



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
AGENDA
May 16, 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, May 16, 2019 at 6:30 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 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:

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.

4. 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. GRAND JURY

Follow-up to Grand Jury response regarding their letter.

5. 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. RESOLUTION OF APPRECIATION FOR MARGARET BRUCE

Discussion and possible action by the Board regarding Appreciation of Margaret Bruce Resolution No. 32 (19-20).

b. FISCAL YEAR 2019/20 BUDGET REVIEW

Discussion and possible action by the Board regarding the review of the FY 2019/20 Budget.

6. 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 MAY 2, 2019

Consideration and possible action by the Board to approve minutes from the May 2, 2019 BoD meeting.

7. 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
 - Status Report
 - Quarterly Financial Report
 - Bill List
- Legal
- Operations

- COMMITTEE REPORTS
 - Future Committee Agenda Items
 - Committee Meeting Notes/Minutes
 - B & F Committee Minutes 4.9.19
 - Environmental Committee Minutes 4.11.19
 - LADOC Workshop 4.17.19
 - Admin Committee Minutes 5.1.19
 - B & F Committee Minutes 5.7.19

8. Written Communication:

- Letter to Board from Valley Women's Club-Environmental Committee
- Letter to Board in Support of B. Hollenbeck
- Email from J. Graham
- Email from E. Watson
- Email from V. Wright
- Email from J. Thayer
- Email from J. & L. Gomez

9. Informational Material:

- Call for Nominations from LAFCO 4.24.19
- Water District Criticized - SC Sentinel 5.7.19

10. 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).

11. 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.

12. Adjournment to Closed Session

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

- a. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
 - Government Code Section 54956.9(d)(1)
 - Holloway v. Showcase Realty Agents, Inc. et al.
 - (Santa Cruz Superior Court Case No. CV180394; 6th District Court of Appeal Case Nos. H044505, H044800).

- b. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Vierra v. San Lorenzo Valley Water District, et al.
(Santa Cruz Superior Court Case No. 18CV00890)

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.

13. Report of Actions Taken in Closed Session

14. Adjournment

Certification of Posting

I hereby certify that on May 10, 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 May 10, 2019.

Holly B. Hossack
District Secretary



NOSSAMAN LLP

Memorandum

TO: Board of Directors,
San Lorenzo Valley Water District

FROM: Gina R. Nicholls, District Counsel

DATE: May 16, 2019

RE: Grand Jury Follow-Up
502665-0001

RECOMMENDATION:

Review the attached draft response to follow-up correspondence from the Santa Cruz County Civil Grand Jury and provide edits. (See Attachments 1 & 2.)

An extension of the Grand Jury's May 17 due date has been requested, and if approved, it will not be necessary to finalize and approve the draft response at this time.

BACKGROUND:

On May 31, 2018, the Grand Jury issued its 2017-2018 report entitled: "*San Lorenzo Valley Water District: Encouraging the Flow of Information to the Public.*" (Attachment 3.) The Report set forth three findings and eight recommendations to which the Board was required to respond in writing. On August 22, 2018, the Board submitted its written response to the Grand Jury. (Attachment 4.) The Board's response included commitments to implement the Grand Jury's eight recommendations, and provided projected timeframes for each item.

The Board is in receipt of correspondence from the Grand Jury that requests a follow-up report by May 17, 2019. In particular, the Grand Jury is requesting (1) documentation reflecting implementation of each recommendation, or (2) for each recommendation that has not been implemented, "all documentation related to the analyses, discussions, and other steps you took to consider the recommendation."

Some or all of the materials that the Board provides to the Grand Jury in response to its follow-up request(s) may be posted to the Grand Jury's website. The Board can anticipate possible additional follow-up requests from the Grand Jury.

STRATEGIC PLAN:

Element 6.0 Public Affairs

Element 9.0 Administrative Management

FISCAL IMPACT:

TBD

ATTACHMENTS:

Attachment 1 - Proposed [draft] response to the Grand Jury

Attachment 2 - Correspondence from the Grand Jury to SLVWD's Board of Directors,
dated April 18, 2019

Attachment 3 - 2017-2018 Grand Jury Report entitled, "*San Lorenzo Valley Water
District: Encouraging the Flow of Information to the Public*"

Attachment 4 - SLVWD Board Response to Grand Jury Report, dated August 22, 2018

Attachment 1

DRAFT Letter Response to Santa Cruz County Grand Jury

[SLVWD Letterhead]

May __, 2019

Ms. Peggy Flynn, Foreperson
2018-19 Santa Cruz County Grand Jury
701 Ocean Street, Room 318-I
Santa Cruz, CA 95060
Email: grandjury@scgrandjury.org

Re: Response to Follow-Up Correspondence from Santa Cruz County Grand Jury,
dated April 18, 2019

Dear Ms. Flynn:

The Board of Directors ("Board") of the San Lorenzo Valley Water District ("SLVWD" or "District") is in receipt of your correspondence dated April 18, 2019, which seeks follow-up information about actions taken in response to each of the eight recommendations set forth in the 2017-18 Grand Jury's report entitled, *"Encouraging the Flow of Information to the Public."* Each recommendation is copied below along with a corresponding status update regarding its implementation.

Recommendation R1.

LADOC [short for the Lompico Assessment District Oversight Committee] should produce an annual report detailing the status of Assessment District revenues and expenditures.

Status update R1.

The LADOC Charter written and adopted by LADOC and approved by the Board on March 21, 2019, establishes a format for the LADOC annual report and states that the report will be completed "as soon as possible after June 30 of each year, presented using preliminary financial data." Thus, the first annual report is anticipated to be completed in the third quarter of 2019.

Recommendation R2.

The District should schedule annual public study sessions or workshops to review the LADOC annual report and discuss the administration of the Assessment District (AD), in order to provide in depth information to the public about the timing, funding, and execution of AD projects.

Status update R2.

The District remains committed to scheduling annual workshop-style meetings to review the LADOC annual report following its release. As described above, the first LADOC annual report

is anticipated to be completed in the third quarter of 2019, and the first such workshop-style meeting will follow its release.

Recommendation R3.

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

Status update R3.

As stated above, the LADOC Charter was written and adopted by LADOC and approved by the Board on March 21, 2019. A copy of the LADOC Charter is enclosed with this letter.

Recommendation R4.

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

Status update R4.

The LADOC Charter confirms the scope of LADOC's authority and the professional, technical, and administrative support to be provided by the District.

Recommendation R5.

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

Status update R5.

The LADOC Charter confirms the District's commitment to provide training to LADOC members on topic including Brown Act, Roberts Rules of Order, Conflict of Interest, and any other training as deemed useful and requested by the Committee. The first such training was offered on January 23, 2019, on Brown Act and Ethics, presented by the Chief Risk Officer of the Special District Risk Management Authority. The District also conducted a charter writing workshop with LADOC on January 28, 2019. Copies of materials for these meetings such as agenda and minutes are enclosed with this letter.

Recommendation R6.

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

Status update R6.

The LADOC Charter confirms the District's commitment to provide training to LADOC members regarding assessment district procedures upon LADOC's request.

Recommendation R7.

The District should record all Board and committee meetings, and post the recordings online for public access.

Status update R7.

The District continues to work with Community Television to videotape its regular Board meetings and make the videos available online to the public. In January 2019 the Board adopted a revised Policy Manual which increases the number of regular Board meetings from one to two per month. This increase in the number of regular Board meetings reduces the need

to call special meetings that generally are not videotaped. Committee meetings are not videotaped due to resource constraints. However, the revised Board Policy Manual calls for summary minutes (rather than action minutes) for all public meetings, and such summary minutes provide more information to members of the public not in attendance by setting forth brief descriptions of meeting discussion. Also, the District continues to experiment with technology that embeds links to audio recordings of meetings into the minutes. The revised Board Policy Manual and examples of minutes in the new format are attached.

Recommendation R8. The District should provide formal training to all Board and committee members and senior staff on how to communicate with the public on contentious issues.

Status update R8. The District remains committed to provide training on how to communicate with the public on contentious issues to all Board and Committee members and senior staff. The District has been made aware of potential training resources on this topic and welcomes any additional suggestions that the Grand Jury may be able to offer. The District intends to provide such training by the end of this year.

Sincerely,

Lois Henry,
President, SLVWD Board of Directors

cc: Rick Rogers, District Manager
Gina Nicholls, District Counsel

Enclosures:

LADOC Charter
Board Policy Manual
Meeting Minutes & Agendas

From: Grand Jury [<mailto:grandjury@scgrandjury.org>]
Sent: Thursday, April 18, 2019 7:44 AM
To: Board of Directors
Cc: Bob Fultz
Subject: Grand Jury Report Follow-Up



County of Santa Cruz

Grand Jury
701 Ocean Street, Room 318-I
Santa Cruz, Ca 95060
(831) 454-2099

April 18, 2019

Members of the Board of Directors
San Lorenzo Valley Water District
13060 Hwy 9
Boulder Creek, CA 95006

Dear Board Members:

In 2018 the Grand Jury issued a report to the San Lorenzo Valley Water District entitled, *"Encouraging the Flow of Information to the Public."* Today the Grand Jury is following up on the actions which you took in response to the recommendations in that report. In your reply, you indicated that you would follow up on the recommendations specified below:

"b. HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE, *with a timeframe or expected date for implementation*"

- Recommendations 1 through 8

For reference, your complete responses are available at: http://www.co.santa-cruz.ca.us/Portals/0/County/GrandJury/GJ2018_final/SLVWDAndThePublic_BoD_Response.pdf

For each recommendation that you committed to implement in the future and then did implement, please provide documentation. For example, if you indicated that you would devise a plan, please provide a copy of the plan.

For each recommendation that you committed to implement but did not implement, please provide all documentation related to the analyses, discussions, and other steps you took to consider the recommendation. Relevant documents might include analyses, proposals, meeting minutes, draft plans, and emails.

All documents submitted to the Grand Jury should be dated. In addition, if your cover letter or cover email presents substantive information, such as describing actions taken or documents created, then you must include the date of every action and every document you reference.

Please email the requested documents to grandjury@scgrandjury.org or send them to Grand Jury, 701 Ocean Street, Room 318i, Santa Cruz, CA 95060, by May 17, 2019.

If you have any questions about this request for documents, please contact us at 831-454-2099 or grandjury@scgrandjury.org.

Sincerely,

A handwritten signature in cursive script, appearing to read "Peggy Flynn".

Peggy Flynn, Foreperson
2018–19 Santa Cruz County Grand Jury



San Lorenzo Valley Water District

Encouraging the Flow of Information to the Public

Summary

Since mid-2016 the San Lorenzo Valley Water District (SLVWD or District) has struggled to address public concerns about a number of controversial issues. The administration of the Lompico surcharge and capital projects, use of glyphosate in the watershed, and a lawsuit involving a former Board member, were among the issues that drew sharp criticism from citizen groups and the press. The criticisms tested the capacity of the District's representatives to maintain productive and civil interactions with the community and, at times, with one another.

Although the Lompico surcharge has now been eliminated, other disputes and communication challenges remain. Issues such as the District's handling of legal matters, management of the Lompico Assessment District and capital projects, and support for the Lompico citizen oversight committee continue to be divisive. In addition, District changes to meeting practices in 2017 have reduced public access to the debate and decision-making process and compromised the community's understanding of the issues.

Better communication on difficult matters, an informed and effective Assessment District oversight committee, and an unwavering commitment to public access, will enable greater transparency and may restore trust and foster better relationships within the SLVWD community.

Role of the Grand Jury

A special note: The Grand Jury conducts all investigations in a confidential manner. Witnesses are admonished not to disclose their contacts with the Grand Jury. In the course of this investigation, however, several interested parties made public statements asserting that an investigation was underway, including speculation about the likely focus and outcome. Thus, it is appropriate to clarify the proper role of the Grand Jury, including its statutory limitations.

The primary function of a civil grand jury is to investigate the function of local government agencies, publish its findings, and recommend ways to improve governmental operations.^[1]

The Grand Jury has no power to remedy individual situations. It cannot vindicate the positions of aggrieved parties nor right past wrongs. The strength of a grand jury investigative report comes from informing the public about the practices of local governmental bodies, with the expectation that an informed public will ensure effective government.

Background

The Santa Cruz County Civil Grand Jury issued a report in 2014 regarding the San Lorenzo Valley Water District's lack of transparency in dealing with the public.^[2] In the wake of that report, the District made a number of positive changes to expand access to the workings of the District, including providing better information in its annual reports and arranging for Community Television of Santa Cruz County (CTV) to record video of all regular Board of Directors meetings. It also made notable organizational and administrative changes. It brought in new senior staff in 2015; it completed its annexation of the Lompico County Water District in 2016; and in the Fall of 2017, it obtained a significant increase in water rates, paving the way for a 10-year capital improvement program to upgrade infrastructure throughout the District.

Since 2016 the District has come under fire again for its lack of transparency. The key issues concern the administration of the conditions of the Lompico merger, as well as the District's handling of several controversial matters. The Grand Jury sought to understand public concerns and to investigate the District's current standards for accountability and transparency.

LCWD-SLVWD Merger

Financial problems, an aging infrastructure, and the threat of state intervention obliged the Lompico County Water District (LCWD) to look to SLVWD for help in 2013. After two years of complex negotiations, SLVWD agreed to annex LCWD if Lompico ratepayers would pass a bond issue to fund infrastructure improvements, and agree to pay a surcharge to cover extra costs related to integrating Lompico operations into SLVWD. The conditions were laid out formally in [Resolution 953-A](#), which all parties refer to as the “merger agreement.” Similarly, while the transaction is more correctly termed an annexation, all parties refer to it as the “merger.”

A bond issue to provide SLVWD with immediate funding for the Lompico infrastructure projects failed by a narrow margin in 2015. The parties then agreed to the formation of an assessment district as a “similar revenue instrument” which would collect the required funds over a 10-year period. In addition, the parties retained the requirement that SLVWD would create a “Lompico oversight committee.”^[3] The assessment district passed in a new ballot measure in March 2016, clearing the way for the merger on June 1, 2016.

By October 2016, Lompico ratepayers were already arguing that changed financial circumstances had reduced the need for the surcharge specified in Resolution 953-A. First, during the year between the failure of the bond initiative vote and the success of the assessment district vote, LCWD passed a significant rate hike, which put it in better financial shape than the merger agreement had contemplated.^[4] Second, SLVWD decided to immediately install a temporary supervisory control and data acquisition (SCADA) system and replace water meters. Those actions substantially reduced the financial burden of integrating and operating the Lompico service area by eliminating the need for workers to monitor water storage tank levels and read the meters in Lompico manually.^[5]

Lompico ratepayers requested a speedy review of the 5-year surcharge, with the goal of bringing the surcharge to an early end. For its part, the District asserted that it needed time to understand the Lompico audited financial statements and future demands. The surcharge review process began ten months later, in April 2017. Over the months of discussions about the surcharge, the public and the District traded accusations that the other was not listening. Civility declined.

While the surcharge involved several hundred thousand dollars over five years, an early controversy arose over a set of mapping charges for three Zayante parcels totalling just \$20,847.^{[6] [7] [8]} The charges were not part of the Lompico merger, but the District included them in the original computation of LCWD’s transferred liabilities anyway.^{[9] [10] [11]} Including these mapping charges meant that Lompico ratepayers would pay for them indirectly through the monthly surcharge. Later, in the course of forecasting whether the surcharge was still needed, the District removed the mapping charges, but did not publicize the change to concerned citizens. The surcharge issue eventually came to a resolution, but because of communication issues, like the Zayante mapping charges, mistrust and dialog problems remained.

Another condition of the merger, the 10-year Assessment District, provided \$2.75 million to fund a set of capital improvement projects specified in the accompanying Engineer's Report.^[12] It also provided for the collection of an additional \$183,000 for interest payments on anticipated loans taken against future Assessment District collections. The Engineer's Report lists the Lompico capital improvement projects and the estimated cost of each project. It contains few other details about the projects or their implementation.

Since the merger, District representatives and members of the public have raised financial issues not addressed in either the merger agreement or the Engineer's Report. These concerns include questions about what adjustments are possible under the Assessment District (AD) if some projects come in substantially over or under budget, or if the District obtains grants to fund any of the listed projects.^[13]^[14] Other questions have focused on the disposition of the funds collected over the years for loan interest if no loans are obtained.^[15] Still other financial concerns are centered on what would happen with the designated AD funds if a listed project is later determined to be unnecessary.^[16]

The construction timeline has been another area of concern. Public discussions and presentations before the merger had laid out the District's plans to start the Lompico projects shortly after the merger, with funding coming from loans taken out against the AD.^[17]^[18] After the merger however, the District staff investigated loan funding and reported back that it found fewer acceptable loan opportunities than it had anticipated. Instead, the District opted for pay-as-you-go construction funding for most years, with a possible bridge loan in years four through seven.^[19]^[20]

In September 2017 the District was successful in obtaining substantial increases in water rates for the next five years to fund capital improvements. This success allowed the District to update its Capital Improvement Program (CIP) to go forward on several critical, long-delayed pre-merger projects.

The new CIP, introduced in November 2017, specifies all District projects for the next 10 years, including all of the Lompico projects identified in the Assessment District Engineer's Report.^[21] The CIP assigns priority rankings to each project. Under this new plan, Lompico projects are still scheduled to be completed within 10 years, but have a lower priority for completion than a number of projects in other service areas.^[22]

Lompico ratepayers have expressed their concerns that the lower priority ranking of the Assessment District projects might lead to delays and higher construction costs, with a possible consequence that some of the AD projects might not be done.

Lompico Assessment District Oversight Committee (LADOC)

The LCWD-SLVWD merger agreement required the formation of a "bond oversight committee." To address that requirement, the District created an oversight committee, later named the Lompico Assessment District Oversight Committee (LADOC), consisting of five citizens from the Lompico service area. The responsibilities and boundaries of LADOC's role were the subject of early debate.

SLVWD updated its policy manual to add the new oversight committee.^[23] It then solicited applicants.^[24] The policy manual described the committee's role in broad terms:

The Committee shall be responsible to review matters of stewardship, design, construction, replacement, and repair of the District facilities and property directly related to Assessment District 2016-1, the Lompico Service Area.^[25]

LADOC's opening meeting was August 23, 2016. At its second meeting, held on October 6, 2016, the committee decided to pursue several open questions and issues that appeared to fall under its purview. Less than two weeks later, at the October 16, 2016 Board of Directors meeting, the Board debated the reduction of LADOC's duties,^[26] by changing the description of its role to one which it said more closely resembled the wording of the merger agreement.^[27] At the next Board meeting, the SLVWD policy manual was amended to read:

The Committee shall be responsible to review matters of revenue and expenses directly related to Assessment District 2016-1 projects.^[28] ^[29]

District representatives refer to this one sentence description of the responsibilities of LADOC as the LADOC "charter."^[30] The responsibilities of LADOC continue to be the subject of discussion and disagreement.^[31]

Public Meetings and Other Communication Practices

SLVWD is responsible for setting the tone for communications with the public.^[32] The communication environment includes the policies and procedures for Board meetings and other interactions with the public. The communication environment also encompasses the care the District takes to provide an atmosphere conducive to public engagement.

Communication problems came to the forefront in 2017. The District received public criticism not only for its handling of several controversial matters, but also for its handling of the resulting public fallout. During the same period, the District also instituted changes to its meeting practices that had the effect of reducing public participation and understanding. Among other changes, the District switched from holding mostly regular meetings of the Board to holding mostly special meetings of the Board, which were far less likely to be video recorded by Community TV.^[33] ^[34] It also switched from detailed minutes to brief "action minutes."^[35]

Scope of Grand Jury Investigation

From July 2017 through April 2018, the Grand Jury looked into SLVWD interactions with the public in three broad areas:

- Assessment District 2016-1, including:
 - the planning and execution of the capital improvement projects for the Lompico service area pursuant to the LCWD-SLVWD merger agreement
 - the ranking and integration of Assessment District projects into the District-wide CIP plan
- Lompico Assessment District Oversight Committee (LADOC):
 - the responsibilities of the committee established to oversee the Assessment District collections and project expenditures
 - District support of the oversight committee
- the communication environment, including:
 - District practices related to public access, transparency, financial oversight, civility and decorum, and
 - handling of controversial matters

Methodology and Approach

The Grand Jury:

- conducted a series of interviews with individuals affiliated with SLVWD as well as with District ratepayers and others with relevant knowledge
- reviewed internal SLVWD documents and communications among SLVWD Board and staff, as well as SLVWD communications with the public
- reviewed agendas, minutes, meeting notes, and where available, videos and audios of the meetings of the SLVWD Board of Directors and its five committees
- attended meetings of the SLVWD Board and its committees
- reviewed documents and other materials related to the merger of LCWD and SLVWD
- reviewed SLVWD policy and procedure manuals, as well as resolutions and proposals concerning changes to these documents
- reviewed audited financial statements, forecasts, interim financial reports, bill lists, studies (e.g. water rates), and similar financial materials
- reviewed strategic plans, capital improvement project plans, requests for proposals (RFPs), engineering reports, [Gantt charts](#), and similar technical materials
- conducted online research about SLVWD, LCWD, and other local water districts, as well as research about assessment districts and oversight committees
- reviewed applicable California codes and regulations

Investigation

Assessment District 2016-1

In its investigation of the Assessment District (AD), the Grand Jury found notable differences in understanding among District representatives regarding the construction strategy for the AD's projects, including District plans in the event of project delays, cost differences, or possible changes in projects undertaken.

While the District recognizes that AD funds may be used only for the benefit of Lompico, understandings differ among decision makers on what flexibility exists under the AD as written. Varying interpretations of the Assessment District terms have, in several cases, led to conflicting assertions made to the Grand Jury or to the public, about:

- the process for changing or removing projects from the Engineer's Report list^[36]
- the possibility of reducing Assessment District collections in later years^[37]
- ending the Assessment District early^{[38] [39] [40]}
- whether the AD is collecting interest on a future loan^[41]
- whether obtaining a loan against the AD is required^[42]
- using the \$183,000 collected for loan interest for other AD expenses^[43]
- returning unused funds to the ratepayers^{[44] [45]}
- postponing the completion of Assessment District capital projects beyond ten years^[46]

The Grand Jury has found that, nearly two years after the merger, District representatives still communicate differing views of the AD and its projects. The varying interpretations have caused public concern, and warrant serious and sustained discussion.

Capital Improvement Program (CIP)

The District-wide Capital Improvement Program introduced in November 2017 has presented another communication challenge. The District used a priority rating system to rank each capital project, which resulted in a timetable for the execution of each project on the list. The CIP assumes, however, that there are no differences between Lompico and non-Lompico projects except for the funding source; that is, that the projects for which Lompico ratepayers pay an extra assessment have no special status. In contrast, Lompico ratepayers contend that they gave their vote to accept the Assessment District in exchange for the District's promise to complete the specific projects listed in the Engineer's Report in an expeditious manner.^[47]

The November 2017 Capital Improvement Program still meets expectations to do all AD projects and to do them within 10 years of the merger, but it also incorporates delays of five months to three years for several AD projects. (See Table A below.) The substantial increase in water rates, passed in September 2017, has allowed several pre-merger capital projects to go forward immediately. Now those projects and the AD projects must vie for the time and attention of the small professional staff who will manage the District strategy for permitting, planning, construction, and financing of multiple projects.

The following table, Table A, shows the original and changed estimated start dates for all of the Assessment District projects listed in the Engineer's Report.

Table A: Scheduled Start Dates for AD Projects in 2017 District Gantt Charts

| Assessment District Projects ^[48] | Cost (\$) | Project Timeline (Gantt) 2/01/17 ^[49] | Project Timeline (Gantt-CIP) 11/16/17 ^[50] | Approximate Months early / (delayed) |
|----------------------------------------------|-----------|--------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------|
| Service Line and Meter Replacements | 862,500 | | | |
| Meters & Private PRVs | | 7/1/16 | 7/1/16 | 0 |
| Laterals | | 4/3/17 | 4/3/17 | 0 |
| Tank Replacement | 682,500 | | | |
| Lewis | | 1/18/17 | 11/13/17 | (10) |
| Madrone | | 7/20/20 | 12/7/20 | (5) |
| Kaski | | 7/10/23 | 6/19/23 | 1 |
| PRV Replacement | 358,000 | 4/3/17 | 1/1/18 | (8) |
| Refurbish Mill Creek WTP | 105,000 | 7/19/21 | 7/15/24 | (36) |
| Distribution System Interconnection | 301,000 | 7/17/17 | 8/6/18 | (13) |
| SCADA System | 441,000* | 7/22/19 | 7/22/19 | 0 |

*Includes \$19,540 for a temporary SCADA, not addressed in the Engineer's Report, installed in 2016 ^[51]

Lompico Assessment District Oversight Committee (LADOC)

The parties to the merger of LCWD and SLVWD agreed to keep the original wording of the merger agreement, Resolution 953-A, to avoid renegotiations that would have delayed the merger.^[52] ^[53] Instead, the stakeholders relied on one another to honor the intent of the merger agreement, even if the words did not fully match the actual elements of the merger.^[54] ^[55]

A condition of the merger, Section 7(B) of Resolution 953-A, required the formation of a “bond oversight committee.”^[56] A bond oversight committee has clearly recognized duties and responsibilities. The California Taskforce on Bond Accountability identifies guidelines for local agencies to follow^[57] regarding the establishment and maintenance of “internal control systems to account for and report on the expenditure of funds.”^[58]

By requiring the formation of a bond oversight committee, the merger agreement, in effect, required a formal control system to ensure fiduciary care of the funds collected. The parties agreed that the Assessment District was a “similar revenue instrument” to a bond. The Grand Jury found no evidence to suggest that the parties agreed to a lower standard of oversight and fiduciary care for the Assessment District than the accepted standards for oversight of the proceeds of a bond issue.

Guidelines, charters, and bylaws from a variety of organizations addressing both bonds^{[59] [60] [61]} and assessment districts^{[62] [63]} show oversight responsibilities and practices that reflect the same concerns for the fiduciary care of funds. The state Taskforce on Bond Accountability describes several responsibilities for bond oversight, including creating a transparent control environment; assessing, monitoring and mitigating risk; and maintaining internal controls to ensure that the agency is “properly receiving, managing, and disbursing bond funds.”^[64]

Creating the control environment is key to all of the oversight responsibilities. The control environment prescribes seating qualified people, providing them with appropriate policies and procedures to direct their efforts, and granting them the authority they need to perform the oversight role.

Experts on oversight committees advise that members of these committees receive training, along with others in their agency who will play a role in the administration of the funds.^{[65] [66]} LADOC members have not received formal training in assessment districts, or in other key areas, such as special district governance and meeting management.^[67] For the first 14 months of its existence, the committee also did not receive support from senior financial staff, who might have provided valuable guidance in the absence of relevant formal training.^[68]

The District policy manual describes LADOC’s responsibilities in one sentence, without supporting details. In contrast, expert groups provide detailed guidelines for oversight efforts.^[69]

Oversight Committee Duties and Support ^{[70] [71] [72] [73] [74]}

At minimum, adequate guidance and support for LADOC would include:

- Comprehensive orientation prior to beginning work
- Members handbook of key documents, including items such as a LADOC charter (description of duties), the Engineer’s Report, relevant resolutions,^{[75] [76] [77] [78]} relevant District policies and procedures, project descriptions, budgets and schedules, financial reports, minutes of prior meetings, guides to Brown Act and parliamentary procedures
- Regular meeting schedule, at least quarterly

Expected duties of the oversight committee would include:

- Tracking expenditures of assessment proceeds back to the capital improvement plan
- Actively reviewing and reporting on the proper expenditure of assessment money for the Lompico construction and replacement projects listed in the Engineer’s Report
- Maintaining a committee webpage with (1) detailed information about the progress of each project, (2) committee minutes, and (3) materials it has received
- Preparing and publishing an annual report for ratepayers

Expected duties of the District would include:

- Providing timely, comprehensive data to the oversight committee, including financial reports that display original budget, current budget, actual expenditures, budget balance, and approved commitments to projects to date across all fiscal years
- Providing technical and administrative assistance

As listed above, one of the expected duties of an oversight committee is the production of an annual report. LADOC did not produce such a report, nor did the Board request that LADOC produce one.

In April 2017 the Board received a staff memo indicating that it would be “appropriate for the full Board to periodically review progress” of LADOC and to “provide guidance regarding committee functions, goals and objectives.”^[79] Other communications indicated that senior staff declined to attend LADOC meetings beginning in April 2017.^[80] LADOC meeting notes and internal emails from April 2017, and subsequent Grand Jury interviews, confirm that LADOC sought more support from the Board and staff, but the District did not have the resolve to provide effective support.^[81] ^[82] ^[83] The Grand Jury also determined that opinions differ within the District concerning the utility of LADOC and its appropriate responsibilities as a standing committee.^[84]

In October 2017, the Board considered a staff memo proposing to restrict LADOC meetings and responsibilities further -- that is, to a once-a-year, after-the-fact review of AD project expenditures.^[85] While the Board did not accept the proposal, the ensuing debate made clear that the District has not granted LADOC the authority to perform the oversight role that Resolution 953-A required. The debate also illustrated the District’s lack of recognition that it has an obligation to support a fully functioning oversight committee.^[86]

In sum, the Grand Jury found that the lack of consensus about the role of LADOC, combined with insufficient training and lack of effective support, prevented LADOC from fulfilling its responsibilities in its first year of existence.

Public Meetings and Other Communications

Meeting practices are key communication elements. Policies and procedures that promote public understanding and participation in Board and committee meetings create a trust environment. Policies and procedures that tend to restrict public understanding and participation risk public complaints and a breakdown in civility and decorum in times of controversy.

The Grand Jury looked at meeting and communication practices of nearby water districts and compared them to SLVWD’s practices in 2016 and 2017. It found that in 2016, the District excelled in practices such as publishing comprehensive minutes and arranging for Community TV filming of regular Board meetings. Unfortunately, in 2017, both the written and electronic recording of District meetings took a step backwards.

Recording Board Proceedings – Videos and Published Minutes

In 2016 the District held 24 Board of Directors meetings – 21 regular Board meetings and four special Board meetings with limited agendas. Of those 24 meetings, Community Television of Santa Cruz County (CTV) recorded 19. In contrast, in 2017 the District held 30 Board of Directors meetings – 10 regular Board meetings and 20 special Board meetings. CTV recorded just 13 of the 30 Board meetings, mostly the regular Board meetings.

As Table B shows, CTV recorded only three of the 20 special Board meetings in 2017. Two of the unrecorded special meetings had multi-item agendas indistinguishable from regular meeting agendas. The relative lack of CTV coverage of special meetings reduced access to ratepayers who could not attend those meetings.

Table B: Regular and Special Board of Directors Meetings, 2016 and 2017

| | 2016 | 2017 |
|--------------------------------------------|------|------|
| Regular Board of Directors Meetings | 21 | 10 |
| -- Minutes Posted on SLVWD website | 21 | 10 |
| -- CTV Videos Posted on SLVWD website | 18 | 9 |
| -- CTV Videos Available at CTV | 18 | 10 |
| Special Board of Directors Meetings | 4 | 20 |
| -- Limited Agenda | 4 | 15 |
| -- Full (multi-item) Agenda | 0 | 5 |
| -- Minutes Posted on SLVWD website | 3 | 19 |
| -- CTV Videos Posted on SLVWD website | 0 | 2 |
| -- CTV Videos Available at CTV | 1 | 3 |
| Total Board of Directors Meetings | 24 | 30 |
| CTV Videos Available at CTV | 19 | 13 |
| % of Meeting Videos | 79% | 43% |

In 2016 the District produced detailed minutes of the Board of Directors meetings. With the January 17, 2017 Board of Directors meeting, the District switched to “action minutes,” which do not provide any insight into the decisions because they omit the Board discussions and details of public input.

The 2017 elimination of detailed minutes, combined with the relative lack of CTV coverage of the numerous special meetings, reduced publicly available sources of information about District issues for all ratepayers not in attendance at the meetings.

Recording Board Proceedings -- Audio recordings

In late 2017, the District began recording audios of all Board and committee meetings. While the District currently has no written retention policy for audios, it informed the Grand Jury that it destroys all audios after 30 days pursuant to Government Code section 54953.5, subdivision (b). That section provides for a minimum retention period of 30 days; it does not *require* destruction of the media after 30 days or at any particular time in the future.^[87]

The Board of Directors meeting of November 9, 2017 illustrates the communication problems that the stated destruction practice creates.^[88] CTV did not record that meeting. The meeting included a discussion of proposed changes to rates and charges for the Bear Creek Wastewater Enterprise. In the absence of either a recording of the proceedings or detailed meeting minutes, ratepayers not in attendance are unable to access the important discussions that took place.

In the same November 9, 2017 meeting, an exchange among Board members arose over a procedural point addressed in the policy manual. The issue was whether an individual Board member could direct the District Manager to perform an administrative task, or if the task request required Board authorization. Two Board members asserted that Board authorization was not required; the remaining Board members did not challenge the assertion.^[89] The Grand Jury could verify this exchange on its copy of the audio. In the January 18, 2018 Board of Directors meeting, the procedural issue surfaced again. In this instance however, two other directors made the opposite assertion about policy; that is, that an individual Board member could *not* task the District Manager without Board authorization.^[90] Without a publicly-available recording of the November 9, 2017 meeting, interested parties cannot verify, or challenge with confidence, possible contradictory assertions or misstatements.

The District's stated destruction practice for audios implies that community members not only need to make a Public Records Request (PRR) for a recording, but need to make it within 30 days. Having to make a PRR creates an impediment to accessing the discussions and information from the meetings.

In February 2018, the Grand Jury observed that the District began a new project to embed the District's official audios in the pdf files of the action minutes which are posted on the SLVWD website. Unfortunately, the embedded recordings do not function consistently across browsers and devices. The current system leaves out the many users of unsupported devices. If the new system can be made more universally accessible, then it could make a positive contribution to public engagement.

Communication Environment

The approved policy manual for 2017 urges District representatives to "Establish and maintain an environment that encourages the open exchange of ideas and information between Board members, staff and the public that is positive, honest, concise, understandable, responsive and cost-efficient."^[91]

The November 2017 draft revised policy manual proposes similar language to encourage District representatives "(i) to use the Golden Rule (treating others as one would wish to be treated) as a guide in interactions with the media, the SLV community, District management and employees and other Board members and (ii) to speak candidly and forthrightly about the issues in front of the Board of Directors."^[92]

Both the current and proposed policy manuals clearly encourage civility. In routine meeting settings, District representatives do interact civilly with one another and with the public. In the past two years, however, the District has had to address a number of

difficult and controversial matters. Criticism from the public, at times harsh and personal, and disagreements among the District representatives, created lapses in decorum and civility in a number of public meetings as well as on social media.^{[93] [94] [95] [96]} These lapses have led, in turn, to public frustration, and the unwelcome prospect of continuing friction on issues of long-term concern to all parties.

Contentious matters that dominated 2017 and will be of ongoing concern include the following items:

Lompico Merger. After the June 2016 merger, the Lompico surcharge became a divisive issue for more than a year. Although the surcharge has ended, the administration of the Assessment District will be an ongoing activity for eight more years. The issues surrounding the administration and oversight of the Assessment District, especially the decisions necessary for successful completion of the required capital projects, are complex. While the District has the responsibility to create and execute the AD project strategy, transparency dictates regular and substantive communications about that strategy, including changes in timing, funding priorities, and regulatory hurdles.

Legal Fees. In each of the previous three fiscal years, legal fees were under \$100,000. In contrast, in the first four months of the 2017-2018 fiscal year, the District had already spent \$108,000 of its \$140,000 budget on legal fees, much of it related to a long-running set of legal actions involving a former Board member. In anticipation of additional litigation, the District raised its budget for legal fees by \$204,500, to a total of \$344,500.^{[97] [98]} Legal fees now represent a material portion of the District's annual budget for administrative professional services. The confidential nature of legal work means that the District has a continuing challenge to explain and justify expensive and controversial legal strategies to an inquiring public.^{[99] [100]}

Relationship with Citizen Groups and the Press. The local newspaper, along with other media outlets and citizen groups on social media, were critical of the comportment of District representatives at public meetings throughout 2017. The surcharge, the use of [glyphosate](#) in the watershed, and District spending on legal matters were especially controversial issues. While some critics may leave the scene, the District would be right to anticipate that the press, citizen groups, and new critics will continue to focus on difficult matters that have become contentious.^{[101] [102]}

Disagreements among District Representatives. The work of the District cannot proceed effectively without robust discussion. When District representatives fail to maintain civil interactions, however, the public may fear that its interests are at risk. Ratepayers expect discussions at public meetings to focus solely on outcomes, not on personal differences.^{[103] [104]}

Personal Expressions. District representatives have the right to put forth their personal views about SLVWD matters in public forums. The policy manual requires only that such expressions be clearly designated as an individual's opinions and not declarations of the District's official views. Regardless of whether that policy is followed, criticism of colleagues in social media may have a negative long-term impact on public perception of, and respect for, all representatives of the District.^[105]

Findings

- F1.** The lack of effective communication between the District and the community regarding the administration of the Assessment District has caused public concern regarding the timing and implementation of Assessment District projects.
- F2.** The District has not provided adequate authority, guidance, training, or support to the Lompico Assessment District Oversight Committee (LADOC) to ensure that the committee can fulfill its assessment district oversight responsibilities, thus reducing transparency and accountability to the public.
- F3.** Lack of effective District communication practices has reduced public access to the decision-making process, and contributed to acrimony and on-going relationship challenges with the community, causing stress on elected officials and staff, as well as frustration among ratepayers.

Recommendations

- R1.** LADOC should produce an annual report detailing the status of Assessment District revenues and expenditures.(F1, F2)
- R2.** The District should schedule annual public study sessions or workshops to review the LADOC annual report and discuss the administration of the Assessment District (AD), in order to provide in depth information to the public about the timing, funding, and execution of AD projects. (F1, F3)
- R3.** The Board and LADOC should work in concert to create a charter for LADOC that describes in detail the committee's responsibilities and its authority to fulfill its oversight role. (F1, F2)
- R4.** The Board should ensure that LADOC receives adequate professional, technical, and administrative support from the District, as well as the authority to carry out its oversight responsibilities. (F2)
- R5.** The District should provide formal training for all LADOC citizen committee members in governance, meeting management, and the Brown Act. (F2)
- R6.** The District should provide formal training about assessment districts to LADOC members and all others involved in the administration of the Assessment District. (F2)
- R7.** The District should record all Board and committee meetings, and post the recordings online for public access. (F3)
- R8.** The District should provide formal training to all Board and committee members and senior staff on how to communicate with the public on contentious issues. (F1, F3)

Required Response

| <i>Respondent</i> | <i>Findings</i> | <i>Recommendations</i> | <i>Respond Within/ Respond By</i> |
|------------------------------------------------------|------------------------|-------------------------------|----------------------------------------------|
| San Lorenzo Valley Water District Board of Directors | F1 – F3 | R1 – R8 | 90 Days August 29, 2018 |

Abbreviations and Definitions

- **CIP:** Capital Improvement Program (also called Capital Improvement Plan)
- **CTV:** Community Television of Santa Cruz County
- **Gantt Chart:** “A Gantt chart is a visual view of tasks scheduled over time.”^[105]
- **Glyphosate:** “Glyphosate is an herbicide. It is applied to the leaves of plants to kill both broadleaf plants and grasses.”^[106]
- **LADOC:** Lompico Assessment District Oversight Committee
- **LAFCO:** Local Agency Formation Commission for Santa Cruz County
- **LCWD:** Lompico County Water District
- **Resolution 953-A:** LAFCO resolution (also called the “merger agreement”) approving SLVWD’s annexation of LCWD (also called the “merger”)
- **SCADA:** Supervisory control and data acquisition system
- **SLVWD:** San Lorenzo Valley Water District, also referred to in this report as “the District”

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Websites

Local Agency Formation Commission, Santa Cruz County:
<http://www.santacruzlafco.org/>

San Lorenzo Valley Water District: <http://www.slvwd.com/>



Santa Cruz County
Grand Jury

Grand Jury <grandjury@scgrandjury.org>

Completed Grand Jury Response - SLVWD

1 message

Holly Hossack <hhossack@slvwd.com>

Wed, Aug 22, 2018 at 9:48 AM

To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Please find attached the completed Grand Jury Response from San Lorenzo Valley Water District. A hard copy will be mailed to the Honorable Judge John Gallagher.

Thank you,

Holly Hossack | Administrative Assistant/District Secretary

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

Office (831) 338-2153 | Direct (831) 430-4636 | Fax (831) 338-7986

hhossack@slvwd.com



SLVWD BoD-Approved Response to 2017-18 Grand Jury Report.pdf

95K



**The 2017–2018 Santa Cruz County Civil Grand Jury
Requires that the
San Lorenzo Valley Water District Board of Directors
Respond to the Findings and Recommendations
Specified in the Report Titled
San Lorenzo Valley Water District
Encouraging the Flow of Information to the Public
by August 29, 2018**

When the response is complete, please

1. Email the completed Response Packet as a file attachment to grandjury@scgrandjury.org, and
2. Print and send a hard copy of the completed Response Packet to

The Honorable Judge John Gallagher
Santa Cruz Courthouse
701 Ocean St.
Santa Cruz, CA 95060

Instructions for Respondents

California law PC §933.05 (included [below](#)) requires the respondent to a Grand Jury report to comment on each finding and recommendation within a report. Explanations for disagreements and timeframes for further implementation or analysis must be provided. Please follow the format below when preparing the responses.

Response Format

1. For the Findings included in this Response Packet, select one of the following responses and provide the required additional information:
 - a. **AGREE** with the Finding, or
 - b. **PARTIALLY DISAGREE** with the Finding and specify the portion of the Finding that is disputed and include an explanation of the reasons therefor, or
 - c. **DISAGREE** with the Finding and provide an explanation of the reasons therefor.
2. For the Recommendations included in this Response Packet, select one of the following actions and provide the required additional information:
 - a. **HAS BEEN IMPLEMENTED**, with a summary regarding the implemented action, or
 - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE**, with a timeframe or expected date for implementation, or
 - c. **REQUIRES FURTHER ANALYSIS**, with an explanation and the scope and parameters of an analysis or study, and a timeframe for that analysis or study; this timeframe shall not exceed six months from the date of publication of the grand jury report, or
 - d. **WILL NOT BE IMPLEMENTED** because it is not warranted or is not reasonable, with an explanation therefor.

Validation

Date of governing body's response approval: **August 16, 2018**

If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to grandjury@scgrandjury.org.

Findings

- F1.** The lack of effective communication between the District and the community regarding the administration of the Assessment District has caused public concern regarding the timing and implementation of Assessment District projects.

☒ **AGREE**

☐ **PARTIALLY DISAGREE** – explain the disputed portion

☐ **DISAGREE** – explain why

Response explanation (required for a response other than **Agree**):

The San Lorenzo Valley Water District (District) and its Board of Directors (Board) appreciate the work of the Grand Jury and all of the diligence and time invested over the past term. We agree with the finding and believe “lack of effective communication” actually understates the nature of the broader Assessment District No. 16 (AD-16) concerns, which largely center on confusion about the mechanics of the assessment district and unaligned expectations. Much of the confusion relates to the unexpected direction the Lompico County Water District (Lompico) annexation took after the failure of the original attempt to approve a bond to finance it. We agree it is time to clear up the confusion and move forward with a clearer and broader consensus on the workings of AD-16 for the ratepayers in the assessment area.

Our plans to provide effective communications regarding AD-16 going forward are in our responses to R1 and R2. We have added a plan of action addressing the larger issue of AD-16 mechanics in our response to R6.

- F2.** The District has not provided adequate authority, guidance, training, or support to the Lompico Assessment District Oversight Committee (LADOC) to ensure that the committee can fulfill its assessment district oversight responsibilities, thus reducing transparency and accountability to the public.

☒ **AGREE**

☐ **PARTIALLY DISAGREE** – explain the disputed portion

☐ **DISAGREE** – explain why

Response explanation (required for a response other than **Agree**):

We appreciate the work of the Grand Jury in highlighting the lack of a detailed Charter for LADOC and the need to provide additional guidance, training, and support to LADOC committee members. In light of the bond/assessment distinction and commonly held misconceptions about assessment districts generally and the specific function of this oversight committee, a one sentence charter for LADOC is clearly insufficient for communicating the responsibilities of LADOC.

A challenge faced by the District in providing more structure for LADOC is the limited availability of precedent for the specific function of this oversight committee. Most of the precedent that is available is for bond oversight, especially school bond oversight, which is governed by detailed requirements set forth in Proposition 39 and the Education Code. Though LADOC originally was conceived of as a bond oversight committee, it is not exactly the same as a bond oversight committee, although many of the same best practices can be adapted or applied.

Our plan and commitment to create a more detailed Charter for LADOC is in our response to R3.

- F3.** Lack of effective District communication practices has reduced public access to the decision-making process, and contributed to acrimony and on-going relationship challenges with the community, causing stress on elected officials and staff, as well as frustration among ratepayers.

☒ **AGREE**

☐ **PARTIALLY DISAGREE** – explain the disputed portion

☐ **DISAGREE** – explain why

Response explanation (required for a response other than **Agree**):

We appreciate the work of the Grand Jury and agree with this finding because it highlights an unusual level of acrimony and strained relationships that exist within the District. These issues present significant challenges for all members of the community, including ratepayers, elected officials and staff.

We recognize that a high level of public engagement is desirable in light of public interest and concern regarding the District's activities. Over the past couple of years the District has experimented with a number of ways to try to improve community relations and engagement. These include contracting with Community TV to record regular Board meetings and making these recordings available online. Also, the District switched to action minutes, consistent with best practices, in response to numerous complaints from members of the public resulting from the District's former reliance on detailed meeting minutes.

Not all of the District's efforts to improve communications have been successful. In fact, most efforts have met with mixed reactions. A key challenge is that procedural changes to provide more equal and fair access to all members of the community may be perceived as limiting the participation of others. For example, limiting the time for each speaker at public meetings to three minutes per oral communication period helps to ensure that everyone who wishes to speak gets an equal opportunity to do so. Also, time limitations help prevent meetings from running so long into the night that meaningful attendance becomes prohibitive for some. On the other hand, time limits mean that people who wish to provide more detailed comments or to engage in back and forth dialogue may not have the opportunity to fully engage. There are reasonably held views on both sides of this issue, just as with many other communication challenges. Because of these kinds of challenges, at times the District has vacillated in terms of how best to facilitate communications.

There is no one-size-fits-all solution for these kinds of tensions. The District remains open to new ideas and is willing to experiment and try new things. The ultimate goal shared by all members of the Board is to maximize public engagement in a manner that is workable, legal and fair.

Our plan and commitment to address these issues in a manner that is responsive to the Grand Jury report is in our response to R7 and R8.

Recommendations

R1. LADOC should produce an annual report detailing the status of Assessment District revenues and expenditures.(F1, F2)

☐ **HAS BEEN IMPLEMENTED** – summarize what has been done

☒ **HAS NOT BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE** – summarize what will be done and the timeframe

☐ **REQUIRES FURTHER ANALYSIS** – explain scope and timeframe
(not to exceed six months)

☐ **WILL NOT BE IMPLEMENTED** – explain why

Response explanation, summary, and timeframe:

We are committed to developing a process and format for a LADOC annual report.

The revised Charter and/or new Bylaws for LADOC (see response to R3) will describe the timeframe and process for producing an annual report. The contents of the annual report should be defined jointly by the District and LADOC.

As soon as possible within the next 6 months, staff will help jump start the process of implementing this recommendation by generating a template to help facilitate the first annual report, giving consideration to the California League of Bond Oversight Committees (CaLBOC) best practices for preparation of an annual report regarding school bond oversight. Staff may consider other relevant guidance and samples available from other sources. It will be up to LADOC to develop and write the substantive content of the report. Based on a cursory review of samples, it looks like oversight committee annual reports often have less than 10 substantive pages, such that writing the report need not be an onerous task for LADOC members.

R2. The District should schedule annual public study sessions or workshops to review the LADOC annual report and discuss the administration of the Assessment District (AD), in order to provide in depth information to the public about the timing, funding, and execution of AD projects. (F1, F3)

- ☐ **HAS BEEN IMPLEMENTED** – summarize what has been done
- ☒ **HAS NOT BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE** – summarize what will be done and the timeframe
- ☐ **REQUIRES FURTHER ANALYSIS** – explain scope and timeframe (not to exceed six months)
- ☐ **WILL NOT BE IMPLEMENTED** – explain why

Response explanation, summary, and timeframe:

We are committed to scheduling annual workshop-style meetings to review the LADOC annual reports, which will include discussion of current information about the timing, funding, and execution of AD-16 projects.

Upon completion by LADOC of its annual report, the District will make the report available on the LADOC page of the District's website. Also, the District will schedule a joint meeting of the Board and LADOC for the purpose of having LADOC present its report. The format will include a public-workshop style discussion with Q&A.

We will go further than the Grand Jury's recommendation by creating high-level project summaries for each discrete AD-16 project. Our goal is to post these summaries on the LADOC web page within the next year. The format and initial content should be reviewed and approved by the Board. The summaries will serve an informational function only. They will not create any new or additional commitments on the part of the District. The summaries will be living documents to be updated periodically as circumstances change.

We will also look into creating a role for designated Board and/or staff members to serve as a liaison with LADOC and its chairperson. The purpose of this new role would be to help improve communications and the flow of information between LADOC and the rest of the District.

We believe it is important to note that comments and questions about the implementation of AD-16 projects, including priority, timeline, bidding and design considerations etc., are within the purview of the Engineering Committee and ultimately the Board. We encourage members of the public to bring these types of issues to the Engineering Committee rather than LADOC.

- R3.** The Board and LADOC should work in concert to create a charter for LADOC that describes in detail the committee's responsibilities and its authority to fulfill its oversight role. (F1, F2)

- ☐ **HAS BEEN IMPLEMENTED** – summarize what has been done
- ☒ **HAS NOT BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE** – summarize what will be done and the timeframe
- ☐ **REQUIRES FURTHER ANALYSIS** – explain scope and timeframe (not to exceed six months)
- ☐ **WILL NOT BE IMPLEMENTED** – explain why

Response explanation, summary, and timeframe:

We are committed to creating a revised Charter that describes in more detail LADOC's responsibilities and its authority to fulfill its oversight role.

As soon as possible within the next 6 months we will revise the LADOC Charter to replace its current Charter. A draft will be presented to LADOC for its review and comment and to the Board for approval. The revised Charter will be more specific than the current Charter, keeping in mind that a Charter is intended to be a broad statement of purpose and authority, and the core purpose of a citizens' oversight committee to advise the public as to whether the assessment district funds are being managed in accordance with law.

We will go further than the Grand Jury's recommendation by including information in the Charter about LADOC membership, meetings, procedures and functions if such information is not provided by other documents such as the Board Manual or new LADOC Bylaws.

- R4.** The Board should ensure that LADOC receives adequate professional, technical, and administrative support from the District, as well as the authority to carry out its oversight responsibilities. (F2)

☐ **HAS BEEN IMPLEMENTED** – summarize what has been done

☒ **HAS NOT BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE** – summarize what will be done and the timeframe

☐ **REQUIRES FURTHER ANALYSIS** – explain scope and timeframe (not to exceed six months)

☐ **WILL NOT BE IMPLEMENTED** – explain why

Response explanation, summary, and timeframe:

Our plan and commitment is described under R3 to produce a revised Charter as soon as possible within the next 6 months that defines the authority of LADOC to carry out its oversight responsibilities.

We are committed to making adequate professional, technical and administrative support available to LADOC from the District. The bond/assessment distinction presents a challenge because many of the professional resources that exist for bond oversight do not translate perfectly to non-bond assessment oversight. We believe the District has professional expertise up to the task of locating appropriate resources, adapting existing resources, or creating new materials as necessary.

R5. The District should provide formal training for all LADOC citizen committee members in governance, meeting management, and the Brown Act. (F2)

☐ **HAS BEEN IMPLEMENTED** – summarize what has been done

☒ **HAS NOT BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE** – summarize what will be done and the timeframe

☐ **REQUIRES FURTHER ANALYSIS** – explain scope and timeframe (not to exceed six months)

☐ **WILL NOT BE IMPLEMENTED** – explain why

Response explanation, summary, and timeframe:

We are committed to improving the training regimen for Board members and creating one for public members of committees including LADOC.

As soon as possible within the next 6 months, we will make governance, meeting management, and Brown Act training available to all members of the Board and the District's public committee members. Within a year, we will evaluate and select a means of making such training available on a recurring or ongoing basis. For example, staff may consider creating tailored training materials for in-house use and reproduction versus hiring consultants and/or procuring online subscriptions, etc.

We will go further than the Grand Jury's recommendation by including government ethics training for public members of committees as part of the training regimen. Ethics training already is a required and made available for Board members.

- R6.** The District should provide formal training about assessment districts to LADOC members and all others involved in the administration of the Assessment District. (F2)

- ☐ **HAS BEEN IMPLEMENTED** – summarize what has been done
- ☒ **HAS NOT BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE** – summarize what will be done and the timeframe
- ☐ **REQUIRES FURTHER ANALYSIS** – explain scope and timeframe (not to exceed six months)
- ☐ **WILL NOT BE IMPLEMENTED** – explain why

Response explanation, summary, and timeframe:

Our plan and commitment is described under R5 to make training on key topics available to all Board and public committee members, including LADOC members. For Board and LADOC members, we will have additional training about assessment districts.

The bond/assessment distinction presents a challenge because the formal training that exists for bond oversight does not translate perfectly for non-bond assessment district oversight. We believe the District has professional expertise up to the task of locating or adapting existing training, or creating new materials as necessary.

We will go further than the Grand Jury's recommendation by coming up with a mechanism for posing questions about, e.g., the implications of changes to AD-16 projects, and addressing them.

- R7.** The District should record all Board and committee meetings, and post the recordings online for public access. (F3)

- ☐ **HAS BEEN IMPLEMENTED** – summarize what has been done
- ☒ **HAS NOT BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE** – summarize what will be done and the timeframe
- ☐ **REQUIRES FURTHER ANALYSIS** – explain scope and timeframe (not to exceed six months)
- ☐ **WILL NOT BE IMPLEMENTED** – explain why

Response explanation, summary, and timeframe:

We recognize that interested members of the public cannot always attend Board and committee meetings. Accordingly, we are committed to going above and beyond open meeting requirements by recording all Board and committee meetings and posting the recordings online to maximize public access.

As indicated in the Grand Jury report, the District has been experimenting with a technology solution that embeds links to audio recordings of public meetings into the action minutes. This is an elegant solution that couples the clarity of action minutes with detailed information about what was said during the proceedings. Notwithstanding some technical difficulties encountered by the District in rolling out this new technology, it is very close to being implemented. We believe that this can be done within 6 months to a year.

- R8.** The District should provide formal training to all Board and committee members and senior staff on how to communicate with the public on contentious issues.
(F1, F3)

- ☐ **HAS BEEN IMPLEMENTED** – summarize what has been done
☒ **HAS NOT BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE** – summarize what will be done and the timeframe
☐ **REQUIRES FURTHER ANALYSIS** – explain scope and timeframe
(not to exceed six months)
☐ **WILL NOT BE IMPLEMENTED** – explain why

Response explanation, summary, and timeframe:

Our plan and commitment is described under R5 and R6 to make training on key topics available to all Board and public committee members. For all Board and committee members and senior staff, we will add training on how to communicate with the public on contentious issues.

A challenge is that the District has previously expressed interest in this type of training but did not locate appropriate resources. With additional effort, we believe that something can be located or adapted for this purpose. Ideally the training would be provided by someone familiar with the local community.

M E M O

TO: Board of Directors
FROM: District Manager
SUBJECT: RESOLUTION OF APPRECIATION FOR MARGARET BRUCE
DATE: May 16, 2019

RECOMMENDATION:

It is recommended that the Board of Directors review this memo and approve the attached resolution of appreciation for Margaret Bruce, Director.

BACKGROUND:

Margaret Bruce served on the Board of Directors for the San Lorenzo Valley Water District for nearly 7 years beginning in 2012. During Ms. Bruce's tenure on the Board she served 2 terms as president, was instrumental in the Capital Improvement Program as well as the Rate Restructuring process and stewardship of the watershed.

It is recommended that the Board of Directors review this memo and approve the attached resolution of appreciation for Margaret Bruce, Director.

STRATEGIC PLAN:

Element 9.0 – Administrative Management

FISCAL IMPACT:

None

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 32 (18-19)**

SUBJECT: RESOLUTION OF APPRECIATION FOR DIRECTOR BRUCE

WHEREAS, on July 5, 2012 Margaret Bruce was appointed to the Board of Directors of the San Lorenzo Valley Water District; and

WHEREAS, Director Bruce faithfully and continuously served in her capacity on the Board of Directors for a period of 7 years, in 2014 and 2015 as the president of the Board; and

WHEREAS, Director Bruce began working with the District as a member of the Education Program Advisory Commission; and

WHEREAS, Director Bruce was dedicated to the proper management and protection of the District's Watershed Property and the environmental health of the entire San Lorenzo River Watershed; and

WHEREAS, Director Bruce was instrumental in the District earning a Transparency Certificate of Excellence and improving outreach to the public; and

WHEREAS, Director Bruce was instrumental in setting the District up for a financially viable future to fund capital improvements and build reserves; and

WHEREAS, Director Bruce was involved in the Santa Margarita Groundwater Agency and its formation, serving as the District's alternate representative;

NOW, THEREFORE BE IT RESOLVED, by the Board of Directors of the San Lorenzo Valley Water District that Margaret V. Bruce be commended and thanked for her years of dedicated service, that she has the respect of all who have worked with her and that her efforts and dedication will be sorely missed.

**

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 16th day of May, 2019 by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

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

M E M O

TO: Board of Directors
FROM: District Manager
PREPARED BY: Director of Finance
SUBJECT: FY1920 Draft Budget
DATE: May 16, 2019

BACKGROUND:

From the last Board meeting on 4/18/2019, staff was directed to research the following:

- Find further operating expense reductions
- Attempt to show what a flat operating expense budget would look like, compared to FY1819 Budget
- Attempt to show what a 5% reduced operating expense budget would look like, compared to FY1819 Budget
- Find other revenue opportunities

Below shows the original proposed operating expense budget, the revised operating expense budget, and the amounts that would be needed to achieve the operating expense reductions mentioned above:

| | | | |
|--------------------------------------|-----------|----------------|-------------|
| Proposed FY1920 Budget | \$ | 8,301,639 | |
| FY1819 Budget | \$ | 7,961,656 | |
| Change Over Prior Year Budget | \$ | 339,983 | 4.3% |
| | | | |
| To Achieve Flat Budget | \$ | (339,983) | |
| To Achieve 5% Reduced Budget | \$ | (738,066) | |
| | | | |
| Revised FY1920 Budget | \$ | 8,099,077 | |
| FY1819 Budget | \$ | 7,961,656 | |
| Change Over Prior Year Budget | \$ | 137,421 | 1.7% |
| | | | |
| To Achieve Flat Budget | \$ | (137,421) | |
| To Achieve 5% Reduced Budget | \$ | (535,504) | |

Staff did a hard review of the budget and reduced the operating expenses by \$202,562 (reflected above), with \$177,562 in actual reductions and \$25,000 moved to capital expenditure.

Staff has identified an additional ~\$100,000 in operating expenses that could be cut, but feel it has such an impact that it should be discussed with the Board first. This would bring operating expenses to be relatively flat to the prior year budget.

With regards to a 5% reduction, staff does not see that as a viable option:

- Like most water utility operations, a high proportion of costs are fixed (approximately 80% of expenses) regardless of the amount of water consumed by customers.
- Staff has expressed concern over displaying a 5% reduction. It will lead to compromising our abilities to maintain our infrastructure, and mission to provide our customers and future generations with reliable, safe and high quality water.
- The cuts that are being requested would be so severe, that it would change the current direction of the District.
 - For example, the most recent increases were for the Engineering Department. If the District were to roll back that plan (layoff the current Engineering Manager and not hire the Engineering Associate), it would result in approximately \$300,000 in “savings” and even that would not achieve the 5% reduction.
- The trajectory of the District has been based on the guidance of the Board, incorporated through the Strategic Plan. The desire for a 5% reduction would require layoffs, or folding up departments as a whole, along with other expense reductions. This is a Board level discussion.

With regard to other revenue opportunities, almost 90% of District revenue is generated from customer water fees. A public utility would not be able to easily branch out into another “sector” to generate new, meaningful, revenue sources. However, there are some policies staff have been wanting the District to review that may generate additional revenues. We will briefly touch on these later, but in general I do not see any changes being made to the current budget for revenue.

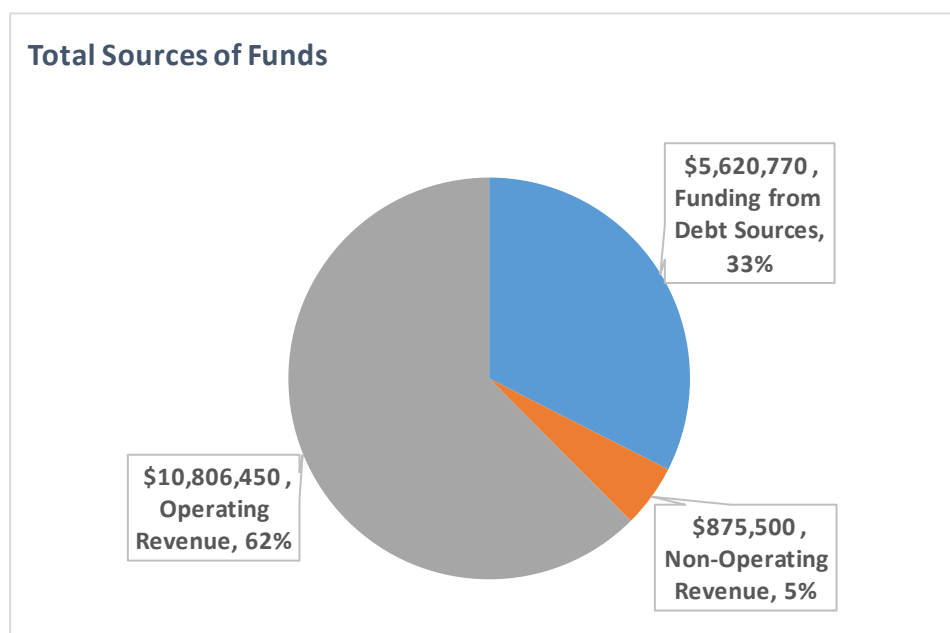
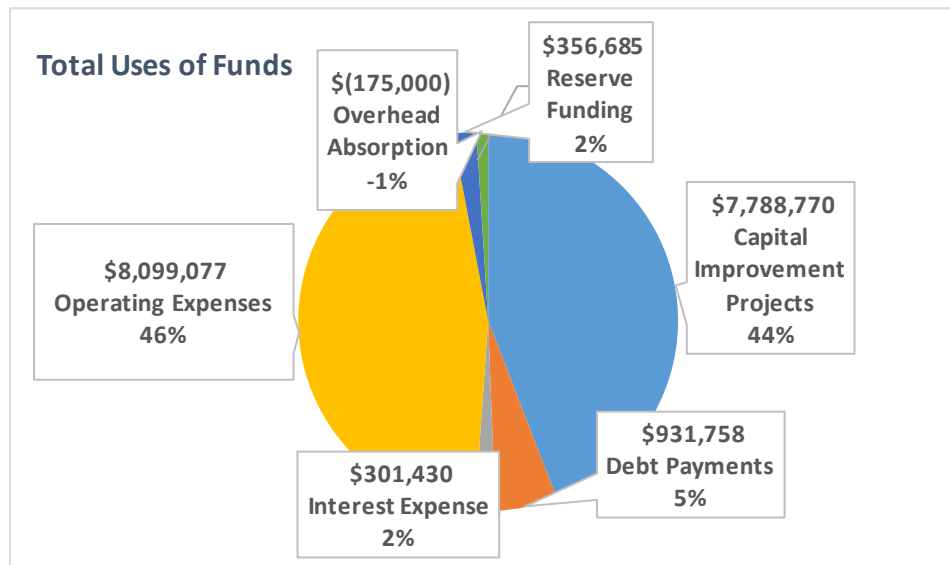
Getting the budget approved does not mean the end of the process. The budget its components are a continual discussion and can always have a formal revision later in the year.

The Strategic Plan revision, or other larger discussions, have been hindering the budget process. The budget is for the upcoming fiscal year and can have a revision done later in the year if major changes occur. In an ideal situation a revised Strategic Plan would have been in place to help guide the budget. I appreciate the Board and committee doing a full review of the budget, it continues to grow and improve, some of these larger long term changes just may not be as realistic to get all done within this budget for where it stands now.

RECOMMENDATIONS:

The Board review the budget package presented. From the last presentation, revenues did not change much, expenses went down the \$200K mentioned above and the capital projects are now included. Note this is still a draft, small changes may occur. Full packet expected for review in June.

The further support will lay out some of the main discussion items staff would like Board input on, specific to this budget. Staff feels conflicted with making some of these cuts without knowing the majority of the Boards opinions.



The below outlines the high level view of the main budget segments. The overall results are an increase of \$356,685 in reserves. These could be increased, based on some of the budget decisions made later in this discussion. This is a continued positive sign for the District's financial vitality. The increased capital projects are being supported by the increased revenues and operating expenses having low increases.

Statement of Revenues, Expenses and Changes in Reserves

| REGULAR DISTRICT FUNDS | FY1920 Proposed Budget |
|---------------------------------------------------|------------------------|
| <i>Beginning Reserve Balance</i> | \$ 2,500,000 |
| Revenues | |
| Operating Revenues | \$ 10,806,450 |
| Non-operating Revenues | 875,500 |
| Total Revenues | \$ 11,681,950 |
| Expenses | |
| Operating Expenses | \$ 8,099,077 |
| Non-operating Expenses | 1,233,188 |
| Overhead Absorption ⁽¹⁾ | (175,000) |
| Total Expenses | \$ 9,157,265 |
| Capital Improvement Expenses & Funding | |
| Capital Projects | \$ 7,788,770 |
| Debt Funding | (5,620,770) |
| Capital Project Expenses | \$ 2,168,000 |
| Increase (Decrease) | \$ 356,685 |
| Ending Reserve Balance | \$ 2,856,685 |

| | |
|---------------------------|---------------------|
| Reserve Balances | |
| Operating Reserve | \$ 2,565,685 |
| Capital Reserve | - |
| Restricted Reserve - Debt | 291,000 |
| | <u>\$ 2,856,685</u> |

| LOMPICO ASSESSMENT DISTRICT | FY1920 Proposed Budget |
|---------------------------------------------------|------------------------|
| <i>Beginning Reserve Balance</i> | \$ 400,000 |
| Revenues | |
| Operating Revenues | |
| Non-operating Revenues | 295,000 |
| Total Revenues | \$ 295,000 |
| Expenses | |
| Operating Expenses | \$ - |
| Non-operating Expenses | - |
| Overhead Absorption ⁽¹⁾ | |
| Total Expenses | \$ - |
| Capital Improvement Expenses & Funding | |
| Capital Projects | \$ 802,125 |
| Debt Funding | (107,125) |
| Capital Project Expenses | \$ 695,000 |
| Increase (Decrease) | \$ (400,000) |
| Ending Reserve Balance | \$ - |

| | |
|--------------------------|-------------|
| Reserve Balances | |
| Restricted - Assessments | \$ - |
| | <u>\$ -</u> |

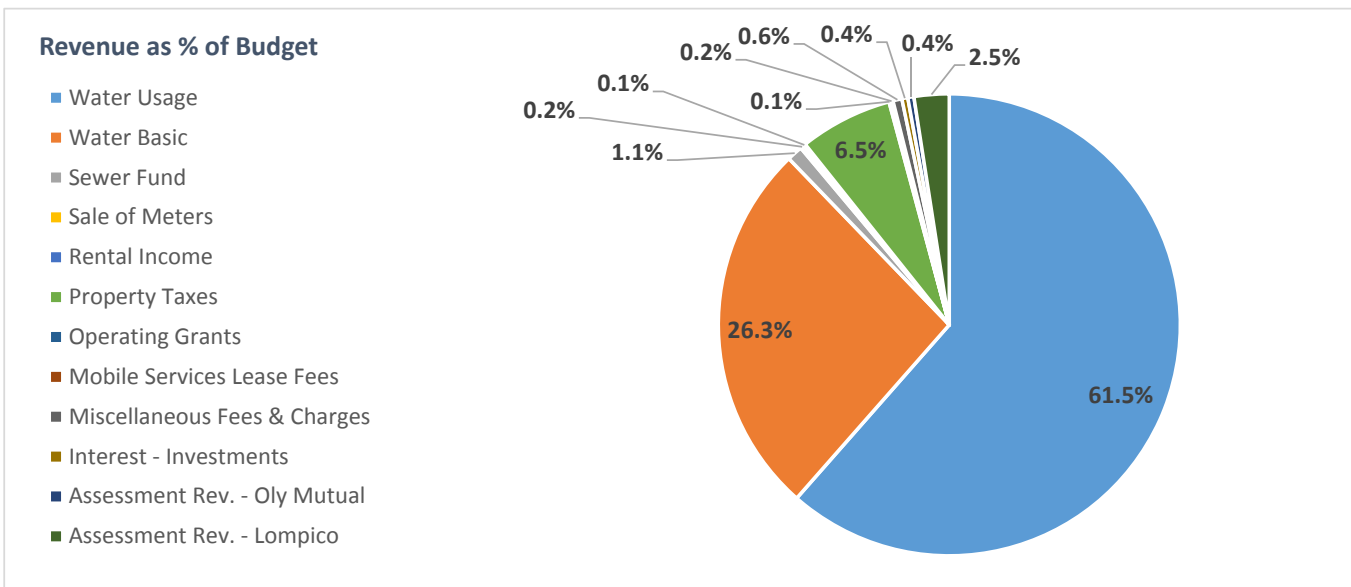
| OLYMPIA ASSESSMENT DISTRICT | FY1920 Proposed Budget |
|---------------------------------------------------|------------------------|
| <i>Beginning Reserve Balance</i> | \$ 58,000 |
| Revenues | |
| Operating Revenues | \$ - |
| Non-operating Revenues | 51,000 |
| Total Revenues | \$ 51,000 |
| Expenses | |
| Operating Expenses | \$ - |
| Non-operating Expenses | 50,000 |
| Overhead Absorption ⁽¹⁾ | |
| Total Expenses | \$ 50,000 |
| Capital Improvement Expenses & Funding | |
| Capital Projects | \$ - |
| Debt Funding | |
| Capital Project Expenses | \$ - |
| Increase (Decrease) | \$ 1,000 |
| Ending Reserve Balance | \$ 59,000 |

| | |
|--------------------------|------------------|
| Reserve Balances | |
| Restricted - Assessments | \$ 59,000 |
| | <u>\$ 59,000</u> |

(1) Overhead absorption is employee labor time that is capitalized for work performed on capital projects.

Revenue Budget

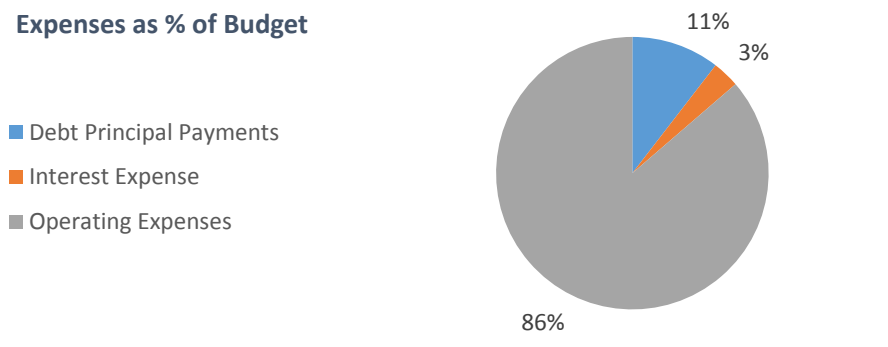
| | FY1920 Proposed Budget | FY1819 Adopted Budget | FY1819 Est. Actuals | Variance to FY1819 Budget | Variance to FY1819 Est. Actuals | | |
|------------------------------------|------------------------------|-----------------------------|------------------------|------------------------------|------------------------------------|--------------------|--------------|
| Operating Revenue | | | | | | | |
| Water Basic | \$ 3,163,000 | \$ 2,986,000 | \$ 2,984,000 | \$ 177,000 | 6% | \$ 179,000 | 6% |
| Water Usage | 7,395,500 | 6,846,000 | 7,024,000 | 549,500 | 8% | 371,500 | 5% |
| Sewer Fund | 132,170 | 100,000 | 110,140 | 32,170 | 32% | 22,030 | 20% |
| Sale of Meters | 30,000 | 30,000 | 30,000 | - | 0% | - | 0% |
| Operating Grants | 10,000 | - | - | 10,000 | 0% | 10,000 | 0% |
| Miscellaneous Fees & Charges | 75,780 | 60,000 | 78,000 | 15,780 | 26% | (2,220) | -3% |
| Total Operating Revenue | \$ 10,806,450 | \$ 10,022,000 | \$ 10,226,140 | \$ 784,450 | 8% | \$ 580,310 | 6% |
| Non-operating Revenue | | | | | | | |
| Property Taxes | \$ 783,750 | \$ 738,400 | \$ 750,000 | \$ 45,350 | 6% | \$ 33,750 | 5% |
| Assessment Rev. - Oly Mutual | 51,000 | 51,000 | 51,000 | - | 0% | - | 0% |
| Assessment Rev. - Lompico | 295,000 | 295,000 | 300,000 | - | 0% | (5,000) | -2% |
| Sale Of Surplus Property | | | | - | 0% | - | 0% |
| Reimb. For Manana Woods | | | | - | 0% | - | 0% |
| Interest - Investments | 50,000 | 10,000 | 69,000 | 40,000 | 400% | (19,000) | -28% |
| Total Non-Operating Revenue | \$ 1,221,500 | \$ 1,147,000 | \$ 1,213,050 | \$ 74,500 | 6% | \$ 8,450 | 1% |
| Capital Contributions | | | | | | | |
| Capital Grants | | | \$ 33,000 | \$ - | 0% | \$ (33,000) | -100% |
| FEMA Reimbursements | | | | | | | |
| Total Capital Contributions | \$ - | \$ - | \$ 33,000 | \$ - | 0% | \$ (33,000) | -100% |
| TOTAL REVENUE | \$ 12,027,950 | \$ 11,169,000 | \$ 11,472,190 | \$ 858,950 | 8% | \$ 555,760 | 5% |



Expense Budget

| | FY1920 Proposed Budget | FY1819 Adopted Budget | FY1819 Est. Actuals | Variance to FY1819 Budget | | Variance to FY1819 Est. Actuals | |
|-------------------------------------|------------------------------|-----------------------------|------------------------|------------------------------|-------------|------------------------------------|-------------|
| Operating Expenses | | | | | | | |
| Salaries & Benefits | \$ 5,244,896 | \$ 5,048,246 | \$ 4,830,428 | \$ 196,650 | 4% | \$ 414,468 | 9% |
| Contract/Professional Services | 1,252,711 | 1,316,360 | 1,227,227 | (63,649) | -5% | 25,484 | 2% |
| Operating Expenses | 435,250 | 420,500 | 415,826 | 14,750 | 4% | 19,424 | 5% |
| Maintenance | 218,850 | 184,350 | 175,878 | 34,500 | 19% | 42,972 | 24% |
| Facilities | 591,700 | 571,800 | 580,276 | 19,900 | 3% | 11,424 | 2% |
| Gen. & Admin. | 355,670 | 420,400 | 359,056 | (64,730) | -15% | (3,386) | -1% |
| Total Operating Expenses | \$ 8,099,077 | \$ 7,961,656 | \$ 7,588,691 | \$ 137,421 | 2% | \$ 510,386 | 7% |
| Interest Expense | | | | | | | |
| Refunding Bond | \$ 26,267 | \$ 43,695 | \$ 43,696 | \$ (17,428) | -40% | \$ (17,429) | -40% |
| Felton Loan | 33,582 | 37,220 | 37,220 | (3,638) | -10% | (3,638) | -10% |
| Olympia SRF Loan | 37,987 | 39,657 | 39,657 | (1,670) | -4% | (1,670) | -4% |
| Probation Tank Loan | 77,146 | 130,000 | - | (52,854) | -41% | 77,146 | 0% |
| \$6M Bridge/USDA Loan Est. | 115,720 | - | - | 115,720 | 0% | 115,720 | 0% |
| Solar Lease | 8,775 | 9,869 | 9,862 | (1,094) | -11% | (1,087) | -11% |
| Vehicle Lease | 1,953 | 2,703 | 2,703 | (750) | -28% | (750) | -28% |
| Total Interest Expense | \$ 301,430 | \$ 263,144 | \$ 133,138 | \$ 38,286 | 15% | \$ 168,292 | 126% |
| Debt Principal Payments | | | | | | | |
| Refunding Bond | \$ 582,031 | \$ 666,015 | \$ 660,015 | \$ (83,984) | -13% | \$ (77,984) | -12% |
| Felton Loan | 153,215 | 149,577 | 149,577 | 3,638 | 2% | 3,638 | 2% |
| Olympia SRF Loan | 66,246 | 64,576 | 64,576 | 1,670 | 3% | 1,670 | 3% |
| Probation Tank Loan | 50,716 | 275,000 | - | (224,284) | -82% | 50,716 | 0% |
| \$6M Bridge/USDA Loan Est. | 76,074 | - | - | 76,074 | 0% | 76,074 | 0% |
| Solar Lease | 30,220 | 29,130 | 29,132 | 1,090 | 4% | 1,088 | 4% |
| Vehicle Lease | 23,256 | 22,505 | 22,505 | 751 | 3% | 751 | 3% |
| Total Debt Payments | \$ 981,758 | \$ 1,206,803 | \$ 925,805 | \$ (225,045) | -19% | \$ 55,953 | 6% |
| Total Non-operating Expenses | \$ 1,283,188 | \$ 1,469,947 | \$ 1,058,943 | \$ (186,759) | -13% | \$ 224,245 | 21% |
| TOTAL EXPENSES | \$ 9,382,265 | \$ 9,431,603 | \$ 8,647,634 | \$ (49,338) | -1% | \$ 734,631 | 8% |

Expenses as % of Budget



OPERATING EXPENSE CATEGORY BY DEPARTMENT

Administration by Expense Category

| | FY1920 Proposed Budget | FY1819 Adopted Budget | FY1819 Est. Actuals | Variance to FY1819 Budget | Variance to FY1819 Est. Actuals | | |
|--------------------------------|------------------------------|-----------------------------|------------------------|------------------------------|------------------------------------|--------------------|------------|
| Salaries & Benefits | \$ 489,261 | \$ 450,812 | \$ 440,028 | \$ 38,449 | 9% | \$ 49,233 | 11% |
| Contract/Professional Services | 413,100 | 534,000 | 490,000 | (120,900) | -23% | (76,900) | -16% |
| Operating Expenses | 1,986 | 993 | 2,071 | 993 | 100% | (85) | -4% |
| Maintenance | 15,887 | 15,887 | 15,887 | 0 | 0% | - | 0% |
| Facilities | 26,810 | 25,817 | 26,389 | 993 | 4% | 421 | 2% |
| Gen. & Admin. | 159,112 | 169,471 | 158,608 | (10,359) | -6% | 505 | 0% |
| Total Operating Expense | \$ 1,106,156 | \$ 1,196,980 | \$ 1,132,983 | \$ (90,824) | -8% | \$ (26,827) | -2% |

Finance & Business Services by Expense Category

| | FY1920 Proposed Budget | FY1819 Adopted Budget | FY1819 Est. Actuals | Variance to FY1819 Budget | Variance to FY1819 Est. Actuals | | |
|--------------------------------|------------------------------|-----------------------------|------------------------|------------------------------|------------------------------------|------------------|-----------|
| Salaries & Benefits | \$ 1,092,849 | \$ 1,075,259 | \$ 1,048,826 | \$ 17,590 | 2% | \$ 44,024 | 4% |
| Contract/Professional Services | 108,728 | 105,253 | 111,436 | 3,475 | 3% | (2,708) | -2% |
| Operating Expenses | 1,738 | 993 | 1,619 | 745 | 75% | 119 | 7% |
| Maintenance | 15,738 | 12,759 | 15,391 | 2,979 | 23% | 348 | 2% |
| Facilities | 1,500 | - | - | 1,500 | 0% | 1,500 | 0% |
| Gen. & Admin. | 167,332 | 159,667 | 167,116 | 7,666 | 5% | 217 | 0% |
| Total Operating Expense | \$ 1,387,886 | \$ 1,353,931 | \$ 1,344,387 | \$ 33,955 | 3% | \$ 43,499 | 3% |

Engineering by Expense Category

| | FY1920 Proposed Budget | FY1819 Adopted Budget | FY1819 Est. Actuals | Variance to FY1819 Budget | Variance to FY1819 Est. Actuals | | |
|--------------------------------|------------------------------|-----------------------------|------------------------|------------------------------|------------------------------------|-------------------|-------------|
| Salaries & Benefits | \$ 379,817 | \$ 246,165 | \$ 121,450 | \$ 133,652 | 54% | \$ 258,367 | 213% |
| Contract/Professional Services | 32,000 | 15,000 | 25,000 | 17,000 | 113% | 7,000 | 28% |
| Operating Expenses | 23,000 | - | - | 23,000 | 0% | 23,000 | 0% |
| Maintenance | 1,000 | - | - | 1,000 | 0% | 1,000 | 0% |
| Facilities | 2,500 | 1,200 | 500 | 1,300 | 108% | 2,000 | 400% |
| Gen. & Admin. | 7,800 | 6,500 | 3,868 | 1,300 | 20% | 3,932 | 102% |
| Total Operating Expense | \$ 446,117 | \$ 268,865 | \$ 150,818 | \$ 177,252 | 66% | \$ 295,299 | 196% |

Operations & Distribution by Expense Category

| | FY1920 Proposed Budget | FY1819 Adopted Budget | FY1819 Est. Actuals | Variance to FY1819 Budget | Variance to FY1819 Est. Actuals | | |
|--------------------------------|------------------------------|-----------------------------|------------------------|------------------------------|------------------------------------|-------------------|-----------|
| Salaries & Benefits | \$ 1,482,930 | \$ 1,529,876 | \$ 1,477,259 | \$ (46,946) | -3% | \$ 5,671 | 0% |
| Contract/Professional Services | 100,000 | 142,000 | 110,000 | (42,000) | -30% | (10,000) | -9% |
| Operating Expenses | 172,000 | 187,000 | 186,171 | (15,000) | -8% | (14,171) | -8% |
| Maintenance | 105,749 | 108,728 | 98,302 | (2,979) | -3% | 7,447 | 8% |
| Facilities | 197,866 | 191,387 | 194,991 | 6,479 | 3% | 2,875 | 1% |
| Gen. & Admin. | 8,440 | 9,433 | 6,235 | (993) | -11% | 2,205 | 35% |
| Allocations | - | - | - | - | 0% | - | 0% |
| Total Operating Expense | \$ 2,066,985 | \$ 2,168,424 | \$ 2,072,958 | \$ (101,439) | -5% | \$ (5,972) | 0% |

OPERATING EXPENSE CATEGORY BY DEPARTMENT

Environmental by Expense Category

| | FY1920 Proposed Budget | FY1819 Adopted Budget | FY1819 Est. Actuals | Variance to FY1819 Budget | | Variance to FY1819 Est. Actuals | |
|--------------------------------|------------------------------|-----------------------------|------------------------|------------------------------|-----------|------------------------------------|------------|
| Salaries & Benefits | \$ 291,032 | \$ 264,605 | \$ 281,137 | \$ 26,427 | 10% | \$ 9,895 | 4% |
| Contract/Professional Services | 363,111 | 275,360 | 246,000 | 87,751 | 32% | 117,111 | 48% |
| Operating Expenses | 4,500 | 4,500 | 2,441 | - | 0% | 2,059 | 84% |
| Maintenance | 8,000 | 10,000 | 5,000 | (2,000) | -20% | 3,000 | 60% |
| Facilities | 1,200 | 600 | 2,224 | 600 | 100% | (1,024) | -46% |
| Gen. & Admin. | 3,850 | 65,600 | 16,827 | (61,750) | -94% | (12,977) | -77% |
| Allocations | - | - | - | - | 0% | - | 0% |
| Total Operating Expense | \$ 671,693 | \$ 620,665 | \$ 553,628 | \$ 51,028 | 8% | \$ 118,065 | 21% |

Supply & Treatment by Expense Category

| | FY1920 Proposed Budget | FY1819 Adopted Budget | FY1819 Est. Actuals | Variance to FY1819 Budget | | Variance to FY1819 Est. Actuals | |
|--------------------------------|------------------------------|-----------------------------|------------------------|------------------------------|-----------|------------------------------------|-----------|
| Salaries & Benefits | \$ 1,452,430 | \$ 1,438,509 | \$ 1,407,852 | \$ 13,921 | 1% | \$ 44,577 | 3% |
| Contract/Professional Services | 160,000 | 180,000 | 205,000 | (20,000) | -11% | (45,000) | -22% |
| Operating Expenses | 207,000 | 204,000 | 204,498 | 3,000 | 1% | 2,502 | 1% |
| Maintenance | 70,003 | 34,753 | 40,094 | 35,250 | 101% | 29,909 | 75% |
| Facilities | 349,577 | 341,669 | 345,352 | 7,908 | 2% | 4,225 | 1% |
| Gen. & Admin. | 7,447 | 7,944 | 4,659 | (496) | -6% | 2,788 | 60% |
| Allocations | - | - | - | - | 0% | - | 0% |
| Total Operating Expense | \$ 2,246,457 | \$ 2,206,874 | \$ 2,207,456 | \$ 39,583 | 2% | \$ 39,001 | 2% |

Sewer Fund by Expense Category

| | FY1920 Proposed Budget | FY1819 Adopted Budget | FY1819 Est. Actuals | Variance to FY1819 Budget | | Variance to FY1819 Est. Actuals | |
|--------------------------------|------------------------------|-----------------------------|------------------------|------------------------------|------------|------------------------------------|------------|
| Salaries & Benefits | \$ 56,577 | \$ 43,020 | \$ 53,875 | \$ 13,556 | 32% | \$ 2,701 | 5% |
| Contract/Professional Services | 75,772 | 64,747 | 39,791 | 11,025 | 17% | 35,981 | 90% |
| Operating Expenses | 25,026 | 23,014 | 19,026 | 2,012 | 9% | 6,000 | 32% |
| Maintenance | 2,472 | 2,222 | 1,204 | 250 | 11% | 1,268 | 105% |
| Facilities | 12,248 | 11,128 | 10,820 | 1,120 | 10% | 1,428 | 13% |
| Gen. & Admin. | 1,688 | 1,785 | 1,744 | (97) | -5% | (56) | -3% |
| Allocations | - | - | - | - | 0% | - | 0% |
| Total Operating Expense | \$ 173,783 | \$ 145,917 | \$ 126,461 | \$ 27,866 | 19% | \$ 47,322 | 37% |

LABOR DETAIL

HEAD COUNT BREAKDOWN

| DEPARTMENT | | JOB TITLE | FTE | SUMMARY HC | |
|---------------|---------|-----------------------------------------------|-----|------------|--------------|
| ADMIN | 100 | District Manager | 1 | 100 | 2.00 |
| ADMIN | 100 | District Secretary / Administrative Assistant | 1 | 200 | 9.00 |
| FINANCE | 200 | Director of Finance & Business Services | 1 | 300 | 3.00 |
| FINANCE | 200 | Accounting Clerk | 1 | 400 | 10.60 |
| FINANCE | 200 | Accountant | 1 | 500 | 1.00 |
| FINANCE | 200 | Customer Service Representative I | 2 | 800 | 9.40 |
| FINANCE | 200 | Customer Service Representative II | 1 | | 35.00 |
| FINANCE | 200 | Field Customer Service Representative II | 2 | | |
| FINANCE | 200 | Human Resource Specialist | 1 | | |
| ENGINEERING | 300 | GIS/CAD Specialist | 1 | | |
| ENGINEERING | 300 | Associate Engineer | 1 | | |
| ENGINEERING | 300 | Engineering Manager | 1 | | |
| DISTRIBUTION | 400 | Lead Field Services Worker | 2 | | |
| SPLIT | 400/800 | Director of Operations | 1 | | |
| DISTRIBUTION | 400 | Field Services Worker II | 5 | | |
| SPLIT | 400/800 | Network Specialist | 1 | | |
| DISTRIBUTION | 400 | Field Services Supervisor | 1 | | |
| SPLIT | 400/800 | Electrician /Instrumentation Tech II | 1 | | |
| SPLIT | 400/800 | Electrician /Instrumentation Tech I | 1 | | |
| SPLIT | 400/800 | Field Services & Systems Coordinator | 1 | | |
| ENVIRONMENTAL | 500 | Environmental Programs Manager | 1 | | |
| ENVIRONMENTAL | 500 | Water Conservation Specialist | 0 | | |
| TREATMENT | 800 | Water Treatment & System Operator | 5 | | |
| TREATMENT | 800 | Water Treatment & System Supervisor | 1 | | |
| TREATMENT | 800 | Senior Water Treatment & System Operator | 1 | | |

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SUMMARY OF ITEMS TO STILL REVIEW

| DESCRIPTION | ACCOUNT | POTENTIAL CHANGE | NOTES |
|----------------------------------------------------------------------|-------------|------------------|---------------------------------------------------------------------|
| REDUCTIONS | | | |
| VIDEO RECORDINGS | 01-100-5200 | \$ (7,000) | Nice to have, not required |
| FACILITY STUDY | 01-100-5200 | \$ (20,000) | Unknown, will have a citizens advisory committee |
| REDUCE HEADCOUNT BY 1 BY SHIFTING WATER CONSERVATION TO CSR POSITION | 01-500-XXXX | \$ (88,000) | Most responsible option if water conservation program is not funded |
| COMMUNICATIONS CONSULTANT | 01-100-5200 | \$ (10,000) | Nice to have, not required - general unknown campaign |
| 2 BILL INSERTS | 01-100 | \$ (3,600) | Nice to have, not required - general unknown campaign |
| ELIMINATE COMMUNITY INVOLVEMENT | Multi | \$ (2,015) | OT cost associated with River Lean-up, Farmer's Market |
| SMART BILLING CAMPAIGN | Multi | \$ (10,000) | See analysis, savings can vary. Expected to be 1/2 year. |
| ELIMINATE IVR NOTIFICATIONS | 01-200-5200 | \$ (6,000) | See analysis |
| | | \$ (146,615) | |
| ADDITIONS | | | |
| JUVENILE SALMONID & STREAM HABITAT SAMPLING | 01-500-5200 | \$ 15,000 | Continue to help fund, but at a reduced amount |
| SMART BILLING CAMPAIGN PROMOTION | Multi | \$ 10,000 | Will need communications for the savings above |
| SMALL REBATE/CONSERVATION PROGRAM | Multi | \$ 10,000 | Extremely reduced outreach plan |
| | | \$ 35,000 | |
| NET OF ITEMS TO STILL REVIEW | | \$ (111,615) | This would be the reduction in operating expenses |

BOD MEETINGS

| CHANGES MADE TO BUDGET: | ACCOUNT | AMOUNT |
|-------------------------|-------------|--------------------|
| LEGAL FEES | 01-100-5210 | \$ (15,000) |
| PROF. FEES - CCTV | 01-100-5200 | \$ (5,000) |
| DIRECTOR FEES | 01-100-5101 | \$ (5,000) |
| ADMIN OVERTIME | 01-100-5120 | \$ (3,000) |
| TOTAL | | \$ (28,000) |

BACKGROUND:

Original budget assumed the 2 meetings per month + 4 special meetings = 28 meetings total

This revision proposes 1 main meeting per month + 4 quarterly workshops + 2 special meetings = 18 meetings total

OPTIONS TO STILL REVIEW:

PROF. FEES - CCTV \$ 7,000 Assumes 14 recorded meetings

Staff recommends the Board analyze the value of recording meetings.

Option 1 - Determine if video recordings are desired.

Option 2 - Direct staff to move forward with internal video capabilities.

Option 3 - Continue with CCTV.

ANALYSIS SUPPORT:

CCTV BOD Meeting Views

| | |
|------------|----|
| 4/4/2019 | 3 |
| 3/21/2019 | 8 |
| 3/7/2019 | 29 |
| 2/21/2019 | 20 |
| 2/7/2019 | 16 |
| 1/17/2019 | 11 |
| 12/13/2018 | 5 |
| 11/15/2018 | 6 |
| 10/18/2018 | 23 |
| 9/20/2018 | 16 |

STAFF RECOMMENDATION:

Staff feels this is a Board level matter to be determined.

FACILITY FEASIBILITY STUDY

| |
|--------------------------------|
| CHANGES MADE TO BUDGET: |
|--------------------------------|

| |
|--------------------------------------------------------|
| Currently no change, see options to still review below |
|--------------------------------------------------------|

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|--------------------|
| BACKGROUND: |
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|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The District had done a Needs Assessment and Staffing Study in the past (2016). This was to help guide direction to a more suitable office environment. In July 2017 the Board directed staff to proceed with declaring the Administrative Building surplus, with intent to sell. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Also from the July 2017, staff was directed to start the facility study to address options. One being if the "Johnson" building/parcel is needed or could also be deemed surplus to sell. |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| |
|---------------------------------|
| OPTIONS TO STILL REVIEW: |
|---------------------------------|

| | | |
|----------------|----|--------|
| Facility Study | \$ | 20,000 |
|----------------|----|--------|

| |
|--------------------------|
| ANALYSIS SUPPORT: |
|--------------------------|

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|-----|
| N/A |
|-----|

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|------------------------------|
| STAFF RECOMMENDATION: |
|------------------------------|

| |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Staff recommends moving forward with starting a committee to begin reviewing what has been done in the past and what is currently needed. This can remain funded, or be removed and brought back for outside budget approval at a later time. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

ENVIRONMENTAL DEPT BUDGET ITEMS TO DISCUSS

| | | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------------------------------|---------------------|---------------------|
| ITEM 1 | ORIGINAL CUTS: | | | | | |
| | These items were originally requested by the Environmental Programs Manager, but removed by the DM so that the Board could give direction. Given the recent cut to the environmental department, staff wanted Board direction on how to proceed. | | | | | |
| | ACCOUNT | DESCRIPTION | AMOUNT | VENDOR | PURPOSE | NOTES |
| | 01-500-5200 | OLYMPIA LAND MANAGEMENT | 10,000 | Unknown, possible RFP | Invasive Species | |
| | | JUVENILE SALMONID & STREAM HABITAT | | | | SLVWD % of project. |
| | 01-500-5200 | SAMPLING | 25,000 | City of Santa Cruz for DW Alley | Stewardship | Based on? |
| | | | 35,000 | | | |
| | 01-500-5620 | RESIDENTIAL REBATES | 10,000 | Posts as credit to UB account | Water Conservation | |
| | 01-500-5620 | COMMERCIAL REBATES | 6,000 | Posts as credit to UB account | Water Conservation | |
| | 01-500-5620 | WATER CONSERVATION DEVICES - GIVEAWAYS | 3,000 | Misc. | Water Conservation | |
| | 01-500-5620 | WATER CONSERVATION OUTREACH | 1,000 | Misc. | Water Conservation | |
| | 01-500-5620 | WATER CONSERVATION COALITION | 5,300 | Water Conservation Coalition | Water Conservation | |
| | | | 25,300 | | | |
| | 01-500-5621 | WATERSHED GRANTS DATA COLLECT | 7,500 | Application based | Stewardship | |
| | 01-500-5622 | EDUCATION PROGRAM | 17,500 | Application based | Stewardship | |
| | | | 25,000 | | | |
| | 01-500-5631 | MEMBERSHIP & DUES | 5,000 | Water Conservation Coalition | Water Conservation | |
| | TOTAL AMOUNT REMOVED FROM ORIGINAL REQUEST | | 90,300 | | | |
| STAFF RECOMMENDATION: | | | | | | |
| The Board should discuss the above items that were preliminarily removed and make a decision for leaving removed or to fund. These decisions will help with the additional discussion item 3 below. | | | | | | |
| ITEM 2 | KEY ITEMS REMAINING IN BUDGET: | | | | | |
| | ACCOUNT | DESCRIPTION | AMOUNT | VENDOR | PURPOSE | NOTES |
| | 01-500-5200 | Stream Flow Monitoring | 55,111 | Balance Hydrologics | Water Supply | |
| | 01-500-5200 | HCP Report District Wide | 130,000 | Jodi McGraw | Future CIP Planning | |
| | 01-500-5200 | Hydrogeologist Consulting Services | 55,000 | RFP 2019 | Water Supply | |
| | 01-500-5200 | CEQA for Intertie | 85,000 | RFP 2019 | Water Supply | 100% grant funded |
| | 01-500-5200 | Fishery Assessment | 10,000 | Mike Podlech | Stewardship | 100% grant funded |
| | | Water Shortage Contingency Plan/ Drought Risk | | | | |
| | 01-500-5200 | Assessment | 20,000 | RFP 2020, UWMP Prep | Water Supply | |
| | 01-500-5200 | Olympia Patrol Service | 8,000 | Land Trust SCC | Land Management | |
| STAFF RECOMMENDATION: | | | | | | |
| The Board should review the remaining items in the budget. Staff does not recommend making any cuts to these items. | | | | | | |
| ITEM 3 | ADDITIONAL DISCUSSION NEEDED: | | | | | |
| | The Water Conservation Specialist position was created and filled in Summer of 2017. If the Board does not plan to fund the water conservation or stewardship programs, serious discussion is needed on the viability of this position. Staff sees 3 possible options: | | | | | |
| | Option 1 | No funding of the programs above would likely result in not enough work to support keeping the position at all. (Employee layoff option) | | | Financial Savings | \$ (100,000) |
| | Option 2 | Majority or all programs are funded to keep the position active. (Re-funding of conservation programs) | | | Financial Increase | X up to \$55,300+ |
| | Option 3 | Work with staff on creating a hybrid position within Customer Service (70% CSR and 30% Water Conservation). There is a current opening in CS. Other efficiencies within the departments would need to be found to make this work. Recommend starting with a smaller conservation plan. Keeps \$20K to go towards a smaller rebate program and communications to help attain more efficiencies for electronic processess. | | | Financial Savings | \$ (88,000) |
| STAFF RECOMMENDATION: | | | | | | |
| Staff feels any potential talks of a layoff are a Board level discussion. Staff recognizes the current employee's value and does see an option for the migration into the currently open position. | | | | | | |

COMMUNICATIONS CAMPAIGN

| PRIOR CHANGES MADE TO BUDGET: | | |
|-----------------------------------------------------------------------------------------------------------------------|-----------|----------------|
| HIGHWAY BANNERS | \$ | (1,400) |
| VIDEOS | \$ | (1,500) |
| STATE OF THE DISTRICT SYMPOSIUM | \$ | (1,500) |
| TOTAL* | \$ | (4,400) |
| <i>* These were items the DM cut from the original request. These are not additional cuts to the proposed budget.</i> | | |

| BACKGROUND: |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The District has typically done some sort of community communications. Some have been more water conservation based or other District pertinent information. The above \$4.4K was deemed more water conservation based and removed from the initial staff requested budget. |
| The remaining options below are still in the budget to continue some sort of community communications. |

| OPTIONS TO STILL REVIEW: | | |
|---------------------------|-----------|---------------|
| 2 Bill Inserts | \$ | 3,600 |
| Communications Consultant | \$ | 10,000 |
| Website Hosting | \$ | 4,800 |
| TOTAL | \$ | 18,400 |

| ANALYSIS SUPPORT: |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bill Inserts cost approximately \$1,800 each. Does not include design creation. Direct mailers can cost from \$4,000 to \$8,000 each. |
| Hosted websites are estimated to be ~\$5,000 per year Reconstructed, self maintained could be \$30K-50K+ Website RFP's will be reviewed in the near future. |
| Past PR consultant fees have been \$20K-100K per year. The \$10K proposed is for someone to assist with an initial plan the District can then carry out. |

| STAFF RECOMMENDATION: |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Staff recommends the Board give clear direction on the type of communications, if any, for FY1920. Bill inserts are a preferred method for mass distribution compared to direct mailers, due to cost efficiencies. Staff feels a new website will have great benefits, but it is an added cost that should be discussed. <i>This does not include a electronic campaign.</i> |

COMMUNITY INVOLVEMENT

CHANGES MADE TO BUDGET:

Currently no change, see options to still review below

BACKGROUND:

In light of the recent decision to not participate in the Redwood Mountain Fair (RMF), there are a couple other similar programs the District has been participating in that the Board should make decisions on.

Program 1 - River Clean-Up - occurs once a year and the District offers 2 employees plus the dump truck.

Program 2 - Felton Farmer's Market - District had been attending this past year 2x a month with a booth for people to stop by and ask questions of staff hosting the booth etc.

OPTIONS TO STILL REVIEW:

| | | | |
|------------------|-----------|--------------|---------------------------------|
| River Clean-Up | \$ | 1,087 | 2 employees, 7hrs OT |
| Farmer's Market* | \$ | 928 | 1 employee, 3hrs OT for 8 times |
| TOTAL | \$ | 2,015 | |

** Note there is more employee time spent at the event, but regular time would be paid out regardless and therefore not included in here.*

ANALYSIS SUPPORT:

N/A

STAFF RECOMMENDATION:

Staff feels this is a Board level matter to be determined.

SMART UTILITY BILLING CAMPAIGN

BACKGROUND:

The District offers a multitude of options for customer's with regards to ways to receive and pay bills. Depending on the services selected it can have a cost or benefit associated with it.

There are 3 main areas to consider for this:

- 1) Increase E-bills (electronic bill vs. paper bills mailed)
- 2) Online Payment Analysis - Convenience Fees
- 3) Incentive for payment options

ANALYSIS

Please review the following analysis to help form an opinion on an overall smart utility billing campaign. Realistically, this will take some time to put together. It would be beneficial to have a large campaign like this coincide with the updated website.

This can result in year over year savings for the District, but can also have significant impact on customer's convenience, so it should have significant considerations.

STAFF RECOMMENDATION:

Staff feels this is a Board level matter to be determined.

- 1) Electronic billing should have a cost savings, and with some incentive, we expect a higher level of customer participation.
- 2) Changing or charging fees for types of payments will likely have increased staff work for communicating the changes, but then reduce banking fees.
- 3) Incentives for payment options should have longer term efficiencies for the office. Some forms take a longer initial set-up.

PAPER BILL ANALYSIS

BACKGROUND:

The District does offer electronic billing options. There is a cost savings to the District for the more e-billing participation. This would require customer's to create an account online to select these options.

Alternatively, this typically correlates to online payments as well, which can significantly increase banking fees, please refer to the Payment Cost analysis.

CURRENT BILL BREAKDOWN:

| # Accounts | # Mailed | # E-Bill | % E-Bill |
|------------|----------|----------|----------|
| 7,855 | 6,887 | 968 | 12% |

INFOSEND BILL:

| | | |
|------------------|-------------|---------|
| Processing Costs | \$ 1,088.79 | \$ 0.16 |
| Postage Costs | \$ 2,628.69 | \$ 0.38 |
| | \$ 3,717.48 | \$ 0.54 |

POTENTIAL SAVINGS (OF THE 6,887):

OVERALL ENROLLMENT

| | Monthly Savings | Annualized Savings | Total % | # E-Bill |
|--------------|-----------------|--------------------|---------|----------|
| 10% Adoption | \$ 371.75 | \$ 4,461 | 21% | 1,657 |
| 15% Adoption | \$ 557.62 | \$ 6,691 | 25% | 2,001 |
| 20% Adoption | \$ 743.50 | \$ 8,922 | 30% | 2,345 |
| 25% Adoption | \$ 929.37 | \$ 11,152 | 34% | 2,690 |
| 30% Adoption | \$ 1,115.24 | \$ 13,383 | 39% | 3,034 |
| 35% Adoption | \$ 1,301.12 | \$ 15,613 | 43% | 3,378 |
| 40% Adoption | \$ 1,486.99 | \$ 17,844 | 47% | 3,723 |

STAFF RECOMMENDATION:

Staff recommends coordinating an e-billing/payment promotion to customer's to encourage new participation. This should also be done with preferred payment methods. See Payment Cost analysis to see the impact the different payment methods cost the District. In addition, this should be coordinated with the new website to help get maximum exposure to customer's. *There would be an additional cost to the budget for the way we notify the community.*

ONLINE PAYMENT ANALYSIS - Based on FY1718 payments

BACKGROUND:

In discussions about the bank fees and getting customer's to go more electronic, it was brought up by at least one Board member to look into passing along some of the charges associated with the convenience of electronic payments. In the past, the District has always covered the fees.

In some cases, the District can charge customers a convenience fee for using certain payment types, but there's a maze of rules, exceptions and even state laws to navigate to ensure you stay compliant with the terms of your merchant processing agreement.

OPTIONS TO STILL REVIEW:

| | | |
|-----------|-----------|-----------|
| BANK FEES | VARIABLES | See below |
|-----------|-----------|-----------|

ANALYSIS SUPPORT:

A convenience fee could be easily added to the District's online payment platform. However, in the U.S. Region, except as permitted in "Tax Payment Program – Interchange Reimbursement Fee Qualifications and Fee Amount – U.S. Region," a Convenience Fee must not be added to a Recurring Transaction. Therefore, the fee can only be applied to the one-time electronic payments made on the District's portal.

| PAYMENT TYPE | # TRANS. |
|-----------------------|----------|
| Credit Card One-Time | 11,928 |
| Credit Card Recurring | 8,048 |
| EFT One-Time | 5,081 |
| EFT Recurring | 4,681 |
| TOTAL # ONE-TIME | 17,009 |
| TOTAL # RECURRING | 12,729 |

POTENTIAL SAVINGS BASED ON ONE-TIME PAYMENTS:

| | |
|---------------------|-----------|
| IF FEE IS AT \$1.50 | \$ 25,514 |
| IF FEE IS AT \$2.00 | \$ 34,018 |
| IF FEE IS AT \$2.50 | \$ 42,523 |
| IF FEE IS AT \$3.00 | \$ 51,027 |
| IF FEE IS AT \$3.50 | \$ 59,532 |

STAFF RECOMMENDATION:

Staff feels this is a Board level matter to be determined. Staff does feel that given the multiple payment options the District offers, it appears reasonable to have the fees passed on if the customer so chooses that payment process.

Staff would also like to remind the Board that the bank fees are completely subjective to the customer's preference in payment method. These fees can change greatly depending on the migration to being electronic. There are ways to incentivize customers to use the most cost friendly plan, which can be discussed in the future if a going electric campaign is desired.

PAYMENT COST ANALYSIS

FY1718 Bill Payment Breakdown

| PAYMENTS: | TOTALS | % OF REVENUE | # TRANS. | CATEGORY |
|---------------------------|------------------|-----------------|----------|-------------------------|
| Check In-house \$ | 4,767,101 | 49.8% | 28,914 | In-House-Manually |
| Credit Cards \$ | 2,162,553 | 22.6% | 19,977 | Online |
| E-Check \$ | 938,435 | 9.8% | 9,762 | Online |
| ACH Check \$ | 812,997 | 8.5% | 9,616 | In-House-Manually |
| E-Box Check \$ | 729,690 | 7.6% | 15,899 | In-House-Electronically |
| Cash \$ | 167,628 | 1.8% | 1,591 | In-House-Manually |
| Totals \$ | 9,578,404 | | | |
| SUMMARY OF REVENUE | | | | |
| Online Payments \$ | 3,100,988 | 32.4% | | |
| In-House Payments \$ | 6,477,415 | 67.6% | | |

| COSTS: | TOTALS | | CATEGORY |
|------------------------|----------------|------------------------------|----------|
| WF \$ | 11,635 | | In-House |
| CC Processor \$ | 56,958 | | Online |
| E-check Processor \$ | 7,084 | | Online |
| Accela Platform \$ | 29,173 | (already reduced for FY1920) | Online |
| Totals \$ | 104,849 | | |
| SUMMARY OF FEES | | Ave. Cost | |
| Online Payments \$ | 93,215 | 3.0% | |
| In-House Payments \$ | 11,635 | 0.2% | |

TAKE-AWAY:

- * In-House forms of payment are the least expensive for the District
- * Online payment shift can have significant impact on fees. For example, \$2M more in online payments will roughly cost \$60K more per year.
- * District could look into passing some of the online fees onto customers wishing to pay that way. See Online Payment Analysis.

IVR NOTIFICATIONS

BACKGROUND:

The District has an IVR (interactive voice response) notification program. Currently, the main use is for past due accounts. Customers can receive a text, phone call or e-mail notifying them of their past due balance.

This was reviewed in 2016 as part of the past due policy for updating fees, offering IVR and reducing the tag/turn off rate. Additional staff was needing to be pulled in for the high tag volume. Since then the reduction in tags has become more manageable.

OPTIONS TO STILL REVIEW:

| | | | |
|----------|----|-------|-----------------------------------------|
| IVR FEES | \$ | 6,000 | Bought in blocks, lasts about 1.5 years |
|----------|----|-------|-----------------------------------------|

ANALYSIS SUPPORT:

The increased tag and turn-off penalties were developed to be able to offer this type of notification. However, it is an additional service being offered.

STAFF RECOMMENDATION:

Staff feels this is a common convenience for the utility industry. It balanced out the problem of needing to pull in additional staff and has been well received by the community. Recommend continuing the program.

CAPITAL PROJECTS

| # | Project | Funding Type | FY1920 BUDGET REQUEST | Future FY Projection | Total Project Cost | Est. Completion Year |
|----|---------------------------------------------|---------------------------------|-----------------------------|-------------------------|-----------------------|-------------------------|
| | General Water System: | | | | | |
| 1 | Probation Tank | PRE FUNDED LOAN | 1,670,770 | - | 2,250,000 | FY1920 |
| 2 | Felton Heights Tank and Booster | RESERVES/ PARTIAL CUST. PAID | 300,000 | - | 300,000 | FY1920 |
| 3 | Meter Replacement (<i>In-house labor</i>) | RESERVES | 200,000 | 1,935,137 | 2,400,000 | Ongoing |
| 4 | 1 Field CS Vehicle | RESERVES | 35,000 | - | 35,000 | FY1920 |
| 5 | 2 Ops Vehicles | RESERVES | 80,000 | - | 80,000 | FY1920 |
| 6 | 1 Pooled Vehicle (Eng./Env.) | RESERVES | 28,000 | - | 28,000 | FY1920 |
| 7 | Glen Arbor Bridge South | RESERVES | 75,000 | - | 85,000 | FY1920 |
| 8 | System Wide Master Plan | RESERVES/GRANT | 200,000 | - | 200,000 | FY2021 |
| 9 | Swim Tank | USDA BRIDGE LOAN | 2,000,000 | - | 2,086,440 | FY1920 |
| 10 | Lyon Zone Pipe | USDA BRIDGE LOAN | 1,950,000 | 1,450,000 | 3,400,000 | FY2021 |
| 11 | Fall Creek Fish Ladder | RESERVES | 40,000 | 530,000 | 1,000,000 | FY2021 |
| 12 | San Lorenzo Bridge Pipeline | RESERVES | 15,000 | 235,000 | 250,000 | FY2021 |
| 13 | El Solyo Tank | RESERVES | 50,000 | - | 50,000 | FY1920 |
| 14 | Highland Tank | RESERVES | 25,000 | 275,000 | 300,000 | FY2021 |
| 15 | Brookdale Tank Coating | RESERVES | 250,000 | - | 250,000 | FY1920 |
| 16 | Blair Tank Coating | RESERVES | 225,000 | - | 225,000 | FY1920 |
| 17 | 4 Mobile Generators | RESERVES | 320,000 | - | 320,000 | FY1920 |
| 18 | 4 Fixed Generators | RESERVES | 100,000 | - | 100,000 | FY1920 |
| 19 | Vactor Truck | RESERVES | 25,000 | - | 25,000 | FY1920 |
| | Lompico Assessment District | | | | | |
| 20 | PRV's | LOMPICO AD | 100,000 | - | 506,528 | FY1920 |
| 21 | Madrone Tank | LOMPICO AD | 267,375 | 603,875 | 891,250 | FY2021 |
| 22 | Kaski Tank | LOMPICO AD | 206,250 | 461,250 | 687,500 | FY2021 |
| 23 | Lewis Tank | LOMPICO AD | 228,500 | 894,000 | 1,142,500 | FY2122 |
| | Storm Damage 2017 FEMA | | | | | |
| 24 | Lyon Slide Repair | FEMA/RESERVES | 200,000 | 1,632,618 | 2,000,000 | FY2021 |
| | | | 8,590,895 | 8,016,880 | 18,612,218 | |

SUMMARY OF FUNDING SOURCES FOR CAPITAL PROJECTS:

DEBT FUNDED:

PRE-FUNDED (1,670,770)

BRIDGE LOAN (108,000)

TOTAL DEBT FUNDED (1,778,770) *Funded through water revenue based debt*

LOMPICO AD PROJECTS (802,125) *Funded through AD revenues or AD revenue based debt*

FUNDING FROM RESERVES 6,010,000 *Amount needed from reserves*

CAPITAL PROJECT DESCRIPTION

PROBATION TANK REPLACEMENT

The probation water storage tank is a 100,000 gallon redwood tank located directly behind the Santa Cruz County Juvenile Probation Center off Graham Hill Road in Scotts Valley. This facility provides water service to approximately four-hundred sixty (460) connections in the area of Lockwood Lane and Whispering Pines Drive, in Scotts Valley. The Probation Tank is approximately 50 years old and has reached its life expectancy, requires ongoing leakage repair and is undersized. The surrounding area contains sensitive environmental habitat.

Project Description:

Construction of a new 500,000 gallon welded steel water storage tank in the Probation Zone. This project will replace the existing Redwood tank. The project includes but is not limited to, temporary water storage for customers, new water tank, SCADA control, fencing, and environmental permitting.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 1,980,000 | 1,670,770 | 0 | 2,250,000 |



CAPITAL PROJECT DESCRIPTION

FELTON HEIGHTS TANK AND BOOSTER

In 2013, the District took ownership of Felton Heights Mutual located in Felton. The 21 water connections were receiving water from the District through a single master water meter. As a requirement for the transfer of ownership is to replace existing undersized water storage tank with a 60,000 gallon water tank. The twenty-one homes are responsible for a portion of the project.

Project Description:

The project includes but is not limited to property acquisition by easement, engineering, and water tank construction.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| | 300,000 | 0 | 300,000 |



CAPITAL PROJECT DESCRIPTION

METER REPLACEMENTS

The District maintains a meter replacement program. Meters should be replaced every 10-15 years. Meters that are greater than 15 years old have a higher tendency to under-report water use or fail all together. Failing meters are identified in the meter reading process and replaced as needed. There should be approximately 500 meters replaced annually to maintain the meters.

Project Description:

Replace approximately 500 meters in the District.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 264,863 | 200,000 | 1,935,137 | 2,400,000 |

4 VEHICLES

To perform customer service, operations and maintenance, the District maintains a fleet of various types of vehicles. With the increase in staff and replacement of existing vehicles that have reached their life expectancy, additional vehicles are needed. The fleet is evaluated annually for replacement.

Project Description:

Three vehicles for replacement: one Field Customer Service similar to an F-150, two Distribution similar to an F-250. All three vehicles have approximately 150,000 miles.

One new shared vehicle: A pool vehicle for the engineering, environmental, and Network Specialist is needed for field and other location work by these departments/individuals. The pool vehicle used now is a carryover from Lompico that is a 2003 Ford F-250 4x4 with 162,000 miles. This will be a fuel efficient small SUV.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 143,000 | 0 | 143,000 |

CAPITAL PROJECT DESCRIPTION

GLEN ARBOR BRIDGE (SOUTH) WATER REPAIR/REPLACEMENT

The waterline crossing the Glen Arbor Bridge South is embedded in a concrete tube in the bridge, inaccessible for repairs. Constructed in 1968 the waterline has developed a small leak in the bridge structure.

Project Description:

Repair/Replacement of the waterline crossing the bridge

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 10,000 | 75,000 | 0 | 85,000 |

SYSTEM WIDE MASTER PLANS

Preparation and calibration of a computer simulation hydraulic model of the District's water system for analysis of fire flows, storage requirements and system efficiencies for the respective zones. Once the models have been calibrated, the District will use them to study what current pipe diameters/ pump stations/ storage tanks are deficient for fire flows and/or normal operation. Use of these models will help to prioritize capital Improvement projects.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 200,000 | 0 | 200,000 |

CAPITAL PROJECT DESCRIPTION

SWIM TANK REPLACEMENT

The Swim Water Storage tanks, located off Scenic Way in Ben Lomond, is part of the original water distribution system acquired by the District in 1965 from Citizens Utilities Company. This facility provides water service to approximately one hundred twenty five (125) connections. The existing redwood storage tank consists of two 20,000 gallon redwood storage tanks located off a steep embankment with no vehicular access. The existing redwood tanks require ongoing maintenance to control leakage. In 2015, the lower tank was lined to stop excessive leakage. The tanks are undersized for the service area.

Project Description:

Construction of a new 64,000 gallon bolted steel water tank **located at the same location**. The project includes, but is not limited to construction of a new bolted steel water tank, SCADA control, fencing and retaining walls.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 86,440 | 2,000,000 | 0 | 2,086,440 |



CAPITAL PROJECT DESCRIPTION

LYON DISTRIBUTION ZONE PIPING REPLACEMENT

The Lyon Surface Water Treatment Plant supplies water to the North System through the Lyon Distribution Piping. The existing mainline is 6-inch and creates a restriction limiting the amount of water supply.

Project Description:

Construction of approximately 3,000 lineal feet of new 12-inch water main and appurtenances thereto. This project will replace the existing 6-inch water main along Highway 236 from Big Steel Water Storage Tank to Highway 9. The existing distribution system is outside the Highway 236 right-of-way and traverses under homes. Undersized water main is the source of flow capacity restriction between Big Steel, Brookdale and Reader Zones.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 1,950,000 | 1,450,000 | 3,400,000 |

FALL CREEK FISH LADDER

The Fall Creek Diversion Facility, located off Fall Creek Road in Felton, is part of the water system acquired by the District in 2007 from the California-American Water Company. This facility supplies raw water from Fall Creek to the Kirby Water Treatment Plant in Felton. The Diversion Facility includes a series of weirs, pools and jumps used by salmon for upstream and downstream travel. The facility has needed upgrading since before the District acquired it. Upgrades will include reducing the jump height between the pools for fish travel, as required by State and Federal regulations and improvements to the intakes.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 430,000 | 40,000 | 530,000 | 1,000,000 |

CAPITAL PROJECT DESCRIPTION

SAN LORENZO BRIDGE PIPELINE

The county is putting plans and specs together to replace this bridge. The district has a 2" and a 1.5" pipeline crossing this bridge now, which is insufficient. This is also an opportunity to tie in to the City of Santa Cruzes raw water line coming from Loch Lomond Reservoir in order to eventually be able to treat the Districts allotment of water from Loch Lomond.

Project Description:

To design and install with the county bridge replacement a larger potable water line, and to make a connection and bring a pipe across the bridge from City of Santa Cruzes raw water line coming from Loch Lomond Reservoir for future treatment by the District.

| Spent in Prior FY(s) | FY1819 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 15,000 | 235,000 | 250,000 |

EL SOLYO REDWOOD TANK REPLACEMENT

El Solyo Tank is located off of El Solyo Drive in Felton. This is a 20,000 gallon redwood tank that is leaking. The District has had diving contractors out to try and repair this tank multiple times with little to no effectiveness. The State Department of Water Resources has been instructing the District to replace all of its redwood tanks every year during annual inspections.

Project Description:

Replace the existing 20,000 gallon redwood tank with two 10,000 gallon poly tanks.

| Spent in Prior FY(s) | FY1819 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 50,000 | 0 | 50,000 |

CAPITAL PROJECT DESCRIPTION

HIGHLAND REDWOOD TANK REPLACEMENT

Highland Tank is located off of Highland Drive in Boulder Creek. This is a 64,000 gallon redwood tank that is leaking. The District has had diving contractors out to try and repair this tank multiple times, this worked for a short period of time then the leaks continue. The State Department of Water Resources has been instructing the District to replace all of its redwood tanks every year during annual inspections.

Project Description:

Replace the existing 64,000 gallon redwood tank. It is undetermined at this time what is going to be the best option as a replacement. This will all be determined in the design phase.

| Spent in Prior FY(s) | FY1819 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 25,000 | 275,000 | 300,000 |

BROOKDALE TANK PAINTING AND COATING

Brookdale Tank is located off of Annie's Way in Brookdale. This is a 73,000 gallon welded steel tank that is in need of painting and coating. The District has had contractors out to assess the tank, and has been determined it is past time to rehab this tank, before catastrophic failure. The State Department of Water Resources also has requested that the tank be rehabilitated.

Project Description:

Take Brookdale tank offline and have a painting and coating contractor rehab the existing tank.

| Spent in Prior FY(s) | FY1819 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 250,000 | 0 | 250,000 |

CAPITAL PROJECT DESCRIPTION

BLAIR TANK PAINTING AND COATING

Blair Tank is located off of Blair Street in Felton. This is a 26,000 gallon welded steel tank that is in need of painting and coating. The District has had contractors out to assess the tank, and has been determined it is past time to rehab this tank, before catastrophic failure. The State Department of Water Resources also has requested that the tank be rehabilitated.

Project Description:

Take Blair tank offline and have a painting and coating contractor rehab the existing tank.

| Spent in Prior FY(s) | FY1819 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 225,000 | 0 | 225,000 |



CAPITAL PROJECT DESCRIPTION

MOBILE GENERATORS

The District at this time has three mobile generators for 20+ sites that require generator power during power outages. With the new PG&E fire protection power outages and the man hours moving these generators from site to site during other power outages the District needs to move forward with procuring these mobile generators.

Project Description:

Purchase and procure 4 mobile generators for these sites with no standby power.

| Spent in Prior FY(s) | FY1819 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 320,000 | 0 | 320,000 |

FIXED IN PLACE GENERATORS

The District has eleven facilities with fixed in place standby generators. There are multiple facilities that are capable of housing these types of generators. This would help alleviate some of the moving of mobile generators in to small areas with tight roads and footprints to stage mobile generators. With the new PG&E fire protection power outages and the many of power outages this District experiences it is of best interest to make more of our sites stand alone.

Project Description:

Purchase, procure and install four fixed in place standby generators at four District sites.

| Spent in Prior FY(s) | FY1819 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 100,000 | 0 | 100,000 |

CAPITAL PROJECT DESCRIPTION

VECTOR TRUCK

The District has a vehicle capable of being converted to a vector truck. This will save the District money and time; spoil material, backfill material, asphalt, and man hours. A vector truck is capable of digging out leaks, meters, valves, and etc. with a lot less impact.

Project Description:

Purchase and procure a skid mounted vector, mount, and install on District truck #747 a Ford F-550.

| Spent in Prior FY(s) | FY1819 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 0 | 25,000 | 0 | 25,000 |

CAPITAL PROJECT DESCRIPTION

LOMPICO PRESSURE REGULATOR VALVES (PRV) REPLACEMENTS

As part of the consolidation of Lompico County Water into the District, it was identified to replace eight (8) mainline pressure regular valves. The existing valves have reached their life expectancy and require replacement.

Project Description:

Engineering, design and replacement of eight (8) pressure regulator valves.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 406,528 | 100,000 | 0 | 506,528 |



CAPITAL PROJECT DESCRIPTION

MADRONE TANKS LOMPICO

Madrone tanks are two 60,000 gallon tanks in Lompico that are part of the Lompico assessment. These are redwood tanks that are in the assessment for replacement. These tanks have been in design in fiscal year 18/19. This budget item is to continue the design and then start construction of these tanks. The State Department of Water Resources has been instructing the District to replace all of its redwood tanks every year during annual inspections.

Project Description:

Continue to design and construct to replace these two redwood tanks.

| Spent in Prior FY(s) | FY1819 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 20,000 | 267,375 | 603,875 | 891,250 |



CAPITAL PROJECT DESCRIPTION

KASKI TANKS LOMPICO

Kaski tanks are two 60,000 gallon tanks in Lompico that are part of the Lompico assessment. These are redwood tanks that are in the assessment for replacement. These tanks have been in design in fiscal year 18/19. This budget item is to continue the design and then start construction of these tanks. The State Department of Water Resources has been instructing the District to replace all of its redwood tanks every year during annual inspections.

Project Description:

Continue to design and construct to replace these two redwood tanks.

| Spent in Prior FY(s) | FY1819 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 20,000 | 206,250 | 461,250 | 687,500 |

LOMPICO LEWIS WATER TANK REPLACEMENT

As part of the consolidation of Lompico County Water into the District, the residents of Lompico are required to replace the Lewis Water Tank. The 100,000 gallon tank supplies water service to approximately 240 service connections and has reached its life expectancy requiring replacement. The location of this tank is in sensitive habitat and will require permitting from Federal Fish & Wildlife which is expected to take 18 months to obtain.

Project Description:

This project will replace the existing Redwood tank. The project includes but is not limited to, temporary water storage for customers, new water tank, SCADA control, fencing, and environmental permitting.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 20,000 | 228,500 | 894,000 | 1,142,500 |

CAPITAL PROJECT DESCRIPTION

LYON WATER TREATMENT PLANT ACCESS ROAD REPAIRS (STORM DAMAGE)

The access road to the Lyon Water Treatment Facility was severely damaged in two locations during storm events.

Project Description:

Stabilize and repair access road in two locations. Replace asphalt paving.

| Spent in Prior FY(s) | FY1920 Budget | Future FY Proj. | Total Project Cost |
|-------------------------|------------------|-----------------|-----------------------|
| 167,382 | 200,000 | 1,632,618 | 2,000,000 |



OTHER POSSIBLE REVENUE SOURCES

LEAK ADJUSTMENT PROGRAM

The District offers a leak adjustment program for unexpected leaks on the customer side. There are approximately 100+ leak adjustments done each year

FISCAL IMPACT: \$30,000

METER REVIEW - SIZING FIRE SERVICE

Per Rules & Regulations Section 12.10, new meter connection fees exclude the count of fixture units for fire sprinklers. What that means is if the domestic service fixture count is a 5/8" meter, but fire flow is a 1", the customer receives a 1" meter but only pays for a 5/8" connection fee.

FISCAL IMPACT: \$7,052 Per connection (difference between a 5/8" and 1" meter)

METER REVIEW - MONTHLY BILLING - SIZING FIRE SERVICE

In relation to the meter sizing mentioned above. If the customer's domestic was only sized for a 5/8", but received a 1" meter, their monthly basic fee billing rate is also the 5/8" meter. Unknown if this can be applied to past meter sets, or simply ones going forward.

Would impact 144 customer accounts.

FISCAL IMPACT: \$30,000 Per year

FIRE SERVICE METERS

Currently there are no monthly fees charge for fire service meters. Per Rules & Regulations Section 11.05 the Board can establish a fee.

Currently there are 59 separate fire service meters.

FISCAL IMPACT: Unknown, would be based on monthly fee assigned

CHARGING FOR METER REVIEWS

Currently there are no fees charged to get a meter review. Some take an extensive amount of multiple staff time, at no cost to the individual.

FISCAL IMPACT: Unknown, likely small amount

MULTIPLE VARIANCE PROGRAM

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.

There are approximately 40 accounts this impacts

FISCAL IMPACT: \$7,000

ADDITIONAL ENVIRONMENTAL SUPPORT

Memo

To: District Manager

From: Environmental Programs Manager

RE: Juvenile Salmonid and Steelhead Habitat Monitoring Program

Background

Below are responses to the questions posed by Director Fultz & Director Henry regarding the Juvenile Salmonid and Steelhead Habitat Monitoring Program.

1. During our discussion about the Zayante Creek project, you mentioned that cooperation around fish helped in other ways, which I took to mean our ability to get permits fairly easily. Does this project fall into that?

We impact the federally threatened steelhead and endangered coho salmon through the diversion of water from local streams. For this primary reason, cooperation around fish restoration supports our relationship with the resource agencies. In addition, we are required to obtain specific permits from these resource agencies.. But more importantly, the Endangered Species Act and other State and Federal laws protecting Salmon and Steelhead, require the District to acquire Take Authorization in order to operate our surface water diversions. Take Authorization is in the form of a permit called Habitat Conservation Plan (HCP). There are several other permits to operate the surface water diversions that are also required including Lake and Stream Bed Alteration Agreements with CDFW. The resource agencies have not thrown the hammer at us because they see that we are working to monitor fish populations, and stream flows and our impact fish populations and that data is being used quantify our impact on the watershed and helping us to design a plan to optimize our operations which will both protect fish and make our water supply more reliable for our community.

2. Do you know how this multi-year project got started? And what the objectives for it are?

Prior to 2006, the San Lorenzo Valley Water District with the City of Santa Cruz in San Lorenzo Watershed and the Soquel Creek Water District for the Soquel Watershed were independently contracting with DW ALLEY and Associates to conduct fish monitoring. In 2006, the County offered to manage and contribute to a coordinated effort to monitor fish and stream habitat in

San Lorenzo, Soquel, Aptos and Pajaro watersheds. Through this coordinated approach, the program has 7 agency partners: County of Santa Cruz, City of Santa Cruz, San Lorenzo Valley Water District, Scotts Valley Water District, Soquel Creek Water District, City of Capitola, and City of Watsonville.

The JSSH monitoring program is driven by the following general questions:

- What is the status of the steelhead and coho populations in these four watersheds?
- Where do fish and wildlife species occur in these four watersheds?
- What are stream habitat conditions in these four watersheds?
- How can information about the steelhead and coho salmon populations and stream habitat conditions

learn more about the program at <http://scceh.com/steelhead.aspx>

2013, the County of Santa Cruz initiated a study of the Zayante subwatershed, which was identified as a core priority area for coho salmon recovery and provides important habitat for steelhead. The County partnered with the National Marine Fisheries Service, Resource Conservation District of Santa Cruz County (RCDSCC) and the Central Coast Wetlands group to walk Zayante, Bean and Lompico creeks to evaluate stream and riparian

habitat conditions and look for potential restoration projects. During this study, the San Lorenzo Valley Water District property was identified as a potential location for stream wood enhancement. Since this property is owned by a public agency and is in the higher reaches of Zayante Creek, upstream of residential development, it provides an excellent location for stream wood enhancement.

In 2014, the County reached out to the San Lorenzo Valley Water District for project support and later a partnership with the California Department of Fish and Wildlife, the RCD started working to develop the project.

In general, the objective is to support steelhead in Zayante Creek in an area that we know is used for spawning and rearing. Specifically, the objectives of the project are to (1) increase instream habitat complexity through the introduction of large stream wood and stream wood complexes; (2) increase the retention of sediment for spawning habitat and the development of

deeper pools in an areas dominated by bedrock; (3) provide winter flow refuge for juvenile steelhead.

3. Which agency or agencies, state and federal, are in charge of returning fish to the San Lorenzo River watershed?

We are all - agencies and the public - responsible for the conservation of steelhead and coho salmon in Santa Cruz County streams. Several agencies have regulatory authority but it is also up to individual agencies to conduct their business in a way that protects or enhances habitat for these threatened and endangered species.

The National Marine Fisheries Service has recovery plans but they are not regulatory documents. Both the National Marine Fisheries Service and the California Department of Fish and Wildlife have permitting authority for projects and maintenance. Primarily California Department of Fish and Wildlife and National Marine Fisheries Service are the leads in fish restoration efforts. But there are many supporting agencies including the City and the County of Santa Cruz who are responsible for enforcing local ordinances within their jurisdictions that are "at least as restrictive" as the State and Federal laws - which also support the recovery of fish in the San Lorenzo River. Other State and Federal agencies like Army Corps of Engineers, and Regional Water Quality Control Board are working on water quality issues, which support fish recovery efforts as well.

4. Is this a joint project with other agencies? Or do we do our own thing separate from other agencies?

The Juvenile Salmon and Steelhead Habitat Monitoring Program is a joint effort between the all the water supply agencies in Santa Cruz County, the County, and the Resource Agencies.

4a. If joint, it's not clear to me who decides who to hire. And for how much. And how to split the bill.

Currently the City of Santa Cruz is administrating the contract with D.W. Alley and Associates. 2018 is a sole source contract for \$59,027. SLV pays 42% of the cost because the majority of the monitoring takes place in the SLR. The San Lorenzo River has been identified as the largest, southern most, critical river on the Central Coast for coho salmon recovery.

4b. What happened last year?

The County of Santa Cruz had been managing the program since 2006 and received partner

agency support to skip a year of monitoring to focus funding and staff time to the completion of the database and a data analysis. However, there was considerable community opposition to this plan. In response, the agencies agreed to contribute additional funding to do both the annual monitoring and the database development and the City of Santa Cruz offered to manage the annual monitoring.

5. Why have we not gone to bid for the Fish Monitoring Consultant?

Prior to 2006, the San Lorenzo Valley Water District with the City of Santa Cruz in San Lorenzo Watershed and the Soquel Creek Water District for the Soquel Watershed were independently contracting with DW ALLEY and Associates to conduct fish monitoring. In 2006, the County offered to manage and contribute to a coordinated effort to monitor fish and stream habitat in San Lorenzo, Soquel, Aptos and Pajaro watersheds. Through this coordinated approach, the program has 7 agency partners: County of Santa Cruz, City of Santa Cruz, San Lorenzo Valley Water District, Scotts Valley Water District, Soquel Creek Water District, City of Capitola, and City of Watsonville.

The JSSH monitoring program is driven by the following general questions:

- What is the status of the steelhead and coho populations in these four watersheds?
- Where do fish and wildlife species occur in these four watersheds?
- What are stream habitat conditions in these four watersheds?
- How can information about the steelhead and coho salmon populations and stream habitat conditions inform conservation and restoration efforts?

You can see the new website and learn more about the program at
<http://scceh.com/steelhead.aspx>

The County of Santa Cruz went out to bid on the JSSH program in 2006, when we began managing the program. At that time, the JSSH Program received two bids and DW ALLEY and Associates was selected. From 2006-2016, DWA continued as a sole source consultant in order to maintain the same monitoring methods.

In spring 2017, Health Services Agency informed the program managers that the work should go out to bid, but there was insufficient time to run a bid process before the monitoring season, so it was agreed to contract with DWA for one more year.

The bid process takes a considerable amount of time and effort by the program manager, administration staff and partner's group time. The bid process also requires a clear scope of work for the monitoring methods. There are multiple methods to use for fish sampling and they involve trade-offs for cost, efficiency and data analysis. There was general agreement among the partner agencies that completing the database and data analysis should be completed prior to going out to bid again. In this way, the program can develop a solid scope of work that reflects the data that we want collected.

Additionally, The JSSH Partner Group has gone to bid in the past and *not* received bids that were more competitive than DWA's *for the scope that all the partners have agreed to*. The last time the City led a bid process (and worked with someone else) we implemented a much bigger scope and paid the nearly all of the cost (which was, unsurprisingly, way higher than DWA's proposed scope...by several hundred thousand dollars).

Regarding the City's purchasing rules re: bidding, we have justified hiring DWA on a sole-source basis based on his unique understanding of the watershed, ability to perform the work and the fact that each year is effectively a continuation of previous years' work. This is something that is commonly done for any type of work and not unique to DWA.

6. Can we go to bid this year?

The City doesn't have bandwidth to run a bidding process this year, and it is too late to go to bid for this season. When the County of Santa Cruz considered going out to bid in 2018, the timeline would require the Request for Proposals be released as early as January. The bid process takes a considerable amount of time and effort by the program manager, administration staff and partner's group time to develop Request for Proposals, solicit RFPs, review, score and interview consultants, develop new scope of work and contracting and assisting the consultant with getting started. At the moment, neither the County of Santa Cruz nor the City of Santa Cruz have the staff available to manage a bid process.

7. Why does SLVWD pay over 40% of the cost for the County Wide Monitoring Program? When was that decided and why?

SLVWD does not pay 40% of the costs when you consider the substantial staff contribution associated with program management. At the moment, most of the costs are carried by the City of Santa Cruz for managing the annual monitoring including consultant contracting and by the County of Santa Cruz for management of the database and data analysis process.

When the County started managing the JSSH Program in 2006, we used the baseline of how much each agency was paying for monitoring already and then solicited voluntary contributions by additional partners, such as the Scotts Valley Water District. In 2006, the County of Santa Cruz contributed the most at \$25,000 and the SLVWD contributed \$15,000. Over the years, consultants' rates have increased and the SLVWD chose to fund additional sites. The County reduced our contribution to \$12,000 as our staff time increased with program complexity and for the past 2 years, the County spent our contribution on the database and data analysis effort.

8. Typically costs are broken up by connection or some operation cost. Why doesn't the City pay the lions share?

The SLVWD has been a strong supporter of this monitoring program and that has been reflected in their financial contribution.

The City picked up the bulk of the extra cost last year when partners dropped out and DWA raised his rates. SLVWD has been a strong contributor in the past, but the reality is that this monitoring effort really could be much more robust and more expensive if we really want to start examining it. Our future HCP-related compliance monitoring will be much more involved than the monitoring we've done historically in the JSSH and we are currently doing way more monitoring otherwise (including lagoon fisheries, water quality, streamflow, etc.). In my mind, the answer to the question of "Why does SLVWD pay 40% of the DWA contract?" is... "Why doesn't SLVWD contribute more to the overall watershed monitoring that is going on?" That said, I agree that the origin of cost share is worth questioning and it may be better to base future cost share on the number of connections of each water purveyor involved (at least when it comes to water agency partners) as we've done on the Sanitary Survey and other joint efforts.

Below is showing other local water district's current rebate programs. Staff recommends continuing with a limited, first come first serve program.

| |  |  |  |  |  |  |  |  |
|-------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| | Central Water District | Pajaro Valley Water Management Agency | San Lorenzo Valley Water District | City of Santa Cruz | Scotts Valley Water District | Soquel Creek Water District | City of Watsonville | Save Our Water |
| Lawn Replacement | State Rebate | State Rebate | State Rebate | \$1.00/sq ft + State Rebate | \$1.00/sq ft + State Rebate | \$1.00/sq ft, up to \$1,000 residential or \$10,000 commercial; + State Rebate | \$0.75/sq ft, max \$500 for residential or \$1,000 for commercial; + State Rebate | up to \$2/sq ft, capped at \$2,000, max rebate including local rebate |
| Greywater | | \$100 for Laundry to Landscape System | \$150/fixture | \$150 for Laundry to Landscape System | \$150/fixture | \$400 for Laundry to Landscape System, \$1,000 for sink and shower | see PV Water rebate | |
| Rainwater Harvesting | | \$0.25/gal, up to \$750 (3,000 gal) | | \$50 for 50 gal barrel (seasonal) | \$0.25/gal, up to \$750 | \$25/barrel or \$25/100 gal of storage, up to \$750 | see PV Water rebate | |
| High Efficiency Toilet (1.28 gpf) | \$50 | | up to \$200 | up to \$150 | \$100/toilet or waterless urinal | \$175 commercial, | free replacement or | |
| High Efficiency Clothes Washer | \$50 | | up to \$100 | \$100-\$200 for Energy Star | | up to \$100 residential, \$600 HOA or commercial | \$100 | |
| Ultra High Efficiency Toilet | \$50 | | up to \$200 | up to \$150 | up to \$125 | \$300 residential | \$100 | |
| Weather Based Irrigation Controller | | | up to \$125 | | up to \$100 | \$75-125 or \$600/acre | | |
| Drip Irrigation | | | | | \$0.50/sq ft | \$20/100 sq ft | | |
| Downspout Redirect | | | | | \$75/downspout, max of 4 | \$40 per downspout, max of 2 | | |
| Hot Water Recirculation System | | | | | | \$150 | | |
| Impervious Hardscape Replacement | | | | | \$1.00/sq ft | | | |
| Pressure Reducing Valve | | | | | \$50 | up to \$50 | | |
| Other Rebates | | | | Energy Star Dishwasher, up to \$50 | | Pool Cover, up to \$75 | | |
| Free Water Wise House Call | | | Yes | Yes | Yes | yes | yes | |
| Free Water Saving Devices | | shower heads, shower timers, faucet aerators, hose nozzles, soil moisture meters | shower heads, faucet aerators, hose nozzles, yard signs, leak detection tablets | shower heads, shower control valves, shower timers, faucet aerators, leak detection tablets, hose nozzles, hose shut-off timers | shower heads, shower timers, faucet aerators, pan scrapers, leak detection tablets, hose nozzles, soil moisture meters, yard signs | shower heads, shower control valves, shower timers, faucet aerators, toilet flappers, leak detection tablets, hose nozzles, yard signs, soil moisture meters, pre-rinse spray valves | shower heads, shower timers, faucet aerators, hose nozzles, soil moisture meters | |

Data from <https://watersavingtips.org/learn/rebates/>



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
MINUTES
MAY 2, 2019**

Thursday, May 2, 2019 at 5:30 p.m., SLVWD, 13057 Highway 9, Boulder Creek, CA 95006.

1. Convene Meeting
Roll Call: Dir. Smallman-absent, Dir. Swan, Pres. Henry, Dir. Fultz-present
Staff: R. Rogers-District Manager, G. Nicholls-District Counsel, H. Hossack-Board Secretary
R. Rogers said the Dir. Smallman phoned and he will not be able to attend Closed Session but will be here for Open Session.
2. Additions and Deletions to Closed Session Agenda: None
3. Oral Communications Regarding Items in Closed Session: None
4. Adjournment to Closed Session 5:35 p.m.
 - a. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Holloway v. Showcase Realty Agents, Inc. et al.
(Santa Cruz Superior Court Case No. CV180394; 6th District Court of Appeal Case Nos. H044505, H044800).
 - b. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Vierra v. San Lorenzo Valley Water District, et al.
(Santa Cruz Superior Court Case No. 18CV00890)
5. Convene to Open Session at 6:33 p.m.
Roll Call: Smallman, Swan, Henry, Fultz were all present
Staff: R. Rogers-District Manager, J. Furtado-Dir. of Operations, S. Hill-Dir. of Finance & Business Services, D. Langfield-Engineering Manager, J. Michelsen-Environmental Programs Manager, G. Nicholls-District Counsel, H. Hossack-Board Secretary
6. Report of Actions Taken in Closed Session: None
7. Additions and Deletions to Open Session Agenda: None

8. Oral Communications: Pres. Henry limited the Oral Communications to 3 minutes per person due to the crowd.
- G. Ratcliffe-Felton, said that she was disturbed by the Board's decision not to sponsor the Redwood Mountain Faire.
- N. Macy-Valley Women's Club Environmental Committee, read a prepared letter to the Board.
- L. Ford-Felton, said that he is concerned by the Board's plan to cut the environmental program. He would like to see the program grow and be more effective and more efficient.
- J. Fasolas-Felton, said the Redwood Mountain Faire gives 10's of 1000's of dollars raised by the faire to charities in the Valley. The Board is making a statement that they don't care about the Valley and the programs funded by the faire. Regarding the environmental program, getting rid of the program is not helpful to the District.
- M. Mosher-Felton, thanks the District for supporting the building of the Felton Library. Environmental literacy important to the Valley and is a focus of the Felton Library.
- B. Hanson, Redwood Mountain Faire is an amazing event. The line for the beer is 1/3 the size of the line for the water. Water is life, please reconsider sponsorship.
- J. Mosher-Felton, said he believes that cutting the Environmental programs will have little or no impact on rates but huge impact on the District. Healthy watershed is extremely important.
- B. Holloway-Boulder Creek, pointed out that this District has been in violation of permit in Felton for more than 10 years.

9. New Business:

a. VACANCY IN AN ELECTIVE OFFICE OF THE BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT

L. Henry introduced this item. The candidates will be called on alphabetically. When called upon introduce yourself and then the Board will ask a few questions; why do you want to server on the Board, what is the biggest problem the District faces, do you understand the time commitment, what do you know about the Santa Margarita Groundwater Agency? After the candidates have all spoken the public will be allowed to respond and then the Board will discuss the candidates and choose the new Board member.

V. Champlin introduced himself and said he wants good governance. Keeping the bigger picture in mind. He has 3 concerns; reserves, infrastructure, finance. Confused by SMGWA, concerned that it's a better for Scotts Valley and Santa Cruz.

L. Farris introduced himself. He said he served on the SLVWD Community Outreach Citizens Action Committee in 2014 he then started attending Board and committee meetings. Infrastructure is biggest problem facing the District, and we're running out of time. He understands the time commitment and he already spends a lot of time. He doesn't know a lot about SMGWA. He went to their first meeting but prefers to spend his time on the SLVWD.

E. Fresco introduced herself. She recently joined the Environmental Committee. She expressed appreciation to Board for appointing her to the

committee although she didn't completely agree with the Board. She agreed that infrastructure is the biggest problem facing the District. Stewardship of the watershed is also very important. She doesn't believe in indiscriminate cost cutting. She supports and appreciates the professionalism of the staff. She understands that this job comes with a huge time commitment. What a thankless job! She said she will need to get up to speed on the SMGWA.

B. Hollenbeck introduced herself. She described herself as a fixer, spatial thinker. The rivers mean everything to her. She wants to be on the Board to help make decisions fiscally. As an educator she would like to partner with educational projects. She thinks the biggest issue the District faces is polarization. She works part-time so she has time to contribute to the Board. She said that SMGWA is a countywide mandate to recharge the aquifer. We need to stay vigilant to make changes in perpetuity.

B. Largay introduced himself and shared his experience and background. He believes that transparency is important for the Board. Water rates are also very important. Good wages important to get and keep staff. Bryan said that service to community is important to him. He thinks the biggest challenge is the bullseye on the Santa Cruz Mountains with our rainfall amounts. We need to keep an eye on what we've got and protect our resources. He has a full time job and kids in schools so he is concerned about the time commit. SMGWA is a coordinated management effort with neighboring districts and it is essential to good resource stewardship. Conjunctive use will be very important in the future.

L. Summers introduced herself and her background. She described herself as a social liberal but fiscal conservative. She said she has volunteered for many years and wants to do something important in the community. Infrastructure is the biggest problem in the District in her opinion. She is retired and has time available. She said that she attended all 3 meetings of the SMGWA in Felton is a valuable asset that this District needs to be a part of.

V. Wright introduced herself and her background. She said that her heart is here in the Valley. She has a lot of skills in community engagement and she would like to make a contribution. She thinks that the biggest issue for the District is pulling everyone together. She said she is working from home so she has time. She doesn't know much about SMGWA but has worked with joint agencies in the past.

L. Henry said she is overwhelmed with the fantastic candidates. It's going to be a tough decision.

Unidentified woman said Beth Hollenbeck is a natural leader and spoke in favor of appointing Ms. Hollenbeck to the Board.

G. Ratcliffe said that she worked with Lew and Bryan on the COCAC and she has respect for both of them. One candidate was a standout for her because the core mission is water, Bryan is focused on water.

J. Mosher agreed that this was an impressive group of candidates. He added that Beth is not qualified because of the stance she has taken on the private ownership of water. Meetings like this were not available with CalAm.

J. Fasolas advocated for Bryan. He said Bryan has the passion, qualifications and knowledge.

April Zilber (sp?) agreed that the candidates were impressive. She said that it is important to her to have a science background on the Board. Bryan, Lee, Lew, and Elaine would be her choices. Virginia was also impressive.

D. Loewen said the Board should be increased by 7 members. Lew Farris is impressive not polarized. Knows what's going on.

B. Smallman said he was blown away and this will be a tough decision. He said his top 2 are Lew, Virgil, Lee and Virginia.

S. Swan said he appreciates all candidates. He stressed that there is a big time commitment. He noted that Lew has advantages. He is familiar with District & staff. Lew is a phenomenal candidate but he would support anyone.

L. Henry said she would love to see another woman on the Board. She said that Virgil is funny. She said it should be Lew.

B. Fultz said he would like to take all 7 candidates and share their skill sets. He asked that they please continue to try to participate. He agreed that the Board needs diversity. His recommendation was Lee, Beth, or Elaine because they have a different set of skills.

L. Henry suggested that the individuals that do not make it on to the Board should consider applying for a committee position.

B. Smallman made a motion to appoint Lew Farris to the Board of Directors.

S. Swan seconded

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

Recess at 8:08

Reconvene at 8:20

Oath of Office administered by the District Secretary to swear in Lew Farris.

b. OPERATIONS DEPARTMENT WORKSHOP

J. Furtado shared his presentation on Ops Department. (PowerPoint on website)

J. Furtado answered a few questions the Q & A will be answered on the website.

10. Unfinished Business:

a. UPPER ZAYANTE STREAM WOOD ENHANCEMENT PROJECT
COOPERATIVE AGREEMENT

J. Michelsen introduced this item. SLVWD, the City of Santa Cruz, the RCD, the County of Santa Cruz, NOAA, & California Fish & Wildlife have been working together on an upper Zayante watershed project. She introduced Lisa Lurie from the RCD.

Lisa Lurie, Executive Director with the Resource Conservation District presented the project. She introduced Matt Weld the project engineer on the project and Kelli Camara the technical director.

Matt Weld continued the presentation.

Lisa Lurie summarized the presentation.

R. Rogers said that the agreement was addressed through legal counsel.

Staff recommends executing the cooperative agreement.

G. Nicholls said that the language was vague and didn't fit well with these circumstances. The main changes that were made were (1) to try to clarify the District's role and that the District isn't involved in the construction of the project, (2) on the indemnity front, there was originally indemnification by the District for others involved on the project. That has been modified to fully indemnify the District because we are not involved in the construction. Then there is mutual indemnity for things that occur after construction and apart from the construction where a 3rd party may be involved.

R. Rogers noted that maintenance will not be much, if any.

B. Fultz said he wants the project to go forward. He said he is confused about what is the District's responsibility with respect to the conservation plan and maintenance, specifically.

L. Lurie explained that the practice standards are included on the last 2 pages of the document. That includes the maintenance obligations.

B. Fultz it says periodically check roads for erosion. What are we signing up for with this?

J. Michelsen monitoring erosion on road is part of the District's ongoing maintenance operations in the watershed. Annual inspections are made for maintaining our land.

K. Camara said that the RCD will be taking on monitoring 3-5 years.

L. Henry would like to move forward on this.

B. Fultz said he has a couple specific amendments he would like to make.

G. Nicholls said the Board would have to give staff direction to request an amendment

B. Fultz said he thinks there are some clarifications. For example, authorized participation of projects, if the cooperators or their agents do not carry out work consist, we're not really doing the work there, the RCD is doing the work. Not sure why it didn't say RDC instead of us. And then on the Conservation Plan, I don't know what that plan is.

K. Camara said the Conservation Plan is the 2 pages referred to as Exhibit E.

B. Smallman thinks the things will last longer. Maybe have some concrete logs. That will last longer.

M. Weld explained the engineering.

S. Swan questioned if the project is fully funded.

K. Camara said everything is covered and fully funded.

L. Farris questioned how long for the desired effect to be exhibited.

Matt Weld said that would depend on storm events. He would say roughly 5 years.

R. Moran said that he was on the Environmental Committee when this was brought up a number of years ago. Seemed like a good site for the program. His friend, a fish biologist, said this is an effective way to help repopulate the fish.

V. Champlin said we have benefitted from Dir. Fultz's thoroughness but we need to remember this needs a quorum, not complete agreement by all Board members. If the quorum is in favor of this let's move on.

L. Henry made a motion to accept the contract to do the Upper Zayante Stream Enhancement Project Cooperative Agreement

B. Smallman seconded.

G. Nicholls requested that the motion be reworded to approve and authorize the District Manager to sign the contract on behalf of the District. All present voted in favor of the motion. Motion passed.

b. GRAND JURY

L. Henry noted the lateness of the hour and requested that the District ask for an extension.

G. Nicholls said that the District can ask for an extension. She requested that she be authorized to draft a response along the lines of what is in the memo. And if they don't grant the extension she will have something to show you at the next Board meeting.

B. Fultz said that they've done more than what had been previously done. Discussion by Board and staff.

D. Loewen said there are a few things still in the process.

R. Moran said all Board and committee members should get training when dealing with contentious issues.

c. BOARD AND PUBLIC MEMBER COMMITTEE ASSIGNMENTS

L. Henry requested that this item be moved to next meeting.

R. Rogers said nothing is pressing, we can wait.

R. Rogers revisited this item. We have openings on committees for public members. He would like approval to move ahead with advertising.

The Board agreed.

G. Nicholls said that since this item was addressed, public comments should be allowed.

11. Consent Agenda:

a. MINUTES FROM BOARD OF DIRECTORS MEETING MARCH 21, 2019

b. MINUTES FROM BOARD OF DIRECTORS MEETING APRIL 18, 2

G. Nicholls said you don't have to vote on the minutes just make sure no one wants them pulled.

12. Written Communication:

- o Letter from J. Ricker-Steelhead Monitoring
- o Email from J. Jankovitz-Steelhead Monitoring
- o Letter A. Ingham-Steelhead Monitoring
- o Letter from C. Berry-Zayante Stream Wood
- o Letter from Felton Library Friends

- Letter from J. Ricker-Zayante Stream Wood
- Resignation from J. Wright
- Resignation from J. Gomez
- Email from B. Burt

13. Informational Material: None

14. Adjournment 10:11

MEMO

To: District Manager
From: Engineering Manager
Subject: May 2019 Engineering Department Monthly Report
Date May 16, 2019

Recommendation:

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

Projects in Construction:

Probation Tank Replacement: The construction of the Probation Tank is continuing. During this reporting period the contractor completed the trench repair in the access road and has begun work on the retaining walls and the tank foundation. Project completion is anticipated in October 2019.

Lompico PRV Replacement: Six PRV stations are being replaced in Lompico. The award letter has been sent to the Contractor. Once contracts, insurance and bonds are reviewed and approved; a Notice to Proceed letter will be issued and the Contractor can begin ordering parts and material for construction.

Projects in Design:

Lompico Tanks Replacement: The District has hired Schaaf and Wheeler to prepare plans, specifications and an estimate (PS&E) for the replacement of the Louis, Kaski and Madrone Tanks. System modeling has been completed and the required storage has been determined. Tank configuration, construction, environmental, and design issues and concerns have been discussed. 60% PS&E are due for review by District staff in June, 2019. The tentative completion date for the bid documents is September 2019 with bidding of the project slated for this Fall and construction starting Spring 2020 for the Kaski and Madrone Tanks. The construction of the Lewis Tank may be delayed due to a more complicated environmental review.

San Lorenzo Way Bridge: Santa Cruz Department of Public Works is working on plans to replace the San Lorenzo Way Bridge. District staff are working in concert with DPW staff to provide detailed plans and District specification for incorporation into the bid documents. This effort will ensure that water facilities constructed with the bridge are built to District standards.

Swim Tank: Plans, specifications and estimates for the construction of the Swim tank are temporarily on hold pending a constructability/feasibility review. The review should be completed soon and the findings will be included in next month's Engineering Report.

RFP/RFQ:

Bear Creek Wastewater Facilities: The District is currently soliciting proposals from qualified engineering firms to conduct an alternative analysis to evaluate three treatment alternatives designed to ensure compliance with the Bear Creek Estates Wastewater Treatment Facility waste discharge permit. Proposals are due May 31, 2019.

2019 Water Master Plan: The District is currently soliciting proposals from qualified firms to assist in the preparation of the District's 2019 Water Master Plan (WMP). This WMP update is intended to assist the District in system planning, identifying hydraulic deficiencies, and guiding the development of system improvement projects.

Other Projects:

Valley Gardens Subdivision: District engineering staff are reviewing hydraulic water model data and existing and proposed water facilities in the vicinity of the subdivision to determine the impacts the subdivision may have on the District's infrastructure. Once impacts have been evaluated, Engineering staff will provide recommendations to the District manager.

Glen Arbor Bridge Water Main Leak: The water main inside the Glen Arbor Bridge over the San Lorenzo River has developed a leak. Engineering staff are currently evaluating the original construction drawings and talking to Santa Cruz County DPW staff to determine if there is access into the bridge. If no access can be found, Engineering and Operations staff will work to find the most cost effective way to fix the leak. An update will be included in next month's report.

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: May 16, 2019

RECOMMENDATION:

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

BACKGROUND:

BUDGET

The budget has continued to be the main focus of the department. This Board meeting will have a large discussion on the budget. It will go back to committee once more and back to the Board again, to hopefully have approval by June 30th.

AUDIT

The District has started the interim testing for the upcoming year-end audit.

CUSTOMER SERVICE SUPPORT

- Customer Service stats and information
- Monthly Consumption by Customer Class
- Weekly Call Log

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 March 2019 consumption, the cumulative consumption is 1% above the baseline. There are no triggers identified per the revenue stabilization rate policy.

FINANCIAL SUMMARY

Please see the newly separated Quarterly Financial report.

CUSTOMER SERVICE DEPT SUMMARY

| | * | | * | * | | | | | * | | | | * | * | | |
|-----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Monthly Stats: | Apr-19 | Mar-19 | Feb-19 | Jan-19 | Dec-18 | Nov-18 | Oct-18 | Sep-18 | Aug-18 | Jul-18 | Jun-18 | May-18 | Apr-18 | Mar-18 | Feb-18 | Jan-18 |
| Cut In/Outs | 83 | 60 | 38 | 58 | 34 | 63 | 66 | 59 | 77 | 86 | 59 | 68 | 58 | 30 | 42 | 61 |
| Final Bills | 60 | 37 | 35 | 56 | 32 | 64 | 74 | 64 | 115 | 40 | 66 | 71 | 42 | 34 | 58 | 57 |
| Tags | 95 | 238 | 124 | 210 | 157 | 191 | 158 | 206 | 275 | 176 | 121 | 232 | 72 | 312 | 198 | 194 |
| Turn-offs | 35 | 19 | 34 | 38 | 25 | 26 | 42 | 32 | 36 | 22 | 23 | 25 | 29 | 24 | 32 | 26 |

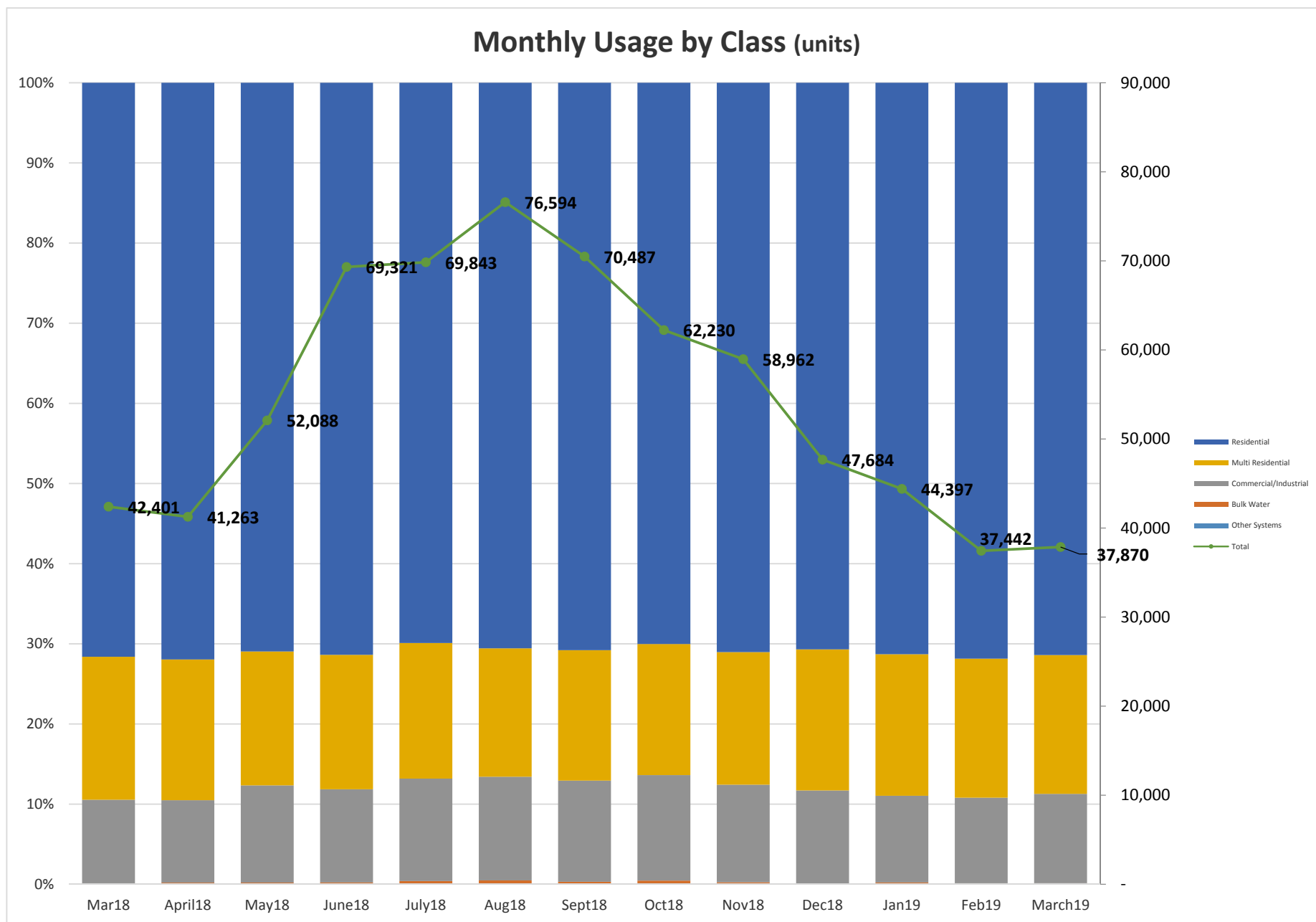
Online / Going Green [1]

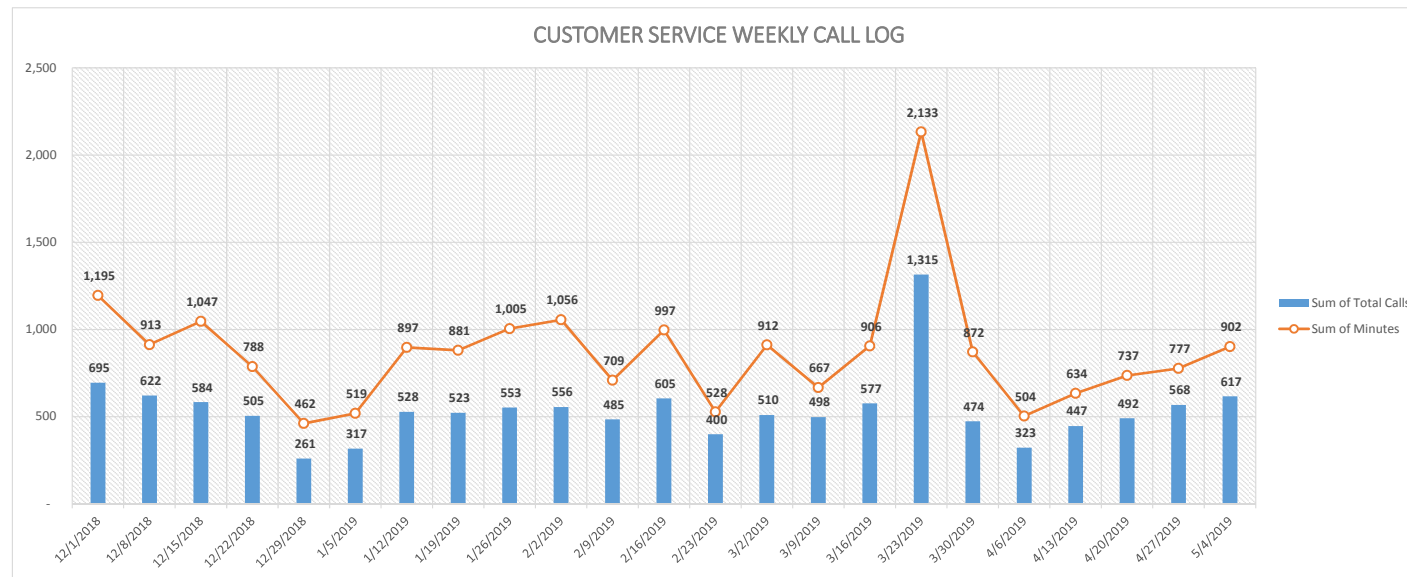
As of 5/8/2019

| | | | | | | | | | | | | | | | | |
|-----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Online Sign-ups | 4,240 | 4,184 | 4,120 | 4,078 | 4,033 | 3,980 | 3,938 | 3,883 | 3,839 | 3,779 | 3,726 | 3,680 | 3,636 | 3,599 | 3,543 | 3,499 |
| E-Bills | 1,522 | 1,413 | 1,378 | 1,356 | 1,326 | 1,302 | 1,284 | 1,260 | 1,238 | 1,210 | 1,193 | 1,174 | 1,157 | 1,145 | 1,120 | 1,092 |
| Auto Pay | 2,725 | 2,706 | 2,659 | 2,716 | 2,673 | 2,638 | 2,603 | 2,553 | 2,509 | 2,492 | 2,463 | 2,445 | 2,427 | 2,386 | 2,350 | 2,316 |

* Due to timing, had abnormal tag periods

[1] Please note these numbers are slightly higher than actuals being utilized. When a person closes their account, they typically leave their online account active for a while for their own personal records. We currently do not have an easy way to break down to only active customers.





| Week Ending | Incoming Calls | | Outgoing Calls | | Total Calls | | Weekly Notes |
|-------------|----------------|---------|----------------|---------|-------------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | # Calls | Minutes | # Calls | Minutes | # Calls | Minutes | |
| 12/1/2018 | 401 | 889 | 294 | 306 | 695 | 1,195 | Turn offs & Tags, Main Break: Blue Ridge Road, 335 Vista Terrace, 381 Middleton Dr, 1463 Two Bar #5, 9095 Glen Arbor Rd. |
| 12/8/2018 | 330 | 618 | 292 | 295 | 622 | 913 | Turn offs, Main Breaks: hwy 9 & Graham Hill Rd., 6630 Hwy 9, 6706 hwy 9, 11247 hwy 9, Lorenzo Ln & Hwy 9, 15610 Hwy 9, 10990 Riverside Rd., California Dr. East Creek Bridge, 261 Main St., 730 Sugar Pine Rd., Sunnyside & Main St., 10405 Lake Blvd., |
| 12/15/2018 | 350 | 757 | 234 | 289 | 584 | 1,047 | Tags, Main Break: 6 Ridgewood Dr. |
| 12/22/2018 | 288 | 580 | 217 | 208 | 505 | 788 | Turn offs, Main Breaks: 9460 Sunnyside, 305 Reynolds Dr., Across the St. from 10825 Lake Blvd. |
| 12/29/2018 | 202 | 411 | 59 | 51 | 261 | 462 | 15965 Kings Creek Rd., 200 Caledonum Ave., 11101 Sequoia Ave., 8937 Glen Arbor Rd. (closed 2 days) |
| 1/5/2019 | 240 | 449 | 77 | 70 | 317 | 519 | Tags, Main Breaks: 10926 Sequoia Ave. (closed 2 days) |
| 1/12/2019 | 319 | 679 | 209 | 217 | 528 | 897 | Turn offs, Main Breaks: Quail 4A Well, 8945 Redwood Dr., 8255 Oak Ave., 9695 Live Oak Ave., Road Work; 1090 Pine Drive |
| 1/19/2019 | 317 | 704 | 206 | 176 | 523 | 881 | Tags, Main Breaks; 1160 Lakeside Dr., Water Line Replacement. |
| 1/26/2019 | 314 | 765 | 239 | 240 | 553 | 1,005 | Turn offs, Main Breaks; 10641 Visitar St., 225 Band Rd. |
| 2/2/2019 | 318 | 869 | 238 | 186 | 556 | 1,056 | Tags, (closed 1 day), Main Breaks; 13515 West Park Ave., 334 More Dr., 5765 Hillside Dr., 11844 Sunset Ct., 9545 Central Ave. |
| 2/9/2019 | 304 | 566 | 181 | 143 | 485 | 709 | Turn off, Main Breaks: 167 Russell Ave., 1501 Caledonia Ave., Road Work: 10497-10495 Vera Ave. |
| 2/16/2019 | 360 | 763 | 245 | 233 | 605 | 997 | Tags, Main Breaks: 325 Capelli Dr., 1200 Dundee Ave., 8035 Fernwood, West of 949 Brookside Way, Country Club Dr. & Jackson Ave., 10405 Lake Blvd. |
| 2/23/2019 | 224 | 414 | 176 | 114 | 400 | 528 | Turn off, Main Breaks: 555 Cook Wy., 8297 Hermosa Ave., 11866 Van Allen Rd. |
| 3/2/2019 | 323 | 737 | 187 | 176 | 510 | 912 | Tags, Main Breaks: 581 La Cuesta Dr., 288 Douglas Ave., 135 Glen Lomond Ln., Drainage from storm. |
| 3/9/2019 | 281 | 540 | 217 | 126 | 498 | 667 | Turn off, Main Breaks: 221 Lake St. |
| 3/16/2019 | 352 | 653 | 225 | 254 | 577 | 906 | Tags, Main Breaks: 340 Manzanita Ave., 136 Daffodil Hill, 206 Crecent & River, 10707 West Dr., 111 Royal Oak Ct., 260 Scenic Way, 403 Meadow Dr., 396 Meadow Dr. |
| 3/23/2019 | 836 | 1,644 | 479 | 489 | 1,315 | 2,133 | Turn offs, Main Breaks: 15000 Two Bar Rd., 13800 Bear Creek Rd., 405 Hoot Owl Way, 575 Ralston Ridge, 630 Manzanita Ave., Pine St., 10982 Sequoia Ave. |
| 3/30/2019 | 329 | 688 | 145 | 184 | 474 | 872 | Tags, Main Breaks: 213 Spreading Oak Dr., 190 Mesa Dr., 635 Sunset Rd., |
| 4/6/2019 | 227 | 416 | 96 | 88 | 323 | 504 | Turn off, Main Breaks: 10580 CA-9/Blake Hammond Manor |
| 4/13/2019 | 262 | 483 | 185 | 151 | 447 | 634 | Main Breaks: 822 River Dr., 981 Madrona Dr., 12120 Coleman Ave., 230 Apple Knoll, 10235 California Dr., 135 Madrone Way |
| 4/20/2019 | 318 | 567 | 174 | 170 | 492 | 737 | Tags, Main Breaks: , Riverside & Annies Wy., 10825 Lake Blvd., 635 Sunset Rd., 206 Madrona, 135 Madrona, Spreading Oak Dr., corner of Janita Rd. & Appleknoll, 135 Madrone Way, 635 Sunset Rd., Love Creek Rd., Sinic Way & Hillcrest. |
| 4/27/2019 | 332 | 608 | 236 | 169 | 568 | 777 | Turn off, Main Breaks: Mt Herman & Graham Hill, 170 Brier Dr. 225 Brier Dr., Shiloh Ct., Russle, 345 Woodland Dr. |
| 5/4/2019 | 406 | 730 | 211 | 171 | 617 | 902 | Tags, Main Breaks: 211 Camino Sinuoso, 135 Scenic Way. |

REVENUE STABILIZATION RATE ANALYSIS FY1819

In accordance with the District's Revenue Stabilization Rates Policy & Procedures, the District Manager shall provide the Board of Directors with the average units of water sales (by month) for the rolling previous three years, which will serve as the baseline against which current annual sales to date will be compared. If the District Manager determines that budget-year water sales (in units) to date, and corresponding revenue, is more than 10% below expected year-to-date levels (based on monthly averages over the previous three years), the District Manager shall notify, at a public meeting, the Board of Directors of this determination at or before the next regularly scheduled Board meeting. For more information, please refer to the District's full Policy & Procedures.

MONTHLY CONSUMPTION IN UNITS BY FISCAL YEAR (BASELINE)

| | July | August | September | October | November | December | January | February | March | April | May | June | TOTAL |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| FY1516 | 66,779 | 64,961 | 69,609 | 60,022 | 49,837 | 41,773 | 44,025 | 37,290 | 42,433 | 43,153 | 48,328 | 68,129 | 636,340 |
| FY1617 | 74,199 | 73,414 | 71,825 | 59,518 | 41,777 | 45,698 | 45,401 | 37,667 | 41,173 | 42,898 | 52,932 | 68,388 | 654,889 |
| FY1718 | 81,254 | 78,331 | 76,259 | 65,658 | 58,601 | 42,693 | 48,947 | 40,431 | 42,401 | 41,263 | 52,088 | 69,321 | 697,247 |
| 3 YR AVERAGE (BASELINE) | 74,077 | 72,235 | 72,564 | 61,733 | 50,072 | 43,388 | 46,124 | 38,463 | 42,002 | 42,438 | 51,116 | 68,613 | 662,826 |

ACTUAL FY1819 CONSUMPTION

| | | | | | | | | | | | | | |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--|--|--|----------------|
| FY1819 | 69,843 | 76,594 | 70,487 | 62,230 | 58,962 | 47,684 | 44,397 | 37,442 | 37,870 | | | | 505,509 |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--|--|--|----------------|

CUMULATIVE ANALYSIS

| | | | | | | | | | | | | | |
|--------------------------|------------|-----------|------------|------------|-----------|-----------|-----------|-----------|-----------|--|--|--|--|
| % Above or Below Average | -6% | 6% | -3% | 1% | 18% | 10% | -4% | -3% | -10% | | | | |
| Cumulative % | -6% | 0% | -1% | -1% | 2% | 3% | 2% | 2% | 1% | | | | |

NOTES:

Consumption is cumulatively slightly above the prior three year average baseline. As of March 2019 consumption, the cumulative consumption is 1% above the baseline. There are no triggers identified per the revenue stabilization rate policy.

Fiscal Year 2018/2019

Third 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 March 31, 2019, the District had an operating income of \$410K. Quarterly operating revenue was \$2.1M with operating expenses of \$1.7M. This brings YTD operating income to \$2.1K. The first 6 months of the year typically have higher consumption and the remaining quarters have lower consumption. Consumption was lower than the average for this quarter. For the cumulative 9 months, consumption is 1% above the prior three year average. With the rate structure change, consumption plays a large part in operating revenue fluctuations. Consumption is still expected to be in line, or slightly above, the budgeted 650,000 units.

Operating Revenue

Quarterly operating revenue of \$2.1M is in line with expectations. January, February and March had usage of 44.4K, 37.4K and 37.9K units of water billed, respectively.

Q3 CY compared to Q3 PY had a decrease of \$12.5K, this is due to Q3 CY having slightly lower consumption than prior year, offset with the new rates in effect.

YTD (9 months) revenue of \$7.3M is in line with expectations.

Operating Expenses

Quarterly operating expenses were \$1.7M, or 21% of the annual budget.

Q3 CY compared to Q3 PY had a decrease of \$141K, or 8%. The majority of the fluctuation related to timing issues from the prior quarter. The PY had timing of a couple large bills, such as \$50K health bill, that posted in January, making December look artificially low and January high.

YTD (9 months) operating expenses of \$5.3M is in line with expectations, and is 66% of the full year budget. The year will round out with savings associated mainly with the timing of new hires.

Non-Operating Revenue & Expenses

Below itemizes the different non-operating revenue and expenses of the District as of Q3.

| Non-operating Revenue | Q1 Total | Q2 Total | Q3 Total | YTD Total |
|-----------------------|------------------|-------------------|------------------|-------------------|
| Lease Reveue | \$ 5,940 | \$ 5,940 | \$ 5,940 | \$ 17,821 |
| Property Taxes | - | 393,646 | 7,712 | 401,358 |
| Assessment Revenue | - | 177,971 | - | 177,971 |
| Rental Income | 3,018 | 5,287 | 6,712 | 15,017 |
| Interest | 11,057 | 13,349 | 25,763 | 50,170 |
| | <u>\$ 20,016</u> | <u>\$ 596,194</u> | <u>\$ 46,127</u> | <u>\$ 662,337</u> |

| Non-operating Expenses | Q1 Total | Q2 Total | Q3 Total | YTD Total |
|------------------------|-----------|----------|-----------|-----------|
| Interest Expense | \$ 12,270 | \$ 3,993 | \$ 59,898 | \$ 76,162 |

Debt Obligations

Below itemizes current debt obligations of the District as of Q3. Some of the debt obligations are solely funded from assessments and not paid out of the general fund.

| | Balance 2018 | Additions | Payments | Balance 2019 |
|---------------------|---------------------|---------------------|-------------------|---------------------|
| Felton Loan | \$ 1,502,664 | | \$ 75,086 | \$ 1,427,578 |
| Refunding Bond | 1,845,823 | | 666,015 | 1,179,808 |
| Olympia SRF Loan | 1,527,028 | | 32,494 | 1,494,534 |
| Other Loans | 374,467 | | 40,990 | 333,477 |
| Probation Tank Loan | - | 2,000,000 | | 2,000,000 |
| | <u>\$ 5,249,982</u> | <u>\$ 2,000,000</u> | <u>\$ 814,585</u> | <u>\$ 6,435,397</u> |

Capital Projects & Expenditures

Below itemizes the Q3 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 Q3 there were approximately \$640K in capital expenditures, varying across the board for multiple projects. Paso Well 6, Blue tank replacement, Probation Tank, and SCADA System. This quarter also saw more expenditures for the Lompico Assessment District for engineering on the three main tanks and PRV stations.

PROJECT LISTING OF ADDITIONS TO CIP

| FUND | PROJECT | FY1718 BALANCES | Q1 FY1819 ADDITIONS | Q2 FY1819 ADDITIONS | Q3 FY1819 ADDITIONS | Q4 FY1819 ADDITIONS | PROJECT TOTAL |
|------|----------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 02 | BCEWW IMPROVEMENTS / CAP-1617001A | \$ 62,472.12 | \$ 6,135.00 | \$ 14,645.00 | \$ 45.00 | \$ - | \$ 83,297.12 |
| 01 | WO 823 - PROBATION TANK / CAP-1516002A | \$ 379,230.50 | \$ 62,489.61 | \$ 100,876.65 | \$ 20,891.74 | \$ - | \$ 563,488.50 |
| 01 | SWIM TANK DESIGN / CAP-1516003A | \$ 86,439.64 | \$ - | \$ - | \$ - | \$ - | \$ 86,439.64 |
| 01 | WO 272/549 - LYON WATER TREATMENT PLANT ACCESS RD REPAIR | \$ 107,381.57 | \$ - | \$ 5,290.56 | \$ 5,522.12 | \$ - | \$ 118,194.25 |
| 01 | LOST ACRES WATER TANK PROJECT | \$ 7,416.40 | \$ - | \$ - | \$ - | \$ - | \$ 7,416.40 |
| 01 | WO 521 - BLUE TANK REPLACEMENT PROJECT / CAP-1718001A | \$ 49,766.24 | \$ 9,168.00 | \$ 11,250.86 | \$ 123,349.82 | \$ - | \$ 193,534.92 |
| 01 | WO 411 - FELTON METER CHANGE OUT PROJECT | \$ 219,863.06 | \$ 11,125.46 | \$ 2,135.61 | \$ 30,473.32 | \$ - | \$ 263,597.45 |
| 01 | WO 358 - COMBINE SPRINGS RAW WATER LINE | \$ 95,288.66 | \$ 75.75 | \$ 9,921.07 | \$ - | \$ - | \$ 105,285.48 |
| 01 | WO 550 - HIGHWAY 9/WESTERN AVE 6" MAIN REPAIR | \$ 57,938.55 | \$ 101,883.74 | \$ - | \$ - | \$ - | \$ 159,822.29 |
| 01 | WO 280 - FALL CREEK INTAKE FEMA | \$ 62,353.53 | \$ 35,861.97 | \$ 24,938.82 | \$ 1,748.51 | \$ - | \$ 124,902.83 |
| 01 | WO 525 - LOMPICO SERVICE LINE REPLACEMENT | \$ 24,287.87 | \$ 4,915.82 | \$ 10,387.39 | \$ 3,459.36 | \$ - | \$ 43,050.44 |
| 01 | WO 814 - PASO WELL 6 REPLACEMENT | \$ 22,950.32 | \$ 44,521.78 | \$ 391,794.95 | \$ 178,207.56 | \$ - | \$ 637,474.61 |
| 01 | WO 815 - PASO WELL 7 REHABILITATION | \$ 88,548.46 | \$ 26,789.58 | \$ 6,613.03 | \$ 40,721.55 | \$ - | \$ 162,672.62 |
| 01 | WO 837 - MAIN PRV STATION REPLACEMENTS | \$ 6,528.12 | \$ 2,335.00 | \$ 14,317.65 | \$ 11,008.75 | \$ - | \$ 34,189.52 |
| 01 | WO 901 - GENERAL METER CHANGE OUTS | \$ 36,432.52 | \$ 9,326.09 | \$ 22,212.32 | \$ 16,756.30 | \$ - | \$ 84,727.23 |
| 01 | DISTRICT TWO WAY RADIO SYSTEM | \$ 59,626.24 | \$ - | \$ - | \$ - | \$ - | \$ 59,626.24 |
| 01 | WO 950 - USDA LOAN | \$ 118,442.43 | \$ 128,093.49 | \$ 27,214.62 | \$ 18,058.18 | \$ - | \$ 291,808.72 |
| 01 | NEW METER SETS | \$ - | \$ - | \$ 605.05 | \$ 242.97 | \$ - | \$ 848.02 |
| 01 | GATE OPENER - OPERATIONS BUILDING | \$ - | \$ 4,080.00 | \$ 3,500.00 | \$ - | \$ - | \$ 7,580.00 |
| 01 | WO 1208 - LEWIS TANK | \$ - | \$ - | \$ 8,688.67 | \$ 6,602.30 | \$ - | \$ 15,290.97 |
| 01 | WO 1209 - MADRONE TANK | \$ - | \$ - | \$ 8,688.67 | \$ 6,602.30 | \$ - | \$ 15,290.97 |
| 01 | WO 1210 - KASKI TANK | \$ - | \$ - | \$ 8,688.67 | \$ 6,602.29 | \$ - | \$ 15,290.96 |
| 01 | VEHICLE #234 - DISTRIBUTION | \$ - | \$ - | \$ 44,498.69 | \$ - | \$ - | \$ 44,498.69 |
| 01 | VEHICLE #236 - WATER TREATMENT | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 01 | VEHICLE #238 - DISTRIBUTION | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 01 | VEHICLE #240 - FINANCE | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 01 | WO 970 - SYSTEM WIDE SCADA UPGRADE | \$ - | \$ - | \$ - | \$ 139,906.77 | \$ - | \$ 139,906.77 |
| 01 | WO 1223 - OLY WELL #2 PUMP & MOTOR | \$ - | \$ - | \$ - | \$ 7,682.37 | \$ - | \$ 7,682.37 |
| 01 | WO 1234 - LYON PIPELINE PROJECT | \$ - | \$ - | \$ - | \$ 1,422.37 | \$ - | \$ 1,422.37 |
| 01 | WO 1235 - SEQUOIA AVE PIPELINE PROJECT | \$ - | \$ - | \$ - | \$ 1,422.38 | \$ - | \$ 1,422.38 |
| 01 | WO 1284 - CALIFORNIA DRIVE PIPELINE PROJECT | \$ - | \$ - | \$ - | \$ 50.00 | \$ - | \$ 50.00 |
| 01 | WO 1285 - HIHN ROAD PIPELINE PROJECT | \$ - | \$ - | \$ - | \$ 50.00 | \$ - | \$ 50.00 |
| 01 | WO 1286 - HILLSIDE DRIVE PIPELINE PROJECT | \$ - | \$ - | \$ - | \$ 50.00 | \$ - | \$ 50.00 |
| 01 | GENERATOR REPLACEMENT OPS BUILDING | \$ - | \$ - | \$ - | \$ 7,991.83 | \$ - | \$ 7,991.83 |
| 01 | LOMPICO AD - SCADA SURVEY | \$ - | \$ - | \$ - | \$ 8,256.86 | \$ - | \$ 8,256.86 |
| 01 | SCADA SURVEY | \$ - | \$ - | \$ - | \$ 2,752.28 | \$ - | \$ 2,752.28 |
| | | \$ 1,484,966.23 | \$ 446,801.28 | \$ 716,268.28 | \$ 639,876.93 | \$ - | \$ 3,287,912.72 |

| | | | |
|----------------------------|------------------------|------------------------|------------------------|
| FUND 01 BEG BALANCE | \$ 2,840,095.29 | \$ 3,280,761.57 | \$ 3,982,384.85 |
| FUND 01 ADDITIONS | \$ 440,666.28 | \$ 701,623.28 | \$ 639,831.93 |
| FUND 01 END BALANCE | \$ 3,280,761.57 | \$ 3,982,384.85 | \$ 4,622,216.78 |

| | | | |
|----------------------------|---------------------|---------------------|---------------------|
| FUND 02 BEG BALANCE | \$ 62,472.12 | \$ 68,607.12 | \$ 83,252.12 |
| FUND 02 ADDITIONS | \$ 6,135.00 | \$ 14,645.00 | \$ 45.00 |
| FUND 02 END BALANCE | \$ 68,607.12 | \$ 83,252.12 | \$ 83,297.12 |

OPERATING ANALYSIS - MARCH 2019

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 |
| \$ 403,805 | 59.9% | \$ 426,630 | \$ (22,826) | -5% | 6% | \$ 6,846,000 | 68% |
| 253,430 | 37.6% | 237,105 | 16,325 | 7% | 8% | 2,986,000 | 30% |
| 6,775 | 1.0% | 12,761 | (5,986) | -47% | 8% | 90,000 | 1% |
| 10,013 | 1.5% | 8,344 | 1,669 | 20% | 10% | 100,000 | 1% |
| \$ 674,023 | 100.0% | \$ 684,840 | \$ (10,817) | -2% | 7% | \$ 10,022,000 | 100% |

REVENUE COMMENTS

Water Usage: March 19 had 11% lower consumption than the prior March.
Sewer Charges: New rates went into effect Dec 18.

EXPENSES BY CATEGORY

DESCRIPTION

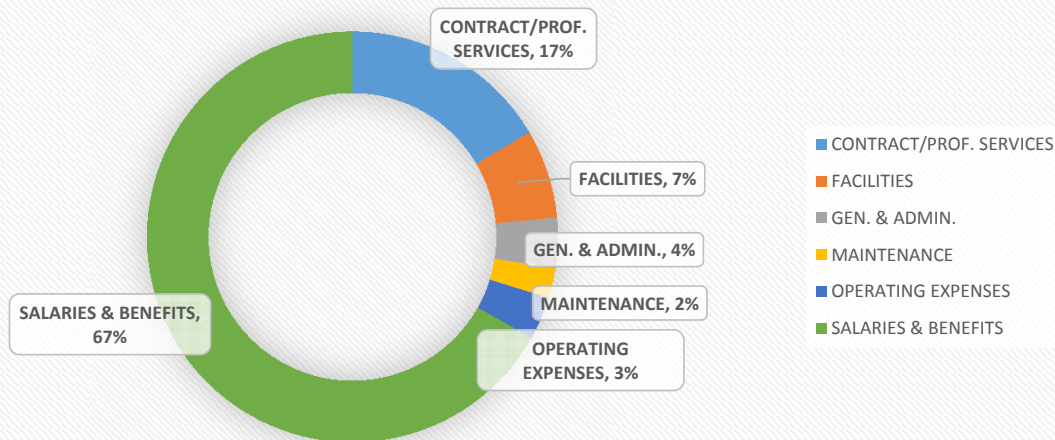
| |
|---------------------------------|
| SALARIES & BENEFITS |
| CONTRACT/PROF. SERVICES |
| OPERATING EXPENSES |
| MAINTENANCE |
| FACILITIES |
| GEN. & ADMIN. |
| TOTAL OPERATING EXPENSES |

| COMPARING AGAINST PRIOR YEAR | | | | | COMPARING AGAINST BUDGET | | |
|------------------------------|-------------|-------------------|------------------|------------|--------------------------|---------------------|-------------|
| ACTUALS | % OF TOTAL | PRIOR YEAR | \$ Diff. | % Diff. | Act. % of Budget | ANNUAL BUDGET | % of Annual |
| \$ 346,647 | 66.8% | \$ 338,304 | \$ 8,343 | 2% | 7% | \$ 5,048,246 | 63% |
| 85,588 | 16.5% | 46,445 | 39,143 | 84% | 7% | 1,316,360 | 17% |
| 17,479 | 3.4% | 15,369 | 2,110 | 14% | 4% | 420,500 | 5% |
| 12,297 | 2.4% | 8,782 | 3,515 | 40% | 7% | 184,350 | 2% |
| 36,244 | 7.0% | 41,112 | (4,868) | -12% | 6% | 571,800 | 7% |
| 20,460 | 3.9% | 20,886 | (426) | -2% | 5% | 420,400 | 5% |
| \$ 518,714 | 100% | \$ 470,897 | \$ 47,816 | 10% | 7% | \$ 7,961,656 | 100% |

EXPENSE COMMENTS

Legal Bills: March19 legal bills were \$16K

% BREAKDOWN OF CATEGORY EXPENDITURES



OPERATING ANALYSIS - Q3 FY1819 (JAN-MARCH)

REVENUE BY CATEGORY

| DESCRIPTION | COMPARING AGAINST PRIOR YEAR | | | | | COMPARING AGAINST BUDGET | | |
|--------------------------------|------------------------------|---------------|---------------------|--------------------|------------|--------------------------|----------------------|-------------|
| | ACTUALS | % OF TOTAL | PRIOR YEAR | \$ Diff. | % Diff. | Act. % of Budget | ANNUAL BUDGET | % of Annual |
| WATER USAGE | \$ 1,278,769 | 61.1% | \$ 1,343,685 | \$ (64,916) | -5% | 19% | \$ 6,846,000 | 68% |
| BASIC CHARGES | 760,474 | 36.3% | 711,365 | 49,108 | 7% | 25% | 2,986,000 | 30% |
| METERS, PENALTIES & OTHER | 22,900 | 1.1% | 24,576 | (1,676) | -7% | 25% | 90,000 | 1% |
| SEWER CHARGES | 30,044 | 1.4% | 25,032 | 5,012 | 20% | 30% | 100,000 | 1% |
| TOTAL OPERATING REVENUE | \$ 2,092,187 | 100.0% | \$ 2,104,658 | \$ (12,471) | -1% | 21% | \$ 10,022,000 | 100% |

REVENUE COMMENTS

Water Usage: Consumption for Q3 FY1819 was 9% lower than Q3 FY1718.
Sewer Charges: New rates went into effect for December billings.

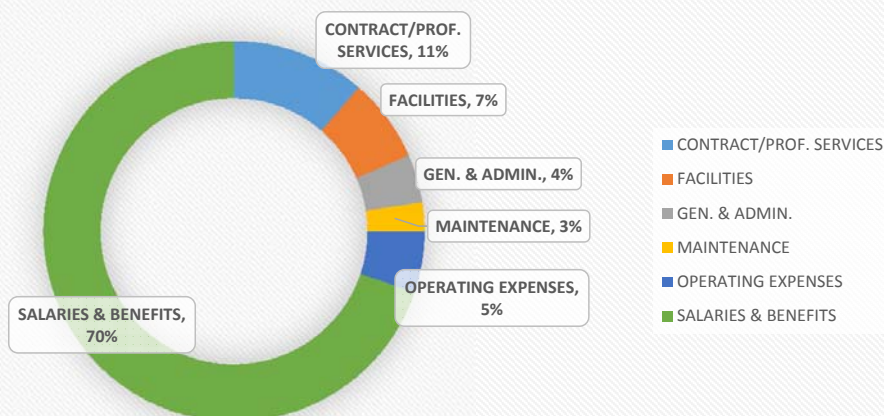
EXPENSES BY CATEGORY

| DESCRIPTION | COMPARING AGAINST PRIOR YEAR | | | | | COMPARING AGAINST BUDGET | | |
|---------------------------------|------------------------------|-------------|---------------------|---------------------|------------|--------------------------|---------------------|-------------|
| | ACTUALS | % OF TOTAL | PRIOR YEAR | \$ Diff. | % Diff. | Act. % of Budget | ANNUAL BUDGET | % of Annual |
| SALARIES & BENEFITS | \$ 1,174,568 | 69.8% | \$ 1,185,369 | \$ (10,801) | -1% | 23% | \$ 5,048,246 | 63% |
| CONTRACT/PROF. SERVICES | 191,154 | 11.4% | 306,754 | (115,600) | -38% | 15% | 1,316,360 | 17% |
| OPERATING EXPENSES | 86,457 | 5.1% | 101,580 | (15,123) | -15% | 21% | 420,500 | 5% |
| MAINTENANCE | 42,243 | 2.5% | 30,561 | 11,682 | 38% | 23% | 184,350 | 2% |
| FACILITIES | 119,609 | 7.1% | 120,466 | (857) | -1% | 21% | 571,800 | 7% |
| GEN. & ADMIN. | 68,470 | 4.1% | 78,555 | (10,086) | -13% | 16% | 420,400 | 5% |
| TOTAL OPERATING EXPENSES | \$ 1,682,501 | 100% | \$ 1,823,286 | \$ (140,784) | -8% | 21% | \$ 7,961,656 | 100% |

EXPENSE COMMENTS

Operating Expenses: PY December had timing issues making it appear low, catches up in January, making this current Q appear low.

% BREAKDOWN OF CATEGORY EXPENDITURES



OPERATING EXPENSE ANALYSIS - Q3

DETAILED EXPENSES BY DEPARTMENT

| ADMINISTRATIVE | Q3 CY ACTUALS | Q3 % of Budget | YTD ACTUALS | YTD % of Budget | ANNUAL BUDGET | Notes |
|--------------------------------|-------------------|-------------------|-------------------|--------------------|---------------------|------------------------------------------------------------------------------------|
| SALARIES & BENEFITS | \$ 101,277 | 22% | \$ 327,739 | 73% | \$ 450,812 | |
| CONTRACT/PROFESSIONAL SERVICES | \$ 95,116 | 18% | \$ 299,471 | 56% | \$ 534,000 | |
| OPERATING EXPENSES | \$ 757 | 76% | \$ 1,799 | 181% | \$ 993 | New copier, YE total expected to be \$4K. Board meeting rental fees also hit here. |
| MAINTENANCE | \$ 4,313 | 27% | \$ 11,032 | 69% | \$ 15,887 | |
| FACILITIES | \$ 7,692 | 30% | \$ 18,751 | 73% | \$ 25,817 | |
| GEN. & ADMIN. | \$ 11,698 | 7% | \$ 144,718 | 85% | \$ 169,471 | Full year of insurance, OK |
| DEPRECIATION | \$ - | 0% | \$ - | 0% | \$ - | |
| CAPITALIZED OVERHEAD | \$ - | 0% | \$ - | 0% | \$ - | |
| TOTAL ADMINISTRATIVE | \$ 220,853 | 18% | \$ 803,510 | 67% | \$ 1,196,980 | |

| FINANCE | Q3 CY ACTUALS | Q3 % of Budget | YTD ACTUALS | YTD % of Budget | ANNUAL BUDGET | Notes |
|--------------------------------|-------------------|-------------------|-------------------|--------------------|---------------------|-------------------------------------------------|
| SALARIES & BENEFITS | \$ 268,329 | 25% | \$ 764,527 | 71% | \$ 1,075,259 | |
| CONTRACT/PROFESSIONAL SERVICES | \$ 14,319 | 14% | \$ 70,337 | 67% | \$ 105,253 | |
| OPERATING EXPENSES | \$ 800 | 81% | \$ 1,426 | 144% | \$ 993 | Will be over from unexpected equipment failures |
| MAINTENANCE | \$ 4,366 | 34% | \$ 11,333 | 89% | \$ 12,759 | |
| FACILITIES | \$ 238 | 0% | \$ 931 | 0% | \$ - | |
| GEN. & ADMIN. | \$ 46,639 | 29% | \$ 118,809 | 74% | \$ 159,667 | |
| DEPRECIATION | \$ - | 0% | \$ - | 0% | \$ - | |
| TOTAL FINANCE | \$ 334,692 | 25% | \$ 967,363 | 71% | \$ 1,353,931 | |

| ENGINEERING | Q3 CY ACTUALS | Q3 % of Budget | YTD ACTUALS | YTD % of Budget | ANNUAL BUDGET | Notes |
|--------------------------------|------------------|-------------------|------------------|--------------------|-------------------|------------------------------------------|
| SALARIES & BENEFITS | \$ 28,961 | 12% | \$ 77,043 | 31% | \$ 246,165 | Savings from budgeted full year position |
| CONTRACT/PROFESSIONAL SERVICES | \$ 8,764 | 58% | \$ 11,646 | 78% | \$ 15,000 | |
| OPERATING EXPENSES | \$ - | 0% | \$ - | 0% | \$ - | |
| MAINTENANCE | \$ - | 0% | \$ - | 0% | \$ - | |
| FACILITIES | \$ - | 0% | \$ 190 | 16% | \$ 1,200 | |
| GEN. & ADMIN. | \$ 1,681 | 26% | \$ 2,323 | 36% | \$ 6,500 | |
| DEPRECIATION | \$ - | 0% | \$ - | 0% | \$ - | |
| TOTAL ENGINEERING | \$ 39,406 | 15% | \$ 91,202 | 34% | \$ 268,865 | |

| DISTRIBUTION | Q3 CY ACTUALS | Q3 % of Budget | YTD ACTUALS | YTD % of Budget | ANNUAL BUDGET | Notes |
|--------------------------------|-------------------|-------------------|---------------------|--------------------|---------------------|-------|
| SALARIES & BENEFITS | \$ 345,045 | 23% | \$ 1,099,805 | 72% | \$ 1,529,876 | |
| CONTRACT/PROFESSIONAL SERVICES | \$ 19,253 | 14% | \$ 69,670 | 49% | \$ 142,000 | |
| OPERATING EXPENSES | \$ 28,210 | 15% | \$ 110,747 | 59% | \$ 187,000 | |
| MAINTENANCE | \$ 20,822 | 19% | \$ 63,645 | 59% | \$ 108,728 | |
| FACILITIES | \$ 43,871 | 23% | \$ 143,026 | 75% | \$ 191,387 | |
| GEN. & ADMIN. | \$ 1,926 | 20% | \$ 5,928 | 63% | \$ 9,433 | |
| DEPRECIATION | \$ - | 0% | \$ - | 0% | \$ - | |
| TOTAL DISTRIBUTION | \$ 459,127 | 21% | \$ 1,492,820 | 69% | \$ 2,168,424 | |

| WATERSHED | Q3 CY ACTUALS | Q3 % of Budget | YTD ACTUALS | YTD % of Budget | ANNUAL BUDGET | Notes |
|--------------------------------|------------------|-------------------|-------------------|--------------------|-------------------|--------------------------------------|
| SALARIES & BENEFITS | \$ 68,450 | 26% | \$ 200,825 | 76% | \$ 264,605 | |
| CONTRACT/PROFESSIONAL SERVICES | \$ 14,060 | 5% | \$ 135,710 | 49% | \$ 275,360 | |
| OPERATING EXPENSES | \$ - | 0% | \$ 861 | 19% | \$ 4,500 | |
| MAINTENANCE | \$ 4,721 | 47% | \$ 4,721 | 47% | \$ 10,000 | |
| FACILITIES | \$ 286 | 48% | \$ 1,397 | 233% | \$ 600 | Will be over due to conference calls |
| GEN. & ADMIN. | \$ 4,018 | 6% | \$ 10,623 | 16% | \$ 65,600 | |
| TOTAL WATERSHED | \$ 91,535 | 15% | \$ 354,137 | 57% | \$ 620,665 | |

DETAILED EXPENSES BY DEPARTMENT (continued)

| SUPPLY & TREATMENT | Q3 CY ACTUALS | Q3 % of Budget | YTD ACTUALS | YTD % of Budget | ANNUAL BUDGET | Notes |
|-------------------------------------|--------------------------|---------------------------|---------------------|----------------------------|--------------------------|--------------|
| SALARIES & BENEFITS | \$ 346,060 | 24% | \$ 1,014,465 | 71% | \$ 1,438,509 | |
| CONTRACT/PROFESSIONAL SERVICES | \$ 29,027 | 16% | \$ 95,383 | 53% | \$ 180,000 | |
| OPERATING EXPENSES | \$ 55,086 | 27% | \$ 139,932 | 69% | \$ 204,000 | |
| MAINTENANCE | \$ 8,021 | 23% | \$ 26,353 | 76% | \$ 34,753 | |
| FACILITIES | \$ 65,751 | 19% | \$ 221,359 | 65% | \$ 341,669 | |
| GEN. & ADMIN. | \$ 3,302 | 42% | \$ 5,940 | 75% | \$ 7,944 | |
| DEPRECIATION | \$ - | 0% | \$ - | 0% | \$ - | |
| TOTAL SUPPLY & TREATMENT | \$ 507,247 | 23% | \$ 1,503,431 | 68% | \$ 2,206,874 | |

| WASTEWATER | Q3 CY ACTUALS | Q3 % of Budget | YTD ACTUALS | YTD % of Budget | ANNUAL BUDGET | Notes |
|--------------------------------|--------------------------|---------------------------|--------------------|----------------------------|--------------------------|-------------------------------------|
| SALARIES & BENEFITS | \$ 16,446 | 38% | \$ 32,729 | 76% | \$ 43,020 | |
| CONTRACT/PROFESSIONAL SERVICES | \$ 9,821 | 15% | \$ 23,363 | 36% | \$ 64,747 | |
| OPERATING EXPENSES | \$ 1,604 | 7% | \$ 14,622 | 64% | \$ 23,014 | |
| MAINTENANCE | \$ - | 0% | \$ - | 0% | \$ 2,222 | |
| FACILITIES | \$ 1,772 | 16% | \$ 5,642 | 51% | \$ 11,128 | |
| GEN. & ADMIN. | \$ - | 0% | \$ 29 | 2% | \$ 1,785 | |
| DEPRECIATION | \$ - | 0% | \$ - | 0% | \$ - | |
| TOTAL WASTEWATER | \$ 29,642 | 20% | \$ 76,386 | 52% | \$ 145,917 | Indirect allocations occur annually |

| | | | | | | |
|---------------------------------|---------------------|------------|---------------------|------------|---------------------|--|
| TOTAL OPERATING EXPENSES | \$ 1,682,501 | 21% | \$ 5,288,849 | 66% | \$ 7,961,656 | |
|---------------------------------|---------------------|------------|---------------------|------------|---------------------|--|

PRO FORMA FOR AUDIT:

OVERHEAD ABSORPTION [1] \$ (40,213.98) \$ (109,143.20)

[1] Overhead absorption are the direct and indirect capitalized costs associated with an asset the District did internally. For example, a capital pipeline project was constructed by District staff and materials versus hiring an outside contractor. The employees salaries and benefits are considered part of the operating expenses, but then are capitalized as part of the accounting process. These will show up as a favorable off-set for operating expenses in the audit.

OPERATING ANALYSIS - YTD FY1819 (JULY-MARCH)

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 |
| \$ 4,918,464 | 67.5% | \$ 3,900,807 | \$ 1,017,657 | 26% | 72% | \$ 6,846,000 | 68% |
| 2,224,542 | 30.5% | 2,379,097 | (154,555) | -6% | 74% | 2,986,000 | 30% |
| 61,345 | 0.8% | 72,100 | (10,755) | -15% | 68% | 90,000 | 1% |
| 81,782 | 1.1% | 75,100 | 6,682 | 9% | 82% | 100,000 | 1% |
| \$ 7,286,133 | 100.0% | \$ 6,427,104 | \$ 859,029 | 13% | 73% | \$ 10,022,000 | 100% |

REVENUE COMMENTS

YTD revenues are higher due to the rate increase that went into effect Nov 2018. The change in rate structure is still seen in the Basic Charge shift.

EXPENSES BY CATEGORY

DESCRIPTION

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

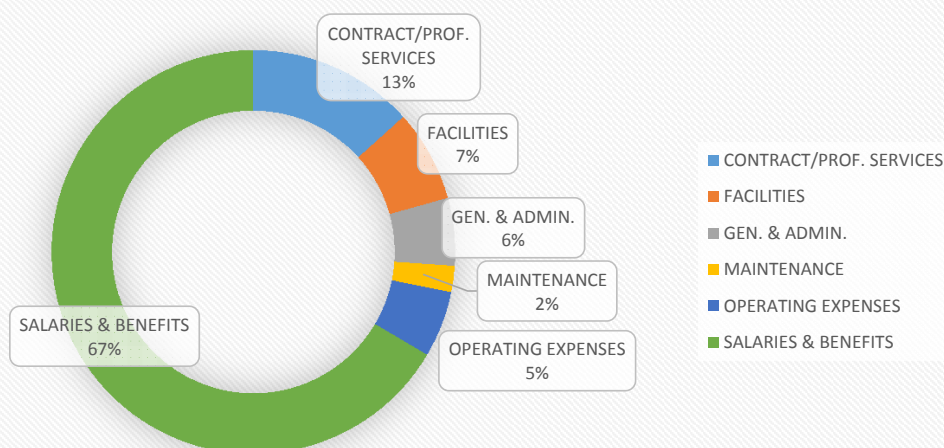
| COMPARING AGAINST PRIOR YEAR | | | | | COMPARING AGAINST BUDGET | | |
|------------------------------|-------------|---------------------|------------------|-----------|--------------------------|---------------------|-------------|
| ACTUALS | % OF TOTAL | PRIOR YEAR | \$ Diff. | % Diff. | Act. % of Budget | ANNUAL BUDGET | % of Annual |
| \$ 3,517,132 | 66.5% | \$ 3,305,620 | \$ 211,512 | 6% | 70% | \$ 5,048,246 | 63% |
| 704,332 | 13.3% | 891,733 | (187,401) | -21% | 54% | 1,316,360 | 17% |
| 280,401 | 5.3% | 242,212 | 38,189 | 16% | 67% | 420,500 | 5% |
| 111,118 | 2.1% | 111,368 | (249) | 0% | 60% | 184,350 | 2% |
| 389,269 | 7.4% | 390,788 | (1,518) | 0% | 68% | 571,800 | 7% |
| 286,550 | 5.4% | 289,808 | (3,259) | -1% | 68% | 420,400 | 5% |
| \$ 5,288,803 | 100% | \$ 5,231,529 | \$ 57,274 | 1% | 66% | \$ 7,961,656 | 100% |

EXPENSE COMMENTS

For the most part, expenses are tracking similar to the prior year, outside of budgeted increases. \$50K of payroll was related to employee final paychecks.

Legal is running \$110K less than PYTD.

% BREAKDOWN OF CATEGORY EXPENDITURES



OPERATING ANALYSIS - YTD TREND FY1819**REVENUE BY CATEGORY**

| DESCRIPTION | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | JANUARY | FEBRUARY | MARCH | YTD | BUDGET | % OF BUD. |
|--------------------------------|----------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|-------------------|------------|
| WATER USAGE | 359,119 | 777,219 | 706,435 | 645,508 | 636,311 | 515,103 | 474,097 | 400,867 | 403,805 | 4,918,464 | 6,846,000 | 72% |
| BASIC CHARGES | 237,313 | 237,200 | 236,928 | 245,212 | 253,599 | 253,817 | 253,337 | 253,706 | 253,430 | 2,224,542 | 2,986,000 | 74% |
| METERS, PENALTIES & OTHER | 5,250 | 9,855 | 6,665 | 6,135 | 7,570 | 2,970 | 9,315 | 6,810 | 6,775 | 61,345 | 90,000 | 68% |
| SEWER CHARGES | 8,344 | 8,345 | 8,344 | 8,344 | 8,344 | 10,016 | 10,018 | 10,013 | 10,013 | 81,782 | 100,000 | 82% |
| TOTAL OPERATING REVENUE | 610,027 | 1,032,619 | 958,372 | 905,199 | 905,824 | 781,906 | 746,768 | 671,396 | 674,023 | 7,286,133 | 10,022,000 | 73% |

EXPENSES BY CATEGORY

| DESCRIPTION | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | JANUARY | FEBRUARY | MARCH | YTD | BUDGET | % OF BUD. |
|---------------------------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|------------|
| SALARY & BENEFITS | 514,027 | 510,140 | 321,543 | 327,440 | 334,286 | 335,127 | 486,163 | 341,758 | 346,647 | 3,517,132 | 5,048,246 | 70% |
| CONTRACT/PROF. SERVICES | 5,572 | 48,144 | 81,763 | 220,894 | 70,907 | 85,897 | 53,160 | 52,406 | 85,588 | 704,332 | 1,316,360 | 54% |
| OPERATING EXPENSES | 11,986 | 33,476 | 41,893 | 32,378 | 32,244 | 41,966 | 48,946 | 20,032 | 17,479 | 280,401 | 420,500 | 67% |
| MAINTENANCE | 3,079 | 10,102 | 18,770 | 11,277 | 10,919 | 14,728 | 19,160 | 10,786 | 12,297 | 111,118 | 184,350 | 60% |
| FACILITIES | 11,383 | 31,020 | 61,400 | 58,815 | 51,252 | 55,790 | 42,726 | 40,639 | 36,244 | 389,269 | 571,800 | 68% |
| GEN. & ADMIN. | 101,568 | 16,460 | 31,246 | 25,456 | 21,413 | 21,938 | 18,171 | 29,839 | 20,460 | 286,550 | 420,400 | 68% |
| TOTAL OPERATING EXPENSES | 647,615 | 649,343 | 556,615 | 676,260 | 521,021 | 555,446 | 668,327 | 495,460 | 518,714 | 5,288,803 | 7,961,656 | 66% |
| OPERATING INCOME (LOSS) | (37,589) | 383,276 | 401,756 | 228,939 | 384,802 | 226,460 | 78,440 | 175,936 | 155,309 | 1,997,330 | 2,060,344 | 97% |

COMMENTS**REVENUE/EXPENSES:**

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

GENERAL/PROCESS:

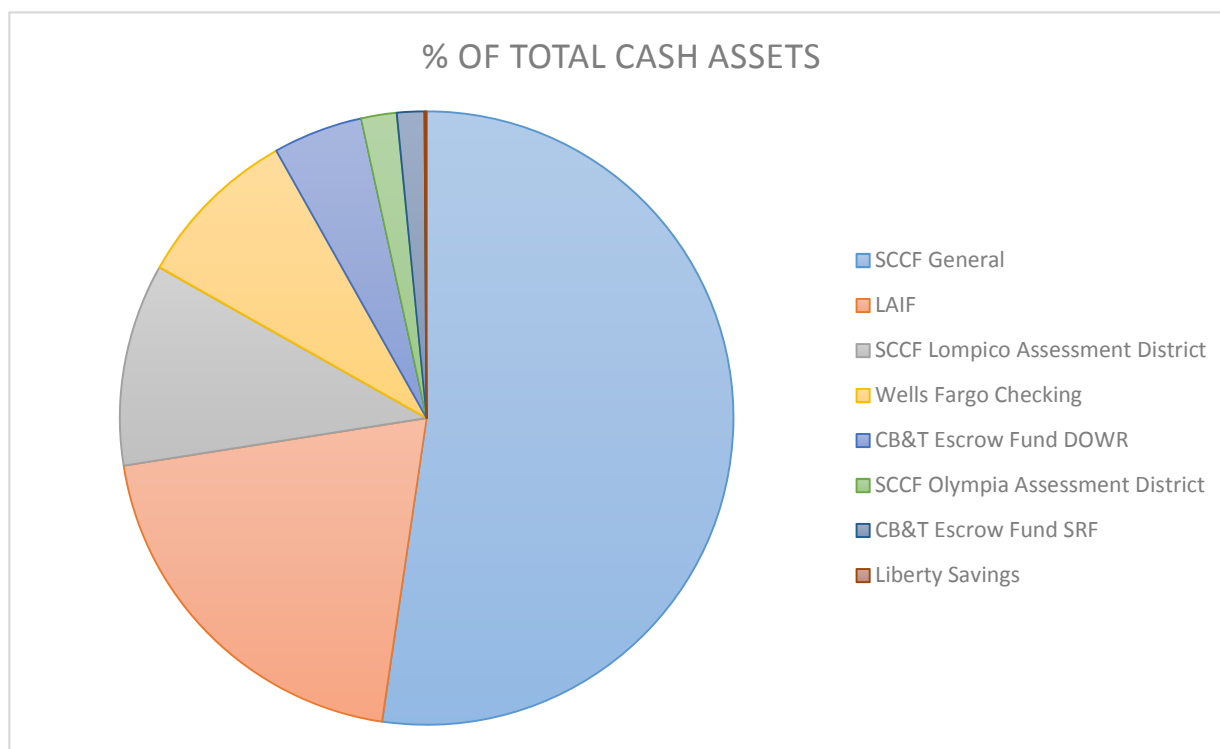
There are annual/one-time expenses paid upfront that could cause individual months to appear skewed or accrual based accounting that will impact June/July more so. An example of this would be some insurances are paid in July, this causes July expenses to appear higher than other months. The District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

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

CASH BALANCES AS OF

3/31/2019

| | | <i>Ave Interest Rate</i> |
|-----------------------------------|---------------------|----------------------------------|
| OPERATING ACCOUNTS | | |
| Wells Fargo Checking | \$ 218,731 | 0.35% |
| Liberty Savings | \$ 4,515 | 0.15% |
| LAIF | \$ 854,565 | 2.44% |
| SCCF General | \$ 1,968,735 | 2.24% |
| OPERATING BALANCE | \$ 3,046,547 | |
| RESTRICTED ACCOUNTS | | |
| SCCF Lompico Assessment District | \$ 451,945 | 2.24% <i>For AD Projects</i> |
| SCCF Olympia Assessment District | \$ 79,738 | 2.24% <i>For Debt Repayment</i> |
| SCCF Probation Tank Loan Proceeds | \$ 1,849,438 | 2.24% <i>Loan Proceeds</i> |
| CB&T Escrow Fund SRF | \$ 61,041 | 0.09% <i>For Debt Repayment</i> |
| CB&T Escrow Fund DOWR | \$ 215,483 | 0.09% <i>For Debt Repayment</i> |
| RESTRICTED BALANCE | \$ 2,657,646 | |



Accounts Payable

Outstanding Invoices

User: KendraNegro
 Printed: 5/8/2019 - 11:12 AM
 Date Type: JE Date
 Date Range: 04/10/2019 to 05/08/2019



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

Vendor

| Account Number | JE Date | Invoice Date | Invoice No | Journal Entry | Amount | Description |
|----------------------------------------------------|-----------|--------------|-----------------|---------------|----------|---------------------------------------------|
| 00001 - ROYAL WHOLESALE ELECTRIC | | | | | | |
| 01-000-1565 | 4/19/2019 | 4/17/2019 | 7719-644147 | 00196-10-2019 | 356.22 | PASO 8 REWIRE_WO#814 |
| Total for Vendor 00001 - ROYAL WHOLESALE ELECTRIC: | | | | | 356.22 | |
| 00016 - GREENWASTE RECOVERY, INC | | | | | | |
| 01-100-5420 | 5/6/2019 | 5/1/2019 | 4084002 | 00059-11-2019 | 413.08 | TRASH/RECYCLE/YARDWASTE SERVICES_APRIL 2019 |
| Task Label: | | Type: | PO Number: | 0000101094 | | |
| Total for Vendor 00016 - GREENWASTE RECOVERY, INC: | | | | | 413.08 | |
| 00032 - SENSUS USA, INC | | | | | | |
| 01-200-5200 | 4/29/2019 | 4/25/2019 | ZA19006189 | 00274-10-2019 | 368.76 | EQUIP MAINTENANCE_07/01/2019-06/30/2020 |
| Total for Vendor 00032 - SENSUS USA, INC: | | | | | 368.76 | |
| 00047 - SOIL CONTROL LAB | | | | | | |
| 01-800-5202 | 4/18/2019 | 4/16/2019 | 9030772 | 00187-10-2019 | 145.00 | WATER ANALYSIS_5 LOCATIONS |
| Task Label: | | Type: | PO Number: | 0000101098 | | |
| 01-800-5202 | 4/18/2019 | 4/16/2019 | 9040100 | 00187-10-2019 | 145.00 | WATER ANALYSIS_5 LOCATIONS |
| 01-800-5202 | 4/18/2019 | 4/16/2019 | 9040290 | 00187-10-2019 | 145.00 | WATER ANALYSIS_5 LOCATIONS |
| 01-800-5202 | 4/25/2019 | 4/19/2019 | 9040528 | 00248-10-2019 | 145.00 | WATER ANALYSIS_5 LOCATIONS |
| Task Label: | | Type: | PO Number: | 0000101098 | | |
| 01-800-5202 | 5/6/2019 | 5/1/2019 | 9040724 | 00059-11-2019 | 145.00 | WATER ANALYSIS_5 LOCATIONS |
| Task Label: | | Type: | PO Number: | 0000101098 | | |
| 01-800-5202 | 5/6/2019 | 5/2/2019 | 9040897 | 00059-11-2019 | 145.00 | WATER ANALYSIS_5 LOCATIONS |
| Task Label: | | Type: | PO Number: | 0000101098 | | |
| Total for Vendor 00047 - SOIL CONTROL LAB: | | | | | 870.00 | |
| 00054 - PACIFIC GAS AND ELECTRIC (ACH) | | | | | | |
| 01-100-5500 | 5/3/2019 | 5/1/2019 | 519_3658024062A | 00040-11-2019 | 675.39 | UTILITIES_ADMIN |
| 01-400-5500 | 5/3/2019 | 5/1/2019 | 519_3658024062B | 00040-11-2019 | 7,962.03 | UTILITIES_OPS |

Vendor

| Account Number | JE Date | Invoice Date | Invoice No | Journal Entry | Amount | Description |
|----------------------------------------------------------|----------|--------------|-----------------|---------------|-----------|---------------------------------|
| 00054 - PACIFIC GAS AND ELECTRIC (ACH) | | | | | | |
| 01-800-5500 | 5/3/2019 | 5/1/2019 | 519_3658024062C | 00040-11-2019 | 14,658.65 | UTILITIES_WTP |
| 02-600-5500 | 5/3/2019 | 5/1/2019 | 519_3658024062E | 00040-11-2019 | 249.36 | UTILITIES_BCE WASTEWATER |
| Total for Vendor 00054 - PACIFIC GAS AND ELECTRIC (ACH): | | | | | 23,545.43 | |
| 00058 - IHWW | | | | | | |
| 01-100-5200 | 5/2/2019 | 5/1/2019 | 05154 | 00029-11-2019 | 25.00 | BUSINESS HOSTING_MAY |
| Task Label: | | Type: | PO Number: | 0000101125 | | |
| Total for Vendor 00058 - IHWW: | | | | | 25.00 | |
| 00080 - GRANITE CONSTRUCTION CO | | | | | | |
| 01-000-1565 | 5/2/2019 | 4/23/2019 | 1568370A | 00029-11-2019 | 253.29 | SAND FOR FELTON LIBRARY_WO#1306 |
| 01-400-5300 | 5/2/2019 | 4/23/2019 | 1568370B | 00029-11-2019 | 17.17 | BASE ROCK FOR MAIN REPAIR |
| 01-000-1565 | 5/2/2019 | 4/24/2019 | 1568698 | 00029-11-2019 | 83.67 | SAND FOR FELTON LIBRARY_WO#1306 |
| Total for Vendor 00080 - GRANITE CONSTRUCTION CO: | | | | | 354.13 | |
| 00118 - FARMER BROTHERS COFFEE | | | | | | |
| 01-400-5600 | 5/6/2019 | 5/1/2019 | 69071931 | 00059-11-2019 | 227.00 | COFFEE SUPPLIES_OPS |
| Total for Vendor 00118 - FARMER BROTHERS COFFEE: | | | | | 227.00 | |
| 00125 - SCARBOROUGH LUMBER | | | | | | |
| 01-800-5420 | 5/2/2019 | 4/26/2019 | 333040 | 00031-11-2019 | 88.06 | KIRBY PLANT_SUPPLIES |
| 01-000-1565 | 5/2/2019 | 4/29/2019 | 333146 | 00031-11-2019 | 69.88 | FELTON LIBRARY_WO#1306 |
| 01-400-5420 | 5/2/2019 | 4/25/2019 | 583063 | 00031-11-2019 | 97.10 | RESPIRATORS_ABANDON BLDG DAMAGE |
| 01-000-1565 | 5/2/2019 | 4/29/2019 | 583225 | 00031-11-2019 | 21.93 | GARDEN HOSE_WO#521 |
| 01-400-5300 | 5/6/2019 | 4/25/2019 | 332921 | 00058-11-2019 | 9.71 | PRESSURE GAUGES_OPS |
| 01-400-5300 | 5/6/2019 | 4/30/2019 | 333250 | 00058-11-2019 | 5.79 | PIPE TEFLON TAPE_OPS |
| 01-800-5600 | 5/6/2019 | 5/2/2019 | 333385 | 00058-11-2019 | 41.83 | TRASH BAGS_CAN |
| 01-400-5300 | 5/6/2019 | 4/30/2019 | 583237 | 00058-11-2019 | 43.13 | LOCATOR BATTERIES_OPS |
| 01-400-5401 | 5/6/2019 | 4/30/2019 | 583272 | 00058-11-2019 | 194.22 | SAFETY CHAPS_HELMET |
| 01-400-5300 | 5/6/2019 | 5/1/2019 | 583312 | 00058-11-2019 | 2.48 | CHAIN SAW OIL_OPS |
| Total for Vendor 00125 - SCARBOROUGH LUMBER: | | | | | 574.13 | |
| 00137 - BRINK'S AWARDS | | | | | | |
| 01-100-5600 | 5/2/2019 | 4/23/2019 | 83968 | 00029-11-2019 | 107.00 | NAME PLATES & HOLDERS |

| Vendor | Account Number | JE Date | Invoice Date | Invoice No | Journal Entry | Amount | Description |
|---------------------------------------------------------|----------------|-----------|--------------|------------|---------------|-----------|-------------------------------------------|
| Total for Vendor 00137 - BRINK'S AWARDS: | | | | | | 107.00 | |
| 00141 - B & B SMALL ENGINE | 01-400-5311 | 5/6/2019 | 4/10/2019 | 416603 | 00059-11-2019 | 21.30 | SAW SERVICE_OPS |
| Total for Vendor 00141 - B & B SMALL ENGINE: | | | | | | 21.30 | |
| 00142 - SAN LORENZO LUMBER | 01-000-1565 | 4/19/2019 | 4/16/2019 | 61-0136629 | 00196-10-2019 | 8.09 | FELTON LIBRARY PROJECT_WO#1306 |
| | 01-000-1565 | 4/25/2019 | 4/19/2019 | 61-0136892 | 00248-10-2019 | 16.89 | BOLTS_FELTON LIBRARY_WO#1306 |
| | 01-400-5300 | 5/6/2019 | 4/26/2019 | 61-0137422 | 00050-11-2019 | 4.87 | PVC SAW_OPS |
| Total for Vendor 00142 - SAN LORENZO LUMBER: | | | | | | 29.85 | |
| 00147 - EMERSON PROCESS MANAGEMENT | 01-000-1565 | 5/6/2019 | 4/26/2019 | 9076218 | 00060-11-2019 | 10,404.13 | PROBATION TANK CONTROLS-SCADA 30%_WO#1135 |
| | Task Label: | | Type: | PO Number: | 0000101153 | | |
| Total for Vendor 00147 - EMERSON PROCESS MANAGEMENT: | | | | | | 10,404.13 | |
| 00168 - SCOTTS VALLEY SPRINKLER | 01-400-5300 | 5/6/2019 | 4/30/2019 | 153326 | 00058-11-2019 | 169.64 | 2" CHECK VALVE_OPS |
| Total for Vendor 00168 - SCOTTS VALLEY SPRINKLER: | | | | | | 169.64 | |
| 00265 - COMMUNITY TELEVISION | 01-100-5200 | 4/18/2019 | 4/15/2019 | 2650_265 | 00187-10-2019 | 770.00 | MEETING COVERAGE FOR 03/07 & 03/21 |
| Total for Vendor 00265 - COMMUNITY TELEVISION: | | | | | | 770.00 | |
| 00273 - CORELOGIC, INC. | 01-200-5200 | 5/2/2019 | 4/30/2019 | 30421236 | 00029-11-2019 | 206.00 | REALQUEST SERVICES_04/01/19-04/30/19 |
| | Task Label: | | Type: | PO Number: | 0000101090 | | |
| Total for Vendor 00273 - CORELOGIC, INC.: | | | | | | 206.00 | |
| 00290 - CONTRACTOR COMPLIANCE & MONIT | 01-000-1565 | 5/6/2019 | 4/25/2019 | 11304 | 00060-11-2019 | 708.33 | LABOR COMPLIANCE SERVICES_WO#814 |
| Total for Vendor 00290 - CONTRACTOR COMPLIANCE & MONIT: | | | | | | 708.33 | |
| 00329 - GRAINGER | | | | | | | |

| Vendor | Account Number | JE Date | Invoice Date | Invoice No | Journal Entry | Amount | Description |
|------------------------------------------------------|----------------|-----------|--------------|-------------|---------------|----------|-------------------------------|
| 00329 - GRAINGER | | | | | | | |
| | 01-800-5401 | 4/29/2019 | 4/23/2019 | 9154092945 | 00280-10-2019 | 60.06 | LAB APRONS_WTP |
| Total for Vendor 00329 - GRAINGER: | | | | | | 60.06 | |
| 00342 - BRASS KEY LOCKSMITH | | | | | | | |
| | 01-400-5200 | 5/2/2019 | 4/24/2019 | 950842 | 00029-11-2019 | 190.00 | DISTRICT LOCKS_OPS |
| | 01-400-5200 | 5/6/2019 | 4/25/2019 | 950852 | 00060-11-2019 | 59.66 | LOCKS_OPS |
| | 01-400-5200 | 5/6/2019 | 4/25/2019 | 950853 | 00060-11-2019 | 16.00 | LOCKS_OPS |
| Total for Vendor 00342 - BRASS KEY LOCKSMITH: | | | | | | 265.66 | |
| 00343 - ERNIE'S SERVICE CENTER | | | | | | | |
| | 01-400-5410 | 4/25/2019 | 4/19/2019 | 76370 | 00248-10-2019 | 74.99 | SERVICE FOR VE-228_WO#693 |
| | 01-400-5410 | 4/29/2019 | 4/24/2019 | 76519 | 00280-10-2019 | 164.91 | BATTERY_VE-230_WO#694 |
| | 01-800-5410 | 5/6/2019 | 4/30/2019 | 76469 | 00059-11-2019 | 568.67 | VEHICLE SERVICE_VE-#325_WO#94 |
| Total for Vendor 00343 - ERNIE'S SERVICE CENTER: | | | | | | 808.57 | |
| 00398 - WATSONVILLE METAL CO.,INC | | | | | | | |
| | 01-400-5300 | 5/6/2019 | 5/1/2019 | 8425372 | 00050-11-2019 | 600.00 | DUMPSTER SERVICES_05/01/19 |
| Total for Vendor 00398 - WATSONVILLE METAL CO.,INC: | | | | | | 600.00 | |
| 00399 - VISION SERVICE PLAN - (CA) | | | | | | | |
| | 01-100-5142 | 5/6/2019 | 4/19/2019 | 806740454A | 00050-11-2019 | 28.44 | VISION INSURANCE_ADMIN |
| | 01-200-5142 | 5/6/2019 | 4/19/2019 | 806740454B | 00050-11-2019 | 173.80 | VISION INSURANCE_FINANCE |
| | 01-300-5142 | 5/6/2019 | 4/19/2019 | 806740454C | 00050-11-2019 | 11.14 | VISION INSURANCE_ENG |
| | 01-400-5142 | 5/6/2019 | 4/19/2019 | 806740454D | 00050-11-2019 | 333.74 | VISION INSURANCE_OPS |
| | 01-500-5142 | 5/6/2019 | 4/19/2019 | 806740454E | 00050-11-2019 | 38.58 | VISION INSURANCE_ENVIRON |
| | 01-800-5142 | 5/6/2019 | 4/19/2019 | 806740454F | 00050-11-2019 | 197.78 | VISION INSURANCE_WTP |
| Total for Vendor 00399 - VISION SERVICE PLAN - (CA): | | | | | | 783.48 | |
| 00450 - EUROFINS | | | | | | | |
| | 01-800-5202 | 5/6/2019 | 5/2/2019 | L0449728 | 00059-11-2019 | 60.00 | WATER ANALYSIS_PASO 5A_PASO 7 |
| | Task Label: | | Type: | PO Number: | 0000101092 | | |
| Total for Vendor 00450 - EUROFINS: | | | | | | 60.00 | |
| 00505 - DELL MARKETING LP | | | | | | | |
| | 01-300-5310 | 4/29/2019 | 4/18/2019 | 10310431749 | 00280-10-2019 | 1,725.47 | DISTRICT ENGINEER COMPUTER |
| | Task Label: | | Type: | PO Number: | 0000101208 | | |

Vendor

| Account Number | JE Date | Invoice Date | Invoice No | Journal Entry | Amount | Description |
|---------------------------------------------------|-----------|--------------|------------|---------------|----------|-------------------------------------------------------|
| Total for Vendor 00505 - DELL MARKETING LP: | | | | | 1,725.47 | |
| 00589 - ALLARD'S SEPTIC SERVICE | | | | | | |
| 01-800-5200 | 4/29/2019 | 4/20/2019 | 7732 | 00280-10-2019 | 300.00 | SEPTIC SERVICES_APRIL |
| Task Label: | | Type: | PO Number: | 0000101135 | | |
| Total for Vendor 00589 - ALLARD'S SEPTIC SERVICE: | | | | | 300.00 | |
| 00599 - WEX BANK | | | | | | |
| 01-200-5410 | 5/6/2019 | 4/30/2019 | 58965304A | 00060-11-2019 | 1,012.72 | GAS_FINANCE |
| 01-400-5410 | 5/6/2019 | 4/30/2019 | 58965304B | 00060-11-2019 | 3,262.65 | GAS_OPS |
| 01-800-5410 | 5/6/2019 | 4/30/2019 | 58965304C | 00060-11-2019 | 2,599.36 | GAS_WTP |
| Total for Vendor 00599 - WEX BANK: | | | | | 6,874.73 | |
| 00721 - UNITED SITE SVCS.,INC | | | | | | |
| 01-400-5200 | 5/6/2019 | 4/29/2019 | 8401080 | 00050-11-2019 | 204.35 | QUAIL 5 TOILET SERVICE AND CLEANING_04/27/19-05/24/19 |
| Task Label: | | Type: | PO Number: | 0000101101 | | |
| Total for Vendor 00721 - UNITED SITE SVCS.,INC: | | | | | 204.35 | |
| 00727 - ULINE SHIPPING SUPPLIES | | | | | | |
| 01-800-5300 | 5/6/2019 | 4/23/2019 | 107972514 | 00060-11-2019 | 162.44 | GLOVES_WTP |
| Total for Vendor 00727 - ULINE SHIPPING SUPPLIES: | | | | | 162.44 | |
| 00729 - ALPHA ANALYTICAL LABS | | | | | | |
| 02-600-5202 | 4/19/2019 | 4/19/2019 | 9043584 | 00196-10-2019 | 1,032.00 | LAB FEES-ANALYTICAL SERVICES |
| Task Label: | | Type: | PO Number: | 0000101087 | | |
| 02-600-5202 | 5/6/2019 | 5/3/2019 | 9051240 | 00059-11-2019 | 430.00 | LAB FEES-ANALYTICAL SERVICES |
| Task Label: | | Type: | PO Number: | 0000101087 | | |
| Total for Vendor 00729 - ALPHA ANALYTICAL LABS: | | | | | 1,462.00 | |
| 00746 - SCOTTS VALLEY BANNER | | | | | | |
| 01-100-5640 | 4/18/2019 | 4/12/2019 | 60838 | 00187-10-2019 | 265.00 | COMMUNITY CHATS_RUN DATE 04/12/19 |
| 01-100-5640 | 4/18/2019 | 4/12/2019 | 60839 | 00187-10-2019 | 265.00 | FLUSHING NOTICE_RUN DATE 04/12/19 |
| Total for Vendor 00746 - SCOTTS VALLEY BANNER: | | | | | 530.00 | |
| 00760 - DYNAMIC PRESS | | | | | | |
| 01-300-5600 | 5/2/2019 | 4/24/2019 | 24085 | 00029-11-2019 | 81.17 | BUSINESS CARDS FOR DARREN_ENG |

Vendor

| Account Number | JE Date | Invoice Date | Invoice No | Journal Entry | Amount | Description |
|-------------------------------------------------------------------------|-----------|--------------|---------------|---------------|-----------|--------------------------------------------------|
| 00760 - DYNAMIC PRESS | | | | | | |
| 01-300-5600 | 5/2/2019 | 4/26/2019 | 24095 | 00029-11-2019 | 68.82 | BUSINESS CARDS FOR DARREN_ENG |
| Total for Vendor 00760 - DYNAMIC PRESS: | | | | | 149.99 | |
| 00768 - USA BLUEBOOK | | | | | | |
| 01-800-5300 | 4/18/2019 | 4/12/2019 | 866906 | 00187-10-2019 | 1,236.06 | DRAWDOWN TAPE/WATER FILTERS |
| 01-800-5300 | 4/18/2019 | 4/16/2019 | 868915 | 00187-10-2019 | -1,236.06 | PO#101186_CREDIT FOR RETURNED PRODUCT |
| 01-800-5300 | 4/19/2019 | 4/16/2019 | 868742 | 00196-10-2019 | 943.79 | FTI TBP-40 DRUM PUMP TUBE 40' WTP |
| 01-800-5300 | 4/19/2019 | 4/17/2019 | 870061 | 00196-10-2019 | 175.33 | AMIAD FILTER 1' MNPT_100 MICRON SCREEN |
| 01-800-5300 | 4/25/2019 | 4/18/2019 | 871647 | 00248-10-2019 | 96.37 | HYDRANT ADAPTER_WTP |
| Total for Vendor 00768 - USA BLUEBOOK: | | | | | 1,215.49 | |
| 00788 - COMCAST | | | | | | |
| 01-800-5510 | 5/6/2019 | 4/26/2019 | 42619_0987198 | 00050-11-2019 | 153.29 | INTERNET_195 KIRBY STREET |
| 01-400-5510 | 5/7/2019 | 5/1/2019 | 5119_1236033 | 00070-11-2019 | 174.81 | INTERNET_215 BLACKSTONE DRIVE |
| 01-800-5510 | 5/7/2019 | 5/1/2019 | 5119_1368455 | 00070-11-2019 | 113.38 | INTERNET_345 QUAIL TERRACE |
| Total for Vendor 00788 - COMCAST: | | | | | 441.48 | |
| 00944 - PDNC, INC. | | | | | | |
| 01-100-5200 | 5/2/2019 | 5/1/2019 | 3463 | 00029-11-2019 | 652.68 | MONTHLY SERVER SUPPORT & ARCHIVE BACKUP STORAGE |
| 01-100-5200 | 5/6/2019 | 4/30/2019 | 3438 | 00059-11-2019 | 64.07 | FIELD TECHNICIAN_SERVER RESET |
| Total for Vendor 00944 - PDNC, INC.: | | | | | 716.75 | |
| 01004 - PRO FLOW PLUMBING | | | | | | |
| 01-100-5200 | 4/19/2019 | 4/15/2019 | 041519_1004A | 00196-10-2019 | 822.50 | BACKFLOW TESTING_KIRBY TREATMENT_365 MADRONE AVE |
| 01-200-5200 | 4/19/2019 | 4/15/2019 | 041519_1004B | 00196-10-2019 | 117.50 | BACKFLOW TESTING_SURPLUS WATER AREA |
| 02-600-5200 | 4/19/2019 | 4/15/2019 | 041519_1004C | 00196-10-2019 | 235.00 | BACKFLOW TESTING_LEACHFIELD_INLET PUMP |
| Total for Vendor 01004 - PRO FLOW PLUMBING: | | | | | 1,175.00 | |
| 10005 - ICMA RETIREMENT C/O M & T RETIREMENT CORP 457 | | | | | | |
| 01-000-2208 | 5/8/2019 | 5/7/2019 | 129027 | 00069-11-2019 | 3,357.20 | RETIREMENT WITHHOLDING_PP ENDING 04/24/19 |
| Total for Vendor 10005 - ICMA RETIREMENT C/O M & T RETIREMENT CORP 457: | | | | | 3,357.20 | |
| 10025 - BADGER METER, INC | | | | | | |
| 01-200-5200 | 5/2/2019 | 4/30/2019 | 80032221 | 00029-11-2019 | 1,532.58 | BEACON SERVICES_APRIL2019 |

Vendor

| Account Number | JE Date | Invoice Date | Invoice No | Journal Entry | Amount | Description |
|--------------------------------------------------------------|-----------|--------------|--------------|---------------|-----------|-----------------------------------------------------|
| 10025 - BADGER METER, INC | | | | | | |
| Task Label: | | Type: | PO Number: | 0000101206 | | |
| Total for Vendor 10025 - BADGER METER, INC: | | | | | 1,532.58 | |
| 10069 - NATE GILLESPIE | | | | | | |
| 01-800-5301 | 5/6/2019 | 4/26/2019 | 042619_10069 | 00050-11-2019 | 5.77 | ICE FOR SAMPLES_WTP |
| Total for Vendor 10069 - NATE GILLESPIE: | | | | | 5.77 | |
| 10072 - WATER SYSTEMS CONSULTING, INC | | | | | | |
| 01-000-1565 | 5/6/2019 | 2/28/2019 | 3690 | 00050-11-2019 | 12,126.69 | USDA PHASE 1 FUNDING_WO#950 |
| Total for Vendor 10072 - WATER SYSTEMS CONSULTING, INC: | | | | | 12,126.69 | |
| 10158 - NOSSAMAN, LLP | | | | | | |
| 01-100-5210 | 5/6/2019 | 4/15/2019 | 494454A | 00060-11-2019 | 16,833.00 | FEES FOR PROFESSIONAL SERVICES THROUGH_03/31/19 |
| 01-100-5210 | 5/6/2019 | 4/15/2019 | 494454B | 00060-11-2019 | 492.17 | DISBURSEMENTS MADE TO YOUR ACCOUNT THROUGH_03/31/19 |
| Total for Vendor 10158 - NOSSAMAN, LLP: | | | | | 17,325.17 | |
| 10190 - SANTA MARGARITA GROUNDWATER AGENCY | | | | | | |
| 01-100-5200 | 4/29/2019 | 4/24/2019 | 1008_10190 | 00280-10-2019 | 84,092.48 | SERVICES |
| Total for Vendor 10190 - SANTA MARGARITA GROUNDWATER AGENCY: | | | | | 84,092.48 | |
| 10214 - MIKE PODLECH | | | | | | |
| 01-500-5200 | 5/6/2019 | 5/2/2019 | 2100 | 00050-11-2019 | 1,417.50 | CONJUNCTIVE USE_SERVICES THRU 04/01/19--04/30/19 |
| Task Label: EXP-1718001A | | Type: E | PO Number: | | | |
| Total for Vendor 10214 - MIKE PODLECH: | | | | | 1,417.50 | |
| 10245 - LOGMEIN USA, INC, | | | | | | |
| 01-100-5630 | 5/2/2019 | 4/30/2019 | 1207569303 | 00029-11-2019 | 53.46 | AUDIO SERVICE_03/31/19-04/29/19 |
| Task Label: | | Type: | PO Number: | 0000101201 | | |
| Total for Vendor 10245 - LOGMEIN USA, INC,: | | | | | 53.46 | |
| UB*00626 - CARRIE MAYBERRY | | | | | | |
| 01-000-2100 | 5/6/2019 | 5/6/2019 | | 00039-11-2019 | 75.00 | Refund Check |
| Task Label: | | Type: | PO Number: | | | |

Vendor

| Account Number | JE Date | Invoice Date | Invoice No | Journal Entry | Amount | Description |
|----------------------------------------------|---------|--------------|------------|---------------|------------|-------------|
| Total for Vendor UB*00626 - CARRIE MAYBERRY: | | | | | 75.00 | |
| Report Total: | | | | | 176,671.32 | |

Accounts Payable

Checks by Date - Detail by Check Number

User: KendraNegro
Printed: 5/8/2019 11:11 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 | 10188 041119 | STATE BOARD OF EQUALIZATION SA SALES TAX 2018 | 04/11/2019 | | 401.00 |
| Total for this ACH Check for Vendor 10188: | | | | 0.00 | 401.00 |
| ACH | 00054 419_3658024062A 419_3658024062B 419_3658024062C 419_3658024062D | PACIFIC GAS AND ELECTRIC UTILITIES_MARCH2019_ADMIN UTILITIES_MARCH2019_OPS UTILITIES_MARCH2019_WTP UTILITIES_MARCH2019_BCE WASTEWATER | 04/18/2019 | | 599.98 8,310.31 14,130.53 211.33 |
| Total for this ACH Check for Vendor 00054: | | | | 0.00 | 23,252.15 |
| ACH | 00178 MAY 2019.1 MAY 2019.2 MAY 2019.3 MAY 2019.4 MAY 2019.5 MAY 2019.6 MAY 2019.7 MAY 2019.8 MAY 2019.9 | CALPERS HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE HEALTH INSURANCE | 05/01/2019 | | 2,367.94 12,988.26 768.25 17,450.26 2,765.70 900.00 10,107.82 122.70 1,856.53 |
| Total for this ACH Check for Vendor 00178: | | | | 0.00 | 49,327.46 |
| 17030 | 00729 9034299 9034752 | ALPHA ANALYTICAL LABS LAB FEES-ANALYTICAL SERVICES LAB FEES-ANALYTICAL SERVICES | 04/11/2019 | | 912.00 110.00 |
| Total for Check Number 17030: | | | | 0.00 | 1,022.00 |
| 17031 | 00300 1036 | APOLLO DRAIN SERVICE SEWER LINES_BCE WASTEWATER | 04/11/2019 | | 250.00 |
| Total for Check Number 17031: | | | | 0.00 | 250.00 |
| 17032 | 10023 3067717 | AT & T CAPITAL SERVICES, INC MONTHLY PHONE LEASE_AVAYA | 04/11/2019 | | 396.07 |
| Total for Check Number 17032: | | | | 0.00 | 396.07 |
| 17033 | 00055 419_9607360489A 419_9607360489B 419_9607360489C 419_9607360489D | AT&T PHONE_ADMIN PHONE_OPS PHONE_WTP PHONE_BCE WASTEWATER | 04/11/2019 | | 233.66 4,023.01 1,856.36 408.81 |
| Total for Check Number 17033: | | | | 0.00 | 6,521.84 |
| 17034 | 10173 | CARLY BLANCHARD | 04/11/2019 | | |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------|-------------------------------------------------------------------------------------------|-------------------------------|-------------|------------------|
| | 041019_10173A | EMPLOYEE REIMBURSEMENT_MILEAGE | | | 356.86 |
| | 041019_10173B | EMPLOYEE REIMBURSEMENT_SUPPLIES | | | 22.59 |
| | | | Total for Check Number 17034: | 0.00 | 379.45 |
| 17035 | 00788 040319_0956185 | COMCAST INTERNET_545 FALL CREEK DRIVE | 04/11/2019 | | 173.50 |
| | | | Total for Check Number 17035: | 0.00 | 173.50 |
| 17036 | 00788 4119_1236033 | COMCAST INTERNET_215 BLACKSTONE DRIVE | 04/11/2019 | | 174.81 |
| | | | Total for Check Number 17036: | 0.00 | 174.81 |
| 17037 | 00788 4119_1368455 | COMCAST INTERNET_345 QUAIL TERRACE | 04/11/2019 | | 113.29 |
| | | | Total for Check Number 17037: | 0.00 | 113.29 |
| 17038 | 00265 2633 | COMMUNITY TELEVISION MEETING COVERAGE FEB 7TH & 21ST | 04/11/2019 | | 924.00 |
| | | | Total for Check Number 17038: | 0.00 | 924.00 |
| 17039 | 00784 K223811 | CORE & MAIN LP 3/4 X 3 FULL CIRCLE REPAIR CLAMPS | 04/11/2019 | | 232.20 |
| | | | Total for Check Number 17039: | 0.00 | 232.20 |
| 17040 | 00147 9075701 | EMERSON PROCESS MANAGEMENT SCADA SURVEY / LOMPICO ASSESMENT | 04/11/2019 | | 11,009.14 |
| | | | Total for Check Number 17040: | 0.00 | 11,009.14 |
| 17041 | 00076 775117 | ERNIE'S AUTO CENTER ENGINE OIL_VE#335 | 04/11/2019 | | 25.03 |
| | | | Total for Check Number 17041: | 0.00 | 25.03 |
| 17042 | 00343 75499 75634 | ERNIE'S SERVICE CENTER SERPENTINE BELT & TENSIONER_VE-485_ SERVICE FOR VE-341_WO#97 | 04/11/2019 | | 703.47 582.58 |
| | | | Total for Check Number 17042: | 0.00 | 1,286.05 |
| 17043 | 00525 93622242 | ESRI, INC. ENGINEERING GIS SOFTWARE 2019_04/28/ | 04/11/2019 | | 10,000.00 |
| | | | Total for Check Number 17043: | 0.00 | 10,000.00 |
| 17044 | 00750 033119_750 | FEDAK & BROWN, LLP SERVICES RENDERED FOR MARCH 2019 | 04/11/2019 | | 1,050.00 |
| | | | Total for Check Number 17044: | 0.00 | 1,050.00 |
| 17045 | 00016 4009925 | GREENWASTE RECOVERY, INC TRASH/RECYCLE/YARDWASTE SERVICES | 04/11/2019 | | 413.08 |
| | | | Total for Check Number 17045: | 0.00 | 413.08 |
| 17046 | UB*00592 | AUBREY & SAMANTHA GREY Refund Check | 04/11/2019 | | 53.34 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------|--------------------------------------|
| | | Refund Check | | | 3.02 |
| | | | Total for Check Number 17046: | 0.00 | 56.36 |
| 17047 | 00256 040919_256 | JESSE GUIVER EMPLOYEE REIMBURSEMENT_OVERTIME | 04/11/2019 | | 15.00 |
| | | | Total for Check Number 17047: | 0.00 | 15.00 |
| 17048 | 00550 11398067 11398316 | HACH COMPANY REAGENT_MARCH2019 LAB SUPPLIES_FORMAZIN & BUFFER SOL | 04/11/2019 | | 938.97 335.66 |
| | | | Total for Check Number 17048: | 0.00 | 1,274.63 |
| 17049 | 00615 4361138 | HOME DEPOT CREDIT SERVICES IMPACT DRIVER_WO#814 | 04/11/2019 | | 485.99 |
| | | | Total for Check Number 17049: | 0.00 | 485.99 |
| 17050 | 10018 03312019_10018 | HOLLY HOSSACK EMPLOYEE REIMBURSEMENT_MILEAGE | 04/11/2019 | | 47.20 |
| | | | Total for Check Number 17050: | 0.00 | 47.20 |
| 17051 | UB*00591 | Melissa Huelin Refund Check | 04/11/2019 | | 72.98 |
| | | | Total for Check Number 17051: | 0.00 | 72.98 |
| 17052 | 10005 114701 | ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING_PP ENDING | 04/11/2019 | | 3,607.20 |
| | | | Total for Check Number 17052: | 0.00 | 3,607.20 |
| 17053 | 00367 151087A 151087B 151226A 151226B | INFOSEND, INC MAILER_LOMPICO EAST/MANANA POSTAGE FOR MAILER_LOMPICO EAST/M MAILER_LOMPICO WEST POSTAGE FOR MAILER_LOMPICO WEST | 04/11/2019 | | 68.73 164.85 37.85 91.74 |
| | | | Total for Check Number 17053: | 0.00 | 363.17 |
| 17054 | 00643 545601 545725 | MANCO, INC ENCLOSURE FOR TANK LEVEL TRANSDUC FLOW METER | 04/11/2019 | | 195.91 5,116.83 |
| | | | Total for Check Number 17054: | 0.00 | 5,312.74 |
| 17055 | 00441 1027712 | MISSION COMMUNICATIONS,LLC ANTENNA CABLE | 04/11/2019 | | 237.33 |
| | | | Total for Check Number 17055: | 0.00 | 237.33 |
| 17056 | 10067 219000352A 219000352B 219000352C 219000352D | NBS QUARTERLY ADMIN FEES_04/01/19-06/30/1 REIMBURSABLE EXPENSES QUARTERLY ADMIN FEES_04/01/19-06/30/1 REIMBURSABLE EXPENSES | 04/11/2019 | | 1,125.00 24.13 750.00 16.09 |
| | | | Total for Check Number 17056: | 0.00 | 1,915.22 |
| 17057 | 10004 | PETTY CASH - CHELSEA SLADWICK | 04/11/2019 | | |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------|-------------------------------------------------------------------------------------------|
| | 033119_10004 | PETTY CASH REPLENISH | | | 71.07 |
| | | | Total for Check Number 17057: | 0.00 | 71.07 |
| 17058 | 00428 18FLP06 | RCD OF SANTA CRUZ COUNTY FISH LADDER PERMITTING_WO#280 | 04/11/2019 | | 3,620.58 |
| | | | Total for Check Number 17058: | 0.00 | 3,620.58 |
| 17059 | 00102 040919_102 | ANDY ROBUSTELLI EMPLOYEE REIMBURSEMENT_OVERTIME | 04/11/2019 | | 15.00 |
| | | | Total for Check Number 17059: | 0.00 | 15.00 |
| 17060 | 10151 228180 | OSCAR RODAS MAINTENANCE_YARD WORK_MARCH201 | 04/11/2019 | | 250.00 |
| | | | Total for Check Number 17060: | 0.00 | 250.00 |
| 17061 | 00142 61-0135264 61-0135434 | SAN LORENZO LUMBER OPERATIONS MAP WALL OPERATIONS MAP WALL | 04/11/2019 | | 9.66 35.05 |
| | | | Total for Check Number 17061: | 0.00 | 44.71 |
| 17062 | 10241 SB122923 | SBC GLOBAL SERVICES, INC. ADD EXTENSION TO BACK OF ADMIN | 04/11/2019 | | 1,162.99 |
| | | | Total for Check Number 17062: | 0.00 | 1,162.99 |
| 17063 | 00125 331607 331718 331785 582098 | SCARBOROUGH LUMBER MISC SUPPLIES_OPS LEAK REPAIR_PINE STREET DISTILLED WATER_TREATMENT PLANT MISC SUPPLIES_OPS | 04/11/2019 | | 77.62 43.48 23.24 156.65 |
| | | | Total for Check Number 17063: | 0.00 | 300.99 |
| 17064 | 00746 60174 60175 | SCOTTS VALLEY BANNER MANANA WOODS MAIN FLUSH_RUN DAT LOMPICO MAIN FLUSH_RUN DATE 03/22/1 | 04/11/2019 | | 265.00 265.00 |
| | | | Total for Check Number 17064: | 0.00 | 530.00 |
| 17065 | 00047 9030355 9030411 9030472 | SOIL CONTROL LAB WATER ANALYSIS_5 LOCATIONS WATER ANALYSIS_4 LOCATIONS WATER ANALYSIS_CLEAR/FOREMAN/SWE | 04/11/2019 | | 145.00 116.00 87.00 |
| | | | Total for Check Number 17065: | 0.00 | 348.00 |
| 17066 | 10217 33119_7268A 33119_7268B 33119_7268C 33119_7268D 33119_7268E 33119_7268F 33119_7268G 33119_7268H 33119_7268I 33119_7268J | UMPQUA BANK HIRERIGHT_BACKGROUND CHECK HILLTOP MEDICAL CLINIC_NEW HIRE PH APPRIVER_TECH SUPPORT GFOA_CAFR REVIEW FEE HIRERIGHT_BACKGROUND CHECK SIX SIGMA GLOBAL INST_YELLOW BELT PAYCHEX DIRECT CATALOG_STATE & FEI LINKEDIN_ONLINE COURSES STAPLES_WIRELESS HEADSET MAILCHIMP_MARKETING PLATFORM_NE | 04/11/2019 | | 39.95 65.00 202.95 370.00 69.95 99.00 70.90 29.99 273.41 50.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|-------------------------------|-------------------------|---------------------------------------|-------------------------|-------------|--------------|
| | 33119_7268K | SANTA CRUZ JOBS_JOB POSTING | | | 299.00 |
| | 33119_7268L | HIRERIGHT_BACKGROUND CHECK REFU | | | -39.95 |
| | 33119_7268M | STAPLES_CONFERENCE PHONE RETURN | | | -1,048.10 |
| | 33119_7268N | WS DARLEY_RAIN/SAFETY BOOTS 209 | | | 180.05 |
| | 33119_7268O | DELL EMC_MONITOR STANDS | | | 160.80 |
| | 33119_7268P | CARHART_EMPLOYEE UNIFORM 227 | | | 135.57 |
| | 33119_7268Q | CARHART_EMPLOYEE UNIFORM 139 | | | 93.27 |
| | 33119_7268R | CARHART_EMPLOYEE UNIFORM 206 | | | 114.96 |
| | 33119_7268S | CARHART_EMPLOYEE UNIFORM 217 | | | 146.42 |
| | 33119_7268T | DIGITAL ENGINEERING_DISTRICT MAPS | | | 243.58 |
| | 33119_7268U | DIGITAL ENGINEERING_DISTRICT MAPS | | | 243.57 |
| Total for Check Number 17066: | | | | 0.00 | 1,800.32 |
| 17067 | 00721 | UNITED SITE SVCS.,INC | 04/11/2019 | | |
| | 8248143 | WEEKLY SERVICE_03/26/19-04/22/19_PROB | | | 196.70 |
| | 8262207 | QUAIL 5 TOILET SERVICE AND CLEANING | | | 204.35 |
| Total for Check Number 17067: | | | | 0.00 | 401.05 |
| 17068 | 00768 | USA BLUEBOOK | 04/11/2019 | | |
| | 844889 | CHLORINE PUMP PARTS | | | 284.81 |
| | 847381 | CHLORINE DRUM PUMP TUBES | | | 951.06 |
| Total for Check Number 17068: | | | | 0.00 | 1,235.87 |
| 17069 | 00599 | WEX BANK | 04/11/2019 | | |
| | 58512396A | GAS_FINANCE | | | 912.43 |
| | 58512396B | GAS_OPS | | | 3,801.82 |
| | 58512396C | GAS_WTP | | | 2,233.64 |
| Total for Check Number 17069: | | | | 0.00 | 6,947.89 |
| 17070 | 00362 | ACCELA, INC #774375 | 04/17/2019 | | |
| | ACC45140A | TRANSACTION FEES_MARCH 2019 | | | 1,441.00 |
| | ACC45140B | ONLINE BILLS FEES_MARCH 2019 | | | 185.00 |
| Total for Check Number 17070: | | | | 0.00 | 1,626.00 |
| 17071 | 00589 | ALLARD'S SEPTIC SERVICE | 04/17/2019 | | |
| | 7719 | SEPTIC SERVICES_03/28/19 | | | 300.00 |
| Total for Check Number 17071: | | | | 0.00 | 300.00 |
| 17072 | 00309 | AT&T IP SERVICES | 04/17/2019 | | |
| | 7438117407 | PHONE SYSTEM_195 KIRBY STREET | | | 271.31 |
| Total for Check Number 17072: | | | | 0.00 | 271.31 |
| 17073 | 00687 | AT&T U-VERSE | 04/17/2019 | | |
| | 40519_137458730 | UVERSE_16057 HWY 9 | | | 75.00 |
| Total for Check Number 17073: | | | | 0.00 | 75.00 |
| 17074 | UB*00595 | ATLANTIS PAVING & GRADING INC. | 04/17/2019 | | |
| | | Refund Check | | | 75.00 |
| Total for Check Number 17074: | | | | 0.00 | 75.00 |
| 17075 | 10025 | BADGER METER, INC | 04/17/2019 | | |
| | 80031067 | BEACON SERVICES_MARCH 2019 | | | 1,516.56 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------|---------------------------------------------------------------|-------------------------------|-------------|----------------|
| | | | Total for Check Number 17075: | 0.00 | 1,516.56 |
| 17076 | 00220 32267_220 | BAY BUILDING JANITORIAL,INC JANITORIAL SERVICES_APRIL 2019 | 04/17/2019 | | 424.42 |
| | | | Total for Check Number 17076: | 0.00 | 424.42 |
| 17077 | UB*00606 | MICHELLE BERNABEI Refund Check | 04/17/2019 | | 75.00 |
| | | | Total for Check Number 17077: | 0.00 | 75.00 |
| 17078 | UB*00610 | MARLENE CAMACHO Refund Check Refund Check | 04/17/2019 | | 41.35 20.58 |
| | | | Total for Check Number 17078: | 0.00 | 61.93 |
| 17079 | 00788 040918_1318922 | COMCAST INTERNET_3652 GRAHAM HILL RD | 04/17/2019 | | 143.29 |
| | | | Total for Check Number 17079: | 0.00 | 143.29 |
| 17080 | 00788 040819_1323641 | COMCAST INTERNET_365 MADRONE DR OFC | 04/17/2019 | | 264.01 |
| | | | Total for Check Number 17080: | 0.00 | 264.01 |
| 17081 | 00788 040819_1323583 | COMCAST INTERNET_365 MADRONE DRIVE | 04/17/2019 | | 264.01 |
| | | | Total for Check Number 17081: | 0.00 | 264.01 |
| 17082 | 00788 040819_1236058 | COMCAST INTERNET_17277 HWY 9 | 04/17/2019 | | 174.81 |
| | | | Total for Check Number 17082: | 0.00 | 174.81 |
| 17083 | 00788 040719_1236124 | COMCAST INTERNET_15819 FOREST HILL DRIVE | 04/17/2019 | | 174.81 |
| | | | Total for Check Number 17083: | 0.00 | 174.81 |
| 17084 | 00788 040618_1318955 | COMCAST INTERNET_1150 REBECCA DRIVE | 04/17/2019 | | 143.29 |
| | | | Total for Check Number 17084: | 0.00 | 143.29 |
| 17085 | 00788 040618_1236017 | COMCAST INTERNET_295 EAST ROAD | 04/17/2019 | | 174.81 |
| | | | Total for Check Number 17085: | 0.00 | 174.81 |
| 17086 | 00788 040519_1236165 | COMCAST INTERNET_280 BLUE RIDGE DRIVE | 04/17/2019 | | 174.81 |
| | | | Total for Check Number 17086: | 0.00 | 174.81 |
| 17087 | 00788 040419_0302438 | COMCAST INTERNET_1075 WHISPERING PINES DRIV | 04/17/2019 | | 193.38 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------|--------------------------------------------|
| | | | Total for Check Number 17087: | 0.00 | 193.38 |
| 17088 | 00273 30417855 | CORELOGIC, INC. REALQUEST SERVICES_BILLING PERIOD (| 04/17/2019 | | 206.00 |
| | | | Total for Check Number 17088: | 0.00 | 206.00 |
| 17089 | 00703 262069 262070 262072 262073 262074 | DATAFLOW BUSINESS SYSTEMS, INC CONTRACT SERVICES FOR PRINTERS/COF CONTRACT SERVICES FOR PRINTERS/COF CONTRACT SERVICES FOR PRINTERS/COF CONTRACT SERVICES FOR PRINTERS/COF CONTRACT SERVICES FOR PRINTERS/COF | 04/17/2019 | | 62.10 266.14 86.38 51.47 16.09 |
| | | | Total for Check Number 17089: | 0.00 | 482.18 |
| 17090 | UB*00601 | DRILL TECH DRILLING & SHORING, II Refund Check | 04/17/2019 | | 200.00 |
| | | | Total for Check Number 17090: | 0.00 | 200.00 |
| 17091 | UB*00609 | KEVIN DUNIVAN Refund Check | 04/17/2019 | | 75.00 |
| | | | Total for Check Number 17091: | 0.00 | 75.00 |
| 17092 | UB*00603 | EARTHWORKS PAVING CONTRACTOF Refund Check | 04/17/2019 | | 75.00 |
| | | | Total for Check Number 17092: | 0.00 | 75.00 |
| 17093 | 00612 925-0224-4 | EMPLOYMENT DEVELOPMENT DEPT UNEMPLOYMENT INSURANCE CHARGE | 04/17/2019 | | 108.71 |
| | | | Total for Check Number 17093: | 0.00 | 108.71 |
| 17094 | 00076 776423 | ERNIE'S AUTO CENTER WINDSHIELD WIPER BLADES_VE-121 | 04/17/2019 | | 63.98 |
| | | | Total for Check Number 17094: | 0.00 | 63.98 |
| 17095 | 00343 75182 | ERNIE'S SERVICE CENTER OIL CHANGE_TOMMY GATE REPAIR_VE-2 | 04/17/2019 | | 636.26 |
| | | | Total for Check Number 17095: | 0.00 | 636.26 |
| 17096 | UB*00593 | JAMES GALLAGHER Refund Check | 04/17/2019 | | 75.00 |
| | | | Total for Check Number 17096: | 0.00 | 75.00 |
| 17097 | UB*00602 | GRAHAM CONTRACTORS Refund Check | 04/17/2019 | | 75.00 |
| | | | Total for Check Number 17097: | 0.00 | 75.00 |
| 17098 | 00329 9129401494 | GRAINGER LAB SUPPLIES_WTP | 04/17/2019 | | 134.18 |
| | | | Total for Check Number 17098: | 0.00 | 134.18 |
| 17099 | 00080 | GRANITE CONSTRUCTION CO | 04/17/2019 | | |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|-------------------------------|-------------------------|-----------------------------------|-------------------------|-------------|--------------|
| | 1554383 | BASE ROCK | | | 64.61 |
| | 1557995 | HOT MIX_PAVING | | | 465.71 |
| Total for Check Number 17099: | | | | 0.00 | 530.32 |
| 17100 | 00550 | HACH COMPANY | 04/17/2019 | | |
| | 11401545 | WTP SUPPLIES_STABLCAL AMPULE KIT | | | 590.80 |
| | 11403696 | LAB SUPPLIES_WTP | | | 360.19 |
| | 11406534 | LAB SUPPLIES_WTP | | | 396.76 |
| Total for Check Number 17100: | | | | 0.00 | 1,347.75 |
| 17101 | UB*00600 | MCGUIRE & HESTER | 04/17/2019 | | |
| | | Refund Check | | | 75.00 |
| Total for Check Number 17101: | | | | 0.00 | 75.00 |
| 17102 | 00236 | IDEXX DISTRIBUTION CORP | 04/17/2019 | | |
| | 3044916875 | LAB SUPPLIES_WTP | | | 2,861.56 |
| Total for Check Number 17102: | | | | 0.00 | 2,861.56 |
| 17103 | 00181 | LAS ANIMAS CONCRETE | 04/17/2019 | | |
| | 142204 | SLURRY_BACKFILL | | | 375.25 |
| Total for Check Number 17103: | | | | 0.00 | 375.25 |
| 17104 | UB*00607 | LUIS LINS | 04/17/2019 | | |
| | | Refund Check | | | 75.00 |
| Total for Check Number 17104: | | | | 0.00 | 75.00 |
| 17105 | UB*00597 | BIG LUMBER | 04/17/2019 | | |
| | | Refund Check | | | 75.00 |
| Total for Check Number 17105: | | | | 0.00 | 75.00 |
| 17106 | UB*00605 | ROBERT MEANS | 04/17/2019 | | |
| | | Refund Check | | | 75.00 |
| Total for Check Number 17106: | | | | 0.00 | 75.00 |
| 17107 | 00296 | MESITI-MILLER ENGINEERING,INC | 04/17/2019 | | |
| | 0319016 | BLUE TANK_WO#521 | | | 1,413.60 |
| | 0319023 | PROBATION TANK_WO#823 | | | 136.13 |
| | 0319024 | PROBATION TANK_WO#823 | | | 1,463.00 |
| | 0319025 | PROBATION TANK_WO#823 | | | 8,044.40 |
| Total for Check Number 17107: | | | | 0.00 | 11,057.13 |
| 17108 | 10139 | NATIONAL METER & AUTOMATION | 04/17/2019 | | |
| | S1113026.001A | ME ENDPOINT DRIVE-BY_NICOR CONNEC | | | 1,989.18 |
| | S1113026.001B | METER 2" BADGER MODEL 170 | | | 710.79 |
| Total for Check Number 17108: | | | | 0.00 | 2,699.97 |
| 17109 | UB*00594 | DON NELSON | 04/17/2019 | | |
| | | Refund Check | | | 126.00 |
| Total for Check Number 17109: | | | | 0.00 | 126.00 |
| 17110 | UB*00608 | KEN PELPHREY | 04/17/2019 | | |
| | | Refund Check | | | 75.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------|------------------------------------------------------------------|-------------------------------|-------------|--------------|
| | | | Total for Check Number 17110: | 0.00 | 75.00 |
| 17111 | 00050 077-251-20 | CO. OF SANTA CRUZ RECORDER'S OF RECORDING FEES FOR 077-251-20 | 04/17/2019 | | 14.00 |
| | | | Total for Check Number 17111: | 0.00 | 14.00 |
| 17112 | 00125 | SCARBOROUGH LUMBER | 04/17/2019 | | |
| | 331898 | BLOCK WALL_BLUE TANK_WO#521 | | | 43.36 |
| | 331951 | BACKFLOW INSTALL_685 FIDDLE STICKS | | | 20.95 |
| | 331952 | BACKFLOW INSTALL_685 FIDDLE STICKS | | | 9.44 |
| | 331953 | PIPE FLANGE_WO#338 | | | 15.52 |
| | 331996 | CONCRETE FLOAT_MAIN REPAIR | | | 8.74 |
| | 394293 | KIRBY PLANT | | | 140.28 |
| | 394387 | BLOCK WALL_BLUE TANK_WO#521 | | | 6.80 |
| | 394423 | BLOCK WALL_BLUE TANK_WO#521 | | | 29.22 |
| | 394428 | BLOCK WALL_BLUE TANK_WO#521 | | | 37.68 |
| | 394498 | MISC HARDWARE_WTP | | | 86.18 |
| | 582470 | BACKFLOW PAD | | | 26.23 |
| | 582493 | LIGHT BULBS_OPS | | | 55.32 |
| | 582527 | ENGINEERING OFFICE | | | 36.33 |
| | 582533 | ENGINEERING OFFICE | | | 47.64 |
| | 582548 | ENGINEERING OFFICE | | | 53.79 |
| | 582551 | ENGINEERING OFFICE | | | 11.53 |
| | | | Total for Check Number 17112: | 0.00 | 629.01 |
| 17113 | 00746 | SCOTTS VALLEY BANNER | 04/17/2019 | | |
| | 60414 | LOMPICO MAIN FLUSH_RUN DATE 03/29/1 | | | 265.00 |
| | 60469 | COMMUNITY CHATS_RUN DATE 03/29/19 | | | 220.00 |
| | | | Total for Check Number 17113: | 0.00 | 485.00 |
| 17114 | UB*00598 | Kyle Sharp Refund Check | 04/17/2019 | | 82.50 |
| | | | Total for Check Number 17114: | 0.00 | 82.50 |
| 17115 | UB*00484 | SLVWD Refund Check | 04/17/2019 | | 75.00 |
| | | | Total for Check Number 17115: | 0.00 | 75.00 |
| 17116 | UB*00547 | SLVWD Refund Check | 04/17/2019 | | 245.89 |
| | | | Total for Check Number 17116: | 0.00 | 245.89 |
| 17117 | UB*00599 | JESSE SMITH Refund Check | 04/17/2019 | | 75.00 |
| | | | Total for Check Number 17117: | 0.00 | 75.00 |
| 17118 | 00047 | SOIL CONTROL LAB | 04/17/2019 | | |
| | 9030138 | WATER ANALYSIS_OLY 2 & 3 | | | 78.00 |
| | 9030356 | WATER ANALYSIS_OLY 2 | | | 39.00 |
| | 9030619 | WATER ANALYSIS_5 LOCATIONS | | | 145.00 |
| | 9030620 | WATER ANALYSIS_PEA VINE CREEK | | | 29.00 |
| | | | Total for Check Number 17118: | 0.00 | 291.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------|-------------------------------------------|
| 17119 | 00227 27687P | SUPERIOR TANK COMPANY, INC STEEL STORAGE TANK | 04/17/2019 | | 47,345.00 |
| | | | Total for Check Number 17119: | 0.00 | 47,345.00 |
| 17120 | 00065 11799 | T & P SALES POLY COUP GASKETS_OPS | 04/17/2019 | | 377.15 |
| | | | Total for Check Number 17120: | 0.00 | 377.15 |
| 17121 | UB*00596 | TTR SUBSTATIONS INC Refund Check | 04/17/2019 | | 75.00 |
| | | | Total for Check Number 17121: | 0.00 | 75.00 |
| 17122 | UB*00604 | CATHERINE WEYHE Refund Check | 04/17/2019 | | 75.00 |
| | | | Total for Check Number 17122: | 0.00 | 75.00 |
| 17123 | 10248 123XT479-201965 | WIN-911 SOFTWARE ANNUAL SUPPORT | 04/17/2019 | | 495.00 |
| | | | Total for Check Number 17123: | 0.00 | 495.00 |
| 17124 | 00767 0976205881 | ANTHEM BLUE CROSS MEDICARE RX_05/01/19-06/01/19 | 04/19/2019 | | 116.90 |
| | | | Total for Check Number 17124: | 0.00 | 116.90 |
| 17125 | 00213 114486A 114486B 114486C 114486D 114486E | CHESTNUT IDENTITY APPAREL, INC UNIFORM_EMPLOYEE #227 UNIFORM_EMPLOYEE #206 UNIFORM_EMPLOYEE #139 UNIFORM_EMPLOYEE #214 UNIFORM_EMPLOYEE #217 | 04/19/2019 | | 53.98 43.18 32.39 75.57 43.18 |
| | | | Total for Check Number 17125: | 0.00 | 248.30 |
| 17126 | 10207 MARCH 2019_2535 | CITI CARDS_COSTCO SALMONIDRES CONFERENCE_ENVIRON | 04/19/2019 | | 430.00 |
| | | | Total for Check Number 17126: | 0.00 | 430.00 |
| 17127 | 00058 05113 | IHWY BUSINESS HOSTING_APRIL | 04/19/2019 | | 25.00 |
| | | | Total for Check Number 17127: | 0.00 | 25.00 |
| 17128 | 00711 S1820924.004 S1820971.003 S1825726.005 | ROBERTS & BRUNE CO. FREIGHT NOT BILLED ON INV#S1820924.00 FREIGHT NOT CHARGED ON INV#S1820971.00 FREIGHT NOT BILLED ON INV#S1825726.00 | 04/19/2019 | | 22.27 23.35 100.81 |
| | | | Total for Check Number 17128: | 0.00 | 146.43 |
| 17129 | 00545 245811 | AFLAC 2019 MONTHLY INS. PREMIUMS_APRIL 2019 | 04/24/2019 | | 221.77 |
| | | | Total for Check Number 17129: | 0.00 | 221.77 |
| 17130 | 00729 9041839 | ALPHA ANALYTICAL LABS LAB FEES-ANALYTICAL SERVICES | 04/24/2019 | | 430.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------|-----------------------------------|-------------------------------|-------------|--------------|
| | | | Total for Check Number 17130: | 0.00 | 430.00 |
| 17131 | 00309 | AT&T IP SERVICES | 04/24/2019 | | |
| | 4060647406A | AT&T IP SERVICES_ADMIN | | | 249.38 |
| | 4060647406B | AT&T IP SERVICES_OPS | | | 249.37 |
| | 4060647406C | AT&T IP SERVICES_WTP | | | 249.37 |
| | | | Total for Check Number 17131: | 0.00 | 748.12 |
| 17132 | 00687 | AT&T U-VERSE | 04/24/2019 | | |
| | 40619_132166881 | INTERNET_MANANA WOODS | | | 90.00 |
| | | | Total for Check Number 17132: | 0.00 | 90.00 |
| 17133 | 00687 | AT&T U-VERSE | 04/24/2019 | | |
| | 40719_132182018 | INTERNET_345 QUAIL TERRACE | | | 80.00 |
| | | | Total for Check Number 17133: | 0.00 | 80.00 |
| 17134 | 00609 | BALANCE HYDROLOGICS, INC | 04/24/2019 | | |
| | 217018-0319 | STREAM MONITORING PROGRAM_PREPA | | | 382.50 |
| | 218018-0319 | STREAM MONITORING PROGRAM_YEAR : | | | 2,906.25 |
| | | | Total for Check Number 17134: | 0.00 | 3,288.75 |
| 17135 | 00160 | BANANA SLUG STRING BAND | 04/24/2019 | | |
| | 041919_160 | FINAL 10% EDUCATION GRANT PROGRAM | | | 240.00 |
| | | | Total for Check Number 17135: | 0.00 | 240.00 |
| 17136 | 01077 | JOSEPH B BEASLEY | 04/24/2019 | | |
| | 040919_1077 | MEAL REIMBURSEMENT_OT | | | 14.04 |
| | | | Total for Check Number 17136: | 0.00 | 14.04 |
| 17137 | 00788 | COMCAST | 04/24/2019 | | |
| | 041119_1171123 | INTERNET_23 SUMMIT AVE | | | 153.29 |
| | | | Total for Check Number 17137: | 0.00 | 153.29 |
| 17138 | 00788 | COMCAST | 04/24/2019 | | |
| | 041519_1236074 | INTERNET_200 ANNIES WAY | | | 166.80 |
| | | | Total for Check Number 17138: | 0.00 | 166.80 |
| 17139 | 00788 | COMCAST | 04/24/2019 | | |
| | 041619_1018662 | INTERNET_264 ORCHARD ROAD | | | 148.29 |
| | | | Total for Check Number 17139: | 0.00 | 148.29 |
| 17140 | 00037 | CO. OF SANTA CRUZ DEPT OF PUBLIC | 04/24/2019 | | |
| | 35598A | PALLETS_DUMP FEES_WTP | | | 39.78 |
| | 35598B | TOILETS_REBATE PROGRAM | | | 7.50 |
| | 35598C | JOHNSON BUILDING CLEANUP | | | 327.65 |
| | | | Total for Check Number 17140: | 0.00 | 374.93 |
| 17141 | 00409 | EASYPERMIT POSTAGE | 04/24/2019 | | |
| | 48385736 | POSTAGE REFILL_APRIL 2019 | | | 500.00 |
| | | | Total for Check Number 17141: | 0.00 | 500.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------|-----------------------------------------------------------|
| 17142 | 00076 777028 | ERNIE'S AUTO CENTER STOP TAIL_VE-230_WO#694 | 04/24/2019 | | 28.97 |
| | | Total for Check Number 17142: | | 0.00 | 28.97 |
| 17143 | 00450 L0444299 L0444300 L0444301 L0444314 L0444493 L0445405 | EUROFINS WATER ANALYSIS_CLEAR CREEK WATER ANALYSIS_SWEETWATER CREEK WATER ANALYSIS_FOREMAN CREEK WATER ANALYSIS_PEA VINE CREEK WATER ANALYSIS_FALL CREEK_BULL SPI WATER ANALYSIS | 04/24/2019 | | 680.00 680.00 680.00 680.00 2,720.00 60.00 |
| | | Total for Check Number 17143: | | 0.00 | 5,500.00 |
| 17144 | 00118 68987009 | FARMER BROTHERS COFFEE COFFEE SUPPLIES | 04/24/2019 | | 122.53 |
| | | Total for Check Number 17144: | | 0.00 | 122.53 |
| 17145 | 00204 651891017A 651891017B 651891017C | FEDERAL EXPRESS CORP SYSTEMS INTEGRATED HACH EUROFINS EATON ANALYTICAL | 04/24/2019 | | 40.48 43.39 114.20 |
| | | Total for Check Number 17145: | | 0.00 | 198.07 |
| 17146 | 00080 1559653 | GRANITE CONSTRUCTION CO HOT MIX | 04/24/2019 | | 330.90 |
| | | Total for Check Number 17146: | | 0.00 | 330.90 |
| 17147 | 00020 04090-19042 | HARO, KASUNICH & ASSOCIATES BLUE TANK_WO#521 | 04/24/2019 | | 381.25 |
| | | Total for Check Number 17147: | | 0.00 | 381.25 |
| 17148 | 00573 041719_573 | STEPHANIE HILL MILEAGE REIMBURSEMENT_MEETINGS_] | 04/24/2019 | | 95.24 |
| | | Total for Check Number 17148: | | 0.00 | 95.24 |
| 17149 | 10249 041519_10249 | BRAD MACDONALD 2 YARDS WOOD CHIPS_SV ROCKERY | 04/24/2019 | | 74.53 |
| | | Total for Check Number 17149: | | 0.00 | 74.53 |
| 17150 | 00082 235636A 235636B 235636C | MID VALLEY SUPPLY PAPERTOWELS_WTP PAPERTOWELS_TP_SEAT COVERS_OPS LIQUID SOAP_ADMIN | 04/24/2019 | | 110.68 162.06 19.13 |
| | | Total for Check Number 17150: | | 0.00 | 291.87 |
| 17151 | 10120 022100000140 | PACIFIC CREDIT SERVICES COLLECTION SERVICES | 04/24/2019 | | 189.56 |
| | | Total for Check Number 17151: | | 0.00 | 189.56 |
| 17152 | 00944 3366 | PDNC, INC. MONTHLY SERVER SUPPORT_APRIL2019 | 04/24/2019 | | 517.68 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------|--------------------------------------------------------------------------------|
| | | | Total for Check Number 17152: | 0.00 | 517.68 |
| 17153 | 00501 1012085403 | PITNEY BOWES INC EZ SEAL & RED INK_POSTAGE SUPPLIES | 04/24/2019 | | 202.42 |
| | | | Total for Check Number 17153: | 0.00 | 202.42 |
| 17154 | 00370 2204 | RAC CONSTRUCTION ADMIN BUILDING_ENGINEERING REMOD | 04/24/2019 | | 1,800.00 |
| | | | Total for Check Number 17154: | 0.00 | 1,800.00 |
| 17155 | 00125 331972 332069 332219 332314 332401 332536 394824 582583 582671 | SCARBOROUGH LUMBER PUMP PLUMBING_FELTON ACRES ADMIN_ENGINEERING OFFICE PLUMBING PARTS_KIRBY PLANT FELTON LIBRARY PROJECT_WO#1306 REWIRE_PASO #8_WO#814 REWIRE_PASO #8_WO#814 CLEANING SUPPLIES_KIRBY PLANT ADMIN_ENGINEERING OFFICE SHOVEL_BUCKET_BROOM_OPS | 04/24/2019 | | 29.13 36.86 31.33 130.56 23.94 44.47 27.92 41.73 81.98 |
| | | | Total for Check Number 17155: | 0.00 | 447.92 |
| 17156 | 10233 31025 | SCHAAF & WHEELER, CONSULTING C LOMPICO TANKS_60 O/O DESIGN | 04/24/2019 | | 5,745.00 |
| | | | Total for Check Number 17156: | 0.00 | 5,745.00 |
| 17157 | 00746 60575 | SCOTTS VALLEY BANNER FLUSHING NOTICE_RUN DATE 04/05/19 | 04/24/2019 | | 265.00 |
| | | | Total for Check Number 17157: | 0.00 | 265.00 |
| 17158 | 00168 153222 | SCOTTS VALLEY SPRINKLER HYDRANT TO HOSES ADAPTOR | 04/24/2019 | | 76.49 |
| | | | Total for Check Number 17158: | 0.00 | 76.49 |
| 17159 | 00171 031518_171 2018-280365 2018-287134 MC1180370030 | SCOTTS VALLEY WATER DISTRICT FIX A LEAK SPANISH RADIO AD_ENV FIX A LEAK DISPLAY AD 3.14.18_ENV FIX A LEAK DISPLAY AD 5.9.18_ENV FIX A LEAK RADIO AD_ENVIR | 04/24/2019 | | 98.76 50.51 50.51 197.57 |
| | | | Total for Check Number 17159: | 0.00 | 397.35 |
| 17160 | 10154 041919_10154 | SLV ELEMENTARY SCHOOL FINAL 10% OF 2018 EDUCATION GRANT | 04/24/2019 | | 210.00 |
| | | | Total for Check Number 17160: | 0.00 | 210.00 |
| 17161 | UB*00611 | BRIAN TARDELL Refund Check | 04/24/2019 | | 0.26 |
| | | | Total for Check Number 17161: | 0.00 | 0.26 |
| 17162 | 00768 859338 | USA BLUEBOOK PO#101186_PRODUCT RETURNED | 04/24/2019 | | 1,276.97 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------|--------------------------------------|-------------------------------|-------------|--------------|
| | | | Total for Check Number 17162: | 0.00 | 1,276.97 |
| 17163 | 00011 | VERIZON WIRELESS | 04/24/2019 | | |
| | 9828151692A | CELL PHONE_ADMIN | | | 44.46 |
| | 9828151692B | CELL PHONE_FINANCE | | | 94.09 |
| | 9828151692C | CELL PHONE_OPS | | | 691.58 |
| | 9828151692D | CELL PHONE_WTP | | | 404.04 |
| | | | Total for Check Number 17163: | 0.00 | 1,234.17 |
| 17164 | 00011 | VERIZON WIRELESS | 04/24/2019 | | |
| | 9828151693A | CELL PHONE_ADMIN | | | 24.65 |
| | 9828151693B | CELL PHONE_OPS | | | 308.78 |
| | 9828151693C | CELL PHONE_ENVIRON | | | 51.25 |
| | 9828151693D | CELL PHONE_WTP | | | 102.51 |
| | | | Total for Check Number 17164: | 0.00 | 487.19 |
| 17165 | 10072 | WATER SYSTEMS CONSULTING, INC | 04/24/2019 | | |
| | 3746 | USDA PHASE 1 FUNDING SUPPORT_03/01/1 | | | 8,625.00 |
| | 3757A | PROJECT MANAGEMENT_ON CALL AS NE | | | 3,613.75 |
| | 3757B | BEAR CREEK ESTATES WWTP_WO#842 | | | 960.00 |
| | 3757C | LYON TANK ACCESS ROAD_WO#549 | | | 240.00 |
| | | | Total for Check Number 17165: | 0.00 | 13,438.75 |
| 17166 | 10152 | WESTAMERICA BANK | 04/24/2019 | | |
| | 42219_10152A | TRUCK LOAN_INTEREST | | | 207.04 |
| | 42219_10152B | TRUCK LOAN_PRINCIPAL | | | 1,893.64 |
| | | | Total for Check Number 17166: | 0.00 | 2,100.68 |
| 17167 | 00057 | AFSCME COUNCIL 57 | 04/25/2019 | | |
| | APRIL19_57 | UNION DUES_APRIL2019 | | | 998.66 |
| | | | Total for Check Number 17167: | 0.00 | 998.66 |
| 17168 | 10005 | ICMA RETIREMENT C/O M & T RETIRI | 04/25/2019 | | |
| | 121767 | RETIREMENT WITHHOLDING_PP ENDING | | | 3,607.20 |
| | | | Total for Check Number 17168: | 0.00 | 3,607.20 |
| 17169 | 00162 | ANTHEM BLUE CROSS | 04/30/2019 | | |
| | 000077349679 | RETIRED EMPLOYEE MEDICAL_05/01/19-0 | | | 355.77 |
| | | | Total for Check Number 17169: | 0.00 | 355.77 |
| 17170 | 00055 | AT&T | 04/30/2019 | | |
| | 41919_831335527 | TELEPHONE_FELTON ACRES | | | 164.70 |
| | | | Total for Check Number 17170: | 0.00 | 164.70 |
| 17171 | 00034 | DAVE BASLER | 04/30/2019 | | |
| | MAY2019_34 | RETIREE MEDICAL_MAY2019 | | | 75.00 |
| | | | Total for Check Number 17171: | 0.00 | 75.00 |
| 17172 | 00145 | BATTERIES PLUS | 04/30/2019 | | |
| | P13441788 | FELTON ACRES_GENERATOR BATTERY | | | 182.10 |
| | P13464249 | FLASHLIGHT_WTP | | | 29.38 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------|---------------------------------------|-------------------------------|-------------|--------------|
| | | | Total for Check Number 17172: | 0.00 | 211.48 |
| 17173 | 00342 | BRASS KEY LOCKSMITH | 04/30/2019 | | |
| | 950733 | JOHNSON BUILDING OFFICE_RE_KEY | | | 287.50 |
| | 950783 | DUPLICATE MM KEYS_OPS | | | 19.02 |
| | | | Total for Check Number 17173: | 0.00 | 306.52 |
| 17174 | 00099 | JOEL BUSA | 04/30/2019 | | |
| | MAY2019_99 | RETIREE MEDICAL_MAY2019 | | | 125.00 |
| | | | Total for Check Number 17174: | 0.00 | 125.00 |
| 17175 | 00566 | C S S C | 04/30/2019 | | |
| | 190400059101 | ANSWERING SERVICE_SERVICE PERIOD 0 | | | 234.18 |
| | | | Total for Check Number 17175: | 0.00 | 234.18 |
| 17176 | UB*00612 | MOSS CABALLERO | 04/30/2019 | | |
| | | Refund Check | | | 13.52 |
| | | | Total for Check Number 17176: | 0.00 | 13.52 |
| 17177 | 00363 | CINCINNATI LIFE INSURANCE CO | 04/30/2019 | | |
| | APRIL19_363 | 201 LIFE INSURANCE_APRIL 2019 | | | 28.00 |
| | | | Total for Check Number 17177: | 0.00 | 28.00 |
| 17178 | 01050 | COLONIAL LIFE | 04/30/2019 | | |
| | 0413350 | 2019 INSURANCE PREMIUMS_04/13/19 & 04 | | | 559.04 |
| | | | Total for Check Number 17178: | 0.00 | 559.04 |
| 17179 | 00788 | COMCAST | 04/30/2019 | | |
| | 041919_1028380 | INTERNET_7400 HIGHWAY 9 | | | 153.29 |
| | | | Total for Check Number 17179: | 0.00 | 153.29 |
| 17180 | 00757 | JOE DAVIS | 04/30/2019 | | |
| | 041319_757 | EMPLOYEE REIMBURSEMENT_UNIFORM | | | 152.55 |
| | | | Total for Check Number 17180: | 0.00 | 152.55 |
| 17181 | 00505 | DELL MARKETING LP | 04/30/2019 | | |
| | 10309164094 | DISTRICT MANAGER NEW P.C. | | | 1,733.36 |
| | | | Total for Check Number 17181: | 0.00 | 1,733.36 |
| 17182 | 00760 | DYNAMIC PRESS | 04/30/2019 | | |
| | 24026A | FUEL LOGS_WTP | | | 33.37 |
| | 24026B | FUEL LOGS_OPS | | | 33.37 |
| | | | Total for Check Number 17182: | 0.00 | 66.74 |
| 17183 | UB*00614 | KYLE EMMERT | 04/30/2019 | | |
| | | Refund Check | | | 73.56 |
| | | | Total for Check Number 17183: | 0.00 | 73.56 |
| 17184 | 00329 | GRAINGER | 04/30/2019 | | |
| | 9143749522 | BOLTS_WTP | | | 75.72 |
| | 9144151462 | WIPES_WTP | | | 195.10 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Total for Check Number 17184: | 0.00 | 270.82 |
| 17185 | 00212 IN0092202 | CO. OF SANTA CRUZ HEALTH SERVIC HMMP STANDARD FORM FILING FEE | 04/30/2019 | | 845.00 |
| | | | Total for Check Number 17185: | 0.00 | 845.00 |
| 17186 | 00236 3045766687 | IDEXX DISTRIBUTION CORP LAB SUPPLIES_WTP | 04/30/2019 | | 781.69 |
| | | | Total for Check Number 17186: | 0.00 | 781.69 |
| 17187 | 00367 151484A 151484B | INFOSEND, INC MAILING FEES_MARCH 2019 POSTAGE FEES_MARCH 2019 | 04/30/2019 | | 1,085.79 2,622.84 |
| | | | Total for Check Number 17187: | 0.00 | 3,708.63 |
| 17188 | 00208 MAY2019_208 | LEONARD KUHNLEIN RETIREE MEDICAL_MAY2019 | 04/30/2019 | | 125.00 |
| | | | Total for Check Number 17188: | 0.00 | 125.00 |
| 17189 | 00336 3-2019 | LAND TRUST OF SANTA CRUZ COUN OLYMPIA PATROL SERVICE_MARCH 2019 | 04/30/2019 | | 318.55 |
| | | | Total for Check Number 17189: | 0.00 | 318.55 |
| 17190 | 10136 032219_10136 | DANIEL MACK ADMIN_ENGINEERING ROOM | 04/30/2019 | | 33.34 |
| | | | Total for Check Number 17190: | 0.00 | 33.34 |
| 17191 | 00313 041419_313A 041419_313B 041419_313C 041419_313D 041419_313E 041419_313F 041419_313G 041419_313H 041419_313I 041419_313J 041419_313K 041419_313L 041419_313M 041419_313N 041419_313O 041419_313P 041419_313Q 041419_313R | 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_ENVIRONMENTAL DISABILITY_ENVIRONMENTAL LIFE INSURANCE_ENVIRONMENTAL DENTAL_WTP DISABILITY_WTP LIFE INSURANCE_WTP | 04/30/2019 | | 192.14 84.83 33.30 1,300.46 226.82 104.89 62.57 41.45 16.65 1,778.27 310.11 176.49 258.32 78.38 33.30 1,439.72 348.49 156.51 |
| | | | Total for Check Number 17191: | 0.00 | 6,642.70 |
| 17192 | 00662 MAY2019_662 | JAMES A. MUELLER RETIREE MEDICAL_MAY2019 | 04/30/2019 | | 50.00 |
| | | | Total for Check Number 17192: | 0.00 | 50.00 |
| 17193 | 00775 | NORTHERN SAFETY CO.,INC. | 04/30/2019 | | |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------|-----------------------------------------------------------|-------------------------------|-------------|--------------|
| | 903410068 | HEARING PROTECTION_OPS | | | 76.13 |
| | | | Total for Check Number 17193: | 0.00 | 76.13 |
| 17194 | 00428 18FLP07 | RCD OF SANTA CRUZ COUNTY FISH LADDER PERMITTING_WO#280 | 04/30/2019 | | 1,146.49 |
| | | | Total for Check Number 17194: | 0.00 | 1,146.49 |
| 17195 | 00711 | ROBERTS & BRUNE CO. | 04/30/2019 | | |
| | S1828979..002N | CHECK VALVE 3/4" | | | 60.40 |
| | S1828979.001 | HYMAX REDUCER COUPLING 3X4 3.46-4.3 | | | 986.11 |
| | S1828979.002A | PLUG GALV 2" | | | 32.82 |
| | S1828979.002B | BUSHING GALV 3/4" X 1/2" | | | 11.16 |
| | S1828979.002C | TEE GALV 1/2" | | | 12.73 |
| | S1828979.002D | TEE GALV 1-1/2" | | | 48.94 |
| | S1828979.002E | ELL 90 GALV 2" | | | 56.00 |
| | S1828979.002F | NIPPLE GALV 1/2" X 0" | | | 7.98 |
| | S1828979.002G | NIPPLE GALV 3/4" X 6" | | | 15.55 |
| | S1828979.002H | NIPPLE GALV 1" X 3" | | | 13.18 |
| | S1828979.002I | NIPPLE GALV 1" X 3-1/2" | | | 13.88 |
| | S1828979.002J | NIPPLE GALV 1-1/4" X 4" | | | 18.06 |
| | S1828979.002K | NIPPLE GALV 1-1/2" X 6" | | | 28.52 |
| | S1828979.002L | NIPPLE GALV 2" X 6" | | | 45.60 |
| | S1828979.002M | FLANGE METER GASKETS 2" / NO BOLT | | | 13.11 |
| | S1831634.002A | SDR11 HDPE PIPE PE4710 CL200 PART#6685 | | | 1,970.93 |
| | S1831634.002B | SDR17 HDPE PIPE PE4710 CL125 PART#6690 | | | 1,795.89 |
| | S1831634.002C | SDR11 FLANGE ADAPT BUTT HDPE PART# | | | 196.88 |
| | S1831634.002D | SDR11 DI EPOXY BACKING RING PART#89 | | | 116.59 |
| | S1831634.002E | FLG 90ELL DI C110 PART#21059_WO#1306 | | | 597.53 |
| | S1831634.002F | FLG TEE DI C100 PART#21066_WO#1306 | | | 219.07 |
| | S1831634.002G | MUELLER GATE VALVE PART#139816_WO# | | | 577.10 |
| | S1831634.002H | DI SPOOL PART#1364_WO#1306 | | | 237.54 |
| | S1831634.002I | HYMAX GRIP PART#91663_WO#1306 | | | 710.18 |
| | S1831634.002J | 8 HDPE TRIMMER HEAD RENTAL FEE PER | | | 190.75 |
| | S1831634.003 | 6 HDPE TRIMMER HEAD RENTAL FEE_WO | | | 763.00 |
| | S1831886.001A | VALVE BOX LID G5 CAST IRON | | | 534.12 |
| | S1831886.001B | METER BOX B9 | | | 1,613.56 |
| | | | Total for Check Number 17195: | 0.00 | 10,887.18 |
| 17196 | 00125 | SCARBOROUGH LUMBER | 04/30/2019 | | |
| | 332575 | SCREWS_FELTON LIBRARY_WO#1306 | | | 32.92 |
| | 332607 | HOSE ADAPTORS_WTP | | | 24.24 |
| | 332737 | PRESSURE GAGE_SPRING ZONE LEAK DE | | | 46.54 |
| | 332758 | BLACK POLY FILM_FELTON LIBRARY_WC | | | 29.13 |
| | 332827 | SPRING ZONE LEAK DETECTION | | | -33.30 |
| | 332975 | QUAIL FACILITY_OPS | | | 58.27 |
| | 582940 | BUCKET & CONCRETE_FELTON LIBRARY_ | | | 18.32 |
| | 582942 | TRASH CANS_OPS | | | 31.09 |
| | 582946 | SPRING BOOSTER_LEAK DETECTION | | | 23.74 |
| | 582981 | HOSE BIB | | | 16.18 |
| | 583085 | A/C FILTERS | | | 9.69 |
| | 583095 | FLAG POLE LIGHTS_OPS | | | 21.57 |
| | | | Total for Check Number 17196: | 0.00 | 278.39 |
| 17197 | 00168 153240 | SCOTTS VALLEY SPRINKLER PRESSURE GAUGES_SHUT OFF_WTP | 04/30/2019 | | 70.16 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------|-------------|----------------------------|
| | | | Total for Check Number 17197: | 0.00 | 70.16 |
| 17198 | 10219 88615587-0001 | SUNBELT RENTALS, INC. KIRBY_GUSHEE SINK HOLE_WO#1293 | 04/30/2019 | | 697.12 |
| | | | Total for Check Number 17198: | 0.00 | 697.12 |
| 17199 | 10250 2019-1262 | THE DIVERSITY CENTER DIVERSITY TRAINING_MARCH 21ST, 2019 | 04/30/2019 | | 300.00 |
| | | | Total for Check Number 17199: | 0.00 | 300.00 |
| 17200 | 00369 MAY2019_369 | CAROLE TRIANTAFILLOS RETIREE MEDICAL_MAY2019 | 04/30/2019 | | 125.00 |
| | | | Total for Check Number 17200: | 0.00 | 125.00 |
| 17201 | 00129 273219 | UNITED RENTALS (NORTH AMERICA) PUMP HYDROSTATIC TEST_FELTON LIBR/ | 04/30/2019 | | 357.43 |
| | | | Total for Check Number 17201: | 0.00 | 357.43 |
| 17202 | UB*00613 | WYNN & LAURA NICHOL WHISENHU Refund Check | 04/30/2019 | | 0.27 |
| | | | Total for Check Number 17202: | 0.00 | 0.27 |
| 17203 | 00309 3217677406A 3217677406B 3217677406C | AT&T IP SERVICES IP SERVICES_ADMIN IP SERVICES_OPS IP SERVICES_WTP | 05/03/2019 | | 392.28 392.28 392.28 |
| | | | Total for Check Number 17203: | 0.00 | 1,176.84 |
| 17204 | 00686 APR_834287386A APR_834287386B APR_834287386C | AT&T LONG DISTANCE LONG DISTANCE_ADMIN LONG DISTANCE_OPS LONG DISTANCE_WTP | 05/03/2019 | | 232.50 16.28 19.35 |
| | | | Total for Check Number 17204: | 0.00 | 268.13 |
| 17205 | 10113 MAY19_10113A MAY19_10113B | BANK MIDWEST SOLAR LOAN_INTEREST SOLAR LOAN_PRINCIPAL | 05/03/2019 | | 788.92 2,460.98 |
| | | | Total for Check Number 17205: | 0.00 | 3,249.90 |
| 17206 | UB*00624 | Andrei Borysenko Refund Check | 05/03/2019 | | 75.00 |
| | | | Total for Check Number 17206: | 0.00 | 75.00 |
| 17207 | UB*00616 | DANIEL BURKE Refund Check | 05/03/2019 | | 75.00 |
| | | | Total for Check Number 17207: | 0.00 | 75.00 |
| 17208 | UB*00620 | BRION BURRELL Refund Check | 05/03/2019 | | 75.00 |
| | | | Total for Check Number 17208: | 0.00 | 75.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------|------------------------------------------------------------------|-------------------------------|-------------|--------------|
| 17209 | 00415 MAY2019_415 | CA BANK & TRUST/GOV SVC DEPT_10 1976 SAFE DRINKING WATER BOND | 05/03/2019 | | 15,581.43 |
| | | | Total for Check Number 17209: | 0.00 | 15,581.43 |
| 17210 | UB*00617 | Jim Carl Refund Check | 05/03/2019 | | 75.00 |
| | | | Total for Check Number 17210: | 0.00 | 75.00 |
| 17211 | UB*00622 | RIGO CARRILLO Refund Check | 05/03/2019 | | 75.00 |
| | | | Total for Check Number 17211: | 0.00 | 75.00 |
| 17212 | 10171 052119_10171 | CWEA SERVICES CA ELAP: NV-5 PRESENTATION_WTP | 05/03/2019 | | 80.00 |
| | | | Total for Check Number 17212: | 0.00 | 80.00 |
| 17213 | 00204 653426579 | FEDERAL EXPRESS CORP LOCATOR REPAIR_OPS | 05/03/2019 | | 91.32 |
| | | | Total for Check Number 17213: | 0.00 | 91.32 |
| 17214 | UB*00623 | HENKELS & MCCOY Refund Check | 05/03/2019 | | 75.00 |
| | | | Total for Check Number 17214: | 0.00 | 75.00 |
| 17215 | UB*00621 | SEBASTIAN HOLMES Refund Check | 05/03/2019 | | 75.00 |
| | | | Total for Check Number 17215: | 0.00 | 75.00 |
| 17216 | UB*00615 | AARON LARSEN Refund Check | 05/03/2019 | | 75.00 |
| | | | Total for Check Number 17216: | 0.00 | 75.00 |
| 17217 | 00181 142814 | LAS ANIMAS CONCRETE FELTON LIBRARY MAIN RELOCATE_WO#13 | 05/03/2019 | | 2,690.70 |
| | | | Total for Check Number 17217: | 0.00 | 2,690.70 |
| 17218 | 10249 043019_10249 | BRAD MACDONALD REIMBURSEMENT FOR UNIFORM_ops | 05/03/2019 | | 22.50 |
| | | | Total for Check Number 17218: | 0.00 | 22.50 |
| 17219 | 00050 APN 021-291-01 | CO. OF SANTA CRUZ RECORDER'S OF RECORDING FEES FOR 021-291-01 | 05/03/2019 | | 14.00 |
| | | | Total for Check Number 17219: | 0.00 | 14.00 |
| 17220 | UB*00618 | WINSTON SHOWAN Refund Check | 05/03/2019 | | 75.00 |
| | | | Total for Check Number 17220: | 0.00 | 75.00 |
| 17221 | 00555 53541612 | STORDOK, INC. SHREDDING SERVICE_04/18/19 | 05/03/2019 | | 45.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Void Checks | Check Amount |
|----------|-------------------------|-----------------------------------------------------------------|-------------------------------|-------------|--------------|
| | | | Total for Check Number 17221: | 0.00 | 45.00 |
| 17222 | 10191 42619_10191 | KEN SWEDMARK POSTAGE TO RETURN PRODUCT_WTP | 05/03/2019 | | 17.00 |
| | | | Total for Check Number 17222: | 0.00 | 17.00 |
| 17223 | 10231 6145873 | TIAA COMMERCIAL FINANCE, INC. 5 YR LEASE NEW COPIER | 05/03/2019 | | 253.45 |
| | | | Total for Check Number 17223: | 0.00 | 253.45 |
| 17224 | UB*00619 | E & S TRUCKING Refund Check | 05/03/2019 | | 75.00 |
| | | | Total for Check Number 17224: | 0.00 | 75.00 |
| 17225 | UB*00625 | MALATHI TUERS Refund Check | 05/03/2019 | | 5.40 |
| | | | Total for Check Number 17225: | 0.00 | 5.40 |
| 17226 | 00721 8379956 | UNITED SITE SVCS.,INC TOILET SERVICE_04/23/19-05/20/19_WO#82 | 05/03/2019 | | 196.70 |
| | | | Total for Check Number 17226: | 0.00 | 196.70 |
| | | | Report Total (200 checks): | 0.00 | 317,818.90 |

EFT TRANSACTIONS

APRIL 2019



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

| Date | Check No | Vendor | Description | Amount |
|-------------------------------|----------|-----------------------|-----------------------|----------------------|
| 4/2/2019 | EFT | BLUEFIN | BANK FEES | \$ 5,551.30 |
| 4/2/2019 | EFT | MERCHANT TRANSACT | BANK FEES | \$ 767.62 |
| 4/11/2019 | EFT | WELLS FARGO | BANK FEES | \$ 890.17 |
| 4/10/2019 | EFT | PAYCHEX | ADMIN & DELIVERY FEES | \$ 227.65 |
| 4/10/2019 | EFT | PAYCHEX | PAYROLL | \$ 103,718.54 |
| 4/12/2019 | EFT | PAYCHEX | PAYCHEX INVOICE | \$ 401.93 |
| 4/24/2019 | EFT | PAYCHEX | ADMIN & DELIVERY FEES | \$ 230.90 |
| 4/24/2019 | EFT | PAYCHEX | PAYROLL | \$ 104,114.86 |
| 4/26/2019 | EFT | CALPERS | RETIREMENT BENEFITS | \$ 35,414.13 |
| 4/15/2019 | EFT | BOARD OF EQUALIZATION | SALES TAX FILING 2018 | \$ 401.00 |
| TOTAL EFT TRANSACTIONS | | | | \$ 251,718.10 |

0084 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 04/10/19: \$114,466.37****TRANSACTION SUMMARY**

| | | |
|--------------------------------------|---------------------------------------------------------|-------------------|
| SUMMARY BY TRANSACTION TYPE - | TOTAL ELECTRONIC FUNDS TRANSFER (EFT) | 103,718.54 |
| | TOTAL NEGOTIABLE CHECKS | 10,747.83 |
| | CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT | 114,466.37 |
| | TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES | 14,943.44 |
| | CASH REQUIRED FOR CHECK DATE 04/10/19 | 129,409.81 |

TRANSACTION DETAIL**ELECTRONIC FUNDS TRANSFER** - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

| <u>TRANS. DATE</u> | <u>BANK NAME</u> | <u>ACCOUNT NUMBER</u> | <u>PRODUCT</u> | <u>DESCRIPTION</u> | | BANK DRAFT AMOUNTS & OTHER TOTALS |
|--------------------|----------------------|-----------------------|----------------|---------------------------|------------------|--------------------------------------------------|
| 04/09/19 | WELLS FARGO BANK, NA | xxxxxx1358 | Direct Deposit | Net Pay Allocations | 67,153.41 | 67,153.41 |
| 04/09/19 | WELLS FARGO BANK, NA | xxxxxx1358 | Taxpay® | Employee Withholdings | | |
| | | | | Social Security | 7,326.82 | |
| | | | | Medicare | 1,713.51 | |
| | | | | Fed Income Tax | 12,520.38 | |
| | | | | CA Income Tax | 4,782.28 | |
| | | | | CA Disability | 1,181.76 | |
| | | | | Total Withholdings | 27,524.75 | |
| | | | | Employer Liabilities | | |
| | | | | Social Security | 7,326.83 | |
| | | | | Medicare | 1,713.55 | |
| | | | | Total Liabilities | 9,040.38 | 36,565.13 |
| | | | | EFT FOR 04/09/19 | | 103,718.54 |
| | | | | TOTAL EFT | | 103,718.54 |

NEGOTIABLE CHECKS - *Check amounts will be debited when payees cash checks. Funds must be available on check date.*

| <u>TRANS. DATE</u> | <u>BANK NAME</u> | <u>ACCOUNT NUMBER</u> | <u>PRODUCT</u> | <u>DESCRIPTION</u> | | <u>TOTAL</u> |
|--------------------|----------------------|-----------------------|----------------|--------------------------------|-----------|------------------|
| 04/10/19 | WELLS FARGO BANK, NA | xxxxxx1358 | Payroll | Check Amounts | 10,747.83 | |
| | | | | TOTAL NEGOTIABLE CHECKS | | 10,747.83 |

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

| <u>TRANS. DATE</u> | <u>BANK NAME</u> | <u>ACCOUNT NUMBER</u> | <u>PRODUCT</u> | <u>DESCRIPTION</u> | | <u>TOTAL</u> |
|--------------------|-----------------------------------|-----------------------|----------------|---------------------|--------|--------------|
| 04/10/19 | Refer to your records for account | Information | Payroll | Employee Deductions | | |
| | | | | Aflc/Col Post | 55.34 | |
| | | | | Aflc/Col Pre | 335.08 | |

0084 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 04/10/19: \$114,466.37****REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (cont.)** - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

| <u>TRANS. DATE</u> | <u>BANK NAME</u> | <u>ACCOUNT NUMBER</u> | <u>PRODUCT</u> | <u>DESCRIPTION</u> | <u>TOTAL</u> |
|----------------------------------------------------------------|-----------------------------------------------|-----------------------|----------------|-----------------------------|------------------|
| 04/10/19 | Refer to your records for account Information | | Payroll | Employee Deductions (cont.) | |
| | | | | Calper 457 | 1,025.00 |
| | | | | DPer | 7,547.73 |
| | | | | Health | 928.22 |
| | | | | ICMA | 3,607.20 |
| | | | | Life Ins | 14.00 |
| | | | | PXDCA EE PRE | 576.92 |
| | | | | PXUME EE PRE | 354.62 |
| | | | | Union dues | 499.33 |
| | | | | Total Deductions | 14,943.44 |
| TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES | | | | | 14,943.44 |

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - This information serves as a record of payment.

| <u>DUE DATE</u> | <u>PRODUCT</u> | <u>DESCRIPTION</u> | |
|-----------------|----------------|--------------------|-----------|
| 04/17/19 | Taxpay® | FED IT PMT Group | 30,601.09 |
| 04/17/19 | Taxpay® | CA IT PMT Group | 5,964.04 |

0084 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 04/24/19: \$113,736.29****TRANSACTION SUMMARY**

| | | |
|--------------------------------------|---------------------------------------------------------|-------------------|
| SUMMARY BY TRANSACTION TYPE - | TOTAL ELECTRONIC FUNDS TRANSFER (EFT) | 104,114.86 |
| | TOTAL NEGOTIABLE CHECKS | 9,621.43 |
| | CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT | 113,736.29 |
| | TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES | 15,009.42 |
| | CASH REQUIRED FOR CHECK DATE 04/24/19 | 128,745.71 |

TRANSACTION DETAIL**ELECTRONIC FUNDS TRANSFER** - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

| <u>TRANS. DATE</u> | <u>BANK NAME</u> | <u>ACCOUNT NUMBER</u> | <u>PRODUCT</u> | <u>DESCRIPTION</u> | | BANK DRAFT AMOUNTS & OTHER TOTALS |
|--------------------|----------------------|-----------------------|----------------|---------------------------|------------------|--------------------------------------------------|
| 04/23/19 | WELLS FARGO BANK, NA | xxxxxx1358 | Direct Deposit | Net Pay Allocations | 68,263.90 | 68,263.90 |
| 04/23/19 | WELLS FARGO BANK, NA | xxxxxx1358 | Taxpay® | Employee Withholdings | | |
| | | | | Social Security | 7,288.60 | |
| | | | | Medicare | 1,704.60 | |
| | | | | Fed Income Tax | 12,068.96 | |
| | | | | CA Income Tax | 4,620.03 | |
| | | | | CA Disability | 1,175.58 | |
| | | | | Total Withholdings | 26,857.77 | |
| | | | | Employer Liabilities | | |
| | | | | Social Security | 7,288.58 | |
| | | | | Medicare | 1,704.61 | |
| | | | | Total Liabilities | 8,993.19 | 35,850.96 |
| | | | | EFT FOR 04/23/19 | | 104,114.86 |
| | | | | TOTAL EFT | | 104,114.86 |

NEGOTIABLE CHECKS - *Check amounts will be debited when payees cash checks. Funds must be available on check date.*

| <u>TRANS. DATE</u> | <u>BANK NAME</u> | <u>ACCOUNT NUMBER</u> | <u>PRODUCT</u> | <u>DESCRIPTION</u> | | <u>TOTAL</u> |
|--------------------|----------------------|-----------------------|----------------|--------------------------------|----------|-----------------|
| 04/24/19 | WELLS FARGO BANK, NA | xxxxxx1358 | Payroll | Check Amounts | 9,621.43 | |
| | | | | TOTAL NEGOTIABLE CHECKS | | 9,621.43 |

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

| <u>TRANS. DATE</u> | <u>BANK NAME</u> | <u>ACCOUNT NUMBER</u> | <u>PRODUCT</u> | <u>DESCRIPTION</u> | | <u>TOTAL</u> |
|--------------------|-----------------------------------|-----------------------|----------------|---------------------|-------|--------------|
| 04/24/19 | Refer to your records for account | Information | Payroll | Employee Deductions | | |
| | | | | Advance | 58.61 | |
| | | | | Aflc/Col Post | 55.34 | |

0084 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 04/24/19: \$113,736.29****REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (cont.)** - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

| <u>TRANS. DATE</u> | <u>BANK NAME</u> | <u>ACCOUNT NUMBER</u> | <u>PRODUCT</u> | <u>DESCRIPTION</u> | <u>TOTAL</u> |
|----------------------------------------------------------------|-----------------------------------------------|-----------------------|----------------|-----------------------------|------------------|
| 04/24/19 | Refer to your records for account Information | | Payroll | Employee Deductions (cont.) | |
| | | | | Aflc/Col Pre | 335.08 |
| | | | | Calper 457 | 1,025.00 |
| | | | | DPer | 7,555.10 |
| | | | | Health | 928.22 |
| | | | | ICMA | 3,607.20 |
| | | | | Life Ins | 14.00 |
| | | | | PXDCA EE PRE | 576.92 |
| | | | | PXUME EE PRE | 354.62 |
| | | | | Union dues | 499.33 |
| | | | | Total Deductions | 15,009.42 |
| TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES | | | | | 15,009.42 |

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - This information serves as a record of payment.

| <u>DUE DATE</u> | <u>PRODUCT</u> | <u>DESCRIPTION</u> | |
|-----------------|----------------|--------------------|-----------|
| 05/01/19 | Taxpay® | FED IT PMT Group | 30,055.35 |
| 05/01/19 | Taxpay® | CA IT PMT Group | 5,795.61 |



NOSSAMAN LLP

Memorandum

TO: Board of Directors,
San Lorenzo Valley Water District

FROM: Gina R. Nicholls, District Counsel

DATE: May 10, 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 January 10, 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

- Pending and anticipated litigation; primarily mediation preparation for the *Holloway & Vierra* cases
- Board meetings
- Grand Jury follow-up
- Contracts
- Other

During the past two months, pending litigation (3 cases against the District) and one anticipated litigation matter have comprised roughly one half of the legal work performed on behalf of the District. (This calculation excludes work performed by counsel appointed and paid by the District’s insurance providers.)

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

² List includes general and special counsel work by Nossaman and other law firms, if any, representing the District.

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

- Pending and anticipated litigation; primarily mediation of the *Holloway & Vierra* cases
- Board meetings
- District policies & procedures
- Contracts

MEMO

TO: District Manager

FROM: Director of Operations

SUBJECT: OPERATIONS DEPARTMENT STATUS REPORT
APRIL 2019

DATE: MAY 16, 2019

RECOMMENDATION:

It is recommended that the District Manager review and file the Operations Department Project Status Report for the month of April 2019.

BACKGROUND:

BLUE TANK REPLACEMENT

Delivery and install of the new tank by Superior Tank Company is complete, District Staff is in the process of completing the plumbing of the tank to the distribution system. After plumbing is complete the tank will be disinfected and sampled to be put online. Once back online full fire flow will be restored in the Manana Woods area.

During routine inspection it was discovered that the Districts Blue Tank in Manana Woods has experienced extensive corrosion to the upper ring of staves, roof and internal roof structure system. In addition to corrosion the tank experienced buckling damage from the 1989 Loma Prieta Earthquake.

PROBATION TANK REPLACEMENT

The contractor is in full construction on the replacement of the Probation tank. The old redwood tank has been taken down and off site. The contractor has been doing grading and road repairs for access of heavy equipment to the tank site. Construction is expected to continue until October 2019.

The Old 100,000 gallon redwood tank at the probation site was in very poor condition and was leaking towards the end of its life at an estimated 35-40 gallons per minute. Temporary poly tanks were installed by District staff in the summer of 2018. The system is running on minimal storage through construction. The residents of this area have been cautioned to conserve water during this time.

FELTON LIBRARY MAIN LOWERING

District staff removed and lowered a 180 feet of 6 inch main line that was discovered to be very shallow at the Felton library location fronting the parcel.

During construction it was discovered that the Districts main line running along Gushee St. in Felton fronting the new library site was only 6 inches underground. With new sidewalks and construction going on it was in the Districts best interest to lower this main line to industry standards in this area.

PASO WELL #8

The new Paso Well #8 construction continues. Well head design has been approved by the State Water Resources Control Board. The District has been working with the concrete contractor to get pricing on the construction of the Well head pad and chlorination building.

Paso Well #8 is a replacement to Paso Well #6 that began splitting in its casing in 2015, which was allowing sand to overcome the pump and motor. Many attempts to fix and seal the casing on the Well were unsuccessful leading to full replacement of the Well.

PASO WELL #5A

After staff had been running multiple different scenarios of flushing and disinfection of this Well they have achieved collecting two consecutive passing samples. Staff was able to put the Well back online and in to the distribution system.

The District received multiple calls in the Scott's Valley area of brown and dirty water in December 2018. The water quality group found that Paso Well #5A was pumping sand and gravel. The Well was pulled and video of the Well was taken. There was an area found in the screens where there was sand and gravel coming through the gravel pack and screen. It is undetermined what caused the sand and smaller gravel to begin to come through the gravel pack and screens, could have been ground movement or the pump and motor hitting the side of the Well column during a start or stop.

SCADA (Supervisory control and data acquisition) UPGRADE

In April 2019 the new SCADA system was put in to live operation. The SCADA system will continue to be fine-tuned. With the new SCADA system up and operational District staff continues adjusting and making changes to the system.

The District is about 99% done with conversion of the new SCADA and HMI system. Our equipment and software were out of date and had been crashing needing restarting and rebooting several times a month, leading to this upgrade. District staff has been working with an outside contractor that was contracted to do the upgrade and replacement.

FELTON WATER SYSTEM WATER METER REPLACEMENT

Domestic water meters are being replaced as existing meters have reached their life expectancy. Meters are being changed to the new Beacon “Eye on Water” system that will allow customers to monitor their water usage over the internet.

MAINTENANCE ISSUES

Service Line Replacement Lompico
Service Line Replacement:
12120 Colman Ave.

Main Line Repairs
Replaced 30 feet of main line on San Lorenzo Ave. in Felton

System Wide
Constructed 60 feet of a 4 foot retaining wall on the Blue tank site
Hazel St. and River Rd. replaced two main line valves
Installed a production meter and pressure gauges at Sprig booster
Investigation of a sink hole at Gushee and Kirby St. Felton
Installed a new Badger 4 inch compound meter at SLV High School
Replaced a two inch valve on the back wash basins at Kirby Treatment Plant
Completed main line flushing
Remodeled the Engineering office in the Administrations building
Installed a backflow at 685 Fiddlesticks Rd. Ben Lomond
15+/- Mainline/Service Line Leaks Were Repaired.

James Furtado

Director of Operations

SAN LORENZO VALLEY WATER DISTRICT PRODUCTION COMPARRISON

| Source | April-18 | March-18 | April-13 | Difference This Year To 2013 |
|-----------------------------------------|-------------------|-------------------|-------------------|------------------------------------|
| North System | | | | |
| Surface Water Sources | | | | |
| Foreman Creek | 21,817,480 | 16,583,277 | 25,458,000 | |
| Peavine Creek + Hydro | 1,350,040 | 296,674 | 4,340,000 | |
| Clear Creek | 6,786,288 | 8,314,829 | 0 | |
| Sweetwater Creek | 4,524,192 | 5,543,220 | 0 | |
| Sub-Total (Streams) | 34,478,000 | 30,738,000 | 29,798,000 | 15.71% |
| Wells (North) | | | | |
| Olympia No. 2 | 1,000 | 4,365,000 | 0 | |
| Olympia No. 3 | - | 290,000 | 0 | |
| Quail Well No. 4-A | 516,000 | 924,000 | 5,506,000 | |
| Quail Well No. 5-A | 203,900 | 316,700 | 2,161,800 | |
| Sub Total North Wells | 720,900 | 5,895,700 | 7,667,800 | -90.60% |
| South System Wells | | | | |
| Pasatiempo 5A | 7,093,700 | 5,869,500 | N/A | |
| Pasatiempo 6 | - | - | 7,713,000 | |
| Pasatiempo 7 | - | - | 2,456,000 | |
| Sub Total Pasatiempo Wells | 7,093,700 | 5,869,500 | 10,169,000 | -30.24% |
| North South All Sources Combined | 42,292,600 | 42,503,200 | 47,634,800 | -11.21% |
| Felton System - Surface Water | | | | |
| Fall Creek | 4,366,435 | 3,741,598 | 8,284,270 | |
| Bennett Spring | 2,680,832 | 4,087,820 | 3,020,500 | |
| Bull 1 & 2 | 822,052 | 1,608,200 | 3,561,900 | |
| Total Felton System Sources | 7,869,319 | 9,437,618 | 14,866,670 | -47.07% |
| Manana Woods System | | | | |
| Well 1 | - | - | 386,725 | |
| Total Manana Woods Sources | - | - | 386,725 | |
| Sub - Total Production | | | | |
| North / Felton / Manana | 50,161,919 | 51,940,818 | 62,888,195 | -20.24% |
| Surface | 42,347,319 | 40,175,618 | 44,664,670 | -5.19% |
| Wells | 7,814,600 | 11,765,200 | 18,223,525 | -57.12% |
| Total Surface Water Percentage | 84.42 | 77.35 | 71.02 | 18.87% |
| Total Wells Percentage | 15.58 | 22.65 | 28.98 | -46.24% |

**SAN LORENZO VALLEY WATER DISTRICT
PRODUCTION BY SYSTEM
+/- INTERTIES
April 2018**

| | |
|---------------------------------|--------------------------|
| North System All Sources | <u>42,292,600</u> |
| Interties IN + | <u>186,157</u> |
| Interties OUT - | <u>1,633,836</u> |
| TOTAL NORHT SYSTEM | <u>40,844,921</u> |
| | |
| Felton Water system All Sources | <u>7,869,319</u> |
| Interties IN + | <u>861,219</u> |
| Interties OUT - | <u>0</u> |
| TOTAL FELTON SYSTEM | <u>8,730,538</u> |
| | |
| Manana Woods System | |
| Manana Woods Well 1 | <u>0</u> |
| Interties IN + | <u>402,816</u> |
| TOTAL MANANA WOODS | <u>402,816</u> |

**SAN LORENZO VALLEY WATER DISTRICT
INTERTIE USAGE
April 2018**

INTERTIE 2

SLVWD to SVWD 0

SVWD to SLVWD 0

INTERTIE 3

SLV SOUTH to SLV NORTH 186,157

SLV NORTH to SLV SOUTH 772,617

INTERTIE 4

SLVWD to MHWD 0

MHWD to SLVWD 0

INTERTIE 6

SLV NORTH to SLV FELTON 861,219

SLV FELTON to SLV NORTH -

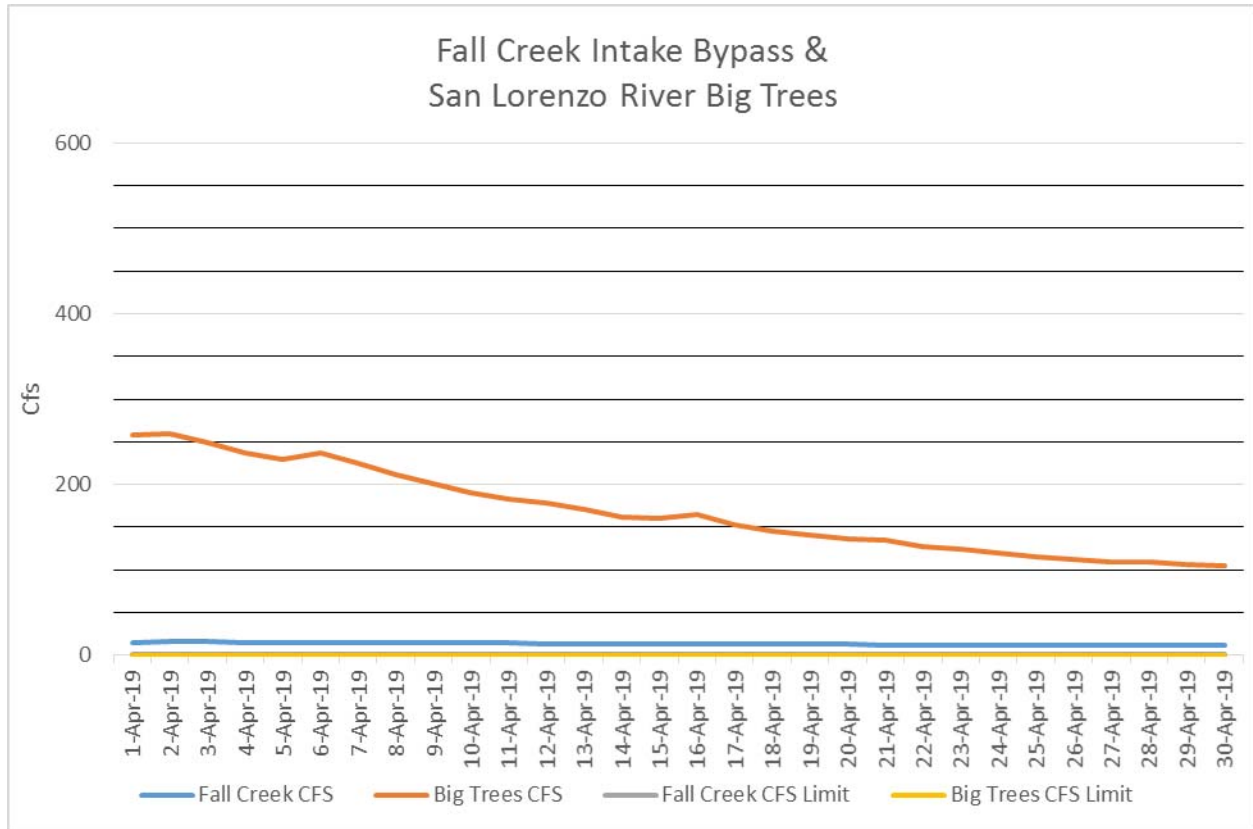
LOMPICO INTERTIE

SLV NORTH to LOMPICO

MANANA WOODS INTERTIE

SLVWD to MANANA WOODS

Fall Creek Intake April 2019



Normal Rainfall Fall Creek Intake Bypass Requirements

April 1 through October 31 1.0 cubic feet per second

November 1 through March 31 1.5 cubic feet per second

Dry Conditions Fall Creek Intake Bypass Requirements

April 1 through October 31 0.5 cubic feet per second

November 1 through March 31 0.75 cubic feet per second

Number of Days in month 0.5 cfs or below, ZERO **days**

San Lorenzo River USGS Big Trees Flow Requirements

September 11 cubic feet per second

October 26 cubic feet per second

November 1 through May 31 21 cubic feet per second

June - August No Requirements

Fall Creek Intake April 2019

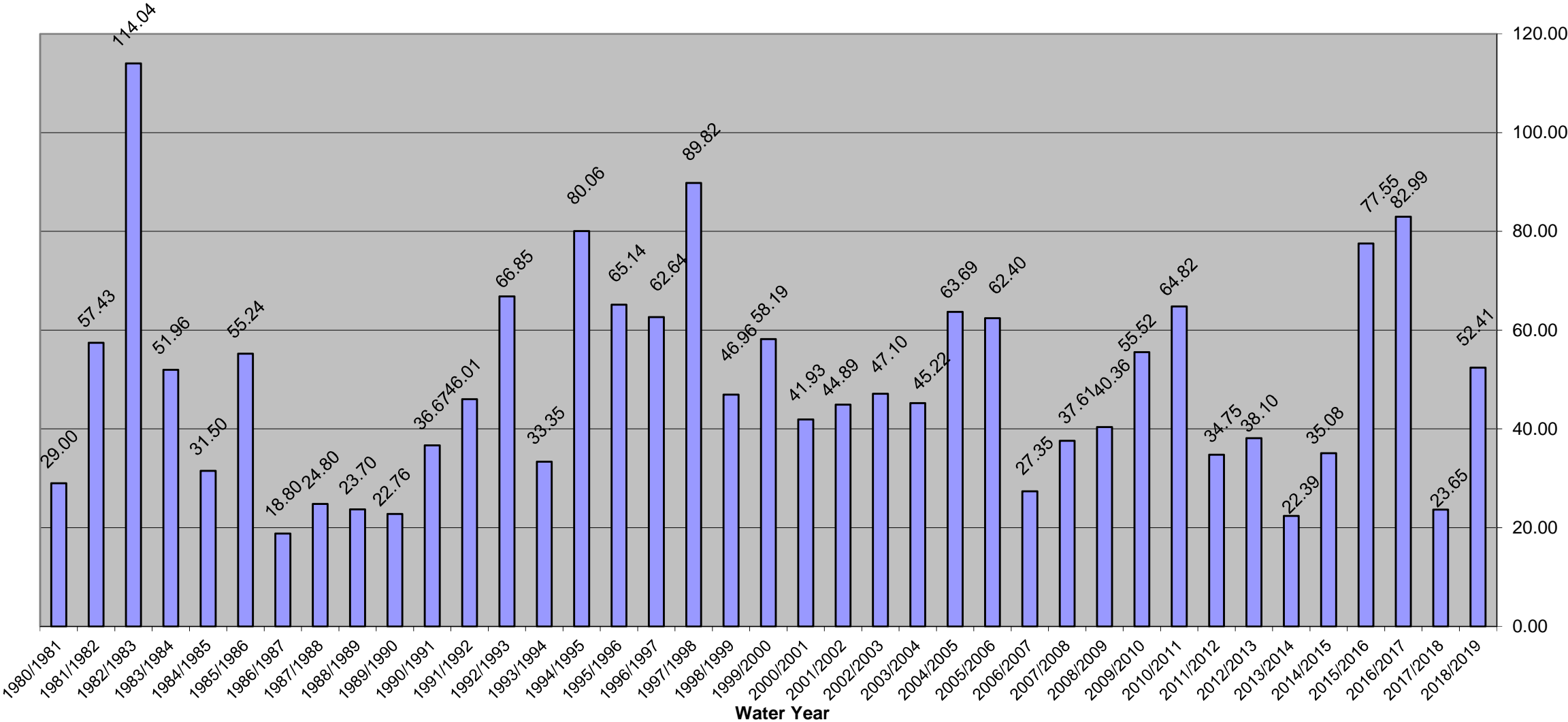
For the protection of fish and wildlife, during the period: (a) April 1 through October 31 bypass a minimum of 0.5 cfs; (b) November 1 through March 31 bypass a minimum of 1.5 cfs past the Fall Creek point of diversion. The natural streamflow shall be bypassed whenever it is less than 1.5 cfs; provided, however, that during a dry year, the bypass requirement shall be reduced from 1.5 to 0.75 cfs. A dry year is defined on a monthly basis of cumulative runoff beginning October 1 of each season in the San Lorenzo River at the USGS gage at Big Trees. These runoff figures are based on approximately 50 percent of normal runoff as the dividing level between normal and dry year runoff and are as follows:

- November 1 for the month of October 500 af
- December 1 for October-November, inclusive 1,500 af
- January 1 for October-December, inclusive 5,000 af
- February 1 for October-January, inclusive 12,500 af
- March 1 for October-February, inclusive 26,500 af

| Fall Creek Weir Measurement | | | | | | | | | | | |
|-----------------------------|---------|----------|--------|-------------------------------|----------------------------|------------------------------------------------|------------------------|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-----------|
| Agenda: 5.16.19 | | | | | | | | | | | |
| | Month: | April | | Year: | 2019 | Big Trees > 26,500 Acre-ft Oct-Feb Normal Year | | | Big Trees <26,500 Acre-ft Oct-Feb Dry Year | | |
| | | | | | | | | X | | | |
| Date | Time | Initials | Pump # | Fall Cr. GPM into Kirby plant | Weir Board Height (inches) | Fall Creek Bypass (CFS) | Big Trees Bypass (CFS) | Rainfall (Felton gauge) | Met Fall Cr, Bypass Requirement: Normal Year April 1 - Oct 31 1.0 cfs; Nov 1 - March 31 1.5 cfs Dry Year April 1 - Oct 31 0.5 cfs Nov. 1 - March 31 0.75 cfs (yes/no) | Met Big Trees Requirement Nov-May 20cfs Sept 10 cfs Oct 25 cfs (yes/no) | Notes |
| 1 | 0744 | SS | 1 | 106 | 25 | 15.1 | 258 | 0 | Yes | Yes | |
| 2 | 0745 | JG | 1 | 0 | 25 | 15.88 | 260 | 0.45 | Yes | Yes | Plant Off |
| 3 | 1110 | TH | 1 | 101 | 25 | 15.49 | 249 | 0.15 | Yes | Yes | |
| 4 | 0730 | JG | 1 | 85 | 25 | 15.32 | 237 | 0.05 | Yes | Yes | |
| 5 | 0745 | SS | 1 | 80 | 25 | 15.15 | 229 | 0.04 | Yes | Yes | |
| 6 | 1245 | JG | 1 | 82 | 25 | 15.33 | 237 | 0.50 | Yes | Yes | |
| 7 | 0920 | JG | 1 | 75 | 25 | 15.29 | 225 | 0 | Yes | Yes | |
| 8 | 0900 | KS | 1 | 74 | 25 | 15.02 | 211 | 0 | Yes | Yes | |
| 9 | 0800 | SS | 1 | 145 | 25 | 14.78 | 201 | 0 | Yes | Yes | |
| 10 | 1010 | SS | 1 | 133 | 25 | 14.33 | 190 | 0 | Yes | Yes | |
| 11 | 0830 | KS | 1 | 70 | 25 | 14.01 | 183 | 0 | Yes | Yes | |
| 12 | 0730 | SS | 1 | 90 | 25 | 13.83 | 178 | 0 | Yes | Yes | |
| 13 | 1000 | HO | 1 | 85 | 25 | 13.62 | 171 | 0 | Yes | Yes | |
| 14 | 0945 | HO | 1 | 83 | 25 | 13.44 | 162 | 0 | Yes | Yes | |
| 15 | 0800 | SS | 1 | 113 | 25 | 13.18 | 160 | 0 | Yes | Yes | |
| 16 | 0800 | JG | 1 | 61 | 25 | 13.44 | 165 | 0.30 | Yes | Yes | |
| 17 | 0800 | JG | 1 | 85 | 25 | 12.94 | 153 | 0 | Yes | Yes | |
| 18 | 0800 | SS | 1 | 77 | 25 | 12.87 | 146 | 0 | Yes | Yes | |
| 19 | 0750 | SS | 1 | 80 | 25 | 12.60 | 141 | 0 | Yes | Yes | |
| 20 | 0720 | KS | 1 | 58 | 25 | 12.54 | 137 | 0 | Yes | Yes | |
| 21 | 0730 | KS | 1 | 84 | 25 | 12.23 | 135 | 0 | Yes | Yes | |
| 22 | 0735 | SS | 1 | 102 | 25 | 12.13 | 128 | 0 | Yes | Yes | |
| 23 | 0805 | SS | 1 | 101 | 25 | 12.04 | 125 | 0 | Yes | Yes | |
| 24 | 1030 | KS | 1 | 87 | 25 | 11.82 | 120 | 0 | Yes | Yes | |
| 25 | 0900 | KS | 1 | 65 | 25 | 11.76 | 116 | 0 | Yes | Yes | |
| 26 | 0730 | JG | 1 | 80 | 25 | 11.48 | 113 | 0 | Yes | Yes | |
| 27 | 0910 | HO | 1 | 98 | 25 | 11.40 | 109 | 0 | Yes | Yes | |
| 28 | 0935162 | HO | 1 | 105 | 25 | 11.41 | 109 | 0 | Yes | Yes | |

| | | | | | | | | | | | |
|----|------|----|---|----|----|-------|-----|---|-----|-----|-----------------|
| 29 | 0730 | JG | 1 | 95 | 25 | 11.39 | 107 | 0 | Yes | Yes | Agenda: 5.16.19 |
| 30 | 0730 | JG | 1 | 92 | 25 | 11.31 | 104 | 0 | Yes | Yes | Item: 7.4 |
| 31 | : | | | | | | | | | | |

**San Lorenzo Valley Water District
Annual Rainfall History Graph**



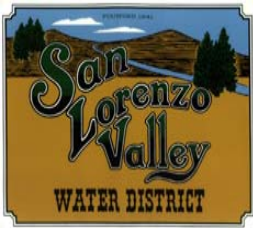
**SAN LORENZO VALLEY WATER DISTRICT
MONTHLY RAINFALL DATA SUMMARY
DATA COLLECTED AT SLVWD OFFICE 13060 HIGHWAY 9, BOULDER CREEK**

WATER YEAR 2018/2019

| <u>Date</u> | <u>Oct-18</u> | <u>Nov-18</u> | <u>Dec-18</u> | <u>Jan-19</u> | <u>Feb-19</u> | <u>Mar-19</u> | <u>Apr-19</u> | <u>May-19</u> | <u>Jun-19</u> | <u>Jul-19</u> | <u>Aug-19</u> | <u>Sep-19</u> | <u>Total</u> |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| 1 | 0.00 | 0.00 | 0.18 | 0.00 | 0.78 | 0.06 | 0.03 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.05 |
| 2 | 0.00 | 0.00 | 0.01 | 0.00 | 2.94 | 1.24 | 0.33 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.52 |
| 3 | 0.00 | 0.00 | 0.00 | 0.00 | 1.15 | 0.09 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.24 |
| 4 | 0.01 | 0.00 | 0.24 | 0.00 | 1.76 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.02 |
| 5 | 0.00 | 0.00 | 0.26 | 1.39 | 0.33 | 0.51 | 0.33 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.82 |
| 6 | 0.00 | 0.00 | 0.00 | 4.51 | 0.01 | 2.21 | 0.03 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6.76 |
| 7 | 0.00 | 0.00 | 0.01 | 0.00 | 0.01 | 0.07 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.09 |
| 8 | 0.00 | 0.00 | 0.00 | 0.23 | 0.74 | 0.06 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.03 |
| 9 | 0.00 | 0.00 | 0.01 | 0.62 | 0.58 | 0.69 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.90 |
| 10 | 0.00 | 0.00 | 0.00 | 0.00 | 0.38 | 0.35 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.73 |
| 11 | 0.00 | 0.00 | 0.01 | 0.47 | 0.02 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.50 |
| 12 | 0.00 | 0.00 | 0.00 | 0.01 | 0.26 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.28 |
| 13 | 0.00 | 0.00 | 0.01 | 0.00 | 3.60 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3.61 |
| 14 | 0.00 | 0.00 | 0.00 | 0.15 | 1.48 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.63 |
| 15 | 0.00 | 0.00 | 0.01 | 2.44 | 0.65 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3.10 |
| 16 | 0.00 | 0.00 | 1.77 | 2.41 | 0.49 | 0.01 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.69 |
| 17 | 0.00 | 0.00 | 0.20 | 0.48 | 0.17 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.85 |
| 18 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 19 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.02 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |
| 20 | 0.00 | 0.00 | 0.00 | 0.47 | 0.01 | 0.96 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.44 |
| 21 | 0.00 | 1.72 | 0.01 | 0.02 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.76 |
| 22 | 0.00 | 0.99 | 0.01 | 0.01 | 0.00 | 0.09 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.10 |
| 23 | 0.00 | 0.82 | 0.00 | 0.00 | 0.00 | 0.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.16 |
| 24 | 0.00 | 0.04 | 0.55 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.60 |
| 25 | 0.00 | 0.00 | 0.08 | 0.01 | 0.01 | 0.68 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.78 |
| 26 | 0.00 | 0.00 | 0.01 | 0.01 | 1.84 | 0.12 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.98 |
| 27 | 0.00 | 0.26 | 0.00 | 0.00 | 1.97 | 0.64 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.87 |
| 28 | 0.00 | 1.72 | 0.00 | 0.00 | <u>0.02</u> | 0.11 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.85 |
| 29 | 0.00 | 1.33 | 0.00 | 0.00 | | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.34 |
| 30 | 0.00 | <u>0.00</u> | 0.00 | 0.23 | | 0.00 | <u>0.00</u> | 0.00 | 0.00 | 0.00 | 0.00 | <u>0.00</u> | 0.23 |
| 31 | <u>0.00</u> | | <u>0.00</u> | <u>0.45</u> | | <u>0.00</u> | | 0.00 | | <u>0.00</u> | <u>0.00</u> | | <u>0.45</u> |
| TOTAL | 0.01 | 6.88 | 3.37 | 13.92 | 19.21 | 8.29 | 0.73 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 52.41 |

WATER YEAR 2017/2018

| <u>Date</u> | <u>Oct-17</u> | <u>Nov-17</u> | <u>Dec-17</u> | <u>Jan-18</u> | <u>Feb-18</u> | <u>Mar-18</u> | <u>Apr-18</u> | <u>May-18</u> | <u>Jun-18</u> | <u>Jul-18</u> | <u>Aug-18</u> | <u>Sep-18</u> | <u>Total</u> |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| 1 | 0.00 | 0.00 | 0.01 | 0.00 | 0.01 | 2.44 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.46 |
| 2 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.55 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.55 |
| 3 | 0.00 | 0.15 | 0.03 | 0.40 | 0.00 | 0.19 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.77 |
| 4 | 0.00 | 0.03 | 0.00 | 0.20 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.24 |
| 5 | 0.00 | 0.00 | 0.00 | 0.38 | 0.01 | 0.01 | 0.30 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.70 |
| 6 | 0.00 | 0.01 | 0.00 | 0.10 | 0.00 | 0.00 | 1.26 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.37 |
| 7 | 0.00 | 0.00 | 0.01 | 0.01 | 0.00 | 0.00 | 0.86 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.88 |
| 8 | 0.00 | 0.58 | 0.00 | 3.66 | 0.00 | 0.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.28 |
| 9 | 0.00 | 0.79 | 0.01 | 0.61 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.41 |
| 10 | 0.00 | 0.06 | 0.01 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.08 |
| 11 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.25 |
| 12 | 0.00 | 0.00 | 0.01 | 0.00 | 0.00 | 0.56 | 0.08 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.65 |
| 13 | 0.00 | 0.08 | 0.00 | 0.00 | 0.00 | 0.90 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.98 |
| 14 | 0.00 | 0.00 | 0.01 | 0.01 | 0.00 | 0.30 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.32 |
| 15 | 0.00 | 0.12 | 0.00 | 0.01 | 0.00 | 0.67 | 0.08 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.88 |
| 16 | 0.00 | 2.46 | 0.01 | 0.00 | 0.00 | 0.27 | 0.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.99 |
| 17 | 0.00 | 0.02 | 0.00 | 0.00 | 0.00 | 0.13 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.15 |
| 18 | 0.00 | 0.01 | 0.00 | 0.16 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.18 |
| 19 | 0.05 | 0.01 | 0.00 | 0.01 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.08 |
| 20 | 0.16 | 0.00 | 0.14 | 0.01 | 0.00 | 0.33 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.64 |
| 21 | 0.00 | 0.00 | 0.01 | 0.00 | 0.03 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| 22 | 0.00 | 0.01 | 0.01 | 0.57 | 0.06 | 0.33 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.98 |
| 23 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| 24 | 0.00 | 0.00 | 0.00 | 0.59 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.60 |
| 25 | 0.00 | 0.01 | 0.00 | 0.06 | 0.00 | 0.00 | 0.00 | 0.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.11 |
| 26 | 0.00 | 0.76 | 0.00 | 0.00 | 0.30 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.06 |
| 27 | 0.00 | 0.45 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.46 |
| 28 | 0.00 | 0.01 | 0.00 | 0.01 | <u>0.43</u> | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.45 |
| 29 | 0.00 | 0.00 | 0.01 | 0.01 | | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.03 |
| 30 | 0.00 | <u>0.01</u> | 0.01 | 0.00 | | 0.00 | <u>0.00</u> | 0.00 | 0.00 | 0.00 | 0.00 | <u>0.00</u> | 0.02 |
| 31 | <u>0.00</u> | | <u>0.00</u> | <u>0.00</u> | | <u>0.00</u> | | 0.00 | | <u>0.00</u> | <u>0.00</u> | | <u>0.00</u> |
| TOTAL | 0.21 | 5.57 | 0.29 | 6.81 | 0.86 | 6.78 | 3.09 | 0.04 | 0.00 | 0.00 | 0.00 | 0.00 | 23.65 |

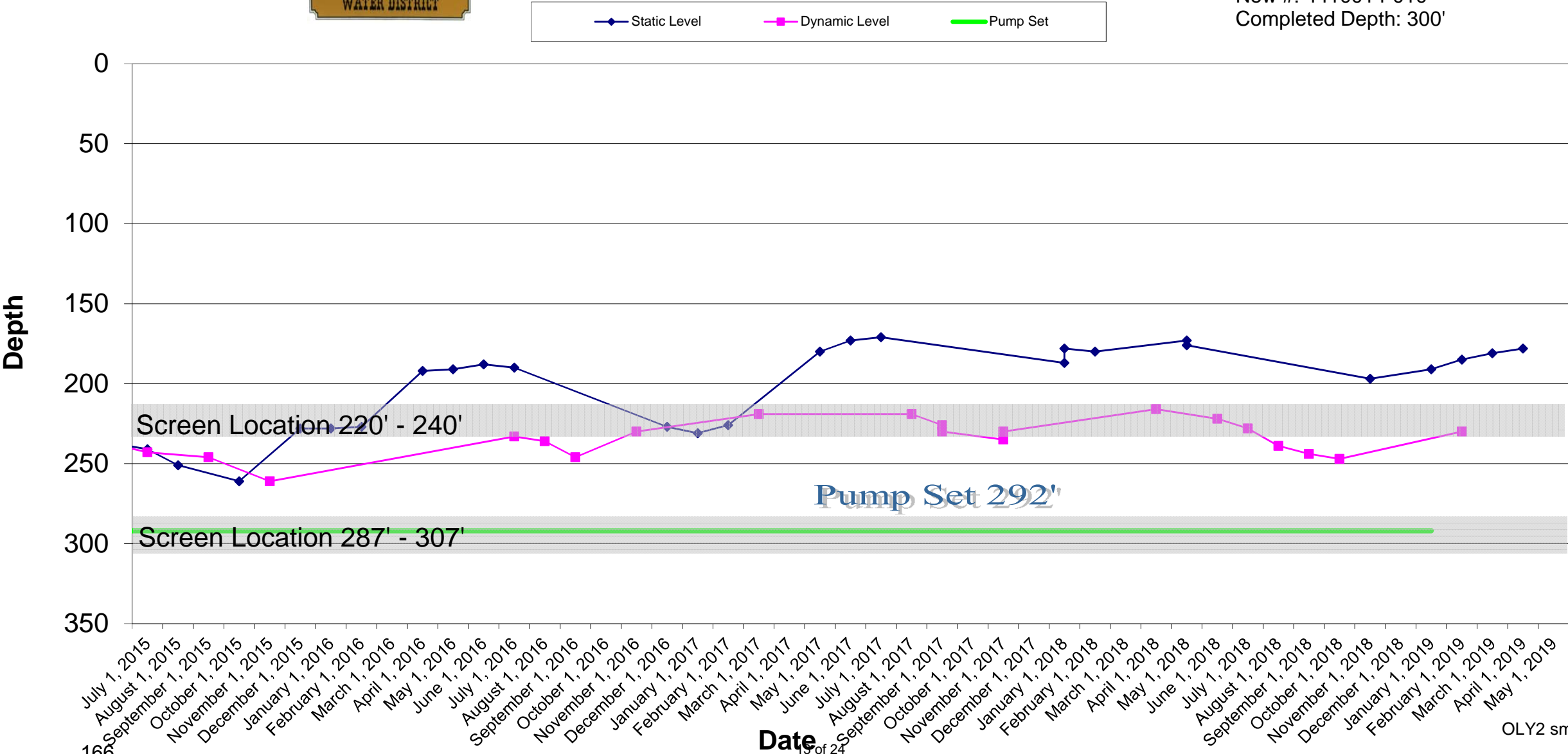


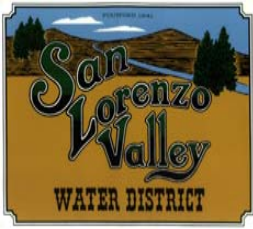
SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Olympia 2

Location: 7701 E. Zayante Rd.
Elevation: 525'
Installed: April 28, 1980
State Well #:10S/O2W-11P01
New #: 4410014-010
Completed Depth: 300'



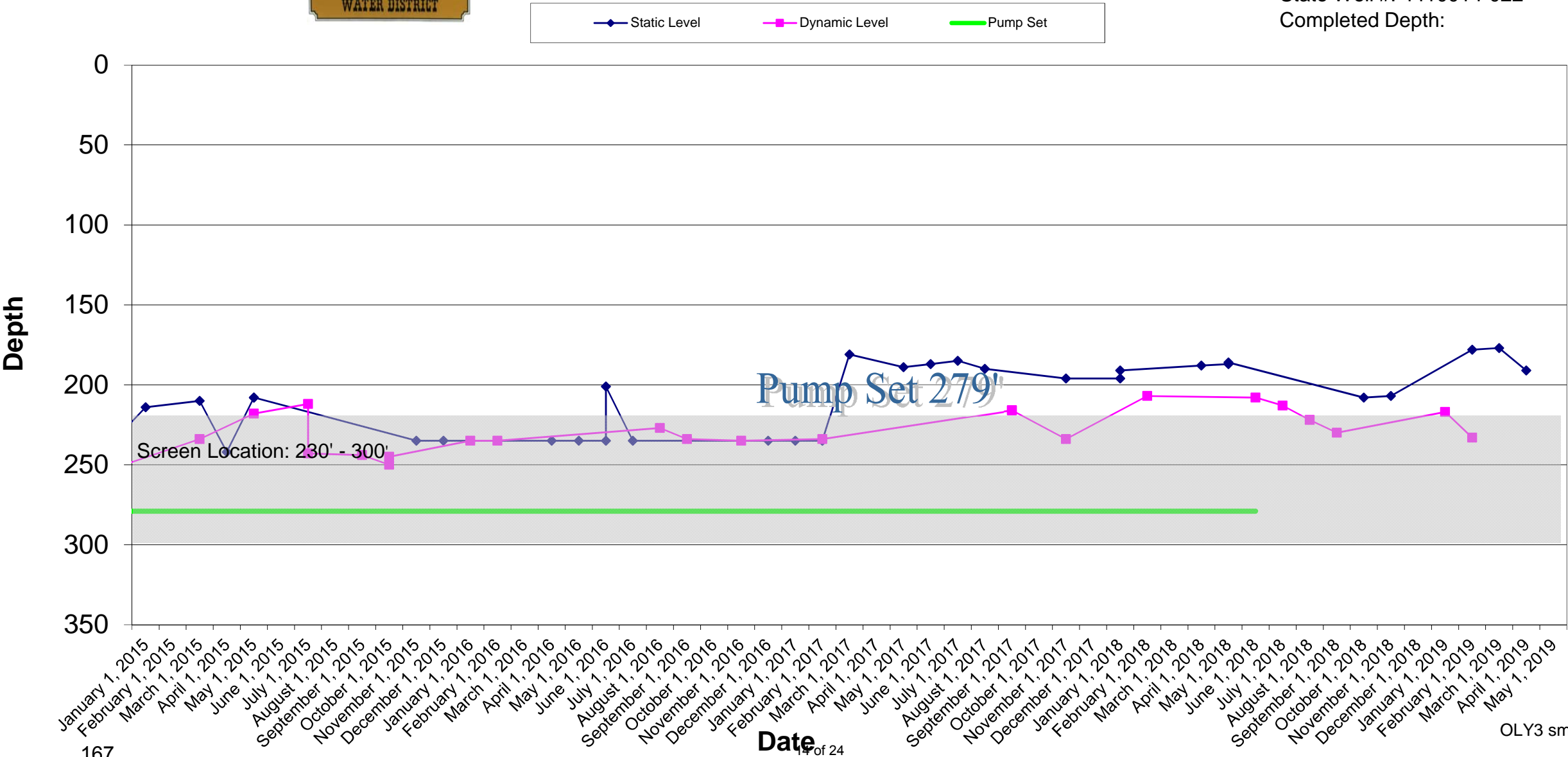


SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Olympia 3

Location: 7701 E. Zayante Rd
Elevation: 538' Mean Sea Level
Installed: 8-15-90
State Well #: 4410014-022
Completed Depth:



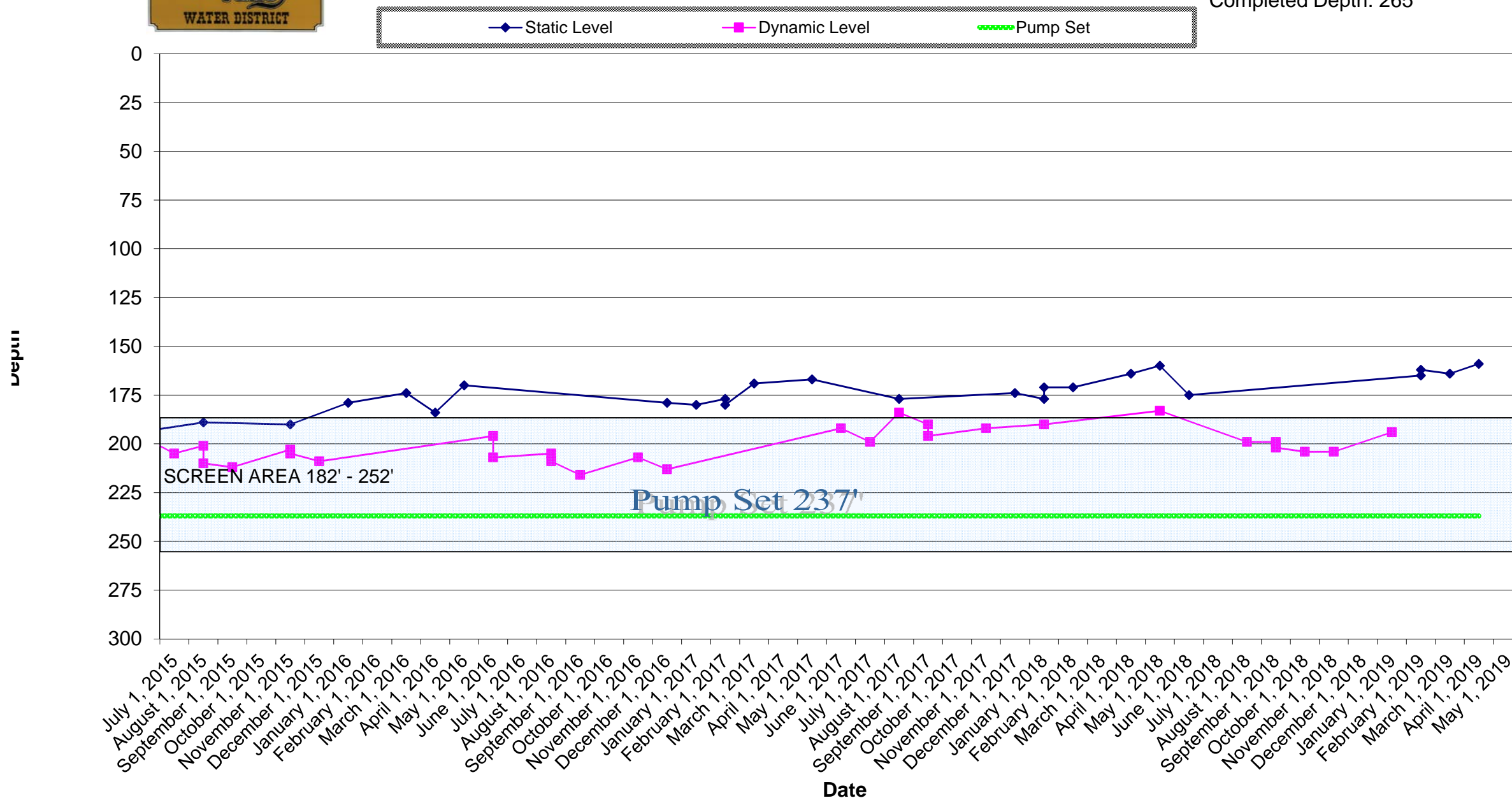


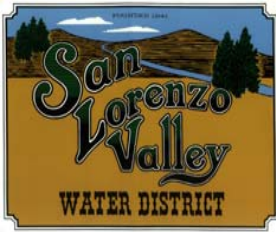
SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Quail Well 4-A

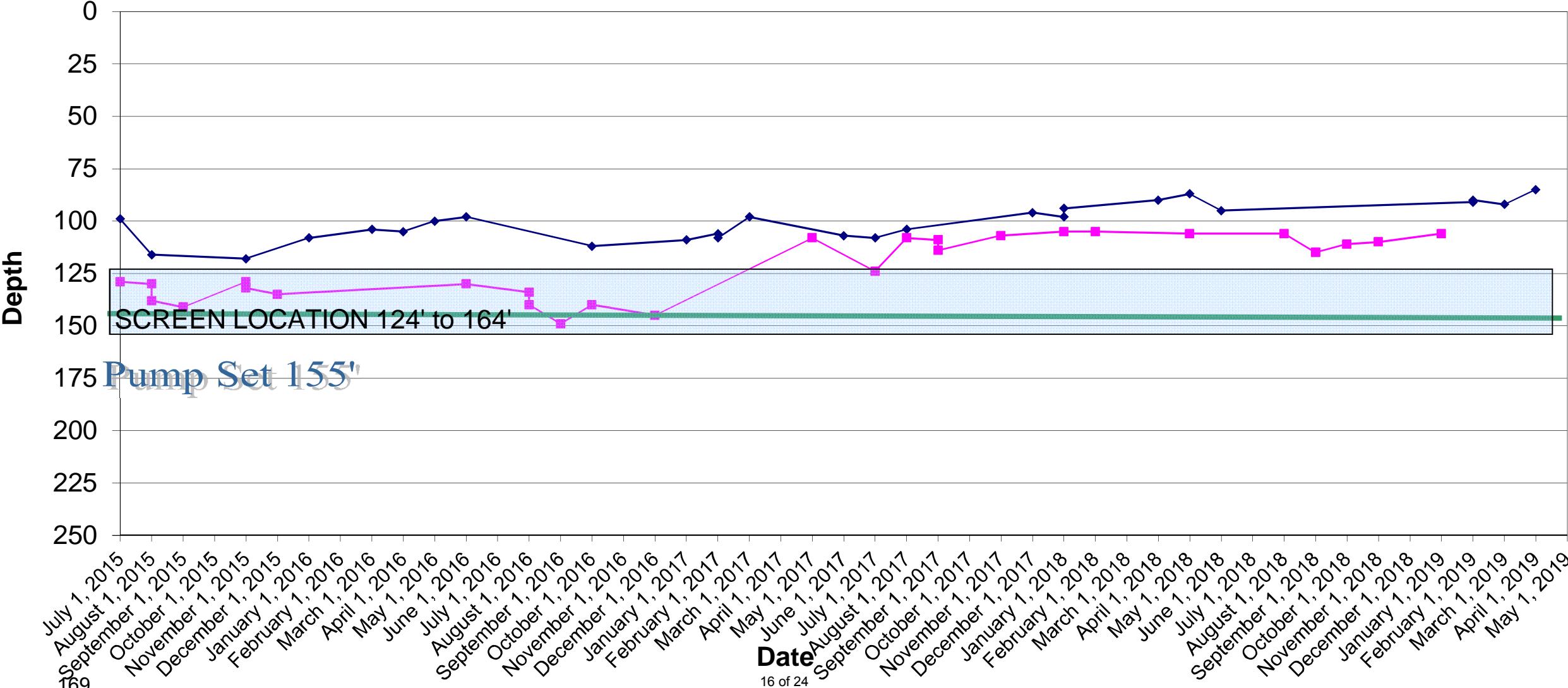
Location: Cumora Ln. Ben Lomond
Elevation: 596.54 ft @ Pad
Installed: 6-07-2001
State Well #: 4410014-026
Completed Depth: 265

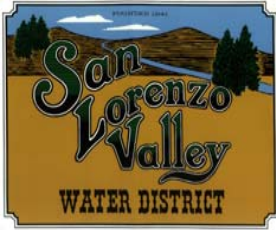




SAN LORENZO VALLEY WATER DISTRICT
Well Drawdown Report
Quail Well 5-A

Location: 1161 Quail Hollow Rd.
Ben Lomond
Elevation: 517.65 ft. @ Pad
Installed: March 2000
State Well #: 4410014-025
Completed Depth: 174'



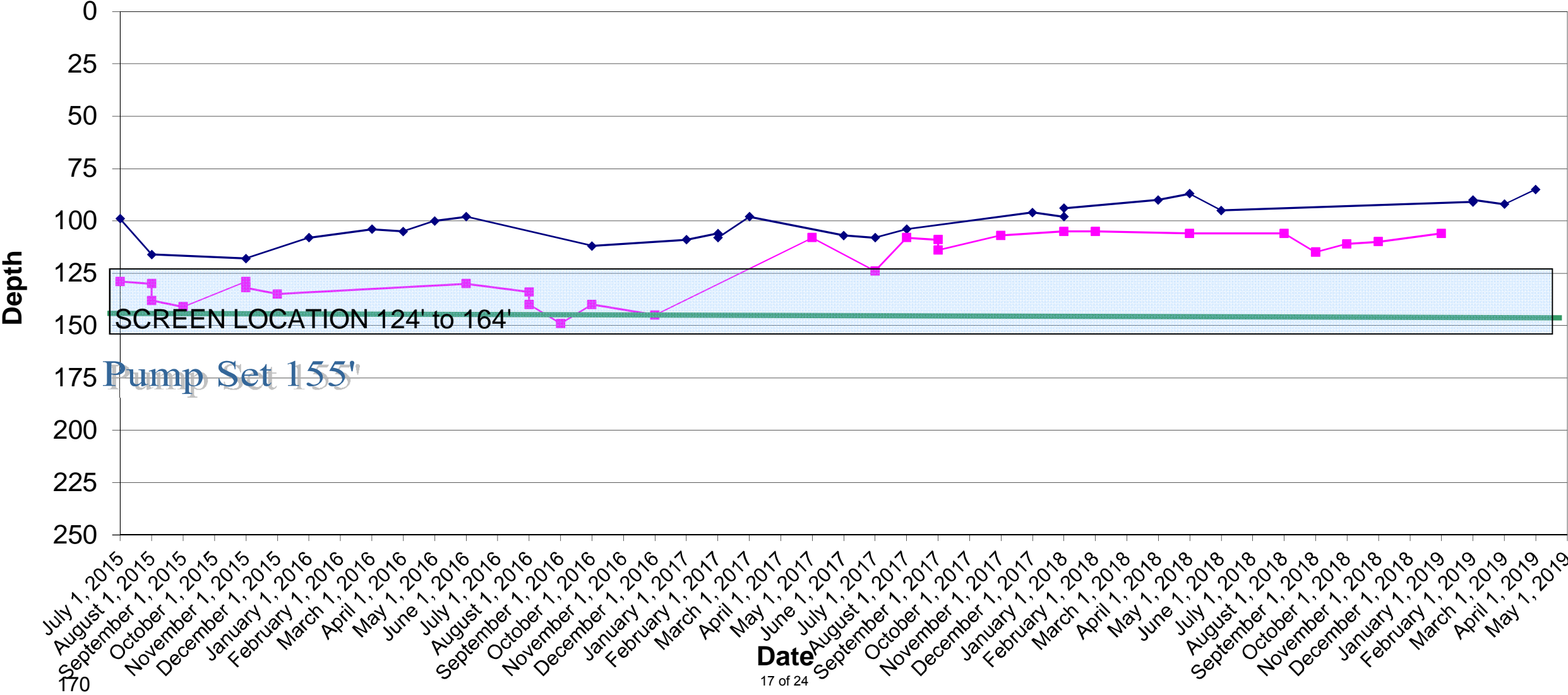


SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Quail Well 5-A

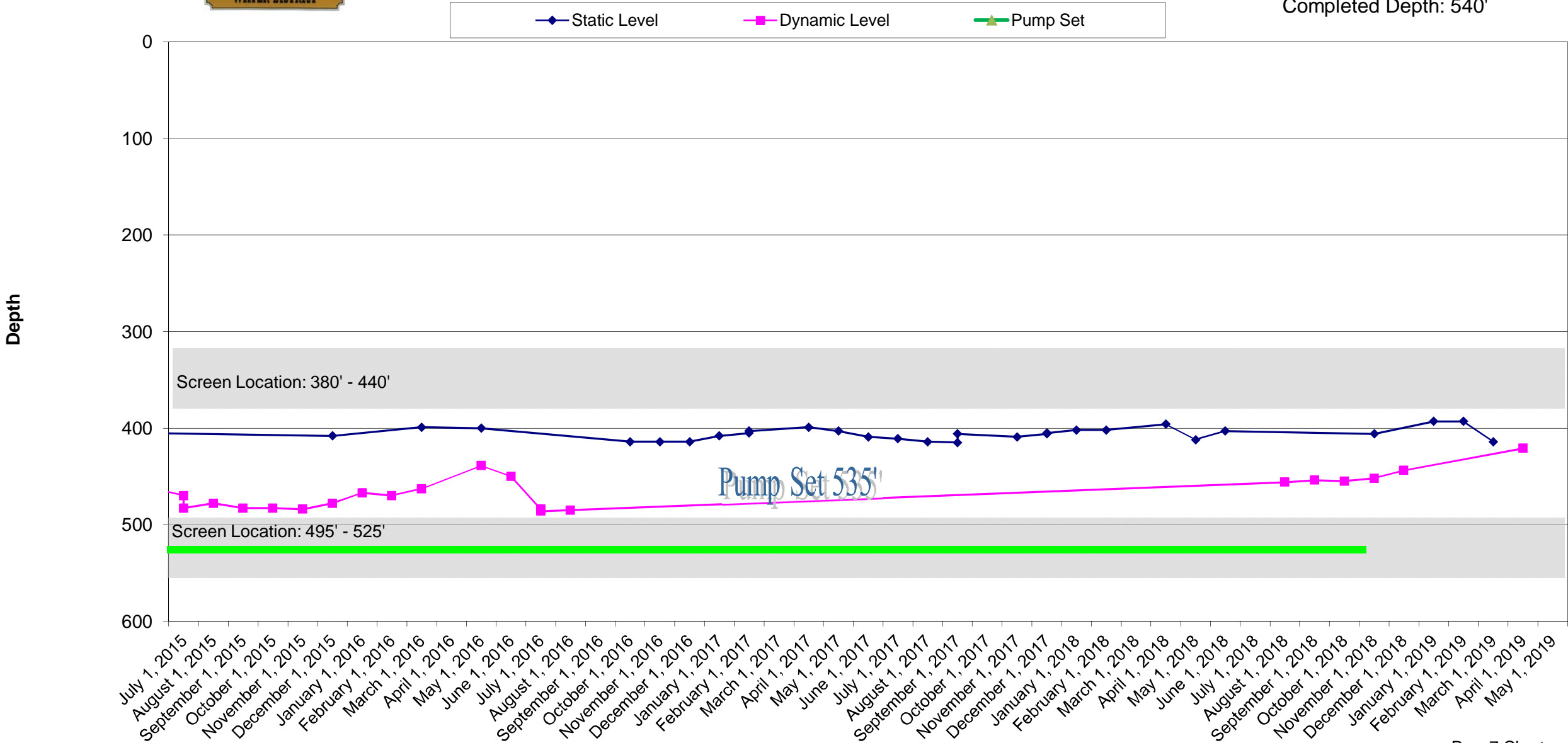
Location: 1161 Quail Hollow Rd.
Ben Lomond
Elevation: 517.65 ft. @ Pad
Installed: March 2000
State Well #: 4410014-025
Completed Depth: 174'





SAN LORENZO VALLEY WATER DISTRICT
Well Drawdown Report
Pasatiempo 7

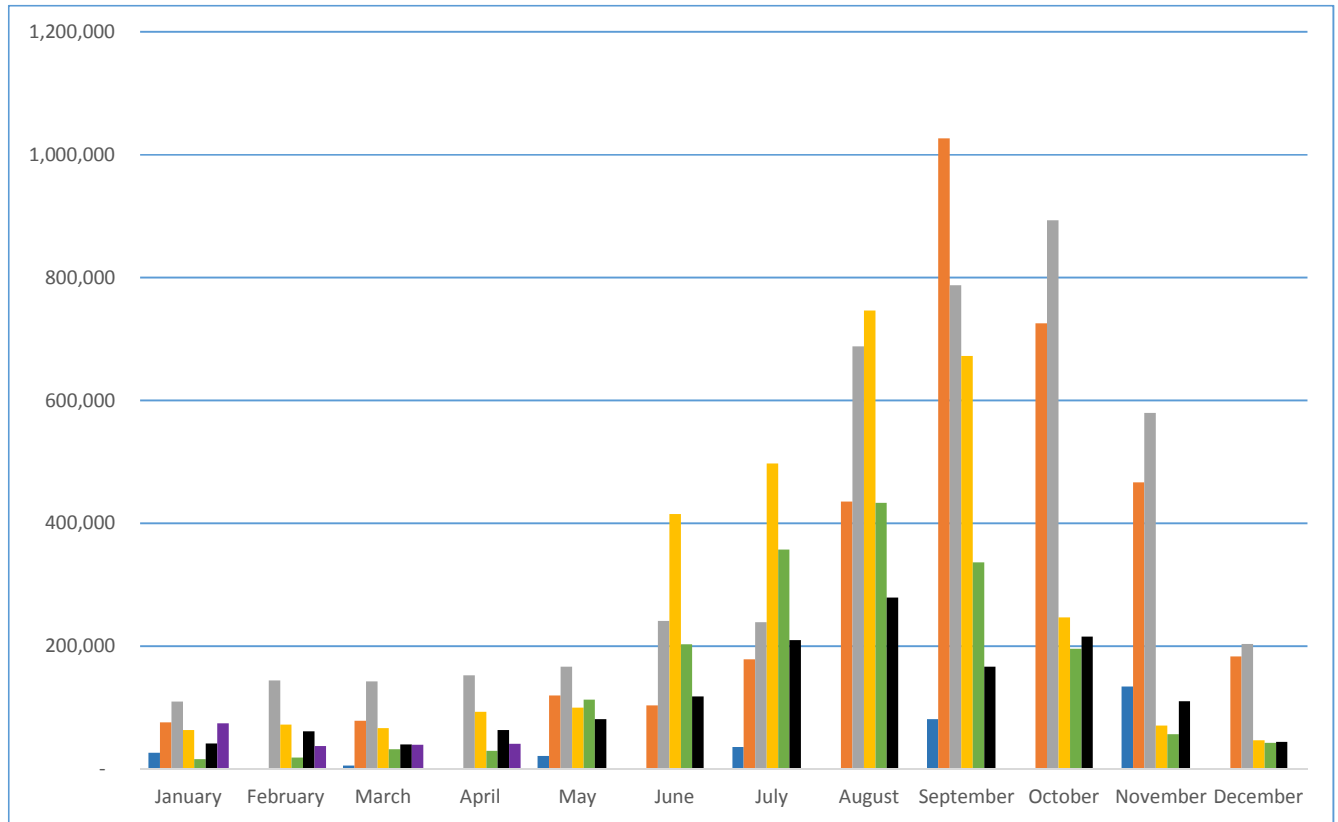
Location: South of Probation
Center
Elevation: 734' MSL
Installed: July 21, 1990
State Well #: 4410014-024
Completed Depth: 540'



Pasa7 Chart

SAN LORENZO VALLEY WATER DISTRICT
BULK WATER SALES
GALLONS
April 2019

Agenda: 5.16.19
Item: 7.4



| <u>Month</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
|---------------|----------------|------------------|------------------|------------------|------------------|------------------|----------------|
| January | 26,928 | 76,296 | 109,965 | 63,850 | 16,456 | 41,888 | 74,800 |
| February | | | 144,364 | 72,556 | 18,700 | 61,366 | 37,400 |
| March | 5,984 | 78,540 | 142,868 | 66,572 | 32,164 | 40,392 | 39,644 |
| April | | | 152,592 | 93,500 | 29,920 | 63,580 | 41,140 |
| May | 21,692 | 119,680 | 166,804 | 100,232 | 112,948 | 81,532 | |
| June | | 103,972 | 240,983 | 415,140 | 203,179 | 118,184 | |
| July | 35,904 | 178,772 | 239,360 | 497,420 | 357,544 | 210,188 | |
| August | | 435,336 | 688,160 | 746,504 | 433,092 | 279,004 | |
| September | 81,352 | 1,026,256 | 787,644 | 672,183 | 336,570 | 166,804 | |
| October | | 725,560 | 893,112 | 246,840 | 195,976 | 215,424 | |
| November | 134,640 | 466,752 | 579,700 | 71,060 | 56,848 | 110,704 | |
| December | | 183,260 | 203,456 | 47,124 | 42,636 | 44,132 | |
| Totals | 306,500 | 3,394,424 | 4,349,008 | 3,092,981 | 1,836,033 | 1,433,198 | 192,984 |

SAN LORENZO VALLEY WATER DISTRICT
MONTHLY LEAK REPORT
April 2019

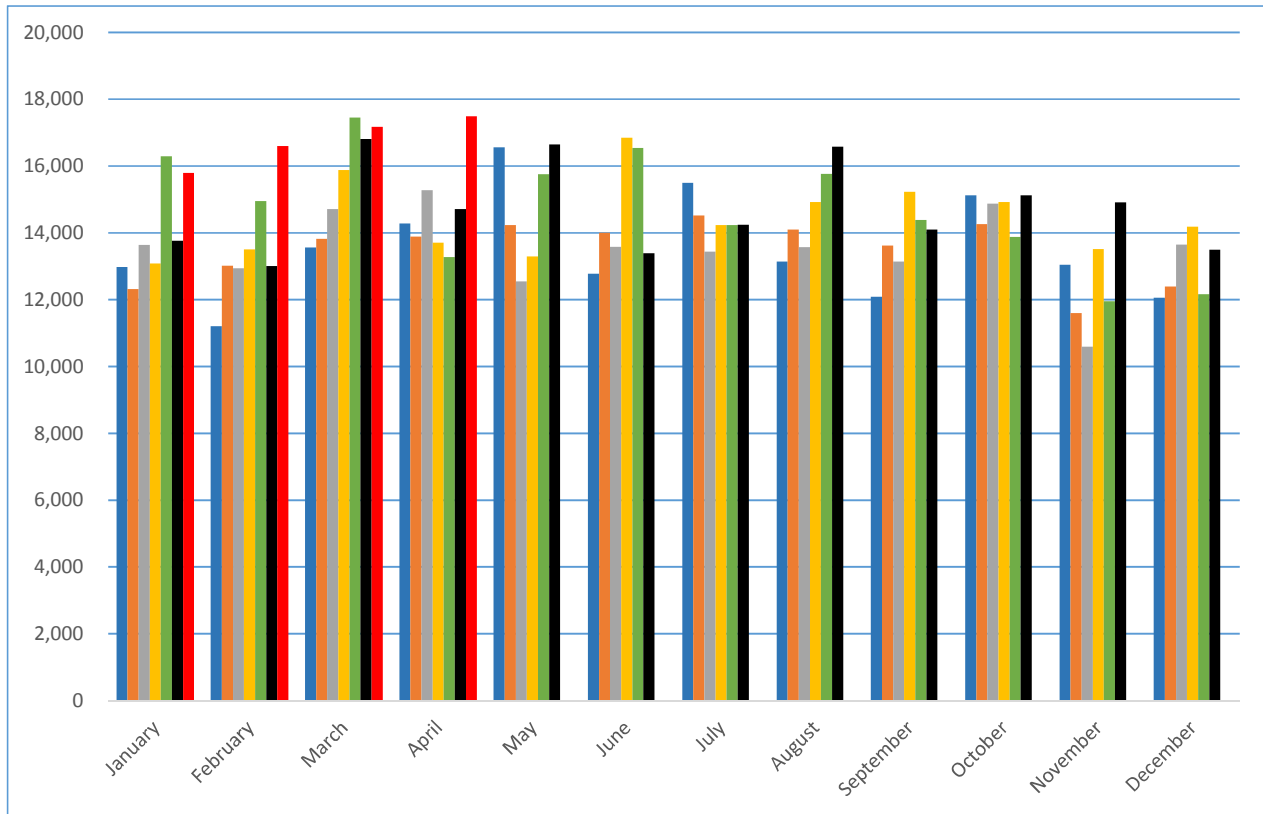
Agenda: 5.16.19
Item: 7.4

| Leak Type | Location - NORTH SYSTEM | Town | Gallons Lost |
|---------------------|----------------------------------|---------------|--------------|
| 400 MAIN LEAKING | 135 MADRONE WAY | BEN LOMOND | 120 |
| 400 MAIN LEAKING | 135 MADRONE WAY | BEN LOMOND | 2520 |
| 400 MAIN LEAKING | SCINIC WAY/HILLCREST | BEN LOMOND | 240 |
| 400 MAIN LEAKING | 8945 REDWOOD | BEN LOMOND | 9,360 |
| 400 MAIN LEAKING | LOVE CREEK | BEN LOMOND | 56,160 |
| 400 MAIN LEAKING | 822 RIVER DR. | BOULDER CREEK | 1,440 |
| 400 MAIN LEAKING | 230 APPLE KNOLL | BOULDER CREEK | 200 |
| 400 MAIN LEAKING | FAIRVIEW SOUTH SIDE OF BRIDGE | BOULDER CREEK | 200 |
| 400 MAIN LEAKING | 635 SUNSET RD | BOULDER CREEK | 720 |
| 400 MAIN LEAKING | CORNER OF JANITA RD. APPLE KNOLL | BOULDER CREEK | 4,320 |
| 400 MAIN LEAKING | 206 MADRONA | BOULDER CREEK | 25,900 |
| 400 MAIN LEAKING | 225 BRIER DRIVE | BOULDER CREEK | 17,280 |
| 400 MAIN LEAKING | 635 SUNSET RD | BOULDER CREEK | 100 |
| 400 MAIN LEAKING | SHILOH CT | BOULDER CREEK | 23,040 |
| 400 MAIN LEAKING | RIVERSIDE & ANNIES WAY | BROOKDALE | 2,520 |
| | | | |
| Total North | | | 144,120 |
| | | | |
| FELTON SYSTEM | | | |
| 412 TANK LEAKING | 981 MADRONA DR. | FELTON | 76,500 |
| 400 MAIN LEAKING | 12120 COLEMAN AVE | FELTON | 4,320.00 |
| | | | |
| Total Felton | | | 80,820 |
| | | | |
| LOMPICO | | | |
| 400 MAIN LEAKING | 10825 LAKE BLVD | LOMPICO | 100 |
| | | | |
| | | | |
| Total Lompico | | | 100 |
| | | | |
| SCOTTS VALLEY | | | |
| | | | |
| Total Scotts Valley | | | - |
| Total All Systems | | | 225,040 |

| | | | | Water Quality Complaint List | | | | | | |
|---------------|-------------------|-------|-------------------------|--------------------------------------|------------------------|-------------------------|-------------------------------------------------------------------------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| Date Received | Type Of Complaint | | | | | | | Address | Conclusion | System |
| | Taste/ Odor | Color | Turbidity/ Particles | Worms/ Other Visible Organisms | Pressure (High/Low) | Illness (Waterborne) | Other (Specify) | | | |
| 4/1/2019 | X | | | | | | Customer stated that water had a strong chlorine odor. | 182 Russell Dr | Upon investigation by SLVWD staff at customers residence, water quality results appeared to be normal and within range at customers front hose bib. Free chlorine was 0.9 mg/L. Customer was notified of results. | SLVWD-Felton |
| 4/2/2019 | | X | | | | | Customer noticed reddish/brown water on the evening of 4/1/2019 | 870 Madrona Dr | Upon investigation by SLVWD staff at customers residence, water quality results appeared to be normal and within range at customers front hose bib. Free chlorine was 0.8 mg/L, turbidity was 1.2 NTU and no color was detected in the water in a field visual examination. Customer was asked to collect a sample if the colored water returns. | SLVWD-Felton |
| 4/18/2019 | X | | | | | | Customer states that water has smelled like plastic or playdough for last few weeks | 615 Robinhoods Hollow | Upon investigation by SLVWD staff, water quality results were normal and within range at customers front hose bib. Free chlorine was 0.9 mg/L and only a slight chlorine odor was noticed in field odor sample. Notified customer of results and instructed customer to flush all internal plumbing if odor is still detected. | SLVWD-North |
| 4/23/2019 | | X | | | | | Customer states that water appears murky after filling hot tub. | 250 Fox Ct | Upon investigation by SLVWD staff, water quality results were normal and within range at customers front hose bib. Free chlorine was 0.6 mg/L, turbidity was 0.88 NTU and the water visually was running clear. It was determined that the source of the murky water was located somewhere within the hot tub components. Customer was advised to contact a spa technician.. | SLVWD-North |

SAN LORENZO VALLEY WATER DISTRICT
VEHICLE MILEAGE
 April 2019

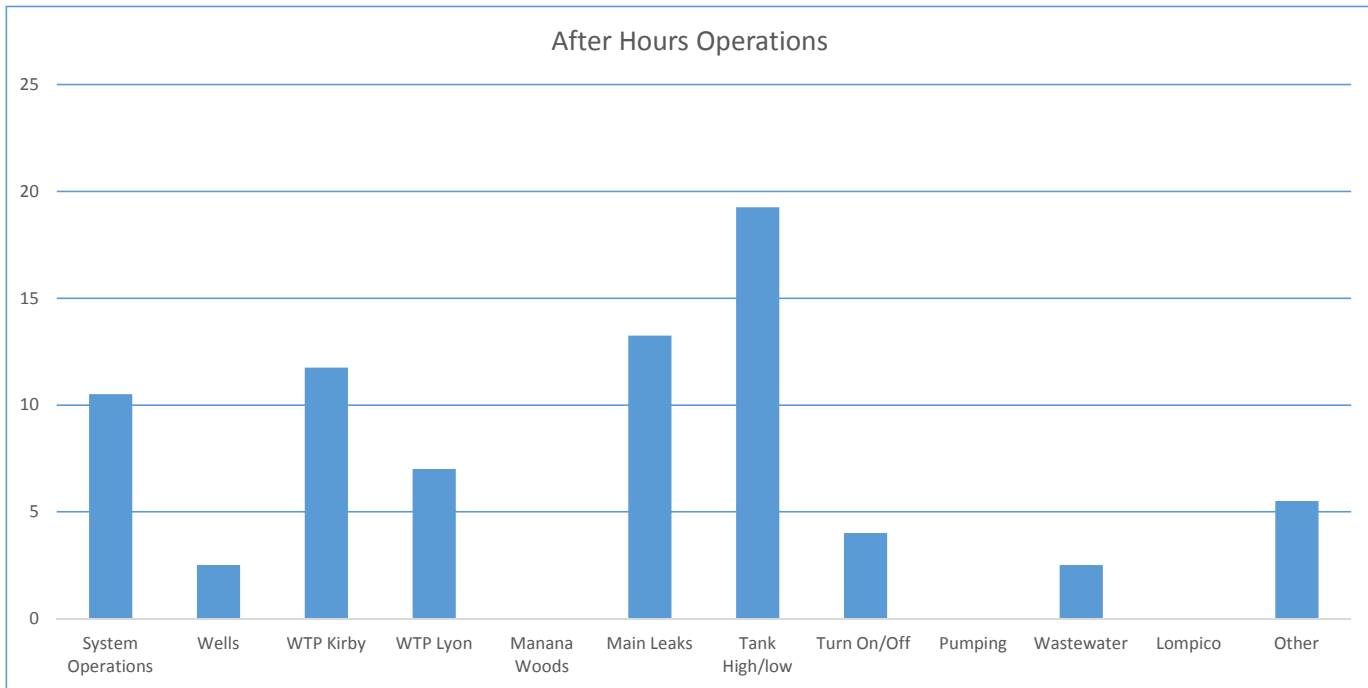
Agenda: 5.16.19
 Item: 7.4



| Month | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|-----------|---------|---------|---------|---------|---------|---------|--------|
| January | 12,976 | 12,317 | 13,633 | 13,082 | 16,286 | 13,763 | 15,790 |
| February | 11,201 | 13,015 | 12,934 | 13,505 | 14,945 | 13,003 | 16,599 |
| March | 13,558 | 13,817 | 14,714 | 15,882 | 17,451 | 16,809 | 17,167 |
| April | 14,283 | 13,883 | 15,279 | 13,704 | 13,270 | 14,711 | 17,488 |
| May | 16,560 | 14,228 | 12,550 | 13,290 | 15,757 | 16,646 | |
| June | 12,780 | 14,000 | 13,582 | 16,841 | 16,534 | 13,390 | |
| July | 15,497 | 14,519 | 13,441 | 14,228 | 14,229 | 14,242 | |
| August | 13,136 | 14,096 | 13,569 | 14,923 | 15,761 | 16,576 | |
| September | 12,087 | 13,622 | 13,137 | 15,229 | 14,388 | 14,094 | |
| October | 15,120 | 14,261 | 14,868 | 14,924 | 13,880 | 15,126 | |
| November | 13,046 | 11,594 | 10,591 | 13,510 | 11,952 | 14,908 | |
| December | 12,060 | 12,394 | 13,648 | 14,187 | 12,158 | 13,492 | |
| Totals | 162,304 | 161,746 | 161,946 | 173,305 | 176,611 | 176,760 | 67,044 |

SAN LORENZO VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
 April 2019

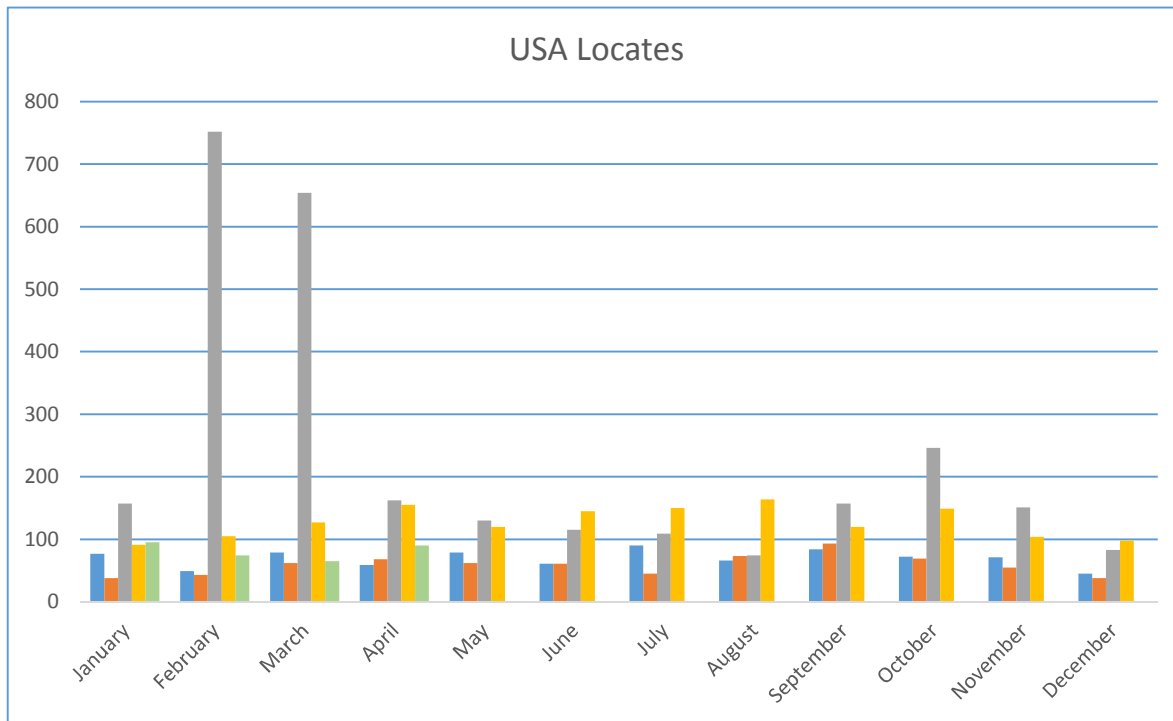
Agenda: 5.16.19
 Item: 7.4



| Description | Hours | | 2015 | 2016 | 2017 | 2018 | 2019 |
|-------------------|--------------|-----------|----------------|----------------|----------------|----------------|---------------|
| System Operations | 10.5 | January | N/A | 145.00 | 280.75 | 90.50 | 96.50 |
| Wells | 2.5 | February | N/A | 86.50 | 192.25 | 72.00 | 180.00 |
| WTP Kirby | 11.75 | March | N/A | 153.75 | 105.75 | 80.25 | 106.25 |
| WTP Lyon | 7 | April | 82.50 | 72.00 | 128.75 | 19.00 | 76.25 |
| Manana Woods | 0 | May | 104.75 | 49.25 | 132.75 | 105.5 | |
| Main Leaks | 13.25 | June | 172.50 | 83.25 | 112.75 | 89.00 | |
| Tank High/low | 19.25 | July | 124.25 | 80.25 | 162.00 | 145.25 | |
| Turn On/Off | 4 | August | 111.75 | 81.25 | 141.25 | 134.5 | |
| Pumping | 0 | September | 230.25 | 175.00 | 201.25 | 155.25 | |
| Wastewater | 2.5 | October | 128.25 | 78.50 | 104.00 | 111.5 | |
| Lompico | 0 | November | 114.25 | 96.25 | 122.50 | 197.5 | |
| Other | 5.5 | December | 186.25 | 130.75 | 134.00 | 220.25 | |
| Total | 76.25 | | 1254.75 | 1231.75 | 1818.00 | 1420.50 | 459.00 |

SAN LORENZO VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
April 2019

Agenda: 5.16.19
 Item: 7.4



| <u>Month</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
|----------------------|-------------|-------------|--------------|-------------|-------------|
| January | 77 | 38 | 157 | 91 | 95 |
| February | 49 | 43 | 752 | 105 | 74 |
| March | 79 | 62 | 654 | 127 | 65 |
| April | 59 | 68 | 162 | 155 | 90 |
| May | 79 | 62 | 130 | 120 | |
| June | 61 | 61 | 115 | 145 | |
| July | 90 | 45 | 109 | 150 | |
| August | 66 | 73 | 74 | 164 | |
| September | 84 | 93 | 157 | 120 | |
| October | 72 | 69 | 246 | 149 | |
| November | 71 | 55 | 151 | 104 | |
| December | 45 | 38 | 83 | 98 | |
| Total to Date | 832 | 707 | 2,790 | 1528 | 324 |





MINUTES OF BUDGET & FINANCE COMMITTEE MEETING

Responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget and reserves; audit; investments; insurance; and other financial matters.

Tuesday, April 9, 2019 at 9:00 a.m. at the Operations Building, 13057 Highway 9, Boulder Creek, California.

MINUTES

1. Convene Meeting 9:00 am
Roll Call: L. Sanders, L. Henry, B. Fultz
Staff: R. Rogers, S. Hill & H. Hossack
2. Oral Communications: None
3. Old Business:
 - A. REVIEW RESERVE FUND POLICY
B. Fultz introduced this item.
S. Hill explained the changes due to GASB. Reserve funds should be more fluid and not a specific dollar amount.
The Committee discussed the Reserve Fund Policy.
S. Hill said the next item will be the Capital Reserve Fund.
The Committee discussed the Capital Reserve Fund.
S. Hill explained the Restricted Reserves and specific debt covenants. On 2 of the loans we have to hold a year's worth.
The Committee discussed the Restricted Reserves.
The Committee discussed Emergency Reserves. An emergency will be either operating or capital.
S. Hill suggested a revamp with monthly tracking. She can work on a plan and bring back a proposal.
The Committee discussed the Capital Reserves. A deeper dive needs to be done on this subject. A workshop should be set up for this issue. S. Hill will put together a couple of models of options to start funding the reserves. The policy needs to be set and then work toward the goal.
C. Baughman said that rates will have to be readdressed. Long term water inflationary rates will have to be determined and worked in the calculation.
B. Holloway-Boulder Creek, no matter how much or how little you make you can always save something. Look at the purpose for the reserves, when state matching funds are available we want to have the funds needed in reserves. He also pointed out that the District has unfunded liabilities for CalPERS & OPEB.
S. Hill has created a trust fund to fund our unfunded liability.
The Committee discussed the possible buckets for Reserves and unfunded liability. The buckets are Unfunded Liabilities, Reserves, Infrastructure, Deferred Maintenance.

- V. Champlin he heard a good advocate for policy and then it rapidly degenerated. Policy is goals, he doesn't see the discussion about setting the goals.
- D. Loewen says to put it in the budget.
- L. Henry said that the District needs goals beyond our budget.

4. New Business:

A. FY2019/20 BUDGET REVIEW - REVENUE & EXPENSES

B. Fultz introduced this item.

L. Henry said that she really liked the page 8 narrative saying why things are the way they are.

S. Hill said that all quarterly reports follow the same format, if something needs to be highlighted, she will call it out. She explained the spread sheets and detail.

The Committee discussed the revenue & expenses line by line.

B. Holloway said it is confusing to have SMGWA under professional services. The Committee continued the discussion.

B. Holloway questioned who is the lender on the Probation Tank.

S. Hill responded Capital One

C. Baughman questioned the cost of generators.

S. Hill responded that will be capitalized. Questioned if the Committee is in agreement to bring the memo and backup to the Board.

B. GRANT PROGRAM FUNDING

B. Fultz introduced this item. This is the follow up to the Board suspension the of the Grant Program funding. The Board said it would send the discussion to the B & F Committee. From a cost point of view do we have a sense of how much staff time is spent on administering the grants?

S. Hill it would be Environmental staff time.

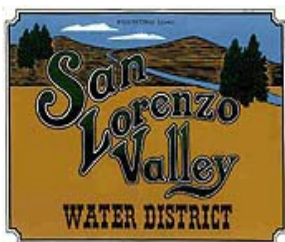
B. Fultz said that people in the community have approached him to say, if we take the notion that this money was originally taken out of the Waterman Gap funding as part of giving back to the community. That money is gone. During the meeting where we did the suspensions there were questions about whether there was a way for people to voluntarily provide money to the District that would be earmarked for certain programs.

The Committee discussed this issue.

B. Holloway he is confused by why you would want to involve the District in a charitable donation.

5. Informational Material: None.

6. Adjournment 10:53



MINUTES OF ENVIRONMENTAL COMMITTEE MEETING

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

Thursday, April 11, 2019 at 9:30 a.m. at the Operations Building, 13057 Highway 9, Boulder Creek, California.

MINUTES:

1. Convene Meeting 9:30 a.m.
Roll Call: K. O'Connor, B. Fultz, E. Fresco were present. J. Supp was on teleconference but not participating.
Staff: R. Rogers, J. Michelsen, H. Hossack

B. Fultz explained the teleconference situation with J. Supp.
2. Oral Communications:

C. Baughman noted that invasive species management on watershed property appears not to be funded in 2019/20. He would like to add how to manage the property in light of glyphosate banning to the next Environmental Comm agenda.
3. Old Business: None
4. New Business:
 - A. UPPER ZAYANTE STREAM WOOD ENHANCEMENT PROJECT COOPERATIVE AGREEMENT
B. Fultz introduced this item.
J. Michelsen explained that in 2014 the Board elected to support stream enhancement on the Upper Zayante Stream. Upper Zayante has been identified as the most important stream for Coho recovery in the San Lorenzo Watershed. Jen introduced Resource Conservation District of Santa Cruz, Executive Director, Lisa Lurie and Technical Program Director, Kelly Camara.
L. Lurie thanked the District for their partnership and leadership in watershed management. Salmonid recovery and habitat is important to water quality protection. They have been working on acquiring funds through grants since 2014. The project also includes City of SC property. A contractor has been lined up to perform the work. She is excited to say that the contractor bid came in under budget. The RDC is anxious to move on the final stage of the project.
J. Michelsen added that over the years this project has come to the Board several times. In 2014 the concept was introduced to the Board. In 2015 the District submitted letters in support of the project. In 2017 the District signed an access agreement. Now this is the final cooperative agreement.
K. Camara explained the permitting procedure. Local, State and Federal agencies, with the exception of Federal Fish and Wildlife, have issued 10 year permits to cover the restoration activities.
J. Michelsen explained the reason for this process. The Board had previously authorized the District Manager to approve the cooperative agreement when it was ready. She is bringing this to the Environmental Committee to go over the project and to reauthorize the DM to execute the cooperative agreement.
E. Fresco said it sounds like a great project. She asked if it was all grant funded. (Yes.)

K. O'Connor agreed that it is exciting.

J. Michelsen noted that the salvaged trees from PG&E fire protection project will be used on this project so it won't be necessary to buy any wood.

B. Fultz questioned the approval of access agreement.

J. Michelsen said the access agreement is not an easement. It simply allows the contractor to go on to the property for installation.

K. Camara said that RDC is asking for access for the installation and the monitoring period.

B. Fultz said he is not clear about the terms and conditions of the agreement. J. Michelsen said that the Board agreed to cooperate and to authorize the DM to negotiate the terms.

K. Camara said that the Board signed the same agreement in 2013 for the Fall Creek project, authorizing the DM to sign.

K. O'Connor asked if this is a standard agreement. (Yes.)

B. Fultz said he is concerned around financials. Who's responsible for maintenance?

K. Camara said they are not expecting wood to shift. Monitoring will be coordinated with the County.

B. Fultz questioned if the logs are fixed onto the ground.

K. Camara said there are 4 different types of structures that have varying degrees of how they are connected; there's cabling, there's lodged between other logs, there's boulders. They will work with the County to manipulate the structure, if necessary.

B. Fultz questioned who will pay for that or the replacement of the logs.

K. Camara said logs won't be replaced. The logs are being put in the stream to mimic nature.

B. Fultz asked if a log was to get loose and cause damage, who is responsible for the damage?

K. Camara said that part of the agreement is agreeing to the longer term maintenance obligations of the project. That transfers to the landowner.

B. Fultz said that he noticed there was an indemnification clause. He didn't understand what that meant. He wants the project to go forward but he doesn't want SLVWD to be responsible for anything in the future.

L. Lurie in this case the language has been in prior agreements the District has signed off on.

K. Camara said that the cooperators agreement was written in 2002. It was written more for the landowner coming to the RCD asking for assistance. We can look toward mutual indemnification.

B. Fultz said to be very clear, he is not interested in mutual indemnification. He wants to ensure that if anything arises out of this the SLVWD will not be held responsible in any way.

K. O'Connor said that he sees the role of the District as being responsible for the watershed. The District does have to take responsibility for restoring the watershed.

B. Fultz questioned what is the District using that property for.

R. Rogers replied that it is just watershed. We don't take any water off of it. At one time we logged the property.

J. Michelsen said that we don't have surface diversion on Zayante. We do have a surface diversion on Lompico which feeds Zayante. A significant amount of our groundwater production comes from both sides of Zayante Creek. So the District is benefitting from the service of that stream by using groundwater.

R. Rogers said that we are not using Lompico at this time and likely will not use it. In 1982 or 83 the District received rainfall of over 100". There were log jams on District property that resulted in damage to a large amount of homes and many lawsuits. These creeks were a lot different, very steep. The District lost many of the lawsuits for not keeping the watershed more sanitary. That's all changed now we're putting woody debris back into the streams. The Zayante Stream is very flat; you don't have fast moving water. The houses are very few. The District has always had a working relationship with the fisheries in the San Lorenzo Valley doing projects that enhance fisheries at the same time we're taking water out of the stream. Our cooperation has earned us recognition.

B. Fultz questioned if he recalls who paid for the projects.

R. Rogers believes the District paid for them. The County might have helped. Back in those days the cost was minimal. In those days it was a one-page Fish & Game permit. R. Rogers said he would like District Counsel to take a look at this agreement. B. Fultz would like this to go back to board. He is not prepared to agree to this as is. J. Michelsen questioned if he would agree to letting the DM negotiate the agreement. B. Fultz said he thinks this is a significant policy decision and policy goes to the Board. He wants to the record to reflect that both Elaine and Kevin want to proceed but Bob wants a different kind of review.

R. Rogers is agreeable to having legal review the agreement and taking it to the Board. K. Camara said that the next timeline is to send the notification to agencies on May 15th. She would like to have the cooperator agreement signed by that time. R. Rogers said we send this Dist. Counsel and say we need your review. E. Fresco questioned if there is a commitment to make this decision. She asked Bob if it is his position that the Board accept absolutely no liability? B. Fultz said as an individual Board member, he believes that the District's ongoing financial liability, rather legal or maintenance, should be as low as possible down to preferably zero. K. O'Connor said that a lot of work has gone into this, he hopes the District doesn't pull out at the last minute. R. Rogers plans to have this on the May 2nd BoD meeting. He said he has to protect the District on all projects. B. Fultz said the we are small. We have no resources if the feds and state want to take on these projects, that's great, but we have no money to take on long term liability. He believes the consensus is to take the agreement to the District Counsel and then take this item to the Board on May 2nd. He said it should be noted that there is a disagreement on the Committee regarding this item but there is no disagreement on the end goal. C. Baughman asked if the debris slows the water in an actual flood event. Perhaps it would be a good thing, protecting properties down below. K. Camara said that their civil engineering firm has said that they will not increase flood risk at, above or below each structure. C. Baughman said he is in favor of getting something done on this. He questioned if the City of Santa Cruz has similar property. K. Camara said that part of the project is on land owned by the Water District and part is on City owned property. * L. Lurie said that the paperwork has been completed with the City. (see *) C. Blanchard questioned how far downstream are the first homes. (Unknown) C. Baughman questioned if there is any way to quantify the amount of groundwater recharge with which we would benefit and see what the value of that would be in terms of replacement costs or getting that water somewhere else and balance that against the financial risk. J. Michelsen said that sounds like an extensive hydrologic assessment. B. Fultz said it's a great question but it probably won't change how he is thinking about it. It would be interesting to know the answer. K. Camara said she will ask. B. Fultz said we have an action item to take to the Board.

B. EDUCATION COMMISSION AND CLASSIC WATERSHED GRANT PROGRAM
FUNDING OPPORTUNITIES

B. Fultz explained the background on this item. J. Michelsen gave the history of the program. This program started with the sale of the Waterman Gap property. The money from the sale became the general fund. This program was funded through the Waterman Gap money and so was the operations. B. Fultz said that he didn't understand. The Waterman Gap money was in a reserve fund. Funds like that are generally not mixed in to general funds. It was his understanding that the interest on the Waterman Gap money was being used to subsidize ongoing operations expenses. R. Rogers said the some of the funds were used for the purchase of watershed. The interest did go into the operations. At that time, we had 8 or 10 capital accounts.

J. Michelsen she that she spoke to Finance Director and she said it went mainly into the general fund.

B. Fultz said he wanted to give his perspective. The Board could have made it more explicit as to how to fund the program. The rational was clear, some of the money would go to public education.

J. Michelsen continued with the history of the program. The District has funded 95 projects since 2004. The program costs \$2.09 per connection per year.

K. O'Connor said he enjoys seeing the variety of projects over the years. He is very supportive of this project. He questioned how many groups do watershed education grants.

J. Michelsen said there were 2 before this year. The other was funded by the Fish & Wildlife Commission at the County which was funded through fines. Both of the grant programs were suspended this year. The question is, can we find other means of funding? She has not found a grant that funds grants.

B. Fultz questioned the County program's amount of funding.

J. Michelsen the amount of funding varied with the amount of fines.

B. Fultz said that there was a lot of interest in voluntary contributions. This route is well intentioned but not practical for the District. It would trigger an expensive point audit.

J. Michelsen said that she wrote a memo in 2015 when she noticed that there were many repeat recipients of grants. Since then, her view has changed regarding repeat recipients. For example, Jane Orbuch had students that were doing a deep drive into science literacy for several consecutive years.

C. Baughman in 2014 Dir. Fultz clearly supported this program, what changed?

B. Fultz said as he was looking into costs and the mission, he doesn't think the mission supports what we are trying to do here. If previous Boards persisted in preserving this program, they would have allocated a reserve fund. Infrastructure needs more emphasis.

E. Fresco said she like Jen's phrase of environmental literacy. Even the infrastructure discussion requires a certain amount of public education.

B. Fultz agreed but said that the infrastructure needs upgrading. He questioned if there is any other organization that can take this program over.

K. O'Connor suggested the community foundation. The comments made earlier about the mission of the District, it should see itself as a steward of the watershed. He said perhaps we can reduce the amount of money, but still educate.

The Committee and staff continued to discuss the program.

B. Fultz said in its current form there is no support from the Board. With retooling maybe. The Environmental team needs to be focused on projects for supply water.

K. O'Connor questioned how does the discussion get to the Board.

B. Fultz said that the meeting is recorded and minutes are posted. He makes sure that the information reflects a mix of opinions.

C. WATER CONSERVATION REQUIREMENTS/REBATE PROGRAM UPDATE
Bring back to next meeting

5. Informational Material: None

6. Adjournment 11:15

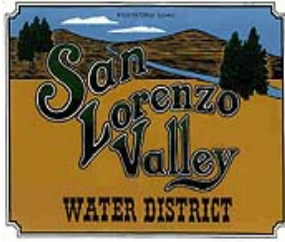
*Jen,

At the environmental committee meeting yesterday, the question came up of whether the City had already signed the cooperator agreement, and if the agreement they signed was the same as that presented to the SLVWD. I responded that yes, the city had already signed this same cooperator agreement. Following the meeting, I double checked with our project manager and learned that I had misspoken, and that in fact we have not yet presented the cooperator agreement to the City for this particular project. Can you please pass along this corrected information to the committee and make sure the meeting record reflects the accurate response? I apologize for my misstatement, and don't want that misinformation to perpetuate. We will be following up with the city on this agreement shortly. Thank you for helping to pass along that message.

I will follow up with you and Rick regarding legal review and revisions to the indemnity language of the agreement. We look forward to coming to an agreement that works for both our agencies and moving this important project forward.

thanks

Lisa Lurie
Executive Director
Resource Conservation District of Santa Cruz County
820 Bay Avenue, Suite 136
Capitola, CA 95010
831.464.2950 ext.27
llurie@rcdsantacruz.org



MINUTES OF SPECIAL LOMPICO ASSESSMENT DISTRICT OVERSIGHT COMMITTEE MEETING

Responsible for review of matters of revenue and expenses directly related to Assessment District 2016-1 projects.

Wednesday, April 17, 2019 at 6:00 pm at the District Ops Bldg., 13057 Hwy. 9, Boulder Creek, CA.

AGENDA

1. Convene Meeting 6:01 p.m.
Roll Call: M. LoBalbo, T. Norton, D. Loewen
Staff: H. Hossack
2. Oral Communications: None
3. New Business:
 - A. ANNUAL REPORT WORKSHOP
T. Norton introduced the Committee packet. The Report won't be published until the July 2019 yearend report is received from Finance.
Discussion by the Committee:
 - DM Rick Rogers will write a letter explaining the changes to the original Assessment District.
 - Gravity water system for loss of water.
 - Link history to report
 - One-page summary with link to entire report
 - Make full copy available to anyone that wants one.
 - Copies available at the libraries.
 - List of everybody that has been on the committee
 - Photos: welcome sign, steel tanks, flushing, waterfall (Mary Ann)
 - First charter and changes.
 - Q & A at the back of the report.
 - Brown Act Training
 - Grand Jury report
 - Add SLVWD logo to the report
 - Come back together with updates for Purpose and History (from charter).
 - Wordsmithing changes to the charter. (Toni & Mary Ann)
 - Links to all paperwork regarding the Assessment District
 - Map of Lompico with tanks, pumps and pipes (if allowed)
 - Integrate Toni's report and Deb's data
 - Charts and graphs for financials
 - Description for each project from Rick (Deb - with historical information)
4. Adjournment 7:02

Next workshop meeting to be 5:30 the week of May 20th (Holly to schedule)



MINUTES OF ADMINISTRATION COMMITTEE MEETING

Covering Policy, Administration and Community
Relations/Communications

Wednesday, May 1, 2019 at 8:30 am at the Johnson Building,
12788 #3, Highway 9, Boulder Creek, California.

AGENDA

1. Convene Meeting 8:30 am
Roll Call: L. Henry, B. Fultz, M. Bounds, C. White, A. Benkert
Staff: R. Rogers, S. Hill, H. Hossack
2. Oral Communications: None
3. Old Business:
 - A. DISTRICT WEBSITE RFP EVALUATIONS
S. Hill introduced this item. She explained the late Streamline proposal. She also suggested that the cost proposals be opened.
Discussion by the committee regarding initial impressions of applications.
V. Champlin gave his opinion on the applications. He said that certification for ADA compliance is important.
Discussion by committee continued.
S. Hill read pricing options for Streamline.
Discussion of Streamline pricing by committee and public.
S. Hill read Civic CMS pricing.
Discussion by committee regarding Civic CMS pricing.
S. Hill read pricing for Revize & Studio Holladay.
Discussion by committee, staff and public.
R. Rogers suggested that we ask for demos from the top 2 for the full board.
Discussion by committee.
B. Fultz closed out this item.
 - B. ADMINISTRATION/OPERATIONS FACILITY
R. Rogers said that he wants to form an ad hoc or citizen's advisory committee to work on this process. He will come back to the committee with options.
S. Hill said that in June or July of 2017 the Board deemed the Admin Bldg. unfit and named it surplus with intent to sell. At that time staff was tasked with finding space to rent in place of the Admin Bldg. Staff was unable find commercial space to replace the Admin Bldg.
R. Rogers noted that our dry storage area, the Old Zayante Fire Station, just had a car go through it so all of the dry storage files have been moved to the Johnson Bldg. The County is planning to take that building any day and replace the bridge there, so we don't want to put money into it.
S. Hill said in 2017 there was also the option of putting the Johnson Bldg. up for sale.
R. Rogers said we have been looking at all of our different holdings and what we need and do not need. A lot of the work has been done, it just needs to be looked at again.
L. Henry said she is in favor of Citizen Advisory Committee rather than ad hoc.
R. Rogers said he will speak with Dist. Counsel regarding the committee.
Discussion by committee and staff.
E. Frech asked what the County is giving the District for the Old Zayante Fire Station property.

R. Rogers said he is in touch with the County but doesn't know at this point what we will be getting for the property. He explained the history of the property and the plan for relinquishing it.

4. New Business: None
5. Informational Material: None.
6. Adjournment 9:27



MINUTES OF BUDGET & FINANCE COMMITTEE MEETING

Responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget and reserves; audit; investments; insurance; and other financial matters.

May 7, 2019 at 9:00 a.m. at the Operations Building, 13057 Highway 9, Boulder Creek, California.

MINUTES

1. Convene Meeting 9:00
Roll Call: Henry, Fultz, Sanders were all present
Staff: R. Rogers-Dist. Manager, S. Hill-Dir. of Finance, H. Hossack-Dist. Sec.
2. Oral Communications: None
3. Old Business:
 - A. FY2019/20 BUDGET REVIEW
R. Rogers said that before he turns this over to S. Hill he wants to point out that she has put in an enormous amount of time on this process.
S. Hill described her process.
B. Fultz said he hasn't had an opportunity to review the information.
L. Sanders this budget is very good as far as it goes. He doesn't find much aspirational content. He would like an add'l column *BoD target*.
S. Hill introduced the FY 2019/20 budget review.
Committee and staff discussed the Reserves v. Reserve Fund Policy.
B. Fultz questioned the operating steps. Does it include deferred maintenance?
S. Hill explained that the District always has deferred maintenance. Staff did not cut deferred maintenance items but they have called it out for the Board to decide how to handle it.
Committee and staff discussed the deferred maintenance/capital projects v. regular maintenance.
B. Fultz described his ideas of what the budget needs and how to present it to the public.
S. Hill described the focus of today's discussion. Capital projects were described.
B. Fultz said we should sell naming rights for the tanks.
S. Hill said that the Swim tank was one of the projects we went out to bid on last year but the only bid we received was 3 x the engineer's estimate. The bid was rejected. It has now been rolled into the USDA loan package.
R. Rogers described the Fall Creek Fish Ladder project.
L. Sanders questioned what would be the consequences and from whom would they come if we took this off of the budget this year.
R. Rogers said we would probably get enforcement action from Cal Fish and Wildlife and National Marine Fisheries. We have been working on this project for 4 or 5 years. We are finally about to get it across the finish line.
Committee and staff discussed specific projects.
D. Loewen thinks Lee had a good idea and unfunded liability is a big part of the budget.
Committee and staff continued discussion on specific projects.
Committee and staff Water Master Plan discussion and specific projects.
S. Hill introduced high level forecasting. Discussion by committee and staff.
L. Sanders questioned why are we talking about rate increases.

Committee and staff explained and discussed the five-year stated rate increase.
D. Loewen said she was confused she heard something else at the last B & F meeting.
Committee and staff discussion regarding 5% reduction of budget.
S. Hill summarized her budget changes.
Committee and staff discussion of budget changes.
V. Champlin there is a lack of outreach from the District to the public.
Discussion by Committee and staff.
S. Hill introduced summary of items to review
Discussion by committee, staff and public.
S. Hill continued with deferred maintenance and equipment purchases.
Discussion by Committee, staff and public regarding deferred maintenance and equipment purchases.
S. Hill continued with facilities study.
Discussion by Committee, staff and public regarding a facilities study.
V. Champlin agreed with Dir. Fultz. Individuals should deal with their bank. He would like the existing on-line mechanism to sign up for electronic bills, it is fraud.
Discussion by Committee, staff & public regarding on-line payments.
S. Hill continued with cuts to the budget.
Discussion by Committee & staff regarding budget cuts.
C. Baughman noted that the Pasatiempo wells are depleted by SLVWD as well as Scotts Valley.
B. Fultz responded.
L. Summers compared the monitoring to going to the doctor annually.
B. Fultz responded.
S. Hill continued with the key items remaining in the Environmental budget. She asked for Board direction on the conservation programs.
Discussion by Committee and staff.

4. New Business: None
5. Informational Material: None.
6. Adjournment 11:19



**Environmental Committee for the SLV
VALLEY WOMEN'S CLUB of San Lorenzo Valley
PO Box 574, Ben Lomond, CA 95005
831/338-6578**

May 1, 2019

SLV Water District Board of Directors
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006

Dear President Henry and Director Fultz, Smallman and Swan,

We are deeply concerned that your Draft Budget has already demonstrated a clear disregard for the protection and preservation of the very Watershed that our water supply depends upon, and that your comments and discussion thus far confirm this.

All on this Board have repeatedly claimed to be environmental stewards who love their mountain home. Each of you has claimed an understanding of the importance of the health of the watershed and its waterways – and the interdependence of all its inhabitants.

How you prioritize spending in the District's budget readily demonstrates to the community and your water Partners whether or not you understand the importance of the District's on-going stewardship. Was your vote to restrict the use of glyphosate an example of your real commitment to the health of the watershed? Thus far that is not evident.

In fact, you are hearing loud and clear in letters from local organizations, County agencies, and other water districts, as well as the State and Federal agencies that oversee the District's compliance to the law, that you are moving the District far away from that vital commitment. This is a grave mistake.

The District's Partners must remain confident in the District's understanding and desire to uphold its environmental mandate. This includes management of the Olympia Sand Hills; this includes District-wide fish monitoring; this includes participating in the Zayante Creek restoration project (which doesn't cost the District anything). This includes participating in the Felton Library Park project, and even providing water for a public celebration to demonstrate the quality of that water. This also includes keeping skilled and committed employees and not undermining morale.

So, along with environmentally sound, scientifically based land management, specifically in the Olympia Sand Hills, it IS vital to monitor Steelhead in conjunction with the

Partner's Group. How else can the District plan for long periods of drought? This information is especially needed now to plan for the future.

Speaking of the future, how can you undermine the water conservation program? More than ever the District's customers need to be aware of the preciousness of their water. The aquifer is in dire overdraft, and there is NO way to restore the aquifer that we ALL depend on, without limiting the amount of water being used. This is very foolish, and undermines the District's credibility in its work with the Santa Margarita Groundwater Agency.

There are State and Federal Steelhead and Coho mandates. Without the monitoring that your budget would throw away, you may SO undermine the District's environmental reputation that the relationship with NMFS/NOAA and CA Fish & Wildlife will become adversarial instead of cooperative. That will not only add to the disrespect for the District, it will actually add to the stress on your employees, and it may well result in a Habitat Conservation Plan being required of the District. As pointed out before, this is an extremely costly, time-consuming process – far beyond the supposed “savings” to the District your diminished budget would provide. Just ask the City of Santa Cruz.

The District's Water Rights also depend upon its environmental commitment, on its reliability – any changes you may have been planning with the interties could be threatened if this and other budget cuts further sully the District's reputation.

Are you looking to keep from adding costs to future budgets and to gain improved flexibility in managing water? Are you committed to restoring the Santa Margarita Aquifer? Do you want to demonstrate your environmental insight? You will only do so if you restore the budget for land management as well as for Steelhead monitoring; and, only if you maintain and expand the District's ability to actually *protect* our water supply by assuring the health of the watershed. We join in urging that the necessary funding for these environmental programs and projects be restored and enhanced.

In hope for the future,

Nancy Macy, Chair
Environmental Committee for the SLV
Valley Women's Club www.valleywomensclub.org



Dana Weigand

Jeff Amen

Mark Messimer

Felton, CA.

5/1/19

San Lorenzo Valley Water Dist. Board of Directors

Dear Board of Directors:

We are writing this letter to endorse Beth Hollenbeck for the open seat on the Board of Directors.

Beth is a lifelong resident of San Lorenzo Valley and has a stellar record of protecting our valley with her stewardship. She spearheaded the San Lorenzo river cleanup in collaboration with Save Our Shores. Also Beth launched an environmental organization, "SLV CORE", Citizens Organized for Responsible Ecology, to protect the Felton meadow and other sensitive water sites.

Beth has been teaching music for 20 years, she taught in Los Angeles and San Lorenzo Valley High, and now at Scotts Valley High. She won the Scotts Valley educator of the year award in 2014. Beth also worked with Universal Audio, Antares and Scotts Valley Rotary to have an Apple recording studio built at Scotts Valley High School. Now students can record and compose music there.

Beth Hollenbeck is well respected in both Scotts Valley and San Lorenzo Valley. Her special skillset and dedication to hard work and preservation of the San Lorenzo Valley and Scotts Valley would be of great benefit to the district. Beth is a straight shooter and has strong diplomatic skills. With the ratepayer's best interest in mind she would like to see the district on a strong fiscal footing.

Sincerely,

Dana Weigand

Jeff Amen

Mark Messimer

Holly Hossack

From: Jim Graham <jim@jgpr.com>
Sent: Wednesday, May 08, 2019 12:06 PM
To: Board of Directors
Subject: Please reconsider soonership of Redwood Mountain Faire

Dear members of the SLV Water District Board,

My name is Jim Graham and my residence is at 640 Buckeye Drive in Felton. I am part of Felton FLOW, helping with communications.

I'm greatly concerned with your decision to defund support for the Redwood Mountain Faire. For a minimal cost, the faire is an incredible opportunity to provide education and awareness to SLV residents on issues related to water conservation.

One of the reasons I advocated for Felton to join the SLVWD was the incredible work the district did on environmental stewardship and education. As a PR professional, I know what it costs to get access to an audience of thousands. Your cost is minimal compared to the potential benefits.

I would strongly recommend you reconsider your decision and agree to sponsor the Redwood Mountain Faire.

Thank you,

Jim Graham

Jim Graham
Senior Advisor, Special Projects
Burning Man
www.burningman.org

ph. 831.234.4337
em. jim.graham@burningman.org

Holly Hossack

From: Lea Watson <lea4wat@gmail.com>
Sent: Wednesday, May 08, 2019 6:36 PM
To: Board of Directors
Subject: Redwood Mountain Faire

Elizabeth (Lea) Watson
5590 Lincoln Way, Felton, CA 95018

Board of Directors
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006
bod@slvwd.com

Subject: Redwood Mountain Faire

Dear Board Members,

The Board's decision to not sponsor the Redwood Mountain Faire, and to not provide drinking water for participants is shocking and extremely disappointing. It makes me wonder if you have no sense of the positive role you play in this community and the unifying affect your presence has at an occasion like the Redwood Mountain Faire. To not support the Faire sends a message of disinterest and lack of gratitude for the mission of the Faire, which is to raise money for services in the valley that benefit all of us. I'm surprised your PR people allowed you to make this decision! I'm writing to urge you to reconsider, and to fully participate in the Faire.

I am a ratepayer in Felton and appreciate all SLVWD's community involvement (taking on the Felton system, supporting the new library, meetings a Coffee 9, etc.), water conservation and water shed protection efforts, and educational opportunities.

Financial cost is not a reasonable rationale for not supporting the Faire, and will be far out weighed by benefits to the District and the Community. By providing water you will prevent hundreds of plastic bottles from going into the waste stream, and send a message of support for environmental stewardship. I urge you to embrace this opportunity and participate fully in the Redwood Mountain Faire.

Thank you for reconsidering your decision. I look forward to seeing you at the Faire.

Sincerely,

Lea Watson

--

Lea Watson
5590 Lincoln Way
Felton, CA 95018
1-831-234-8288 cell

Holly Hossack

From: Virginia Wright <wright.va.a@gmail.com>
Sent: Thursday, May 09, 2019 9:44 PM
To: Board of Directors
Subject: Redwood Mountain Fair: The Cost of Goodwill

Hi SLV Water District Board Members,

I enjoyed meeting you all at the SLV Water District Meeting last week. It was reassuring to see both your good intentions and your knowledge about water systems.

It might be, however, that there could be a bit more attention to community engagement and public relations.

In the Redwood Mountain Fair case, support for giving water to fair attendees is a fairly low cost communications channel. For as little as \$2,000, you can reach thousands of residents, with whatever message you would like to communicate. Right now many people are organizing against you when you could have them thanking the SLV Water District for being good stewards of the water.

Investing a small amount in communications and community engagement is worth the price because it reduces controversy and increases support for the other things you want to get done.

Also, I believe that \$2,000 is not additional cost, but it is an allocated cost from salaries you already pay. Maybe I am wrong about that, so forgive me if I am. In any case it is money well spent and I hope you will reconsider.

With Warm Regards,

Virginia

Virginia Ann Wright, MBA, CFRE
Felton
831-234-4491
www.linkedin.com/in/virginiaannwright

Holly Hossack

From: Julie Thayer <jathayer@ucsc.edu>
Sent: Monday, May 13, 2019 1:21 PM
To: Board of Directors
Subject: Continued SLV Salmonid Monitoring

Dear Board of Directors,

As a resident along the San Lorenzo River, water consumer, and an ecologist, I am writing to request that the SLVWD continue to monitor endangered and threatened salmonid species in our watershed.

There is a long time series of data, 25 years thus far, which is the result of a productive partnership among various agencies, stakeholders and consumer groups throughout Santa Cruz County. This data obtained from the annual monitoring program is important to studies of environmental health, fishery recovery, and human-use projects along the river. For example, long-term data is essential for examining climate-related changes. Results help to focus management, restoration, and enforcement efforts to protect and enhance stream resources.

Therefore, fish monitoring is a crucial window into the health of the aquatic ecosystem in the San Lorenzo River Watershed, from which the District diverts water and pumps from its aquifers. The District must obtain permits from regulatory agencies in the future for changes in their water rights and transfer of water around the watershed and to Scotts Valley. Regulatory agencies such as CDFW and NMFS expect on-going fish monitoring. The District needs to keep its reputation as a strong environmental leader in order to maintain a good working relationship with permitting agencies.

Sincerely,
Julie Thayer

Holly Hossack

From: Jennifer Gómez <jagomez173@gmail.com>
Sent: Monday, May 13, 2019 2:39 PM
To: Board of Directors
Cc: Nancy Macy; Holly Hossack; Jen Michelsen; Rick Rogers; Charles Baughman
Subject: Our ecological deficit
Attachments: Unprecedented.pdf

Greetings,

Lately I have been thinking about the different meanings of the word "value" in relation to the water district and the budget, and the way this board is exclusively concerned with the economic definition.

I have watched many of my friends and colleagues struggle in vain to calculate and describe to this board the tangible economic benefits of protecting the environment, of being good neighbors and (impossibly, by definition) contributing to local charitable causes. But these things will never show a return on investment on any given balance sheet. Such things have a different and I would argue, more meaningful kind of value.

In ethics, value also refers to "the degree of importance of some thing or action" and "reflect a person's sense of right and wrong."

While I appreciate this board wants to build financial reserves and show fiscal conservatism, it cannot be at the expense of the environment. We have an ecological deficit, both globally and locally, that cannot be ignored, abandoned or left for others to take responsibility. It is everyone's responsibility. In particular, this district has a responsibility for fish monitoring, land management, watershed education and water conservation programs. Every single one of these programs helps to support the continued existence of numerous endangered and threatened species within our watershed and on district-owned properties.

I am attaching an article that reports on the findings of a new 1,500 page assessment, based on thousands of scientific studies, that concludes in part that "humans are transforming the Earth's natural landscape so dramatically that as many as one million plant and animal species are at risk of extinction."

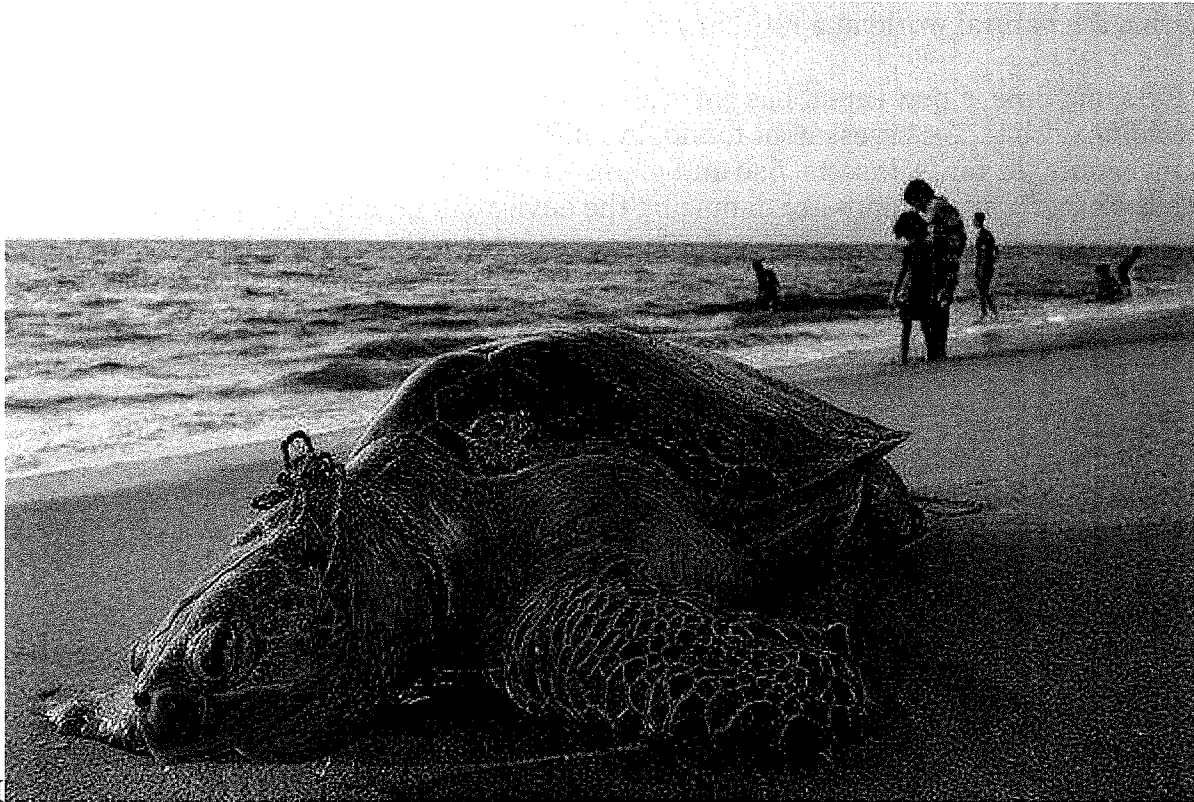
If your mantra is profit and economic growth above all else, I do not expect that you will be moved by either the article or by the following facts:

1. We have been converting nature into profit for much of human history, and we are doing so now at our own great peril;
2. Averting this climate catastrophe will require an economic paradigm shift;
3. We can't buy back extinct species with our budget reserve.

I strongly urge you to continue to fund these incredibly valuable environmental programs. If you choose not to, we deserve an honest explanation that includes more than economic reasons.

Regards,
Jenni and Leo Gómez

Humans Are Speeding Extinction and Altering the Natural World at an 'Unprecedented' Pace



Fishing nets and ropes are a frequent hazard for olive ridley sea turtles, seen on a beach in India's Kerala state in January. A new 1,500-page report by the United Nations is the most exhaustive look yet at the decline in biodiversity across the globe. Credit Credit Soren Andersson/Agence France-Presse — Getty Images

By Brad Plumer

- May 6, 2019

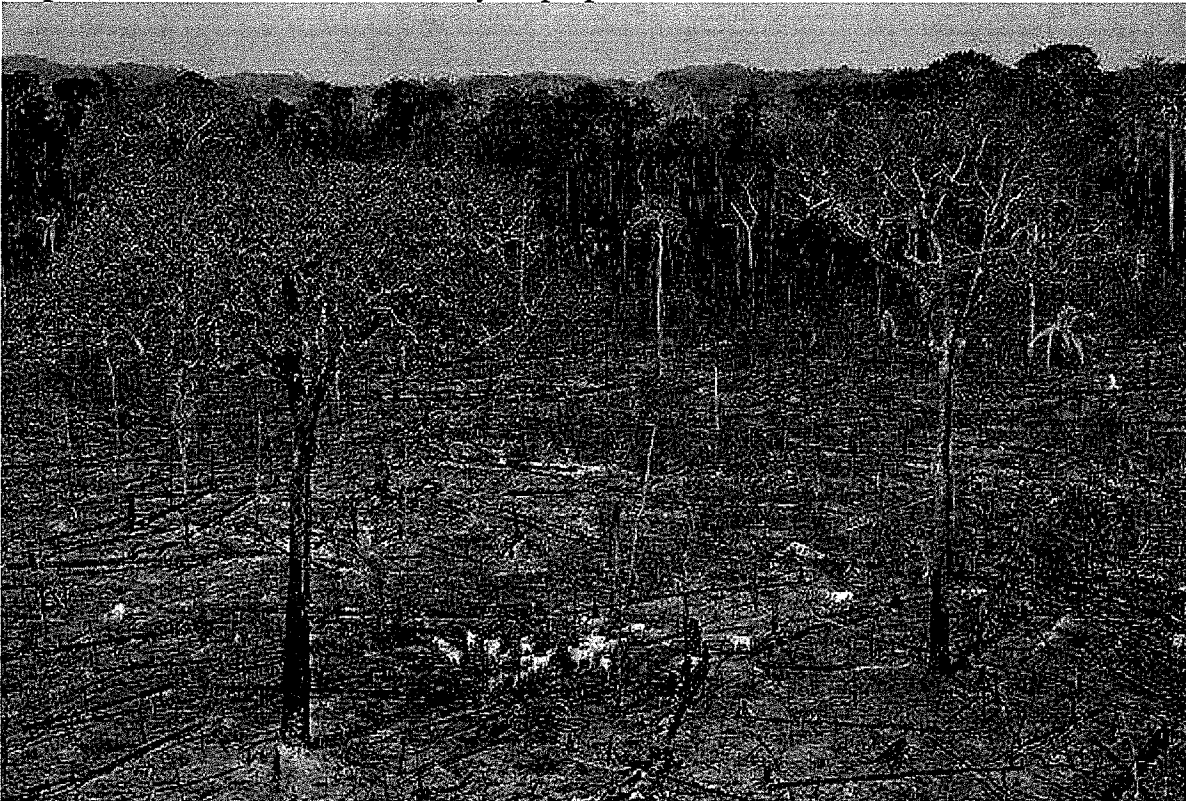
WASHINGTON — Humans are transforming Earth's natural landscapes so dramatically that as many as one million plant and animal species are now at risk of extinction, posing a dire threat to ecosystems that people all over the world depend on for their survival, a sweeping new United Nations assessment has concluded.

The 1,500-page report, compiled by hundreds of international experts and based on thousands of scientific studies, is the most exhaustive look yet at the decline in biodiversity across the globe and the dangers that creates for human civilization.

A summary of its findings, which was approved by representatives from the United States and 131 other countries, was released Monday in Paris. The full report is set to be published this year.

Its conclusions are stark. In most major land habitats, from the savannas of Africa to the rain forests of South America, the average abundance of native plant and animal life has fallen by 20 percent or more, mainly over the past century. With the human population passing 7 billion, activities like farming, logging, poaching, fishing and mining are altering the natural world at a rate “unprecedented in human history.”

At the same time, a new threat has emerged: Global warming has become a major driver of wildlife decline, the assessment found, by shifting or shrinking the local climates that many mammals, birds, insects, fish and plants evolved to survive in. When combined with the other ways humans are damaging the environment, climate change is now pushing a growing number of species, such as the Bengal tiger, closer to extinction. As a result, biodiversity loss is projected to accelerate through 2050, particularly in the tropics, unless countries drastically step up their conservation efforts.



Cattle grazing on a tract of illegally cleared Amazon forest in Pará State, Brazil. In most major land habitats, the average abundance of native plant and animal life has fallen by 20 percent or more, mainly over the past century. Credit Lalo de Almeida for The New York Times

The report is not the first to paint a grim portrait of Earth’s ecosystems. But it goes further by detailing how closely human well-being is intertwined with the fate of other species.

“For a long time, people just thought of biodiversity as saving nature for its own sake,” said Robert Watson, chair of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, which conducted the assessment at the request of national governments. “But this report makes clear the links between biodiversity and nature and things like food security and clean water in both rich and poor countries.” A previous report by the group had estimated that, in the Americas, nature provides some \$24 trillion of non-monetized benefits to humans each year. The Amazon rain forest absorbs immense quantities of carbon dioxide and helps slow the pace of global warming. Wetlands purify drinking water. Coral reefs sustain tourism and fisheries in the Caribbean. Exotic tropical plants form the basis of a variety of medicines.

But as these natural landscapes wither and become less biologically rich, the services they can provide to humans have been dwindling.

Humans are producing more food than ever, but land degradation is already harming agricultural productivity on 23 percent of the planet’s land area, the new report said. The decline of wild bees and other insects that help pollinate fruits and vegetables is putting up to \$577 billion in annual crop production at risk. The loss of mangrove forests and coral reefs along coasts could expose up to 300 million people to increased risk of flooding.

The authors note that the devastation of nature has become so severe that piecemeal efforts to protect individual species or to set up wildlife refuges will no longer be sufficient. Instead, they call for “transformative changes” that include curbing wasteful consumption, slimming down agriculture’s environmental footprint and cracking down on illegal logging and fishing.

“It’s no longer enough to focus just on environmental policy,” said Sandra M. Díaz, a lead author of the study and an ecologist at the National University of Córdoba in Argentina. “We need to build biodiversity considerations into trade and infrastructure decisions, the way that health or human rights are built into every aspect of social and economic decision-making.”

Scientists have cataloged only a fraction of living creatures, some 1.3 million; the report estimates there may be as many as 8 million plant and animal species on the planet, most of them insects. Since 1500, at least 680 species have blinked out of existence, including the Pinta giant tortoise of the Galápagos Islands and the Guam flying fox.

Though outside experts cautioned it could be difficult to make precise forecasts, the report warns of a looming extinction crisis, with extinction rates currently tens to hundreds of times higher than they have been in the past 10 million years.

“Human actions threaten more species with global extinction now than ever before,” the report concludes, estimating that “around 1 million species already face extinction, many within decades, unless action is taken.”

Unless nations step up their efforts to protect what natural habitats are left, they could witness the disappearance of 40 percent of amphibian species, one-third of marine mammals and one-third of reef-forming corals. More than 500,000 land species, the report said, do not have enough natural habitat left to ensure their long-term survival.

Over the past 50 years, global biodiversity loss has primarily been driven by activities like the clearing of forests for farmland, the expansion of roads and cities, logging, hunting, overfishing, water pollution and the transport of invasive species around the globe.

In Indonesia, the replacement of rain forest with palm oil plantations has ravaged the habitat of critically endangered orangutans and Sumatran tigers. In Mozambique, ivory poachers helped kill off nearly 7,000 elephants between 2009 and 2011 alone. In Argentina and Chile, the introduction of the North American beaver in the 1940s has devastated native trees (though it has also helped other species thrive, including the Magellanic woodpecker).

All told, three-quarters of the world's land area has been significantly altered by people, the report found, and 85 percent of the world's wetlands have vanished since the 18th century.

And with humans continuing to burn fossil fuels for energy, global warming is expected to compound the damage. Roughly 5 percent of species worldwide are threatened with climate-related extinction if global average temperatures rise 2 degrees Celsius above preindustrial levels, the report concluded. (The world has already warmed 1 degree.)

"If climate change were the only problem we were facing, a lot of species could probably move and adapt," Richard Pearson, an ecologist at the University College of London, said. "But when populations are already small and losing genetic diversity, when natural landscapes are already fragmented, when plants and animals can't move to find newly suitable habitats, then we have a real threat on our hands."

The dwindling number of species will not just make the world a less colorful or wondrous place, the report noted. It also poses risks to people.



Trash in March in a mangrove forest in Brazil. The loss of mangrove forests and coral reefs along coasts could expose up to 300 million people to increased risk of flooding. Credit Amanda Perobelli/Reuters

Today, humans are relying on significantly fewer varieties of plants and animals to produce food. Of the 6,190 domesticated mammal breeds used in agriculture, more than 559 have gone extinct and 1,000 more are threatened. That means the food system is becoming less resilient against pests and diseases. And it could become harder in the future to breed new, hardier crops and livestock to cope with the extreme heat and drought that climate change will bring.

“Most of nature’s contributions are not fully replaceable,” the report said. Biodiversity loss “can permanently reduce future options, such as wild species that might be domesticated as new crops and be used for genetic improvement.”

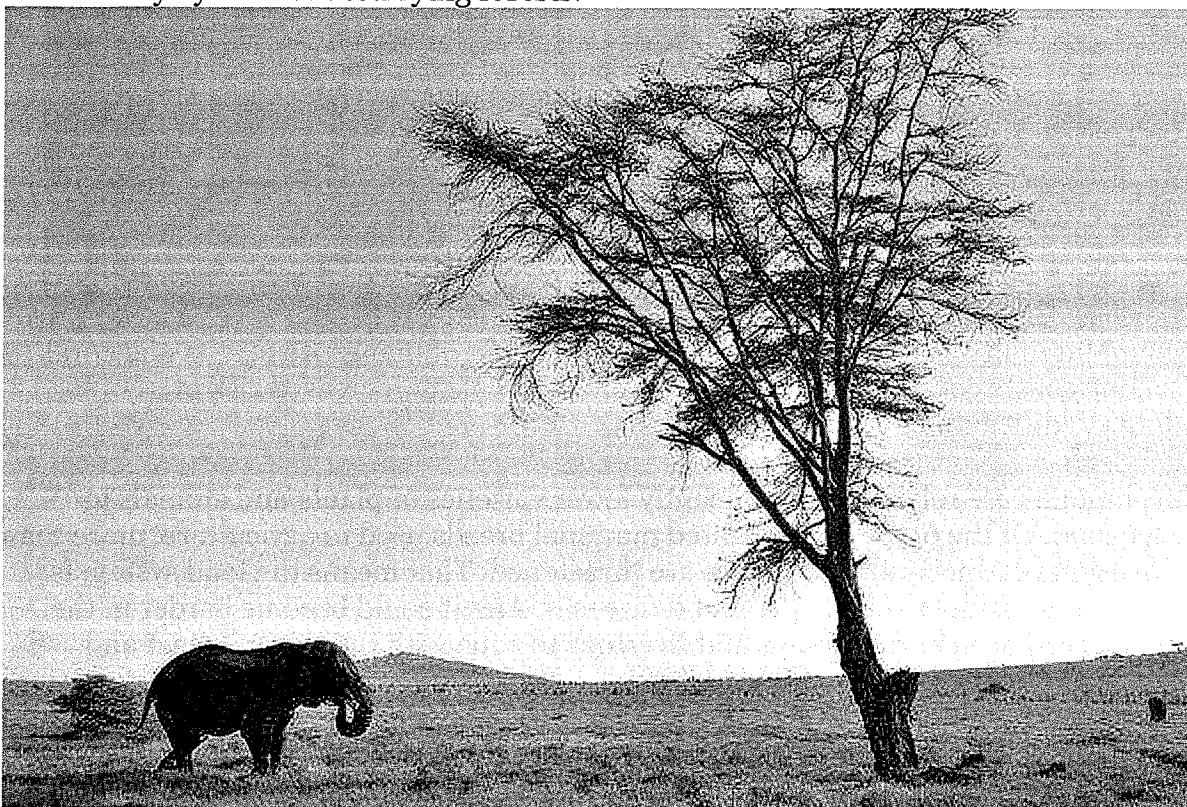
The report does contain glimmers of hope. When governments have acted forcefully to protect threatened species, such as the Arabian oryx or the Seychelles magpie robin, they have managed to fend off extinction in many cases. And nations have protected more than 15 percent of the world’s land and 7 percent of its oceans by setting up nature reserves and wilderness areas.

Still, only a fraction of the most important areas for biodiversity have been protected, and many nature reserves poorly enforce prohibitions against poaching, logging or illegal fishing. Climate change could also undermine existing wildlife refuges by shifting the geographic ranges of species that currently live within them.

So, in addition to advocating the expansion of protected areas, the authors outline a vast array of changes aimed at limiting the drivers of biodiversity loss.

Farmers and ranchers would have to adopt new techniques to grow more food on less land. Consumers in wealthy countries would have to waste less food and become more efficient in their use of natural resources. Governments around the world would have to strengthen and enforce environmental laws, cracking down on illegal logging and fishing and reducing the flow of heavy metals and untreated wastewater into the environment.

The authors also note that efforts to limit global warming will be critical, although they caution that the development of biofuels to reduce emissions could end up harming biodiversity by further destroying forests.



An elephant in the Lewa Wildlife Conservancy at the foot of Mount Kenya, outside Nairobi. More than 500,000 land species do not have enough natural habitat left to ensure their long-term survival. Credit Tony Karumba/Agence France-Presse — Getty Images

None of this will be easy, especially since many developing countries face pressure to exploit their natural resources as they try to lift themselves out of poverty.

But, by detailing the benefits that nature can provide to people, and by trying to quantify what is lost when biodiversity plummets, the scientists behind the assessment are hoping to help governments strike a more careful balance between economic development and conservation.

“You can’t just tell leaders in Africa that there can’t be any development and that we should turn the whole continent into a national park,” said Emma Archer, who led the group’s earlier assessment of biodiversity in Africa. “But we can show that there are trade-offs, that if you don’t take into account the value that nature provides, then ultimately human well-being will be compromised.”

In the next two years, diplomats from around the world will gather for several meetings under the Convention on Biological Diversity, a global treaty, to discuss how they can step up their efforts at conservation. Yet even in the new report’s most optimistic scenario, through 2050 the world’s nations would only slow the decline of biodiversity — not stop it.

“At this point,” said Jake Rice, a fisheries scientist who led an earlier report on biodiversity in the Americas, “our options are all about damage control.”

For more news on climate and the environment, follow @NYTClimate on Twitter.

Brad Plumer is a reporter covering climate change, energy policy and other environmental issues for The Times’s climate team. @bradplumer



Santa Cruz Local Agency
Formation Commission
701 Ocean Street, Room 318-D
Santa Cruz, California 95060
Phone: (831) 454-2055

Email: info@santacruzlafco.org
Website: www.santacruzlafco.org

April 24, 2019
Certified Mail

Chair
San Lorenzo Valley Water District
13060 Central Ave.
Boulder Creek CA 95006

RECEIVED

APR 23 2019

SAN LORENZO VALLEY
WATER DISTRICT

**SUBJECT: CALL FOR NOMINATIONS FOR THE SPECIAL DISTRICT ALTERNATE MEMBER
SEAT ON LAFCO**

Dear Board Chairperson:

The independent special districts in Santa Cruz County have three positions on the LAFCO board. The current Special District representatives are Jim Anderson (Felton Fire Protection District) and Rachél Lather (Soquel Creek Water District).

Commissioner Lather, previously LAFCO's Alternate Special District Member, was recently elected to be the new Regular Special District Member following the departure of Tom LaHue. As a result, the Special District Alternate Member seat on LAFCO is now vacant. The purpose of this letter is to solicit nominations for the alternate member position.

The term of the alternate position ends on May 3, 2021. The pool of people eligible to apply is anyone who is on the board of any independent special district in Santa Cruz County. I have attached a form by which a board member may apply for the position. An electronic format of the form can be accessed at the LAFCO website: <https://www.santacruzlafco.org>. The selection process rules are also posted on the LAFCO website (refer to the Policies & Rules webpage).

Please share this memo with other members of your board. **The deadline for returning completed nominations is 5:00 p.m. on June 7, 2019.**

Also, if you have any preferences whether to conduct the election by mail or by a meeting in person, please let me know no later than Friday, June 7th.

LAFCO staff is available to answer any questions about the selection process. After June 7, each district's presiding officer will be sent the nominations, along with an explanation of the voting process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joe A. Serrano'.

Joe A. Serrano
Executive Officer

Enclosure: Nomination Form

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY



CALL FOR:
SPECIAL DISTRICT ALTERNATE MEMBER
NOMINATION PERIOD CLOSES JUNE 7, 2019

INSTRUCTIONS:

If you are interested in serving as a special district alternate member on LAFCO, please complete and sign the following application and either mail, hand deliver, or email form to:

Mailing address:

LAFCO

701 Ocean Street, Room 318-D Santa Cruz CA 95060

Email:

Debra Means, Commission Clerk

debra@santacruzlafco.org

Applications must be received in the LAFCO office no later than **5:00 p.m. on Friday, June 7, 2019.**

Thank you for your interest in the Local Agency Formation Commission.

NOMINEE INFORMATION:

Name: _____

Mailing Address: _____

Phone(s): Home: _____

Cell: _____

Business: _____

Email Address: _____

District Board on which you currently serve on: _____

Previous Board, Commission, or Committee served:

Organization: _____

Term: _____

Organization: _____

Term: _____

Organization: _____

Term: _____

STATEMENT OF INTEREST:

You may attach separate documents, including a brief resumé, to present additional qualifications or provide a Statement of Interest in serving on LAFCO.

CERTIFICATION:

I certify that the information provided is true and correct, and I authorize the verification of the information in the application.

Printed Name of Board Member Interested in Serving on LAFCO

Signature

Date

Water district criticized over proposed budget cuts

SAN LORENZO VALLEY

By Jessica A. York

*jyork@santacruzsentinel.com
@reporterjess on Twitter*

BOULDERCREEK>> As budget season approaches, a valley water district's board has come under fire for its proposed cost-cutting measures.

Felton resident Larry Ford on Thursday asked San Lorenzo Valley Water District board leaders for some "smart innovation" in cost-effective operational budgeting, as an alternative to cutting funding to several of its standing environmental programs

in the coming year's budget.

"The challenge to us it to take the cost management goal, which I think is admirable if not heroic, and turn it into one that can support all of these community concerns, including protecting the environment," Ford said.

"Eliminating programs is not innovation, it's not even creative. It's just something simple that seems to represent a political agenda to dismantle the government and I don't think that's necessary at this time."

In the district's "highlevel" draft budget proposal for the 2019-2010 fiscal year projects a 4% increase in annual spending, and includes a \$45,000 operational savings secured through cutting funding for water conservation and education programs for the coming year.

"Since the board recently stopped the data collection and water education grants — the request came in to do

them for '19-'20, but the district manager wanted to remove some of the more discretionary environmental expenditures, so that the board can be the ones helping make the decision for the direction they want for the '19-'20 year," Finance Manager Stephanie Hill told the board at its April 18 meeting.

Hill said the proposed cuts included \$7,500 for watershed data collection grants and \$17,500 for education program grants, \$10,000 for Olympian land management for invasive species and \$25,000 for juvenile salmon and stream habitat sampling. She said some of the

needed water system infrastructure projects and bolster its reserves. Board members often say "this isn't that much money," she said, "but you gotta start somewhere."

The district, in its May 2 meeting agenda, posted numerous letters of opposition to the discussed budget cuts.

Santa Cruz County Environmental Health's Water Resources Division Director John Ricker, in a letter dated April 15, asked the board to continue funding the Steelhead Monitoring Program, historically a joint effort between seven area water agencies and other agencies. The 25-year-old program collects

"Given the value of continued district participation in the steelhead monitoring program," Ricker wrote, he urged the district to consider reducing its contributions to save money, rather than eliminating its funding all together.

The board received similar letters supporting the district's continued involvement in the project from Santa Cruz Water Department's Watershed Compliance Manager Chris Berry, the state Department of Fish & Wildlife's local district fisheries biologist, the National Marine Fisheries Service's regional office and a Santa Cruz Fly Fishermen representative.

items were removed just “to make it for conversation” for the board.

Board director Bill Smallman questioned the cuts, asking how he could vote for the budget with the proposed environment-related program cuts and “God knows what else.”

Board chairwoman Lois Henry said the district needs millions to undertake

juvenile steelhead and stream habitat data in the San Lorenzo, Soquel, Aptos and Corralitos watersheds. The San Lorenzo Valley district’s funding, in particular, has paid for fish sampling on the district’s streams of interest, including Boulder Creek, San Lorenzo mainstem, downstream of Boulder Creek, Fall Creek and Zayante Creek.

“NMFS believes it would behoove the Board to continue funding this program and other monitoring efforts as you seek to comply with the ESA (Endangered Species Act),” wrote Amanda Ingham, NOAA’s Central Coast branch chief. *Contact reporter Jessica A. York at 831-706-3264.*