



**REVISED
BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
AGENDA
NOVEMBER 7, 2019**

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

Notice is hereby given that a meeting of the Board of Directors of the San Lorenzo Valley Water District will be held on **Thursday, November 7, 2019 at 5:30 p.m.**, SLVWD, 13057 Highway 9, Boulder Creek, CA 95006.

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

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

1. Convene Meeting/Roll Call

2. Additions and Deletions to Closed Session Agenda:

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

3. Oral Communications Regarding Items in Closed Session:

This portion of the agenda is reserved for Oral Communications by the public for items which are on the Closed Session portion of the Agenda. Any person may address the Board of Directors at this time, on Closed Session items. Normally, presentations must not exceed five (5) 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 REAL PROPERTY NEGOTIATORS
Property: APN 078-233-05, located along Scenic Way in Ben Lomond
Agency negotiator: Rick Rogers, District Manager
Negotiating party: Nick Naccari
Under negotiation: Price and terms of payment
- b. PUBLIC EMPLOYEE ANNUAL PERFORMANCE EVALUATION
Government Code Section 54957
Title: District Manager

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. Roll Call (Open Session):

8. 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).

9. 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 five (5) minutes in length, and individuals may only speak once during Oral Communications.

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

10. Unfinished Business:

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

- a. BOARD POLICY MANUAL
Discussion and possible action by the Board regarding proposals pertaining to (1) employee defense/indemnification where a conflict of interest is alleged, and (2) Board member communications with District Counsel.
- b. PUBLIC ADVISORY COMMITTEE ON FACILITIES - UPDATE
Discussion and possible action by the Board regarding applications for the Public Advisory Committee on Facilities.

11. 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. SANTA MARGARITA GROUNDWATER AGENCY - QUESTIONS
Discussion and possible action by the Board regarding questions to be provided to the SMGWA consultant prior to his presentation at the Board meeting on January 16, 2020.
- b. MULTIPLE USER VARIANCE RENEWALS FOR 2019/20
Discussion and possible action by the Board regarding the 2019/20 Multiple User Variance.
- c. SCHEDULING A SPECIAL BOARD OF DIRECTORS MEETING ON NOVEMBER 13, 2019 - STRATEGIC PLAN
Discussion and possible action by the Board regarding the possible scheduling of a Special BoD meeting on November 13, 2019 to start the process for the Strategic Plan.
- d. DISTRICT MANAGER CONTRACT REVIEW
Discussion and possible action by the Board regarding annual compensation adjustment and setting goals and objectives pursuant to the District Manager contract.
- e. BOARD MEMBER SYMPOSIUM ATTENDANCE
Discussion and possible action by the Board regarding the attendance of Director R. Moran to the Central Coast Invasive Weed Symposium

12. Consent Agenda:

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

- a. MINUTES FROM BOARD OF DIRECTORS MEETING OCTOBER 17, 2019
Consideration and possible action by the Board to approve minutes from the BoD meeting on October 17, 2019.

13. District Reports:

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

- DEPARTMENT STATUS REPORTS
Receipt and consideration by the Board of Department Status Reports regarding ongoing projects and other activities.
 - Engineering
 - Finance & Business
 - Legal
- COMMITTEE REPORTS
 - Future Committee Agenda Items
 - Committee Meeting Notes/Minutes
 - Environmental Meeting - 10.16.19
 - Santa Margarita Groundwater Agency - 10.24.19

14. Written Communication:

- Letter from B. Herbert 10.17.19
- Email from M. Johnston 10.24.19

15. Informational Material:

- Is Santa Cruz County Water Ready - SC Sentinel 10.17.19

16. Adjournment

Certification of Posting

I hereby certify that on November 1, 2019 I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, Boulder Creek, California, said time being at least 72 hours in advance of the meeting of the Board of Directors of the San Lorenzo Valley Water District (Government Code Section 54954.2).

Executed at Boulder Creek, California on November 1, 2019.

Holly B. Hossack, District Secretary



NOSSAMAN LLP

Memorandum

TO: Board of Directors,
San Lorenzo Valley Water District

FROM: Gina R. Nicholls, General Counsel

DATE: November 7, 2019

RE: Board Policy Manual
502665-0001

RECOMMENDATION:

Review alternatives for policies regarding (1) defense/indemnification of a Board Member where a conflict of interest is alleged, and (2) Board Member communications with District Counsel, and by motion of the Board, provide direction to staff regarding which (if any) of these policies should be incorporated into Board Policy Manual revisions that are under consideration by the Board.

A copy of the Board Manual with all of the accumulated revisions will be brought back to the Board for review and approval at the next Board meeting.

BACKGROUND:

During the Board Meeting conducted on October 17, 2019, Board Members asked District Counsel to comment on proposed Board Policy Manual language and possible further revisions regarding (1) Director defense/indemnification where a conflict of interest is alleged, and (2) Board Member communications with District Counsel. At the conclusion of the Board's discussion, District Counsel was directed to consider further revisions and bring the matter back to the Board. Accordingly, the following alternatives are presented the Board for review and deliberation:

1. Defense/indemnification where a conflict of interest is alleged

Section 23 of the Board Policy Manual currently reads as follows:

"The District shall defend and indemnify Directors from any claim, liability or demand that arises out of a Director's performance of his or her duties or responsibilities as a Director or Officer of the District, as provided by Government Codes 825 and 995."

During the October 17 Board meeting, the following proposed revision was discussed:

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“The District shall defend and indemnify Directors from any claim, liability or demand that arises out of a Director's performance of his or her duties or responsibilities as a Director or Officer of the District, as provided by California Government Codes 825 and 995.

However, in the event that such claim, liability or demand involves an alleged Conflict Of Interest (COI) on the part of the Director seeking defense or indemnification, prior to approving or granting any such request the District shall do all of the following:

- A) Forward the Director's written request to the FPPC for a formal determination;
- B) Forward the Director's written request to the District's risk management entity or insurer for a coverage determination;
- C) The Board shall consider and make the following findings by motion or resolution in open session:
 - a. based on information currently known to the District, the District is unable to determine that the act or omission giving rise to the alleged COI was outside the scope of the Director's employment;
 - b. there is no evidence currently known to the District that the Director acted or failed to act because of actual fraud, corruption, or actual malice;
 - c. based on information currently known to the District, the defense of the action or proceeding by the District would not create a “specific conflict of interest” (as defined in Gov. Code § 995.2(a)(3)) between the District and the Director.
- D) To the maximum extent permitted by law, any decision to approve or grant such a request shall be made subject to a reservation of rights on the part of the District.”

In light of the October 17 discussion regarding this proposed revision, District Counsel now presents the following alternatives for consideration:

Alternative 1:

Revise Section 23 as shown above, but with the following modifications in **bold**:

“The District shall defend and indemnify Directors from any claim, liability or demand that arises out of a Director's performance of his or her duties or

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responsibilities as a Director or Officer of the District, as provided by California Government Codes **sections** 825 and 995.

However, in the event that such claim, liability or demand involves an alleged Conflict ~~Of~~ Interest (COI) on the part of the Director seeking defense or indemnification, prior to approving or granting any such request the District shall do all of the following:

A) ~~Forward the Director's written request to the FPPC for a formal determination~~ **Consider any formal determination obtained from the FPPC regarding the matter, or if no determination was obtained, the reason(s) why not;**

B) Forward the Director's written request to the District's risk management entity or insurer for a coverage determination;

C) Obtain a legal opinion from District Counsel and consider whether to obtain a second legal opinion;

CD) The Board shall ~~consider and~~ make the following findings by motion or resolution in open session, **following consultation with legal counsel in closed session:**

a. based on information currently known to the District, **and the advice of legal counsel,** the District is unable to determine **at this time** that the act or omission giving rise to the alleged COI was outside the scope of the Director's employment;

b. **based on information currently known to the District, and the advice of legal counsel, the District is unable to determine at this time that the** ~~there is no evidence currently known to the District that the~~ Director acted or failed to act because of actual fraud, corruption, or actual malice;

c. based on information currently known to the District, **and the advice of legal counsel, at this time** the defense of the action or proceeding by the District would not create a "specific conflict of interest" (as defined in Gov. Code § 995.2(a)(3)) between the District and the Director.

DE) To the maximum extent permitted by law, any decision to approve or grant such a request shall be made subject to a reservation of rights on the part of the District."

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Alternative 2 (recommended):

Make only the following, more limited, revisions to Section 23 of the Board Policy Manual:

“The District shall defend and indemnify Directors from any claim, liability or demand that arises out of a Director's performance of his or her duties or responsibilities as a Director or Officer of the District, as provided by California Government Code sections 825 and 995.

In the event that such claim, liability or demand involves an alleged Conflict of Interest (COI) on the part of the Director seeking defense or indemnification, prior to approving or disapproving any such request the District shall do all of the following:

- A) Consider any formal determination obtained from the FPPC, or if no such determination was obtained, the reason(s) why not;
- B) Forward the Director's written request to the District's risk management entity or insurer for a coverage determination;
- C) Obtain a legal opinion from District Counsel and consider whether to obtain a second legal opinion.

To the maximum extent permitted by law, any decision to approve or grant such a request shall be made subject to a reservation of rights on the part of the District.”

Alternative 3:

No change to Section 23 of the Board Manual.

2. Board Member communications with District Counsel

Section 8 of the Board Policy Manual includes the following language:

“The Board of Directors is the unit of authority for the District. Apart from their normal function as a part of this unit, individual Directors may not commit the District to any policy, act or expenditure unless duly authorized by the Board of Directors. . . .”

During the October 17 Board meeting, District Counsel was asked whether the underlined language limits individual communications between Board Members and counsel. District Counsel advised that it does not. A discussion ensued regarding

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whether to place limits on Board Member communications with counsel. In light of that discussion, District Counsel now presents the following alternatives for consideration:

Alternative 1:

Revise the Board Manual to require that any Board Member who wishes to consult individually with District Counsel regarding a matter of District business shall first notify the Board President and/or District Manager and provide, as part of that notification, an estimate of the amount of Counsel time required. The Board Member may, but need not, explain the specific nature of the matter for which legal consultation is sought. It shall be the responsibility of the Board Member to inform District Counsel of the time estimate that was provided as part of the notification of the consultation, so that Counsel can respond accordingly. The Board President and/or District Manager will not have authority to prohibit the consultation, but may bring concerns about the frequency or amount of time associated with such consultations to the attention of the full Board in open session.

Alternative 2 (recommended):

No change to the Board Manual. District Counsel is instructed to exercise judgment in limiting the amount of time expended in connection with requests or tasking by individual Board Members.

Alternative 3:

No change to the Board Manual and no instruction to District Counsel.

FISCAL IMPACT:

Unknown

MEMO

TO: Board of Directors
FROM: District Manager
SUBJECT: Public Advisory Committee-Facilities
DATE: November 7, 2019

Recommendation:

It is recommended that the Board of Directors review this memo and extend the filing deadline to 12:00 p.m. on December 2, 2019 for applications to the Public Advisory Committee on Facilities.

Background

On August 28, 2019 the Board of Directors agreed to form a Public Advisory Committee for the sole purpose of evaluating the District's Administration/Operations facility's needs. Staff was directed to solicit applications from the public to serve on the Committee.

Staff posted the announcement and application for the Committee on the website and the announcement was posted on Facebook and the Press Banner. The closing date to accept applications was October 30, 2019. Two applications were received by the closing date and time.

Staff recommends extending the closing date to 12:00 p.m. on December 2, 2019 for applications and expanding outreach to the community to solicit more applications.

MEMO

TO: Board of Directors
FROM: District Manager
SUBJECT: Santa Margarita Groundwater Agency (SMGWA) Informational Study Session
DATE: November 7, 2019

Recommendation:

It is recommended that the Board of Directors review this memo and provide questions in preparation for SMGWA Informational Study Session.

Background and Overview

Santa Margarita Groundwater Agency (SMGWA) is a Groundwater Sustainability Agency (GSA) that was formed as a Joint Powers Authority in June 2017. It has three member-agencies: Scotts Valley Water District (SVWD), San Lorenzo Valley Water District (SLVWD), and the County of Santa Cruz (County) and is governed by the Board of Directors comprised of two representatives from each member agency, one representative from City of Scotts Valley, one from City of Santa Cruz, one from Mount Hermon Association (MHA) and two private well owner representatives.

Under the Sustainable Groundwater Management Act of 2014, over drafted groundwater basins need to be sustainably managed by a GSA through the development of a Groundwater Sustainability Plan (GSP). The GSP must be completed by 2022, and the basin must reach sustainability by 2042.

The main goal of the Ground Water Management Plan (GWMP) is to better manage the aquifers providing the community's drinking water. The Basin Management Objectives as stated in the GWMP are:

- Encouragement of public participation through an annual report of groundwater management activities and its presentation at one or more public meetings;
- Coordination with other agencies;
- Continued monitoring and evaluation of groundwater conditions;
- Implementation of groundwater augmentation projects; and
- Investigation of groundwater quality and prevention of groundwater contamination.

The SMGWA has been working and focusing on:

- Formation of a Groundwater Sustainability Agency (GSA) - Complete
- Request Basin Boundary Revision to DWR - Complete
- Developing a Groundwater Model - In progress
- Developing a Work Plan to prepare a Groundwater Sustainability Plan - In progress
- Public Outreach and Education - Ongoing
- Developing the Groundwater Sustainability Plan - In progress

In response to many questions being asked by Members of the Board and the public regarding what does the SMGWA mean to the SLVWD we have scheduled a Study Session with the District's Hydrogeological Consultant, John Fio, with EKI Environment and Water Consulting, for the January 16, 2020 Board meeting. The Study Session titled "SMGWA and SLVWD" is to discuss the following;

What is SMGWA?

What is its purpose (what is the point)?

Who does it apply to?

What happens if they don't comply?

How did SLVWD become part of SMGWA?

Fiscal implications.

- Prop 1 Grant
- Post 2022.

What are the key findings to date from the SMGWA/GSP process?

What does SLVWD need to do? What do they need to look out for? Example issues include, but are not limited to, the following:

- Who pays and who benefits from future projects?
- Projects like the CU project aim to improve efficiency and increase sustainable water supply. For example, utilization of the District's contract water to Loch Lomond increases supply by ~245 AFY on average.
- Ensure fiscally responsive and cost-effective plan.
- Ensure management criteria do not constrain SLVWD operations or reduce overall system yield.
- What do we think are the most relevant issues for the SLVWD Board?

- Management areas (one shoe does not necessarily fit all areas of the basin).
- Maintain control of water supply (surface water and ground water).

In addition to the questions above, staff is asking for additional questions from the Board and public to be discussed at the Study Session. We request all questions be submitted by email to the District Secretary Holly Hossack at hhossack@slvwd.com by January 3, 2020 in order to be included in the presentation.

John Fio – Principal Hydrogeologist



Contact: jfio@ekiconsult.com | [\(530\) 341-2848](tel:(530)341-2848) x 3110 | [VCF Card](#)

Education: University of California, Davis, M.S. in Civil Engineering, 1987
University of California, Davis, B.S. in Soil and Water Science, 1984

Years of Experience: 31 years

Technical Specialties:

Mr. Fio is a hydrogeologist with more than thirty years of experience in providing solutions to hydrologic challenges by analyzing groundwater systems, quantifying chemical transport in the subsurface, and evaluating groundwater surface-water interactions. He provides Sustainable Groundwater Management Act (SGMA) support for basins in California to assist with basin management, compliance with SGMA and Groundwater Sustainability Plan development. His tool box includes numerical modeling and chemical, isotopic, and age-dating techniques. He is highly skilled in groundwater-flow modeling, chemical fate and transport modeling and geochemical modeling. He also designs water management plans, establishes water quality monitoring programs, conducts and analyzes aquifer tests. His work is published in numerous peer-reviewed journal articles and government reports.

Summary Roadmap for Santa Margarita Basin GSP Development

Year	Month	Technical Consultant (M&A) Tasks	Board Review	Board Action (Y/N)	Work Progress (%)	Staff & Editorial Reviewers Tasks	Review (Y/N)
2019	Sep	-	Draft Sustainability Goal Agree on inapplicable SIs	Y			
	Oct	Introduction			100%	Section 1, excluding Estimated Cost of Implementing the GSP subsection (Oct - Nov)	
	Nov	DMS Basin Setting	Section 1				
	Dec	Basin Setting, excluding water budget and Management Areas					
2020	Jan	Model Update Historical and Current Water Budget	Based on the water budget, agree on what aspects of groundwater use were historically unsustainable and which are currently unsustainable Receive input on process for developing SMCs				
	Feb	Basin Setting Projects & Management Actions	Prioritization of Projects & Management Actions and timing of implementation to be included in predictive modeling			Section 2, excluding future water budget, SY, and Communication & Engagement Plan (Feb - Mar)	
	Mar	Develop approaches for GWL SMC	Chronic lowering of GWL statement of significant and unreasonable, and direction on approach for SMCs				
	Apr	Predictive groundwater model assumption	Revisions to proposed GWL MT and MO Revisions to predictive groundwater model assumptions				
	May	Draft MT and MO for GWL	Approval of draft GWL MT and MO, degraded GWQ statement of significant and unreasonable, and direction on approach for SMCs			Groundwater Model Update and Improvements Report (May - June). To be included in the GSP as an Appendix	
	Jun	Draft MT and MO for GWQ	Approval of draft GWQ MT and MO, depleted SW statement of significant and unreasonable, and direction on approach for SMCs				
	Jul	-	Revisions to proposed DSW MT and MO				
	Aug	-	Revisions to DSW MT and MO				
	Sep	Draft MT and MO for Depleted SW	Approval of draft DSW MT and MO, GW Stor statement of significant and unreasonable, and direction on approach for SMCs				
	Oct	Modeling of Projects and Management Actions	Recommend adjustments to MT and MO for all SI, and Revisions to Sustainability Goal				
	Nov	Draft MT and MO for Storage, including future water budget and SY	Approval of draft GW Stor MT and MO			Section 3 (Jan-Feb) Section 2 future water budgets and SY subsections (Jan-Feb)	
2021	Jan	Finalize all MT and MO for all SIs	Approval of final Sustainability Goal and MT and MO for all SI			Section 4 (Jan-Feb)	
	Mar	Plan Implementation	-			Section 5 (Mar - Apr)	
	May	-	-			Section 2 Communication & Engagement Plan subsection (May)	
	Jun	Compile draft GSP, including executive summary	-			Complete draft GSP (Jun)	
	Jul	Draft GSP Out for Public Review	Approve Draft GSP for Public Review				
	Sep	Receive comments on draft GSP	-				
	Oct	Address comments	-				
	Nov	Prepare final GSP	Approve Final GSP				
	Dec	Upload GSP to DWR Portal	-				
2022	Jan	>>>GSP Due<<<	-				

Common Acronyms

ACWA-JPIA	ACWA Joint Powers Insurance Authority
AF	Acre Foot
AFY	Acre Foot per Year
BMP	Best Management Practices
CD	Certificate of Deposit
CEQA	California Environmental Quality Act
DHS	Department of Health Services
DMS	Data Management System
DSW	Depletion of Interconnected Surface Water
DWR	Department of Water Resources
EIR	Environmental Impact Report
GASB	Governmental Accounting Standards Board
GSP	Groundwater Sustainability Plan
GWL	Chronic Lowering of Groundwater Levels
GWQ	Degraded Groundwater Quality
GWS	Reduction of Groundwater Storage
IRWM	Integrated Regional Water Management
JPA	Joint Powers Agreement
LAFCO	Local Agency Formation Commission
LID	Low Impact Development
MGD	Million Gallons per Day
MGY	Million Gallons per Year
MO	Measurable Objectives
MT	Minimum Thresholds
O&M	Operations and Maintenance
PHG	Public Health Goal
PPB	Parts Per Billion
RFP	Request for Proposals
RMP	Representative Monitoring Point
RWMF	Regional Water Management Foundation
RWQCB	Regional Water Quality Control Board
SCWD	Sant Cruz Water Department
SDWA	Safe Drinking Water Act
SGMA	Sustainable Groundwater Management Act
SI	Sustainability Indicator
SLVWD	San Lorenzo Valley Water District
SMC	Sustainability Management Criteria
SMGWA	Santa Margarita Groundwater Agency
SqCWD	Soquel Creek Water District
SVWD	Scotts Valley Water District
SW	Surface Water
SWRCB	State Water Resources Control Board
SY	Sustainable Yield

MEMO

TO: Board of Directors

FROM: District Manager

PREPARED BY: Finance Department

SUBJECT: MULTIPLE USER VARIANCE RENEWALS FOR 2019/20

DATE: November 7, 2019

RECOMMENDATION:

It is recommended that the Board of Directors review this memo and approve a one-year variance from Multiple User Status for the following property owners:

006179-000	006838-000	010856-000
006196-001	006855-000	010935-000
006282-000	006901-000	011384-000
006309-000	006933-000	012426-000
006337-000	006934-000	013174-000
006432-000	006966-000	013523-000
006497-000	006979-000	013855-000
006498-000	007194-000	014614-000
006512-000	007223-000	
006560-000	007704-000	
006643-000	008357-000	
006659-000	008684-000	
006696-000	009988-000	
006823-000	010183-000	

BACKGROUND:

The Customer Service Department has completed its annual review of the accounts that have been given a variance from Multiple User Status, as provided in Ordinances 43 and 47. Those who qualify for the exemption are charged the 5/8" monthly basic fee as a single-family dwelling, while those who are multiple users are charged 1" monthly basic service fee.

Seven (7) accounts were removed from the variance list because the property changed ownership, the unit was found to be a permanent single-family dwelling both units are occupied, or because the owner failed to send back the necessary compliance form. It is recommended that the accounts listed above and on the attached list be approved for a one-year variance from Multiple User Status. A resolution is attached.

STRATEGIC PLAN:

Element 1.0 – Water Supply Management

FISCAL IMPACT:

Less than \$7,000

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 9 (19/20)

SUBJECT: MULTIPLE USER VARIANCE RENEWALS FOR 2019/2020

WHEREAS, the Customer Service Department has completed its annual review of the accounts that have been given a variance from multiple user status as provided in Ordinance 43 and 47; and

WHEREAS, those accounts who qualify for the exemption are charged the 5/8" meter monthly basic fee as a single family dwelling, while those who are multiple users are charged a 1" meter monthly basic service fee; and

WHEREAS, the Board of Directors has reviewed the multiple users variance list and desires to grant approval of a one-year variance from multiple user status;

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the accounts listed on the attached multiple user variance list be granted approval of a one-year variance from multiple user status.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of CA, on the 7th day of November, 2019 by the following vote of the members thereof:

AYES:
NOES:
ABSTAIN:
ABSENT:

Holly Hossack, District Secretary
San Lorenzo Valley Water District

MEMO

TO: BOARD OF DIRECTORS
FROM: DISTRICT MANAGER
SUBJECT: SPECIAL BOARD OF DIRECTORS MEETING NOVEMBER 13, 2019
DATE: November 7, 2019

Recommendation:

It is recommended that the Board of Directors review this memo and approve a Special Board of Directors Meeting, November 13, 2019 for the purpose of discussion of the Strategic Plan with Management Partners Facilitator Greg Larson.

Background:

At the October 17, 2019 Board of Directors meeting the Board directed staff to move forward and select a facilitator for assisting with updating the District Strategic Plan.

Management Partners is a professional management consulting firm specializing in helping local government leaders improve their operations for over 20 years. Greg Larson is scheduled to meet with the Board and discuss the process of moving forward with the Strategic Plan on November 13, 2019.

In preparation of this meeting Mr. Larson has been provided with the following documents:

- Approved Strategic Plan 2015
- 2016 Strategic Plan
- 2019 Draft Strategic Plan
- Memo to BoD - Consensus of Administration Committee



Greg Larson

Partner

Phone: [408-437-5400](tel:408-437-5400)

Email: glarson@managementpartners.com

Greg Larson has 30 years of experience in leading, managing and supporting public, non-profit and educational organizations. Most of his career was spent as a turnaround specialist, taking on troubled organizations and issues, and then helping to restore them operationally, financially and structurally. More recently he has been working with healthy organizations to meet emerging challenges and new opportunities.

Greg's diverse experience includes rising from a legislative analyst to department head and deputy city manager for the City of San Jose, twice serving as city manager (Milpitas and Los Gatos), twice serving as director of Planning and Community Development (Scottsdale and Santa Cruz), president & CEO of United Way Silicon Valley, and chief deputy controller for the State of California. He has also been active professionally as past president of Cal-ICMA, a member of several conference planning and evaluation committees, supporting MMANC, and providing the Opening Invocation at the 2010 ICMA international conference.



NOSSAMAN LLP

Memorandum

TO: Board of Directors,
San Lorenzo Valley Water District

FROM: Gina R. Nicholls, General Counsel

DATE: November 7, 2019

RE: District Manager Contract Review
502665-0001

RECOMMENDATION:

Review the District Manager's contract, and by motion of the Board of Directors, establish the District Manager's compensation as of October 19, 2019, and goals and objectives for the year.

BACKGROUND:

Section 3 of the District Manager's contract provides as follows:

Compensation: The Manager shall be compensated for the first year at the rate of One Hundred Eighty Nine Hundred Ninety-Eight Thousand Dollars (\$180,998.00) annually, payable in equal installments biweekly on the same dates that other District employees are paid. Effective October 19, 2019, and each October 19th thereafter, the Manager shall be entitled to an annual cost of living adjustment, or its equivalent, given to District employees at the discretion of the Board based upon a satisfactory performance rating from the Board. The Manager shall receive a written evaluation which relates to achievement of mutually defined goals and objectives at least once a year from the Board. At the discretion of the Board, Manager will also be eligible for up to a yearly five percent (5%) merit increase based on performance.

A complete copy of the District Manager's contract is available here:

<https://www.slvwd.com/Personnel/District%20Manager%20Employment%20Agreement.pdf>

At the October 17, 2019 Board meeting, the report out of closed session was that the District Manager had received a satisfactory performance evaluation. The Management cost of living (COLA) increase will be 3.7% as of January 1, 2020.

FISCAL IMACT:

See above.

MEMO

TO: BOARD OF DIRECTORS
FROM: DISTRICT MANAGER
SUBJECT: INVASIVE WEED SYMPOSIUM ATTENDANCE
DATE: NOVEMBER 7, 2019

RECOMMENDATION

It is recommended that the Board of Directors review this memo and approve attendance for Director Rick Moran to the Central Coast Invasive Weed Symposium, November 14, 2019, Carmel Valley, California not to exceed \$264.

BACKGROUND

The Monterey & Santa Cruz Counties' Weed Management Area Partners is holding its 20th Anniversary Central Coast Invasive Weed Symposium in Carmel California on November 14, 2019.

This is an annual workshop designed to encourage active engagement in the conservation of California wildlands. First held at California State University, Monterey Bay in 1999, this symposium provides a venue to share information about invasive weed control, native plant restoration, and stewardship for Monterey and Santa Cruz counties.

It provides an opportunity to meet and network with other like-minded people working (both paid and unpaid) to stop the spread of non-native invasive plants, visit project sites where weed control efforts are in full swing, hear success stories, and earn continuing education units.

Director Moran Chairman of the District's Environmental Committee has requested attendance to the Symposium. Cost of attending the Symposium is not expected to exceed \$264.00 (Estimated costs -stipend \$100 + registration \$59.00 + Travel \$80 + Lunch \$25).

Board Policy Manual encourages members to attend educational conferences and professional meetings when the purposes of such activities are to improve District operations and provides for necessary and reasonable reimbursements of expenses.

15. MEETING STIPENDS

Each Director may receive compensation as established by resolution of the Board of Directors. Pursuant to California Water Code section 30507, each Director may receive compensation in an amount not to exceed one hundred dollars (\$100.00) per day for each day's attendance at meetings of the Board, or for each day's service rendered as a Director by request or approval of the Board, not to exceed six hundred dollars (\$600.00) in any calendar month.

Consistent with California Water Code section 30507, by resolution of the Board of Directors, the District has established the following per day (daily meeting stipend) for each day's attendance at meetings, as defined herein. Such compensation is in addition to any approved reimbursement for meals, lodging, travel and other expenses consistent with the policies stated herein.

- A) To be entitled to a daily meeting stipend of one hundred dollars (\$100.00), the event in question must constitute one of the following:
 - 1. A meeting of the San Lorenzo Valley Water District Board of Directors within the meaning of California Government Code section 54952(a); or
 - 2. Any meeting attended or service provided on a given day at the formal request of the District Board of Directors, and for which the Board at a public meeting approved payment of a daily meeting stipend.
- B) To be entitled to a daily meeting stipend of twenty five dollars (\$25.00), the event in question must be a meeting of a designated District standing committee within the meaning of California Government Code section 54952(b). Only Directors appointed to the District standing committees shall be entitled to said daily meeting stipend.

16. TRAINING, EDUCATIONAL PROGRAMS, CONFERENCE AND MEETINGS

The Board of Directors has determined that the following provisions shall be applicable to Director training, educational programs, conferences and meetings:

- A) Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve District operation. Directors may attend, on behalf of the District, such training, educational programs, conferences and meetings as have been approved by the Board of Directors.
- B) It is the policy of the District to encourage Board development and excellence of performance by reimbursing necessary and reasonable expenses incurred

for tuition, travel, lodging and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, state and national conferences associated with the interests of the District. Cash advances or use of District credit cards for these purposes is not permitted. All reimbursement of actual and necessary expenses shall be pursuant to District policy on expenditure reimbursement as stated herein.

- C) Attendance by Directors at seminars, workshops, courses, professional organization meetings, and conferences etc. shall be approved by the Board of Directors at a public meeting prior to incurring any authorized reimbursable costs.
- D) The District Manager or designee is responsible for making arrangements for Directors for conference and registration expenses, and for per diem. Per Diem, when appropriate, shall include reimbursement of expenses for meals, lodging, and travel. All expenses for which reimbursement is requested by Directors, or which are billed to the District by Directors, shall be submitted to the District Manager, together with validated receipts.
- E) To conserve District resources and keep Directors' reimbursement expenses for training, educational programs, conferences and meetings within community standards for public officials, reimbursement expenditures should adhere to the following guidelines. Expenses to the District for Board of Directors' training, education programs, conferences and meetings should be kept to a minimum by:
 - 1. Utilizing hotel(s) recommended by the event sponsor in order to obtain discounted rates.
 - 2. Traveling together whenever feasible and economically beneficial.
 - 3. Requesting reservations sufficiently in advance, when possible, to obtain discounted air fares and hotel rates.
- F) A Director shall not attend a conference or training event for which there is an expense to the District if it occurs after the Director has announced a pending resignation, or if it occurs after an election in which it has been determined that a Director will not retain a seat on the Board. A Director shall not attend a conference or training event when it is apparent that there is no significant benefit to the District.
- G) Whenever a Director who has not previously attended a particular conference or educational program is available to attend same, that Director shall have preference for attendance over a Director who has previously attended the same program.
- H) Upon returning from seminars, workshops, conferences, etc., where

expenses are reimbursed by the District, Directors will either prepare a written report for distribution to the Board, or make a verbal report during the next regular meeting of the Board. The report shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) may be delivered to the District office to be included in the District library for the future use of other Directors and staff.

- I) Nothing in this policy shall permit the conduct of business in violation of the Ralph M. Brown Act when more than three (3) Directors attend the same event.

17. EXPENDITURE REIMBURSEMENT

The purpose of this policy is to prescribe the manner in which members of the San Lorenzo Valley Water District Board of Directors may be reimbursed for expenditures related to approved District business. The District shall adhere to California Government Code sections 53232 through 53232.4 or as amended when dealing with issues of expenditure reimbursements for Directors. This policy shall apply to all members of the Board of Directors, and is intended to result in no personal gain or loss to a Director.

Directors may be reimbursed for out-of-pocket expenditure(s) relative to reasonable and necessary costs associated with appropriate District business. The Board of Directors must provide approval for said District business at a public meeting prior to incurring any authorized reimbursement costs.

Directors are eligible to receive reimbursements for travel, meals, lodging, and other reasonable and necessary expenses associated with approved District business. Reimbursement rates shall coincide with guidelines established herein, or rates set by Internal Revenue Service Publication 1542 or its successor publication(s), whichever are greater.

If lodging is in connection with a prior approved event, such lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor. If the published group rate is unavailable, Directors shall be reimbursed for comparable lodging at government or IRS rates.

If travel is in connection with a prior approved event, the most economical mode and class of transportation reasonably consistent with scheduling needs must be used, using the most direct and time-efficient route. Directors shall use government or group rates offered by the event provider of transportation when available. If the group rate is unavailable, Directors shall be reimbursed for comparable travel at government or IRS rates.

Directors shall submit their requests for reimbursement on a form approved by the

District Manager. The reimbursement form shall include an explanation of the District-related purpose for the expenditure(s). Receipts documenting all expenditure are required to be submitted in conjunction with the expense report form. Failure to submit necessary receipts will result in denial of the reimbursement claim. Expense reports shall be submitted within a reasonable time, and at no time more than fourteen (14) calendar days after incurring the expense. The District Manager will review and approve reimbursement requests.

Any and all expenses that do not fall within the adopted travel reimbursement policy or the IRS reimbursable rates are required to be approved by the Board of Directors in a public meeting prior to the expense(s) being incurred. Expenses that do not adhere to the adopted travel reimbursement policy or the IRS reimbursable rates, and that do not receive prior approval from the Board of Directors in a public meeting prior to the expense being incurred, shall not be eligible for reimbursement.

State law provides criminal penalties for misuse of public resources, which includes falsification of expense reports. Penalties include fines, imprisonment, and restitution.

Central California Weed Symposium

SAVE THE DATE!

20th Anniversary



Registration is open!

Keynote Speaker

Bruce Delgado

Botanist, Bureau of Land Management - Central Coast Field Office

Sponsorship

CCIWS

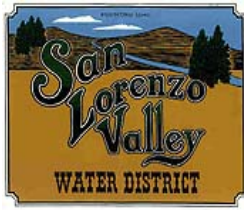
Central Coast Invasive Weed Symposium

The Central California Invasive Weed Symposium is an annual workshop designed to encourage active engagement in the conservation of California wildlands by providing a venue to share information about invasive weed control, native plant restoration, and stewardship for Monterey and Santa Cruz counties. There will be sessions on research, techniques in wildland weed control, laws and regulations.

"This symposium is a great resource for land managers, public and private agencies, crop advisors and research professionals to learn the latest on research and new techniques for controlling invasive weeds," says retired Assistant Agricultural Commissioner Bob Roach. "There are some really great presentations and networking opportunities."

We hope to see you there!

20 th Annual Central Coast Invasive Weed Symposium		
Event Schedule		
Time	Presentation Title	Speaker/Lead
8:00-9:00	Registration and Breakfast	
9:00-9:10	Welcome & Sponsor Appreciation	Hannah Wallis (Monterey County Agricultural Commissioner’s Office)
Keynote		
9:10-9:50	Where Have We Been, Where Are We Now, and Where Are We Headed?	Bruce Delgado (BLM)
9:50-10:10	The Complexity of Restoring Complexity: Establishing Diverse Native Forblands in Weedy Grasslands	Amelia Ryan (Pinnacles National Monument)
10:10-10:30	Control of Yellow Starthistle Using Prescribed Fire and Clopyralids in the Recovery of Federally Listed San Benito Evening Primrose	Ryan O’Dell (BLM Central Coast Field Office)
10:30-10:45	Break	
10:45-11:05	Understory Clearance & Weed Management in Open Niches	Jonathan Pangburn (CalFIRE)
Lightning round:		
11:05-11:12	Do Native and Invasive Plants Have Differential Responses to Drought?	Justin Luong (University California Santa Cruz)
11:12-11:20	Building Partnerships to Curb the Onslaught of Invading Stinkwort (Dittrichia graveolens)	Miranda K. Melen (University California Santa Cruz)
11:20-11:27	Cattle Grazing for Conservation: Could Cattle Be an Unexpected Solution to our Grassland Needs?	Madison Ono (Santa Lucia Conservancy)
11:27-11:35	Effects of Scotch Broom Invasion on Growth, Mycorrhizal Colonization, and Response to Drought in Douglas Firs	Erin Aiello (University California Santa Cruz)
11:35-11:55	Strategic Community Fuelbreak Improvement Project	John “Fin” Eifert (Forest Service Los Padres National Forest)
11:55-12:10	Thank You & Closing Announcement	Hannah Wallis (Monterey County Agricultural Commissioner’s Office)
12:10-1:30	Lunch: Aqua Terra Catering	
-Concurrent Sessions Begin in the Afternoon-		
DPR Continuing Education Laws and Regulations Presentations		
1:30-2:30	Pesticide Storage, Containment and Disposal	Kendall Cahill and Hannah Wallis (Monterey County Ag Commissioner’s Office)
Field Trips		
2:30-5:00	Hatton Canyon and Pt. Lobos State Parks	Jeff Frey and Amy Palkovic (California State Parks)
1:30-5:00	San Clemente Dam Removal Restoration Site	Thomas Christensen (Monterey Peninsula Water Management District)
1:30-5:00	Carmel River FREE	Nikki Nedeff (Big Sur Land Trust)
1:30-5:00	Santa Lucia Preserve	Rodrigo Sierra-Corona and Christy Wyckoff (Santa Lucia Conservancy)
5:00 p.m. End (at Hidden Valley Seminars)		



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
MINUTES
OCTOBER 17, 2019**

Thursday, October 17, 2019 at 5:30 p.m., SLVWD, 13057 Highway 9, Boulder Creek, CA 95006.

1. Convene Meeting 5:30 p.m.
Roll Call: Fultz, Farris, Henry, Swan, Moran were present.
Staff: Rogers, Nicholls, Hossack were present
2. Additions and Deletions to Closed Session Agenda: None
3. Oral Communications Regarding Items in Closed Session: None
4. Adjournment to Closed Session 5:32 p.m.
 - a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN 078-233-05, located along Scenic Way in Ben Lomond
Agency negotiator: Rick Rogers, District Manager
Negotiating party: Nick Naccari
Under negotiation: Price and terms of payment
 - b. PUBLIC EMPLOYEE ANNUAL PERFORMANCE EVALUATION
Government Code Section 54957
Title: District Manager
5. Convene to Open Session at 6:30 p.m.
6. Report of Actions Taken in Closed Session:
President Henry reported that during Closed Session the Board voted unanimously to approve a satisfactory annual performance evaluation of the District Manger.
7. Roll Call (Open Session): Fultz, Farris, Henry, Moran and Swan were all present.
Staff: Rogers, Hill, Furtado, Nicholls and Hossack were present.
Pres. Henry thanked staff for work during the power outage.
8. Additions and Deletions to Open Session Agenda: None
9. Oral Communications: None

10. Unfinished Business:

a. LOMPICO TANKS - OPEN PUBLIC HEARING

R. Rogers introduced this item and read from the staff memo.

B. Fultz questioned the sizes of the tanks.

Discussion by the Board and staff regarding the tank sizes.

R. Moran said that he couldn't bring up the links on his iPad.

T. Nelson-Lompico, appreciates the forward movement on the tanks and wants the tank sizes corrected.

D. Loewen-Lompico, agreed with T. Nelson.

Discussion by the Board and staff regarding the tanks and tank sizes.

E. Frech-Lompico, asked about the cost of environmental for the Lewis Tanks.

Discussion by the Board, staff and public regarding the cost of environmental for the Lewis Tanks.

S. Swan made a motion to accept the recommendation.

G. Nicholls suggested that the motion read to open the public comment for the mitigated negative declaration and initial study for the Lompico Tanks Replacement Project.

S. Swan said that he would make that motion. The motion was seconded.

All present voted in favor of the motion. Motion passed.

b. SAN LORENZO VALLEY WATER DISTRICT STRATEGIC PLAN UPDATE

R. Rogers introduced this item and read from the staff memo.

B. Fultz said that the Admin Committee reached a consensus for recommendations for the process.

L. Farris questioned the statement that the Strategic Plan is a Board document.

Discussion by the Board regarding what the Board is responsible for in the Strategic Plan.

R. Rogers said that he views the Strategic Plan as a partnership between the Board, staff and the public. He said that he has received an unusual amount of calls with real concern about the Mission Statement.

B. Fultz said that the Committee said this is all about accountability.

R. Rogers said he doesn't think this will move ahead without a facilitator.

Discussion by the Board and staff regarding meetings days for the Strategic Plan.

N. Macy-Boulder Creek, she acknowledged a need for frugality. She is concerned about changes to Mission Statement and Strategic Plan undermining the quality and quantity of water and the watershed.

A. Krostue-Felton, agrees with N. Macy.

V. Wright-Felton, agrees that going back to the last approved plan is the best way to start along with the hiring of a facilitator.

J. Mosher-Felton, said that he reviewed the Strategic Plan from 2015 and current Fire Management Plan and found them very ambitious. These plans are going to cost money. Dir. Fultz's plan brought up concerns for the District.

E. Fresco-Felton, agrees with everyone. She said she is not happy with Dir. Fultz's changes to the Mission Statement. Please explain the reasons behind the changes.

D. Loewen-Lompico, said she doesn't see any reason to go back to the 2015 Strategic Plan.

G. Lyons, said that his sense from the last election was that the “slate” ran on fiscal conservatism and that they would be good environmental stewards. He doesn't think they are displaying that they are good environmentalists.

Karen - Felton, agrees with previous speakers that the community should be involved. The Board is accountable to future generations. Stop minimizing current cost for the pay later tradition.

V. Champlin-Ben Lomond, said we are not talking about the Strategic Plan. Please return to having this discussion a couple of times in the right forum.

B. Sprenger-Felton, said that she has a couple of statements about process. First, because our watershed is critical to all our lives, the creation of this document needs to be owned by the community. The history of this valley has been known for environmental stewardship and that is our responsibility.

L. Summers-Boulder Creek, said, the question is what document do we start with? She thinks we should start with the document that had a lot of input and not the one with limited input.

Atlas - Felton, said that Boards he is familiar with start with the document that was previously approved.

R. Rogers said that the 2016 Strategic Plan almost made it over the finish line. He thinks we should move ahead and talk about the facilitator.

Discussion by the Board and staff regarding hiring a facilitator and moving the process ahead.

V. Wright-Felton, said that she has done a lot of Strategic Plans and it usually works with a facilitator comes in and works with one or two people, back and forth. You bring in a few people for discussion and/or maybe a survey. Then the facilitator meets with staff and board members and consolidates the information and takes it back out to the public where everyone can see it and provide input. Everyone will have input into the document.

Discussion by the Board and staff regarding the meetings.

B. Sprenger suggested that the facilitator should be involved in the process.

Discussion by the Board and staff regarding the hiring of the facilitator.

V. Champlin attended part of the Scotts Valley Water Strategic Plan process. He said that the facilitator was dictating not facilitating.

V. Wright she believes in listening. You need a good listener, a good writer and a good leader.

R. Rogers said that he has, Pres. Henry and Dir. Farris have held several meetings with Ms. Wright.

M. Lee said he knows an excellent facilitator.

R. Moran made a motion that the Board appoint directors Fultz & Farris to be the editors of a draft Strategic Plan and to have the District Manager hire a facilitator, either V. Wright or Rick Longenotti for public meetings to be held on November 9 & December 7.

Discussion by the Board and staff regarding dates and facilitators.

G. Nicholls said that the motion should be more open ended.

Discussion by the Board, staff and counsel.

R. Moran made a motion to appoint Directors Fultz and Farris to be the editors of a draft Strategic Plan and to have the District Manager hire a facilitator, either V. Wright or R. Longenotti not to exceed \$15,000 to facilitate public meetings on November 9th and December 7th as target dates.

Discussion by the Board and counsel.

R. Moran amended the motion to read... V. Wright or R. Longenotti or other qualified candidate.

R. Rogers said he will find a facilitator. The motion was seconded.

All present voted in favor of the motion. The motion passed.

Discussion by the Board regarding the document to start with.

c. BOARD POLICY MANUAL UPDATE

R. Rogers introduced and read the memo.

Discussion by the Board regarding Board members spending District money, specifically talking to counsel.

G. Nicholls questioned what is the language that is being referred to.

Pres. Henry said it is on page 6, Role of Individual Directors: individual directors may not commit the District to any policy, act or expenditure unless authorized by the Board of Directors.

R. Rogers he said he believes Pres. Henry is referring to individual directors talking to legal counsel without authorization. He believes that the previously read policy covers the issue. He thinks the issue needs to be discussed with legal counsel.

Discussion with Board, staff and counsel regarding limiting access to counsel.

G. Nicholls said that she doesn't think there's a problem having a policy that sets some ground rules about talking to counsel. She is concerned about saying that this language does that because it says that it has to be authorized by the Board of Directors and it isn't practical to have the Board make decisions because those decisions would have to be made in a public meeting. Privilege is gone at that point. She said she thinks there is a way to address this but she doesn't this language does that.

R. Rogers said that he refers directors to legal counsel when a legal question comes up.

G. Nicholls said that from her point of view there is not a lot of inappropriate conversations going on with counsel. In her opinion, there can be a real issue if the expense is a problem. There is a way to limit access to counsel.

Discussion by the Board, staff and counsel regarding this issue and the Board Policy Manual.

G. Nicholls to said that to get in to this will require the Board to wave attorney client privilege.

Discussion by the Board, staff and counsel regarding the waving of attorney client privilege.

G. Nicholls said that the motion should read; to wave attorney client privilege for purposes of having Open Session discussion about the legal implications of the proposed language in the Board Policy Manual just at tonight's meeting.

R. Moran made a motion that we follow the legal counsel's recommendation. The motion was seconded.

M. Lee said that he supports the motion.

C. Baughman - Boulder Creek, said he does too.

Discussion by Board and counsel regarding the motion.

Directors Fultz, Henry, Swan and Moran voted in favor of the motion. Director Farris voted no. Motion passed.

G. Nicholls said that the FPPC won't provide an opinion as to a matter that is in litigation. So, it isn't a question of how much time it would take the FPPC to respond if

you made a request in this context, it's that they most certainly will not respond in this context.

Discussion by the Board and counsel regarding the process, the legal language and the Board Policy Manual.

D. Loewen said she thinks that all Board members should have access to attorney. The FPPC was used in Lompico. Counsel should come back to the Board with language that will cover this issue.

E. Frech questioned when is the attorney on the clock.

Discussion by the Board, counsel and public regarding when the attorney is on the clock.

M. Lee said the District should have an administrator refusal process.

Discussion by counsel and public regarding Conflict of Interest Code process.

V. Champlin questioned if the attorney is free to say that a question is inappropriate.

G. Nicholls said that there are limits for her being able to give legal advice. It always has to pertain to District business. She said she will try to draft something that will address when a Board member can contact counsel on District business.

V. Champlin said that he thinks it is often inappropriate for third parties to interfere between one of the Board members and the attorney.

C. Baughman questioned why is the actual filing of a law suit evidence, or is it? And how would a Director make a finding if there was no evidence and there was a lawsuit?

G. Nicholls said typically a lawsuit involves allegations and not an actual fact unless it's verified.

Discussion by the Board and staff regarding Conflict of Interest Code.

G. Nicholls said she would like a motion by the Board with the intent that I would comment back and forth on an intent to make it harder than the law requires to provide defense indemnity in a Conflict of Interest situation.

Discussion by Board and counsel regarding Conflict of Interest policy and the number of items a Board member can put on an agenda.

11. New Business:

a. COMMITTEE APPLICATION

R. Rogers introduced this item and read from the staff memo.

Pres. Henry asked if G. Mahood would like to address the Board.

G. Mahood introduced herself and explained why she applied for the Engineering Committee.

B. Fultz made a motion to appoint Gail Mahood to the Engineering Committee. The motion was seconded.

R. Moran questioned the short term of the appointment.

Discussion by the Board regarding the short term appointment.

L. Farris noted that the memo says Virginia, instead of Gail Mahood.

E. Fresco is happy about this appointment.

All present voted in favor of the motion. Motion passed.

b. BEAR CREEK ESTATES WASTEWATER ENTERPRISE REQUEST FOR PROPOSALS FOR TREATMENT FACILITY ALTERNATIVES ANALYSIS

R. Rogers introduced this item and read from the staff memo.

Discussion by the Board and staff regarding the choice of WaterWorks Engineering.

L. Farris made a motion to award the BCEWE Alternative Analysis project contract to WaterWorks Engineers in the amount of \$38,500 and authorize the District Manager to execute the contract. The motion was seconded.

All present voted in favor of the motion. Motion passed.

c. PUBLIC OUTREACH

R. Rogers introduced this item and read from the staff memo.

Discussion by the Board, staff and public regarding the candy giveaway.

Pres. Henry made a motion to spend no more than \$500 on Halloween candy to give out on Halloween. The motion was seconded.

All present voted in favor of the motion. Motion passed.

d. FIRE PREVENTION PLAN

R. Rogers introduced this item and read from the staff memo.

L. Farris added that under the long term they got creative with the big picture.

L. Ford - Felton, said that the first step is to assess what has already been done. He said that there are a lot of agencies to work with throughout the valley.

Discussion with the Board and staff regarding the need for a Fire Management Plan and funds available through grants.

E. Fresco said that she is reassured that the District is working on this and supports it.

D. Loewen said that she is happy the District is working with T. Carson, a good resource for grant funding.

M. Lee said it is a great idea.

L. Farris made a motion to authorize the District Manager to move forward with an RFQ for a Fire Management Plan. The motion was seconded.

All present voted in favor of the motion. Motion passed.

R. Rogers thanked Dr. Ford for his participation.

12. Consent Agenda:

a. MINUTES FROM BOARD OF DIRECTORS MEETING SEPTEMBER 19, 2019

B. Fultz pulled the minutes because he was not present at the meeting and can't consent to the minutes.

L. Henry made a motion to approve the minutes. The motion was seconded.

Dir. Farris, Henry, Swan and Moran voted in favor of the motion. Dir. Fultz abstained. Motion passed.

13. District Reports:

- DEPARTMENT STATUS REPORTS

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

- Engineering
- Finance & Business

- Legal
- Operations
Discussion by the Board, staff and public regarding the Dept. Status Reports.
- COMMITTEE REPORTS
 - Future Committee Agenda Items
 - Committee Meeting Notes/Minutes
 - Engineering Meeting - 9.5.19
 - Environmental Meeting - 9.12.19
 - Budget & Finance Meeting - 10.1.19
 - Administration Meeting - 10.2.19
 - Engineering Meeting - 10.3.19Discussion by Board and staff regarding Committee meetings.
 - SMGWA Status Report
Discussion by the Board, staff and public regarding SMGWA.

14. Written Communication: None

15. Informational Material: None

16. Adjournment 10:00 p.m.

MEMO

To: District Manager
From: Engineering Manager
Subject: November 2019 Engineering Department Monthly Report
Date: November 7, 2019

Recommendation:

It is recommended that the Board of Directors review and file the Engineering Department Monthly Report for November 2019.

Projects in Construction:

Probation Tank Replacement: Construction work on the Probation Tank is continuing. The contractor is working on fencing, paving and final punch list items. Project completion is anticipated in November 2019.

Lompico PRV Replacement: Construction work on the Lompico PRV stations is continuing. Three of the six PRVs have been installed and are operational. This project has been delayed several weeks by the PG&E shutdowns. Project completion is anticipated in late November/early December 2019.

Quail Well 5A & Olympia Well 3 Rehabilitation Project: Construction rehabilitation work on the wells is continuing. The Olympia Well 3 rehab was very successful. Pumping rates increased from 90 to 350 gallon per minute. Work on the Olympia Well should be complete soon and work on the Quail Well will begin immediately thereafter.

Projects in Design:

Lompico Tanks Replacement: Design work on the Lompico Tanks is continuing. Schaaf and Wheeler has submitted final plans, specifications and estimate for District review. Once they have District comments, they will work on finalizing the contract documents. Project design completion is anticipated in late November/early December. Bidding of the project is slated for January 2020 and construction is slated for Spring 2020.

Swim Tank Replacement: Survey, geotechnical and appraisal work has been completed. The General Manager is working on property acquisition.

2019 Pipeline Replacement Project: All contracts and insurance are in place. Work on the design of the 2019 Pipeline Project has begun. Survey work is scheduled for early November.

Bear Creek Estates Wastewater Alternative Analysis: District staff are in the process of executing contracts and obtaining insurance. Once all documents are in place, a Notice to Proceed will be issued. Design work will begin shortly thereafter.

RFP/RFQ:

None currently in circulation

M E M O

TO: Board of Directors

FROM: District Manager

PREPARED BY: Director of Finance & Business Services

SUBJECT: FINANCE & BUSINESS SERVICES STATUS REPORT

DATE: November 7, 2019

RECOMMENDATION:

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

BACKGROUND:

AUDIT/YEAR END

Audit field work went very smoothly. We are awaiting final entries. The audit report is expected to be viewed at a December Board meeting.

CUSTOMER SERVICE SUPPORT

- Monthly Consumption by Customer Class

REVENUE STABILIZATION RATE ANALYSIS

This packet contains the current consumption as compared to the prior 3 year averages for the revenue rate stabilization. As of September 2019 consumption, the cumulative consumption is 6% below the baseline. There are no triggers identified per the revenue stabilization rate policy.

WEBSITE

The District finalized the initial design concept of the website, which was step 1. The next phase will be the most labor intensive for building out the different pages, cataloging and organizing all of the content and beginning data migration.

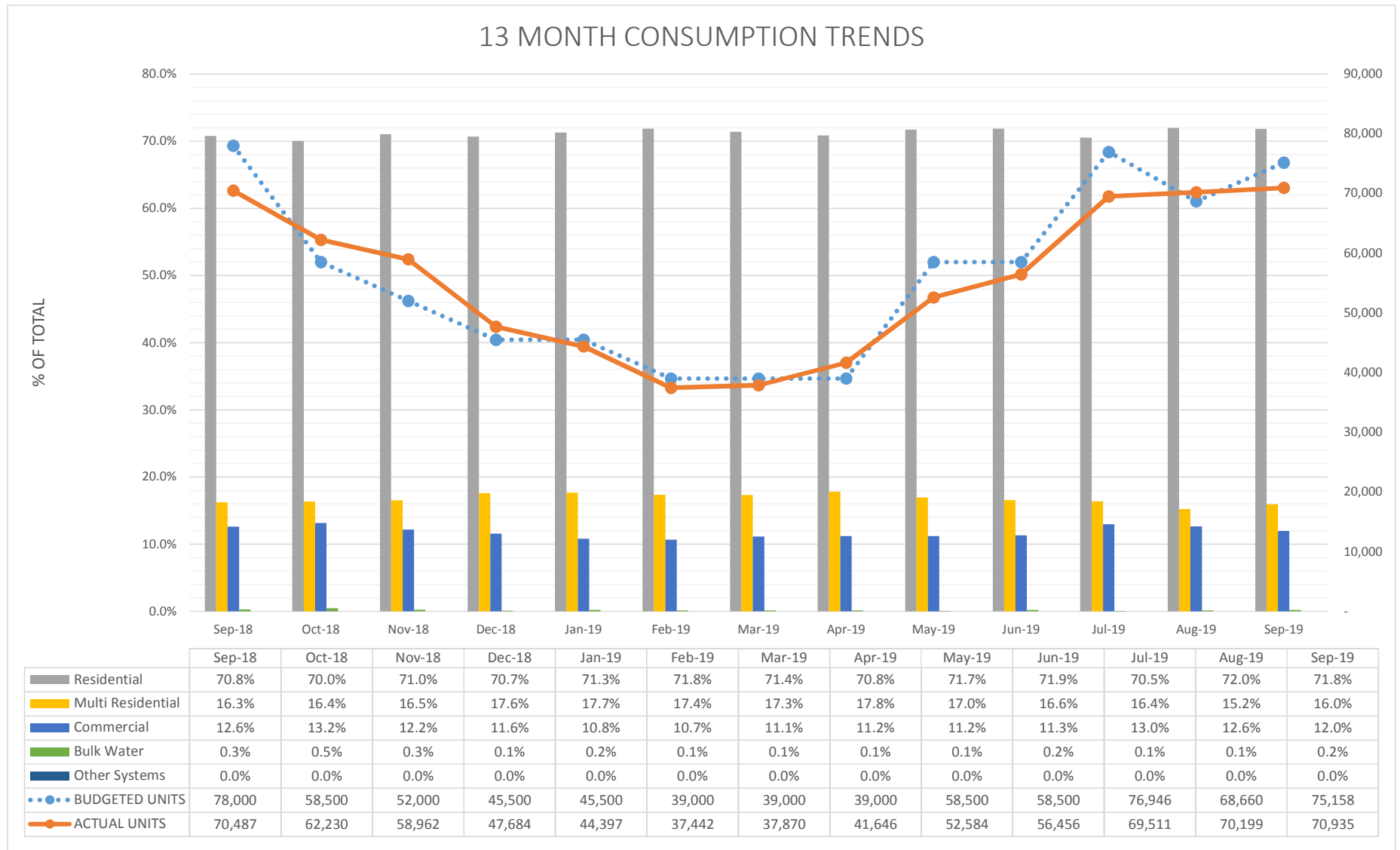
Additionally, the District is looking into a possible logo redesign. This will be something that will have public and Board input at a later Board meeting.

FINANCIAL SUMMARY

September YTD is tracking relatively as expected. Consumption is lower than anticipated, so we will continue to monitor. Expenses always track slightly higher the beginning of the year, this is due to a lot of once a year invoices being paid, such as the workman comp and liability insurances. Please see the Monthly Financial report for further detail.

- Operating Revenue: Consumption was has been tracking slightly below prior years averages, but it is too early to tell how significantly it could impact the full year. Based on the current trend, it is anticipated consumption revenue is tracking \$100,000 below the anticipated budget.
- Operating Expenses: Expenses are in line with expectations, given the large volume of annual invoices typically paid in July of each year. The PG&E power shut offs are being reconciled to show increased expenses incurred in October, which will be on the next report.
- Operating Income (loss): Summer months typically carry a higher operating income, that helps carry us through the lower winter consumptions months.
- Overall Outlook: September numbers are in line with expectations. We will continue to monitor consumption trends for any significant shifts from expectations.

	September		Full Year	
	Current Month	YTD	Budget	% of Budget
Operating Revenue	\$ 1,037,844	\$ 2,693,260	\$ 10,817,670	25%
Operating Expenses	\$ 519,309	\$ 1,943,756	\$ 7,817,156	25%
Operating Income	\$ 518,535	\$ 749,504	\$ 3,000,514	25%



REVENUE STABILIZATION RATE ANALYSIS FY1920

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
FY1617	74,199	73,414	71,825	59,518	41,777	45,698	45,401	37,667	41,173	42,898	52,932	68,388	654,889
FY1718	81,254	78,331	76,259	65,658	58,601	42,693	48,947	40,431	42,401	41,263	52,088	69,321	697,247
FY1819	69,843	76,594	70,487	62,230	58,962	47,684	44,397	37,442	37,870	41,646	52,584	56,456	656,195
3 YR AVERAGE (BASELINE)	75,099	76,113	72,857	62,469	53,113	45,358	46,248	38,513	40,481	41,936	52,535	64,722	669,444

ACTUAL FY1920 CONSUMPTION

FY1920	69,511	70,199	70,935										210,645
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CUMULATIVE ANALYSIS

% Above or Below Average	-7%	-8%	-3%
Cumulative %	-7%	-8%	-6%

NOTES:

Consumption is cumulatively slightly above the prior three year average baseline. As of September 2019 consumption, the cumulative consumption is 6% below the baseline. There are no triggers identified per the revenue stabilization rate policy.

Fiscal Year 2019/2020

First Quarter Financial Summary

Management's Discussion and Analysis (MDA)

Overview

This section presents management's analysis of the San Lorenzo Valley Water District's (the District) financial condition and activities as of the above mentioned period. This information should be read in conjunction with the unaudited financial information that follows. For a complete review of a fiscal year, it is best to come back and look at the audited Annual Financial Report.

The District does a hard year end close, through that process there are yearend expenses that are booked at yearend and not represented in the monthly expenses. There may also be annual expenses paid upfront that could cause individual months to appear skewed. Data is continuously being reviewed, so it is not un-common for a prior month balance to change slightly throughout the year as accounts are reconciled. It is important to understand this in connection with the numbers that follow.

Operations Net Results

For the three months ended September 20, 2019, the District had an operating income of \$750K. Quarterly operating revenue was \$2.7M with operating expenses of \$1.9M. The first 3 months of the fiscal year typically have higher consumption and the remaining quarters have lower consumption. Consumption was 3% lower than prior year and 6% lower than the average for this quarter. Given the lower consumption and the requested conservation during the PG&E PSPS, it is estimated consumption will be \$100,000 less than budget at this point. Consumption will continue to be something we monitor closely.

Operating Revenue

Quarterly operating revenue of \$2.7M is in line with expectations. July, August and September had usage of 69.5K, 70.2K and 70.9K units of water billed, respectively.

Q1 CY compared to Q1 PY had a decrease of \$92K, this is due to Q1 CY having lower consumption than prior year, offset with the new rates in effect.

Operating Expenses

Quarterly operating expenses were \$1.9M, or 25% of the annual budget.

Q1 CY compared to Q1 PY had an increase of \$90K, or 5%. The majority of the fluctuation related to timing issues from the prior quarter. Some of this was anticipated increases from the budget. A more one-time event was a higher than usual vacation payout due to the District Manager's contract.

Non-Operating Revenue & Expenses

Below itemizes the different non-operating revenue and expenses of the District as of Q1.

Non-operating Revenue	Q1 Total	Q2 Total	Q3 Total	YTD Total
Lease Reveue	\$ 6,012			\$ 6,012
Property Taxes	16,488			16,488
Assessment Revenue	-			-
Rental Income	3,678			3,678
Interest	52,059			52,059
	<u>\$ 78,237</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,237</u>

Non-operating Expenses	Q1 Total	Q2 Total	Q3 Total	YTD Total
Interest Expense	\$ 78,290			\$ 78,290

Debt Obligations

Below itemizes current debt obligations of the District as of Q1. Some of the debt obligations are solely funded from assessments and not paid out of the general fund.

	Balance 2019	Additions	Payments	Balance 2020
Felton Loan	\$ 1,351,293			\$ 1,351,293
Refunding Bond	1,179,809		339,515	840,294
Olympia SRF Loan	1,461,622			1,461,622
Other Loans	320,398		13,194	307,204
\$14.5M COP	-	14,500,000		14,500,000
Probation Tank Loan	2,000,000		15,897	1,984,103
	<u>\$ 6,313,121</u>	<u>\$ 14,500,000</u>	<u>\$ 368,606</u>	<u>\$ 20,444,515</u>

Capital Projects & Expenditures

Below itemizes the Q1 capital expenditures that have been spent. Please note if any projects used in-house labor, these amounts have may not yet be allocated to the projects. In Q1 there were approximately \$624K in capital expenditures, varying across the board for multiple projects. Paso Well 6, Probation Tank, and Lompico AD projects.

PROJECT LISTING OF ADDITIONS TO CIP

FUND	PROJECT	FY1819 BALANCES	JULY ADDITIONS	AUGUST ADDITIONS	SEPTEMBER ADDITIONS	PROJECT TOTAL
02	BCEWW IMPROVEMENTS / CAP-1617001A	\$ 87,049.60	\$ -	\$ 960.00	\$ -	\$ 88,009.60
01	WO 823 - PROBATION TANK / CAP-1516002A	\$ 1,132,138.44	\$ -	\$ 137,350.86	\$ 266,070.49	\$ 1,535,559.79
01	WO 845 - SWIM TANK DESIGN & CONSTRUCTION / CAP-1516003A	\$ 181,609.19	\$ -	\$ 7,500.75	\$ 1,500.00	\$ 190,609.94
01	WO 272/549 - LYON WATER TREATMENT PLANT ACCESS RD REPAIR	\$ 126,372.60	\$ -	\$ -	\$ 15,510.20	\$ 141,882.80
01	LOST ACRES WATER TANK PROJECT	\$ 7,416.40	\$ -	\$ -	\$ -	\$ 7,416.40
01	WO 411 - FELTON METER CHANGE OUT PROJECT	\$ -	\$ 1,474.84	\$ 5,686.72	\$ 3,322.59	\$ 10,484.15
01	WO 280 - FALL CREEK INTAKE FEMA	\$ 129,669.90	\$ -	\$ 2,176.01	\$ -	\$ 131,845.91
01	WO 525 - LOMPICO SERVICE LINE REPLACEMENT	\$ -	\$ 2,078.43	\$ -	\$ 655.40	\$ 2,733.83
01	WO 814 - PASO WELL 6 REPLACEMENT	\$ 658,558.05	\$ 27,922.95	\$ 13,590.34	\$ 59,931.72	\$ 760,003.06
01	WO 837 - MAIN PRV STATION REPLACEMENTS	\$ 36,820.22	\$ 9,366.81	\$ 15,727.28	\$ 10,414.06	\$ 72,328.37
01	WO 901 - GENERAL METER CHANGE OUTS	\$ -	\$ 5,692.73	\$ 7,632.84	\$ 6,965.16	\$ 20,290.73
01	WO 1208 - LEWIS TANK	\$ 23,241.81	\$ 1,581.65	\$ -	\$ 3,588.59	\$ 28,412.05
01	WO 1209 - MADRONE TANK	\$ 23,241.80	\$ 81.65	\$ -	\$ 3,588.59	\$ 26,912.04
01	WO 1210 - KASKI TANK	\$ 23,241.79	\$ 81.64	\$ -	\$ 3,588.60	\$ 26,912.03
01	WO 1234 - LYON PIPELINE PROJECT	\$ 150,902.31	\$ -	\$ -	\$ -	\$ 150,902.31
01	WO 1235 - SEQUOIA AVE PIPELINE PROJECT	\$ 9,829.94	\$ -	\$ -	\$ -	\$ 9,829.94
01	WO 1284 - CALIFORNIA DRIVE PIPELINE PROJECT	\$ 46,581.49	\$ -	\$ -	\$ -	\$ 46,581.49
01	WO 1285 - HIHN ROAD PIPELINE PROJECT	\$ 50.00	\$ -	\$ -	\$ -	\$ 50.00
01	WO 1286 - HILLSIDE DRIVE PIPELINE PROJECT	\$ 23,361.88	\$ -	\$ -	\$ -	\$ 23,361.88
01	WO 1135 - PROBATION TANK SCADA CONTROLS	\$ 10,404.13	\$ -	\$ -	\$ -	\$ 10,404.13
01	WO 1366 - GLEN ARBOR BRIDGE SOUTH	\$ -	\$ -	\$ -	\$ -	\$ -
01	WO 1447 - HABITAT CONSERVATION PLAN	\$ 5,609.68	\$ -	\$ -	\$ -	\$ 5,609.68
01	WO 1457 - EL SOLYO POWER DROP	\$ -	\$ -	\$ 2,500.00	\$ -	\$ 2,500.00
01	WO 1517 - EL SOLYO HEIGHTS TANK	\$ -	\$ -	\$ -	\$ -	\$ -
01	WO 1518 - WATER MASTER PLAN	\$ -	\$ -	\$ -	\$ 7,048.25	\$ 7,048.25
01	WO 1519 - NEW METER SETS	\$ -	\$ -	\$ -	\$ -	\$ -
01	WO 1543 - QUAIL 5A & OLY 3 WELL REHAB	\$ -	\$ -	\$ -	\$ 356.91	\$ 356.91
		\$ 2,676,099.23	\$ 48,280.70	\$ 193,124.80	\$ 382,540.56	\$ 3,300,045.29

OPERATING ANALYSIS - SEPTEMBER 2019

REVENUE BY CATEGORY

DESCRIPTION	COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
	ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
WATER USAGE	\$ 769,863	74.2%	\$ 706,435	\$ 63,428	9%	10%	\$ 7,395,500	68%
BASIC CHARGES	254,187	24.5%	236,928	17,259	7%	8%	3,163,000	29%
METERS, PENALTIES & OTHER	3,620	0.3%	6,665	(3,045)	-46%	3%	127,000	1%
SEWER CHARGES	10,174	1.0%	8,344	1,830	22%	8%	132,170	1%
TOTAL OPERATING REVENUE	\$ 1,037,844	100.0%	\$ 958,372	\$ 79,472	8%	10%	\$ 10,817,670	100%

REVENUE COMMENTS

Water Usage: Sept 19 was 1% above the same as in Sept of the prior year. Remaining basic charge increase was due to the rate increase.

Sewer Charges: New rates went into effect Dec 18.

EXPENSES BY CATEGORY

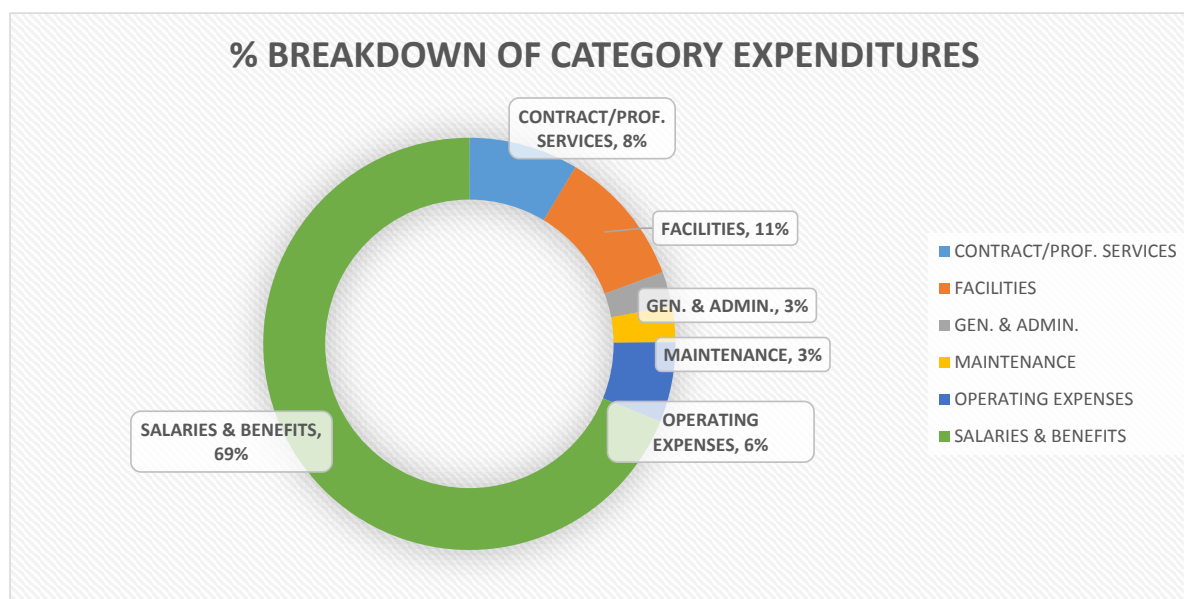
DESCRIPTION	COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
	ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
SALARIES & BENEFITS	\$ 357,510	68.8%	\$ 321,543	\$ 35,967	11%	7%	\$ 5,164,975	66%
CONTRACT/PROF. SERVICES	44,713	8.6%	81,763	(37,049)	-45%	4%	1,070,711	14%
OPERATING EXPENSES	32,644	6.3%	41,893	(9,249)	-22%	8%	435,250	6%
MAINTENANCE	14,630	2.8%	18,770	(4,140)	-22%	7%	218,850	3%
FACILITIES	55,767	10.7%	61,400	(5,634)	-9%	9%	591,700	8%
GEN. & ADMIN.	14,045	2.7%	31,246	(17,201)	-55%	4%	335,670	4%
TOTAL OPERATING EXPENSES	\$ 519,309	100%	\$ 556,615	\$ (37,306)	-7%	7%	\$ 7,817,156	100%

EXPENSE COMMENTS

Sal.&Benefits: August 18 had 3 pay periods, compared to the current year having 2.

Legal Bills: Sept 19 legal bills were \$11K.

Gen&Admin: \$12K timing of LAFCO fees that posted in September in PY.



OPERATING ANALYSIS - Q1 FY1920 (JULY-SEPTEMBER)

REVENUE BY CATEGORY

DESCRIPTION

WATER USAGE
BASIC CHARGES
METERS, PENALTIES & OTHER
SEWER CHARGES
TOTAL OPERATING REVENUE

COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
\$ 1,882,345	69.9%	\$ 1,842,773	\$ 39,573	2%	25%	\$ 7,395,500	68%
761,646	28.3%	711,441	50,205	7%	24%	3,163,000	29%
19,225	0.7%	21,770	(2,545)	-12%	15%	127,000	1%
30,044	1.1%	25,033	5,010	20%	23%	132,170	1%
\$ 2,693,260	100.0%	\$ 2,601,017	\$ 92,243	4%	25%	\$ 10,817,670	100%

REVENUE COMMENTS

Water Usage: Consumption for Q1 FY1920 was 3% lower than the same quarter in the prior year.
Sewer Charges: New rates went into effect for December billings.

EXPENSES BY CATEGORY

DESCRIPTION

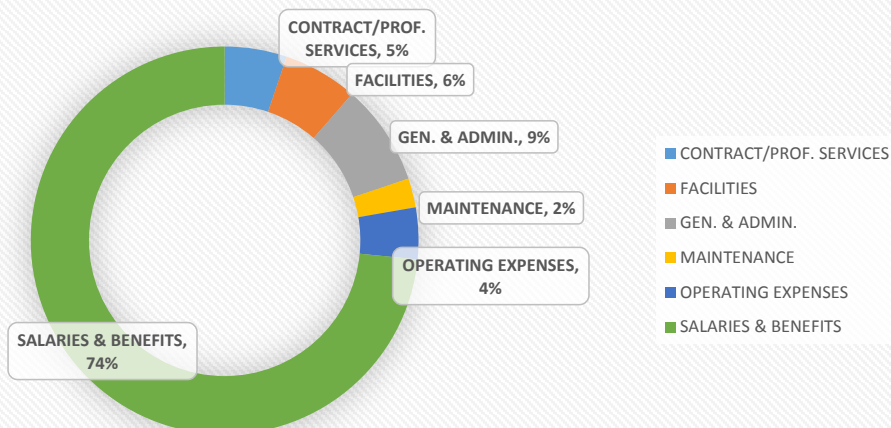
SALARIES & BENEFITS
CONTRACT/PROF. SERVICES
OPERATING EXPENSES
MAINTENANCE
FACILITIES
GEN. & ADMIN.
TOTAL OPERATING EXPENSES

COMPARING AGAINST PRIOR YEAR					COMPARING AGAINST BUDGET		
ACTUALS	% OF TOTAL	PRIOR YEAR	\$ Diff.	% Diff.	Act. % of Budget	ANNUAL BUDGET	% of Annual
\$ 1,427,413	73.4%	\$ 1,345,710	\$ 81,702	6%	28%	\$ 5,164,975	66%
100,725	5.2%	135,478	(34,753)	-26%	9%	1,070,711	14%
83,528	4.3%	87,356	(3,828)	-4%	19%	435,250	6%
47,230	2.4%	31,952	15,279	48%	22%	218,850	3%
120,742	6.2%	103,804	16,938	16%	20%	591,700	8%
164,119	8.4%	149,273	14,845	10%	49%	335,670	4%
\$ 1,943,756	100%	\$ 1,853,574	\$ 90,182	5%	25%	\$ 7,817,156	100%

EXPENSE COMMENTS

Sal.&Benefits: There will still be an entry from the auditors for GASB 68 pension liability
Legal Bills: Q1 FY1920 were \$15K higher than the same quarter in the prior year due to timing of bills in the prior year. Overall legal is expected to be lower than the prior year.
Maintenance was high due to major truck bed repair, this was budgeted for.
Gen&Admin: \$18K increase to liability insurance year over year.

% BREAKDOWN OF CATEGORY EXPENDITURES



OPERATING ANALYSIS - YTD TREND FY1920

REVENUE BY CATEGORY

DESCRIPTION	JULY	AUGUST	SEPTEMBER	YTD	BUDGET	% OF BUD.
WATER USAGE	358,244	754,239	769,863	1,882,345	7,395,500	25%
BASIC CHARGES	253,518	253,941	254,187	761,646	3,163,000	24%
METERS, PENALTIES & OTHER	5,620	9,985	3,620	19,225	127,000	15%
SEWER CHARGES	10,013	9,857	10,174	30,044	132,170	23%
TOTAL OPERATING REVENUE	627,395	1,028,021	1,037,844	2,693,260	10,817,670	25%

EXPENSES BY CATEGORY

DESCRIPTION	JULY	AUGUST	SEPTEMBER	YTD	BUDGET	% OF BUD.
SALARY & BENEFITS	764,139	305,763	357,510	1,427,413	5,164,975	28%
CONTRACT/PROF. SERVICES	21,644	34,367	44,713	100,725	1,070,711	9%
OPERATING EXPENSES	20,127	30,756	32,644	83,528	435,250	19%
MAINTENANCE	6,890	25,710	14,630	47,230	218,850	22%
FACILITIES	11,977	52,999	55,767	120,742	591,700	20%
GEN. & ADMIN.	131,372	18,702	14,045	164,119	335,670	49%
TOTAL OPERATING EXPENSES	956,149	468,298	519,309	1,943,756	7,817,156	25%

OPERATING INCOME (LOSS)	(328,754)	559,723	518,535	749,504	3,000,514	25%
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COMMENTS

REVENUE/EXPENSES:

Current year to date revenue and expenses are tracking as expected overall. Please refer to the current month analysis for any further detail on revenue or expenses.

GENERAL/PROCESS:

There are annual/one-time expenses paid upfront that could cause individual months to appear skewed or accrual based accounting that will impact June/July more so. An example of this would be some insurances are paid in July, this causes July expenses to appear higher than other months. The District operates on an annual budget and performs accrual based accounting procedures for a hard year end close, this is typical for governmental accounting.

Data is continuously being reviewed, so it is not un-common for a prior report balance to change slightly throughout the year

OPERATING EXPENSE ANALYSIS - Q1

DETAILED EXPENSES BY DEPARTMENT

ADMINISTRATIVE	Q1 CY ACTUALS	Q1 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 167,594	34%	\$ 167,594	34%	\$ 491,956	Projected to still be on budget, higher one time expenses in beginning of fiscal year
CONTRACT/PROFESSIONAL SERVICES	\$ 30,665	8%	\$ 30,665	8%	\$ 394,100	
OPERATING EXPENSES	\$ 1,368	69%	\$ 1,368	69%	\$ 1,986	
MAINTENANCE	\$ 3,362	21%	\$ 3,362	21%	\$ 15,887	
FACILITIES	\$ 6,092	23%	\$ 6,092	23%	\$ 26,810	
GEN. & ADMIN.	\$ 126,868	80%	\$ 126,868	80%	\$ 159,112	Projected to still be on budget, higher one time expenses in beginning of fiscal year
TOTAL ADMINISTRATIVE	\$ 335,949	31%	\$ 335,949	31%	\$ 1,089,851	

FINANCE	Q1 CY ACTUALS	Q1 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 270,938	25%	\$ 270,938	25%	\$ 1,102,927	
CONTRACT/PROFESSIONAL SERVICES	\$ 10,972	10%	\$ 10,972	10%	\$ 108,728	
OPERATING EXPENSES	\$ 888	51%	\$ 888	51%	\$ 1,738	
MAINTENANCE	\$ 1,716	11%	\$ 1,716	11%	\$ 15,738	
FACILITIES	\$ 276	18%	\$ 276	18%	\$ 1,500	
GEN. & ADMIN.	\$ 32,533	22%	\$ 32,533	22%	\$ 147,473	
TOTAL FINANCE	\$ 316,902	23%	\$ 316,902	23%	\$ 1,378,104	

ENGINEERING	Q1 CY ACTUALS	Q1 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 84,382	22%	\$ 84,382	22%	\$ 379,817	
CONTRACT/PROFESSIONAL SERVICES	\$ 2,343	7%	\$ 2,343	7%	\$ 32,000	
OPERATING EXPENSES	\$ -	0%	\$ -	0%	\$ 23,000	
MAINTENANCE	\$ 240	24%	\$ 240	24%	\$ 1,000	
FACILITIES	\$ 175	7%	\$ 175	7%	\$ 2,500	
GEN. & ADMIN.	\$ 40	1%	\$ 40	1%	\$ 7,800	
TOTAL ENGINEERING	\$ 87,179	20%	\$ 87,179	20%	\$ 446,117	

DISTRIBUTION	Q1 CY ACTUALS	Q1 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 452,714	31%	\$ 452,714	31%	\$ 1,482,930	Projected to still be on budget, higher one time expenses in beginning of fiscal year
CONTRACT/PROFESSIONAL SERVICES	\$ 9,307	7%	\$ 9,307	7%	\$ 140,000	
OPERATING EXPENSES	\$ 40,546	24%	\$ 40,546	24%	\$ 172,000	
MAINTENANCE	\$ 16,161	15%	\$ 16,161	15%	\$ 105,749	
FACILITIES	\$ 43,269	22%	\$ 43,269	22%	\$ 197,866	
GEN. & ADMIN.	\$ 1,009	12%	\$ 1,009	12%	\$ 8,440	
DEPRECIATION	\$ -	0%	\$ -	0%	\$ -	
CAPITALIZED OVERHEAD	\$ (40,533)	0%	\$ (40,533)	0%	\$ -	
TOTAL DISTRIBUTION	\$ 522,474	25%	\$ 522,474	25%	\$ 2,106,985	

WATERSHED	Q1 CY ACTUALS	Q1 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 59,994	31%	\$ 59,994	31%	\$ 193,048	Will be under due to vacancy in position
CONTRACT/PROFESSIONAL SERVICES	\$ 6,895	4%	\$ 6,895	4%	\$ 160,111	
OPERATING EXPENSES	\$ -	0%	\$ -	0%	\$ 4,500	
MAINTENANCE	\$ -	0%	\$ -	0%	\$ 8,000	
FACILITIES	\$ 196	16%	\$ 196	16%	\$ 1,200	
GEN. & ADMIN.	\$ 2,434	63%	\$ 2,434	63%	\$ 3,850	
CAPITALIZED OVERHEAD	\$ -	0%	\$ -	0%	\$ -	
TOTAL WATERSHED	\$ 69,520	19%	\$ 69,520	19%	\$ 370,709	

DETAILED EXPENSES BY DEPARTMENT (continued)

SUPPLY & TREATMENT	Q1 CY ACTUALS	Q1 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
						Projected to still be on budget, higher one time expenses in beginning of fiscal year
SALARIES & BENEFITS	\$ 388,965	27%	\$ 388,965	27%	\$ 1,457,630	
CONTRACT/PROFESSIONAL SERVICES	\$ 36,365	23%	\$ 36,365	23%	\$ 160,000	
OPERATING EXPENSES	\$ 40,118	19%	\$ 40,118	19%	\$ 207,000	
						Projected to still be on budget, higher one time expenses in beginning of fiscal year
MAINTENANCE	\$ 25,750	37%	\$ 25,750	37%	\$ 70,003	
FACILITIES	\$ 67,286	19%	\$ 67,286	19%	\$ 349,577	
GEN. & ADMIN.	\$ 1,235	17%	\$ 1,235	17%	\$ 7,447	
DEPRECIATION	\$ -	0%	\$ -	0%	\$ -	
CAPITALIZED OVERHEAD	\$ -	0%	\$ -	0%	\$ -	
TOTAL SUPPLY & TREATMENT	\$ 559,719	25%	\$ 559,719	25%	\$ 2,251,657	

WASTEWATER	Q1 CY ACTUALS	Q1 % of Budget	YTD ACTUALS	YTD % of Budget	ANNUAL BUDGET	Notes
SALARIES & BENEFITS	\$ 2,826	5%	\$ 2,826	5%	\$ 56,667	
CONTRACT/PROFESSIONAL SERVICES	\$ 4,351	6%	\$ 4,351	6%	\$ 75,772	
OPERATING EXPENSES	\$ 653	3%	\$ 653	3%	\$ 25,026	
MAINTENANCE	\$ -	0%	\$ -	0%	\$ 2,472	
FACILITIES	\$ 3,490	28%	\$ 3,490	28%	\$ 12,248	
GEN. & ADMIN.	\$ -	0%	\$ -	0%	\$ 1,547	
DEPRECIATION	\$ -	0%	\$ -	0%	\$ -	
CAPITALIZED OVERHEAD	\$ -	0%	\$ -	0%	\$ -	
CLEARING	\$ -	0%	\$ -	0%	\$ -	
TOTAL WASTEWATER	\$ 11,320	7%	\$ 11,320	7%	\$ 173,733	Will have allocations applied at year end

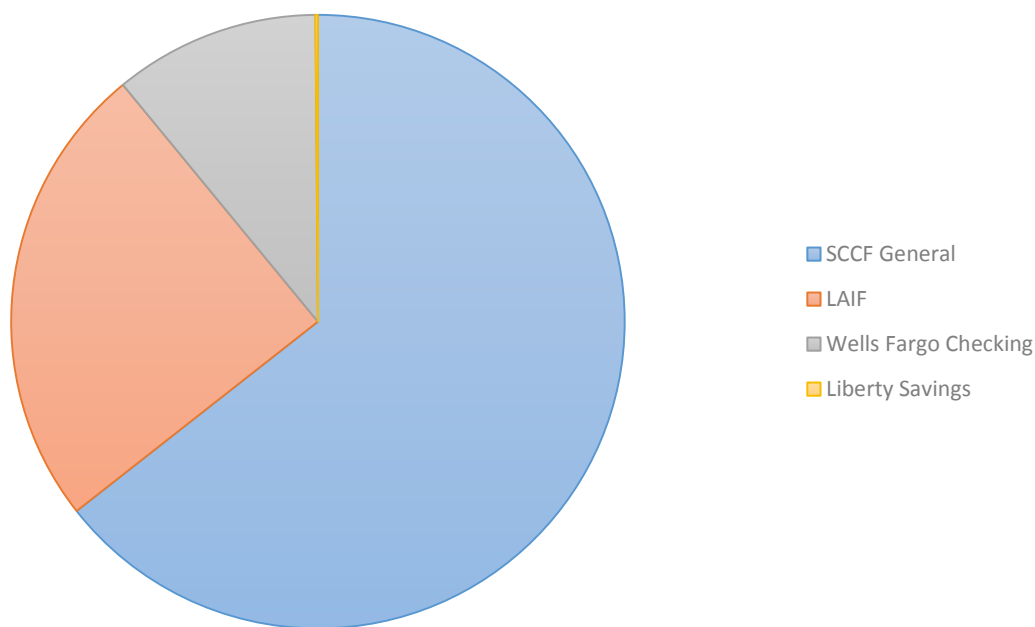
TOTAL OPERATING EXPENSES	\$ 1,903,062	24%	\$ 1,903,062	24%	\$ 7,817,156	Overall tracking according to plan
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CASH BALANCES AS OF

9/30/2019

		<i>Ave Interest Rate</i>
OPERATING ACCOUNTS		
Wells Fargo Checking	\$ 380,138	0.35%
Liberty Savings	\$ 4,518	0.15%
LAIF	\$ 864,025	2.28%
SCCF General	\$ 2,259,854	2.29%
OPERATING BALANCE	\$ 3,508,536	
RESTRICTED ACCOUNTS		
SCCF Lompico Assessment District	\$ 489,703	2.29% <i>For AD Projects</i>
SCCF Olympia Assessment District	\$ 57,376	2.29% <i>For Debt Repayment</i>
SCCF Probation Tank Loan Proceeds	\$ 877,178	2.29% <i>Loan Proceeds</i>
SCCF \$14.5M COP Proceeds	\$ 14,528,367	2.29% <i>Loan Proceeds</i>
CB&T Escrow Fund SRF	\$ 108,817	0.09% <i>For Debt Repayment</i>
CB&T Escrow Fund DOWR	\$ 215,537	0.09% <i>For Debt Repayment</i>
RESTRICTED BALANCE	\$ 16,276,977	

% OF OPERATING CASH ASSETS



G/L Balances

Criteria: As Of = 9/30/2019; Fund = 76644, 76530

G/L Account	Title	Beginning Balance	Year-To-Date Debits	Year-To-Date Credits	End Balance
Fund 76530 -- SLV-LOMPICO WTR, EFF 6/2/16					
Sub-Fund 76530001 -- SLV- WTR, EFF 6/2/16					
000	NOT APPLICABLE	0.00	5.57	(2,932.59)	(2,927.02)
101	EQUITY IN POOLED CASH	167,067.65	2,931.95	(4.93)	169,994.67
240	STALE DATED WARRANTS LIABILITY	(1,363.90)	0.00	0.00	(1,363.90)
344	FUND BALANCE	(165,703.75)	0.00	0.00	(165,703.75)
Total Sub-Fund 76530001		0.00	2,937.52	(2,937.52)	0.00
Sub-Fund 76530200 -- SLV-LOMPICO WTR-ASSESSMENTS					
000	NOT APPLICABLE	0.00	56,332.13	(10,167.60)	46,164.53
101	EQUITY IN POOLED CASH	557,702.39	10,167.60	(56,332.13)	511,537.86
344	FUND BALANCE	(557,702.39)	0.00	0.00	(557,702.39)
Total Sub-Fund 76530200		0.00	66,499.73	(66,499.73)	0.00
Total Fund 76530		0.00	69,437.25	(69,437.25)	0.00
Fund 76644 -- SAN LORENZO VALLEY WATER TRUST					
Sub-Fund 76644001 -- SAN LORENZO VALLEY WATER TRUST					
000	NOT APPLICABLE	0.00	700,047.81	(818,821.87)	(118,774.06)
101	EQUITY IN POOLED CASH	1,681,679.61	818,816.41	(700,042.35)	1,800,453.67
201	VOUCHERS PAYABLE (VENDOR)	0.00	700,000.00	(700,000.00)	0.00
344	FUND BALANCE	(1,681,679.61)	0.00	0.00	(1,681,679.61)
Total Sub-Fund 76644001		0.00	2,218,864.22	(2,218,864.22)	0.00
Sub-Fund 76644100 -- SAN LORENZO VLY WTR-OLYMPIA MU					
000	NOT APPLICABLE	0.00	24,360.00	(425.84)	23,934.16
101	EQUITY IN POOLED CASH	81,310.01	425.84	(24,360.00)	57,375.85
344	FUND BALANCE	(81,310.01)	0.00	0.00	(81,310.01)
Total Sub-Fund 76644100		0.00	24,785.84	(24,785.84)	0.00
Sub-Fund 76644200 -- SLV WATER-SUBFD FOR LOAN CASH					
000	NOT APPLICABLE	0.00	706,000.80	(9,984.28)	696,016.52
101	EQUITY IN POOLED CASH	1,839,265.23	9,984.28	(706,000.80)	1,143,248.71
344	FUND BALANCE	(1,839,265.23)	0.00	0.00	(1,839,265.23)
Total Sub-Fund 76644200		0.00	715,985.08	(715,985.08)	0.00
Sub-Fund 76644300 -- SLV WATER 2019 COP-SUBFD					
000	NOT APPLICABLE	0.00	7,500.75	(14,537,367.45)	(14,529,866.70)

Run: 10/29/2019 9:44 AM Includes transactions posted through: 10/29/2019

G/L Balances

Criteria: As Of = 9/30/2019; Fund = 76644, 76530

G/L Account	Title	Beginning Balance	Year-To-Date Debits	Year-To-Date Credits	End Balance
Fund 76644 -- SAN LORENZO VALLEY WATER TRUST					
Sub-Fund 76644300 -- SLV WATER 2019 COP-SUBFD					
101	EQUITY IN POOLED CASH	0.00	14,537,367.45	(7,500.75)	14,529,866.70
Total Sub-Fund 76644300		0.00	14,544,868.20	(14,544,868.20)	0.00
Total Fund 76644		0.00	17,504,503.34	(17,504,503.34)	0.00

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

October 09, 2019

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[PMIA Average Monthly Yields](#)

SAN LORENZO VALLEY WATER DISTRICT

DISTRICT MANAGER
13060 HIGHWAY 9
BOULDER CREEK, CA 95006

[Tran Type Definitions](#)

September 2019 Statement

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Account Summary

Total Deposit:	0.00	Beginning Balance:	864,025.26
Total Withdrawal:	0.00	Ending Balance:	864,025.26

Accounts Payable

Checks by Date - Detail by Check Number

User: rachelmunoz
Printed: 10/28/2019 8:53 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	10005 213215	ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING_PP ENDING	10/11/2019		3,135.00
Total for this ACH Check for Vendor 10005:				0.00	3,135.00
ACH	00054 365802406_1019A 365802406_1019B 365802406_1019C 365802406_1019D	PACIFIC GAS AND ELECTRIC UTILITIES_ADMIN UTILITIES_OPS UTILITIES_WTP UTILITIES_BCE WASTEWATER	10/17/2019		911.51 10,171.40 30,443.47 1,114.98
Total for this ACH Check for Vendor 00054:				0.00	42,641.36
ACH	10005 219681	ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING_PP ENDING	10/23/2019		3,155.00
Total for this ACH Check for Vendor 10005:				0.00	3,155.00
18109	00145 P19180563	BATTERIES PLUS READER TANK_SOLAR BATTERY	10/16/2019		296.43
Total for Check Number 18109:				0.00	296.43
18110	00773 18299A 18299B 18299C	EARTHWORKS 2007 PRV @ COLEMAN_90% PRV @ VAN ALLEN ROAD_90 % PRV @ LAKE BLVD_25%	10/16/2019		66,690.00 66,690.00 18,525.00
Total for Check Number 18110:				0.00	151,905.00
18111	00343 79310 80051	ERNIE'S SERVICE CENTER FUEL INJECTOR_VE-485 SERVICE_VE-181	10/16/2019		1,884.57 109.62
Total for Check Number 18111:				0.00	1,994.19
18112	00450 L0473516	EUROFINS WATER ANALYSIS	10/16/2019		180.00
Total for Check Number 18112:				0.00	180.00
18113	UB*00674	ERIK FLORIO Refund Check	10/16/2019		0.02
Total for Check Number 18113:				0.00	0.02
18114	00550 11657200	HACH COMPANY REAGENT	10/16/2019		1,002.97
Total for Check Number 18114:				0.00	1,002.97
18115	00367	INFOSEND, INC	10/16/2019		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	158831A	MAILING FEES_AUG2019			1,052.55
	158831B	POSTAGE FEES_AUG2019			2,531.20
Total for Check Number 18115:				0.00	3,583.75
18116	00007 1921015A	JOBS AVAILABLE ENVIRONMENTAL PLANNER AD	10/16/2019		195.00
Total for Check Number 18116:				0.00	195.00
18117	00296 0919037 0919038 0919039 0919040 0919041	MESITI-MILLER ENGINEERING,INC CONSTRUCTION ADMINISTRATION_WO#8 SCHAAF & WHEELER_TANK REPLACEME SMITH EMERY WELDING_SPECIAL INSPEC GEOTECHNICAL ENGINEERING SERVIES_ ELECTRICAL ENGINEERING SERVICES_W	10/16/2019		18,412.14 313.50 1,423.40 4,927.50 554.40
Total for Check Number 18117:				0.00	25,630.94
18118	00047 9090325 9090505 9090506 9090716 9090717	SOIL CONTROL LAB WATER ANALYSIS_OLY 2 WATER ANALYSIS_5 LOCATIONS WATER ANALYSIS_OLY 2 WATER ANALYSIS_5 LOCATIONS WATER ANALYSIS_OLY 2	10/16/2019		39.00 145.00 39.00 145.00 39.00
Total for Check Number 18118:				0.00	407.00
18119	10217 SEPT19_10217A SEPT19_10217B SEPT19_10217C SEPT19_10217D SEPT19_10217E SEPT19_10217F SEPT19_10217G SEPT19_10217H SEPT19_10217I SEPT19_10217J SEPT19_10217K SEPT19_10217L SEPT19_10217M SEPT19_10217N SEPT19_10217O SEPT19_10217P SEPT19_10217Q SEPT19_10217R	UMPQUA BANK INDEED_ADVERTISING AP RIVER TECH SUPPORT AMAZON_OFFICE SUPPLIES AMAZON_OFFICE SUPPLIES AMAZON_OFFICE SUPPLIES LINKED IN_SEPT DAVIS INSTRUMENTS_LOMPICO WEATHE DAVIS INSTRUMENTS_BC WEATHER STAT AMAZON_OFFICE SUPPLIES MAIL CHIMP_SEPT CHARGES BROWN & CALDWELL_ADVERTISING AMAZON_SUBSCRIPTION SIERRA TRUCK & VAN_VE-280_BED LINEF WILIAMSON-DICKIE_EMPLOYEE UNIFORM CDW-G_CONFERENCE PHONE NATIONAL TANK_OLY WELLS DUAL CON AMERESCO SOLAR_WO#823 KEEN_EMPLOYEE UNIFORM	10/16/2019		292.09 222.00 70.74 146.12 44.89 29.99 180.00 47.40 103.66 50.00 200.00 14.16 725.13 100.24 535.62 499.84 499.35 174.40
Total for Check Number 18119:				0.00	3,935.63
18120	10254 30620_10254	AQUA VIDEO ENGINEERING TANK INSPECTIONS/CLEANING FOR 9 TAN	10/17/2019		13,800.00
Total for Check Number 18120:				0.00	13,800.00
18121	10023 3088341	AT & T CAPITAL SERVICES, INC MONTHLY PHONE LEASE AVAYA	10/17/2019		396.07
Total for Check Number 18121:				0.00	396.07
18122	00055 OCT_9607360489A	AT&T PHONE_ADMIN	10/17/2019		264.08

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	OCT_9607360489B	PHONE_OPS			4,379.13
	OCT_9607360489C	PHONE_WTP			2,238.21
	OCT_9607360489D	PHONE_BCE WASTEWATER			441.49
Total for Check Number 18122:					7,322.91
18123	00309 8727770500	AT&T IP SERVICES PHONE SYSTEM FOR 195 KIRBY_10/05/19-1	10/17/2019		281.90
Total for Check Number 18123:					281.90
18124	00687 100519_13745873	AT&T U-VERSE AT&T U-VERSE_13057 HWY 9	10/17/2019		85.60
Total for Check Number 18124:					85.60
18125	00788 100119_1236033	COMCAST INTERNET_215 BLACKSTONE DRIVE	10/17/2019		175.19
Total for Check Number 18125:					175.19
18126	00788 100119_1368455	COMCAST INTERNET_345 QUAIL TERRACE	10/17/2019		113.38
Total for Check Number 18126:					113.38
18127	00788 100319_0956185	COMCAST INTERNET_545 FALL CREEK DRIVE	10/17/2019		173.46
Total for Check Number 18127:					173.46
18128	00788 100419_0302438	COMCAST INTERNET_1075 WHISPERING PINES DR	10/17/2019		193.38
Total for Check Number 18128:					193.38
18129	00788 100519_1236165	COMCAST INTERNET_280 BLUE RIDGE DRIVE	10/17/2019		175.19
Total for Check Number 18129:					175.19
18130	00788 100719_1236124	COMCAST INTERNET_15819 FOREST HILL DR	10/17/2019		175.19
Total for Check Number 18130:					175.19
18131	00788 100819_1236058	COMCAST INTERNET_17277 HWY 9	10/17/2019		175.19
Total for Check Number 18131:					175.19
18132	00788 100819_1323583	COMCAST INTERNET_365 MADRONE DRIVE	10/17/2019		265.12
Total for Check Number 18132:					265.12
18133	00788 100819_1323641	COMCAST INTERNET_365 MADRONE DRIVE OFC	10/17/2019		265.12
Total for Check Number 18133:					265.12
18134	00703 274892_703	DATAFLOW BUSINESS SYSTEMS, INC CONTRACT SERVICES_SAVIN/917 SPF	10/17/2019		73.09

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	274893	CONTRACT SERVICES _KYOCER/FS-C2626			165.14
	274894	CONTRACT SERVICES _HP/HP 5200			95.17
	274895	CONTRACT SERVICES _CANON/2525			17.74
	274896	CONTRACT SERVICES _HP/HP 602DN			76.49
	274950	CONTRACT SERVICES _OKIDATA/ES8473X			148.40
			Total for Check Number 18134:	0.00	576.03
18135	10274	TOM HAVLICK	10/17/2019		
	10819_10274	TOOLS			70.50
			Total for Check Number 18135:	0.00	70.50
18136	00181	LAS ANIMAS CONCRETE	10/17/2019		
	147320	SLURRY BACKFILL_OPS			427.44
			Total for Check Number 18136:	0.00	427.44
18137	00410	ANDI O'NEAL	10/17/2019		
	81919_410	OFFICE SUPPLY			17.99
			Total for Check Number 18137:	0.00	17.99
18138	10246	OVISS LABS INCORPORATED	10/17/2019		
	14714	CAMERA SIGNAL WIRE INSTALL			150.00
			Total for Check Number 18138:	0.00	150.00
18139	00512	RIVERSIDE LIGHTING	10/17/2019		
	152139	SAFETY_CAUTION TAPE			29.33
			Total for Check Number 18139:	0.00	29.33
18140	00001	ROYAL WHOLESALE ELECTRIC	10/17/2019		
	7719-650841	PASO 8 BLDG_WO#814			81.46
	7719-650842	REAMER TOOL_WTP			39.38
			Total for Check Number 18140:	0.00	120.84
18141	00168	SCOTTS VALLEY SPRINKLER	10/17/2019		
	154530	KIRBY PLANT PLUMBING_WTP			84.58
			Total for Check Number 18141:	0.00	84.58
18142	00129	UNITED RENTALS (NORTH AMERICA)	10/17/2019		
	174488148-001	PASO 8 BLDG CORE DRILL_WO#814			98.33
			Total for Check Number 18142:	0.00	98.33
18143	10072	WATER SYSTEMS CONSULTING, INC	10/17/2019		
	4016	USDA PHASE 1 FUNDING_SWIMTANK WO:			1,050.00
			Total for Check Number 18143:	0.00	1,050.00
18144	00383	A TOOL SHED	10/22/2019		
	1379855-5	WO#1570_GENERATOR PSPS OUTAGE			1,336.50
			Total for Check Number 18144:	0.00	1,336.50
18145	00362	ACCELA, INC #774375	10/22/2019		
	ACC48704A	ONLINE BILLS_SEPT2019			185.00
	ACC48704B	TRANSACTION FEES_SEPT2019			1,388.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 18145:	0.00	1,573.00
18146	00545 822455	AFLAC 2019 MONTHLY INS. PREMIUMS	10/22/2019		221.77
			Total for Check Number 18146:	0.00	221.77
18147	00162 97082909	ANTHEM BLUE CROSS RETIRED EMPLOYEE MEDICAL_11/01/19-1	10/22/2019		355.77
			Total for Check Number 18147:	0.00	355.77
18148	00767 984997451	ANTHEM BLUE CROSS MEDICARE RX_11/01/19-12/01/19	10/22/2019		116.90
			Total for Check Number 18148:	0.00	116.90
18149	00309 5737370502A 5737370502B 5737370502C	AT&T IP SERVICES IP SERVICES_ADMIN IP SERVICES_OPS IP SERVICES_WTP	10/22/2019		252.73 252.72 252.72
			Total for Check Number 18149:	0.00	758.17
18150	00687 1019_132166881	AT&T U-VERSE UVERSE_MANANA WOODS	10/22/2019		96.30
			Total for Check Number 18150:	0.00	96.30
18151	00687 1019_132182018	AT&T U-VERSE UVERSE_345 QUAIL TERRACE	10/22/2019		85.60
			Total for Check Number 18151:	0.00	85.60
18152	10025 80038455	BADGER METER, INC BEACON SERVICES_SEPT2019	10/22/2019		1,682.22
			Total for Check Number 18152:	0.00	1,682.22
18153	00220 32768	BAY BUILDING JANITORIAL,INC JANITORIAL SERVICES_OCT2019	10/22/2019		474.42
			Total for Check Number 18153:	0.00	474.42
18154	00342 951744 951839	BRASS KEY LOCKSMITH SPARE KEY_VE#236 LOCKS_OPS	10/22/2019		32.69 600.16
			Total for Check Number 18154:	0.00	632.85
18155	00174 10078762	CARUS CORPORATION DRUM CHEMICALS	10/22/2019		1,861.26
			Total for Check Number 18155:	0.00	1,861.26
18156	10207 100719_2535	CITI CARDS_COSTCO COSTCO MEMBERSHIP	10/22/2019		60.00
			Total for Check Number 18156:	0.00	60.00
18157	00788 101119_1171123	COMCAST INTERNET_23 SUMMIT AVENUE	10/22/2019		153.38

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 18157:	0.00	153.38
18158	00788 1019_1236017	COMCAST INTERNET_295 EAST ROAD	10/22/2019		175.19
			Total for Check Number 18158:	0.00	175.19
18159	00788 1019_1318922	COMCAST INTERNET_3652 GRAHAM HILL RD	10/22/2019		143.38
			Total for Check Number 18159:	0.00	143.38
18160	00788 1019_1318955	COMCAST INTERNET_1150 REBECCA DRIVE	10/22/2019		143.38
			Total for Check Number 18160:	0.00	143.38
18161	00273 30442838	CORELOGIC, INC. REALQUEST SERVICES_SEPT19	10/22/2019		206.00
			Total for Check Number 18161:	0.00	206.00
18162	00037 36482	CO. OF SANTA CRUZ DEPT OF PUBLIC TOILET REBATES	10/22/2019		30.00
			Total for Check Number 18162:	0.00	30.00
18163	10069 100919_10069	NATE GILLESPIE PSPS_MEALS	10/22/2019		11.25
			Total for Check Number 18163:	0.00	11.25
18164	00329 9301607199 9310258026	GRAINGER EYE WASH STATION_WO#814 CAUTION TAPE	10/22/2019		320.17 281.23
			Total for Check Number 18164:	0.00	601.40
18165	00080 1678863 1680756	GRANITE CONSTRUCTION CO PINE TANK PROJECT_ROAD PAVING HOT MIX_QUAIL BINS	10/22/2019		258.50 139.91
			Total for Check Number 18165:	0.00	398.41
18166	00608 349741	LLOYD'S TIRE SERVICE, INC FLAT REPAIR_VE-309	10/22/2019		29.50
			Total for Check Number 18166:	0.00	29.50
18167	10245 1207728072	LOGMEIN USA, INC, AUDIO SERVICE_08/31/19-09/29/19	10/22/2019		55.98
			Total for Check Number 18167:	0.00	55.98
18168	10120 022100000153	PACIFIC CREDIT SERVICES COLLECTIONS	10/22/2019		118.89
			Total for Check Number 18168:	0.00	118.89
18169	00944 4081	PDNC, INC. MONTHLY SERVER SUPPORT_OCT19	10/22/2019		562.68

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 18169:	0.00	562.68
18170	00711	ROBERTS & BRUNE CO.	10/22/2019		
	S1874465.005	SADDLE DS 4.40-4.80 X 2"			119.75
	S1874465.006	SADDLE DS 4.40-4.80 X 2"			119.75
	S1876543.006A	HYDRANT WHARF 2" X 2-1/2" NUTS			1,067.03
	S1876543.006B	REPAIR CLAMP 1" X 3"			8.33
	S1876543.007	AIR RELIEF VALVE 3/4"			224.50
	S1882634.001	PIPE DUCTILE IRON 6"			580.11
	S1882720.002A	GATE VALVE MJ X FLG 4"A2360-16			537.85
	S1882720.002B	HYDRANT(YW) 2-1/2" x 2-1/2" x 4-1/2"			5,403.50
	S1882720.002C	METER BOX LID B16 -BADGER ORION			607.22
	S1882720.002D	VALVE BOX LID G5 CAST IRON			584.98
	S1882728.001B	HYMAX REDUCER COUPLING 3X4 3.46-4.3			493.05
	S1882728.001C	6 HYMAX FLEX CPLG 6.42-7.68			510.37
	S1882728.002A	GATE VALVE 3/4"			127.98
	S1882728.002B	GATE VALVE 1"			158.57
	S1882728.01A	GATE VALVE 2" SQ NUT/250 PSI			1,743.41
	S1883811.001	6 HYMAX FLEX CPLG 6.42-7.68			1,020.74
			Total for Check Number 18170:	0.00	13,307.14
18171	00142	SAN LORENZO LUMBER	10/22/2019		
	61-0148028	EYE WASH INSTALL_WO#814			24.08
	61-0148669	POWER_HAMMER DRILL KIT			315.01
			Total for Check Number 18171:	0.00	339.09
18172	10190	SANTA MARGARITA GROUNDWATER	10/22/2019		
	1011	1/2 OF 19/20 BUDGET			73,955.25
			Total for Check Number 18172:	0.00	73,955.25
18173	00125	SCARBOROUGH LUMBER	10/22/2019		
	341751	CONCRETE RESTOCK_OPS			244.74
	341976	PASO 8_SHELF INSTALL			28.52
	342096	PASO 8 EYE WASH PLUMBING_WO#814			8.83
	342118	CONCRETE BACKFILL_OPS			214.52
	342316	KIRBY PLANT PLUMBING REPAIR			23.39
	342424	EXTENSION CORDS_PSPS EVENT_WO#157			142.40
	342429	MISC SUPPLIES_WTP			122.29
	342435	SECURITY CHAIN FOR LOCKING GENERA			167.48
	342698	FILTER MAINTENANCE_WTP			50.56
	342752	KIRBY PLANT SUPPLIES			44.21
	401624	MISC HARDWARE_WO#1570			48.79
	401625CM	MISC HARDWARE RETURN_WTP			-5.89
	588684	PASO 8_EYE WASH STATION INSTALL			47.82
	588777	MISC SAW BLADES_OPS			61.22
	589075	8 AMP FUSE_OPS			6.79
	589076	FLOW TEST_OPS			21.89
	589090	HOSE ADAPTOR_FLOW TEST			4.65
	589121	ZIP TIES_OPS			17.47
			Total for Check Number 18173:	0.00	1,249.68
18174	10233	SCHAAF & WHEELER, CONSULTING C	10/22/2019		
	31845	LOMPICO TANKS 90% DESIGN			3,195.00
			Total for Check Number 18174:	0.00	3,195.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
18175	00183 67515	SDRMA VEHICLE INSURANCE	10/22/2019		2,531.28
		Total for Check Number 18175:		0.00	2,531.28
18176	00093 101519_93	JOHN TREGEMBO UNIFORM REIMBURSEMENT	10/22/2019		59.94
		Total for Check Number 18176:		0.00	59.94
18177	00129 175042155-001	UNITED RENTALS (NORTH AMERICA) DRILL BIT FOR SDS MAX DRILL	10/22/2019		140.61
		Total for Check Number 18177:		0.00	140.61
18178	00721 114-9259078	UNITED SITE SVCS.,INC TOILET SERVICE_10/08/19-11/04/19	10/22/2019		215.32
		Total for Check Number 18178:		0.00	215.32
18179	00768 030366	USA BLUEBOOK FLUSHING HOSE	10/22/2019		437.83
		Total for Check Number 18179:		0.00	437.83
18180	00011 9840101385A 9840101385B 9840101385C 9840101385D 9840101385E	VERIZON WIRELESS CELL PHONE_ADMIN CELL PHONE_FINANCE CELL PHONE_ENGINEERING CELL PHONE_OPS CELL PHONE_WTP	10/22/2019		73.65 94.45 44.63 401.77 607.37
		Total for Check Number 18180:		0.00	1,221.87
18181	00011 9840101386A 9840101386B 9840101386C 9840101386D	VERIZON WIRELESS CELL PHONE_ADMIN CELL PHONE_OPS CELL PHONE_ENVIRON CELL PHONE_WTP	10/22/2019		24.65 309.60 51.45 102.91
		Total for Check Number 18181:		0.00	488.61
18182	00268 12414 12416 12417 12418	WATTS ON GENERAL SERVICE_OPS GENERAL SERVICE_ADMIN GENERAL SERVICE_WTP GENERAL SERVICE_REDWOOD PARK	10/22/2019		331.52 623.67 784.24 2,430.88
		Total for Check Number 18182:		0.00	4,170.31
18183	00057 OCT19_57	AFSCME COUNCIL 57 UNION DUES_OCT2019	10/25/2019		911.82
		Total for Check Number 18183:		0.00	911.82
18184	10113 NOV2019_10113A NOV2019_10113B	BANK MIDWEST SOLAR LOAN_INTEREST_NOV 2019 SOLAR LOAN_PRINCIPAL_NOV 2019	10/25/2019		743.39 2,506.51
		Total for Check Number 18184:		0.00	3,249.90
18185	00034	DAVE BASLER	10/25/2019		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	NOV19_34	RETIREE MEDICAL_NOV2019			75.00
			Total for Check Number 18185:	0.00	75.00
18186	00099 NOV19_99	JOEL BUSA RETIREE MEDICAL_NOV2019	10/25/2019		125.00
			Total for Check Number 18186:	0.00	125.00
18187	00788 101519_1236074	COMCAST INTERNET_200 ANNIES WAY	10/25/2019		175.19
			Total for Check Number 18187:	0.00	175.19
18188	00076 797082 797085 797159 797610	ERNIE'S AUTO CENTER VE-264_PARKING LIGHTS VE-264_HEADLIGHT VE-249_GAS CAP VE-510_BATTERY	10/25/2019		5.88 18.63 16.16 153.59
			Total for Check Number 18188:	0.00	194.26
18189	00016 4341001	GREENWASTE RECOVERY,INC MONTHLY DUMPSTER SERVICE_SEPT 2019	10/25/2019		413.08
			Total for Check Number 18189:	0.00	413.08
18190	00208 NOV19_208	LEONARD KUHNLEIN RETIREE MEDICAL_NOV2019	10/25/2019		125.00
			Total for Check Number 18190:	0.00	125.00
18191	10074 19-0237	MAY & ASSOCIATES APPRAISAL FEES_DUNDEE AVE_WO#845	10/25/2019		400.00
			Total for Check Number 18191:	0.00	400.00
18192	00313 NOVEMBER2019.A NOVEMBER2019.B NOVEMBER2019.C NOVEMBER2019.D NOVEMBER2019.E NOVEMBER2019.F NOVEMBER2019.G NOVEMBER2019.H NOVEMBER2019.I NOVEMBER2019.J NOVEMBER2019.K NOVEMBER2019.L NOVEMBER2019.M NOVEMBER2019.N NOVEMBER2019.O	MET LIFE DENTAL_ADMIN DISABILITY_ADMIN LIFE INSURANCE_ADMIN DENTAL_FINANCE DISABILITY_FINANCE LIFE INSURANCE_FINANCE DENTAL_ENGINEERING DISABILITY_ENGINEERING LIFE INSURANCE_ENGINEERING DENTAL_OPS DISABILITY_OPS LIFE INSURANCE_OPS DENTAL_WTP DISABILITY_WTP LIFE INSURANCE_WTP	10/25/2019		192.14 84.83 33.30 1,425.60 287.43 138.19 258.32 96.24 33.30 1,778.27 310.11 176.49 1,243.97 314.81 139.86
			Total for Check Number 18192:	0.00	6,512.86
18193	00662 NOV19_662	JAMES A. MUELLER RETIREE MEDICAL_NOV2019	10/25/2019		50.00
			Total for Check Number 18193:	0.00	50.00
18194	10272	PRIORS TIRES	10/25/2019		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	10419	VE-320 TIRE REPAIR			130.00
			Total for Check Number 18194:	0.00	130.00
18195	00050 APN_084-061-18	CO. OF SANTA CRUZ RECORDER'S OF RECORDING FEES_APN 084-061-18	10/25/2019		15.00
			Total for Check Number 18195:	0.00	15.00
18196	00166 1239300_FY1920	SANTA CRUZ COUNTY TAX COLLECT NON-STANDARD SEPTIC INSPECTIONS_FY	10/25/2019		101.00
			Total for Check Number 18196:	0.00	101.00
18197	10119 101719_10119	TAYLOR TOCCALINO UNIFORMS	10/25/2019		54.48
			Total for Check Number 18197:	0.00	54.48
18198	00093 101719_93	JOHN TREGEMBO CERTIFICATION RENEWAL	10/25/2019		140.00
			Total for Check Number 18198:	0.00	140.00
18199	00369 NOV19_369	CAROLE TRIANTAFILLOS RETIREE MEDICAL_NOV2019	10/25/2019		125.00
			Total for Check Number 18199:	0.00	125.00
18200	00129 174696769-001	UNITED RENTALS (NORTH AMERICA) PINE TANK ACCESS ROAD	10/25/2019		1,114.35
			Total for Check Number 18200:	0.00	1,114.35
18201	00721 114-9283909	UNITED SITE SVCS.,INC QUAIL YARD TOILET SERVICE	10/25/2019		220.63
			Total for Check Number 18201:	0.00	220.63
			Report Total (96 checks):	0.00	391,613.73

EFT & DIRECT CHECK TRANSACTIONS

Oct-19



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

Date	Check No	Vendor	Description	Amount
10/9/2019	EFT	PAYCHEX	ADMIN & DELIVERY FEES	\$ 245.75
10/8/2019	EFT	PAYCHEX	PAYROLL	\$ 107,104.66
10/9/2019	DIRECT CHECK	PAYCHEX	PAYROLL	\$ 7,468.09
10/23/2019	EFT	PAYCHEX	ADMIN & DELIVERY FEES	\$ 308.75
10/23/2019	EFT	PAYCHEX	PAYROLL	\$ 113,794.11
10/23/2019	DIRECT CHECK	PAYCHEX	PAYROLL	\$ 6,707.82
10/11/2019	EFT	PAYCHEX	PAYCHEX INVOICE	\$ 408.66
10/11/2019	EFT	CALPERS	RETIREMENT BENEFITS	\$ 18,454.70
TOTAL EFT TRANSACTIONS				<u>\$ 254,492.54</u>



NOSSAMAN LLP

Memorandum

TO: Board of Directors,
San Lorenzo Valley Water District

FROM: Gina R. Nicholls, District Counsel

DATE: November 7, 2019

RE: Legal Department Status Report
502665-0001

I have been asked by the San Lorenzo Valley Water District (“District”) to provide information about the District’s legal expenditures in a format that is suitable for public disclosure.¹ Since the last legal department status report dated October 17, 2019, the most significant broad categories of expenses arise from providing legal advice and support in the following areas, listed in descending order of their approximate significance in terms of cost to the District:²

- Board meetings
- Personnel & employment matters
- District policies & procedures
- Advice & counsel regarding new legislation
- Bankruptcy
- SGMA and water rights
- Real property
- Financing post-closing issues
- Other

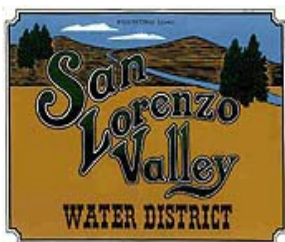
¹ Legal work performed for the District is confidential and privileged. Accordingly, the information provided herein is written in broad and general terms to avoid waiver and any disclosures that might compromise the District’s interests in pending or future legal matters.

² List includes general and special counsel work by Nossaman and other law firms, if any, representing the District; however, it excludes any such work performed by counsel appointed and paid by the District’s insurance providers (i.e., counsel not paid by the District).

Memorandum
November 7, 2019
Page 2

The most significant areas of effort over the next month are likely to include the following:

- Board meetings
- District policies & procedures
- Real property
- Contracts
- Personnel & employment matters



MINUTES OF SPECIAL ENVIRONMENTAL COMMITTEE MEETING

Responsible for matters of stewardship of the District's property including: Urban Water Management Plans; Water Conservation Programs; Classis Watershed Education Grants; Watershed Management; Resource Management and other environmental related matter.

Wednesday, **October 16, 2019 at 9:30 a.m.** at the Operations Building, 13057 Highway 9, Boulder Creek, California.

MINUTES:

1. Convene Meeting
Roll Call: J. Supp, R. Moran, E. Fresco. Planned absence by L. Farris & K. O'Connor.

Staff: R Rogers & H. Hossack
2. Oral Communications:

J. Mosher-Felton, questioned the Environmental Manager position.

T. Thompson-Ben Lomond, addressed the Committee regarding contaminated water in California. He said that the Quail Hollow wellfield tested positive for contamination.

R. Rogers asked for the contact info for Mr. Thompson and the Water Quality Supervisor will contact him.

L. Ford said he is there to help with Fire Prevention Management item.
3. Old Business:
 - A. FIRE PREVENTION MANAGEMENT
R. Moran introduced this item.
R. Rogers explained the history of the Fire Prevention Management Plan and introduced the Fire Prevention Planning Strategy.
L. Ford-Felton, said the plan is to start by identifying other agencies in the Valley we should be working with. Should be Fire Management Strategy.
Discussion by the Committee, staff and public regarding this plan.
J. Mosher commended Farris, Ford and Rogers for the work they've done.
Discussion by the staff regarding the Environmental Manager position relative to the Fire Prevention Management.
T. Thompson questioned the plan for electric car fires.
R. Rogers said that the District is aware of the danger of electric car fires.
L. Ford added that all agencies should be working together.
R. Moran said that the Water Conservation Plan signs on the highway could be Fire Prevention signs on the highway also.
R. Rogers noted other signage possibilities.

R. Moran questioned if a motion was needed to continue with this project.
R. Rogers that we need a RFP for Fire Management.
T. Thompson added that it's important that the District doesn't add fuel load to the problem.
R Moran made a motion to recommend to the Board that they approve a Request for Proposal on a Fire Management Plan Consultant.
All present voted in favor of the motion. Motion passed.

4. New Business:

A. INTEGRATED PEST MANAGEMENT PLAN (IPMP)

R. Moran introduced this item.

Discussion by the Committee and staff regarding the IPMP.

J. Mosher said that he and the Friends of the Felton Library would like to partner with the District on this item.

J. Supp said that he said that it is not clear how this can be done with the scope of the plan.

Discussion by the Committee and staff regarding the priorities for

R. Moran shared a non-poisonous Pesticide free animal trap.

R. Rogers would like the Committee to put together an outline for the IPMP.

Discussion by the Committee and staff regarding

J. Mosher said that this plan is needed for the whole District and community.

Discussion by Committee and staff regarding IPMP.

5. Informational Material: None

6. Adjournment 10:44

To: San Lorenzo Valley Water District Board of Directors
Date: October 29, 2019
Subject: Santa Margarita Groundwater Agency Board of Directors Meeting Summary
Meeting date: October 24, 2019

The Board of Directors approved the following [agenda items](#):

- 2.1 September 26, 2019, meeting minutes. and internship reimbursement for SVWD.
- 4.1 Sustainable Groundwater Management (SGM) Program Planning Grant – Round 3

The Board directed staff to schedule the next Board of Directors meeting on 11 December, 2019.
The Board directed staff to initiate the editorial review process for the draft GSP's Section 1.
The Board directed staff to notify them any abnormal spending or consistent cost increases outside of the new quarterly financial report cycle.

You may listen to audio recording of the October 24, 2019 Santa Margarita Board of Directors meeting [here](#).

Submitted by,

Nicholas Wallace
Administrative/Office Assistant
Santa Margarita Groundwater Agency

Board of Directors
San Lorenzo Valley Water District (District)
October 17, 2019

Betsy Herbert, Ph.D.
Former SLVWD Environmental Analyst
6560 NW Vineyard Dr.
Corvallis, OR 97330

Dear Board Members:

I oppose all of your proposed changes to the District's mission statement. First, changing "equitable price" to "lowest possible sustainable price" would prioritize cost cutting over essential and established environmental protection goals, objectives and policies. This change directly contradicts the stated PRIMARY GOAL of the District's Watershed Management: "Manage District watershed lands to protect and enhance ecosystem health and water quality, while managing District water sources to provide a reliable water supply in perpetuity." (p. 2-5, SLVWD Watershed Management Plan, Part II, Goals, Objectives and Policies).

Second, changing "manage and protect the environmental health of the aquifers and watersheds" to "protect the environmental health of the land and aquifer upon which the District's water sources depend and facilities reside" would leave the door open to removing the District's commitment to protecting parts of its current land ownership, as well as entirely removing its commitment to its partnerships in protecting the greater San Lorenzo River Watershed.

With regards to District-owned watershed lands:

Your board has stated on many occasions that SLVWD must focus on replacing aging water supply infrastructure. Yet, your board seems unaware of the hugely significant economic contributions that are already provided through District-owned watershed lands. These free natural benefits are widely known as "Green Infrastructure." These natural benefits include water filtration provided by maturing forest cover (for water quality) and water storage by forest soils that slowly releases water to your diversions during the dry times of the year (water quantity). Historically, SLVWD has recognized the value of Green Infrastructure in its strategy of buying and protecting watershed land around its water sources.

Below is an excerpt from the American Rivers (<https://www.americanrivers.org/threats-solutions/clean-water/green-infrastructure/what-is-green-infrastructure/>) that simply explains some basic concepts of green infrastructure and why it is important economically.

Why Choose Green Infrastructure?

Nature works best: Rivers, streams, wetlands, floodplains, and forests provide a suite of critical services like clean water and flood protection, and should be viewed as essential and effective components of our water infrastructure. New York City has great quality tap water because the city invested in water protection by purchasing land around its Catskills reservoirs to ensure that polluted runoff from roads and lawns doesn't enter the water supply. The city's \$600 million

investment in Catskills land protection and restoration did the job of \$6 billion in capital costs to construct a water filtration plant as well as \$200-300 million in annual operation and maintenance costs.

We can't waste money: Spending money wisely means investing in multi-purpose solutions that lower costs and provide more benefits. Recently, the City of Indianapolis announced that by using wetlands, trees, and downspout disconnection to reduce stormwater flows into their combined sewer system, the City will be able to reduce the diameter of the planned new sewer pipe from 33' to 26', saving over \$300 million.

We must enhance community safety and enjoyment: Traditional infrastructure isn't designed to handle the increased floods and droughts that come with global warming, so we need a modern approach to protect public health, safety, and quality of life. Green solutions give communities the security and flexibility they need. Napa, CA solved flooding problems by choosing to restore the Napa River's natural channel and wetlands, rather than lining the river with concrete. The effort has protected 2,700 homes and prevented \$26 million in flood damage each year, and has created new parks and open space. *(End of excerpt)*

Your current watershed management plan describes District-owned landholdings and explains their importance to protecting water supply and quality. (See Existing Conditions Report, Chapter 2, Overview of District Lands and Water Supply).

Below is a map of Figure 2-3 on page 2-10 that shows the largest tract of approximately 1,625 acres of District-owned lands (in blue) surrounding its major water diversions on Ben Lomond Mountain. Please note that much of the surrounding land is either residential (pink) or timber land (green). If those lands were sold, they would no doubt be developed or timbered. Other District landholdings include the Felton watershed lands (252 acres) around Fall Creek and the Olympia Watershed lands (167 acres), which serve as the recharge area for the District's primary ground water diversion.

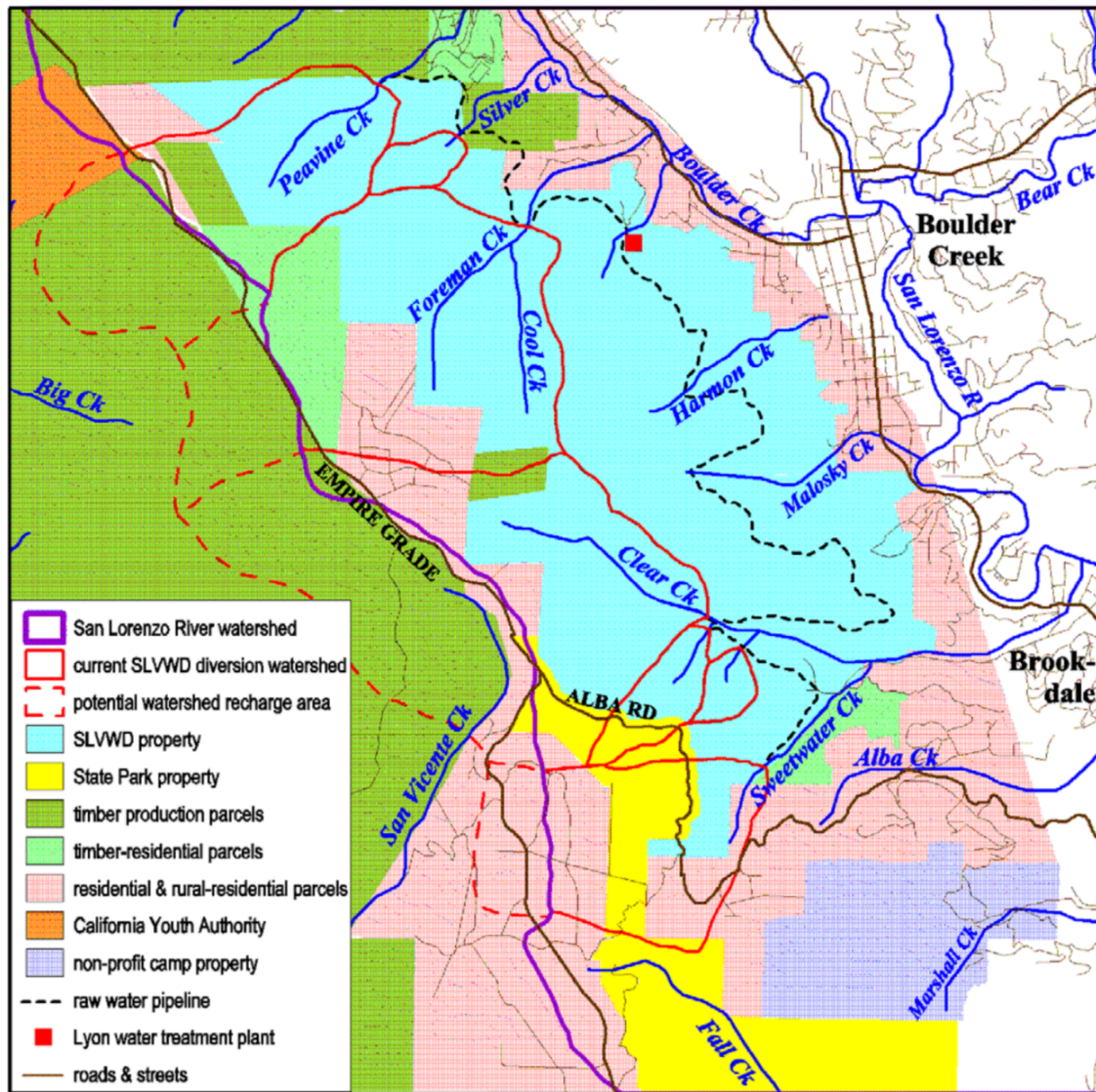
Even if District-owned lands outside the recharge area were sold off, the risk of flooding and landslides above the town of Boulder Creek would be greatly increased.

The District is indeed fortunate to own this watershed land. Most water utilities nationwide, which depend on surface water, draw water from watersheds over which they have little or no control. Therefore, water utility managers view land acquisition as one of the most effective ways to protect water quality (Elizabeth Herbert, 2007: "Forest Management by West Coast Water Utilities: Protecting the Source?" Journal of the American Water Works Assn.)

Emphasis on source water protection for public drinking water supplies has steadily increased since passage of the 1996 Safe Drinking Water Act (SDWA) amendments. The focus of the federal Clean Water Act began to shift toward addressing watershed-wide pollution from human impacts, such as sediment and nutrients. The 1996 amendments to the SDWA initiated a new emphasis on source water protection, away from total reliance on expensive water treatment solutions. At the same time, local and state environmental groups strengthened their resolve, in response to the weakening of federal laws and enforcement during the 1980s. This period

witnessed a marked rise in groups monitoring the health of watersheds, with an emphasis on pollution prevention, restoration and protection of ecosystems.

Figure 2.3. Primary land uses in the vicinity of the District's surface water sources.



Source: Johnson, 2007.

To consider selling off any District-owned watershed land would be a catastrophic mistake that flies in the face of your fiduciary responsibility and dismisses the hard work and investment strategy of past boards and staff, as well as the participation and support of the San Lorenzo Valley community.

I implore your board to continue to protect your green infrastructure by being good stewards of the critical watershed land owned by the District.

With regards to the greater San Lorenzo River watershed:

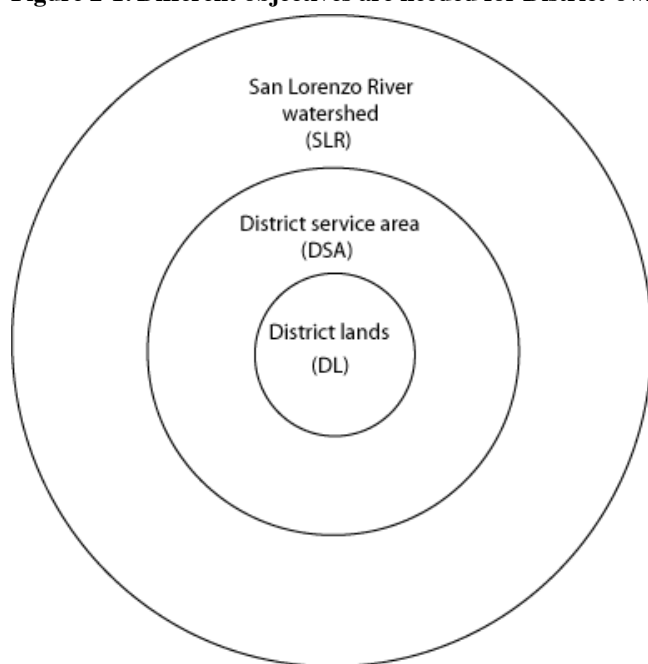
Historically, the District has committed to helping to protect the greater San Lorenzo River Watershed, recognizing that its own water diversions from tributaries of the San Lorenzo River have impacts on downstream uses, such as fisheries and water supply. The District has partnered with other water agencies to protect these watershed resources.

The District's Watershed Management Plan, Part II, Goals, Objectives & Policies explains the District's need for different levels of commitment toward protecting its own lands, its service area, and the greater San Lorenzo River watershed. Following is an excerpt:

“2.4.2 Objectives and policies

In keeping with the District's mission statement, the District seeks to achieve its watershed management goals on its own lands, within its service area, and within the context of the entire San Lorenzo River watershed. For legal and political reasons, however, the District understands the need to define and use different objectives to meet these goals in these different geographical areas. As Figure 1 shows, the District has the most control and the greatest ability to create desired conditions on its own lands. It must increasingly rely on community and agency partnerships as it seeks to attain its goals within its service area, and within the greater watershed.

Figure 2-1. Different objectives are needed for District-owned lands, District service area, and overall watershed.



While the District seeks to achieve its management goals throughout the entire San Lorenzo River watershed, it must employ different strategies on its own lands, in its service area, and with the greater watershed.

On District owned lands, the District is required to follow all applicable county, state, and federal rules and regulations, and should also adhere to best management practices. The District is a non-regulatory agency that lacks broad land use powers within its jurisdiction. The District can exercise control over the lands that it owns through policies and ordinances, such as those described in this document. This enables the District, at the discretion of its Board, and after weighing public input, to define and apply higher standards to its own lands than is required by federal, state, and county regulations.

Within the District service area, the District has limited legal powers under the California Water Code (Division 12, Part 5, Sections 31,000-31,187), which can be used to protect drinking water resources. Perhaps more importantly, the District may also provide incentives and public outreach to its customers and the community to help achieve its watershed management goals within its service area.

Within the greater San Lorenzo River watershed, the District must increasingly rely on partnerships with other agencies and community groups to achieve its goals relative to the entire watershed for the benefit all of its stakeholders. The District must also consider potential impacts to the greater watershed resulting from management decisions applied to its own lands and within its service area.” (End of excerpt).

Therefore, removing the District’s commitment to protecting the greater San Lorenzo watershed would essentially dissolve the partnerships that the District has worked hard to form over the decades for the benefit of the entire San Lorenzo Valley. This is foolish and **unacceptable**.

Finally, I oppose the proposed change of the wording of the mission statement from commitment to providing “reliable, safe, high quality water for future generations” to commitment to providing future generations with “fiscal vitality and infrastructure integrity.” Again, this change shortchanges the public in the long-run, and contradicts the stated PRIMARY GOAL of the District’s Watershed Management: “Manage District watershed lands to protect and enhance ecosystem health and water quality, while managing District water sources to provide a reliable water supply in perpetuity.” (p. 2-5, SLVWD Watershed Management Plan, Part II, Goals, Objectives and Policies).

Sincerely,

Betsy Herbert, Ph.D.

5 of 5

Holly Hossack

From: Matt Johnston <Matt.Johnston@santacruzcounty.us>
Sent: Thursday, October 24, 2019 11:02 AM
To: Board of Directors
Subject: New article on Glyphosate

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Board members,
I urge you to read the linked article on Glyphosate.

<https://slate.com/technology/2019/10/glyphosate-does-not-cause-cancer-saves-native-plants.html>

Matt Johnston
Environmental Coordinator
Principal Planner for Code Compliance
County of Santa Cruz
(831) 454-5357

SCIENCE

Roundup Hysteria

Misinformation about one of the safest herbicides ever produced has created a lucrative business for ambulance-chasing lawyers and NGOs—at the expense of native species.

By TED WILLIAMS
OCT 14, 2019 9:00 AM

You’ve seen the ads flooding television and social media: “Have you been exposed to weed killer Roundup? If you have cancer, you may be eligible for compensation. Call our law offices ...”

In 2018 and 2019, California juries ordered Roundup’s producer, Monsanto, to pay multimillion-dollar compensations to four non-Hodgkin lymphoma patients who claimed to have been sickened by Roundup (one of dozens of formulations with herbicide glyphosate as the active ingredient). As a result, there are now close to 20,000 lawsuits against the company from people who also allege that exposure to Roundup gave them cancer.

The California verdicts will almost certainly be overturned on appeal because they were based on the alleged failings of Monsanto, not on any scientific evidence that Roundup causes cancer. Follow-up suits that aren’t settled are likely to fail, too.

All scientific bodies that have seriously studied glyphosate report no link to cancer. These include the World Health Organization. But WHO’s loosely connected appendage—the International Agency for Research on Cancer—postulates a “probable” link. Instead of studying glyphosate, it reviewed existing studies of the herbicide. Based on this 2015 review, IARC placed glyphosate on its “2A List” of substances with “limited evidence of carcinogenicity in humans and sufficient evidence of carcinogenicity in experimental animals” or, in IARC’s abbreviated translation, “probably carcinogenic.” That list also includes “very hot beverages” and “red meat.”

Lee Van Wychen, executive director of science policy for the National and Regional Weed Science Societies, offers this: “IARC’s review was such a crooked scam! I’ve never seen anything like it. ... IARC cherry-picked a couple studies and on top of that fudged the results of those studies. They did these odds-ratio calculations—a correlation, not even a mechanistic cause—of how glyphosate *might* cause cancer. Now there are people on the conservation side who are afraid to use glyphosate.”

Van Wychen assesses the studies IARC reviewed that supposedly indicate “sufficient evidence of carcinogenicity in experimental animals” as follows: “They dosed rats with glyphosate to the point they couldn’t even stand up straight.” On Oct. 19, 2017, Reuters reported that IARC

“dismissed and edited findings from a draft of its review of the weed killer glyphosate that were at odds with its final conclusion.”

The California verdicts, the lawyer feeding frenzy, and Roundup hysteria all issued from IARC’s speculation.

The week IARC published its minority opinion the review’s leader, Christopher Portier, who served as a special adviser on the review, signed on as a litigation consultant for counsel suing Monsanto on behalf of alleged glyphosate cancer victims. He reportedly received \$450 per hour.

California responded to the IARC review by ordering that all glyphosate products carry a cancer warning. On Feb. 26, 2018, a federal judge struck down the requirement, ruling it “inherently misleading ... when apparently all other regulatory and governmental bodies have found the opposite.”

When I inform people that glyphosate doesn’t cause cancer, I tend to get responses like: “OK, drink a glass.” I could, with impunity. It’s a plant poison that passes harmlessly through human digestive tracts. “LD50” stands for the lethal dose that kills half the test animals when given to them in doses per unit of body mass. Higher is safer. For rats, caffeine’s LD50 is 192 mg/kg. Glyphosate’s is 5,600 mg/kg.

Yet, some environmental groups are calling for a total ban on glyphosate, and many are recycling the untruth that it’s carcinogenic. These include the Environmental Working Group, Center for Biological Diversity, Natural Resources Defense Council, EcoWatch, Greenpeace, U.S. Public Interest Research Group, Sierra Club, and Friends of the Earth.

That they hate Monsanto is understandable. Monsanto’s parent company, Bayer, produces and promotes truly dangerous products like neonicotinoid insecticides (which poison pollinators). Monsanto has also created genetically modified crops that are immune to Roundup and allow agribusiness to blitz entire plantations, weeds and all.* When Roundup (or any chemical) is overused like this there can be environmental damage.

“When you apply the same herbicide on 200 million acres multiple times a year, a few weeds are gonna get lucky and then pass on their resistance,” says Van Wychen.

These “super weeds” then require more dangerous herbicides like Monsanto’s Dicamba, which can drift long distances. In 2018, it killed crops on hundreds of Midwest farms. There’s also evidence that massive doses of glyphosate applied to ag land can limit amphibians and such insects as milkweed-dependent monarch butterflies.

And the blast-everything approach to ag-land weed management enabled by Monsanto’s GMOs has resulted in trace amounts of glyphosate showing up in cereal, wine and beer. They’re small amounts that don’t affect human health, but I don’t blame consumers for objecting.

“I get pissed off at Monsanto myself,” says Van Wychen. But none of this makes glyphosate a carcinogen.

Here’s why protecting the proper, responsible uses of glyphosate matters so much (and should matter to the very organizations that want the herbicide off the market): A total ban on all glyphosate use would be an unmitigated disaster for fish and wildlife. Glyphosate is the most effective tool, often the only tool, wildland and aquatic managers have for restoring fish and wildlife habitats destroyed by alien plants. Even when they spray glyphosate, they use minuscule amounts and frequently they merely inject it into individual plants or paint it onto cut stems.

“Sure, it’s always better to use no-toxic alternatives, if they’re practicable,” says Dan Ashe, who directed the U.S. Fish and Wildlife Service under Barack Obama. “Often, however, they’re simply not. For instance, it would have been possible to hand-pull the head-high invasive verbesina from the ground at Midway Atoll National Wildlife Refuge, but it would have taken time and personnel that were simply not available. Use of herbicides like Roundup can accelerate the work, creating urgently needed nesting space for thousands of albatrosses.”

One boots-on-the ground NGO that gets it about glyphosate is the Nature Conservancy (for whom, full disclosure, I contribute a column to its online magazine). It applies glyphosate more

In August I toured TNC’s floodplain-forest restoration project at the Silvio Conte National Wildlife Refuge along the Connecticut River in Massachusetts. Guiding me was TNC’s floodplain ecologist, Christian Marks.

Floodplain forests are endangered habitats. American elm, the oldest and most abundant floodplain species, has been devastated by Dutch elm disease. But TNC and its partners have developed disease-resistant elms. Marks and his team are planting these and other vanishing floodplain species in the refuge’s abandoned hayfields.

But first they must eradicate alien vegetation that would otherwise shade out seedlings. Their *only* option is glyphosate.

The results I saw were stunning and uplifting: fields bright with native forbs and wildflowers; bees, hummingbirds and butterflies nectaring on blooms; goldfinches gorging on thistle seed; kingbirds hawking insects. Inside deer-proof electric fences planted saplings thrived.

Floodplain trees produce seeds in spring, refueling countless species of birds exhausted from migration. That’s why migratory birds follow river corridors north.

Elms, highest in the floodplain, drop seeds first because that’s where the spring freshet first recedes, then silver maples, then cottonwoods, then willows, each feeding different bird species as they arrive.

Recently, representatives of an environmental group (Marks can’t remember which) knocked on his door, asking that he sign a petition to ban glyphosate on all public lands. “A ban would have blocked this restoration,” he told us.

America's three coasts and inland lakes and rivers are blighted by phragmites, an alien grass. It's crowding out native plants and evicting mammals, birds, reptiles, amphibians, fish, and invertebrates—which, given that surviving habitats are fully occupied, is often a death sentence.

In Utah, for example, phragmites has wiped out gamefish and waterfowl and pushed a federally endangered fish—the June sucker—closer to extinction.

Phragmites roots run so deep that it in most cases the only management option is herbicide, usually glyphosate.

Aaron Eagar, the state's noxious-weed program manager, explains: "Utah Lake has 7,000 acres of phragmites around its shoreline. In the 1950s it wasn't there. For the last seven years we've treated it with Rodeo [a glyphosate formulation labeled for water], and we've brought back lots of natives and opened up areas for fish and fishing."

In the Everglades, Old World climbing fern smothers critical wildlife habitat called "tree islands," evicting (therefore killing) raptors, ducks, wading birds, marsh rabbits, deer, raccoons, opossums, otters, reptiles and amphibians.

Wherever the South Florida Water Management District treats infested tree islands with glyphosate, it reports "amazing results, speedy resurgence of native ferns and forb-type understory plants."

"We thought all the native canopy growth was dead," says district invasive species biologist LeRoy Rodgers. "Though stressed and defoliated, species like dahoon holly, swamp bay, wax myrtle, coco plum and red maple are coming back."

California verdicts notwithstanding, there's zero evidence that glyphosate causes cancer or otherwise endangers the public. But bans on all glyphosate use are proliferating locally, and a national ban seems possible if not probable. The safety of herbicides needs to be determined by scientists, not chemophobic California jurors or vulturine attorneys. The health of our native ecosystems depends on it.

Update, Oct. 18, 2019: This article has been updated with information clarifying Christopher Portier's role with regard to the IARC review.

Correction, Oct. 18, 2019, 11:20 a.m.: An earlier version of this article misstated that Monsanto makes neonicotinoids when it is Monsanto's parent company, Bayer, that produces them.

Is Santa Cruz County H2O-ready?

Next quake:

By Jessica A. York

Rick Rogers, then district director of operations,

jyork@santacruzsentinel.com @reporterjess on Twitter

BOULDERCREEK>> In the aftermath of the Loma Prieta 6.9 temblor and its aftershocks, hundreds of underground utility pipes began “bleeding” out the region’s water supply.

Most customers affected were asked to conserve for a few days, maybe told to boil their tap water to be safe. Others, especially in the mountain communities, waited for about a week for water service to resume as district employees raced to repair ruptured pipes and refill emptied holding tanks. San Lorenzo Valley Water District, then serving 5,400 homes in the Boulder Creek area, needed some \$1 million worth of infrastructure repairs for 80 main breaks and other problems, former District Manager Jim Mueller told the Sentinel in 1989 and 2009.

was standing in a windowless office talking to his boss, Mueller at the time the quake struck and the lights went out at 5:04 p.m. on Oct. 17, 1989. Now, Rogers himself serves as the district’s manager. After making his way out of the building and checking on his bed-confined 90-year-old mother, Rogers on Wednesday recalled that he quickly got down to work.

“We started shutting down the reservoirs and doing assessments of the water system and we realized that we had major damage,” Rogers said. “A lot of our wood reservoirs ratcheted, catastrophically failed and were just empty.”

While the smaller redwood reservoirs sprayed out water until they had emptied, one aftershock lifted a large steel reservoir tank off its foundation, Rogers said. All

“We have a lot more generators, we have a lot more storage, a lot more sources of supply. We’d be in a lot better shape,” Rogers said, echoing comments heard in recent interviews with water district leaders across the county.

Since 1989, however, the mountain water district has grown, consolidating with the former Citizens Utilities of Felton and Lompico Water District — which respectively faced 40 main breaks and the loss of half its storage tanks plus dozens of burst water mains. Rogers said plans are in progress to make significant capital improvements in the Lompico area, such as replacing facilities, installing more generators and moving a majority of its water storage to higher elevations so as to more heavily use gravity, rather than electricity, to reach customers.

extra precautions with PG& E’s warning because it was going to be districtwide.”

Working Together

Scotts Valley Water District fared better than most of its county peers, with one main break and minor damage to one tank, about a \$17,400 repair bill. Even so, said General Manager Piret Harmon, Santa Cruz County water agencies have learned much in the intervening decades.

“As you know, we are on our own,” Harmon said. “We get zero state and federal imported water, so whatever is local is local and the more we can work together across jurisdictional boundaries, the better off we are and are going to be.”