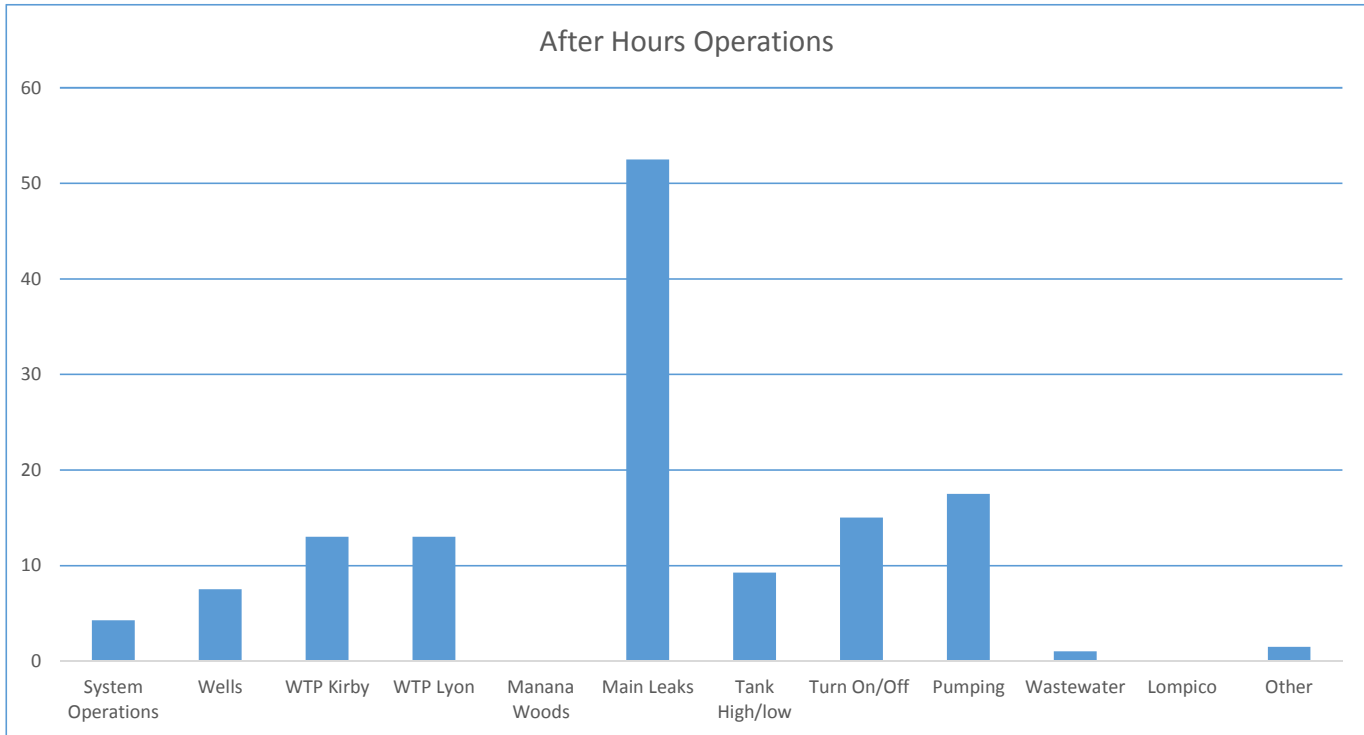
Agenda: 9.20.18  
Item: 12.4



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	
October	15,120	14,261	14,868	14,924	13,880	
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	119,140

**SAN LORENZO VALLEY WATER DISTRICT**  
**OPERATIONS DEPARTMENT**  
 August 2018

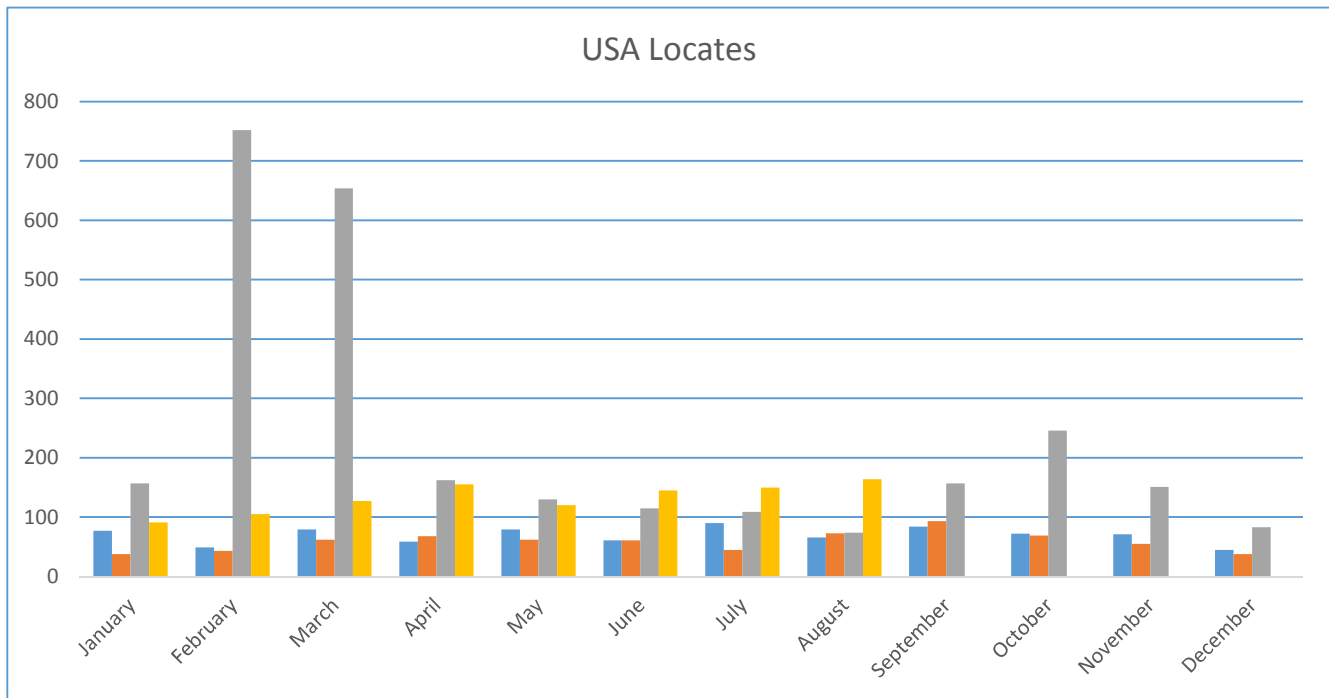
Agenda: 9.20.18  
 Item: 12.4



Description	Hours		2015	2016	2017	2018
System Operations	4.25	January	N/A	145.00	280.75	90.50
Wells	7.5	February	N/A	86.50	192.25	72.00
WTP Kirby	13	March	N/A	153.75	105.75	80.25
WTP Lyon	13	April	82.50	72.00	128.75	19.00
Manana Woods	0	May	104.75	49.25	132.75	105.5
Main Leaks	52.5	June	172.50	83.25	112.75	89.00
Tank High/low	9.25	July	124.25	80.25	162.00	145.25
Turn On/Off	15	August	111.75	81.25	141.25	134.5
Pumping	17.5	September	230.25	175.00	201.25	
Wastewater	1	October	128.25	78.50	104.00	
Lompico	0	November	114.25	96.25	122.50	
Other	1.5	December	186.25	130.75	134.00	
<b>Total</b>	<b>134.5</b>		<b>1254.75</b>	<b>1231.75</b>	<b>1818.00</b>	<b>736.00</b>

**SAN LORENZO VALLEY WATER DISTRICT**  
**OPERATIONS DEPARTMENT**  
**August 2018**

Agenda: 9.20.18  
 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	
October	72	69	246	
November	71	55	151	
December	45	38	83	
<b>Total to Date</b>	<b>832</b>	<b>707</b>	<b>2,790</b>	<b>1057</b>







NOSSAMAN LLP

## Memorandum

**TO:** Board of Directors,  
San Lorenzo Valley Water District

**FROM:** Gina R. Nicholls, District Counsel

**DATE:** September 13, 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.<sup>1</sup> Since the last legal department status report dated August 10, 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:<sup>2</sup>

- Board meetings
- Employment issues
- Pending litigation
- Third-party subpoenas
- District policies and procedures
- Contracts and related issues
- Other
- Grand Jury report

During the past month, pending litigation (3 cases against the District) has comprised roughly one-fifth of the legal work performed on behalf of the District. (This excludes work performed by counsel appointed by SDRMA, the District's insurance provider, who are paid by SDRMA.)

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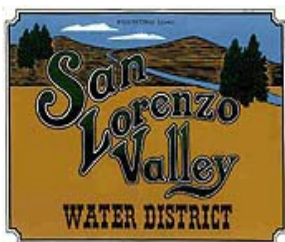
<sup>1</sup> Legal work performed for the District is confidential and privileged. Accordingly, the information provided herein is written in broad and general terms to avoid waiver and any disclosures that might compromise the District's interests in pending or future legal matters.

<sup>2</sup> List includes general and special counsel work by Nossaman and other law firms, if any, representing the District.

Memorandum  
September 13, 2018  
Page 2

The most significant areas of effort over the next month are likely to include the following:

- Board meetings
- Policies and procedures
- Pending litigation



## MINUTES OF ENVIRONMENTAL COMMITTEE MEETING

Tuesday, August 21, 2018 at 10:00 a.m. at the Operations Building, 13057 Highway 9, Boulder Creek, California.

### MINUTES:

Convene Meeting 10:00am

Roll Call:

**Present:** Dir. Ratcliffe, J. Gomez (Dir. Bruce is not expected to attend)

**Staff:** J. Michelsen-Environmental Programs Manager, C. Sladwick-Customer Service

2. Oral Communications:  
F. McPherson-Boulder Creek addressed the board.
3. New Business:
  - A. FIRE MANAGEMENT PLANNING  
J. Michelsen introduced this item.  
Discussion by the Committee regarding planning for Fire Management.  
Oral Communications:  
Dan(staff), F. McPherson, N. Moore-Felton, R. Rogers-Staff addressed the committee.  
Discussion by committee and staff.
  - B. PUBLIC WORKSHOP PLANNING  
J. Michelsen introduced this item.  
Discussion by the Committee regarding planning for Public Workshop.  
Oral Communications:  
N. Moore-Felton, F. McPherson, B. Holloway-Boulder Creek, R. Rogers-staff addressed the committee.
4. Old Business:
  - A. CLIMATE REGISTRY VERIFICATION UPDATE  
J. Michelsen introduced this item.  
Discussion by the Committee regarding the Climate Registry Verification update.  
  
Oral Communications:  
F. McPherson, N. Moore, B. Holloway addressed the committee.

B. FISH LADDER DEBRIS REMOVAL UPDATE

J. Michelsen introduced this item.

Discussion by the Committee and staff regarding the permits for the Fish Ladder.

5. Informational Material:

TRAJECTORY OF THE EARTH SYSTEM IN THE ANTHROPOCENE

6. Adjournment 11:08am



## 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, September 12, 2018 at 10:00 a.m.** at the SLVWD Boardroom, 13057 Highway 9, Boulder Creek, California.

### MINUTES

1. Convene Meeting  
Roll Call:  
Present: Chair Ratcliffe, Dir. Hayes  
Staff: R. Rogers-Acting Dist. Mgr., S. Hill-Director of Finance and Business Services, H. Hossack-Dist. Sec.
2. Oral Communications-None
3. Old Business:
  - A. SLVWD LOAN UPDATE  
S. Hill introduced this item.  
Discussion by the Committee and staff regarding potential loans for the District's capital projects.
  - B. BEAR CREEK ESTATES WASTEWATER ENTERPRISE SEWER RATES  
S. Hill introduced this item.  
Discussion by the Committee and staff regarding financial analysis of the proposed Sewer Rates.  
Public comment:  
S. Wilbur addressed the Committee. Staff responded.  
Discussion by Committee and staff.  
L. Green addressed the Committee. Staff responded.  
O. Hogsett addressed the Committee. Staff responded.  
S. Wilbur addressed the Committee. Staff responded.  
O. Hogsett addressed the Committee. Staff responded.  
Discussion by the Committee.
4. New Business:
  - A. OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST FUND  
S. Hill introduced this item.  
Discussion by the Committee and staff regarding OPEB Trust Fund.

Public comment:

S. Wilbur addressed the Committee. Staff responded.

Discussion by the Committee and staff.

S. Wilbur addressed the Committee. Staff responded.

5. Future Committee Items:  
Meeting with Bear Creek Estates regarding Prop 218 late Sept./early Oct.  
Share BCE RFP before sent out into the wild.  
OPEB Trust Fund Oct. BoD
6. Adjournment 11:05



NOSSAMAN LLP

## Memorandum

**TO:** San Lorenzo Valley Water District  
**FROM:** Gina R. Nicholls, District Counsel  
**DATE:** September 13, 2018  
**RE:** Ad Hoc Committee Report

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**Below is a summary of the action items discussed in the Board of Directors' response to the Grand Jury Report, the initial implementation of which will be overseen by the Ad Hoc Committee.**

- Create more detailed Charter and/or Bylaws for the Lompico Assessment District Oversight Committee ("LADOC") within 6 months. (R3)
  - Define the authority of LADOC to carry out its oversight responsibilities. (R3)
  - Describe LADOC membership, meetings, procedures and functions, to the extent not covered by other documents such as the Board Manual. (R3)
  - Draft will be presented to LADOC for review; Board has final approval authority. (R3)
- Generate annual report template within 6 months. (R1)
  - Consider California League of Bond Oversight Committee's ("CaLBOC") best practices, and other relevant samples. (R1)
- Make governance, meeting management, and Brown Act training available to all Board and public members of Committees within 6 months. (R5)
  - Include training on communicating with the public regarding contentions issues for Board, Committee, and Staff members. Ideally this training would be provided by someone familiar with the local community. (R8)
  - Include ethics training for public members of Committees (such training already is made available to Board members). (R5)
  - Include training about assessment districts for Board and LADOC members. (R6)
  - Staff may consider whether to create tailored materials for in-house use and reproduction versus hiring consultants and/or procuring online subscriptions, etc. (R5)

- Within a year, evaluate and select means of making trainings available on a recurring or ongoing basis. (R5)
- Consider creating a role for designated Board and/or Staff members to serve as liaison with LADOC and its chairperson. (R2)
  - Purpose is to help improve communications and the flow of information between LADOC and the rest of the District. (R2)
  - Liaison(s) can help ensure the District is making adequate professional, technical and administrative support available to LADOC. (R4)
- Come up with a mechanism for posing questions about, e.g., the implications of changes to AD-16 projects, and addressing them. (R6)
- To the extent this is not already being done, record all Board and committee meetings and post the recordings online to maximize public access. (R7)
- Fully implement technology that embeds links to audio recordings of public meetings within action minutes within 6 months to a year. (R7)
- Create informational, high-level project summaries for AD-16 projects for posting on the LADOC page of the District's website within a year. (R2)
  - Format and content is subject to Board approval.<sup>1</sup> (R2)

**The following action items are to be undertaken after the term of the Ad Hoc Committee will have expired:**

- Make the LADOC annual reports available on the LADOC page of the District's website. (R2)
- Schedule annual workshop-style meetings with the Board and LADOC to review the LADOC annual reports, which will include public Q&A, as well as discussion of current information about the timing, funding, and execution of AD-16 projects. (R2)

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<sup>1</sup> Implementation of AD-16 projects, including priority, timeline, bidding and design considerations etc., are within the purview of the Engineering Committee and ultimately the Board.





## State Water Resources Control Board

Division of Drinking Water

August 23, 2018

Brian C. Lee  
General Manager  
San Lorenzo Valley Water District  
13060 Highway 9  
Boulder Creek, CA 95006  
[blee@slvwd.com](mailto:blee@slvwd.com)

Dear Mr. Lee:

### **ISSUANCE OF PERMIT AMENDMENT NO. 7 CONSOLIDATION OF THE FORMER SLVWD-LOMPICO AND MANANA WOODS WATER SYSTEMS WITH SAN LORENZO VALLEY WATER DISTRICT (SYSTEM NO. 4410014)**

The State Water Resource Control Board – Division of Drinking Water (Division) has issued a permit amendment to the San Lorenzo Valley Water District (SLVWD) water supply permit to consolidate the former SLVWD-Lompico (System number 4410015) and SLVWD-Manana Woods (system number 4400539) water systems with SLVWD (system number 4410014).

As of the date of this permit amendment, SLVWD-Lompico (system number 4410015) and Manana Woods (system number 4400539) are no longer public water systems. All facilities and service areas associated with these water systems are now a part of San Lorenzo Valley Water District water system.

The Division appreciates the assistance received by SLVWD staff in the preparation of this permit amendment. SLVWD must advise the Division in writing within 30 days of receipt if SLVWD does not agree to the permit and its conditions.

If you have any questions, please contact Jonathan Weininger at (831) 655-6932 or by e-mail at [jonathan.weininger@waterboards.ca.gov](mailto:jonathan.weininger@waterboards.ca.gov) or me at (831) 655-6934.

Sincerely,



Jan R. Sweigert, P.E.  
District Engineer, Monterey District Office  
Northern California Field Operations Branch  
Division of Drinking Water

FELICIA MARCUS, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

Attachments: 1. Permit Amendment  
2. Engineering Report with Appendices

Email cc: Santa Cruz County Environmental Health Service  
Troy Boone, Santa Cruz County EHS ([Troy.Boone@santacruzcounty.us](mailto:Troy.Boone@santacruzcounty.us))  
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**State Water Resources Control Board**  
Division of Drinking Water

State of California

***AMENDMENT TO THE  
DOMESTIC WATER SUPPLY PERMIT ISSUED TO***

**San Lorenzo Valley Water Water District  
(System No. 4410014)**

ORIGINAL PERMIT NO. 79-004

DATE OF ISSUE: **January 19, 1979**

PERMIT AMENDMENT NO. 7

EFFECTIVE DATE: **August 23, 2018**

**WHEREAS:**

1. San Lorenzo Valley Water District (hereinafter, SLVWD) submitted an application to the State Water Resources Control Board, Division of Drinking Water dated May 31, 2018 for an amendment to the Domestic Water Supply Permit issued to SLVWD on January 19, 1979.
2. The purpose of the amendment is to consolidate the former SLVWD-Lompico and Manana Woods water systems with SLVWD.
3. SLVWD has submitted all of the supporting information required to evaluate the application.
4. The State Water Resources Control Board – Division of Drinking Water has evaluated the application and has determined that that the proposal complies with all applicable State drinking water requirements as indicated in the attached Supplemental Engineering Report.

**THEREFORE:**

The State Water Resources Control Board – Division of Drinking Water hereby approves the application submitted by San Lorenzo Valley Water District for a permit amendment.



The Domestic Water Supply Permit issued to San Lorenzo Valley Water District on January 19, 1979, is hereby amended to consolidate the former SLVWD-Lompico and Manana Woods water systems with SLVWD subject to the following conditions:

1. San Lorenzo Valley Water District (SLVWD) must comply with all the requirements set forth in the California Safe Drinking Water Act, California Health and Safety Code and any regulations, standards or orders thereunder.
2. The only sources approved for potable water supply are as follows:

Sources	PS Code	Status
<b>Groundwater</b>		
Olympia Well 02	4410014-010	Active
Olympia Well 03	4410014-022	Active
Pasatiempo Well 5A	4410014-034	Active
Pasatiempo Well 7	4410014-024	Active
Quail Hollow Well 4A	4410014-026	Active
Quail Hollow Well 5A	4410014-025	Active
<b>Surface Water Raw Sources – with Treatment at the Lyon WTP</b>		
Clear Creek	4410014-002	Active
Foreman Creek	4410014-004	Active
Peavine Creek	4410014-015	Active
Sweetwater Creek	4410014-021	Active

3. The approved treatment includes the following processes:

Facility	PS Code	Sources	Treatment
Lyon Surface Water Treatment Plant	4410014-002	Clear, Foreman, Peavine, and Sweetwater Creeks	Contact clarification + chlorine
Olympia Well 3 Fe/Mn Sequestering	4410014-031	Olympia Well 3	Iron/Manganese Sequestering
Olympia Well 2 Fe/Mn Sequestering	4410014-032	Olympia Well 2	Iron/Manganese Sequestering
Arsenic Blend	4410014-035	Pasatiempo Wells 5A and 7	Arsenic Blending
Wellhead Disinfection	N/A	Groundwater sources	Liquid Sodium Hypochlorite

4. No changes, additions, or modifications shall be made to the sources or treatment mentioned in Conditions No. 2 and No. 3 unless an amended water permit has first been obtained from the Division.
5. All water supplied by SLVWD for domestic purposes must meet all Maximum Contaminant Levels (MCLs) and Action Levels (ALs) established by the State Drinking Water Standards.
6. SLVWD must incorporate the former Lompico and Manana Woods service areas into its cross connection control program. All backflow assemblies in those service areas must be added to SLVWD's master list and incorporated into annual testing and reporting.
7. SLVWD must comply with Title 17 of the California Code of Regulations (cross connection control regulations).

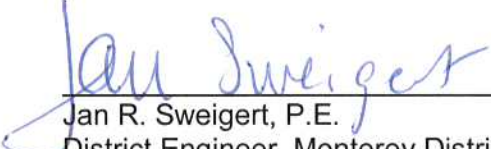
8. SLVWD must conduct a cross connection control survey of the Manana Woods service area and results of the survey must be sent to the Division for review by **March 31, 2019**. Appropriate backflow prevention must then be installed at the connections with identified hazards (if applicable).
9. SLVWD must conduct lead and copper rule monitoring between June 1 and September 30, 2020. Residences from the former Lompico service area with historic lead detections and copper above the action level detections must be included as sample locations unless adequate justification is provided.
10. SLVWD must conduct Total Coliform Rule monitoring according to the approved bacteriological sample siting plan, dated May 2018. A copy of the plan is located in **Appendix D**.
11. SLVWD must conduct disinfection byproduct rule (DBPR) monitoring according to the distribution byproduct rule monitoring plan, dated May 2018. A copy of the plan is included in **Appendix E**. DBPR monitoring must be conducted quarterly during the months listed in the DBPR monitoring plan (February, May, August, and November). All water quality results must be sent to the Division electronically using the following PS Codes:

Site	PS Code
Sample Site #2 Sylvan and Redwood Dr.	4410014-801
Sample Site #13 15715 Foresthill Dr.	4410014-802
Sample Site #39 9989 E. Zayante Dr.	4410014-803
Sample Site #21 Elsie Mae and Rebecca Dr.	4410014-804
10077 Creekwood Dr.	4410014-805

This amendment shall be appended to and shall be considered to be an integral part of the Domestic Water Supply Permit issued to San Lorenzo Valley Water District on January 19, 1979.

**FOR THE STATE WATER RESOURCES CONTROL BOARD – DIVISION OF DRINKING WATER**

8/23/2018  
Date

  
Jan R. Sweigert, P.E.  
District Engineer, Monterey District Office  
Northern California Field Operations Branch  
Division of Drinking Water



**State Water Resources Control Board**  
Division of Drinking Water

**SUPPLEMENTAL ENGINEERING REPORT**  
For Consideration of the Permit Amendment Application  
San Lorenzo Valley Water District  
August 2018

State Water Resources Control Board  
Division of Drinking Water  
Monterey District

**I. Introduction**

By application received on May 31, 2018, the San Lorenzo Valley Water District (SLVWD) applied for a permit amendment to consolidate the San Lorenzo Valley Water District (System No. 4410014) with SLVWD-Lompico (System No. 4410015) and Manana Woods (System No. 4400539). A copy of the permit amendment application is found in **Appendix A**.

The purpose of this report is to document the investigation and evaluation of this request by the State Water Resources Control Board, Division of Drinking Water, Northern California Drinking Water Field Operations Branch, Monterey District (hereafter, Division). In addition, this report outlines recommendations regarding the issuance of an amended permit to SLVWD.

**A. Background/Sources of Information**

SLVWD is classified as a community water system. With the addition of Lompico and Manana Woods, the consolidated SLVWD serves an estimated population of 22,795 persons through 6,516 active service connections. SLVWD serves the unincorporated communities of Ben Lomond, Boulder Creek, Brookdale, Lompico, Zayante, Manana Woods, and a portion of the City of Scotts Valley in Santa Cruz County.

**B. Permit Summary**

The State Water Resources Control Board – Division of Drinking Water (Division) issued a Domestic Water Supply Permit to San Lorenzo Valley Water District (SLVWD) on January 19, 1979. The Division has issued six previous permit amendments to SLVWD. The following table summarizes permit and permit amendments issued by the Division to SLVWD.

<b>SLVWD Permit Summary</b>		
<b>Amendment No.</b>	<b>Issue Date</b>	<b>Reason</b>
Permit No. 79-004	1/19/1979	Permit for the two unconnected SLVWD South and North water systems. At the time, the South system consisted of three wells (Estrella, Hidden Glen, and Probation Center Wells) and three storage tanks (Probation, Pasatiempo Upper, and Pasatiempo Lower). The North system consisted of five wells (Quail Wells 3, 4, and 5, Quail Well 7, and Olympia Well), two springs, six non-filtered surface water streams, a connection to the City of Santa Cruz Loch Lomond Pipeline treated at a diatomaceous earth treatment plant, chlorination facilities, and 39 storage tanks including three open concrete reservoirs.
1	6/11/1980	Rehabilitation Quail Well 1 and rename as Quail Well 8. Addition of Pasatiempo Well 4 and 5.
2	6/15/1981	Addition of Olympia Well 2
3	12/5/1991	Addition of Olympia Well 3 and Pasatiempo Wells 6 and 7. Addition of the Lyon WTP, a 1,400 gpm package Trident surface water treatment plant with raw surface water sources from Peavine, Silver, Foreman, Harmon, Clear, and Sweetwater Creek.
4	10/31/2000	Addition of Quail Hollow Well 5A
5	8/7/2001	Addition of Quail Hollow Well 4A
6 (permitted as No. 4)	10/1/2013	Addition of Pasatiempo Well No. 5A and approval to blend Pasatiempo Wells 5A, 6, and 7 for arsenic treatment.
2017PA_SCHOOLS	1/17/17	Requirements for lead monitoring and sample result interpretation at K-12 schools that submit a written request for assistance.

### C. Source of Water Supply

SLVWD supplies water from six active groundwater sources and four active surface water sources treated at the Lyon Water Treatment Plant. Active sources are summarized in the following table:

List of Sources				
Sources	PS Code	Status	Capacity (gpm)	Comments
Surface Water				
Clear Creek	4410014-002	Active	Up to 1100 gpm (2017). Flow typically does not exceed 840 gpm, but with all three units online, the flow is 1260 gpm. Surface water flow is a seasonal constraint. Use 840 gpm as a realistic maximum.	
Foreman Creek	4410014-004	Active		
Peavine Creek	4410014-015	Active		
Sweetwater Creek	4410014-021	Active		
Ground Water				
Olympia Well 02	4410014-010	Active	350	
Olympia Well 03	4410014-022	Active	350	
Pasatiempo Well 5A	4410014-034	Active	350	Blended for arsenic treatment
Pasatiempo Well 7	4410014-024	Active	125	
Quail Hollow Well 4A	4410014-026	Active	250	
Quail Hollow Well 5A	4410014-025	Active	200	
Pasatiempo Well 8	Pending			
TOTAL ACTIVE CAPACITY			2465 gpm (3.54 MGD)	



## II. Investigation Findings

### A. Overview

SLVWD's consolidation with the former Manana Woods and SLVWD-Lompico water systems includes the addition of several water system facilities (storage tanks, booster stations, mainlines and appurtenances) to the main SLVWD system. In total, SLVWD now has 39 storage tanks, three temporary tanks, two tanks in the design/construction phase, and 31 booster stations.

A consolidated list of SLVWD's storage tanks and booster stations is located in **Appendix B**.

SLVWD's estimated population increased from 21,145 to 22,795 and service connections increased from 5915 (5368 residential, 392 multi-family, 106 commercial, 36 industrial, and 13 landscape irrigation) to an estimated 6516 connection (5955 single family residential, 406 multi-family residential, 106 commercial, 36 industrial, and 13 landscape irrigation).

### B. SLVWD-Lompico

The Division issued a permit to the Lompico Cooperative Water Association on June 8, 1964 to supply domestic water to consumers in the unincorporated area of Lompico in Santa Cruz County. Following a successful bond election on June 9, 1964, Lompico CWD was authorized to purchase the water system from Lompico Cooperative Water Association. In May 2016, Lompico County Water District transferred ownership to San Lorenzo Valley Water District and the SLVWD – Lompico water system was formed. SLVWD-Lompico had 500 service connections and served an estimated population of 1300.

Before the transfer to SLVWD, Lompico CWD consisted of four groundwater sources treated at a centralized iron and manganese filtration plant, a surface water (Mill Creek) intake discharged to a microfiltration surface water treatment plant, chlorination applied at both treatment plants, six redwood tanks, a 48,000 gallon bolted steel clearwell, three booster stations, a 70 gpm 2000' 6" diameter above ground HDPE connection to SLVWD, and a distribution system consisting of roughly 30% galvanized iron (4-6") and 70% C900 (2-6").

The distribution system and appurtenances, and the following former Lompico facilities are now a part of the consolidated SLVWD water system:

- Lewis Tank 1, a 100,000 gallon redwood tank
- Kaski Tank 1, a 60,000 gallon redwood tank
- Kaski Tank 2, a 60,000 gallon redwood tank
- Madrone Tank 1, a 60,000 gallon redwood tank
- Madrone Tank 2, a 60,000 gallon redwood tank
- Madrone Booster Station

The following former water system facilities are inactivated and physically separated from the water system: the Lewis Iron and Manganese Water Treatment Plant, the Mill Creek Intake and the associated microfiltration surface water treatment plant, all groundwater sources, the 65,000 gallon bolted steel clearwell, and the long inactive odor removal treatment facility for Well 6.

Previous Division correspondence and sanitary survey reports have required Lompico County Water District and SLVWD to provide a replacement schedule for Kaski Tank 1, Kaski Tank 2, and Lewis Tank 1. SLVWD must incorporate tank replacement or rehabilitation into their long term capital improvement plan.



### C. Manana Woods Water System

Manana Woods was a community water system serving 120 service connections and approximately 350 residents in the Manana Woods subdivision off Mount Hermon Road in Scotts Valley. Manana Woods was previously regulated by Santa Cruz Environmental Health Services.

Manana Woods included one 20 gpm standby well, one inactive well, a MTBE/TBA treatment plant consisting of bag filtration, biofiltration, GAC filters, and chlorination, 60,000 gallon and 45,000 gallon steel storage tanks, two pump stations, and a distribution system. Manana Woods Well 1 exceeded the iron and manganese secondary MCLs, and benzene and MTBE primary MCLs.

All source and treatment facilities are now inactive and physically separated from the distribution system. The following former Manana Woods facilities are now a part of the consolidated SLVWD water system:

- Charlie Tank, a 45,000 gallon bolted steel tank
- Blue Tank Booster Station
- Charlie Tank Booster Station
- Blue Tank Replacement tank scheduled for late 2018/early 2019.

### D. Source and Storage Capacity Evaluation

Production data from the past 10 years is tabulated below:

<i>Water Production (2008-2017) in Million Gallons (All values are listed in MGD)*</i>								
Year	SLVWD Totals			Lompico Totals			SLVWD + Lompico Total	
	Max Day	Max Month	Year	Max Day	Max Month	Year	Max Day	Year
2017	<i>2.96</i>	61.2	585.68	Only SLVWD sources			<i>2.96</i>	585.68
2016	<i>2.75</i>	56.83	502.09	<i>0.07</i>	1.44	6.54	<i>2.82</i>	508.63
2015	<i>2.37</i>	48.9	474.5	0.091	2.21	21.7	<i>2.46</i>	496.2
2014	<i>2.62</i>	54.14	517.12	0.109	1.63	19.11	<i>2.73</i>	536.23
2013	<i>3.62</i>	74.9	635.07	<i>0.128</i>	2.56	25.14	<i>3.75</i>	660.21
2012	<i>3.71</i>	67.23	601.13	0.097	2.9	29.78	<i>3.81</i>	630.91
2011	<i>3.51</i>	65.25	570.07	<i>0.137</i>	2.83	28.4	<i>3.65</i>	598.47
2010	3.35	81.09	568.2	0.102		28.75	<i>3.45</i>	596.95
2009	<i>2.95</i>	73.6	478.4	0.077	2.37	27.4	<i>3.02</i>	505.8
2008	<i>3.96</i>	102.4	643.8	0.13	2.5	26.2	<i>4.09</i>	670

*\*Italicized* values indicate a calculated value using Section 64554 guidelines. The max day values in the SLVWD+ Lompico column are estimations based on SLVWD and Lompico Annual reports. Due to the system changes, the max day demand used for source capacity calculations is 4.09 (2008)

Title 22, California Code of Regulations (CCR) Section 64554 (a) requires maximum day demand (MDD) to be met with source capacity. MDD is calculated as the highest observed water demand in the past ten years. Using past annual reports and tabulated in the Production Data table, the 10 year MDD is **4.09 million gallons/day (MGD)** (2012). SLVWD's active source capacity is **3.54 MGD**.

SLVWD is not able to meet the 10 year MDD of 4.09 MGD (2008) with source capacity alone. However, completion of Well 8, scheduled in 2019, will increase the active source capacity to 2865 gpm or 4.13 MGD (estimated value based on a 400 gpm capacity).

Using 2017 MDD of 2.96 MGD, which includes the total demands for Lompico and Manana Woods, SLVWD is able to meet the current MDD with its current source capacity.

Peak Hourly Demand (Title 22, CCR, Section 64554 (a)(1)): As a large water system (greater than 1,000 service connections), SLVWD is required to meet four hours of peak hourly demand (PHD) with a combination of source, storage and emergency interconnections. PHD is hourly MDD multiplied by a peaking factor of 1.5.

Four hours of PHD is:  $\text{MDD}/24 \text{ hours} * 1.5 \text{ (peaking factor)} * 4 \text{ hours}$ ,  
 $4.09 \text{ MGD}/24 \text{ hrs} * 1.5 \text{ (peaking factor)} * 4 \text{ hours} = \mathbf{1.02 \text{ MG}}$ .

Four hours of hourly capacity is:  $(\text{source} + \text{storage} + \text{emergency connection}) * (4 / 24 \text{ hours})$   
 $(3.54 \text{ MG} + 7.76 \text{ MG} + 1.0) * (4 / 24 \text{ hours}) = \mathbf{2.05 \text{ MG}}$

Therefore, four hours of capacity (2.05 MG) > four hours of PHD (1.02 MG) and PHD requirements are met.

SLVWD has adequate source capacity to meet 2017 MDD and four hours of PHD. SLVWD is able to meet 2017 maximum day demand and peak hourly demand requirements system-wide.

#### **E. Lead and Copper Rule Monitoring**

With a population ~23,000, and in accordance with the reduced tap sampling frequency listed in California Code of Regulations, Title 22, Table 64675-A, SLVWD is required to collect lead and copper rule (LCR) tap samples from at least 30 sample locations every three years during the summer months (June – September). SLVWD completed triennial LCR monitoring in August 2017 at 36 sites. The 90<sup>th</sup> percentile lead was less than the detection limit of 0.005 mg/L and the 90<sup>th</sup> percentile copper was 0.5 mg/L.

The Division reviewed Manana Woods LCR sample results from 2008, 2014, and 2017. 90<sup>th</sup> percentile lead and copper results were less than the action levels and summarized in the table below.

<b><i>Manana Woods Lead and Copper Rule Results (2011-2017)</i></b>				
<b>Date</b>	<b>No. of Samples Required</b>	<b>No. of Samples</b>	<b>90th Percentile Lead (mg/L)</b>	<b>90th Percentile Copper (mg/L)</b>
Jul-17	10	12	Less than DLR	0.420
Mar-14	10	10	Less than DLR	0.840
Jan-08	Unknown	5	0.0055	0.320

One Manana Woods location had a copper result above the action level of 1.3 mg/L in 2014. One residence had a lead result of 0.0062 mg/L, which is greater than the detection limit of 0.005 mg/L, but less than the action level of 0.015 mg/L. The Division recommends the high copper residence and residence with the lead detection are included as sample sites in the next SLVWD LCR monitoring set.

#### ***Lompico Copper Action Level Exceedances***

The former Lompico County Water District exceeded the copper 90<sup>th</sup> percentile action level of 1.3 mg/L with the September 2011, September 2012, March 2013, September 2013, March 2014, September 2014, March 2015, September 2015, and March 2016 LCR monitoring sets. The Division required the former Lompico County Water District to conduct a corrosion control study in 2014 and 2015. A corrosion control study and installation of corrosion control treatment was never completed by Lompico County Water District due to the consolidation potential and subsequent consolidation with SLVWD.



After the consolidation of SLVWD, the Division allowed SLVWD to demonstrate their sources were less corrosive than Lompico County Water District's previously used sources. SLVWD began supplying Lompico with SLVWD water on June 1, 2016. Three LCR monitoring sets have been completed since the switch to SLVWD water and no 90<sup>th</sup> percentile lead or copper action level exceedances have occurred. Historical Lompico LCR monitoring is summarized in the following table:

<b>Lompico Lead and Copper Rule Results (2011-2017)</b>				
<b>Date</b>	<b>No. of Samples Required</b>	<b>No. of Samples</b>	<b>90th Percentile Lead (mg/L)</b>	<b>90th Percentile Copper (mg/L)</b>
Jul-17	20	22	<0.005	1.2
Jan-17	20	20	<0.005	0.6
Jul-16	20	20	0.0066	0.6
<b>Switch to SLVWD water on June 1, 2016</b>				
Mar-16	20	20	0.011	<b>1.8</b>
Sep-15	20	20	0.0073	<b>2.3</b>
Mar-15	20	20	0.007	<b>2.3</b>
Sep-14	20	20	0.014	<b>1.8</b>
Mar-14	20	22	0.015	<b>1.4</b>
Sep-13	20	20	0.0078	<b>2.0</b>
Mar-13	20	20	0.013	<b>2.1</b>
Sep-12	20	20	0.011	<b>1.7</b>
Sep-11	10	10	0.0052	<b>2.6</b>

Lead 90<sup>th</sup> percentile action level = 0.015 mg/L, Copper 90<sup>th</sup> percentile action level = 1.3 mg/L

SLVWD will continue to use several Lompico residences for future LCR monitoring. SLVWD must continue to use Lompico sites with historic lead and copper detections from previous LCR monitoring rounds, unless there is a reason to switch to another Tier 1 site (such as a non-responsive homeowner).

With the consolidation of SLVWD-Lompico and SLVWD-Manana Woods, SLVWD created an updated pool of 61 Tier 1 sample locations with four sites in the SLVWD-Manana Woods service area and 21 sample locations from the SLVWD-Lompico service area. SLVWD's next round of LCR monitoring is due between **June 1 and September 30, 2020**.

#### **F. Disinfection By Product Rule Monitoring and Plan**

SLVWD submitted a revised Disinfection Byproduct Rule (DBPR), dated May 2018, which includes the following sample locations:

<b>Site</b>	<b>PS Code</b>
Sample Site #2 Sylvan and Redwood Dr.	4410014-801
Sample Site #13 15715 Foresthill Dr.	4410014-802
Sample Site #39 9989 E. Zayante Dr.	4410014-803
Sample Site #21 Elsie Mae and Rebecca Dr.	4410014-804
10077 Creekwood Dr.	4410014-805

Sample sites 4410014-801 to -804 are existing SLVWD DBPR sample sites and the 10077 Creekwood Dr (4410015-805) sample location is a former SLVWD-Lompico DBPR sample site.

Current SLVWD DBPR sample results are summarized in the following table:

<b>SLVWD DBPR Sample Results (ug/L)</b>										
Site	8/17/2017		11/7/2017		2/15/2018		5/17/2018		TTHM	HAA5
	TTHM	HAA5	TTHM	HAA5	TTHM	HAA5	TTHM	HAA5	RAA	RAA
Sylvan and Redwood Dr.	46	20	41	11	44	15	40	24	<b>42.75</b>	<b>17.5</b>
15715 Foresthill Dr.	29	17	32	16	38	27	25	19	<b>31</b>	<b>19.75</b>
9989 E. Zayante Dr.	3.5	0	5.3	0	0	0	22	15	<b>7.7</b>	<b>3.75</b>
Elsie Mae and Rebecca Dr.	33	20	28	17	35	28	24	15	<b>30</b>	<b>20</b>

The former Lompico County Water District was issued Compliance Order No. 02\_05\_13R\_001, dated July 31, 2013, for exceeding the Stage 1 DBPR Total Trihalomethane (TTHM) MCL in 2013. At the time, Lompico County Water District had a TTHM running annual average concentration of 91.07 ug/L (MCL = 80 ug/L), calculated as an average of the two distribution system monitoring locations.

At the time of the compliance order, Lompico County Water District was using a combination of local groundwater sources and treated surface water from the local Mill Creek. The water system subsequently stopped using treated surface water and TTHM results decreased to below the MCL.

Stage 2 Disinfection Byproduct Rule samples collected from the Lompico system since issuance of the July 2013 Compliance Order are summarized in the table below:

<b>Lompico DBPR Results (2013 – 2018)</b>				
Date	10077 Creekwood Dr.		12255 Lake Blvd	
	TTHM (ug/L)	HAA5 (ug/L)	TTHM (ug/L)	HAA5 (ug/L)
10/22/2013	32.2	6.85	11.6	2.63
1/17/2014	37	13	4.7	0
4/30/2014	31	7.5	6.9	4.4
7/30/2014	22	3.6	0.79	0
10/29/2014	32	3	8	2.5
1/27/2015	26	3.9	9.8	2.8
4/27/2015	11	2.2	15	5.6
7/7/2015	37	0	17	6.1
10/14/2015	32	2.7	10	3.8
1/14/2016	29	5.2	14	3.8
4/21/2016	35	21	31	18
8/25/2016	7.4	0	13	0
11/3/2016	17	3.1	22	15
3/8/2017	22	13	19	17
5/11/2017	53	21	30	20
8/17/2017	18	0	4.9	0
11/7/2017	13	0	6.1	0
2/15/2018	12	4.9	4	2.1
5/17/2018	47	16	15	11
Average	27.0	6.7	12.8	6.0
High	53	21	31	20
Low	7.4	0	0.79	0

The Division approves the SLVWD adding the 10077 Creekwood Dr. location as a DBPR sample location based on historic system-high TTHM and HAA5 concentrations. SLVWD's updated DBPR Monitoring Plan, dated May 2018, is approved and included in **Appendix C**.



### **G. Bacteriological Monitoring and Bacteriological Sample Siting Plan**

With a population of ~23,000, SLVWD is required to collect at least six routine total coliform samples per week (California Code of Regulations, Title 22, Section 64423). SLVWD's updated bacteriological sample siting plan, dated May 2018, includes 14 weekly routine samples collected from a pool of 49 routine sample locations. The plan includes a rotation schedule and a system map with all locations.

The revised bacteriological sample siting plan's rotation schedule includes two routine sample sites in the Manana Woods service area and four routine sample sites in the Lompico service area. SLVWD did not submit a Groundwater Rule triggered source monitoring plan, so wellhead bacteriological samples will be required from all groundwater sources within 24 hours after a routine distribution system total coliform detection.

The Division approves SLVWD's updated bacteriological sample siting plan, dated May 2018. The plan was completed in accordance with California Code of Regulations, Title 22, Section 64422. SLVWD must sample according to this bacteriological sample siting plan. A copy of the plan is located in **Appendix D**.

### **H. Operational Program Updates**

#### **a. Cross Connection Control Program**

According to previous electronic annual reports, the SLVWD-Lompico service area has 16 backflow prevention assemblies. The Manana Woods service area has five backflow prevention assemblies. Backflow prevention assemblies from Lompico and Manana Woods must be incorporated into SLVWD's cross connection control program and tested at least annually by a certified backflow tester.

#### **b. Valve Exercising Program**

SLVWD must incorporate system isolation valves from the former SLVWD-Lompico (~245 valves) and Manana Woods system into its valve exercising program. The Division strongly recommends SLVWD exercise all critical valves annually and all other valves according to an established schedule. Valve exercising should be recorded.

#### **c. Flushing Program**

SLVWD must incorporate mainline and dead end flushing from the former SLVWD-Lompico (23 dead ends) and Manana Woods system into its dead end flushing program. The Division recommends dead ends are flushed periodically to minimize stagnant water, bacterial growth, chlorine dead zones, and association water quality effects.

### **I. Distribution and Treatment Classification**

With the consolidation of Lompico and Manana Woods, the Division re-calculated SLVWD's distribution system classification. SLVWD is still classified as a Distribution 4 (D4) water system. The updated distribution system classification worksheet is located in **Appendix E**.

This consolidation does not affect any of the previously established treatment plant classifications.

### **J. California Environmental Quality Act (CEQA)**

The consolidation of SLVWD-Lompico and Manana Woods with SLVWD is not subject to CEQA because this consolidation does not include construction.

### III. Sanitary Hazards and Public Health Safeguards

**Inactive Sources/Facilities:** The Division recommends SLVWD destroy inactive former production wells. Abandoned water system facilities must be physically separated from the distribution system and not re-connected without Division approval.

**SLVWD/Lompico Pipeline:** The Division recommends SLVWD bury the mainline to Lompico, as their budget allows. In accordance with the California Code of Regulations, Title 22, Section 64570 (b), water mains shall “be installed below the frost line or be otherwise protected to prevent freezing” and “be protected against crushing under loads that could pass above the installation.”

For now, SLVWD should frequently inspect the above ground pipeline to Lompico for leaks or breaks and monitor trees and other potential crushing hazards. The Division recommends the pipeline be adequately identified, so it is not accidentally damaged during fire suppression or other activities by other local agencies.

### IV. Recommendations

The State Water Resources Control Board, Division of Drinking Water, Drinking Water Field Operations Branch finds that the sources, works, and operation as described in this report are capable of providing a safe, wholesome, and potable water supply. It is anticipated, based upon available information, that the quality of water delivered will meet all applicable State Drinking Water Standards. Issuance of an amended domestic drinking water supply permit by the State Water Resources Control Board, Division of Drinking Water to San Lorenzo Valley Water District is recommended subject to the following conditions:

1. San Lorenzo Valley Water District (SLVWD) must comply with all the requirements set forth in the California Safe Drinking Water Act, California Health and Safety Code and any regulations, standards or orders thereunder.
2. The only sources approved for potable water supply are as follows:

Sources	PS Code	Status
<b>Groundwater</b>		
Olympia Well 02	4410014-010	Active
Olympia Well 03	4410014-022	Active
Pasatiempo Well 5A	4410014-034	Active
Pasatiempo Well 7	4410014-024	Active
Quail Hollow Well 4A	4410014-026	Active
Quail Hollow Well 5A	4410014-025	Active
<b>Surface Water Raw Sources – with Treatment at the Lyon WTP</b>		
Clear Creek	4410014-002	Active
Foreman Creek	4410014-004	Active
Peavine Creek	4410014-015	Active
Sweetwater Creek	4410014-021	Active

3. The approved treatment includes the following processes:

Facility	PS Code	Sources	Treatment
Lyon Surface Water Treatment Plant	4410014-002	Clear, Foreman, Peavine, and Sweetwater Creeks	Contact clarification + chlorine



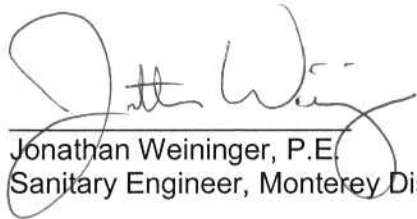
Facility	PS Code	Sources	Treatment
Olympia Well 3 Fe/Mn Sequestering	4410014-031	Olympia Well 3	Iron/Manganese Sequestering
Olympia Well 2 Fe/Mn Sequestering	4410014-032	Olympia Well 2	Iron/Manganese Sequestering
Arsenic Blend	4410014-035	Pasatiempo Wells 5A and 7	Arsenic Blending
Wellhead Disinfection	N/A	Groundwater sources	Liquid Sodium Hypochlorite

4. No changes, additions, or modifications shall be made to the sources or treatment mentioned in Conditions No. 2 and No. 3 unless an amended water permit has first been obtained from the Division.
5. All water supplied by SLVWD for domestic purposes must meet all Maximum Contaminant Levels (MCLs) and Action Levels (ALs) established by the State Drinking Water Standards.
6. SLVWD must incorporate the former Lompico and Manana Woods service areas into its cross connection control program. All backflow assemblies in those service areas must be added to SLVWD's master list and incorporated into annual testing and reporting.
7. SLVWD must comply with Title 17 of the California Code of Regulations (cross connection control regulations).
8. SLVWD must conduct a cross connection control survey of the Manana Woods service area and results of the survey must be sent to the Division for review by **March 31, 2019**. Appropriate backflow prevention must then be installed at the connections with identified hazards (if applicable).
9. SLVWD must conduct lead and copper rule monitoring between June 1 and September 30, 2020. Residences from the former Lompico service area with historic lead detections and copper above the action level detections must be included as sample locations unless adequate justification is provided.
10. SLVWD must conduct Total Coliform Rule monitoring according to the approved bacteriological sample siting plan, dated May 2018. A copy of the plan is located in **Appendix D**.
11. SLVWD must conduct disinfection byproduct rule (DBPR) monitoring according to the distribution byproduct rule monitoring plan, dated May 2018. A copy of the plan is located in **Appendix E**. DBPR monitoring must be conducted quarterly during the months listed in the DBPR monitoring plan (February, May, August, and November). All water quality results must be sent to the Division electronically using the following PS Codes:

Site	PS Code
Sample Site #2 Sylvan and Redwood Dr.	4410014-801
Sample Site #13 15715 Foresthill Dr.	4410014-802
Sample Site #39 9989 E. Zayante Dr.	4410014-803
Sample Site #21 Elsie Mae and Rebecca Dr.	4410014-804
10077 Creekwood Dr.	4410014-805

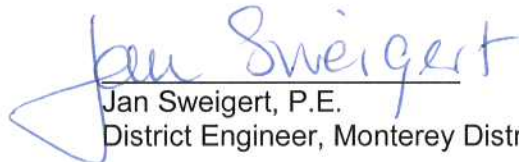
Report prepared by:

23 August 2018  
Date

  
Jonathan Weininger, P.E.  
Sanitary Engineer, Monterey District

Report reviewed by:

8/23/2018  
Date

  
Jan Sweigert, P.E.  
District Engineer, Monterey District

**LIST OF APPENDICES**

Appendix A	Permit Amendment Application
Appendix B	Storage Tank and Booster Station List
Appendix C	Disinfection Byproduct Rule Monitoring Plan
Appendix D	Bacteriological Sample Siting Plan
Appendix E	Distribution System Classification Worksheet



## **Appendix A**

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### **Permit Amendment Application**

**STATE OF CALIFORNIA**  
**APPLICATION**  
**FOR**  
**DOMESTIC WATER SUPPLY PERMIT AMENDMENT**  
**FROM**

Applicant: San Lorenzo Valley Water District  
(Enter the name of legal owner, person(s) or organization)

Address: 13060 Hwy 9 Boulder Creek, CA 95006

System Name: San Lorenzo Valley Water District

System Number: 4410014

TO: [dwpdist05@waterboards.ca.gov](mailto:dwpdist05@waterboards.ca.gov)  
State Water Resources Control Board  
Division of Drinking Water – Monterey District  
1 Lower Ragsdale Dr., Bldg. 1, Suite 120  
Monterey, CA 93940



Pursuant and subject to the requirements of the California Health and Safety Code, Division 104, Part 12, Chapter 4 (California Safe Drinking Water Act), Article 7, Section 116550, relating to changes requiring an amended permit, application is hereby made to amend an existing water supply permit to:

Consolidate and merge the distribution system, storage facilities and booster stations of the Manana Woods Water System (System Number 4400539) and the SLVWD-Lompico System (System Number 4410015) with the San Lorenzo Valley Water District (System Number 4410014). Facilities included in the consolidation would include and be limited to:  
-Lewis Tank 1 (Lompico)



(Applicant must state specifically what is being applied for - whether to construct new works, make alterations or additions in works or sources, or change or modify treatment, etc)

I (We) declare under penalty of perjury that the statements on this application and on the accompanying attachments are correct to my (our) knowledge and that I (we) are acting under authority and direction of the responsible legal entity under whose name this application is made.

By: Nate Gillespie  
Title: Water Treatment and System Supervisor  
Address: 13060 Hwy 9  
Boulder Creek, CA 95006  
Telephone: (831)216-9019

Dated: 5/31/2018

## **Appendix B**

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### **Storage Tank and Booster Station List**

<b>Storage Tank List</b>			
<b>Tank Name</b>	<b>Material</b>	<b>Capacity (MG)</b>	<b>Comments</b>
<b>SLVWD Service Area Tanks</b>			
Bear Creek Estates	Welded Steel	0.075	
Big Steel	Welded Steel	1.4	
Blackstone 1	HDPE	0.011	
Blackstone 2		0.011	
Blue Ridge	Redwood	0.04	No Fence
Brookdale	Welded Steel	0.75	
Echo 1	Redwood	0.025	Echo 3 removed.
Echo 2		0.025	
Echo 4		0.025	
Eckley	HDPE	0.004	
Highland	Redwood	0.065	
Huckleberry	Welded Steel	0.125	
Little Lyon	Welded Steel	0.25	Secondary Clearwell at the Lyon Water Treatment Plant
Lyon	Welded Steel	3	Clearwell for Lyon Water Treatment Plant
Nina 1	Bolted Steel	0.064	
Nina 2		0.064	
Quail 1	Welded Steel	0.211	
Quail 2		0.24	
Reagan	HDPE	0.0005	Serves two homes
Ralston 1	HDPE	0.01	
Ralston 2	HDPE	0.01	
Reader	Welded Steel	0.15	
Riverside Grove	Welded Steel	0.4	
South 1	HDPE	0.01	
South 2		0.01	
South 3		0.01	
South 4		0.01	
Spring	Bolted Steel	0.065	
Upper Swim Tank	Redwood	0.010	Will be replaced as schedule allows
Lower Swim Tank	Redwood	0.0096	
University	Concrete	0.065	
Probation Temporary Tanks (3 x 10,000 gal)	Temp. HDPE	0.03	Temporary Tanks. Will be replaced with a new 0.53 MG steel tank in 2019.
Lower Pasatiempo	Concrete	0.1	
Upper Pasatiempo	Concrete	0.1	
<b>Lompico Service Area Tanks</b>			
Lewis Tank 1	Redwood	0.1	First priority for replacement per previous inspection reports.
Kaski Tank 1	Redwood	0.06	
Kaski Tank 2	Redwood	0.06	
Madrone Tank 1	Redwood	0.06	Recommended replacement per previous inspection reports.

Appendix B – Storage Tank and Booster Station List

Agenda: 9.20.18  
Item: 13.1

<b>Storage Tank List</b>			
<b>Tank Name</b>	<b>Material</b>	<b>Capacity (MG)</b>	<b>Comments</b>
Madrone Tank 2	Redwood	0.06	
Mill Creek Tank	Bolted Steel	0.048	
<b>Manana Woods Service Area Tanks</b>			
Charlie Tank	Bolted Steel	0.045	
Blue Tank Replacement (Pending)	Bolted Steel	N/A, planned to be 0.060	Scheduled for replacement – end of 2018. Temporary HDPE tank currently used.
<b>TOTAL STORAGE</b>		<b>7.78 MG</b>	



<b>Booster Station List</b>				
<b>Name</b>	<b># Pumps</b>	<b>Individual HP</b>	<b>GPM</b>	<b>Remarks</b>
Big Steel	2	20	400	
Blackstone	2	1.5	30	
Blueridge	2	7.5	42	
Echo	2	20	130	Includes chlorine injection station.
Eckley	1	1		Serves ~ six homes
Fairview	1	7.5	50	
Fire House	2	40, 75		Located in a locked underground vault with sump pump with float switch.
Huckleberry	2	7.5	50	
Irwin	2	20	400	Located in underground vault with a sump pump.
Nina	2	15	75	
Nina Hydro	1			Two 30-gallon bladder tanks
Olympia Booster	2	20	100	
Pasatiempo Pines	2	5	70	
Quail	2	20	350	
Riverside Grove	2		100 & 350	
South	2	5	30	
University	2	7.5	85	
Intertie 2	2		350	SLVWD South to Scotts Valley Water District
Intertie 3	3		700	SLVWD South to North/ Mt Hermon Association
Intertie 5	2		150	SLVWD North to Lompico County Water District
Intertie 6	2		350	SLVWD North to SLVWD Felton
Bear Creek	-	-	-	
Bear Creek Hydro	-	-	-	
Mitchell	2	1	-	
Ralston	2	-	-	
Redwood Park	-	-	-	
Spring	-	-	-	
<b>Lompico Area Booster Stations</b>				
Lompico Booster	2			Includes 10,000-gallon day tank
Madrone	2	20	150	Includes PRV
<b>Manana Woods Area Booster Stations</b>				
Blue Tank Booster	2	2	30	
Charlie Tank Booster	2	2, 3	30	Two Pressure Tanks (119 gal each)

## Appendix C

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### DBPR Monitoring Plan

**San Lorenzo Valley Water District**  
**System # 4410014**  
**13060 Hwy 9**  
**Boulder Creek, CA 95006**  
**Revised Stage II DBPR Monitoring Plan**  
**May 2018**

**Introduction**

This revised Stage II Disinfection By-Products Rule Monitoring Plan has been developed by the San Lorenzo Valley Water District (System # 4410014) and submitted to the State Water Resources Control Board, Division of Drinking Water, Drinking Water Program-Monterey District. The purpose of the revision of the Stage II DBPR Monitoring Plan is to include the SLVWD Lompico Stage II with the longest residence time, as the SLVWD Lompico water system will be consolidated with the SLVWD system.

**Selection of SLVWD-Lompico Stage II Monitoring Site:**

The existing Stage II DBPR Monitoring site of 10077 Creekwood Dr has been identified as the site with the longest residence time. 10077 Creekwood Dr is served off of a 4 inch main on the western edge of the Kaski pressure zone in the Lompico service area. 10077 Creekwood is a customers residence; the sample is collected from the hose bib on the side of the customers residence. In addition to the longest residence time, 10077 Creekwood Dr has the highest LRAA for both TTHM's and HAA5's in the SLVWD Lompico service area since Stage II monitoring at this site commenced in 2014.

**Revised Stage II DBPR Monitoring Plan for SLVWD:**

Quarterly, in the months of February, May, August and November, the SLVWD (System # 4410014) shall collect dual sample sets consisting of TTHM's and HAA5's at the following locations:

Site 1: Sylvan and Redwood Dr

Site 2: 15715 Foresthill Dr.

Site 3: 9989 E. Zayante Rd

Site 4: Elsie Mae and Rebecca Dr.

Site 5: 10077 Creekwood Dr.



## **Appendix D**

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### **Bacteriological Sample Siting Plan**

**San Lorenzo Valley Water District**  
**System # 4410014**  
**13060 Hwy 9**  
**Boulder Creek, CA 95006**  
**Routine Bacteriological Sample Siting Plan**  
**May 2018**

**Introduction**

This routine Bacteriological Sample Siting Plan has been developed by the San Lorenzo Valley Water District (System # 4410014) and submitted to the State Water Resources Control Board, Division of Drinking Water, Drinking Water Program-Monterey District (hereinafter referred to as DDW), in compliance with CCR Title 22, section 64422. The Bacteriological Sample Siting Plan shall be updated and submitted to DDW at least once every ten (10) years, as amended and/or at any time the plan no longer ensures representative monitoring of the SLVWD distribution system. The May 2018 update of the routine Bacteriological Sample Siting Plan reflects the consolidation of the SLVWD-Lompico system and the Manana Woods system with the San Lorenzo Valley Water District System.

The San Lorenzo Valley Water District provides water service to approximately 6,600 service connections with an estimated permanent population of approximately 21,000 residents. The maximum seasonal population is estimated at approximately 22,500 residents. The SLVWD is a community water system which comprises of two (2) separate distribution systems: The North System and the South System. The North System services the areas of Boulder Creek, Ben Lomond, Zayante and Lompico. The North System contains the majority of the service connections. The North System is supplied by two (2) Quail Hollow wells, two (2) Olympia Wells and the Lyon Surface Water Treatment Plant. The South System services the areas of Scotts Valley and Manana Woods. The South System is supplied by three (3) Pasatiempo wells. Sodium Hypochlorite provides disinfection at both the surface water treatment plant and all well heads. The North System and the South System are connected by Intertie #3, which allows the exchange of water between these two separate distribution systems for operational and emergency purposes. The SLVWD has thirty (30) separate pressure zones within the distribution system. See attachment "A" for the list of pressure zones. The Program Administrator for the Bacteriological Sample Siting Plan is Nate Gillespie, Water Treatment and System Supervisor for the SLVWD. Mr. Gillespie can be contacted at (831) 216-9019, or [ngillespie@slvwd.com](mailto:ngillespie@slvwd.com).

### **Routine Bacteriological Samples**

The San Lorenzo Valley Water District has established forty nine (49) sample site locations throughout the distribution system for the purpose of routine bacteriological water quality monitoring. See attachment "B" for the current list of routine water sampling sites. These sample site locations were chosen to be representative of water conditions throughout the distribution system, including various pressure zones and areas supplied by each of the SLVWD's eight (8) separate water sources. Factors such as population density, water pressure zones, proximity to water mains and accessibility were considered. A system map identifying the location of each routine bacteriological sample site is incorporated herein as part of the Bacteriological Sample Siting Plan.

Four (4) of the SLVWD's thirty (30) pressure zones (Zones 2, 12, 15 and 27) are hydro pneumatic pressure zones with no water storage tanks and less than fifteen (15) water service connections. Pursuant to CCR, Title 22, Section 64422, no routine bacteriological samples will be collected in the aforementioned four (4) hydro pneumatic pressure zones.

To date, the SLVWD has installed forty three (43) dedicated water sampling stations throughout the distribution system. The purpose of the dedicated water sampling stations is to provide a uniform and sanitary sampling environment enclosing the sample collection area, which reduces the risk of sampling error due to environmental conditions. Six (6) of the forty nine (49) established routine bacteriological sample site locations utilize residential or business locations. The collection points for all repeat upstream/downstream samples utilize residential or business locations.

Disinfectant residual within the distribution system is measured and recorded at the same points and times as the collection of routine bacteriological samples. Disinfectant residual is measured using the DPD method of free chlorine residual. Disinfectant residual information is maintained on file at the SLVWD Operations Department, 13057 Hwy 9, Boulder Creek, CA 95006.

### **Rotational Routine Bacteriological Sample Plan**

Routine bacteriological monitoring samples are rotated amongst the forty nine (49) established sample site locations. Fourteen (14) routine bacteriological samples are collected each week pursuant to an established rotational plan. To ensure representation of water conditions throughout the distribution system, the forty nine (49) established routine sample site locations have been divided into four (4) separate sampling routes. Each route contains fourteen (14) routine bacteriological sample site locations. Fourteen (14) routine bacteriological samples will be collected from one of the four sampling routes each week. Sampling routes are rotated weekly and the rotational plan is established on a continuous basis. To provide for an equal number of fourteen (14) weekly routine bacteriological samples, seven (7) sample locations are sampled twice during the rotational course of each of the sampling routes. See attachment "C" for Routine Sampling Routes 1-4, which includes routine sample sites. The fourteen (14) routine



bacteriological samples collected each week exceeds the minimum number of samples required pursuant to CCR, Title 22, Table 64423-A.

Each established routine bacteriological monitoring sample site location has been assigned a designated upstream and downstream sample site location (within 5 service connections) for the purpose of a repeat sample set, as necessary. These designated upstream and downstream sample site locations are also detailed in attachment "C". Each upstream and downstream sample site utilizes a residential or business location.

### **Ground Water Rule**

The Ground Water Rule requires all public water systems using groundwater to monitor for fecal indicator bacteria at all groundwater sources not receiving 4-log virus inactivation whenever a Total Coliform Rule (TCR) routine distribution sample collected is total coliform positive. This is referred to as "triggered" source monitoring.

As described in the introduction paragraph of this Routine Bacteriological Sample Siting Plan, the San Lorenzo Valley Water District is comprised of two (2) separate distribution systems: the North System and the South System. Each system consists of multiple pressure zones and multiple sources. The North system sometimes uses surface water as its sole source of supply or a combination of surface and groundwater sources, as surface water stream flow permits. With the operation of Intertie #3, the North and South systems have the ability to exchange water between them. Depending on surface water availability, the South System can be supplied by surface water from the North System. With the complex operations of these two systems, it would be difficult to identify the exact source of supply for each pressure zone. Therefore, if a routine distribution system sample is found to be total coliform positive, all groundwater sources that have been online within 7 days prior to the collection of the total coliform positive routine distribution system sample, will be sampled for triggered source monitoring for the presence of fecal indicator bacteria. Triggered source monitoring samples will be collected within 24 hours of notification of the positive total coliform routine distribution system sample.

### **Repeat Bacteriological Samples**

If a routine bacteriological monitoring sample is total coliform positive, the SLVWD will collect a repeat sample set within twenty four (24) hours of notification by the laboratory of a positive total coliform result. The repeat sample set shall include the same sample tap where the original total coliform positive sample was taken and at least one (1) sample from both the designated upstream and downstream sample site locations. The SLVWD shall notify the DDW District 05- Monterey within twenty four (24) hours whenever a sample contains *E. coli* bacteria, and/or a repeat sample is positive. The SLVWD shall notify the DDW District 05- Monterey within twenty four (24) hours whenever the SLVWD has failed the total coliform Maximum Contaminant Level (MCL) as defined in CCR, Title 22 Section 64426.1.

**Attachment A**

**SAN LORENZO VALLEY WATER DISTRICT**  
**CONNECTIONS BY PRESSURE ZONE**

ZONE	DESCRIPTION	TOTAL CONNECTIONS	TOTAL SAMPLE STATIONS
1	Riverside Grove	96	1
2	Mitchell Hydro	13	0
3	Blue Ridge	53	1
4	Reader	1,327	5
5	Lyon	271	2
6	Eckley	9	1
7	Blackstone	11	1
8	Big Steel	711	4
9	Huckleberry	45	1
10	Ralston	10	1
11	Bear Creek	110	1
12	Bear Creek Hydro	3	0
13	Highland	63	1
14	Nina Zone	87	1
15	Nina Hydro	3	0
16	Brookdale	1,391	7
17	South Zone	54	1
18	Swim Zone	167	1
19	Spring Zone	72	1
20	University	112	1
21	Quail	598	5
22	Probation	493	2
23	Upper Pass/Probation	95	2
24	North Boul Creek Echo	196	3
25	Blue Tank	78	1
26	Charlie	23	1
27	Charlie Hydro	5	0
35	Lewis	340	2
36	Kaski	98	1
37	Madrone	65	1

Sample Site Number	Sample Site Location	Sample Site Description	Pressure Zone Number	Pressure Zone Name	Distribution System	Sample Route(s)
1	Hwy 9 & Celia Ave	Designated Sample Station	24	North Boulder Creek	North System	2
2	Sylvan Ave & Redwood Dr.	Designated Sample Station	24	North Boulder Creek	North System	4
3	Reynolds Dr & Fern Dr	Designated Sample Station	24	North Boulder Creek	North System	1,3
4	Tellis Dr & Redwood Dr	Designated Sample Station	4	Reader	North System	1
5	814 Creek Dr	Designated Sample Station	1	Riverside Grove	North System	2
6	Crescent Dr & River Rd	Designated Sample Station	4	Reader	North System	4
7	256 Blue Ridge Dr	Designated Sample Station	4	Reader	North System	1
8	Blue Ridge Dr & Summit Dr	Designated Sample Station	3	Blue Ridge	North System	3
9	15030 Hwy 9	Hose bib on an ARV	4	Reader	North System	2
10	Pinecrest Dr & Middleton Rd	Designated Sample Station	9	Huckleberry	North System	4
11	15177 Bear Creek Rd	Designated Sample Station	4	Reader	North System	3
12	376 Ralston Ridge	Designated Sample Station	10	Ralston	North System	1
13	15715 Forest Hill Dr.	Designated Sample Station	11	Bear Creek Estates	North System	2, 4
14	336 Blackstone Terrace	Designated Sample Station	7	Blackstone	North System	4
15	Ridge Dr & Private Dr	Designated Sample Station	6	Eckley	North System	1
16	14760 Virginia Ave	Designated Sample Station	5	Lyon	North System	3
17	275 Brook Ln	Designated Sample Station	5	Lyon	North System	2
18	12788 Hwy 9	Designated Sample Station	8	Big Steel	North System	3
19	Camp Joy Rd & Irwin Wy	Designated Sample Station	8	Big Steel	North System	4
20	600 Debbie Dr	Designated Sample Station	13	Highland	North System	2
21	Rebecca Dr & Elsie May Rd	Designated Sample Station	14	Nina	North System	1
22	Hwy 9 & Alameda Ave	Designated Sample Station	8	Big Steel	North System	2
23	Clear Creek Rd & Alameda Ave	Designated Sample Station	8	Big Steel	North System	1, 4
24	815 Forest Wy	Designated Sample Station	17	South	North System	3



Sample Site Number	Sample Site Location	Sample Site Description	Pressure Zone Number	Pressure Zone Name	Distribution System	Sample Route(s)
25	Larkspur Dr & Old River Ln	Designated Sample Station	16	Brookdale	North System	3
26	11020 Redwood St.	Customer hose bib	16	Brookdale	North System	2
27	Riverside Dr & Middle Rd	Designated Sample Station	16	Brookdale	North System	1
28	9430 Hwy 9	Ben Lomond Fire Dept. hose bib	16	Brookdale	North System	4
29	Scenic Wy & Country Club Dr	Designated Sample Station	19	Spring	North System	3
30	Park Dr & Scenic Wy	Designated Sample Station	18	Swim	North System	2
31	180 Willow Brook Dr	Designated Sample Station	16	Brookdale	North System	1
32	Hwy 9 & Sunnycroft Rd	Designated Sample Station	16	Brookdale	North System	3
33	130 Standford Dr	Hose bib at pump station	21	Quail	North System	2
34	641 Marion Ave	Designated Sample Station	16	Brookdale	North System	2, 4
35	120 Woodview Dr	Designated Sample Station	21	Quail	North System	4
36	Quail Hollow Rd & Vista Robles Dr	Designated Sample Station	21	Quail	North System	1
37	Crown Dr & Harvard Dr	Designated Sample Station	20	University	North System	1, 3
38	7940 E. Zayante Rd	Designated Sample Station	21	Quail	North System	3
39	E. Zayante Rd & Zayante Dr	Designated Sample Station	21	Quail	North System	4
40	Bobs Ln & Sugar Pine Rd	Designated Sample Station	22	Probation	South System	2
41	Baja Sol Dr & Whispering Pines Dr	Designated Sample Station	22	Probation	South System	3
42	277 Hidden Glenn Rd	Customer hose bib	23	Upper Probation	South System	1
43	240 El Sereno Dr	Designated Sample Station	25	Blue Tank	South System	1, 3
45	Next to 235 Miraflores Rd	Designated Sample Station	26	Charlie	South System	2, 4
46	Blueberry Dr & Private	Designated Sample Station	23	Upper Probation	South System	4
47	11255 Lompico Rd	Hose bib at former LCWD building	35	Lewis	North System	1
48	677 West Dr	Designated Sample Station	35	Lewis	North System	3
49	11590 Lakeshore Dr	Designated Sample Station	36	Kaski	North System	2
50	11769 Edgewood Dr	Customer hose bib	37	Madrone	North System	4

### Routine Sampling Route 1

Sample Site	Routine Sample Location	Upstream Sample Site Location	Downstream Sample Site Location
3	Reynolds Dr & Fern Dr	105 Fern Ave	265 Fern Ave
4	Teilh Dr & Redwood Dr	610 Stuart St	315 Redwood Dr
7	256 Blue Ridge Dr	310 Blue Ridge Dr	215 Blue Ridge Rd
12	376 Ralston Ridge	708 Ralston Ridge	235 Ralston Ridge
15	Ridge Dr & Private Dr	450 Ridge Dr	410 Ridge Dr
21	Rebecca Dr & Elsie May Rd	150 Elsie Mae Rd	1030 Rebecca Dr
23	Clear Creek Rd & Alameda Ave	11370 Clear Creek Rd	11555 Clear Creek Rd
27	Riverside Dr & Middle Rd	10195 Riverside Dr	10092 Riverside Dr
31	180 Willow Brook Dr	190 Willow Brook Dr	160 Willow Brook Dr
36	Quail Hollow Rd & Vista Robles Dr	307 Cumora Ln	101 Quail Hollow Rd
37	Crown Dr & Harvard Dr	8070 Harvard Dr	8040 Harvard Dr
42	277 Hidden Glenn Rd	400 Spreading Oak Dr	100 Royal Oak Ct
43	240 El Sereno Dr	230 El Sereno Dr	251 El Sereno Dr
47	11255 Lompico Rd	11240 Lompico Rd	12320 Lompico Rd



## Routine Sampling Route 2

Sample Site	Routine Sample Location	Upstream Sample Site Location	Downstream Sample Site Location
1	Hwy 9 & Celia Ave	18675 Hwy 9	221 Celia Ave
5	814 Creek Dr	785 Creek Dr	836 Creek Dr
9	15030 Hwy 9	15105 Hwy 9	15020 Hwy 9
13	15715 Forest Hill Dr.	15640 Forest Hill Dr	15765 Forest Hill Dr
17	275 Brook Ln	345 Brook Ln	225 Brook Ln
20	600 Debbie Dr	655 Fairmont Dr	501 Fairmont Dr
22	Hwy 9 & Alameda Ave	11370 Clear Creek Dr	11237 Hwy 9
26	11020 Redwood St.	11066 Redwood Dr	144 Hazel St
30	Park Dr & Scenic Wy	710 Scenic Wy	885 Park Dr
33	130 Stanford Dr	8080 Hihn Rd	8133 Hihn Rd
34	641 Marion Ave	677 Marion Ave	565 Marion Ave
40	Bobs Ln & Sugar Pine Rd	260 Bobs Ln	890 Lockewood Ln
45	Next to 235 Miraflores Rd	230 Miraflores Rd	244 Miraflores Rd
49	11590 Lakeshore Dr	11568 Lake Blvd	11607 Lake Blvd

### Routine Sampling Route 3

Sample Site	Routine Sample Location	Upstream Sample Site Location	Downstream Sample Site Location
3	Reynolds Dr & Fern Dr	105 Fern Ave	265 Fern Ave
8	Blue Ridge Dr & Summit Dr	675 Blue Ridge Dr	535 Blue Ridge Dr
11	15177 Bear Creek Rd	15245 Bear Creek Rd	15065 Bear Creek Rd
16	14760 Virginia Ave	210 Ridge Dr	14800 Virginia Ave
18	12788 Hwy 9	12850 Hwy 9	12680 Hwy 9
24	815 Forest Wy	895 Forest Wy	675 Western Ave
25	Larkspur Dr & Old River Ln	233 Larkspur Dr	130 Larkspur Dr
29	Scenic Wy & Country Club Dr	1295 Country Club Dr	1250 Country Club Dr
32	Hwy 9 & Sunnycroft Rd	130 Sunnycroft Rd	7865 Hwy 9
37	Crown Dr & Harvard Dr	8070 Harvard Dr	8040 Harvard Dr
38	7940 E. Zayante Rd	8063 E. Zayante Rd	7700 E. Zayante Rd
41	Baja Sol Dr & Whispering Pines Dr	950 Whispering Pines Dr	880 Whispering Pines Dr
43	240 El Sereno Dr	230 El Sereno Dr	251 El Sereno Dr
48	677 West Dr	10839 West Dr	661 West Dr

### Routine Sampling Route 4

Sample Site	Routine Sample Location	Upstream Sample Site Location	Downstream Sample Site Location
2	Sylvan Ave & Redwood Dr	350 Sylvan Ave	260 Sylvan Ave
6	Crescent Dr & River Rd	476 River Rd	360 River Rd
10	Pinecrest Dr & Middleton Rd	925 Pinecrest Dr	823 Middleton Dr
13	15715 Forest Hill Dr	15640 Forest Hill Dr	15765 Forest Hill Dr
14	366 Blackstone Terrace	360 Blackstone Terrace	216 Blackstone Terrace
19	Camp Joy Rd & Irwin Wy	12535 Irwin Wy	12333 Irwin Wy
23	Clear Creek Rd & Alameda Ave	11370 Hwy 9	11555 Clear Creek Rd
28	9430 Hwy 9	9489 Love Creek Rd	9440 Hwy 9
34	641 Marion Ave	677 Marion Ave	565 Marion Ave
35	120 Woodview Dr	110 Woodview Dr	160 Woodview Dr
39	E. Zayante Rd & Zayante Dr	9830 E. Zayante Rd	9916 E. Zayante Rd
46	Blueberry Ct & Private Dr	326 Blueberry Dr	100 Blueberry Ct
45	Next to 235 Miraflores Rd	230 Miraflores Rd	244 Miraflores Rd
50	11769 Edgewood Dr	11765 Edgewood Dr	11790 Sunset Ct

## **Appendix E**

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### **Distribution System Classification**

## DISTRIBUTION CLASSIFICATION

**System Name:** San Lorenzo Valley Water District  
**System No:** 4410014  
**Reviewing Engineer:** Jonathan Weininger  
**Date:** July 30, 2018

Section 64413.3. Distribution System Classification  
Table 64413.3-A

Population	Class
1,000 or less	D1
1,001 through 10,000	D2
10,001 through 50,000	D3
50,001 through 5 million	D4
Greater than 5 million	D5

**Population:** 22,795  
**Distribution Class**  
 (based on population only): D3  
**System Characteristics Total:** 23  
**Final Distribution Class:** D4  
**Chief Operator Class:** D4  
**Shift Operator Grade:** D3

System Characteristics	Point Value	Calculation
(1) Pressure Zones = 1 to 3	0	0
Pressure Zones = 4 to 10	4	0
Pressure Zones= greater than 10	6	6
(2) Single Disinfectant Added	5	5
Multiple Disinfectants*	8	0
(3) Pump Station(s) up to 50 HP	4	0
Pump Station(s) greater than 50 HP	6	6
(4) Distribution Reservoirs = 1 to 5	4	0
Distribution Reservoirs greater than 5	6	6
(5) One or More Uncovered Reservoirs	10	0
(6) Customers Served Non-Potable Water	6	0
<b>System Characteristics Total =</b>		<b>23</b>

Overall Distribution Class (based on system characteristic total):

**D4**

# Stanford SOCIAL INNOVATION Review

*Informing and inspiring leaders of social change*

## Leadership

# Navigating Purpose and Collaboration in Social Impact Networks

Most models for developing networks for collaboration emphasize discovering or clarifying purpose as the first step. But purpose doesn't always have to manifest in the form of a single vision or strategic plan shared among all participants.

By **Dylan Skybrook** | Sep. 10, 2018

([https://ssir.org/images/blog/smallgroup\\_resized.jpg](https://ssir.org/images/blog/smallgroup_resized.jpg))

Social impact networks offer a foundation for collaborations driven by shared purpose. Most models for developing networks for collaboration **emphasize discovering or clarifying purpose** ([https://ssir.org/articles/entry/collective\\_impact](https://ssir.org/articles/entry/collective_impact)) as **the first step** ([https://ssir.org/articles/entry/five\\_steps\\_to\\_building\\_an\\_effective\\_impact\\_network](https://ssir.org/articles/entry/five_steps_to_building_an_effective_impact_network)) . But purpose doesn't always have to manifest in the form of a single vision or strategic plan shared among all participants—indeed, narrower views of it can sometimes discourage collaboration. Purpose can be diffuse, multiple, and emergent, and still bring many kinds of stakeholders together.



A small group at an SCMSN convening discusses regional stewardship collaboration. (Photo by Kellyx Nelson)

I often describe the work of the **Santa Cruz Mountains Stewardship Network** (<http://scmsn.net/>) (SCMSN), which I manage, as driven by “complex purpose.” While it has a high-level, shared purpose of helping California’s Santa Cruz Mountains region thrive, it doesn’t organize any specific action. Instead, its many action-level purposes arise from a process in which interaction between network members reveals



clusters of shared interest. Different-but-overlapping constellations of members determine to work on each cluster. In this way, SCMSN pursues many kinds of projects together without a shared vision or strategic plan.

## Organizing action

Learning to work this way takes time. The SCMSN is a land stewardship network comprised of 21 very different organizations, including land trusts, public agencies like state and county parks, a timber company, universities, and an indigenous tribal band. Beginning when the network formed, it was clear there were many areas of mutual interest even though members' missions varied widely. And because the relationships were new, no one was sure what kinds of collaborations would be viable. We were clear about wanting the region to thrive but not about which actions we would engage to support it.

Discovering purpose at an action level involved conversation—sharing information on projects, and getting to know and trust each other. (**Converge** (<https://www.converge.net/>), a consultancy that helped the network form, started this process. I continued it when I came on as network manager.) At moments when several members identified a shared interest, I helped move the discovery forward by identifying and reflecting that shared interest back to the group, structuring agendas to explore the issue more completely, and encouraging members to consider whether their organization would commit to the issue. Together, we worked on an issue until either a team formed around it, or a lack of interest, time, or resources made it clear we should abandon it. I also asked members to develop specific goals they thought the network could help their organization achieve.

Over the past three years, we have identified multiple shared interests, and formed project teams around things like invasive plant species, climate change modeling, and a land-stewardship education program for community leaders. Members have also pursued more than 65 collaborative land stewardship projects—all planned outside of the formal process we typically use to identify and build teams. The Amah Mutsun Land Trust, State Parks, and the San Mateo Resource Conservation District, for instance, are partnering to restore 1,800 acres of grasslands in the region. The Amah Mutsun Land Trust will use native stewardship practices to do the restoration on State Parks land, and the San Mateo Resource Conservation District will handle the permitting process. While this isn't formally a network project, it would not have happened without the relationships members developed within the network.

As we have achieved project goals (creating workshops on streamlining the permitting process for restoration projects, for instance, or salon events for practitioners on topics like controlled burning to reduce the risk of wildfires), the network has developed a better sense of what it is and how it can serve the greater region—all without a strategic plan. Indeed, new projects arise not for lack of a plan, but because there isn't one. Members organize projects together based on their needs and interests, and each of the projects relates back to the high-level purpose of helping the region thrive. Taken together, they create a tacit but unified sense of purpose for SCMSN, which drives us forward toward greater collaboration.

## Network leaders weigh in

Curious about how our approach compared with other networks, I asked several network leaders to offer their perspective on complex purpose. While their terminology differs, I found that all of them explored purpose at multiple levels with the members of their networks.

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Shawn Johnson, managing director of the [Center for Natural Resources & Environmental Policy](http://naturalresourcespolicy.org/) (<http://naturalresourcespolicy.org/>) at the University of Montana, works with several networks, including the Network for Landscape Conservation and the California Landscape Stewardship Network. Johnson says that while he used to think about purpose in networks as a matter of framing a specific, shared vision, he now thinks complex networks that comprise a wide diversity of interests and actors must have multiple purposes. Similar to how SCMSN thinks in terms of high-level and action-level purpose, he says there is “motivational” purpose (what motivates people to work together) and “substantive” purpose (the substance of that collaborative work). It makes sense for there to be a range of substantive purposes, says Johnson. His view is that if we say no to that diversity, we say no to the new possibilities that are part of networks' real value. And to harness the power and impact of networks, participants must be willing for things to happen at different scales and time horizons. While this may feel scattered to people who aren't used to working this way, when aligned with the network's shared motivational purpose, these actions can add up to significant activity and impact.

The idea of complex purpose also resonated with Faith Graham, managing director of the [Network for Energy, Water, and Health in Affordable Buildings](http://energyefficiencyforall.org/newhab) (<http://energyefficiencyforall.org/newhab>) (NEWHAB). She describes networks as an organizing structure for collaboration that can produce many outcomes, not just one. She says that NEWHAB's members are aligned on the visionary “what,” but that the purposeful “how” is in a constant state of co-creation. Over time, she says, members have increasingly understood that the network is a tool



to help them accomplish multiple goals. So they can form a community of practice that addresses policy barriers in a particular region, for example, and experiment with techniques to engage residents in decision-making. These goals and others all contribute to NEWHAB's vision of increasing equitable access to affordable, healthy, and sustainable housing for all.

When it comes to purpose, says Odin Zackman, a consultant who works with networks, including NEWHAB and the **Water Solutions Network** (<https://www.watersolutionsnetwork.org/>), there is a tension between wanting to nail down the network's purpose and allowing its purpose to emerge. This tension plays out as a definitional challenge: What are we trying to do together? What is our practice? What is our structure for working together?

Sharon Farrell, vice president of stewardship and conservation at the **Golden Gate National Parks Conservancy** (<http://parksconservancy.org/>), coordinates the California Landscape Stewardship Network and **One Tam** (<http://onetam.org/>), a network of several public agencies that steward Mount Tamalpais in Marin County. One Tam differs from SCMSN in that its action-level purpose is expressed through a single shared plan that guides the agencies' stewardship work on Mount Tamalpais. And yet Farrell points out that the same complex dynamics and overlapping interests that define SCMSN are also at play within One Tam. The network didn't start out with a shared plan; it had to go through a process of discovery to figure out how to work together.

### Creating the conditions for collaboration

At this point in its evolution, One Tam's action-level purpose is clear—the four public agencies that make up the network manage Mount Tam's 25,000 acres for recreation and ecological health. But other networks that, like SCMSN, discover action-level purposes continuously over time may require that the network manager reflect activities back to members so as to make those purposes visible. I have also found it important to consistently point out how the network creates the conditions for collaborative stewardship by spending time together, building relationships, and sharing information. That is how projects emerge—not always right away, but over time.

These practices are useful, because the ambiguity of the collaborative process in a network means results aren't always obvious. Early on at SCMSN, members would describe how helpful knowing who to call at other member organizations was and how important that was for

achieving their work. But in the next breath, they would fret that we were not achieving anything as a network. Reminding members that accomplishment comes in many forms was important in building that tacit sense of purpose that keeps SCMSN feeling vital.

([https://ssir.org/images/blog/memberstrustexercise\\_resized.jpg](https://ssir.org/images/blog/memberstrustexercise_resized.jpg))

Even when purposes are diffuse, multiple, and emergent, networks can cultivate collaboration using the following tactics:

- **Recognize diverse needs among network members.** Facilitate conversations where network members can express their needs so that the entire group can understand that not everyone wants the same thing.
- **Cultivate clusters of mutual interest.** Look for issues where at least a few members' needs intersect, and then seek connections to the rest of the network. Facilitate exploratory conversations about the issues to see if they might become viable projects.
- **Cultivate a tolerance for ambiguity.** Communicate to members the unique nature of a network: It is a group of peers looking to collaborate or share information, not a command-and-control structure.
- **Build trust between members.** Facilitate situations in which people get to know each other more deeply than their professional relationships often allow. This can include getting to know more about each other's lives, or engaging in activities that bring people out of their usual zones of engagement, such as field trips, happy hours, or exercises that have a physical component.
- **Encourage information-sharing.** Sharing information is how people make the connections that lead to collaboration. This might look like going around the room and having each member give updates on relevant projects, or it might look like a shared database or repository of scientific papers and other resources.
- **Encourage self-organization.** Facilitate conversations where the members generate ideas by talking to each other and discover how the network can do work that their individual organizations might not be able to. Project ideas that arise from this process have a chance of being relevant enough for member organizations to dedicate time and resources to achieving.



Members engage in a trust exercise at an SCMSN convening. (Photo by Dylan Skybrook)

- **Mirror back the work.** As I noted above, it is important to remind network members of the work the network is doing, the results it has achieved, and especially the ripple effects that may follow. Not every member works on every project, so some efforts and achievements may not be very visible. Regular reflection provides a fuller picture and sense of purpose.

A network's complexity and the complexity of its purposes correlate. Having more members and interests can mean that a single shared purpose is more difficult to come by. Adopting an emergent, complex purpose approach to collaboration allows organizations to decide to work together even when creating a collective plan isn't possible or appropriate. Indeed, even if a network does have a shared plan, the idea of complex purpose can still be a useful lens.



**Dylan Skybrook** is the manager of the [Santa Cruz Mountains Stewardship Network](#).

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## Coast Lines

### FELTON

#### **Water district candidate forum is Sept. 25**

Valley Women's Club plans an informal meeting with the candidates for the San Lorenzo Valley Water District board 7-8:30 p.m. Sept. 25 at the San Lorenzo Valley Elementary School multipurpose Room, 7155 Highway 9.

All six candidates plan to attend: Chuck Baughman, Bob Fultz, John Hayes, Lois Henry, Gene Ratcliffe and Stephen Swan.

League of Women Voters will moderate and take questions from the public.

Admission is free and refreshments will be available. Signs and demonstrations will not be allowed.

— *Sentinel staff reports September 12, 2018*

On Sep 16, 2018, at 3:45 PM, Bill Maxfield <[bill@millermxfield.com](mailto:bill@millermxfield.com)> wrote:

Hi Rick,

Wanted to make sure you're aware of Director Smallman's comment on Facebook, which consists of 14 questions he proposes to be asked of Mr. Baughman, and which comes in response to the Facebook promotion for the "coffee chats":

**Bill Smallman** Here's some questions for Mr. President. 1. Why did you never question Marc Hynes, use our money to defend a guilty Terry Vierra, now that the District is suing Hynes for his obvious malpractice? 2. Why are there no cost accounting records to back up the Bear Creek Estates rate increase and allow more intelligent conversation on exactly what improvement project they would like? 3. Why did you allow DM not proceed in a timely manner on the Lompico Assessment District knowing that the high operating costs would be lowered, along with liability? 4. Why did you fail with LADOC, when all they are responsible is to monitor the costs, and instead you allowed disorganized costs which had nothing to do with the Assessment District for them to waste time on non-productive meetings? 5. Why did you not negotiate or talk to the CA Dept. of Fish and Wildlife, and demand changes and insist we will not use herbicides and allow repeated attacks on Rick Moran by censoring his recommendations? 6. Why did you allow long discussions about canceling Don Alley's fish monitoring contract, when the County simply needed \$10 K to create a website? 7. Why did you allow DM to make personal attacks on me and members of the public, support him and give him generous raises? 8. Do you have any ideas from more water production and storage to solve the ground water problem to bring to the table, or are you going to stick with the ideas provided by the City, (i.e conjunctive use, water transfers, and using the basin as a storage tank)? 9. Since the "Conjunctive Use plan involves taking more water out of Fall Creek, why is Don Alley being removed from monitoring the fish habitat there? 10. Why did you deliberately allow only one opening on the agenda for LADOC when you knew there were 3 openings? 11. Are you seeking to censor Deb Loewen who is by far the most qualified, but is the only one critical of you? 12. Do you find it difficult to respond to criticisms? 13. Why are you scheduling these "chat" meetings before an election? 14. Why did you allow the public comments to be restricted, causing uproar, and a protest leading to calling the Sheriff back last year?

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