



**SPECIAL
BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
AGENDA
September 21, 2017**

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 special meeting of the Board of Directors of the San Lorenzo Valley Water District will be held on **Thursday, September 21, 2017 at 6:00 p.m., 8500 Highway 9, Ben Lomond, California.**

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 three (3) minutes in length, and individuals may only speak once during Oral Communications.

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

in total. If there are additional speakers, the Board will continue Oral Communications after the Consent Agenda.

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

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. REVENUE STABILIZATION RATES
Discussion and possible action by the Board to adopt Resolution No. 8 (17-18) setting the Policy and Procedure for implantation of the Revenue Stabilization Rates.
- b. PUBLIC HEARING ON PROPOSED WATER FEE
Discussion and possible action by the Board to adopt Resolution No. 7 (17-18) establishing water fees.
- c. PUBLIC HEARING ON PROPOSED BULK WATER FEES
Discussion and possible action by the Board to adopt Resolution No. 6 (17-18) establishing bulk water fees.
- d. COMMUNITY ASSISTANCE
Discussion by the Board regarding opportunities for ensuring water service to customers in need.

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. FALL CREEK FISH LADDER CONSTRUCTION CONTRACT
Discussion and possible action by the Board regarding an award of bid for debris removal in the Fall Creek Fish Ladder.
- b. PARIS CLIMATE AGREEMENT/CALIFORNIA GLOBAL WARMING SOLUTIONS ACT (CGWSA)
Discussion and possible action by the Board to commitment to the CGWSA and applicable portions of the Paris Climate Agreement.

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 Board member may request that an item be withdrawn from the Consent Agenda for separate discussion.

- a. MINUTES FROM BOARD OF DIRECTORS MEETING
August 17, 2017.

Consideration and possible action by the Board to approve minutes from the August 17, 2017 BoD meeting.

- b. MINUTES FROM SPECIAL BOARD OF DIRECTORS MEETING
SEPTEMBER 1, 2017.
Consideration and possible action by the Board to approve minutes from the September 1, 2017 Special BoD meeting.
- c. WATER DISTRIBUTION SYSTEM IMPROVEMENTS-FIRE
HYDRANT
Consideration and possible action by the Board to approve an agreement for water distribution system improvements for APN 021-113-14.

7. District Reports:

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

a. DEPARTMENT STATUS REPORTS

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

- (1) Administration/Engineering
- (2) Finance
- (3) Environmental
- (4) Operations

b. COMMITTEE REPORTS:

- (1) Future Committee Meeting Agenda Items
 - (i) Admin
 - (ii) Budget & Finance
 - (iii) Engineering
 - (iv) Environmental
 - (v) LADOC
- (2) Committee Meeting Notes

c. DIRECTORS REPORTS:

Information reports by the Board of Directors.

- (1) Director's Communications
- (2) Future Board of Director Meeting Agenda Items

8. Written Communication:

- a. Press Banner Interview - C. Finnie
- b. Felton Library Nemitz - SCMNH
- c.. Felton Library Gaffney -SCMNH

- d. Support of SB623-B. Doran

9. Informational Material

- a. SLV Water Update - Mountain Bulletin August/September 2017

10. Adjournment

Certification of Posting

I hereby certify that on September 15, 2017 I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, Boulder Creek, California and at the Highlands Senior Center, 8500 Highway 9, Ben Lomond, California, said time being at least 24 hours in advance of the meeting of the Board of Directors of the San Lorenzo Valley Water District (Government Code Section 54954.2).

Executed at Boulder Creek, California on September 15, 2017

Holly B. Morrison
District Secretary

MEMO

To: Board of Directors

From: District Manager

SUBJECT: DISCUSSION AND POSSIBLE ACTION ADOPTING RESOLUTION No. 8 (17-18) SETTING THE POLICY AND PROCEDURES FOR IMPLEMENTATION OF THE PROPOSED REVENUE STABILIZATION RATES

DATE: SEPTEMBER 21, 2017

RECOMMENDATION

It is recommended that the Board of Directors review this memo, review attachments and approve Resolution No. 8 (17-18) adopting the policy and procedures for implementation of the proposed revenue stabilization rates.

BACKGROUND

The District has conducted an extensive and detailed financial analysis comprised of a comprehensive Cost-of-Service analysis followed by a Rate Study. The Rate Study recommends adopting revenue stabilization rates. Staff has prepared the attached draft policies and procedures concerning implementation of the revenue stabilization rates. These policies and procedures are consistent with the description of revenue stabilization rates contained in the District's Proposition 218 notice.

STRATEGIC PLAN:

Element 5.1 Fiscal Plan for support of Strategy

FISCAL IMPACT:

None

ATTACHMENTS:

1. Resolution
2. Proposition 218 Notice
3. Policies and Procedures

SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 8 (17-18)
POLICIES AND PROCUEURES FOR REVENUE STABILIZATION RATES

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

WHEREAS, the NBS Focused Water Rate Study Final Report, dated June 2017 proposes and recommends a schedule of water rates that includes revenue stabilization rates; and

WHEREAS, the revenue stabilization rates serve to recover unpredictable, significant shortages of revenue that may arise due to fluctuations in water demand, which could threaten the ability of the District to continue to provide clean, safe, and reliable water service to its customers; and

WHEREAS, the revenue stabilization rates align with recommendations contained in the State's final report entitled "Making Conservation a Way of Life," which encourages each water agency to "incorporate measures for rate stabilization," by "customiz[ing] its rate structure with full consideration of its cost of service and with long-term financial sustainability as the goal"; and

WHEREAS, the District has not previously adopted revenue stabilization rates, and accordingly the District must establish policies and procedures for such rates.

NOW, THEREFORE, BE IT RESOLVED that, effective October 1, 2017, the Board hereby approves and adopts policies and procedures for revenue stabilization rates that are set forth in Exhibit "A" attached hereto; and

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

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 21st day of September, 2017 by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

Holly Morrison
Secretary of the Board
San Lorenzo Valley Water District

Exhibit "A"

**REVISIONS TO POLICIES AND PROCEDURES OF THE
SAN LORENZO VALLEY WATER DISTRICT
ADOPTED BY RESOLUTION NO. 8 (17-18)
Effective 10.1.2017**

Added:

ARTICLE VII. REVENUE STABILIZATION RATES

- SECTION 7.01 REVENUE-STABILIZATION RATE TRIGGER AND BOARD NOTIFICATION
- SECTION 7.02 BOARD ACTION
- SECTION 7.03 AUTOMATIC IMPLEMENTATION
- SECTION 7.04 RESCISSION

Added:

ARTICLE VII. REVENUE STABILIZATION RATES

Section 7.01 Revenue-Stabilization Rate Trigger and Board Notification

- (a) 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. This information will be provided to the Board of Directors as a part of the District's annual budget package.
- (b) 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. When notifying the Board of Directors, the District Manager shall also do the following:
 - (i) provide staff analysis of why the water sales gap is occurring and a six-month projection of anticipated water sales;
 - (ii) present a calculation of the year-to-date revenue gap resulting from the water sales gap, along with the projected revenue gap based on a six-month projection of anticipated water sales;

(iii) present expense reduction measures that match the revenue gap for consideration by the Board of Directors; and

(iv) provide an update on the District's current reserve levels.

Section 7.02 Board Action

At any time after being notified of the District Manager's determination under Section 7.01(b), the Board of Directors may, in its discretion, take any of the following actions:

- (a) order the District Manager to implement all or part of the proposed expense reduction measures;
- (b) order the District Manager to utilize reserves to meet all or part of the revenue gap; and/or
- (c) defer or stop the applicable revenue stabilization rate from taking effect, or adopt any alternative rate that is less than the applicable revenue stabilization rate.

Section 7.03 Automatic Implementation

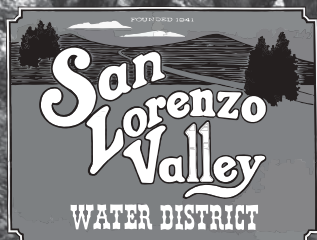
If the Board of Directors takes no action under Section 7.02(c) before or during the regularly scheduled Board meeting described in Section 7.01(b), then the applicable revenue stabilization rate shall take effect automatically, as follows:

- (a) The applicable revenue stabilization rate shall be the revenue stabilization rate that most nearly corresponds with, and does not exceed, the level of volumetric water sales deficit (10%, 15%, or 20%).
- (b) The applicable revenue stabilization rate, or any alternative rate adopted by the Board of Directors under Section 7.02(c), shall take effect after the District gives customers 30 days notice.
- (c) The District shall implement the applicable revenue stabilization rate, or any alternative rate adopted by the Board of Directors under Section 7.02(c), for the first full billing cycle to occur after the rate takes effect.

Section 7.04 Rescission

If the District Manager determines that that water sales have returned to expected year-to-date levels the District Manager shall notify the Board of Directors of this determination at a public meeting, at or before the next regularly scheduled Board meeting. After Board notification, the revenue stabilization rate (or any alternative rate adopted by the Board of Directors under Section 7.02(c)) shall automatically be rescinded, and the volumetric water rate will revert to the

standard uniform volumetric rate for the current fiscal year. The rescission and the standard uniform volumetric rate for the current fiscal year shall take effect and shall be implemented by the District starting with the next full billing cycle to occur after the Board meeting described in this section.



Notice of Public Hearing: Proposed Water Rate Restructuring and Increase

This notice is being sent to inform you that the San Lorenzo Valley Water District (District) is proposing to restructure its water rates over the next five years. The restructuring will include water rate increases. The District will hold a public hearing to consider adopting the proposed rates as follows:

Date: Thursday, September 21, 2017

Time: 6:00 PM

Place: Highlands Park Senior Center, 8500 Hwy 9, Ben Lomond, CA 95005

Why is the District Proposing to Restructure and Increase Water Rates?

In 2017, the District conducted a rate study, which resulted in the current proposal to produce additional revenue needed for investment in capital improvement projects throughout the District's service area (including replacement of pipelines, pumps and tanks), as well as to bolster the District's emergency reserve funds. In addition, the proposed restructuring empowers customers to have more control over their monthly bill through conservation efforts. Further,

the existing drought surcharge is recommended to be eliminated. The proposal was drafted following a six-month process that included discussions and presentations at numerous public meetings with input from the District's Board of Directors (Board), as well as a cost of service study, a prioritization of capital improvement projects and a comprehensive rate study.

Proposed Rates

The District is proposing to phase in water rate increases over the next five years as shown in the table below. The rate increase for Fiscal Year 2017-2018 will be effective as of October 1, 2017, and will be implemented for bills delivered after November 1, 2017.

Each customer's water bill is composed of two separate rate components: 1) a monthly fixed service charge based on the customer's meter size and 2) a volumetric charge based on the volume of water actually consumed by the customer. *See proposed rates on reverse.*

WATER RATE SCHEDULE

		Current Rates	Proposed FY 2017-18	Proposed FY 2018-19	Proposed FY 2019-20	Proposed FY 2020-21	Proposed FY 2021-22
Fixed Service Charge							
5/8"	per account	\$34.00	\$28.27	\$30.24	\$32.06	\$33.66	\$35.34
3/4"	per account	\$34.00	\$28.27	\$30.24	\$32.06	\$33.66	\$35.34
1"	per account	\$56.50	\$42.36	\$45.33	\$48.05	\$50.45	\$52.97
1 1/2"	per account	\$114.00	\$77.61	\$83.04	\$88.03	\$92.43	\$97.05
2"	per account	\$181.50	\$119.91	\$128.30	\$136.00	\$142.80	\$149.94
3"	per account	\$341.00	\$232.70	\$248.98	\$263.92	\$277.12	\$290.97
4"	per account	\$567.00	\$359.58	\$384.75	\$407.84	\$428.23	\$449.64
Volumetric Charges for all water consumed							
Tier 1	0-4 CCF	\$3.81	—	—	—	—	—
Tier 2	5-15 CCF	\$4.97	—	—	—	—	—
Tier 3	16-50 CCF	\$5.96	—	—	—	—	—
Tier 4	51+ CCF	\$6.61	—	—	—	—	—
Drought Surcharge	per CCF	\$1.00	—	—	—	—	—
Flat Rate (Uniform)	per CCF	\$4.64	\$10.12	\$10.83	\$11.48	\$12.06	\$12.66
Revenue Stabilization Rates for all water consumed*							
10%*	per CCF		\$11.13	\$11.91	\$12.63	\$13.27	\$13.93
15%*	per CCF		\$11.64	\$12.45	\$13.20	\$13.87	\$14.56
20%*	per CCF		\$12.14	\$13.00	\$13.78	\$14.47	\$15.19

*Revenue stabilization rates would be implemented if current revenue from water sales are below the percentages indicated.

What are the Revenue Stabilization Rates?

The District is proposing to alter its rate structure to rely more heavily on water sales volume to meet its revenue needs. While higher volumetric charges encourage conservation, they also leave the District more vulnerable to sudden shifts in water sales. To mitigate this risk, the District is proposing a revenue stabilization rate schedule that would increase the volumetric price of water in proportion to the reduction in water sales of 10%, 15% or 20% below expected year-to-date levels. The Revenue Stabilization Rate increase would take effect automatically after a 30-day notice to customers unless stopped by the Board. When water consumption returns to expected levels, the revenue stabilization rate would be rescinded, and water rates would return to the standard flat volumetric rate automatically.

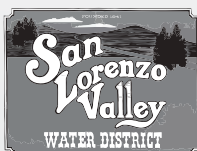
How to Submit a Written Protest

Property owners and customers may file written protests against the proposed rate increase. Pursuant to California law, all written protests must be received by the District prior to the close of the Public Hearing on Thursday, September 21, 2017. Protests must:

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

The proposed rates cannot be adopted if written protests are received from a majority of affected parcels, with one written protest counted per parcel. Written and signed protests can be mailed to: San Lorenzo Valley Water District, Water Rate Protest, 13060 Highway 9, Boulder Creek, CA 95006, or emailed to h Morrison@slvwd.com.

For additional information regarding the proposed water rate restructuring and increase, call SLVWD at (831) 338-2153.



13060 Highway 9, Boulder Creek, CA 95006 • slvwd.com

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

REVISIONS

- 02/04/2016 - Policies and Procedures adopted by Resolution 27 (15-16)
- 08/04/2016 – Policies and Procedures Article V adopted by Resolution 5 (16-17)
- 09/01/2016 – Policies and Procedures Article VI adopted by Resolution 9 (16-17)
- 09/21/2017 – Policies and Procedures Article VII adopted by Resolution X (17-18)

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Article I. GENERAL PROVISIONS

Section 1.01 General

- (a) The manager shall institute measures to continually monitor the sources and facilities of the District to assure the adequacy of such sources and facilities to supply the customers of the District, both present and prospective. Members of the District's staff shall be encouraged and directed to report to the manager any changes in the sources and facilities which might affect in any way the capability of the District to supply its customers, present and prospective. The Manager shall report to the Board of Directors as required from time to time by the Board of Directors, the status of the capability of the District's sources and facilities to supply the District's customers and meet the demands upon the waterworks system.
- (b) The manager shall review all applications for water service connections to determine whether such connections can be made to the District's system or any subsystem thereof without impairing the system's or subsystem's capability of supplying water in accordance with good waterworks management practices and shall report to the Board of Directors when, in his opinion, the addition of service connections to the District's system or any sub system thereof will reduce the level and quality of service to the near minimum of good waterworks management practices.
- (c) The planning and designing of repairs, replacement and improvements of District facilities shall be accomplished to provide for the orderly development of the waterworks system. Wherever feasible, such planning and designing shall provide for the orderly expansion of the District's waterworks system when it is foreseeable that such expansion is reasonably probable.
- (d) The manager shall communicate and consult with other public service agencies so that the District might cooperate beneficially with other agencies in water, sanitation, fire protection, resources management and recreation matters.

Section 1.02 Water System

The District will operate and maintain a system plant, work and undertaking used for and useful in obtaining, conserving and disposing of water for public and private uses, including all parts of the enterprise, all appurtenances to it, and lands, easements, rights in land, water rights, contract rights, franchises, and the water supply, storage and distribution facilities and equipment.

Section 1.03 Separability

If any section, subsection, sentence, clause, or phrase of this policy is for any reason held to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining portions of this policy.

Section 1.04 Records

Current records shall be securely maintained in the offices of the District. Only designated employees shall have access to said records. The District shall control access to District records and maintain the records in an accurate and complete manner.

The District will establish and implement a record control system designed to prevent the loss, misplacement or alteration of District Records. Any person seeking to inspect public records shall comply with this record control system.

In compliance with the Public Record Request Act, any person, including a member of the Board, a District employee, a consultant or agent of the District, or a member of the public who desires to inspect District public records shall notify the District Manager.

The charge for researching, producing and identifying District records shall be the actual cost to the District. Said rates shall be made available to the requesting party following receipt by the District of the request for said services.

The charge for photocopying any District document or record shall be fifteen cents per standard or legal size page.

Section 1.05 Employer-Employee Relations.

Policies for the administration of employer-employee relations under the Meyers-Milias-Brown Act entitled "Policies of the San Lorenzo Valley Water District for the Administration of Employer-Employee Relations" are hereby adopted and made a part of these policies.

Section 1.06 Policy Regarding Access to Personnel Files.

It is the policy of the District to maintain the confidentiality of employee personnel files and records. Such files and records are not public records and access shall be limited to legitimate administrative and judicial purposes as set forth in this ordinance. Information contained in personnel files, which by law is of public record, such as compensation, shall also be maintained as a public record which the District shall maintain separately from the personnel files.

- (a) The District shall maintain all personnel files and records in a secured location with restricted access.
- (b) Upon request an employee shall be entitled to a copy of his or her complete personnel file and records.
- (c) No personnel files or records shall be removed from the District offices, except as compelled by judicial or administrative process or by any other specific provision of law.
- (d) Copies of such files or records may be made and/or released only in compliance with these Policies and Procedures.
- (e) The District shall not use or disclose or permit its employees, agents, members of the Board, or members of the public to have access to, or to use or disclose information contained in an employee's personnel file or records except as follows:
 - (i) The information may be disclosed to third parties if the employee (or his/her legal representative) signs a written, dated authorization for the District to disclose such information. Such authorization may state limitations of the type or use of information to be disclosed, and the names or functions of the person(s) or entities authorized to obtain such information.
 - (ii) Such information which is relevant in a lawsuit, arbitration, grievance, or other claim or challenge to which the District and the employee are parties may be used or disclosed in connection with that proceeding.
 - (iii) Information which is relevant to the administration of the District, including the administration and maintenance of employee benefit plans, health care plans, disability plans, worker's compensation, insurance plans, financial and/or retirement plans, and other similar programs, may be used or disclosed for such purpose by the designated District employee(s) responsible for administering and maintaining such plan or program.
 - (iv) The designation of such employee(s) authorized to have access to personnel files of non-classified employees for any stated purposes shall be by Board resolution.
 - (v) A Personnel Action Form shall be used to document administrative actions regarding employment status, compensation, benefits, and payroll deductions. Said forms shall be distributed to the employees responsible for administering such programs.
 - (vi) In an emergency situation, or when the employee is incompetent or incapacitated, medical information may be disclosed to a health care professional or facility to aid in the diagnosis or treatment of an employee.
 - (vii) Except as otherwise provided in these policies and procedures, access to the personnel files of non-classified employees shall be limited to the members of

the Board of Directors. Such access shall be limited to that part of the information contained in personnel files which is relevant to job qualification, performance, or evaluation. Access by the members of the Board to other information contained in a non-classified employee's file is permissible only upon a prior finding by the Board, except in an emergency, that there is a legitimate purpose for such disclosure. Such finding and subsequent authorized access by the Board may limit the manner, type, or use of the access or the disclosure.

- (viii) Except as otherwise provided in these policies and procedures, access to the personnel files of classified employees shall be limited to the manager and the employee's supervisor or supervisors.

Article II. PUBLIC FIRE PROTECTION

Section 2.01 Use of Fire Hydrants.

Fire hydrants are for use by organized fire protection agencies. Other parties desiring to use fire hydrants for any purpose must first obtain written permission from the District prior to use and shall operate the hydrant in accordance with instructions issued by the District.

Section 2.02 Penalties.

The Board may provide penalties for the unauthorized use of hydrants. Unauthorized use of hydrants will be prosecuted according to law.

Article III. SEWERAGE POLICIES

Section 3.01 Facilities

- (a) Infiltration Test. Infiltration is the quantity of water entering a sewer line from the groundwater through such means as, but not limited to, defective pipe, pipe joints, connections or manhole walls. The infiltration test will be used if the static groundwater level is above the top of the constructed pipe. No pipe section will be accepted if the infiltration rate exceeds 100 gallons per inch diameter of pipe per mile length of pipe per 24 hours.
- (b) Leakage Test. Leakage is the quantity of water that has to be added to the section of pipeline being tested to maintain the specified test head. With a minimum of four feet of water head on the pipe line, the allowable leakage will be computed by the formula $E = 0.00002 * L * D * H$ where:

E=the allowable leakage in gallons per minute of pipe tested

L=the length of pipe tested in feet.

D=the internal diameter of the pipe in inches.

H=the difference in elevation in the water surface in the upper manhole and the invert of the pipe at the lower manhole (feet).

- (a) Manhole Testing. Each manhole is to be tested by either w1 or w2 above depending upon the groundwater conditions at the site of the specific manhole.
 - (i) Manhole Test—Infiltration. All laterals or mains running through the manhole will be plugged with gasket caps or plugs securely fastened or blocked to prohibit water from leaving the manhole. The amount of infiltration will be measured over a seven-day period and if the amount accumulated does not exceed 1.7 percent of the total volume of the structure, the test will be considered approved.
 - (ii) Manhole Test—Leakage: The test will be the same as for infiltration except the manhole will be filled to the maximum water surface level and measurements made at the beginning and end of the seven-day test period. If the water loss computed between the two water level readings does not exceed 0.7 percent of the total volume of water in the structure, the test will be considered approved.
- (b) Sewer laterals. All sewer laterals connected to existing sewer mains must be compatible with the type of main line materials. Quality assurance will be considered met when: (1) the District receives a submittal from the contractor performing the work noting the type and class of pipe to be used for the lateral and connection to the main, (2) District personnel is present when attachment to the main is accomplished for visual inspection of the connection and (3) when an as-build drawing is submitted by the

contractor to the District showing the location of laterals connected to the main and all invert elevations of the work performed.

- (c) Obstruction Test. The obstruction test is to verify that the constructed main or lateral is constantly sloping to the treatment facility and that no physical damage has taken place during construction of the pipe line. The obstruction test will be accomplished by either method below by District personnel.
 - (i) Light Inspection. Examine the pipe internally by means of a light held at one end and a mirror held at the other. Repeat test with light and mirror interchanged. Repair or correction of any misalignments, protuberances, defective portions or other defect will be required.
 - (ii) Ball Test. When light test is not feasible, a ball test can be conducted by passing through the pipeline a round non-compressible ball which is one inch less in diameter than the internal diameter of the pipeline. In the event the ball is not able to pass through the pipeline, repair of defective pipe section will be required.
- (d) Quality assurance of the constructed lateral, main or manhole will be considered approved when the above tests are performed and all tests pass respective constraints and limits. Any deficiencies are to be corrected within five working days after the respective test. If the test fails after repairs are made the first time, the District Manager may, at his discretion, require the complete replacement of the constructed lateral, main or manhole.

All contractor test procedures and replacements will be carried out by the contractor at his own expense.

- (a) Determination of Components. The determination of estimation of suspended solids or other components contained in sewage and liquid waste discharges shall be by one of the following methods.
 - (i) Sampling and analysis by District personnel.
 - (ii) Estimates determined by a study of waste producing operations leading to the discharge.

Article IV. CONTRACTS AND PURCHASING

Section 4.01 Qualification of Bidders.

The District may, and on contracts for which the estimated cost exceeds \$50,000 (Fifty Thousand Dollars) the District shall require that bidders establish that they are qualified and responsible to provide the services, equipment, and/or materials to perform the contract in a safe, efficient, reliable and timely manner. In order to evaluate those qualifications and to determine which low bid offers best response in quality, fitness and capacity to the District's requirements, prior to the award of the contract, the District shall require the low bidder or bidders to provide certain information as follows: (a) answer to questions contained in a standard form questionnaire and financial statement; (b) evidence of bonds and liability and workers' compensation insurance satisfactory to the District; (c) Evidence of a safety record acceptable to the District; (d) Necessary or appropriate licenses or certificates; and (e) an acceptable performance record with the District or any other public agency.

- (a) Questionnaire. The questionnaire shall include questions which will provide information which will provide a basis for the District to evaluate the bidder. Such information shall include, among other things, information relating to the experience of the bidder in projects of a similar type as the proposed project, and shall include references of previous employers. The questionnaire shall be signed by the bidder or an authorized designee under penalty of perjury.
- (b) Financial Statement. The financial statement shall include information as required by the District for the District's use in determining the bidder's financial ability to perform the contract satisfactorily and shall be signed by the bidder or an authorized designee under penalty of perjury.
- (c) Safety Record. The District may disqualify a bidder on the basis that the bidder's safety record is unacceptable. In evaluating the safety record, the District shall consider any violations of the CAL OSHA standards, the issuance of CAL OSHA citations, and the severity or liability exposure resulting from such citations.
- (d) Performance Record with the District or Other Public Agencies. In evaluating the qualifications of a bidder, the District shall consider the bidders' performance record with the District or other public agencies. Such evaluation shall include, among other things, consideration of the bidder's overall performance, safety, quality, timeliness and compliance with the contract. Such evaluation shall also consider any outstanding claims or lawsuits involving the District and the bidder.
- (e) Prequalification of Bidders. A prospective bidder shall have the option of prequalifying as a bidder on a given project. To exercise this option, a

- bidder must complete and submit a package of the required qualification information, statements and evidences as set forth herein no later than fifteen days prior to the bid opening. The District Manager will issue a preliminary finding as to whether the prospective bidder is qualified within 10 days after the completed qualification package is received.
- (f) Appeal of Preliminary Findings. A bidder may appeal the District Manager's preliminary finding of disqualification to the Board of Directors. A disqualified bidder may submit a bid pending a determination by the Board of that bidder's qualifications. If that bidder is the low bidder the Board will consider the bidder's qualification and issue a finding prior to award of the contract.
 - (g) Disqualification of Bidders. The Board may disqualify any bidder who fails to submit the completed questionnaire, financial statement, licenses, safety record, bonds, insurances, or other required information in a timely manner. The Board may disqualify any bidder whose information as required is not satisfactory and acceptable to the Board. A bidder may be disqualified on the basis that the bidder, any officer of such bidder, or any employee of such bidder who has a proprietary interest in such bidder, has been disqualified or prevented from bidding on or completing a federal, state, or local project because of a violation of law or a safety regulation.
 - (h) Rejection of Bid. Upon disqualification of a bidder as set forth herein, the Board may reject that bidder's bid for the contract award.
 - (i) Questionnaires and Financial Statements Are Not Public Records. The questionnaire and financial statements required herein are not public records and are not open to public inspection.

Section 4.02 Sealed Bids

- (a) Solicitation of Sealed Bids. Sealed bids shall be solicited by posting on the District's bulletin board, or by mailing to at least three or more prospective bidders, bid forms listing materials and specifications or services desired. The Board of Directors may also direct that additional solicitation or public notice be provided.
- (b) Contents of Bid Forms for Sealed Bids. In addition to stating the amount, quality and specifications of materials or contractual services desired, bid forms shall contain or be accompanied by written statements indicating the latest date when sealed bids will be received; the date they will be opened; the amount, if any, of good faith deposit or bid bond to accompany the bid; whether or not a completion or delivery date bond will be required, and an envelope clearly marked "Sealed Bid" in which the bid is to be returned.

- (c) Submission of Sealed Bids. Sealed bids shall be submitted or mailed to the Secretary of the District, sealed in the envelope furnished by the District, accompanied with the amount of good faith deposit, if required, and accompanied by a statement under oath that the bidder has not been a party to any uniform or fixed price agreement.
- (d) Opening and Tabulation of Bids. All sealed bids shall be opened on the date set for opening and shall be tabulated and available for public inspection during regular business hours for a period of 30 days after opening.
- (e) Failure to Enter into Contract. Any successful bidder who fails to furnish an acceptable completion or delivery date bond as required or who fails to enter into a written contract with the District for a period of 10 days after notice of its approval by the District Counsel shall forfeit his good faith deposit or become liable to the District on his bid bond, if any, and the District may award the contract to the next lowest responsible bidder.

Article V. ELECTIONS AND PUBLIC VOTING

Section 5.01 Conducting Proposition 218 Property Related Fees and Charges Proceedings

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Article VI. Finances

Section 6.01 Investments

(b) Introduction

The purpose of this Article is to establish formal policies for the prudent investment of the District's unexpended cash. The main objectives of this Article are:

1. Establish guidelines for the investment of all funds belonging to or in the custody of the District in a manner conforming to all state and local statutes governing the investment of public funds, and
2. Provide an optimal combination of safety, liquidity and yield for District Investments.

(c) Basic Policies

- (i) PRUDENCE: District funds shall be invested under the "prudent investor standard" (California Government Code Section 53600.3) which essentially states that all investments shall be made with care, under circumstances then prevailing, that a prudent person acting in like capacity would use with funds of like character to safeguard capital and maintain liquidity.
- (ii) DELEGATION OF AUTHORITY: Authority to manage the District investment program is delegated to the District Manager. The District Manager is encouraged to consult with the Budget and Finance Committee in between monthly reports to the Board as required by this Article.

No person may engage in an investment transaction except as provided under this Article.

- (iii) OBJECTIVES: The objectives of the District's investment activities in priority order are as follows:

1st SAFETY – Safety of principal is the foremost objective of the investment program. The District's investment portfolio shall be designed and undertaken in a manner that seeks to ensure the preservation of the principal invested.

2nd LIQUIDITY – The District's investment portfolio shall be designed to remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated. The liquid needs of the District shall be commensurate with the constraints of anticipated cash flow requirements.

3rd RETURN ON INVESTMENTS – The District's investment portfolio shall be designed with the objective of attaining the maximum possible rate of return commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio.

- 4th PERFORMANCE STANDARDS: Investments shall only be made as allowable by law with specific reference to California Government Code Section 53600, et seq., and any other applicable provisions of law.
- (iv) AUTHORIZED AND ACCEPTABLE INVESTMENTS: District funds shall be invested only in the following investment instruments and within any limits indicated:
- 1st LAIF – The Local Agency Investment Fund (LAIF) is an investment pool established and controlled by the State of California to afford smaller agencies the benefits of a large investment portfolio, including higher interest rates and greater diversification.
- 2nd COUNTY OF SANTA CRUZ INVESTMENT POOL – This is an investment pool established and controlled by the County of Santa Cruz to afford smaller agencies the benefits of a larger investment portfolio, including higher interest rates and greater diversification. Authority for the County of Santa Cruz Investment Pool is delegated to the County of Santa Cruz Treasurer.
- 3rd CERTIFICATES OF DEPOSIT – These are receipts for funds deposited in a bank, or savings and loan, or broker deposits for a specific term and rate of interest. The principal and accrued interest shall be insured by the Federal Deposit Insurance Corporation (FDIC). The principal and accrued interest in any one insured depository institution shall not exceed the limit amount insured by FDIC.
- 4th PASSBOOK SAVINGS ACCOUNTS – This is a regular liquid savings account. The principal and accrued interest shall be insured by the Federal Deposit Insurance Corporation (FDIC). The principal and accrued interest in any one insured depository institution shall not exceed the limit amount insured by FDIC.
- 5th U.S. TREASURY OBLIGATIONS – These are negotiable debt obligations of the U.S. Government which guarantee that all interest and principal payments will be paid on time. Among these are Treasury Bills, Notes and Bonds.
- 6th With Board approval, repurchase bonds issued by the District or accelerate payback of loans incurred by the District, including bonds payable solely from a revenue producing property owned, controlled or operated by the District.
- 7th Registered warrants, treasury notes or bonds of the State of California, including bonds payable solely from a revenue producing property owned, controlled or operated by the State of California, or by a department, board, agency or authority of same.
- (v) DIVERSIFICATION: The purpose of diversification is to reduce overall portfolio risks while attaining market yields. The District will diversify its investments by security type and institution, especially when there is no decrease in yield. Pursuant to California Government Code Section 53601(i) certificates of deposit invested outside of an authorized pool shall not exceed thirty percent (30%) of the District's total investment portfolio.
- (vi) MATURITY OF INVESTMENTS: In order to minimize the impact of market risk, generally it is intended, that all investments will be held until maturity. Projected cash flow requirements are the primary factor to be used in determining investment maturity terms. After cash flow needs have been met, yield

considerations will be the next factor in determining maturity terms, with the expectations that longer maturity periods will generally yield greater returns on investments. Investments may be sold before maturity if required for cash flow or appreciation purposes.

The maximum maturity term of any investment shall not exceed five years.

- (vii) **REPORTING:** The District Manager shall provide to the Board of Directors monthly investment reports that provide a clear picture of the status of the current investment portfolio, as required by California Government Code Section 53607 and in compliance with the recommendations provided in California Government Code 53646.
- (viii) **ETHICS AND CONFLICTS OF INTEREST:** Officers and employees involved in the District's investment process shall not conduct personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions.
- (ix) **INVESTMENTS POLICIES ADOPTION:** In accordance with California Government Code Section 53607 the District's investments policies shall be adopted annually by resolution of the Board of Directors at a public meeting.

Section 6.02 Reserves

(d) Purpose of Reserve Policy

Adequate designations of reserve funds set aside for various legitimate purposes are critical to the successful and stable, short and long-term operation of the San Lorenzo Valley Water District (the "District").

Adequate reserves for the District operations ensure that customers experience both stable rates for service and the security that the District can respond to emergencies, especially regarding water and wastewater quality issues. Adequate reserves ensure that the District will at all times have sufficient funding available to meet its operating, capital and debt service cost obligations, together with future debt or capital obligations, as well as any unfunded mandates, including costly regulatory requirements.

The District manages its working capital in a manner that allows the District to fund costs consistent with its annually updated capital improvement program and budgeted financial plan, and that avoids significant rate fluctuations due to changes in cash flow requirements. The ability of the District to maintain reserve funds is a critical factor in providing reliable service, mitigating rate increases, and ensuring overall financial strength.

Annually, during the budget adoption process, the District Board should review and approve the appropriate levels and uses for reserve funds based upon the needs of the District.

This Reserve Fund Policy (the “Policy”) was developed to clearly identify specific designated reserves and reserve funds. It is the intent of this Policy to clearly identify both reserve fund categories and purposes, and set target levels for reserves that are consistent with the District’s mission statement, the uniqueness of the District, and the philosophy of the District’s Board.

(e) Fund Balance Classifications

The Governmental Accounting Standards Board (GASB) issued GASB Statement Number 54 (Statement 54), Fund Balance Reporting and Governmental Fund Type Definitions in February 2009. Statement 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned.

- (i) Nonspendable – consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.
- (ii) Restricted: Amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.
- (iii) Committed: Amounts that are subject to a purpose constraint imposed by a formal action of the government’s highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.
- (iv) Assigned: Amounts that are subject to a purpose constraint that represents an intended use established by the government’s highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.
- (v) Unassigned: Residual classification for the government’s general fund, and could report a surplus or deficit. In funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

(f) Designated Reserve Funds

(i) Restricted - Debt Service Reserve Fund

The District requires that this fund be maintained at a level sufficient to fund any current debt covenant requirements. Whether funds are held by

the debt trustee during the term of the debts or if it is held internally. These are to be used in the event that the District is unable to meet its required semi-annual debt service obligation. Debt covenant requirements will be updated on an as needed basis for any new or retired obligations.

(ii) Committed - Capital Reserve Fund

This fund pays for the replacement of existing facilities and equipment as it reaches the end of its useful life or for major repairs that extend the useful life of facilities. This fund will also cover any emergency repairs to insure a timely response by the District to natural disasters and/or other emergencies. This insures timely acquisition, replacement and upgrade of the District's water system infrastructure and capital assets.

Expenditures from this reserve fund which are subsequently recovered, either partially or fully, from FEMA, OES, insurance and/or any other sources, said revenue shall be utilized solely for the purpose of refunding the Capital Reserve Fund.

The fund level for the Capital Reserve Fund is a target level equal to \$2,000,000, unless otherwise directed by the Board at a public meeting. If current funds are below the target level of \$2,000,000, the Board can designate a plan to replenish the fund.

(iii) Committed - Operational Reserve Fund

This fund is established to cover unexpected cash flow shortages, expense or losses. These might be caused by delayed payments, unexpected building repairs, or economic conditions. Reserves should not be used to make up for income shortfalls, unless the District has a plan to replace the income or reduce expenses in the near-term future, which would require Board designation. In short, reserves should be used to solve timing problems, not deficit problems.

A commonly used reserve goal is 3-6 months' expenses. The fund level for the Operational Reserve Fund is a target level equal to \$1,500,000, unless otherwise directed by the Board at a public meeting. If current funds are below the target level of \$1,500,000, the Board can designate a plan to replenish the fund.

- Assigned – none at this time
- Nonspendable – none at this time
- Unassigned – none at this time

(g) Annual Review

The District Manager shall perform a review and analysis of each designated reserve funds for presentation to the Board at a public meeting upon the occurrence of the following:

- Upon consideration by the Board of the annual budget.
- Upon any significant change to and/or expenditure(s) from a designated reserve fund.
- Upon determination that a fund balance is less than the established target level, without a near term replenishment plan.
- As part of the annual review, a summary of the funds and fund level(s) shall be listed out, as well as the anticipated levels for that fiscal year.

Article VII. REVENUE STABILIZATION RATES

Section 7.01 Revenue-Stabilization Rate Trigger and Board Notification

- (a) 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. This information will be provided to the Board of Directors as a part of the District's annual budget package.
- (b) 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. When notifying the Board of Directors, the District Manager shall also do the following:
 - (i) provide staff analysis of why the water sales gap is occurring and a six-month projection of anticipated water sales;
 - (ii) present a calculation of the year-to-date revenue gap resulting from the water sales gap, along with the projected revenue gap based on a six-month projection of anticipated water sales;
 - (iii) present expense reduction measures that match the revenue gap for consideration by the Board of Directors; and
 - (iv) provide an update on the District's current reserve levels.

Section 7.02 Board Action

At any time after being notified of the District Manager's determination under Section 5.01(b), the Board of Directors may, in its discretion, take any of the following actions:

- (a) order the District Manager to implement all or part of the proposed expense reduction measures;
- (b) order the District Manager to utilize reserves to meet all or part of the revenue gap; and/or

- (c) defer or stop the applicable revenue stabilization rate from taking effect, or adopt any alternative rate that is less than the applicable revenue stabilization rate.

Section 7.03 Automatic Implementation

If the Board of Directors takes no action under Section 5.02(c) before or during the regularly scheduled Board meeting described in Section 5.01(b), then the applicable revenue stabilization rate shall take effect automatically, as follows:

- (a) The applicable revenue stabilization rate shall be the revenue stabilization rate that most nearly corresponds with, and does not exceed, the level of volumetric water sales deficit (10%, 15%, or 20%).
- (b) The applicable revenue stabilization rate, or any alternative rate adopted by the Board of Directors under Section 5.02(c), shall take effect after the District gives customers 30 days notice.
- (c) The District shall implement the applicable revenue stabilization rate, or any alternative rate adopted by the Board of Directors under Section 5.02(c), for the first full billing cycle to occur after the rate takes effect.

Section 7.04 Rescission

If the District Manager determines that that water sales have returned to expected year-to-date levels the District Manager shall notify the Board of Directors of this determination at a public meeting, at or before the next regularly scheduled Board meeting. After Board notification, the revenue stabilization rate (or any alternative rate adopted by the Board of Directors under Section 5.02(c)) shall automatically be rescinded, and the volumetric water rate will revert to the standard uniform volumetric rate for the current fiscal year. The rescission and the standard uniform volumetric rate for the current fiscal year shall take effect and shall be implemented by the District starting with the next full billing cycle to occur after the Board meeting described in this section.

MEMO

To: Board of Directors

From: District Manager

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

DATE: SEPTEMBER 21, 2017

RECOMMENDATION

It is recommended that the Board of Directors review this memorandum along with the attached final Rate Study and Resolution No. 7 (17-18) fixing water rates and charges, and approve and adopt the same, if at the end of the public hearing the District determines that there is no majority protest.

BACKGROUND

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

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

STRATEGIC PLAN:

Element 5.1 Fiscal Plan for support of Strategy

FISCAL IMPACT:

17/18 FY Budget, Water Basic - \$3,540,000
17/18 FY Budget, Water Usage - \$3,550,000

Per NBS Study:

17/18 FY Budget, additional full year revenue estimate - \$2,553,627
18/19 FY Budget, additional full year revenue estimate - \$3,190,315
19/20 FY Budget, additional full year revenue estimate - \$3,792,593
20/21 FY Budget, additional full year revenue estimate - \$4,324,604
21/22 FY Budget, additional full year revenue estimate - \$4,883,217

ATTACHMENTS:

1. Resolution
2. Public Notice
3. Rate Study

SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 7 (17-18)
FIXING AND ADOPTING WATER RATES

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts the NBS Focused Water Rate Study Final Report, dated June 2017, and approves and adopts the Schedule of Water Rates attached hereto as Exhibit "A"; and

BE IT FURTHER RESOLVED that the Exhibit "A" schedule shall be effective as of October 1, 2017, and the Board hereby directs and authorizes the District staff to implement the Exhibit "A" schedule for all bills delivered after November 1, 2017; and

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

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District,
County of Santa Cruz, State of California, on the 21st day of September, 2017 by the following
vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

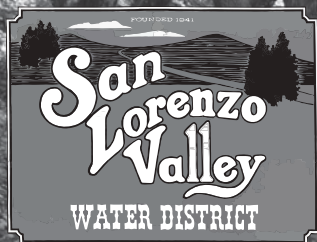
Holly Morrison
Secretary of the Board
San Lorenzo Valley Water District

Exhibit "A"

SAN LORENZO VALLEY WATER DISTRICT
SCHEDULE OF WATER RATES
Effective 10.1.2017

		FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Fixed Service Charge						
5/8 inch	<i>per account</i>	\$28.27	\$30.24	\$32.06	\$33.66	\$35.34
3/4 inch	<i>per account</i>	\$28.27	\$30.24	\$32.06	\$33.66	\$35.34
1 inch	<i>per account</i>	\$42.36	\$45.33	\$48.05	\$50.45	\$52.97
1 1/2 inch	<i>per account</i>	\$77.61	\$83.04	\$88.03	\$92.43	\$97.05
2 inch	<i>per account</i>	\$119.91	\$128.30	\$136.00	\$142.80	\$149.94
3 inch	<i>per account</i>	\$232.70	\$248.98	\$263.92	\$277.12	\$290.97
4 inch	<i>per account</i>	\$359.58	\$384.75	\$407.84	\$428.23	\$449.64
Volumetric Charges for All Water Consumed						
Flat Rate (Uniform Rate)	<i>per CCF</i>	\$10.12	\$10.83	\$11.48	\$12.06	\$12.66
Revenue Stabilization Rates for All Water Consumed*						
10% Revenue Stabilization Rate*	<i>per CCF</i>	\$11.25	\$12.03	\$12.76	\$13.39	\$14.06
15% Revenue Stabilization Rate*	<i>per CCF</i>	\$11.91	\$12.74	\$13.51	\$14.18	\$14.89
20% Revenue Stabilization Rate*	<i>per CCF</i>	\$12.65	\$13.54	\$14.35	\$15.07	\$15.82

* The policies and procedures for revenue stabilization rates are established by Resolution No. 7 (17-18).



Notice of Public Hearing: Proposed Water Rate Restructuring and Increase

This notice is being sent to inform you that the San Lorenzo Valley Water District (District) is proposing to restructure its water rates over the next five years. The restructuring will include water rate increases. The District will hold a public hearing to consider adopting the proposed rates as follows:

Date: Thursday, September 21, 2017

Time: 6:00 PM

Place: Highlands Park Senior Center, 8500 Hwy 9, Ben Lomond, CA 95005

Why is the District Proposing to Restructure and Increase Water Rates?

In 2017, the District conducted a rate study, which resulted in the current proposal to produce additional revenue needed for investment in capital improvement projects throughout the District's service area (including replacement of pipelines, pumps and tanks), as well as to bolster the District's emergency reserve funds. In addition, the proposed restructuring empowers customers to have more control over their monthly bill through conservation efforts. Further,

the existing drought surcharge is recommended to be eliminated. The proposal was drafted following a six-month process that included discussions and presentations at numerous public meetings with input from the District's Board of Directors (Board), as well as a cost of service study, a prioritization of capital improvement projects and a comprehensive rate study.

Proposed Rates

The District is proposing to phase in water rate increases over the next five years as shown in the table below. The rate increase for Fiscal Year 2017-2018 will be effective as of October 1, 2017, and will be implemented for bills delivered after November 1, 2017.

Each customer's water bill is composed of two separate rate components: 1) a monthly fixed service charge based on the customer's meter size and 2) a volumetric charge based on the volume of water actually consumed by the customer. *See proposed rates on reverse.*

WATER RATE SCHEDULE

		Current Rates	Proposed FY 2017-18	Proposed FY 2018-19	Proposed FY 2019-20	Proposed FY 2020-21	Proposed FY 2021-22
Fixed Service Charge							
5/8"	per account	\$34.00	\$28.27	\$30.24	\$32.06	\$33.66	\$35.34
3/4"	per account	\$34.00	\$28.27	\$30.24	\$32.06	\$33.66	\$35.34
1"	per account	\$56.50	\$42.36	\$45.33	\$48.05	\$50.45	\$52.97
1 1/2"	per account	\$114.00	\$77.61	\$83.04	\$88.03	\$92.43	\$97.05
2"	per account	\$181.50	\$119.91	\$128.30	\$136.00	\$142.80	\$149.94
3"	per account	\$341.00	\$232.70	\$248.98	\$263.92	\$277.12	\$290.97
4"	per account	\$567.00	\$359.58	\$384.75	\$407.84	\$428.23	\$449.64
Volumetric Charges for all water consumed							
Tier 1	0-4 CCF	\$3.81	—	—	—	—	—
Tier 2	5-15 CCF	\$4.97	—	—	—	—	—
Tier 3	16-50 CCF	\$5.96	—	—	—	—	—
Tier 4	51+ CCF	\$6.61	—	—	—	—	—
Drought Surcharge	per CCF	\$1.00	—	—	—	—	—
Flat Rate (Uniform)	per CCF	\$4.64	\$10.12	\$10.83	\$11.48	\$12.06	\$12.66
Revenue Stabilization Rates for all water consumed*							
10%*	per CCF		\$11.13	\$11.91	\$12.63	\$13.27	\$13.93
15%*	per CCF		\$11.64	\$12.45	\$13.20	\$13.87	\$14.56
20%*	per CCF		\$12.14	\$13.00	\$13.78	\$14.47	\$15.19

*Revenue stabilization rates would be implemented if current revenue from water sales are below the percentages indicated.

What are the Revenue Stabilization Rates?

The District is proposing to alter its rate structure to rely more heavily on water sales volume to meet its revenue needs. While higher volumetric charges encourage conservation, they also leave the District more vulnerable to sudden shifts in water sales. To mitigate this risk, the District is proposing a revenue stabilization rate schedule that would increase the volumetric price of water in proportion to the reduction in water sales of 10%, 15% or 20% below expected year-to-date levels. The Revenue Stabilization Rate increase would take effect automatically after a 30-day notice to customers unless stopped by the Board. When water consumption returns to expected levels, the revenue stabilization rate would be rescinded, and water rates would return to the standard flat volumetric rate automatically.

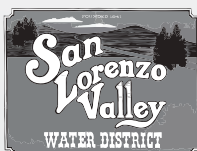
How to Submit a Written Protest

Property owners and customers may file written protests against the proposed rate increase. Pursuant to California law, all written protests must be received by the District prior to the close of the Public Hearing on Thursday, September 21, 2017. Protests must:

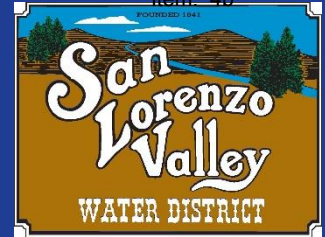
- 1) Identify the affected property or properties, by address, Assessor's Parcel Number, or customer account number,
- 2) Include the name and signature of the customer or property owner submitting the protest, and
- 3) Clearly state opposition to the proposed water rate increases.

The proposed rates cannot be adopted if written protests are received from a majority of affected parcels, with one written protest counted per parcel. Written and signed protests can be mailed to: San Lorenzo Valley Water District, Water Rate Protest, 13060 Highway 9, Boulder Creek, CA 95006, or emailed to h Morrison@slvwd.com.

For additional information regarding the proposed water rate restructuring and increase, call SLVWD at (831) 338-2153.



13060 Highway 9, Boulder Creek, CA 95006 • slvwd.com



SAN LORENZO VALLEY WATER DISTRICT

FINAL Report for:

Focused Water Rate Study

(Includes Connection Fees & Sewer Rates)

June 2017

Welcome
TO
SAN LORENZO VALLEY
BOULDER CREEK · BROOKDALE · BEN LOMOND · FELTON

OFFICE LOCATIONS:

Temecula – Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592

San Francisco – Regional Office
870 Market Street, Suite 1223
San Francisco, CA 94102

California Satellite Offices
Atascadero, Davis
Huntington Beach,
Joshua Tree, Riverside
Sacramento, San Jose



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Section 1. EXECUTIVE SUMMARY

Background and Purpose

BACKGROUND

Water rates for the San Lorenzo Valley Water District (District) were last reviewed in 2013 as part of a Water and Wastewater Charges Study. In February 2016, the District retained NBS to prepare a cost-of-service study that included both water and sewer rates¹. The results of that study, which were primarily the projected annual rate revenue requirements by customer class for the next five years, provided the background for a subsequent rate-design study.

In February 2017, the District engaged NBS to complete the rate design portion of the rate study for both water and sewer utilities by evaluating alternative rate structures, which is the focus of this report. Water connection fees were also evaluated in this study.

The District provides water service in the San Lorenzo Valley to the communities of Boulder Creek, Brookdale, Ben Lomond, Lompico, Zayante, Scotts Valley, Manana Woods, and Felton. The District's service area is approximately 60 square miles and includes almost 7,900 water customers. The District also provides sewer service to 55 customers within Bear Creek Estates.

PURPOSE

The overall purpose of this study is to develop proposed water rates, connection fees and proposed sewer rates for the small number of customers served by the District's sewer utility. This required thoroughly reviewing and confirming the District's broader rate-related goals and objectives, including policies related to financial parameters, conservation goals, customer bill impacts, and ensuring the new rates will provide long-term revenue stability.

The rates and fees developed in this study are intended to meet the requirements of Proposition 218 (or Prop 218)², commonly referred to as the "right to vote on new taxes" act, and were developed in a manner that is consistent with industry standards. This report documents the study and is intended to assist the District in its effort to communicate transparently with the residents and businesses it serves.

In developing proposed utility rates and connection fees, NBS and District staff worked cooperatively, and the District Board provided direction during the study, to develop the recommended rate and fee alternatives. The final study results were presented to the District Board at a public workshop on May 24, 2017, which approved the water and sewer rates, and water connection fees and directed staff to prepare public notices pursuant to Prop 218.

¹ Final Report: Enterprise Wide Cost of Service Financial Study, November 2016. Adopted by the Board of Directors January 2017.

² California Constitutional Provision, Article XIII D, Section 6.

Key Findings

REVENUE REQUIREMENTS AND PROJECTED RATES

The District's water and sewer utilities both need to complete ongoing rehabilitation and replacement projects while at the same time building and maintaining adequate reserve funds. Maintaining the financial integrity of the water utility was a key consideration in developing the proposed water rates. Similarly, stabilizing the financial health of the sewer utility was also a key consideration in developing the proposed sewer rates. Significant annual rate increases over the next five years are recommended for both the water and sewer utilities³, as follows:

- Water – 37 percent in FY 2017/18 (Year 1); 7 percent in Year 2; 6 percent in Year 3; and 5 percent in Years 4 and 5.
- Sewer – 20 percent annually, from FY 2017/18 through FY 2021/22.

WATER AND SEWER RATES

Due to the source and cost of the District's water supply, which make it difficult to establish a defensible cost basis for multiple volumetric tiers, the District elected to adopt a uniform (single-tier) rate design rather than continue with a more conservation-promoting multi-tiered rate design. Fixed monthly charges will continue to be based on meter sizes.

The current sewer rate design, which includes a monthly fixed service charge by account, was retained.

CONNECTION FEES

Connection fees were calculated for the water utility. These fees are charged to new customers connecting to the District's water system and are designed to place new customers on equal financial footing with current utility customers. Calculated connection fees for water are more than double the current adopted fees, and represent the maximum connection fee that the District could adopt.

Study Recommendations

NBS recommends the District take the following actions:

- Adopt the water and sewer five-year financial plans presented below.
- Adopt the recommended water and sewer reserve fund target balances.
- Adopt the recommended fixed monthly and uniform volumetric water rates (vs tiered rates).
- Adopt the recommended water connection fees.
- Adopt the recommended sewer rates.
- Conduct a legal review of the proposed rates.
- Proceed with Prop 218 noticing requirements and 45-day protest period.
- Assuming a successful Prop 218 process (that is, there is not a majority protest of the rates), adopt the rates summarized in this report. Connection fees are not subject to the Prop 218 process.

The next section discusses the general rate study methodology, followed by sections for the water rate study (Section 3), the sewer rate study (Section 4), and connection fees (Section 5).

³ More specifically, these are increases in the total rate revenue; the rates increases for each customer class reflect cost allocation factors that result in some rates being more or less than the annual increases noted here.

Section 2. OVERVIEW OF THE RATE STUDY METHODOLOGY

Comprehensive rate studies, whether for water rates or sewer rates, typically include three components: (1) preparation of a financial plan, which identifies the net revenue requirements for the utility; (2) analysis of the cost-of-service each customer class; and (3) the rate structure design. These steps are shown in Figure 1 and are intended to follow industry standards and reflect the fundamental principles of cost-of-service ratemaking embodied in the American Water Works Association (AWWA) Principles of Water Rates, Fees, and Charges⁴, also referred to as Manual M1. This methodology also addresses requirements under Proposition 218 that rates not exceed the cost of providing the service and be proportionate to the cost of providing service for all customers. In terms of the chronology of the study, these three steps represent the order they were performed for both utilities.

FIGURE 1. PRIMARY COMPONENTS OF A RATE STUDY



The District performed an Enterprise Wide Cost of Service Financial Study, which essentially completed the first two components (the financial plan and cost-of-service analyses), the results of which were adopted by the Board in January 2017.

As a result of this focused rate design study, rate increases – or more accurately, increases in the total revenue collected from rates – are recommended for each utility. Because the cost-of-service analysis defines revenue requirements separately for each customer class, not all rates are increased by exactly the same overall annual rate increase in the first year (i.e., in FY 2017/18, commonly called the “test year”). The remaining years in the five-year period (i.e., FY 2018/19 through FY 2021/22) are then adjusted in an across-the-board manner so that all rates are increase by exactly the annual percentage rate adjustment.

The District provided NBS with the necessary data, including historical, current, and projected revenues, expenditures, customer accounts, and water consumption, along with other operational and capital cost data that were essential for conducting this study.

⁴ *Principles of Water Rates, Fees, and Charges, Manual of Water Supply Practices, M1, AWWA, seventh edition, 2017.*

Rate Design Criteria

It is important for utilities to send proper price signals to its customers about the actual cost of providing service. This objective is typically addressed through both the magnitude of the rates and the rate structure design. In other words, both the amount of revenue collected and the way in which it is collected from customers are important.

Several criteria are typically considered in setting rates and developing sound rate structures. The fundamentals of this process have been documented in a number of rate-setting manuals. For example, the foundation for evaluating rate structures is generally credited to James C. Bonbright in the *Principles of Public Utility Rates*⁵, which outlines pricing policies, theories, and economic concepts along with various rate designs. The other common industry standard is the aforementioned American Water Works Association's (AWWA) Manual M1.

The following is an abbreviated list of the rate structure objectives common to many utilities and their customers⁶, and which can be applied to water and sewer utilities:

- Rates should yield the necessary revenue in a stable and predictable manner.
- Rates should minimize unexpected changes to customer bills.
- Rates should discourage wasteful use and promote efficient uses.
- Rates should promote fairness and equity (i.e., cost based).
- Rates should avoid discrimination.
- Rates should maintain simplicity, certainty, convenience, feasibility, and freedom from controversy.
- Rates should comply with all applicable laws (in California, this specifically includes Prop 218).

Rate Structure Terminology

One of the most fundamental points in considering rate structures is the relationship between fixed and variable costs. The vast majority of water and sewer rate structures contain a fixed or minimum charge, and a volumetric charge.

The District's rate design criteria reflect the characteristics of the District's water and sewer utilities. Capital and operational reserve funding targets incorporated input from District staff and are intended to meet the utilities specific financial objectives. The following discussion describes general industry rate-study practices in California and principals that were reflected in the recommended rates.

FIXED CHARGES

Fixed charges can be called base charges, minimum monthly charges, fixed monthly meter charges, etc. Although fixed charges are typically a significant percentage of the utilities overall costs, utilities rarely collect 100 percent of their fixed costs through fixed charges. In general, customers prefer that charges include a volumetric component, as there is an inherent and widely recognized equity in a "pay-for-what-you-use" philosophy.

⁵ James C. Bonbright; Albert L. Danielsen and David R. Kamerschen, *Principles of Public Utility Rates*, (Arlington, VA: Public Utilities Report, Inc., Second Edition, 1988), p. 383-384.

⁶ M1 Manual, AWWA, seventh edition, 2017, p. 105.

For a water utility, fixed charges typically increase by meter size. This is because a large portion of water utilities' costs are typically related to meeting capacity requirements and therefore reflecting the capacity demands of each meter size is important in establishing equitable fixed charges for customers. For example, a customer with a 2" meter may have a fixed meter charge that is eight times greater than the 5/8" meter charge based on the meter's maximum flow rate.⁷

VARIABLE (CONSUMPTION-BASED) CHARGES

In contrast, variable costs such as the cost of purchased water, electricity used in pumping water, and chemicals used in the water treatment facilities tend to change with the quantity of water produced. For water utilities, variable charges are generally based on metered consumption and charged on a dollar-per-unit cost (per 100 cubic feet, or hcf, in the District's case).

There are significant variations in the basic philosophy of variable charge rate alternatives. Under a uniform (single tier) water rate structure, the cost per unit does not change with consumption, and provides a simple and straightforward approach from the perspective of customer understanding and rate administration/billing.

KEY FINANCIAL ASSUMPTIONS

The following are the key assumptions used in the water and sewer rate analyses:

- **Funding Capital Projects** – The analysis for both utilities assumes:
 - Capital costs attributable to existing customers are funded with rate revenue.
 - Capital costs attributable to growth or expansion-related costs will be funded through connection fee revenue to the extent those revenues are available.
 - All capital projects listed in the financial plans are District projections.
- **Reserve Targets for Water and Sewer** – Reserves for operations and capital needs are set at levels established by District staff and adopted by the District Board. Reserve targets used in the analysis are as follows:
 - Operating & Maintenance Reserve – 180 days of O&M costs for water and 90 days for sewer.
 - Capital Rehabilitation and Replacement Reserve – \$2 million for water and 3 percent of net asset values for sewer.
- **Inflation and Growth Projections** – District-provided inflation and growth projections were applied equally to the water and sewer utilities:
 - General inflation is 2.65 percent annually.
 - Customer growth is 0.00 percent annually.
 - Labor cost inflation is 2.69 percent annually.
 - Energy cost inflation is 4.40 percent annually.
 - Chemical cost inflation is 5.00 percent annually.

The next two sections discuss the water and sewer rate studies in further detail.

⁷ These are typically referred to as "hydraulic capacity factors" that represent the relative capacity required in the water system. See American Water Works Association, *Water Meters – Selection, Installation, Testing and Maintenance, M6 Manual, Table 5-3*.

Section 3. WATER RATE DESIGN

Developing the Recommended Water Rate Design Alternative

The broader water rate study, including the cost-of-service analysis, was undertaken with a few specific objectives in mind, including:

- Generating sufficient additional revenue needed to meet projected funding requirements, particularly the costs of capital improvement projects,
- Providing revenue stability,
- In light of recent impacts from the drought and conservation efforts, evaluating and incorporating projected water consumption levels.

Although the previous cost-of-service study developed financial plans, NBS re-evaluated those plans and developed multiple additional financial plan scenarios and corresponding water rate alternatives as requested by District staff as a part of this focused water rate study. Each financial plan scenario provided different levels of CIP funding and projected reserve fund balances. All rate structure alternatives were developed using general industry standards and cost-of-service principles.

The District's Board of Directors selected the rate alternative recommended in this report at the May 24, 2017 special board meeting, noting that it provided the most favorable mix of cost-of-service results and the current rate structure. The following are the basic components included in the cost-of-service and/or rate design analysis:

- **Developing Revenue Requirements:** The water revenue requirements were projected based on the current annual budget and input from District staff. Revenue requirements were developed in the cost-of-service study and re-evaluated in the focused rate design study.
- **Developing Cost Allocations:** The cost-of-service study used these projected water revenue requirements to "functionalized" them into three categories: (1) fixed capacity costs; (2) variable (or volume-based) costs; and (3) customer service costs. Each of these functional costs has a distinct allocation factor used to determine revenue requirements by customer class.
- **Determining Revenue Requirements by Customer Class⁸:** As the next step in the cost-of-service analysis, revenue requirements for each customer class were determined based on allocation factors such as water consumption, capacity peaking factors, and number of accounts by meter size. For example, volume-related costs are allocated based on the water consumption for each class, while customer costs are allocated based on number of accounts.
- **Rate Design and Fixed vs. Variable Costs:** These revenue requirements by class are used to evaluate rate-design alternatives, which include determining how much revenue to collect from fixed charges versus variable rates. Fixed costs, such as capacity-related costs, billing, and general administrative costs, are typically collected through a fixed monthly charge, while variable costs such as pumping and purchased water costs are typically collected through volumetric charges. While this study determined that the District's fixed and variable costs are approximately 61 percent fixed and 39 percent variable⁹, industry practices provide flexibility regarding the actual

⁸ In the District's case, meter sizes serve as customer classes for the water utility.

⁹ A more strict "accounting-based" approach determined fixed/variable costs were closer to 82%/18%, respectively.

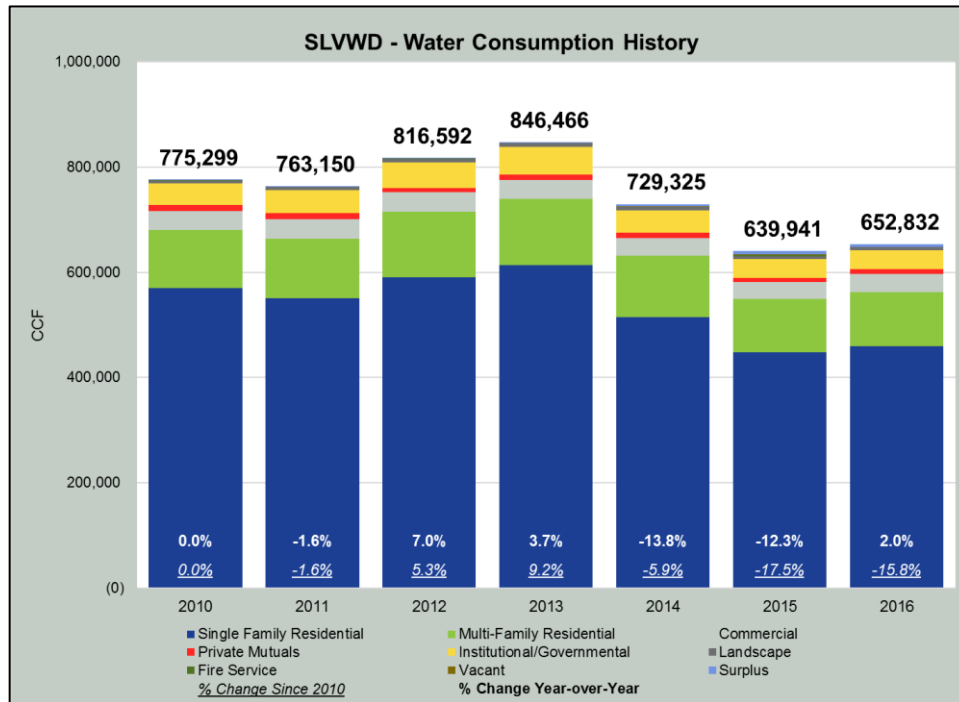
percentages collected from fixed vs. variable rates. After evaluating various combinations of fixed vs. variable costs, and based on direction from District staff and the District Board, a rate structure that recovers 30 percent from fixed charges and 70 percent from variable was selected¹⁰.

- **Elimination of the Drought Surcharge:** This study assumes the \$1.00/ccf drought charge currently in place will end when the proposed rates are implemented.
- **Revenue Stabilization Rates:** New revenue stabilization rates were developed as part of the study with the intent of stabilizing the District's variable rate revenue that may be effected by low water sales due to conservation or unusual weather patterns.
 - Once adopted through Prop 218, these rates can be implemented by Board of Directors on an as-needed basis.
 - Revenue Stabilization rates are reversible; when volumetric revenue losses subside, use of revenue stabilization rates would rescinded and the current volumetric rate (\$/CCF) would be used.
 - The District will provide adequate notice prior to implementation and rescission¹¹.
 - Although details are yet to be finalized, a key qualification for revenue stabilization rates to be implemented is the period and level of volumetric rate revenue losses (i.e., revenues below the expected revenue level). Higher volumetric rates, beginning with 10 percent increase would be implemented and, depending on the level of revenue losses, can be increased by additional increments of five percent but capped at 20 percent.
- **Water Conservation:** Minimal water conservation was included in projected water sales of 650,000 ccf for FY 2017/18, and is a consumption level the District is comfortable with for FY 2017/18. Figure 2 below shows the District's water consumption history for the last seven years.

¹⁰ The District's current revenue allocation is about 54 percent fixed and 46 percent variable.

¹¹ Details of proposed revenue stabilization rates and how they are implemented and rescinded are provided in Appendix B.

FIGURE 2. WATER CONSUMPTION HISTORY



Water Utility Revenue Requirements

It is important for municipal utilities to maintain reasonable reserves in order to handle emergencies, fund working capital, maintain a good credit rating, and generally follow sound financial management practices. Rate increases typically consider the need to meet several objectives:

- **Meeting Operating Costs:** For Fiscal Years 2017/18 through 2021/22, the net revenue requirement (i.e., total annual O&M expenses, debt service, and rate-funded capital costs less non-rate revenues) is estimated to be approximately \$9.7 mil to \$11.4 mil. If no rate increases are implemented, current revenue is expected to be insufficient to cover these operating costs.
- **Maintaining Adequate Bond Coverage:** The District is required by its bond covenants for its 2012 water bonds to maintain debt-service coverage ratios of at least 1.15. The benefit of maintaining a higher coverage ratio is that it strengthens the District's credit rating, which can help lower the interest rates for future debt-funded capital projects, and in turn reduce interest payments for future debt issuances. This analysis assumes that the District will not be incurring any new debt. It is projected that with the recommended rate increases, the District will meet or exceed the 1.15 debt coverage ratio for existing debt through Fiscal Year 2021/22.
- **Maintaining Reserve Funds:** If no rate increases are implemented, reserves will be insufficient to fund ongoing water utility operations. Annual rate increases are necessary to meet reserve fund target levels. Based on the need to be responsive to unforeseen emergencies, District staff chose the following reserve targets:
 - **Operating Reserves** equal to 50 percent of the utility's annual operating expenses. This reserve target builds up to a six-month (or 180-day) cash cushion for normal operations. For Fiscal Year 2017/18, this is estimated to be \$1.9 million.

- **Capital Reserves** of \$2 million or 3 percent of net assets serves as a starting point for addressing longer-term capital needs. For Fiscal Year 2017/18 and into the near future, this is equal to \$2 million.
- **Debt Reserves** have a required reserve fund balance of almost \$500,000. The utility will have debt service obligations for many years to come; however, several obligations should be completed within the next 10 to 15 years.

Figure 3 summarizes the sources and uses of funds and net revenue requirements for the next five years, and includes the recommended annual rate increases. Figure 4 summarizes the projected reserve fund balances and reserve targets. A summary of the water utility's proposed 10-year financial plan, which is included in Appendix B – Water Rate Study Summary Tables, includes revenue requirements, reserve funds, revenue sources, proposed rate increases, and the District's capital improvement program.

FIGURE 3. SUMMARY OF WATER REVENUE REQUIREMENTS

Cost of Service Summary	Budget	Projected				
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Sources of Water Funds						
Rate Revenue Under Prevailing Rates	\$ 6,847,640	\$ 6,847,640	\$ 6,847,640	\$ 6,847,640	\$ 6,847,640	\$ 6,847,640
Non-Rate Revenues	1,143,800	1,143,800	1,143,800	1,143,800	1,143,800	1,143,800
Interest Earnings	5,000	-	-	-	-	-
Total Sources of Funds	\$ 7,996,440	\$ 7,991,440	\$ 7,991,440	\$ 7,991,440	\$ 7,991,440	\$ 7,991,440
Costs of Water Service						
Water Fund Expenses	\$ 7,567,612	\$ 7,969,789	\$ 8,282,159	\$ 8,502,813	\$ 8,729,059	\$ 8,961,692
Debt Service	1,000,751	1,000,751	899,339	797,926	395,840	291,041
Capital Expenses	1,678,988	1,862,385	1,918,257	2,116,934	2,180,442	3,299,649
Total	\$ 10,247,352	\$ 10,832,926	\$ 11,099,754	\$ 11,417,672	\$ 11,305,340	\$ 12,552,382
Surplus / (Deficiency)	\$ (2,250,912)	\$ (2,841,486)	\$ (3,108,314)	\$ (3,426,232)	\$ (3,313,900)	\$ (4,560,942)
Additional Revenue from Rate Increases (1)	-	2,533,627	3,190,315	3,792,593	4,324,604	4,883,217
Surplus (Deficiency) after Rate Increase	\$ (2,250,912)	\$ (307,859)	\$ 82,002	\$ 366,361	\$ 1,010,705	\$ 322,275
Projected Annual Rate Increase	0.00%	37.00%	7.00%	6.00%	5.00%	5.00%
Cumulative Rate Increases	0.00%	37.00%	46.59%	55.39%	63.15%	71.31%
Net Revenue Requirement (2)	\$ 9,098,552	\$ 9,689,126	\$ 9,955,954	\$ 10,273,872	\$ 10,161,540	\$ 11,408,582

1. Assumes new rates are implemented July 1, 2017.
2. Total Use of Funds less non-rate revenues and interest earnings. This is the annual amount needed from water rates.

FIGURE 4. SUMMARY OF WATER RESERVE FUNDS

Beginning Reserve Fund Balances and Recommended Reserve Targets	Budget	Projected				
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Reserve						
Ending Balance	\$ 407,815	\$ 759,703	\$ 1,451,579	\$ 2,126,000	\$ 2,182,000	\$ 2,808,482
<i>Recommended Minimum Target</i>	<i>1,892,000</i>	<i>1,992,000</i>	<i>2,071,000</i>	<i>2,126,000</i>	<i>2,182,000</i>	<i>2,987,000</i>
Capital Rehabilitation & Replacement Reserve						
Ending Balance	\$ -	\$ -	\$ -	\$ 242,096	\$ 1,794,566	\$ 1,825,971
<i>Recommended Minimum Target</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>	<i>2,000,000</i>
Debt Reserve						
Ending Balance	\$ 376,765	\$ 379,591	\$ 383,387	\$ 388,179	\$ 394,002	\$ 400,897
<i>Recommended Minimum Target</i>	<i>498,687</i>	<i>498,687</i>	<i>498,687</i>	<i>498,687</i>	<i>498,687</i>	<i>498,687</i>
Total Ending Balance	\$ 784,580	\$ 1,139,294	\$ 1,834,966	\$ 2,756,275	\$ 4,370,568	\$ 5,035,349
<i>Total Recommended Minimum Target</i>	<i>\$ 4,390,687</i>	<i>\$ 4,490,687</i>	<i>\$ 4,569,687</i>	<i>\$ 4,624,687</i>	<i>\$ 4,680,687</i>	<i>\$ 5,485,687</i>

Characteristics of Water Customers by Class

Water customer characteristics are used in the cost-of-service analysis for allocating costs to customer classes. The District's most recent customer class data includes the consumption data in Figure 5, peaking factors in Figure 6, and the total number of accounts in Figure 7.

FIGURE 5. WATER CONSUMPTION BY CUSTOMER CLASS

Development of the COMMODITY (Volumetric) Allocation Factor - Water Utility				
Customer Class	CY 2016 Volume (ccf) (1)	Conservation for Test Year (FY 2017/18)	Adjusted Volume with Conservation	Percent of Total Volume
Single Family Residential	459,680	0.4%	457,673	70.9%
Multi-Family Residential	102,921	0.4%	102,472	15.9%
Commercial	34,197	0.4%	34,047	5.3%
Private Mutuals	8,710	0.4%	8,671	1.3%
Institutional/Governmental	35,934	0.4%	35,777	5.5%
Landscape	6,901	0.4%	6,870	1.1%
Fire Service accounts	-	0.4%	-	0.0%
Vacant	382	0.4%	380	0.1%
Total	648,724	--	645,891	100%
Surplus Water accounts (2)	4,109	0.0%	4,109	0.6%
Grand Total	652,832	0.4%	650,000	101%

1. Consumption data is based on the SLVWD's billing data (February 2016 - January 2017).
2. Surplus water accounts shown here; revenue requirements will not be developed for these sporadic customers.

FIGURE 6. PEAKING FACTORS BY CUSTOMER CLASS

Development of the CAPACITY (MAX MONTH) Allocation Factor - Water Utility				
Customer Class	Average Monthly Use (ccf)	Peak Monthly Use (ccf) (1)	Peak Monthly Factor	Max Month Capacity Factor
Single Family Residential	38,307	53,529	1.40	69.4%
Multi-Family Residential	8,577	10,872	1.27	14.1%
Commercial	2,850	3,745	1.31	4.9%
Private Mutuals	726	1,368	1.88	1.8%
Institutional/Governmental	2,994	5,940	1.98	7.7%
Landscape	575	1,571	2.73	2.0%
Fire Service accounts	0	0	0.00	0.0%
Vacant	32	83	2.61	0.1%
Total	54,060	77,107	1.43	100%
Surplus Water accounts (2)	342	972	2.84	1.2%
Grand Total	54,403	78,079	1.44	101%

1. Based on peak monthly data (peak day data not available).
2. Surplus water accounts shown here; revenue requirements will not be developed for these sporadic customers.

FIGURE 7. NUMBER OF ACCOUNTS BY CUSTOMER CLASS

Development of the CUSTOMER Allocation Factor - Water Utility		
Customer Class	Number of Meters (1)	Percent of Total
Single Family Residential	7,102	89.4%
Multi-Family Residential	513	6.5%
Commercial	201	2.5%
Private Mutuals	6	0.1%
Institutional/Governmental	53	0.7%
Landscape	14	0.2%
Fire Service accounts	-	0.0%
Vacant	58	0.7%
Total	7,947	100.0%
Surplus Water accounts (2)	15	0.2%
Grand Total	7,962	100.2%

1. Meter Count data is based on the SLVWD's billing data for January 2017.

2. Surplus water accounts shown here; revenue requirements will not be developed for these sporadic customers.

Cost of Service Analysis – Water

The District's previous cost-of-service study resulted in a study report at the end of 2016. While those results are not repeated here, they are summarized in Figure 8, and more detailed fixed and variable allocations are shown in Appendix B. Figure 8 only shows the fixed/variable percentages for the recommended rate design; other alternatives included 50/50 and 30/70 percent fixed/variable options.

FIGURE 8. SUMMARY OF FIXED AND VARIABLE RATE REVENUE REQUIREMENTS

Classification Components (1)	Adjusted Net Revenue Requirements (2017/18)	
	(30% Fixed / 70% Variable)	
Commodity-Related Costs (Volumetric Share)	\$ 3,642,457	38.8%
Capacity-Related Costs (Volumetric Share)	2,924,429	31.2%
Capacity-Related Costs (Fixed Share)	2,135,597	22.8%
Customer-Related Costs	678,783	7.2%
Net Revenue Requirements	\$ 9,381,267	100%

1. Surplus Water Net Revenue Requirements are excluded from total; rates are developed separately.

Based on the 30% fixed/70% variable results of the cost allocation process, Figure 9 summarizes the revenue requirement from each type of customer, with a total revenue requirement of \$9.38 million.

FIGURE 9. SUMMARY OF ADJUSTED RATE REVENUE REQUIREMENTS BY CUSTOMER CLASS

<i>Recommended Rate Alternative - 30% Fixed / 70% Variable)</i>						
Customer Classes	Classification Components				Cost of Service Net Rev. Req'ts	% of COS Net Revenue Req'ts
	Commodity-Related Costs (Variable Portion)	Capacity-Related Costs (Variable Portion)	Capacity-Related Costs (Fixed Portion)	Customer-Related Costs		
Single Family Residential	\$ 2,581,016	\$ 2,030,191	\$ 1,482,569	\$ 606,609	\$ 6,700,385	71.4%
Multi-Family Residential	577,882	412,354	301,126	43,817	1,335,180	14.2%
Commercial	192,008	142,028	103,718	17,168	454,922	4.8%
Private Mutuals	48,902	51,869	37,878	512	139,161	1.5%
Institutional/Governmental	201,762	225,275	164,509	4,527	596,072	6.4%
Landscape	38,745	59,564	43,497	1,196	143,002	1.5%
Fire Service accounts	-	-	-	-	-	0.0%
Vacant	2,143	3,148	2,299	4,954	12,544	0.1%
Total Net Revenue Requirement	\$ 3,642,457	\$ 2,924,429	\$ 2,135,597	\$ 678,783	\$ 9,381,267	100%
<i>Total Net Revenue Requirement by Classification Component</i>	<u>VARIABLE</u> \$6,566,887		<u>FIXED</u> \$2,814,380		\$9,381,267	

Current vs. Proposed Water Rate Structures

Besides merely providing the mechanism for collecting rate revenue from individual customers, water rate design presents an opportunity to consider broader rate-design objectives and policies, including revenue stability and water conservation.

During the rate-design analysis, District staff and NBS developed several water rate structure alternatives.

- **Current Rate Design/Customer Classes** – Preserving the current rate structure that maintains fixed monthly service charges by meter size was important to the District to maintain administrative efficiency and ease of billing.
- **Fixed/Variable Rate Alternatives:**
 - Rate Alternative #1: 70% fixed/30% variable
 - Rate Alternative #2: 50% fixed/50% variable (the current rate design)
 - Rate Alternative #3: 30% fixed/70% variable
- **Variable Rates:** As previously noted, based on Proposition 218 requirements and recent court cases, adopting a uniform volumetric rate was determined to be the most defensible volumetric rate structure¹².
- **Revenue Stabilization Rates:** To help the District respond to losses in volumetric rate revenue due to extraordinary conservation or unusual weather patterns, “revenue-stabilization rates” were developed.
- **Surplus Water:** Bulk water is sold directly to customers from a dedicated connection at the District’s office; customers must provide their own containers to fill. While District counsel confirmed that surplus water rates are not governed by Prop 218, a revised rate was calculated as part of this study.

¹² Although tiered rates were considered, it was the opinion of NBS, District staff, and the District’s legal counsel that uniform rates were the most defensible option.

Figure 10 compares the current and recommended rates for FY 2016/17 through 2021/22 (including surplus water rates). Cost-of-service adjustments are reflected in the FY 2017/18 rates; thereafter rate increases are applied on an across-the-board basis. Figure 11 shows the recommended revenue stabilization rates for FY 2017/18 through 2021/22 at various levels. Appendix B provides more detail on the development of the proposed water rates.

FIGURE 10. CURRENT AND PROPOSED WATER RATES FISCAL YEAR 2016/17 – 2021/22

Water Rate Schedule		Current Rates	Proposed Rates - 30% Fixed / 70% Variable				
			FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Projected Increase in Rate Revenue per Financial Plan:			37.00%	7.00%	6.00%	5.00%	5.00%
Fixed Service Charge							
Monthly Fixed Service Charges:							
5/8 inch	per account	\$34.00	\$28.27	\$30.24	\$32.06	\$33.66	\$35.34
3/4 inch	per account	\$34.00	\$28.27	\$30.24	\$32.06	\$33.66	\$35.34
1 inch	per account	\$56.50	\$42.36	\$45.33	\$48.05	\$50.45	\$52.97
1 1/2 inch	per account	\$114.00	\$77.61	\$83.04	\$88.03	\$92.43	\$97.05
2 inch	per account	\$181.50	\$119.91	\$128.30	\$136.00	\$142.80	\$149.94
3 inch	per account	\$341.00	\$232.70	\$248.98	\$263.92	\$277.12	\$290.97
4 inch	per account	\$567.00	\$359.58	\$384.75	\$407.84	\$428.23	\$449.64
Surplus Water (1)	per account	\$114.00	\$77.61	\$83.04	\$88.03	\$92.43	\$97.05
Volumetric Charges for All Water Consumed							
Tier 1	0 - 4 ccf	\$3.81	--	--	--	--	--
Tier 2	5 - 15 ccf	\$4.97	--	--	--	--	--
Tier 3	16 - 50 ccf	\$5.96	--	--	--	--	--
Tier 4	51+ ccf	\$6.61	--	--	--	--	--
Drought Surcharge	per CCF	\$1.00	--	--	--	--	--
Flat Rate (Uniform Rate)	per CCF	\$4.64	\$10.12	\$10.83	\$11.48	\$12.06	\$12.66
Surplus Water	per CCF	\$10.00	\$14.39	\$15.40	\$16.32	\$17.14	\$17.99

1. Per District policy, Surplus water accounts are charged the 1 1/2 inch meter monthly fee.

FIGURE 11. PROPOSED WATER REVENUE STABILIZATION RATES FISCAL YEAR 2017/18 – 2021/22

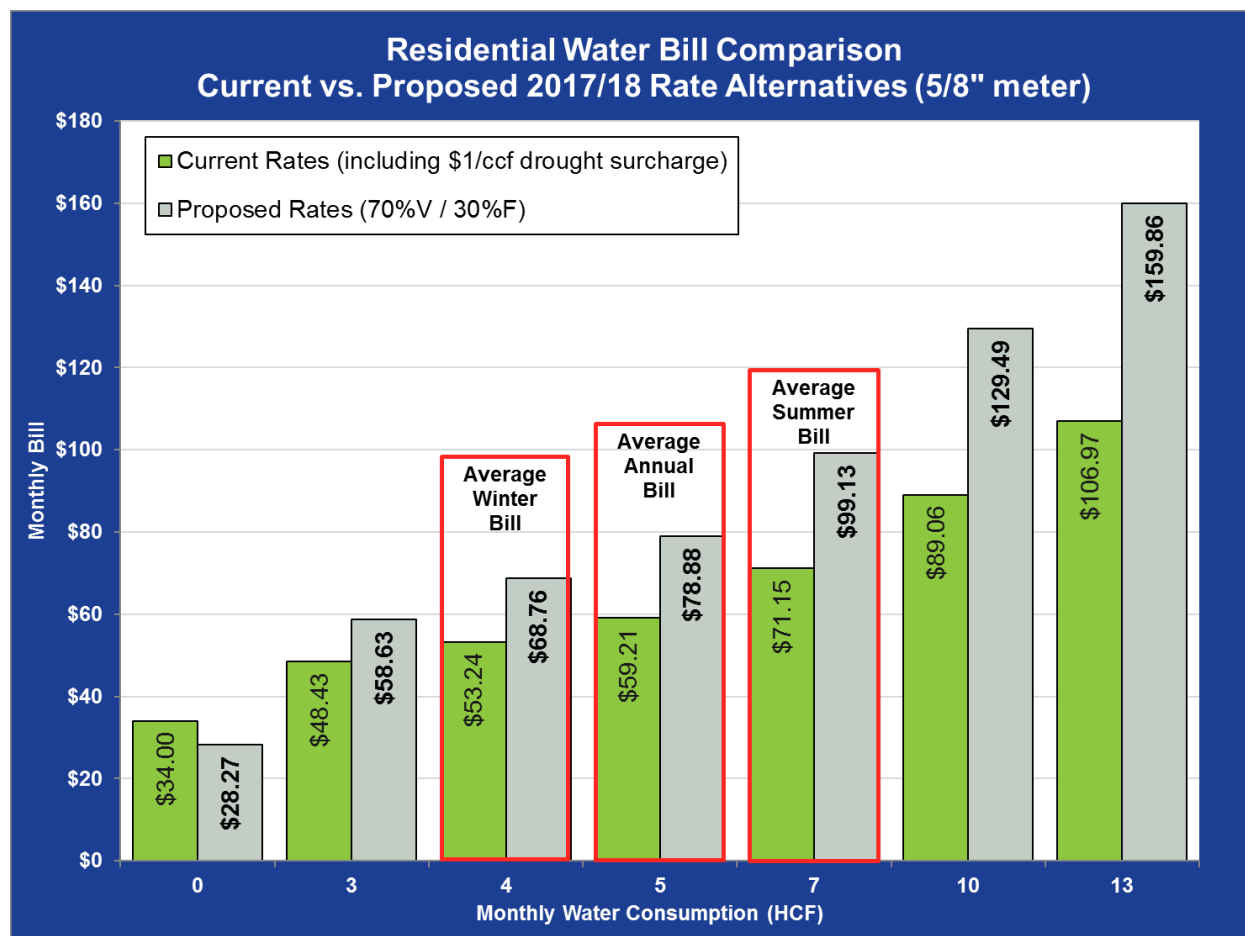
Water Rate Schedule	Proposed Revenue-Stabilization Volumetric Rates				
	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Volumetric Charges for All Water Consumed					
Flat Rate (Uniform Rate)	\$10.12	\$10.83	\$11.48	\$12.06	\$12.66
Revenue Stabilization Rates for All Water Consumed					
10%	\$11.14	\$11.91	\$12.63	\$13.26	\$13.92
15%	\$11.64	\$12.46	\$13.20	\$13.86	\$14.56
20%	\$12.15	\$13.00	\$13.78	\$14.47	\$15.19

Comparison of Current and Proposed Monthly Water Bills

SINGLE-FAMILY WATER CUSTOMERS

Figure 12 compares monthly water bills under the current and proposed FY 2017/18 rates for single-family customers for a 5/8" inch meter – the most common meter size.

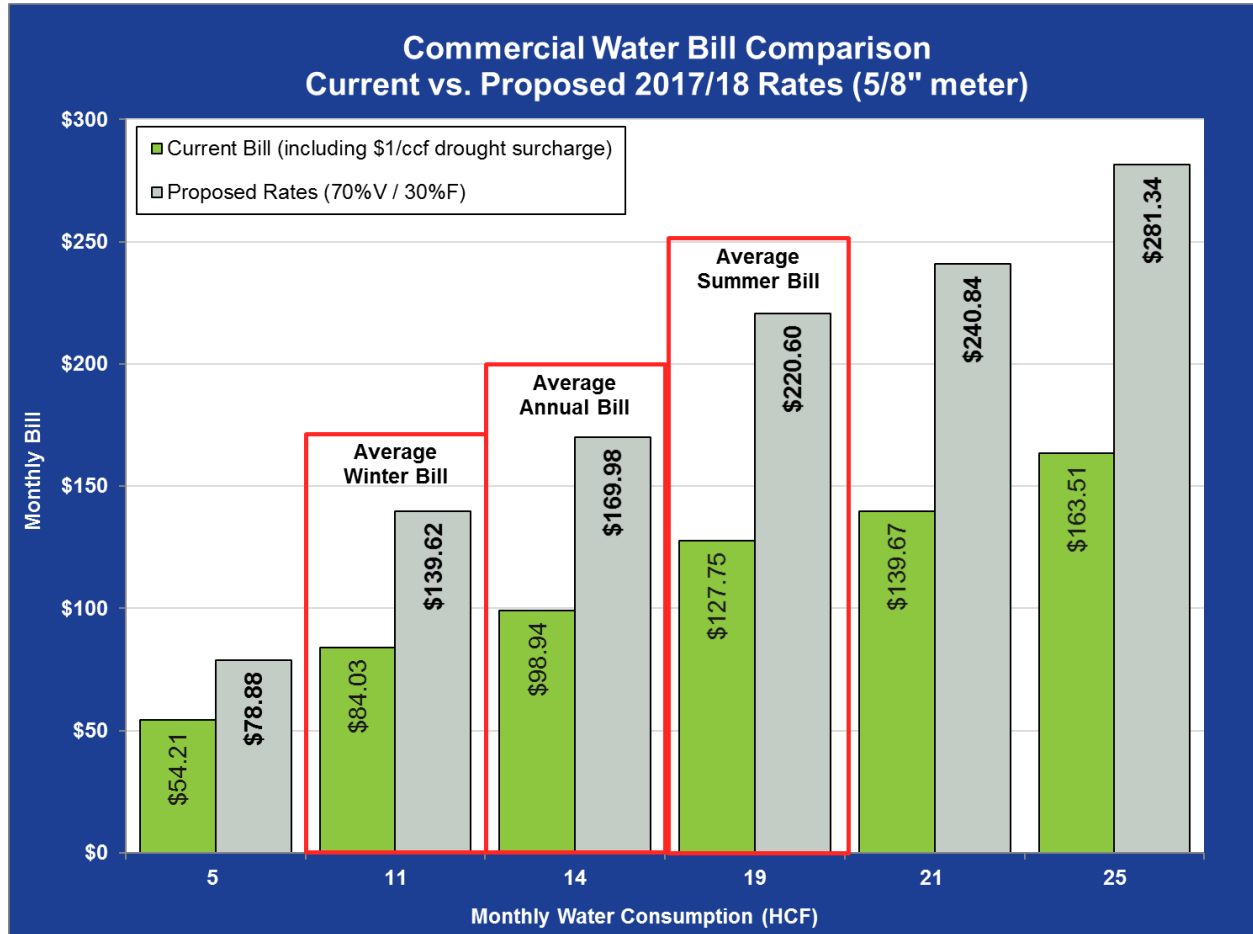
FIGURE 12. MONTHLY WATER BILL COMPARISON FOR RESIDENTIAL CUSTOMERS



COMMERCIAL WATER CUSTOMERS

Commercial customers are currently subject to the same fixed monthly charges by meter size and uniform volumetric rate as single-family customers; proposed rates follow the same rate structure. Figure 13 compares current and proposed FY 2017/18 monthly bills for commercial customers, also with a 5/8-inch meter at various levels of consumption.

FIGURE 13. MONTHLY WATER BILL COMPARISON FOR COMMERCIAL USERS



Section 4. SEWER RATE DESIGN

Developing the Recommended Sewer Rate Design Alternative

The District maintains a small wastewater system for a small residential area (55 total connections). Although the sewer rate study included objectives similar to those in the water rate study, the overriding concern was building and maintaining the financial health of the sewer utility.

The earlier cost-of-service study addressed sewer rate tasks were similar to those performed for the water rates, including developing a financial plan (revenue requirements), functional cost allocations, and revenue requirements by customer class. The rate design analysis then developed individual rates within customer classes. Detailed tables showing the systematic development of the analysis are presented in Appendix C – Sewer Rate Summary Tables.

Figure 14 summarizes the financial plan and net revenue requirements for the next five years, and indicates that annual net revenue requirements cannot be fully funded by current rate revenues. Although initial results indicated that the sewer utility needs a rate increase of 100 percent in FY 2017/18, 20-percent annual rate increases are recommended over the next five years to dampen the rate shock of a 100-percent increase.

FIGURE 14. SUMMARY OF SEWER REVENUE REQUIREMENTS

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget	Projected				
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Sources of Sewer Funds						
Rate Revenue Under Prevailing Rates	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Non-Rate Revenues	-	-	-	-	-	-
Total Sources of Funds	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Uses of Sewer Funds						
Operating Expenses	\$ 127,016	\$ 130,429	\$ 133,932	\$ 137,528	\$ 141,219	\$ 145,010
Debt Service	-	-	-	-	-	-
Capital Expenses	63,880	65,796	67,770	69,803	71,898	74,054
Total Uses of Funds	\$ 190,896	\$ 196,226	\$ 201,703	\$ 207,332	\$ 213,116	\$ 219,064
Surplus / (Deficiency) before Rate Increases	\$ (90,896)	\$ (96,226)	\$ (101,703)	\$ (107,332)	\$ (113,116)	\$ (119,064)
Additional Revenue from Rate Increases (1)	-	20,000	44,000	72,800	107,360	148,832
Surplus (Deficiency) after Rate Increase	\$ (90,896)	\$ (76,226)	\$ (57,703)	\$ (34,532)	\$ (5,756)	\$ 29,768
Projected Annual Rate Increase	0.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Cumulative Rate Increases	0.00%	20.00%	44.00%	72.80%	107.36%	148.83%
Net Revenue Requirement (2)	\$ 190,896	\$ 196,226	\$ 201,703	\$ 207,332	\$ 213,116	\$ 219,064

1. Assumes new rates are implemented July 1, 2017.

2. Total Use of Funds less non-rate revenues and interest earnings. This is the annual amount needed from sewer rates.

A summary of the entire 20-year financial plan, showing revenue requirements, revenues, and recommended rate increases is presented in Appendix C, along with a summary of the District's capital improvement program.

Cost of Service Analysis – Sewer

The 2016 Cost of Service Study performed by NBS developed the cost of service analysis that fairly and equitably allocates annual revenue requirements to customer classes, although the District's sewer customers are all residential customers.

Current vs. Proposed Sewer Rates

Currently, the District's sewer rates consist of a fixed monthly base charge per account (\$149.00 per month). Figure 15 shows the current and proposed sewer rates through FY 2021/22. The proposed rates maintain the existing rate structure with a fixed monthly base charge only (i.e. no volumetric component).

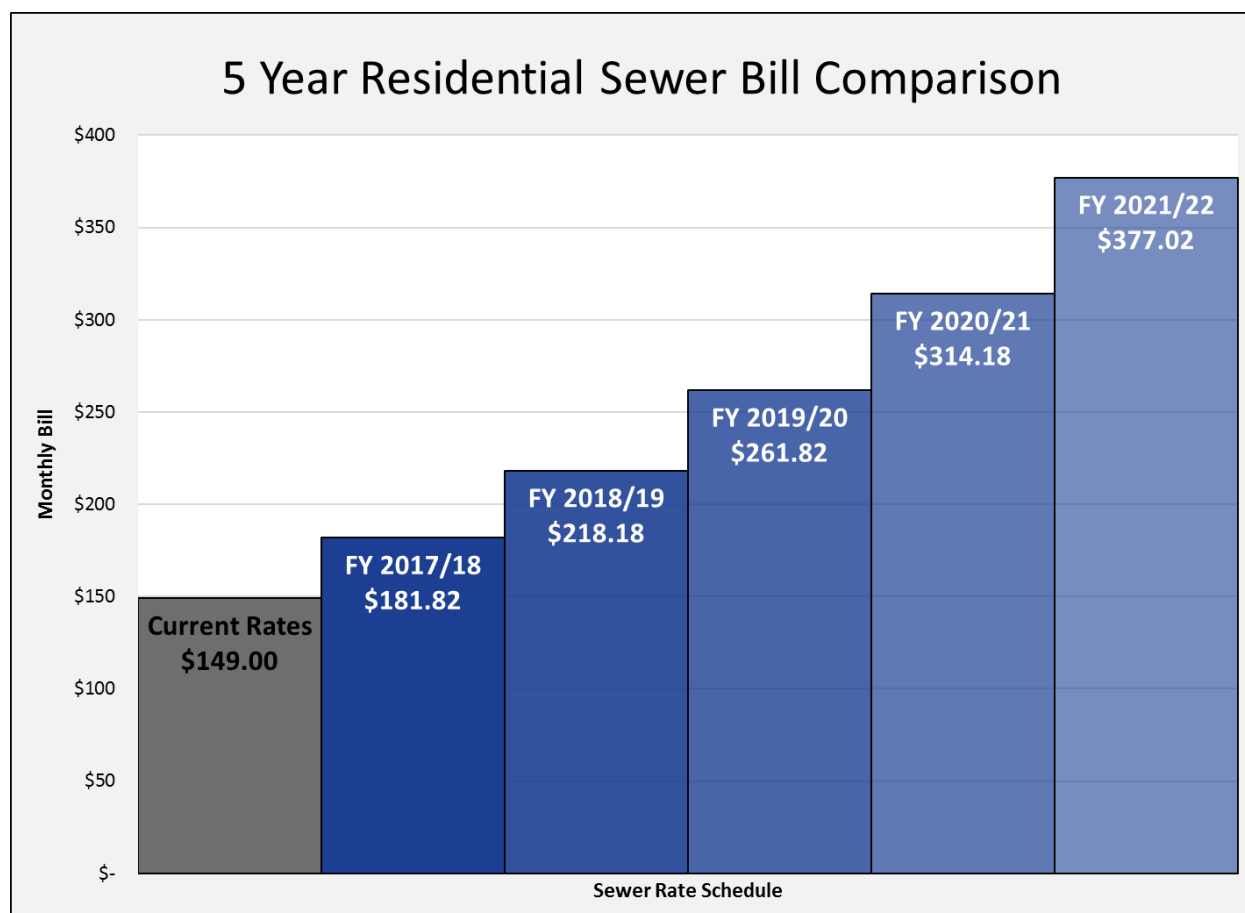
FIGURE 15. CURRENT AND PROPOSED SEWER RATES FISCAL YEAR 2016/17 – 2021/22

Sewer Rate Schedule	Current Rates	Proposed Rates				
		FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Projected Increase in Rate Revenue per Financial Plan:		20.00%	20.00%	20.00%	20.00%	20.00%
Monthly Fixed Service Charges:						
All Customers	\$149.00	\$181.82	\$218.18	\$261.82	\$314.18	\$377.02

SINGLE-FAMILY SEWER CUSTOMERS

Figure 16 compares typical single-family monthly sewer bills in under the current and proposed rates for the next five years.

FIGURE 16. MONTHLY SINGLE-FAMILY SEWER BILL COMPARISON



Section 5. WATER CONNECTION FEE STUDY

Background and Purpose

Connection fees are one-time fees intended to reflect the cost of existing infrastructure and planned improvements available to new services, and place new utility customers on equal basis from a financial perspective with existing customers. Once new customers are added to the system, they then incur the obligation to pay the same service charges or water rates that existing customers pay.

The District is conducting a water connection fee study because the District's connection fees needed updating to comply with industry standards, and these fees need to reflect the cost of capital infrastructure required to serve new customers. The next few sections summarize the results of the analysis and presents the updated connection fees that are imposed on new or upsized connections.

General Connection Fee Requirements

Connection fees imposed by the District are subject to California's Mitigation Fee Act ("Act"), embodied in Government Code 66000 et seq., which the State Legislature passed, starting with Assembly Bill 1600 in 1989. The Act prescribes the means by which public agencies may impose development impact fees, including water connection fees. The connection fees presented herein are calculated with the intent of complying with the Act and are based on typical industry methodologies.

In its simplest form, connection fees (for utilities they are often also referred to as developer fees, capacity fees, or system development charges) are calculated by dividing the costs allocated to future development by the number of units of new development:

- Costs of planned future facilities and improvements required to serve new development are those that can reasonably be allocated to future development.
- The number of new units (i.e., growth) are those units projected to occur within the timeframe covered by the connection fee analysis.

Connection fee revenues may not be used for annual operations or maintenance of existing or new facilities. The cost of the public facilities analyzed do not include the operational costs of these facilities, which, over their useful life, may be quite substantial, and will be borne by customers connected to the system at the time of operation.

Another fundamental premise of connection fees is that the burden of the fees cannot exceed the actual cost of the public facilities needed to serve the development paying the fee, including costs associated with administering the fee program. In addition, fee revenues can only be used for their intended purposes and the Act has specific accounting and reporting requirements both annually and after every five-year period for the use of fee revenues.

Facility Standards, Level of Service, and Deficiencies

The words "standard" and "level of service" are used (at times interchangeably) to describe the level of investment in capital facilities that are needed to serve water and sewer customers. A standard is defined as the adopted policy, or benchmark, that the District currently provides or intends to achieve for any

particular facility. On the other hand, level of service (LOS) refers to the actual level of benefit that the current population experiences. Level of service may be different from the standard for a given facility. If the existing LOS is less than the standard, a deficiency exists for that facility.

New development alone cannot be required to improve the LOS provided by those facilities that serve both new and existing development¹³. State law limits connection fees to the cost of maintaining services for new development at the same LOS as existing development.

Mitigation Fee Act and Required Findings

The Mitigation Fee Act establishes requirements for imposing connection fees, including necessary funding for the ongoing administration of connection fee programs. It also requires local governments to document the following when adopting a connection fee:

- Identify the purpose of the fee.
- Identify the use of fee revenues.
- Determine a reasonable relationship exists between the fee's use and the type of development paying the fee.
- Determine a reasonable relationship exists between the need for the fee and the type of development paying the fee.
- Determine a reasonable relationship exists between the amount of the fee and the cost of the facility attributable to development paying the fee.

Together, these items constitute a “nexus study” when documented and presented in a report. This report provides the required documentation for the above findings and the determinations that establish the basis for the recommended fees. The following sections discuss the development of the water connection fees.

Connection Fee Methodology

Various methodologies have been and are currently used to calculate water connection fees. The most common are:

- The value of existing (historical) system assets, often called a “buy-in” methodology.
- The value of planned future improvements, also called the “incremental” or “system development” methodology.
- A combination of these two approaches.

This analysis uses the combination approach, which requires new customers to pay both their fair share of existing system assets as well as their share of the planned future capital improvements needed to provide them with capacity in the District’s water system. As a result, new customers connecting to the District’s water system would enter as equal participants with regard to their financial commitment and obligations to the utility.

In calculating the water connection fees, the replacement-cost-new-less-depreciation (RCNLD) value of existing system assets was used to calculate the buy-in component of the connection fee. The Handy

13 New development can, and often does fund facilities beyond those covered by connection fees through “developer agreements”, which are voluntarily and mutually agreed upon by new development and an individual utility. Developer agreements are outside the scope of this report, and not considered a part of the connection fee programs addressed herein.

Whitman Index of Public Utility Construction Costs¹⁴, which is a regionally specific construction cost index that tracks water utility construction costs, was used to estimate the replacement value of the existing system assets. We believe this is an accurate inflation index and appropriate for water utilities.

A detailed summary of the water utility's connection fee calculations is included in Appendix D – Water Connection Fee Study Summary Tables.

Existing Connections and Projected Future Growth

Larger meters have the potential to use more of the water system's capacity, compared to smaller meters. The potential capacity used is proportional to the maximum hydraulic flow through each meter size as established by the American Water Works Association (AWWA) hydraulic capacity ratios. The AWWA capacity ratios (also known as Flow Factors) used in this study are shown in the fourth column of Figure 17.

As an example, a 2-inch meter has a greater capacity, or potential peak demand than a 5/8-inch meter. A "hydraulic capacity factor" is calculated by dividing the maximum capacity or flow of large meters by the capacity of the base meter size, which is typically the most common residential meter size (in this case a 5/8-inch or 3/4-inch meter).

The flow factors shown in Figure 17 are the ratio of potential flow through each meter size compared to the flow through a 5/8-inch meter, which is the most common meter size for the District's water utility, and is used to compare the capacities of the larger meters. For example, the fourth column in Figure 17 shows the hydraulic capacity of a two-inch meter is 8 times that of a 5/8-inch meter. As a result, while there are currently 7,369 total water connections, there are 8,055 equivalent meter connections.

FIGURE 17. METER EQUIVALENCE – WATER

Meter Size	Existing Water Meters (1)	Meter Equivalence		Water Meter Equivalent Units
		Maximum Flow (gpm) (2)	Flow Factor for 5/8 or 3/4 inch Base Meter	
5/8 Inch	6,439	20	1.00	6,439
3/4 Inch	241	30	1.00	241
1 Inch	616	50	1.67	1,027
1 1/2 Inch	37	100	3.33	123
2 Inch	31	160	5.33	165
3 Inch	4	320	10.67	43
4 Inch	1	500	16.67	17
6 Inch	-	1,000	33.33	-
8 Inch	-	1,600	53.33	-
Total	7,369			8,055

1. Data is based on SLVWD billing data. Meter count is from February 2016.
2. Source: AWWA M1, Table B-2. Assumes displacement meters for 5/8" through 2" and Compound Class I for 3" through 8".

¹⁴ The Handy-Whitman Index of Public Utility Construction Costs. Baltimore, MD: Whitman, Requardt and Associates, 2017.

The actual number of meters by size is multiplied by the corresponding flow factor to calculate the total number of equivalent meters, which is used as a proxy for the potential demand that each customer can place on the water system. A significant portion of a water system's peak capacity, and in turn, the utility's fixed capital costs are related to meeting system capacity requirements. Therefore, the connection fee for a new service will be proportional to the service's meter equivalents.

The state now requires fire suppression systems in all new single-family home construction with a minimum meter size of 1-inch. Although the expected use within single-family homes does not change because of this requirement, the District has a policy of charging all new connection fees based on actual meter size.

The District's capital improvement plan has a 20-year outlook (through Fiscal Year 2034/35), which is the basis for defining the costs of planned future capital assets. Based on the District's customer growth projections, there will be approximately 1.19 percent annual growth in the water system over the next 20 years. The result, as shown in Figure 18, is that the District expects 2,027 new 5/8-inch equivalent meters over the next twenty years, equivalent to 2.01 percent total growth during the same time.

FIGURE 18. PROJECTED CUSTOMER GROWTH – WATER

Demographic Statistics	Existing Total	Projected Service Total	Allocation Factors		Cumulative Change	
			Existing Services	Future Services	Number of Units	% Increase
SFR Meter Equivalent Units	8,055	10,082	79.9%	20.1%	2,027	25.2%

Existing and Planned Future Assets

The water utility's capital assets include existing assets and planned capital improvements (i.e., the buy-in and incremental assets). Existing assets are often valued using "book value" (i.e., original cost less depreciation). However, replacement costs provide a more accurate estimate of these asset values. Ideally, replacement values would reflect the actual field condition of the assets (i.e., whether they are behind or ahead of the depreciation curve based on actual condition rather than just the remaining years of expected life). Unfortunately, this information was not available for this study, and the estimated replacement-cost-new-less-depreciation or RCNLD value was developed as the cost basis for the new connection fees. A field assessment was performed as part of the Cost of Service Study completed in November 2016; planned capital improvements are based on this assessment.

For the purpose of this analysis, assets that have exceeded their useful life (as defined in the District's asset records) were considered to have no remaining value. The resulting RCNLD value of existing assets are about \$52 million; see Appendix D for full details.

Most of the RCNLD costs were allocated to existing users based on the 79.9 percent allocation factor shown in Figure 18 (and 20.1 percent allocation factor for future users). The resulting allocation of exiting system assets to existing and future users is summarized in Figure; future customers are allocated \$10,474,476 of existing water assets.

As noted earlier, the District's capital improvement plans extend through 2035. The estimated cost of planned future improvements (in 2017 dollars) used to calculate the system development component of the

connection fee are also summarized in Figure 19; based on the 20.1 percent allocation factor, future customers were allocated \$11,446,715 of these future capital project costs.

Adjustments to the Cost Basis

Before the connection fees are developed, two adjustments were applied to the cost basis to account for existing cash reserves and outstanding debt. Existing cash reserves are treated as an asset, since existing customers contributed them and they are available to pay for capital and/or operating costs of the water utility. The cash reserves are, in a sense, no different from any other system asset. The existing cash 20.1 percent allocation factor is from Figure 18. The allocation of cash reserves to future users is \$521,778.

There was also a credit to the cost basis related to outstanding bonds. This credit was included because some existing assets were at least partially funded with revenue bonds that will be paid in future years by the “existing customers” at that time. Since new connections pay their share of existing asset values, including the remaining outstanding debt on those same assets would be double counting the asset values in the connection fees. Therefore, a credit is given in the connection fee calculation for the value of future principal, to avoid double-charging new customers for bond-funded assets. Figure 19 summarizes the \$1,003,901 credit provided to future users in the connection fee development.

Calculated Connection Fees

The sum of the existing and planned asset values (that is, the system buy-in and system development costs), along with the adjustments for existing cash reserves and outstanding principal payments, defines the total cost basis allocated to future customers. Figure 19 summarizes how this cost basis is developed.

FIGURE 19. SUMMARY OF COST BASIS FOR FUTURE WATER CUSTOMERS

System Asset Values Allocated to Future Development	
System Asset Values Allocated to Future Development	
<i>System Asset Values Allocated to New Development</i>	
Existing System Buy-In (2)	\$ 10,474,476
Future System Expansion (3)	11,446,715
Total: Existing & Future System Costs	\$ 21,921,191
<i>Adjustments to Cost Basis:</i>	
Cash Reserves	\$ 521,778
Outstanding Long-Term Debt (Principal) Allocated to Future Users	(1,003,901)
Total: Adjustments to Cost Basis	\$ (482,123)
Total Adjusted Cost Basis for New Development	\$ 21,439,068

The total adjusted cost basis is then divided by the number of future customers, measured in 5/8-inch meter equivalents, expected to connect to the system (that is, the 2,027 meter equivalents shown in Figure 18). This calculation is shown in Figure 20.

FIGURE 20. COSTS ALLOCATED TO FUTURE WATER CUSTOMERS & NEW CONNECTION FEES

Summary of Costs Allocated to Connection Fees	Adjusted System Cost Basis	Planned Additional EDU's	Maximum Connection Fee
Maximum Water Connection Per 5/8-inch meter	\$ 21,439,068	2,027	\$ 10,577

Based on the combined system buy-in and incremental connection fee methodology, and the assumptions used in this analysis, NBS has calculated the new connection fees for each meter size, as shown in Figure 21. The updated connection fees represent the maximum fee that the District could charge for new connections.

FIGURE 21. UPDATED WATER CONNECTION FEES

Meter Size	Equivalency Factor		Maximum Unit Cost (\$/EDU)	Updated Maximum Connection Fee Per Meter
	Maximum Continuous Flow (gpm) (1)	Equivalency to 5/8 or 3/4-inch Base Meter Size		
5/8 Inch	20	1.00	\$10,577	\$10,577
3/4 Inch	30	1.00	\$10,577	\$10,577
1 Inch	50	1.67	\$10,577	\$17,629
1 1/2 Inch	100	3.33	\$10,577	\$35,257
2 Inch	160	5.33	\$10,577	\$56,412
3 Inch	320	10.67	\$10,577	\$112,824
4 Inch	500	16.67	\$10,577	\$176,287
6 Inch	1,000	33.33	\$10,577	\$352,575
8 Inch	1,600	53.33	\$10,577	\$564,120

1. Source: AWWA M1, Table B-2. Assumes displacement meters for 5/8" through 2", Compound Class I for 3" through 8", and Turbine Class II for 10" through 12" meters.

Fee Updates

This connection fee study and the recommended fees assume a given level of development activity over the study period based on the best available data. The development that actually occurs may result in both different impacts and fee revenues than those that are calculated in this study. For that reason, regular updates are recommended to adjust the connection fees to match the needs created by the rate of actual development.

Water Connection Fee Findings Statements

The new water connection fees calculated in this report are based on regulatory requirements and generally accepted industry standards, and are further documented in Appendix D. This study makes the following findings:

- The purpose of the District's water connection fee is to ensure that new and upsized connections reimburse and/or mitigate a reasonable portion of the District's planned capital investments. These investments benefit and/or are necessary to accommodate increased demand for water service.
- The District uses connection fee proceeds to fund capital investments in the water system, which include the future design and construction of planned facilities and partial payment of debt service related to capital improvements.
- All parcels seeking permission to connect to the District's water system are subject to the water connection fee, payment of which is a condition of connection approval. Figure 18 identifies the total number of projected future water customers.
- Connection fees for new water customers vary depending on the size of the water meter serving the connection. Meter size is generally proportionate to the demands a parcel places on the water utility system, specifically the peaking requirements related to the meter size.
- Figure 17 illustrates the equivalency factors differentiating meter sizes, based on their maximum continuous flow. Of the meters currently connected to the system, a majority are 5/8-inch or ¾-inch meters, representing an equivalency factor of 1.0, from which the number of equivalent meters for all larger meters is calculated.
- The District has made investments in water infrastructure, and plans to invest further in expanded and upgraded facilities. These investments make possible the availability and continued reliable provision of utility service of high quality water sufficient to meet demands of growth within the District's service area.
- Without capital investment in existing facilities, the water system capacity available to serve the needs of future connections would be uncertain. Without planned investments in future facilities, water service would not be sustainable at the level of service enjoyed by current users. The total value of planned water system assets that are attributable to serving future connections is identified in Figure 19.
- Connection fees are derived directly from the value of capital investments in existing and planned water facilities.
- Figure 20 identifies the water infrastructure cost per single-family equivalent dwelling unit (EDU) for a new connection, resulting in connection fee unit cost of \$10,577 per EDU.
- Upon payment of a connection fee, a new customer incurs the obligation to pay the same ongoing service rates as existing customers, regardless of the date of connection to the systems or the actual start of service. Connection fees ensure that, over time, ongoing service rates are not disproportionately burdened by the accommodation of system growth.

Section 6. RECOMMENDATIONS AND NEXT STEPS

Consultant Recommendations

This rate and connection fee study reflects input from District staff and the District Board and is intended to comply with general industry standards and State law, and specifically the requirements of Proposition 218 and the Mitigation Fee Act. Public hearings and protest balloting requirements are the next steps required to complete the adoption and implementation requirements for water and sewer rates. The District Board can directly adopt new connection fees, which are not subject to Proposition 218 requirements. As a part of this process, NBS recommends the District take the following actions:

- **Approve and Accept This Study Report:** NBS recommends the District Board formally approve and adopt this report and its recommendations. This will provide the documentation and administrative record necessary to adopt and implement these rates and connection fees.
- **Implement Recommended Levels of Rate Increases and Proposed Rates:** Based on successfully meeting the Proposition 218 balloting requirements, the District Board should proceed with implementing the rate increases and rate structures recommended in this report for both utilities for the next five years (see Figure 10, Figure 11, and Figure 15). These rate increases are necessary to ensure the continued financial health of the District's water and sewer utilities.
- **Implement New Connection Fees:** Based on the analysis presented in this report, the District Board should implement the new connection fees recommended in this report, which are \$10,577 per 5/8-inch meter equivalent.
- **Adopt Reserve Fund Targets:** NBS recommends the District Board adopt and strive to meet the recommended reserve fund targets described in this report for each utility.

Next Steps

ANNUALLY REVIEW RATES AND REVENUE

Any time an agency adopts new utility rates, particularly when facing significant future capital costs, those new rates should be closely monitored over the next several years to ensure the revenue generated is sufficient to meet the annual revenue requirements. Changing economic and water consumption patterns underscore the need for this review, as well as potential and unseen changing revenue requirements, particularly those related to capital improvement and repair and replacement costs that can significantly affect annual cash flows.

PRINCIPAL ASSUMPTIONS AND CONSIDERATIONS

In preparing this report and the recommendations included herein, NBS has relied on a number of principal assumptions and considerations with regard to financial matters, including the District's operating budgets, capital improvement plans, customer account data, water consumption records, and other conditions and events projected to occur in the future. This information and these assumptions were provided by sources we believe to be reliable, although NBS has not independently verified this data.

While we believe NBS' use of such information and assumptions is reasonable for the purpose of this report and its recommendations, some assumptions will invariably not materialize as stated herein or may

vary significantly due to unanticipated events and circumstances. Therefore, the actual results can be expected to vary from those projected to the extent that actual future conditions differ from those assumed by us or provided to us by others.

Section 7. APPENDIX A – ABBREVIATIONS & ACRONYMS¹⁵

AAF	Average Annual Flow
AF	Acre Foot, equal to 435.6 HCF/CCF or 325,851 gallons
Alt.	Alternative
Avg.	Average
AWWA	American Water Works Association
BMP	Best Management Practice
BOD	Biochemical Oxygen Demand
CA	Customer
CAP	Capacity
CCF	Hundred Cubic Feet (same as HCF); equal to 748 gallons
CCI	Construction Cost Index
COD	Chemical Oxygen Demand
COM	Commodity
Comm.	Commercial
COS	Cost of Service
COSA	Cost of Service Analysis
CPI	Consumer Price Index
CIP	Capital Improvement Program
DU	Dwelling Unit
Excl.	Exclude
ENR	Engineering News Record
EDU	Equivalent Dwelling Unit
Exp.	Expense
FP	Fire Protection
FY	Fiscal Year (e.g., July 1st to June 30th)
FY 2016/17	July 1, 2016 through June 30, 2017
GPD	Gallons per Day
GPM	Gallons per Minute
HCF	Hundred Cubic Feet; equal to 748 gallons or 1 CCF
Ind.	Industrial
Irr.	Irrigation
LAIF	Local Agency Investment Fund
Lbs.	Pounds
MFR	Multi-Family Residential
MGD	Million Gallons per Day
MG/L	Milligrams per Liter
Mo.	Month
Muni.	Municipal
NH3	Ammonia
NPV	Net Present Value
N/A	Not Available or Not Applicable
O&M	Operational & Maintenance Expenses
Prop 13	Proposition 13 (1978) – Article XIII A of the California Constitution which limits taxes on real property to 1 percent of the full cash value of such property.
Prop 218	Proposition 218 (1996) – State Constitutional amendment expanded restrictions of local government revenue collections.
Req't	Requirement

15 This appendix identifies abbreviations and acronyms that may be used in this report. This appendix has not been viewed, arranged, or edited by an attorney, nor should it be relied on as legal advice. The intent of this appendix is to support the recognition and analysis of this report. Any questions regarding clarification of this document should be directed to staff or an attorney specializing in this particular subject matter.

Appendix A, continued

Res.	Residential
Rev.	Revenue
RTS	Readiness-to-Serve
R&R	Rehabilitation & Replacement
SFR	Single Family Residential
SRF Loan	State Revolving Fund Loan
SWRCB	State Water Resources Control Board
TSS / SS	Total Suspended Solids
V. / Vs. /vs.	Versus
WWTP	Waste Water Treatment Plant

Section 8. APPENDIX B – WATER REVENUE-STABILIZATION RATES & SUMMARY TABLES

DETAILS OF HOW REVENUE STABILIZATION RATES ARE IMPLEMENTED

Revenue-Stabilization Rate Trigger and Board Notification:

1. For background/informational purposes, District Manager (DM) will provide the District Board 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. District will include a revenue stabilization rate schedule in each budget year (and Proposition 218 Notices) indicating the volumetric rate for increases of 10%, 15%, and 20%. This information will be provided as a part of the budget package each year.
2. If DM determines that annual water sales (in units) to date is more than 10% below expected year-to-date levels (based on monthly averages over the previous three-years), DM will inform the Board. When informing the Board, DM will include expense reduction measures for consideration by the Board that will match the revenue gap. DM will also update the Board on current reserve levels. DM will also provide staff analysis of why the water sales gap is occurring and a six-month projection of anticipated water sales.

Board Action to Implement: Once so informed by DM, Board may:

- Order DM to implement all or part of the proposed expense reductions,
- Order DM to utilize reserves to meet all or part of the revenue gap,
- Order DM to implement revenue stabilization rates from the revenue-stabilization rate schedule* provided by the DM corresponding to the level of volumetric water sales deficit (10%, 15%, or 20%).

**Technical Note: the Revenue-Stabilization rate schedule will be the current uniform volumetric rate that is 10%, 15%, and 20% higher.*

Board Action to Rescind: Once the Board is informed by DM that volumetric water sales revenue has returned to expected levels*, the rate stabilization rates will be automatically rescinded and return to the previous adopted uniform volumetric rate.

**Technical Note: The expected year-to-date volumetric rate revenue is the three-year rolling average monthly water sales (in units) times the currently adopted uniform volumetric water rate. This monthly revenue schedule should be proportionally adjusted to match your budgeted volumetric revenue number.*

Proposed Revenue Stabilization Rates (Previously Shown in Figure 11):

Water Rate Schedule	Proposed Revenue-Stabilization Volumetric Rates				
	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Volumetric Charges for All Water Consumed					
Flat Rate (Uniform Rate)	\$10.12	\$10.83	\$11.48	\$12.06	\$12.66
Revenue Stabilization Rates for All Water Consumed					
10%	\$11.14	\$11.91	\$12.63	\$13.26	\$13.92
15%	\$11.64	\$12.46	\$13.20	\$13.86	\$14.56
20%	\$12.15	\$13.00	\$13.78	\$14.47	\$15.19

Section 9. **APPENDIX C – SEWER RATE SUMMARY TABLES**

Section 10. **APPENDIX D – WATER CONNECTION FEE SUMMARY TABLES**

MEMO

To: Board of Directors

From: District Manager

SUBJECT: PUBLIC HEARING AND POTENTIAL ACTION FIXING AND ADOPTING
BULK (SURPLUS) WATER FEES

DATE: SEPTEMBER 21, 2017

RECOMMENDATION

It is recommended that the Board of Directors review this memo, conduct an open hearing to receive public input and approve Resolution No. 6 (17-18) fixing and adopting bulk (surplus) water fees.

BACKGROUND

The District has conducted an extensive and detailed financial analysis comprised of a comprehensive Cost-of-Service analysis followed by a Rate Study. The rate study recommends adopting bulk water fees as follows:

		Current	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22
Bulk Water	Per CCF	\$10.00	\$14.39	\$15.40	\$16.32	\$17.14	\$17.99

The Board has discussed the rate study and directed staff to move forward with holding a public hearing with the intent of adopting the proposed bulk water fees.

STRATEGIC PLAN:

Element 5.1 Fiscal Plan for support of Strategy

FISCAL IMPACT:

17/18 FY Budget, \$40,000

SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 6 (17-18)
FIXING AND ADOPTING BULK WATER FEES

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

WHEREAS, the NBS Focused Water Rate Study [Final Report], dated [June] 2017, proposes and recommends a revised schedule of bulk water rates; and

WHEREAS, the District has complied with the procedural requirements imposed by state law including the California Constitution; and

WHEREAS, the Board finds, based all evidence in the record including without limitation the study prepared by NBS, there is a need to modify the existing bulk water fees to reflect the reasonable costs of providing bulk water to customers that utilize this service.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Lorenzo Valley Water District hereby approves and adopts the San Lorenzo Valley Water District Schedule of Bulk Water Fees, attached hereto as Exhibit "A", effective September 22, 2017; and

BE IT FURTHER RESOLVED that the Board of Directors of the San Lorenzo Valley Water District hereby directs the District Manager to take all action necessary to implement this Resolution.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 21st day of September, 2017 by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

Holly Morrison
Secretary of the Board
San Lorenzo Valley Water District

Exhibit "A"

SAN LORENZO VALLEY WATER DISTRICT
SCHEDULE OF BULK WATER FEES
Effective 9.22.2017

Water Rate Schedule	Current Rates		Proposed Rates - 30% Fixed / 70% Variable				
			FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Projected Increase in Rate Revenue per Financial Plan:			44.00%	7.00%	6.00%	5.00%	5.00%
Volumetric Charges for All Water Consumed							
Surplus Water	per CCF	\$10.00	\$14.39	\$15.40	\$16.32	\$17.14	\$17.99

MEMO

To: Board of Directors

From: District Manager

SUBJECT: OPPORTUNITIES FOR ENSURING WATER SERVICE TO CUSTOMERS
IN NEED

DATE: SEPTEMBER 21, 2017

RECOMMENDATION

It is recommended that the Board of Directors engage in a discussion on how the District can legally assist customers struggling to make ends meet.

BACKGROUND

Interest exists in finding ways for the District to offer assistance to customers struggling to make ends meet. The Administration Committee has taken up this question and will be coming back to the Board with recommendations.

Under current consideration is a program similar to Lyft's 'Round-Up & Donate.

Administration Committee have held further discussions. Director Bruce and DM Lee have held discussions with Community Bridges. A verbal update will be provided at tonight's meeting.

STRATEGIC PLAN:

Element 6.0 Public Affairs

FISCAL IMPACT:

Unknown at this time

MEMO

To: Board of Directors
From: District Manager
Prepared By: Designated District Engineer
Subject: AWARD OF CONSTRUCTION CONTRACT - FALL CREEK FISH
LADDER DEBRIS REMOVAL PROJECT
Date: September 21, 2017

RECOMMENDATION

It is recommended that the Board of Directors review this memo and the scope of work for the Fall Creek Fish Ladder Debris Removal Project and approve the attached Resolution which awards the project to the lowest responsible bidder and authorizes the District Manager to negotiate and execute a construction agreement.

BACKGROUND

The Fall Creek Fish Ladder is a concrete fish ladder located adjacent to the District's pump intake facility in Fall Creek, and therefore maintained by the District. Heavy sediment, including rock and debris were brought downstream due to heavy rains last winter. The California Department of Fish and Wildlife mandated that the District remove the debris within the fish ladder pools, along with two locations upstream. Due to language in the District's current permit, the work must be completed by October 15th in order to avoid the rainy season. The project is estimated to take three weeks to complete, and is eligible for partial FEMA reimbursement. The scope of work is attached.

On September 1, 2017, the Board of Directors approved a contract with WSC to prepare expedited plans for the project in compliance with FEMA requirements and to assist District staff to solicit contractors for an informal bidding process. Due to the difficulty of the project as well as the remote location, two of the six contractors contacted were willing to do a site visit, and at the time of this agenda posting the District is awaiting proposals.

SUMMARY

It is recommended that the Board of Directors review this memo and the scope of work for the Fall Creek Fish Ladder Debris Removal Project and approve the attached Resolution which awards the project to the lowest responsible bidder.

FISCAL IMPACT:
TBD

2015 STRATEGIC PLAN:
Strategic Element 1.0 - Water Supply Management
Strategic Element 6.0 - Public Affairs

ATTACHMENTS:
1. Scope of Work
2. Resolution No. 11 (17-18)
3. Bids/Proposals

FALL CREEK FISH LADDER SCOPE OF WORK

Scope of work includes removal of approximately 250 yd³ of debris, silt, sand, and rock from the Fall Creek Fish Ladder and surrounding creek area located at the end of Fall Creek Road, in Felton, CA. The project will include:

- Temporary damming of the creek both upstream and downstream,
- Dewatering the creek after the fish biologist safely relocates native fish,
- Installing approximately 175-200 feet of 24" diameter bypass pipeline for the creek,
- Excavating approximately 250 cubic yards of debris, silt, sand, and rock from the two uppermost pools of the fish ladder, as well as the sand bars located upstream. See exhibit for more detailed locations.
- Approximately 30 yd³ of larger rock to be piled on sand bar downstream of the fish ladder, rest of material is to be hauled out.
- All existing infrastructure including bridges, weirs, concrete structures, pump intake facility, and piping must be protected in place.
- If, at the District Engineer's discretion, infrastructure needs to be moved to complete the project, the request must be submitted in writing by the contractor and once approved, infrastructure must be returned to its pre-construction location and condition.

San Lorenzo Valley Water District (District) will provide and coordinate with the fish biologist, who will relocate the fish, as well as be present to monitor the project at all times.

District can provide temporary staging site for material removed at contractor's request.

Project must be completed by October 15, 2017.

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 11 (17-18)

SUBJECT: **AWARD OF BID AND APPROVAL OF AGREEMENT FOR FALL CREEK FISH
LADDER DEBRIS REMOVAL PROJECT**

WHEREAS, on September 21, 2017 the Board of Directors of the San Lorenzo Valley Water District approved the Fall Creek Fish Ladder Debris Removal Project; and

WHEREAS, San Lorenzo Valley Water District had plans prepared for Fall Creek Fish Ladder Debris Removal Project; and

WHEREAS, San Lorenzo Valley Water District solicited multiple bids for the subject project; and

WHEREAS, on September ____, 2017 San Lorenzo Valley Water District received informal bids relative to the subject project; and

WHEREAS, _____ is the lowest responsible and responsive bidder with a bid of \$ _____; and

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District hereby awards the bid and construction contract for the Fall Creek Fish Ladder Debris Removal Project to _____.

BE IT FURTHER RESOLVED that the District Manager is hereby authorized and directed to execute an agreement for construction services on behalf of the San Lorenzo Valley Water District and to negotiate change orders within the overall project budget.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 21th day of September 2017, by the following vote of the members thereof:

AYES:
NOES:
ABSTAIN:
ABSENT:

Holly B. Morrison
District Secretary
San Lorenzo Valley Water District

MEMO

TO: Board of Directors

FROM: District Manager
PREPARED BY: Environmental Manager

SUBJECT: SUPPORT OF THE PARIS AGREEMENT

DATE: September 21, 2017

RECOMMENDATION:

It is recommended that your board review this document and reaffirm the District's commitment to the California Global Warming Solutions Act (AB 32) and commit to the applicable portions of the Paris Agreement.

BACKGROUND:

In September 2008, the San Lorenzo Valley Water District adopted resolution No. 2 (08-09) Climate Change and Water Resource Management where the District committed to implementing the goal of the California Global Warming Solutions Act (AB32) to reduce greenhouse gas emissions to 1990 levels by the year 2020; and to further reduce greenhouse gas emissions to 80 percent below 1990 levels by the year 2050.

Several additional pieces of legislation related to climate change and energy efficiency have come into force since the Global Warming Solutions Act of 2006. These seek to improve energy efficiency, building energy performance, and increase renewable energy generation in California. The District's actions regarding climate action are both aligned with the state's goals, and may be able to take advantage of programs and funding sources supporting climate action.

The District has continued to exercise leadership in initiatives, programs and policies that address climate change while furthering the District's mission. The District has applied understanding of climate change and its impacts as appropriate in water supply plans, asset management and infrastructure plans, California Environmental Quality Act assessments and habitat conservation plans, energy management plans, business plans and strategic plans. It has also strived to minimize its greenhouse gas emissions, worked with the community to reduce its greenhouse gas emissions related to utilization

and management of water resources and enhance community understanding of climate change and how climate change impacts the District's mission.

In 2016 nations of the world agreed to enact programs to limit global temperature increase to less than 2 degrees Celsius, with an expectation that this goal would be reduced to 1.5 degrees in the future.

In August 2017 the Environmental Committee met and discussed a three-step outline to reduce and eventually eliminate greenhouse gas emissions resulting from District activities (Attachment A). After discussing the Climate Action Outline, the committee requested that the outline and a resolution be agendaized for consideration and possible action at a near future Board meeting.

It is recommended that the Board of Directors review this memo and the Climate Action Outline, and approve the attached resolution.

FISCAL IMPACT:
None

2015 STRATEGIC PLAN:
Strategic Element 1.0 - Water Supply Management
Strategic Element 2.0 - Watershed Stewardship
Strategic Element 3.0 - Capital Facilities
Strategic Element 6.0 - Public Affairs

SLVWD Climate Action Outline
September 21, 2017

Step 1: Commit to the elements of Paris Accord that are applicable to the Water District.

Governments agreed:

- A long-term goal of keeping the increase in global average temperature to well below 2°C above pre-industrial levels;
- To aim to limit the increase to 1.5°C, since this would significantly reduce risks and the impacts of climate change;
- On the need for global emissions to peak as soon as possible, recognising that this will take longer for developing countries;
- To undertake rapid reductions thereafter in accordance with the best available science.(and in the case of the SLVWD, according to cost-effectiveness of measures)

Step 2: Prepare a Climate Action Plan & District Energy/Climate Policy

Goals:

- Energy cost savings/Energy efficiency
- Energy reliability/resiliency
- Reduce and eventually eliminate ghg emissions resulting from District activities.

Step 3: Implementation:

- A. Inventory existing energy uses and Greenhouse Gas (GHG) emissions;
 - a. Identify energy & cost savings/energy efficiency priorities.
 - b. Acquire certification with the Climate Action Registry annually + (2013-2017)
 - c. Take advantage of free energy audits or other energy efficiency services through AMBAG, PG&E and/or Monterey Bay CCA.
- B. Greenhouse Gas Reduction;
 - a. Identify timeline, milestones and the baseline year to establish a baseline, Proposed 2006 (1st year district joined the CA Climate Action Registry)
 - b. Reduce and eventually eliminate GHG emissions resulting from District activities
 - c. Evaluate and potentially purchase the lowest carbon option of electricity available from the Monterey Bay Community Power CCA considering the balance of energy efficiency improvements with potentially higher kWh costs.

- C. Energy reliability/resiliency with regard to climate impacts.
 - a. Water Conservation - Conserving water means conserving power. SLVWD will undertake its own energy conservation measures and will continue to promote cost-effective water conservation measures for its customers.
 - b. System Efficiency - The Water Agency will implement cost-effective energy conservation measures wherever possible, saving ratepayers' money and reducing environmental impacts, including energy efficiency, energy storage, or energy generation projects in maintenance or capital programs as applicable.
 - i. Re-evaluate the District's vehicle fleet policy and identify appropriate opportunities for transition to electric vehicles.
 - c. Develop Renewable Energy Sources - The Water Agency will continue to develop projects that reduce the carbon load of its power supply. Projects could include solar, wind, micro hydro, anaerobic digestion, or purchasing power through Monterey Bay Community Power.
 - i. Assess the District's needs for energy reliability (emergency power), for both stationary and mobile energy needs.
 - ii. Assessing the District's opportunities for renewable energy generation (on District properties, and on other locations within the District on a cooperative basis, such as with the School District, Parks and Recreation District or others).
 - iii. Identify solar-to-storage and grid-to-storage options to support energy costs management, energy resiliency and reliability needs.
- D. Communication Transparency & Education; *Affirming the importance of education, training, public awareness, public participation, public access to information and cooperation at all levels on the matters addressed in the Agreement.*
 - a. Annual Report on energy use, conservation, and cost. Explore the creation of an online or print "dashboard" report describing the District's baseline and progress towards goals.
 - b. Identify communications, community engagement, community benefit, and educational opportunities associated with any/all of the above and integrate those into the overall energy/climate plan.
 - c. Review Vulnerability Assessment by Santa Cruz County
 - i. Identify strategies for identifying, assessing and adapting to the types of impacts that are likely to occur in Santa Cruz County and in particular, in the San Lorenzo and Scotts Valleys.

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 9 (17-18)

IN SUPPORT OF THE PARIS CLIMATE AGREEMENT

WHEREAS, consensus exists among the world's climate scientists that global warming caused by emissions of greenhouse gases (GHG) from human activities is among the most significant problems facing the world today; and

WHEREAS, documented impacts of climate change include, but are not limited to; increased occurrences of extreme weather events (e.g. droughts, and floods), and changes in temperature and precipitation patterns which have adverse impacts on watersheds, water sources, and regional ecosystems, all of which pose a real and foreseeable threat to the reliability and quality of water sources of the District;

WHEREAS, the San Lorenzo Valley already suffers from the direct impacts of climate change through increased fire-hazards from drier vegetation, reduced water supply from over-drafted aquifers, and damage to District infrastructure from extreme weather events; and

WHEREAS, the reduction and eventual elimination of GHG emissions from District activities through participation in regional energy programs such as Community Choice Energy, as well as planned, cost-effective technology upgrades, energy efficiency, generation and storage measures will reduce District operating costs while improving resiliency and reliability; and

WHEREAS, the State of California has mandated statewide reduction of GHG emissions to 80% below 1990 levels by 2050; and

WHEREAS, withdrawal from the Paris Agreement by the Trump administration is unacceptable and not in keeping with the San Lorenzo Valley Water District's social and environmental values of preserving quality of life and our natural resources, reducing risks and mitigating costs; and

WHEREAS, Local, regional and state governments, and businesses are taking a leadership role in reducing their climate-changing emissions; and

WHEREAS, The District supports the purpose and goals of the Paris Climate Agreement and desires to participate in local and regional efforts to advance energy efficiency, clean renewable energy, and climate change adaptation;

BE IT THEREFORE RESOLVED that the Board of Directors of the San Lorenzo Valley Water District:

1. Affirms its commitment to the spirit and applicable portions of the Paris Agreement; and
2. Commits to determining the feasibility of and setting a date for a zero GHG emissions goal through the development and implementation of a Climate Action Plan; and
3. Joins other US cities, counties and special districts in adopting and supporting the goals of the Paris Agreement; and
4. Commits to adopting policies and programs, and encouraging the same among our regional partner agencies and organizations, to effect GHG emissions reductions while also protecting the Community's and the District's fiscal interests.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that it supports and endorses the Paris Climate Agreement.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 21th day of September 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Holly Morrison, District Secretary
San Lorenzo Valley Water District

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

August 17, 2017

5:00 p.m.

CONVENE MEETING/ROLL CALL:

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

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

ORAL COMMUNICATIONS (CLOSED SESSION): None

ADJOURNMENT TO CLOSED SESSION:

Pres. Ratcliffe adjourned to closed session at 5:01 p.m.

RECONVENE TO OPEN SESSION:

Pres. Ratcliffe reconvened the meeting to open session at 6:30 p.m.

Dirs. Smallman, Baughman, Ratcliffe and Bruce were present. DM Lee, Dir. of Ops Rogers, Environmental Programs Mgr. Michelsen and Legal Counsel Nicholls and Hynes were also present.

REPORT ACTIONS TAKEN IN CLOSED SESSION:

Pres. Ratcliffe reported that on July 31, 2017 DeBert and a District representative entered into a settlement agreement with the condition that the SLVWD Board of Directors approve the agreement. The Board did vote to approve today. The terms of the settlement agreement include a \$40,000 payment to Ms. DeBert of which \$5,000 will be paid by the District and \$35,000 to be paid by SDRMA (insurance). This was a long form settlement agreement.

ADDITIONS AND DELETIONS: None

ORAL COMMUNICATIONS:

E. Frech, Lompico, D. Loewen, Lompico, R. Shaw, Lompico, C. DeBert, Boulder Creek, and L. Henry, Lompico, addressed the Board.

DISTRICT MANAGER REPORTS

DM Lee shared information regarding the on-call/emergency process for the District. He related a situation where the editor of the Press Banner called the after-hours answering service claiming a water emergency when there was not one.

Dist. Counsel Nicholls warned that discussion was not appropriate so it was decided to agendize this discussion for a committee (to be determined).

Environmental Programs Manager Michelsen addressed the Board.

Director of Operations Rogers addressed the Board.

Committee Chairs related committee meeting information.

A motion was made to excuse Director Hammer for a business appointment. All present voted in favor.

NEW BUSINESS:

10a COMMUNITY ASSISTANCE

DM Lee introduced this item for financial assistance for people in need. Dir. Bruce gave additional information. Followed by Board discussion.

E. Frech, B. Holloway, Boulder Creek, L. Henry, L. Hammack, Lompico, L. Farris, Felton, C. DeBert, Boulder Creek, addressed the Board.

10b QUESTIONS AND ANSWERS ON PROPOSED WATER RATES AND CHARGES

DM Lee introduced this item. He gave a presentation on the reason for the rate restructuring process and asked for questions from the public.

L. Henry, C. White, R. Moran, D. Loewen, L. Farris, E. Frech, L. Hammack and B. Holloway addressed the Board.

If you have 2 parcels and received 4 notices, if you fill out all of the protests will your protest be nullified? *No, if you have water service on one of the 2 parcels we will validate 1 protest. If you have water service on 2 parcels we will validate 2 protests.*

If there is a property owner and a renter, who gets dibs on the single protest? *If one or both parties send in a protest, and the renter is responsible for payment of the water bill, it will count as one protest. One protest per parcel.*

Why were so many notices sent out? *Prop 218 requires that we use the County Tax Roll for addresses in our sphere of influence in order to continue certain rights for the District. Not all of the addresses on the tax roll have water service*

through the District but to make sure that we don't miss anyone, we send everyone a notice.

Is the rate increase enough to replace the building? Yes, the Needs Assessment concluded that the current Admin Building is not working for the District, so the Board said to find rental space, so it is not a capital project.

Why not a parcel tax? Each individual payment would vary depending on the value of the parcel so an engineer would have to determine the value to each property the multiple projects would have. For the number of projects and parcels, this would be a nearly unsurmountable task.

When does the rate stabilization kick in? Is it water sales only? It is for water sales for the average of the previous 3 years. It kicks in when staff goes to the Board with cumulative averages dip below 10%. Staff will tell the Board why we are experiencing a dip and what cost cutting measures we can take. At that point the Board can decide if the rate stabilization should be put into action or not.

Does the District have an overall master plan? Yes, there is a master plan but it is dated 1995. Staff has applied for a grant for a water system model to look at fire flow throughout the system and develop a comprehensive master plan focusing on the infrastructure of the District and the size for fire needs.

Why not continue the tiered water rates? Tiered rates are not illegal but they have to be justified and we cannot justify our current tiered system. Justifiable tiers include a seasonal tier (summer/winter rates), a rate based on elevation (prohibitive because of the terrain of the District) or indoor vs. outdoor use. We have looked into all of these possibilities and found them not worth pursuing.

What's the real cost of staying in the current building and going into leased space? Staff is developing a work plan. It is generally recognized that moving to a more modern building is nowhere near as expensive as trying to bring the current building up to code.

Which rate stabilization is one that will be implemented? The rate stabilization language has been agreed to and is stated in the Prop 218 Notice. The process has not been decided and will be finalized for the meeting on September 21, 2017.

Are Lompico's usage numbers included in the NBS study? No, Lompico's information is not included in the NBS study.

What is the truth regarding the payments to attorneys in the Vierra case? The District is no longer funding Dir. Vierra's conflict of interest case, we are however paying for the District's defense in Holloway's appeal of the 1090 violation.

10c RESOLUTION OF APPRECIATION FOR J. ORBUCH

Environmental Programs Manager Michelsen introduced this item.

A motion was made to approve Resolution No. 3 (17-18) Resolution of Appreciation for Jane Orbuch.

All present voted in favor.

10d GFOA CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE AWARD

DM Lee introduced this item. Please congratulate Stephanie Hill and her staff for a fine job.

10e CDSA 2017 ANNUAL CONFERENCE

DM Lee introduced this item.

A motion was made to reimburse the Board for registration and mileage to attend this conference.

L. Henry addressed the Board.

All present voted in favor.

UNFINISHED BUSINESS:

11a PUBLIC HEARING ON PROPOSED INCREASE IN METER CONNECTION FEES

Public Hearing was opened 9:03 p.m.

R. Shaw and L. Hammack addressed the Board.

Public Hearing was closed 9:07 p.m.

A motion was made to adopt Resolution No. 5 (17-18).

All present voted in favor.

11b SWIM TANK REPLACEMENT PROJECT

DM Lee explained that the District put out an RFP for the Swim Tank replacement and only received one bid that was 3 times higher than the engineer's estimate. Staff recommended rejecting the bid.

L. Farris addressed the Board.

All present voted in favor of rejection.

11c CalPERS AMENDMENT TO CONTRACT
DM Lee introduced the item.

A motion was made to approve the CalPers Amendment to Contract.

All present voted in favor.

11d KIRBY PROPERTY EASEMENT
Environmental Programs Manager Michelsen introduced this item.

Director of Operations Rogers requested an amendment to Exhibit A drawing.

A motion was made to authorize the easement with the changes requested by Dir. of Ops Rogers.

All present voted in favor.

CONSENT AGENDA:

A motion was made to approve the Consent Agenda with the change to the VP Baughman adjourned to Closed Session, Pres. Ratcliffe was not present.

Smallman, Baughman and Bruce voted in favor, Ratcliffe abstained.

ADJOURNMENT:

President Ratcliffe adjourned the meeting at 9:35 p.m.

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

September 1, 2017

12:30 p.m.

CONVENE MEETING/ROLL CALL:

President Ratcliffe convened the meeting at 12:32 p.m.

Drs. Hammer, Ratcliffe, Bruce and Baughman were present. District Manager Lee, was also present. Dir. Smallman was absent.

ORAL COMMUNICATIONS: None

NEW BUSINESS:

**4a EMERGENCY STORM DAMAGE REPAIR AND DEBRIS REMOVAL IN THE
FALL CREEK FISH LADDER**

Kristen Plonka with WSC, Inc. gave the Board a presentation explaining this item.

A motion was made to authorize the District Manager to execute a professional services agreement with WSC, Inc. for engineering services for Emergency Storm Damage Repair and Debris Removal for Fall Creek Fish Ladder for a total not to exceed the amount of \$25,000.

All present voted in favor of the motion.

ADJOURNMENT:

President Ratcliffe adjourned the meeting at 12:57 p.m.

TO: Board of Directors

FROM: District Manager

PREPARED BY: Director of Operations

DATE: September 21, 2017

SUBJECT: Agreement for Water Distribution System Improvements, APN 021-113-14

RECOMMENDATION:

It is recommended that the Board of Directors review this memorandum, along with the attached resolution and agreement, and approve the same.

BACKGROUND:

The owner of APN 021-113-14, William Holl, has an existing meter located at 110 Baja Sol Court, Scotts Valley, CA. Mr. Holl, at the request of the Scotts Valley Fire, desires to install a fire hydrant at the intersection of Baja Sol Court and Baja Sol Drive. The agreement between the District and William Holl will allow Mr. Holl to install a fire hydrant, at his expense, in front of his house. The fire hydrant is to be owned and maintained by the District.

FISCAL IMPACT:
None

2015 STRATEGIC PLAN:
Strategic Element 1.0 - Water Supply Management

ATTACHMENT:
1. Resolution and Agreement

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 10 (17-18)**

**SUBJECT: AGREEMENT FOR WATER DISTRIBUTION SYSTEM
IMPROVEMENTS, APN 021-113-14**

WHEREAS, William Holl, the owner of APN 021-113-14 located at 110 Baja Sol Court, Scotts Valley, CA, desires to install a public fire hydrant; and

WHEREAS, the staff of San Lorenzo Valley Water District has determined that the cost of said materials for said hydrant installation should be the property owner's responsibility.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District hereby authorizes and directs the District Manager to the execute an agreement in the form attached hereto as Exhibit "A" and carry out all necessary actions to record and fulfill said agreement.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 21st day of September 2017, by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

Holly B. Morrison
District Secretary
San Lorenzo Valley Water District

Exhibit "A"
Form of Agreement

Recorded at the request of:
SAN LORENZO VALLEY WATER DISTRICT

When recorded mail to:

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

No Fee for Government Agency Pursuant to Gov. Code §27383
Documentary Tax Exempt R&T Code §11922

**AGREEMENT FOR FIRE HYDRANT INSTALLATION AND
GRANT OF EASEMENT
APN 021-113-14**

THIS AGREEMENT is made this _____ day of September 2017 by and between the SAN LORENZO VALLEY WATER DISTRICT, hereinafter referred to as "DISTRICT" or "GRANTEE" and William Holl, hereinafter referred to as "APPLICANT" or "GRANTOR".

W I T N E S S E T H

WHEREAS, APPLICANT desires to install a 6" diameter steamer fire hydrant with one 4-1/2" nozzle and two 2-1/2" nozzles and appurtenances, hereinafter referred to as the "Improvements"; and

WHEREAS, APPLICANT'S property, APN 021-113-14, is located within the boundaries of the DISTRICT, at 110 Baja Sol Ct., Scotts Valley.

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

1. TERM. The term of this Agreement shall be from the date this Agreement is made and entered, as first written above, until one (1) year after date of this Agreement.

APPLICANT'S OBLIGATIONS

2. TIME OF INSTALLATION. The Improvements shall be installed within one (1) year of the date of this Agreement. Should the work not be so completed, this Agreement shall be void. Any refund of deposits will be made in accordance with DISTRICT'S rules, regulations, and specifications.

3. PAYMENT. APPLICANT shall pay a deposit of \$500 to the DISTRICT for the cost of inspecting installation of the Improvements. APPLICANT agrees to pay all legal fees incurred by the DISTRICT in recovering any unpaid balance.

4. DESCRIPTION OF FACILITIES. APPLICANT shall install the Improvements, consisting of a 6- inch diameter "steamer" fire hydrant with one 4-1/2" nozzle, two 2-1/2" nozzles and appurtenances, at a location to be mutually agreed upon between the APPLICANT and the DISTRICT within the public right-of-way of APN 021-113-14, at the intersection of Baja Sol Court and Baja Sol Drive.

5. OWNERSHIP AND EASEMENT. After the Improvements have been completed and accepted by DISTRICT, the Improvements shall be the property of DISTRICT and part of its system, and thereafter DISTRICT may make extensions therefrom and laterals thereto at any point thereon.

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

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

DISTRICT'S OBLIGATIONS

8. INSPECTION. All work shall be inspected for conformance with DISTRICT'S construction standards by DISTRICT staff. The cost of inspection shall be paid for by the APPLICANT.

9. MAINTENANCE AND OPERATION. Upon DISTRICT'S acceptance of the Improvements, DISTRICT shall operate, maintain, and manage the same as part of its system, subject to DISTRICT's rules and regulations and to

the rates and charges DISTRICT establishes from time to time.

MISCELLANEOUS PROVISIONS

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

DISTRICT:

Brian C. Lee
District Manager
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006
(831) 338-2153

APPLICANT:

William Holl
110 Baja Sol Court
Scotts Valley, CA., 95066

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

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

12. APPLICANT'S PARCEL. APPLICANT'S parcel is APN 021-113-14.

13. AUTHORITY TO EXECUTE AGREEMENT. Each of the persons signing this Agreement represents and warrants that such person has been duly authorized to sign this Agreement on behalf of the party indicated, and each of the parties by signing this Agreement warrants and represents that such party is legally authorized and entitled to enter into this Agreement.

14. RECORDING. GRANTEE may elect, in its sole discretion, to record this Agreement.

APPLICANT's signature to the Agreement shall be notarized, and said signatures shall make APPLICANT personally liable for any unpaid costs arising under this Agreement.

[SIGNATURES AND ACKNOWLEDGEMENTS
ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first written above.

SAN LORENZO VALLEY WATER
DISTRICT:

APPLICANT:

Brian C. Lee
District Manager
San Lorenzo Valley Water District

William Holl

CERTIFICATE OF ACCEPTANCE -
Gov. Code § 27281

This is to certify that the interest in real property conveyed by the within grant to the San Lorenzo Valley Water District, a California governmental agency, is hereby accepted by Resolution No. 10 (17-18) of the Board of Directors dated September 21, 2017, and the Grantor consents to recordation thereof.

Dated _____

By _____
Holly B. Morrison, District Secretary

M E M O

TO: Board of Directors
FROM: District Manager
SUBJECT: Administration/Engineering Departments Status Report
DATE: Sept 21, 2017

Deleted: August 17

RECOMMENDATION:

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

BACKGROUND:

MEETINGS OF NOTE

- Aug 17 DM attended the monthly water managers luncheon
- Aug 22 DM attended the Spring Lakes MHP Board Meeting to correct misinformation spread by the Press Banner.
- Aug 30 DM attended the Santa Margarita Groundwater Agency JPA meeting
- Sept 1 DM participated in a teleconference with Community Bridges regarding low-income assistance.

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ADMINISTRATION BUILDING

At the July Regular Board Meeting staff was instructed to develop a work plan for moving administrative functions to another location within the District's service area while ensuring that operation and field functions remained undisrupted. The intent being to declare the current administration building surplus and sell. Staff is currently developing a work plan for review by the Board. Staff anticipates an October review.

BOARD MEETING LOCATION

At the July Regular Board Meeting staff was instructed to develop a work plan for rotating the meeting location of the Board within the District's service area. The intent being to allow greater access to Board meetings for District customers while also removing the need for District owned space for periodic meetings. Staff is currently developing a work plan for review by the Board. Staff anticipates an October review.

PROBATION TANK REPLACEMENT PROJECT

The 100% Plan Review is complete. The Project's Habitat Conservation Plan (HCP) was approved by the Board in late summer. Staff has learned that the HCP has not been published in the Federal Register yet. There was a delay due to policy changes at the Federal level. This will delay obtaining the permit by a couple months, but should not delay the project.

Due to permit delays the bidding and construction of the Probation Tank project is now scheduled to start in early 2018, for completion in early 2019. Construction is expected to take 12 months.

Funding for the project is expected to be accomplished through low-interest loans, either from the State or Feds. WSC continues to work with staff in preparation for obtaining a federal USDA loan. Staff anticipates requesting authorization to apply for the loan sometime in the fall or winter of this year.

SWIM TANKS REPLACEMENT PROJECT

Project is bid ready. Will likely be merged into a single bid with the Probation Tank project this upcoming winter/spring. WSC continues to work with staff in preparation for obtaining a federal USDA loan. Staff anticipates requesting authorization to apply for the loan sometime in the fall or winter of this year.

FALL CREEK FISH LADDER

100% plans and specifications are under staff review.

Staff was informed in 2016 by Federal Fish and Wildlife (FFW) that the Fall Creek Diversion and Fish Ladder do not qualify for streamlined permitting. This is a

Deleted: <#> July 14 DM coordinated a media telephone interview with various outlets¶
<#> July 18 DM attended a San Lorenzo River Conjunctive Use Grant kickoff with the County, Scotts Valley Water District and City of Santa Cruz¶
<#> July 20 DM hosted the monthly water district manager's luncheon.¶
<#> August 2 DM participated in a telephone call discussing possible participation, along with Scotts Valley Water District, in a pipe loop study currently being proposed by the City of Santa Cruz and Soquel Creek Water District.¶
<#> August 3 DM hosted a 'brown bag' discussion regarding the District's proposed rate restructuring at the Satellite Office in Felton. About 20 rate payers attended.¶
<#> August 10 DM participated in a telephone call with Community Bridges to discuss possible ways to assist families in-need.¶

Deleted: WSC Engineering is reviewing options and will present a recommendation this summer

Deleted: Discussion is on tonight's agenda.¶

change of direction from past conversations over the last three years. Individual consultation will be required and the District has submitted a request to the Army Corp of Civil Engineers. This new information will delay the project at least a year, if not longer.

Funding for the project is expected to be accomplished through low-interest loans, either from the State or Feds. WSC continues to work with staff in preparation for obtaining a federal USDA loan. Staff anticipates requesting authorization to apply for the loan sometime in the fall or winter of this year.

Deleted: WSC Engineering is reviewing options and will present a recommendation this summer.

FELTON HEIGHTS WATER STORAGE TANK

Staff is working to obtain necessary easements on neighboring property. Design is expected for winter of 2016 with construction occurring in Spring 2017.

Funding for the project is expected to be accomplished through low-interest loans, either from the State or Feds. WSC continues to work with staff in preparation for obtaining a federal USDA loan. Staff anticipates requesting authorization to apply for the loan sometime in the fall or winter of this year.

Deleted: WSC Engineering is reviewing options and will present a recommendation this summer

LOMPICO ASSESSMENT DISTRICT PROJECTS

Staff has completed a 10-year schedule for completion of all projects assigned to the Lompico Assessment District. Staff is working on a Request for Proposals (RFP) to begin design work on the Lewis Tank Replacement.

LOMPICO ASSESSMENT DISTRICT OVERSIGHT COMMITTEE Q&A

No questions were submitted this month.

M E M O

TO: Board of Directors

FROM: District Manager

PREPARED BY: Director of Finance & Business Services

SUBJECT: FINANCE & BUSINESS SERVICES STATUS REPORT

DATE: September 21, 2017

RECOMMENDATION:

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

BACKGROUND:

AUDIT

We had the auditors out early in September. We are still finalizing some entries and will have reversing entries for the new fiscal year. This makes creating meaningful financial reports for June/July difficult. There is a significant skewing of data that accrual based accounting creates.

RATE STUDY

We have completed all of the brown bag lunch meetings and Budget & Finance Committee meetings regarding the Rate Study. There have been significant numbers of questions coming in. I feel some of these meetings were useful in helping clear up some of the questions. Now we are preparing for the public hearing on 9/21/2017.

STORM DAMAGE / FEMA

Similar to the SRF loans we had received, this requires a lot of tracking, gathering and submittal work. Our department will continue to be spread very thin since we will have FEMA, audit and rate study work all going on simultaneously. We have submitted the first round of paperwork, which was around 300 pages of paperwork.

CUSTOMER SERVICE SUPPORT

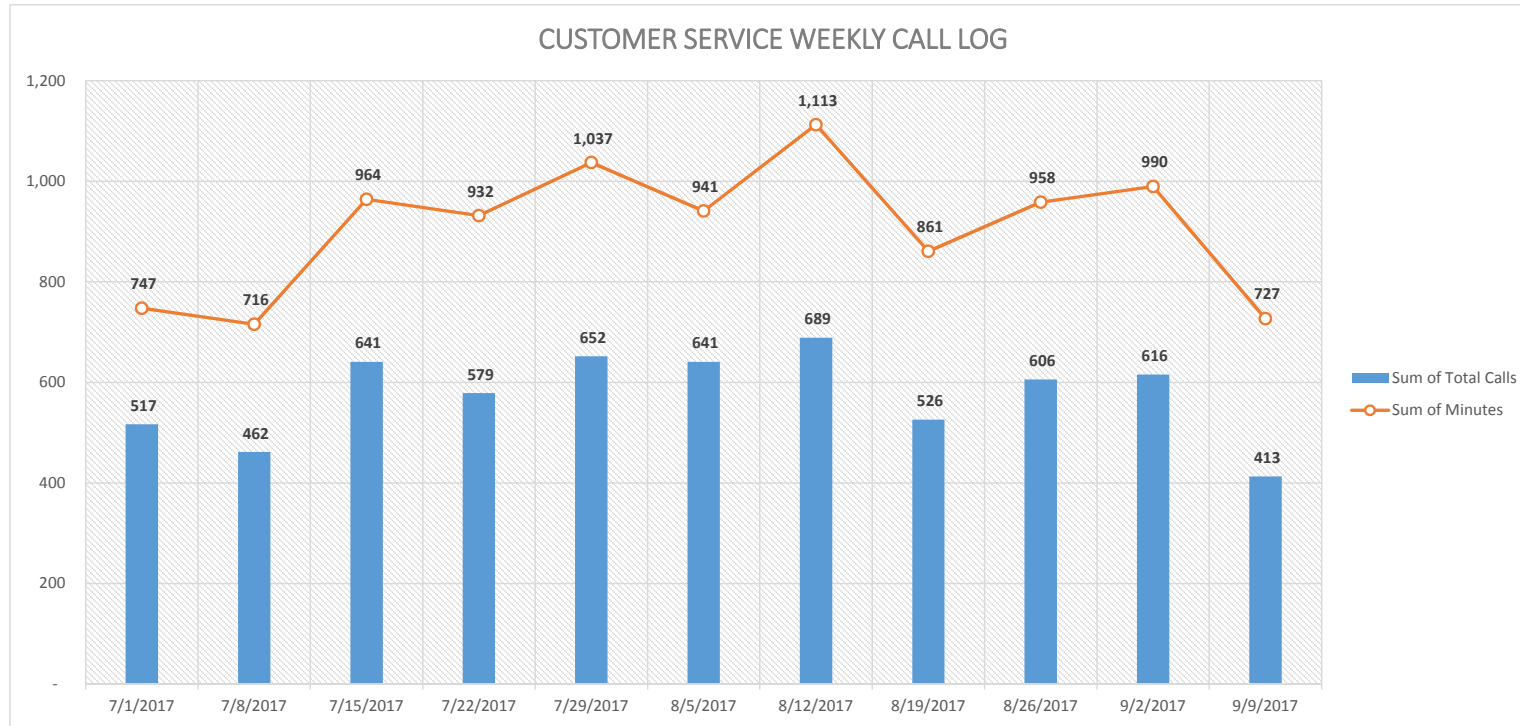
Customer Service stats and information is included in this status report for review.

BILL LIST

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

FINANCIAL SUMMARY

As previously mentioned, June/July tend to have very skewed numbers for what a “normal” monthly booking of journal entries would be versus “actuals” per accrual based accounting. Given we are still very busy with the audit, most financial information will need to be updated and redisplayed at a later time.



Week Ending	Incoming Calls		Outgoing Calls		Total Calls	
	# Calls	Minutes	# Calls	Minutes	# Calls	Minutes
7/1/2017	302	610	215	137	517	747
7/8/2017	272	565	190	151	462	716
7/15/2017	391	769	250	195	641	964
7/22/2017	320	633	259	298	579	932
7/29/2017	368	761	284	276	652	1,037
8/5/2017	387	757	254	184	641	941
8/12/2017	403	832	286	280	689	1,113
8/19/2017	337	702	189	158	526	861
8/26/2017	329	706	277	252	606	958
9/2/2017	354	759	262	230	616	990
9/9/2017	265	601	148	126	413	727

Weekly Notes
Main Break: West Drive, Coleman, Camino Sinuoso
Tags, California Dr, Lake Blvd, Lake St, HWY 9, Bear Creek Rd, Lompico Rd, St Francis Dr
Turn offs, Wells St, Glen Arbor, Russell, Bean Ave, Ridgeview Dr
Tags, Main Breaks: Wells, Shady Way, HWY 9, Vera Ave
Turn offs, Main Breaks: Marion & Kessler, Bear Creek Rd, Boulder Brook, South, Rancho Rio, Brookside, Visitar, Laurel, Sunbeam
Tags, Main Breaks: Hoot Owl, Coleman Ave, Prospect, Brackney, Lake Blvd, Hwy 9, View Dr
Turn offs, Kessler Dr, HWY 9 2 leaks, Love Creek Rd, Hoot Owl Way, Lake Blvd, Brookside Dr., Hartman ave, Bear Creek Rd, Glen Arbor
Tags, Willowbrook, Huckleberry lane, Circle Dr, Glen Arbor Rd, Moonridge Dr, Mitchell dr, Brookside Dr, Blue Ridge Dr
Turn offs, Valley Drive, West Dr, Amity Way, Quigg way, Scenic Way, Mill St, Hermosa
Tags, Whitter ave, Laurel st, Willowbrook, Alta Via Rd, Scenic, Valley Dr, Hermosa ave, E Zayante Rd
Turn offs, Upper Van Allen, Hiawatha Rd, West Road

CUSTOMER SERVICE DEPT SUMMARY

					**	**					*			
Monthly Stats:	Aug-17	Jul-17	Jun-17	May-17	Apr-17	Mar-17	Feb-17	Jan-17	Dec-16	Nov-16	Oct-16	Sep-16	Aug-16	Jul-16
Cut In/Outs	114	52	74	48	49	86	68	71	76	87	102	87	125	116
Final Bills	58	49	62	44	47	62	36	28	36	59	44	54	70	62
Tags	264	163	199	167	100	291	226	209	193	205	111	306	362	245
Turn-offs	29	24	23	20	36	33	12	34	38	40	23	47	74	46

Online / Going Green

As of 09/12/2017

Online Sign-ups	3,244	3,201	3,164	3,141	3,115	3,038	2,985	2,929	2,880	2,826	2,772	2,712	2,640	2,585
E-Bills	979	957	949	931	920	879	858	843	826	808	783	762	740	721
Auto Pay	2,144	2,134	2,105	2,095	2,086	2,035	2,004	1,976	1,940	1,924	1,900	1,852	1,786	1,755

*Only one billing cycle was tagged/turned off this month due to timing issues

** Due to timing of tags, March had 3 tag cycles, while April only had one

Accounts Payable

Outstanding Invoices

User: KendraNegro
Printed: 9/12/2017 - 3:21 PM
Date Type: JE Date
Date Range: 08/09/2017 to 09/12/2017



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						
02-600-5300	9/8/2017	8/25/2017	090817	00058-03-2018	76.74	THERMAL UNIT_BCEWW
Total for Vendor 00001 - ROYAL WHOLESALE ELECTRIC:					76.74	
00016 - GREENWASTE RECOVERY,INC						
01-100-5420	9/11/2017	9/1/2017	2967953	00071-03-2018	332.40	SPOIL REMOVAL_AUGUST
Task Label:		Type:	PO Number:	0000100946		
Total for Vendor 00016 - GREENWASTE RECOVERY,INC:					332.40	
00047 - SOIL CONTROL LAB						
01-800-5202	8/23/2017	8/21/2017	7080096	00172-02-2018	39.00	WATER ANALYSIS_TOTAL PHOSPHATE
Task Label:		Type:	PO Number:	0000100922		
01-800-5202	8/23/2017	8/21/2017	7080311	00172-02-2018	137.00	WATER ANALYSIS_IRON, MANGANESE, PHOSPHATE
Task Label:		Type:	PO Number:	0000100922		
01-800-5202	8/23/2017	8/21/2017	7080377	00172-02-2018	861.00	WATER ANALYSIS
Task Label:		Type:	PO Number:	0000100922		
01-800-5202	8/25/2017	8/25/2017	7080537	00175-02-2018	117.00	WATER ANALYSIS_12788 HWY 9
Task Label:		Type:	PO Number:	0000100922		
01-800-5202	8/25/2017	8/25/2017	7080538	00175-02-2018	39.00	WATER ANALYSIS_OLY WELL 2
Task Label:		Type:	PO Number:	0000100922		
01-800-5202	8/25/2017	8/25/2017	7080722	00175-02-2018	116.00	WATER ANALYSIS_CANEPA/ELENA
Task Label:		Type:	PO Number:	0000100922		
01-800-5202	8/25/2017	8/25/2017	7080723	00175-02-2018	39.00	WATER ANALYSIS_OLY 2 TREATED
Task Label:		Type:	PO Number:	0000100922		
01-800-5202	8/25/2017	8/25/2017	7080724	00175-02-2018	615.00	WATER ANALYSIS_LWTP EFFLUENT
Task Label:		Type:	PO Number:	0000100922		
01-800-5202	9/8/2017	8/28/2017	7080755	00059-03-2018	275.00	WATER ANALYSIS
Task Label:		Type:	PO Number:	0000100922		
01-800-5202	9/8/2017	9/1/2017	7080941	00059-03-2018	145.00	WATER ANALYSIS
Task Label:		Type:	PO Number:	0000100922		

Vendor	Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
Total for Vendor 00047 - SOIL CONTROL LAB:						2,383.00	
00054 - PACIFIC GAS & ELECTRIC	01-400-5500	9/11/2017	9/5/2017	090517	00071-03-2018	11.18	ELECTRIC CHARGES_140 ELENA CT
Total for Vendor 00054 - PACIFIC GAS & ELECTRIC:						11.18	
00058 - IHWWY, INC.	01-100-5200	9/8/2017	9/1/2017	090117	00059-03-2018	25.00	BUSINESS HOSTING_SLVWD.COM
Total for Vendor 00058 - IHWWY, INC.:						25.00	
00076 - ERNIE'S AUTO CENTER	01-400-5300	8/23/2017	8/15/2017	710116	00172-02-2018	12.75	RUBBER SPRAY LINER
	01-800-5410	8/29/2017	8/24/2017	711101	00218-02-2018	9.61	TAIL LIGHT LENS
	01-400-5410	9/8/2017	8/9/2017	709496	00059-03-2018	138.87	FLOORMATS
	01-400-5410	9/8/2017	9/2/2017	712183	00059-03-2018	9.27	TAIL LIGHT
Total for Vendor 00076 - ERNIE'S AUTO CENTER:						170.50	
00080 - GRANITE CONSTRUCTION CO	01-400-5300	8/23/2017	8/10/2017	1219197	00172-02-2018	42.53	BASE ROCK
	01-400-5300	8/23/2017	8/11/2017	1219264	00172-02-2018	204.50	HOT MIX_MARION AVE
	01-400-5300	8/23/2017	8/15/2017	1221525	00172-02-2018	313.35	HOT MIX_OLD BEAR CREEK RD
	01-400-5300	9/8/2017	8/16/2017	1222258	00059-03-2018	203.68	HOTMIX
	01-400-5300	9/8/2017	8/24/2017	1228187	00059-03-2018	164.92	HOTMIX
	01-400-5300	9/8/2017	8/25/2017	1229551	00059-03-2018	83.93	BACK FILL
	01-400-5300	9/8/2017	8/28/2017	1230274	00059-03-2018	79.55	BACK FILL
	01-400-5300	9/8/2017	8/30/2017	1232724	00059-03-2018	75.04	HOTMIX
Total for Vendor 00080 - GRANITE CONSTRUCTION CO:						1,167.50	
00118 - FARMER BROTHERS COFFEE	01-400-5600	8/29/2017	8/23/2017	65862288	00218-02-2018	84.60	COFFEE & SUPPLIES
Total for Vendor 00118 - FARMER BROTHERS COFFEE:						84.60	
00145 - BATTERIES PLUS	01-500-5300	8/23/2017	8/16/2017	314-325106	00172-02-2018	82.82	REPLACEMENT BATTERIES
	01-400-5300	9/8/2017	8/30/2017	314-325833	00059-03-2018	74.10	RTU BATTERIES_BLUE RIDGE BOOSTER

Vendor	Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
Total for Vendor 00145 - BATTERIES PLUS:						156.92	
00151 - BRENT IVES	01-100-5200	9/8/2017	8/31/2017	017-55	00059-03-2018	2,065.00	CONSULTING SERVICES_AUG 2017
Total for Vendor 00151 - BRENT IVES:						2,065.00	
00220 - BAY BUILDING JANITORIAL,INC	01-100-5420	9/8/2017	8/31/2017	30120	00059-03-2018	318.31	JANITORIAL SERVICES_AUGUST
	Task Label:		Type:	PO Number:	0000100938		
Total for Vendor 00220 - BAY BUILDING JANITORIAL,INC:						318.31	
00236 - IDEXX DISTRIBUTION CORP	01-800-5300	8/23/2017	8/17/2017	3020219077	00172-02-2018	484.34	Bacteriological sample bottles and media
	Task Label:		Type:	PO Number:	0000100699		
Total for Vendor 00236 - IDEXX DISTRIBUTION CORP:						484.34	
00238 - NORTHERN TOOL&EQUIP CO.	01-400-5401	9/8/2017	8/30/2017	902582713	00059-03-2018	116.19	EAR PROTECTION
Total for Vendor 00238 - NORTHERN TOOL&EQUIP CO.:						116.19	
00273 - CORELOGIC, INC.	01-200-5200	9/8/2017	8/31/2017	30327683	00059-03-2018	200.00	REALQUEST SERVICES_AUGUST
Total for Vendor 00273 - CORELOGIC, INC.:						200.00	
00342 - BRASS KEY LOCKSMITH	01-400-5200	8/23/2017	8/15/2017	66290	00172-02-2018	147.50	PASO DOOR LOCK REPAIR
	01-400-5200	8/29/2017	8/22/2017	947298	00218-02-2018	110.50	DEADBOLT REPAIR
Total for Vendor 00342 - BRASS KEY LOCKSMITH:						258.00	
00343 - ERNIE'S SERVICE CENTER	01-400-5410	9/8/2017	8/31/2017	62264	00059-03-2018	322.61	SERVICE V #341
Total for Vendor 00343 - ERNIE'S SERVICE CENTER:						322.61	
00362 - ACCELA, INC #774375	01-200-5610	9/8/2017	8/31/2017	33743	00059-03-2018	2,326.00	WEB PAYMENTS_TRANSACTION FEES

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00362 - ACCELA, INC #774375						
01-200-5200	9/8/2017	8/31/2017	33743	00059-03-2018	185.00	WEB PAYMENTS_BANK FEES
Total for Vendor 00362 - ACCELA, INC #774375:					2,511.00	
00384 - D.W. ALLEY & ASSOCIATES						
01-500-5200	9/8/2017	7/12/2017	717-05	00058-03-2018	2,474.18	SURFACE WATER DIVERSION
Task Label: EXP-1516001A		Type: E	PO Number:			
01-500-5200	9/8/2017	9/4/2017	917-03	00059-03-2018	2,164.49	MEASURED STREAMFLOWS_5 LOCATIONS
Task Label: EXP-1516001A		Type: E	PO Number:			
Total for Vendor 00384 - D.W. ALLEY & ASSOCIATES:					4,638.67	
00397 - FERGUSON ENTERPRISES, INC						
01-000-1310	9/8/2017	9/7/2017	1284866	00058-03-2018	252.53	AIR RELIEF VALVE 3/4"
Task Label:		Type:	PO Number:	0000100780		
01-000-1310	9/8/2017	9/7/2017	1284866	00058-03-2018	1,074.15	AIR RELIEF VALVE 1"
Task Label:		Type:	PO Number:	0000100780		
Total for Vendor 00397 - FERGUSON ENTERPRISES, INC:					1,326.68	
00450 - EUROFINS EATON ANALYTICAL, INC						
01-800-5202	8/23/2017	8/22/2017	340761	00172-02-2018	120.00	WATER ANALYSIS_ BLAIR, COOPER, REDWOOD
Task Label:		Type:	PO Number:	0000100701		
01-800-5202	8/23/2017	8/22/2017	340762	00172-02-2018	400.00	WATER ANALYSIS_PEAVINE, FOREMAN, CLEAR CREEK, SWEETWATER
Task Label:		Type:	PO Number:	0000100701		
01-800-5202	8/23/2017	8/22/2017	340763	00172-02-2018	600.00	WATER ANALYSIS_OLY, PASO, QUAIL
Task Label:		Type:	PO Number:	0000100701		
01-800-5202	9/8/2017	8/30/2017	342442	00059-03-2018	60.00	WATER ANALYSIS
Task Label:		Type:	PO Number:	0000100701		
01-800-5202	9/8/2017	8/30/2017	342444	00059-03-2018	1,020.00	WATER ANALYSIS
Task Label:		Type:	PO Number:	0000100701		
Total for Vendor 00450 - EUROFINS EATON ANALYTICAL, INC:					2,200.00	
00502 - DLT SOLUTIONS, LLC						
01-300-5200	9/8/2017	8/28/2017	460118A	00059-03-2018	1,098.69	AUTODESK SOFTWARE RENEWAL
Total for Vendor 00502 - DLT SOLUTIONS, LLC:					1,098.69	
00505 - DELL MARKETING LP						
01-200-5310	9/12/2017	8/18/2017	10185191600	00072-03-2018	2,676.61	COMPUTER
Task Label:		Type:	PO Number:	0000100943		
01-500-5310	9/12/2017	8/18/2017	10185191619	00072-03-2018	1,296.55	COMPUTER

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00505 - DELL MARKETING LP						
Task Label:		Type:	PO Number:	0000100944		
Total for Vendor 00505 - DELL MARKETING LP:					3,973.16	
00550 - HACH COMPANY						
01-800-5300	8/25/2017	8/18/2017	10595798	00175-02-2018	500.63	WATER TREATMENT SUPPLIES_REAGENT
Task Label:		Type:	PO Number:	0000100921		
Total for Vendor 00550 - HACH COMPANY:					500.63	
00566 - C S S C						
01-400-5510	8/23/2017	8/22/2017	17080	00172-02-2018	278.94	ANSWERING SERVICE
Task Label:		Type:	PO Number:	0000100939		
Total for Vendor 00566 - C S S C:					278.94	
00599 - WEX BANK						
01-200-5410	9/8/2017	8/31/2017	51084891	00058-03-2018	778.52	FUEL_CS
01-400-5410	9/8/2017	8/31/2017	51084891	00058-03-2018	3,171.14	FUEL_OPS
01-800-5410	9/8/2017	8/31/2017	51084891	00058-03-2018	1,476.07	FUEL_WTP
Total for Vendor 00599 - WEX BANK:					5,425.73	
00703 - DATAFLOW BUSINESS SYSTEMS, INC						
01-200-5200	9/8/2017	8/29/2017	218921	00059-03-2018	237.25	MAINT_602DN COPIER
Total for Vendor 00703 - DATAFLOW BUSINESS SYSTEMS, INC:					237.25	
00711 - ROBERTS & BRUNE CO.						
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	755.14	BACKFLOW RED. PRESS. 1" W/BALL
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	1,181.94	BACKFLOW RED.PRESS.3/4" W/BALL
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	254.63	FULL CIRCLE 6.56-6.96 12.50"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	194.94	REPAIR CLAMP 4OD" X 3"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	151.01	REPAIR CLAMP 1-1/2" X 6"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	6.39	FLANGE RING GASKETS 2" NO BLT
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	52.19	REPAIR CLAMP 1-1/4" X 3"
Task Label:		Type:	PO Number:	0000100931		

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00711 - ROBERTS & BRUNE CO.						
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	217.01	FULL CIRCLE 3.96-4.25 12.50"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	46.87	REPAIR CLAMP 6OD" X 3"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	118.05	FULL CIRCLE 4.95-5.35 12.50"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	59.81	REPAIR CLAMP 3/4" X 3"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	173.39	REPAIR CLAMP 3/4" X 6"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	2.05	BUSHING GALV 1" X 1/2"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	50.85	REPAIR CLAMP 1" X 3"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	266.78	AIR RELIEF VALVE 3/4"
Task Label:		Type:	PO Number:	0000100931		
01-000-1310	9/6/2017	8/23/2017	S1672367.002	00054-03-2018	140.23	REPAIR CLAMP 2" X 3"
Task Label:		Type:	PO Number:	0000100931		
Total for Vendor 00711 - ROBERTS & BRUNE CO.:					3,671.28	
00721 - UNITED SITE SVCS.,INC						
01-400-5200	8/25/2017	8/21/2017	114-5695463	00175-02-2018	165.21	QUAIL YARD TOILET_8/19/17 -9/15/17
Task Label:		Type:	PO Number:	0000100924		
Total for Vendor 00721 - UNITED SITE SVCS.,INC:					165.21	
00729 - ALPHA ANALYTICAL LABS						
02-600-5202	9/8/2017	8/31/2017	7084271	00059-03-2018	52.00	WASTEWATER SAMPLING
Task Label:		Type:	PO Number:	0000100920		
02-600-5202	9/8/2017	9/5/2017	7091140	00059-03-2018	390.00	WASTEWATER SAMPLING
Task Label:		Type:	PO Number:	0000100920		
Total for Vendor 00729 - ALPHA ANALYTICAL LABS:					442.00	
00788 - COMCAST						
01-400-5510	9/11/2017	9/1/2017	090117	00071-03-2018	170.19	INTERNET _215 BLACKSTONE DR
01-800-5510	9/11/2017	9/3/2017	090317	00071-03-2018	162.84	INTERNET _545 FALL CREEK DR
01-400-5510	9/11/2017	9/5/2017	090517	00071-03-2018	170.19	INTERNET _280 BLUE RIDGE DR
Total for Vendor 00788 - COMCAST:					503.22	
00944 - PHIL NEUMAN PDN CONSULTING						

Vendor

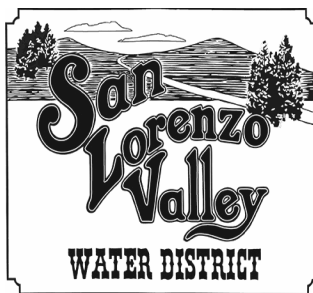
Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00944 - PHIL NEUMAN PDN CONSULTING						
01-100-5200	9/8/2017	8/31/2017	2145	00059-03-2018	505.00	MONTHLY SERVER BACKUP
Total for Vendor 00944 - PHIL NEUMAN PDN CONSULTING:					505.00	
01050 - COLONIAL LIFE - BCN E4377735						
01-000-2206	9/8/2017	8/25/2017	802932	00058-03-2018	515.55	SUPPLEMENTAL INSURANCE_AUGUST
Total for Vendor 01050 - COLONIAL LIFE - BCN E4377735:					515.55	
10003 - AERO-ENVIRONMENTAL						
01-400-5200	9/8/2017	8/7/2017	3249	00058-03-2018	1,440.00	HAZARDOUS MATERIAL SURVEY/TANKS
Total for Vendor 10003 - AERO-ENVIRONMENTAL:					1,440.00	
10023 - AT & T CAPITAL SERVICES, INC						
01-100-5510	9/11/2017	9/1/2017	3020364	00071-03-2018	396.07	V2 SYSTEM MAINTENANCE
Total for Vendor 10023 - AT & T CAPITAL SERVICES, INC:					396.07	
10025 - BADGER METER, INC						
01-400-5200	9/8/2017	8/31/2017	80014099	00059-03-2018	576.72	BEACON SERVICES
Task Label:		Type:	PO Number:	0000100923		
Total for Vendor 10025 - BADGER METER, INC:					576.72	
10081 - INFRASTRUCTURE ENGINEERING CORP.						
02-000-1565	8/29/2017	7/28/2017	10099	00218-02-2018	920.00	SERVICES RENDERED 7/1 - 7/28/17
Task Label: CAP-1617001A		Type: E	PO Number:			
Total for Vendor 10081 - INFRASTRUCTURE ENGINEERING CORP.:					920.00	
10106 - CEL ANALYTICAL, INC						
01-800-5202	9/8/2017	9/7/2017	6158	00059-03-2018	409.00	LT2 MONITORING_CRYPTOSPORIDIUM
Total for Vendor 10106 - CEL ANALYTICAL, INC:					409.00	
10144 - SHAPE , INC						
01-000-1565	8/29/2017	8/22/2017	123345,123346	00218-02-2018	6,825.39	LYON PLANT CLARIFIER RETURN PUMP #1
Task Label:		Type:	PO Number:	0000100908		
01-000-1565	8/29/2017	8/22/2017	123347,123348	00218-02-2018	6,944.20	LYON PLANT CLARIFIER RETURN PUMP #2
Task Label:		Type:	PO Number:	0000100908		

Vendor	Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
Total for Vendor 10144 - SHAPE , INC:						13,769.59	
10145 - BFP FIRE PROTECTION, INC							
	01-800-5200	9/8/2017	8/30/2017	16814	00059-03-2018	2,850.00	KIRBY PLANT INSPECTION
	Task Label:		Type:	PO Number:	0000100910		
Total for Vendor 10145 - BFP FIRE PROTECTION, INC:						2,850.00	
10160 - PROGRESSIVE BUSINESS PUBLICATIONS							
	01-200-5632	8/23/2017	8/7/2017	6721010	00172-02-2018	299.00	SUBSCRIPTION
Total for Vendor 10160 - PROGRESSIVE BUSINESS PUBLICATIONS:						299.00	
10163 - STANTEC CONSULTING SERVICES							
	01-100-5200	9/8/2017	9/1/2017	1247040	00059-03-2018	1,332.50	CONSULTING SERVICES THROUGH 8/11/17
Total for Vendor 10163 - STANTEC CONSULTING SERVICES:						1,332.50	
10164 - GEORGE MC MENAMIN							
	01-500-5200	9/8/2017	7/21/2017	072117	00059-03-2018	4,445.76	BROOM REMOVAL_OLY WATERSHED
Total for Vendor 10164 - GEORGE MC MENAMIN:						4,445.76	
Report Total:						62,603.94	

Accounts Payable

Checks by Date - Detail by Check Number

User: KendraNegro
Printed: 9/12/2017 3:21 PM



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

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
13381	00589 7364	ALLARD'S SEPTIC HOLDING TANK/HAUL AWAY	08/10/2017		300.00
		Total for Check Number 13381:		0.00	300.00
13382	00729 7062197	ALPHA ANALYTICAL LABS WASTEWATER SAMPLING	08/10/2017		926.00
		Total for Check Number 13382:		0.00	926.00
13383	00450 323226	EUROFINS EATON ANALYTICAL, INC WATER ANALYSIS_LOMPICO	08/10/2017		2,100.00
		Total for Check Number 13383:		0.00	2,100.00
13384	10158 468396	NOSSAMAN, LLP SERVICES RENDERED THROUGH 6/30/17	08/10/2017		2,590.00
		Total for Check Number 13384:		0.00	2,590.00
13385	00729 7072474	ALPHA ANALYTICAL LABS BCEWW SAMPLING	08/10/2017		926.00
		Total for Check Number 13385:		0.00	926.00
13386	00378	BANK OF THE WEST	08/10/2017		
	072817	TRANSITTALENT.COM			175.00
	072817	BOXWOOD TECHNOLOGY, INC			250.00
	072817	MT FEED AND FARM			867.99
	072817	PDFFILLER.COM			180.00
	072817	K CONRAD'S INTERNET PRORATED AMT.			4.00
	072817	LOCALENDAR			29.95
	072817	OFFICE SUPPLIES_WTP			65.45
	072817	CRAIGLIST.ORG			75.00
	072817	SANTA CRUZ MT BULLETIN			229.00
	072817	CAL NEWSPAPER ADV			164.59
	072817	CLOUD SERVICE			158.40
	072817	MAIL CHIMP			50.00
	072817	TAX WITHHOLDING_BOTTLELESS.COM			-40.72
	072817	SANTACRUZJOBS.COM			224.25
	072817	ELECTRICRAFT, INC			750.00
	072817	TRUCK BED LINER			674.75
	072817	MONSTER, INC.			299.00
	072817	WATER COOLER			479.00
	072817	TRUCK BED LINER			674.75
	072817	TAQUERIA LOS AMIGOS			34.77
	072817	GO DADDY.COM			111.98
	072817	GREENWASTE CREDIT			-1,258.00
	072817	TRUCK BED LINER			674.75
	072817	PARKING FEE			17.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	072817	HIRE RIGHT			29.95
	072817	SATELLITE TELEWORK_EVENT SPACE			120.00
	072817	THREADING DIES			280.86
	072817	WATER COOLER_TAX			40.72
Total for Check Number 13386:				0.00	5,362.44
13387	00760	ANGELO BARTOLOTTA	08/10/2017		
	21791	BUSINESS CARDS_CONRAD			281.00
	21791	BUSINESS CARDS_ROBUSTELLI			281.00
	21825	BUSINESS CARDS_GILLESPIE			87.36
Total for Check Number 13387:				0.00	649.36
13388	00363	CINCINNATI LIFE INSURANCE CO	08/10/2017		
	AUG 2017	LIFE INSURANCE			28.00
Total for Check Number 13388:				0.00	28.00
13389	00788	COMCAST	08/10/2017		
	0987198_72617	INTERNET_195 KIRBY ST			151.12
	1236033_80117	INTERNET_215 BLACKSTONE DR			170.19
Total for Check Number 13389:				0.00	321.31
13390	00444	COSTCO-CAPITAL ONE COMMERCIAL	08/10/2017		
	072617	OFFICE SUPPLIES			80.27
	072617	OFFICE SUPPLIES			50.76
Total for Check Number 13390:				0.00	131.03
13391	00703	DATAFLOW BUSINESS SYSTEMS, INC	08/10/2017		
	215793	SHIPPING FEE			7.50
Total for Check Number 13391:				0.00	7.50
13392	01039	ERA - A WATERS COMPANY	08/10/2017		
	833507	ANNUAL QC STUDY 17/18			315.23
Total for Check Number 13392:				0.00	315.23
13393	00076	ERNIE'S AUTO CENTER	08/10/2017		
	706588	GASKET MATERIAL_KWTP			18.14
	706671	STEEL FASTENERS			2.21
Total for Check Number 13393:				0.00	20.35
13394	00450	EUROFINS EATON ANALYTICAL, INC	08/10/2017		
	332872	WATER ANALYSIS_FALL CREEK			20.00
	333030	WATER ANALYSIS_PASO			60.00
	333175	WATER ANALYSIS_SEQUOIA AVE			30.00
Total for Check Number 13394:				0.00	110.00
13395	00991	EWING IRRIGATION PRODUCTS	08/10/2017		
	3715600	BLUE TANK PARTS			102.42
Total for Check Number 13395:				0.00	102.42
13396	00080	GRANITE CONSTRUCTION CO	08/10/2017		
	1197674	AGG BASE			52.86
	1198346	SAND, BASE			97.28

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 13396:	0.00	150.14
13397	00953 398697	HOSE SHOP O-RINGS, GASKETS	08/10/2017		19.94
			Total for Check Number 13397:	0.00	19.94
13398	10005 12406930	ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING	08/10/2017		2,794.00
			Total for Check Number 13398:	0.00	2,794.00
13399	00236 3018739167 3018912351	IDEXX DISTRIBUTION CORP WQC E.COLI Bacteriological sample bottles and media	08/10/2017		204.24 689.31
			Total for Check Number 13399:	0.00	893.55
13400	00608 328661 328873	LLOYD'S TIRE SERVICE, INC MAINT_V#325 TIRES_V#335	08/10/2017		746.34 1,372.58
			Total for Check Number 13400:	0.00	2,118.92
13401	10000 071717	FRED MC PHERSON EDUCATION GRANT_90%	08/10/2017		2,250.00
			Total for Check Number 13401:	0.00	2,250.00
13402	00235 25006	MICROWEST SOFTWARE SYSTEMS,IN AMMS SOFTWARE MAINTENANCE 17/18	08/10/2017		1,810.00
			Total for Check Number 13402:	0.00	1,810.00
13403	00082 215149 215149	MID VALLEY SUPPLY PAPER SUPPLIES_WTP PAPER SUPPLIES_OPS	08/10/2017		36.89 73.78
			Total for Check Number 13403:	0.00	110.67
13404	00054 072717 072717 072717 072717 080317 2564996928-7/28 6279346884-7/28	PACIFIC GAS & ELECTRIC ELECTRIC CHARGES_BCEWW ELECTRIC CHARGES_ADMIN ELECTRIC CHARGES_WT ELECTRIC CHARGES_OPS ELECTRIC CHARGES_MANANA WOODS ELECTRIC CHARGES_1150 REBECCA DR ELECTRIC CHARGES_19 SUMMIT AVE	08/10/2017		294.78 924.19 28,946.69 9,283.48 9.99 50.64 623.48
			Total for Check Number 13404:	0.00	40,133.25
13405	UB*00307	Julia Powell Refund Check Refund Check Refund Check Refund Check	08/10/2017		1.05 4.04 18.42 33.87
			Total for Check Number 13405:	0.00	57.38
13406	00719 1056299	POWERPLAN VE-320 FERMEC TRACKER	08/10/2017		1,607.06

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 13406:	0.00	1,607.06
13407	00046 822	RED WING SHOE STORE BOOTS -- 216	08/10/2017		180.65
			Total for Check Number 13407:	0.00	180.65
13408	00100 080117	RICK ROGERS EMPLOYEE REIMBURSEMENT	08/10/2017		20.00
			Total for Check Number 13408:	0.00	20.00
13409	00318 071717	SC MUSEUM OF NATURAL HISTORY EDUCATION GRANT_90%	08/10/2017		2,700.00
			Total for Check Number 13409:	0.00	2,700.00
13410	00746 43178 43247	SCOTTS VALLEY BANNER FRENCH BROOM AD FRENCH BROOM AD	08/10/2017		465.00 465.00
			Total for Check Number 13410:	0.00	930.00
13411	10154 071717	SLV ELEMENTARY SCHOOL EDUCATION GRANT_90%	08/10/2017		2,250.00
			Total for Check Number 13411:	0.00	2,250.00
13412	00751 071717	SLVE BOBCAT CLUB EDUCATION GRANT_90%	08/10/2017		2,250.00
			Total for Check Number 13412:	0.00	2,250.00
13413	00047 7070080 7070337 7070338 7070339 7070340 7070598	SOIL CONTROL LAB WATER ANALYSIS-235 MIRA FLORES WATER ANALYSIS WATER ANALYSIS_OLY 2 WATER ANALYSIS WATER ANALYSIS_NEXT TO MIRA FLORES WATER ANALYSIS_243 EL SERENO	08/10/2017		123.00 145.00 39.00 29.00 123.00 145.00
			Total for Check Number 13413:	0.00	604.00
13414	UB*00306	DOUGLAS SPEEGLE TRUST Refund Check	08/10/2017		52.33
			Total for Check Number 13414:	0.00	52.33
13415	00044 073017	STAPLES CREDIT PLAN_6035 5178 622 CHAIR MAT	08/10/2017		75.18
			Total for Check Number 13415:	0.00	75.18
13416	00510 11851 11876	TOM'S SEPTIC CONSTRUCTION PUMP TANK_BCEWW INSTALL AIR DIFFUSERS_BCEWW	08/10/2017		859.00 1,500.00
			Total for Check Number 13416:	0.00	2,359.00
13417	00129 148263443 148466253	UNITED RENTALS NORTHWEST INC DEMO HAMMER RENTAL COMPRESSOR RENTAL	08/10/2017 VOID		
				1,169.63 170.59	

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 13417:	1,340.22	0.00
13418	00721 5472233	UNITED SITE SVCS.,INC QUAIL YARD TOILET_6/24 - 7/21/17	08/10/2017		165.21
			Total for Check Number 13418:	0.00	165.21
13419	00768 308487	USA BLUEBOOK BLOWER OIL	08/10/2017		56.76
			Total for Check Number 13419:	0.00	56.76
13420	00398 8424800	WATSONVILLE METAL CO.,INC RECYCLE METAL	08/10/2017		600.00
			Total for Check Number 13420:	0.00	600.00
13421	10137 17-05-75 17-05-75-2	KEVIN M DONOVAN UPPER PASO TANK FENCING_DEPOSIT UPPER PASO TANK FENCING_PROGRESS F	08/10/2017		4,613.25 4,613.25
			Total for Check Number 13421:	0.00	9,226.50
13422	10023 3018209	AT & T CAPITAL SERVICES, INC V2 PHONE SYSTEM MAINTENANCE	08/17/2017		396.07
			Total for Check Number 13422:	0.00	396.07
13423	00055 080117 080117 080117 080117	AT&T TELEPHONE SERVICE_OPS TELEPHONE SERVICE_BCEWW TELEPHONE SERVICE_ADMIN TELEPHONE SERVICE_WTP	08/17/2017		3,587.95 346.05 169.69 1,744.95
			Total for Check Number 13423:	0.00	5,848.64
13424	00449 SI03620583	AW DIRECT, INC TOOL MOUNTING HARDWARE	08/17/2017		217.84
			Total for Check Number 13424:	0.00	217.84
13425	00220 30011	BAY BUILDING JANITORIAL,INC JANITORIAL SERVICES_JULY	08/17/2017		424.42
			Total for Check Number 13425:	0.00	424.42
13426	UB*00314	BOULDER CREEK FIRE PROTECT DIS Refund Check	08/17/2017		49.76
			Total for Check Number 13426:	0.00	49.76
13427	00137 79128	BRINK'S AWARDS _ COLLEEN NEVINS NAME PLATE	08/17/2017		21.80
			Total for Check Number 13427:	0.00	21.80
13428	UB*00312	CENTURY 21 SHOWCASE REALTORS Refund Check	08/17/2017		62.20
			Total for Check Number 13428:	0.00	62.20
13429	00234	CITY OF SCOTTS VALLEY	08/17/2017		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	071517	SEWER CHARGES_5/15 - 7/15/17			79.00
			Total for Check Number 13429:	0.00	79.00
13430	00788	COMCAST	08/17/2017		
	0956185_080317	INTERNET_545 FALL CREEK			162.84
	1236017_080617	INTERNET_295 EAST RD			170.19
	1236058_080817	INTERNET_17277 HWY 9			164.19
	1236124_080717	INTERNET_15819 FOREST HILL DR			170.19
	1236165_080517	INTERNET_280 BLUE RIDGE DR			170.19
			Total for Check Number 13430:	0.00	837.60
13431	00273	CORELOGIC, INC.	08/17/2017		
	30324412	REALQUEST SERVICES			200.00
			Total for Check Number 13431:	0.00	200.00
13432	00037	COUNTY OF SANTA CRUZ	08/17/2017		
	080917	ENCROACHMENT PERMIT			4,375.00
			Total for Check Number 13432:	0.00	4,375.00
13433	00212	COUNTY OF SANTA CRUZ	08/17/2017		
	IN0084225	HEALTH PERMIT_FOREST HILL DR			331.00
	IN0084225	HEALTH PERMIT_FOREST HILL DR			331.00
	IN0084269	HEALTH PERMIT_NINA TANKS			824.00
			Total for Check Number 13433:	0.00	1,486.00
13434	UB*00316	DOUG CROSS	08/17/2017		
		Refund Check			3.62
		Refund Check			15.20
			Total for Check Number 13434:	0.00	18.82
13435	UB*00315	Alisa Doran	08/17/2017		
		Refund Check			2.30
		Refund Check			6.35
		Refund Check			9.93
			Total for Check Number 13435:	0.00	18.58
13436	00343	ERNIE'S SERVICE CENTER	08/17/2017		
	61238	SERVICE_V#485			1,124.75
	61242	MAINTENANCE_V #155			635.81
			Total for Check Number 13436:	0.00	1,760.56
13437	00450	EUROFINS EATON ANALYTICAL, INC	08/17/2017		
	335080	WATER ANALYSIS_PEAVINE,CLEAR CREEK			60.00
	335084	WATER ANALYSIS_Q5,			150.00
	335094	WATER ANALYSIS_LA CUESTA, ELENA, MI			90.00
	335380	WATER ANALYSIS_QUAIL, PASO,OLY			90.00
	335690	WATER ANALYSIS_PASO, BOB'S LN			60.00
	336518	CREDIT ADJUSTMENT_INV #335084			-150.00
			Total for Check Number 13437:	0.00	300.00
13438	00118	FARMER BROTHERS COFFEE	08/17/2017		
	65861962	COFFEE SUPPLIES			275.90

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 13438:	0.00	275.90
13439	00267 2004-699	MARTIN B FEENEY HYDROGEOLOGIC CONSULTING	08/17/2017		975.00
			Total for Check Number 13439:	0.00	975.00
13440	UB*00310	SCOTT GOODRICH Refund Check	08/17/2017		71.15
			Total for Check Number 13440:	0.00	71.15
13441	00080 1201865 1201865	GRANITE CONSTRUCTION CO Q5 BINS_ SAND BASE ROCK_LYON ACCESS RD	08/17/2017		206.98 43.61
			Total for Check Number 13441:	0.00	250.59
13442	00016 2904303	GREENWASTE RECOVERY,INC SPOIL REMOVAL	08/17/2017		332.40
			Total for Check Number 13442:	0.00	332.40
13443	UB*00308	BILL HACKETT Refund Check	08/17/2017		34.00
			Total for Check Number 13443:	0.00	34.00
13444	UB*00311	GIANNA HOLLE Refund Check Refund Check Refund Check	08/17/2017		25.18 34.01 6.00
			Total for Check Number 13444:	0.00	65.19
13445	10059 14648	JOHN'S ELECTRIC MOTOR - SUZANNE REPAIR JACKHAMMER_LABOR	08/17/2017		84.00
			Total for Check Number 13445:	0.00	84.00
13446	UB*00313	SHEYNE KING Refund Check	08/17/2017		2.27
			Total for Check Number 13446:	0.00	2.27
13447	UB*00317	FELTON LIQUORS Refund Check	08/17/2017		3.97
			Total for Check Number 13447:	0.00	3.97
13448	UB*00309	AJ MORRISON Refund Check	08/17/2017		59.92
			Total for Check Number 13448:	0.00	59.92
13449	10139 S1087114.001	NATIONAL METER AUTOMATION KWTP METER REPAIR	08/17/2017		55.54
			Total for Check Number 13449:	0.00	55.54
13450	00102 081117	ANDY ROBUSTELLI EMPLOYEE REIMBURSEMENT_DUES	08/17/2017		108.55

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 13450:	0.00	108.55
13451	10151 233160	OSCAR RODAS JOHNSON PROPERTY MAINTENANCE	08/17/2017		250.00
			Total for Check Number 13451:	0.00	250.00
13452	00722 EA 218-2117	SWRCB - ELAP LAB CERTIFICATION	08/17/2017		2,741.00
			Total for Check Number 13452:	0.00	2,741.00
13453	00129 148263443-001 148466253-001	UNITED RENTALS NORTHWEST INC DEMO HAMMER RENTAL COMPRESSOR RENTAL	08/17/2017		1,169.63 170.59
			Total for Check Number 13453:	0.00	1,340.22
13454	00721 5578702	UNITED SITE SVCS.,INC QUAIL YARD TOILET_7/22 - 8/18/17	08/17/2017		165.21
			Total for Check Number 13454:	0.00	165.21
13455	00768 316737	USA BLUEBOOK TUBING KIT FOR WTP	08/17/2017		202.83
			Total for Check Number 13455:	0.00	202.83
13456	00190 17070736	USA NORTH ANNUAL % OF TICKET FEE	08/17/2017		713.79
			Total for Check Number 13456:	0.00	713.79
13457	00599 50711479 50711479 50711479	WEX BANK FUEL_OPS FUEL_WTP FUEL_CS	08/17/2017		2,945.48 1,334.58 504.02
			Total for Check Number 13457:	0.00	4,784.08
13458	00545 735374	AFLAC SUPPLEMENTAL INSURANCE_AUGUST	08/21/2017		310.30
			Total for Check Number 13458:	0.00	310.30
13459	00309 081117 081117 081117	AT&T IP SERVICES IP SERVICE_OPS IP SERVICE_ADMIN IP SERVICE_WTP	08/21/2017		258.10 258.11 258.11
			Total for Check Number 13459:	0.00	774.32
13460	01077 081617	JOSEPH B BEASLEY EMPLOYEE REIMBURSEMENT	08/21/2017		76.40
			Total for Check Number 13460:	0.00	76.40
13461	10149 081817	RANDALL BROWN HISTORICAL RESEARCH_SLVWD	08/21/2017		630.00
			Total for Check Number 13461:	0.00	630.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
13462	00178	CALPERS	08/21/2017		
	SEP 2017	HEALTH INSURANCE_ADMIN			2,820.46
	SEP 2017	HEALTH INSURANCE_ENG			733.39
	SEP 2017	HEALTH INSURANCE_DEPENDANT			3,263.30
	SEP 2017	HEALTH INSURANCE_RETIRED EMPLOYE			750.00
	SEP 2017	HEALTH INSURANCE_FINANCE			15,022.18
	SEP 2017	HEALTH INSURANCE_ADMIN FEE			166.69
	SEP 2017	HEALTH INSURANCE_ENV			2,037.00
	SEP 2017	HEALTH INSURANCE_WTP			8,611.87
	SEP 2017	HEALTH INSURANCE_OPS			13,306.31
Total for Check Number 13462:				0.00	46,711.20
13463	00475	COASTAL WATERSHED COUNCIL	08/21/2017		
	081817	FINAL 10% PAYMENT			300.00
Total for Check Number 13463:				0.00	300.00
13464	00788	COMCAST	08/21/2017		
	1171123_8/11/17	INTERNET_23 SUMMIT AVE			141.12
	815510035136058	INTERNET_17277 HWY 9_BAL DUE			6.00
Total for Check Number 13464:				0.00	147.12
13465	UB*00318	TYLER FAMILY	08/21/2017		
		Refund Check			0.08
		Refund Check			19.76
		Refund Check			0.29
Total for Check Number 13465:				0.00	20.13
13466	00530	JAMES FURTADO	08/21/2017		
	081117	EMPLOYEE REIMBURSEMENT			221.25
Total for Check Number 13466:				0.00	221.25
13467	10069	NATE GILLESPIE	08/21/2017		
	080217	EMPLOYEE REIMBURSEMENT			409.35
Total for Check Number 13467:				0.00	409.35
13468	10005	ICMA RETIREMENT C/O M & T RETIRI	08/21/2017		
	102416832	RETIREMENT WITHHOLDING			2,794.00
Total for Check Number 13468:				0.00	2,794.00
13469	01047	JANE ORBUCH	08/21/2017		
	081817	FINAL 10% FOR GRANT			300.00
Total for Check Number 13469:				0.00	300.00
13470	10119	TAYLOR TOCCALINO	08/21/2017		
	081617	EMPLOYEE REIMBURSEMENT			30.00
	81617	EMPLOYEE REIMBURSEMENT			38.14
Total for Check Number 13470:				0.00	68.14
13471	10025	BADGER METER, INC	08/21/2017		
	80012971	BEACON SERVICES_JUNE 2017			569.90
Total for Check Number 13471:				0.00	569.90

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
13472	00687 080517	AT&T U-VERSE INTERNET_13057 HWY 9	08/23/2017		70.00
			Total for Check Number 13472:	0.00	70.00
13473	00687 080617	AT&T U-VERSE INTERNET_MANANA WOODS	08/23/2017		80.00
			Total for Check Number 13473:	0.00	80.00
13474	00687 080717	AT&T U-VERSE INTERNET_345 QUAIL TERRACE	08/23/2017		70.00
			Total for Check Number 13474:	0.00	70.00
13475	00687 080817	AT&T U-VERSE INTERNET_365 MADRONE	08/23/2017		75.00
			Total for Check Number 13475:	0.00	75.00
13476	10137 17-05-75-3	KEVIN M DONOVAN UPPER PASO TANK FENCING	08/23/2017		4,613.25
			Total for Check Number 13476:	0.00	4,613.25
13477	00362 ACC32958 ACC32958	ACCELA, INC #774375 WEB PAYMENTS_BANK FEES WEB PAYMENTS_TRANSACTION FEES	08/25/2017		185.00 2,254.00
			Total for Check Number 13477:	0.00	2,439.00
13478	00589 7374	ALLARD'S SEPTIC HOLDING TANK/HAUL AWAY	08/25/2017		300.00
			Total for Check Number 13478:	0.00	300.00
13479	00496 273057	AMERICAN BACKFLOW PROD. 20"H X 34"L INSULATED BLANKET	08/25/2017		391.15
			Total for Check Number 13479:	0.00	391.15
13480	00686 081317	AT&T LONG DISTANCE LONG DISTANCE_ADMIN	08/25/2017		10.86
			Total for Check Number 13480:	0.00	10.86
13481	00141 379649 379808	B & B SMALL ENGINE POLE SAW CUT OFF SAW	08/25/2017		634.68 1,627.45
			Total for Check Number 13481:	0.00	2,262.13
13482	10106 6089	CEL ANALYTICAL, INC CRYPTOSPORIDIUM, GIARDIA	08/25/2017		409.00
			Total for Check Number 13482:	0.00	409.00
13483	00475 080217	COASTAL WATERSHED COUNCIL 90% CLASSIC WATERSHED GRANT	08/25/2017		2,250.00
			Total for Check Number 13483:	0.00	2,250.00
13484	00788	COMCAST	08/25/2017		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	081517	INTERNET_200 ANNIE'S WAY			170.19
	081617	INTERNET_264 ORCHARD RD			136.12
			Total for Check Number 13484:	0.00	306.31
13485	00306 4376-8253	CONTROL SYSTEMS WEST,INC KWTP PROGRAMMING	08/25/2017		3,547.50
			Total for Check Number 13485:	0.00	3,547.50
13486	00384 817-01	D.W. ALLEY & ASSOCIATES SURFACE WATER DIVERSION & TEMP	08/25/2017		1,828.76
			Total for Check Number 13486:	0.00	1,828.76
13487	00703 SL2153	DATAFLOW BUSINESS SYSTEMS, INC TONER FREIGHT CHARGE	08/25/2017		7.50
			Total for Check Number 13487:	0.00	7.50
13488	00450 336932	EUROFINS EATON ANALYTICAL, INC WATER ANALYSIS_LA CUESTA, CAMINO S	08/25/2017		90.00
			Total for Check Number 13488:	0.00	90.00
13489	00750 073117	FEDAK & BROWN, LLP SERVICE RENDERED THROUGH JULY 2017	08/25/2017		1,500.00
			Total for Check Number 13489:	0.00	1,500.00
13490	00204 5-879-69462	FEDERAL EXPRESS CORP OPERATING SUPPLIES_POSTAGE	08/25/2017		63.78
			Total for Check Number 13490:	0.00	63.78
13491	00329 9505535840 9505806589	GRAINGER BOOK SHELVES DISPOSABLE WIPES	08/25/2017		211.70 292.37
			Total for Check Number 13491:	0.00	504.07
13492	00080 1205744 1205744 1205744 1206631	GRANITE CONSTRUCTION CO HOT MIX_LYON ACCESS RD BASE ROCK_LYON ACCESS RD BASE ROCK_MAIN REPAIRS CRUSHED ROCK_GLEN ARBOR BRIDGE	08/25/2017		294.38 30.60 169.99 247.38
			Total for Check Number 13492:	0.00	742.35
13493	00058 AUG 2017	IHWY, INC. BUSINESS HOSTING SERVICE	08/25/2017		25.00
			Total for Check Number 13493:	0.00	25.00
13494	10059 14705	JOHN'S ELECTRIC MOTOR - SUZANNE REPAIR JACKHAMMER	08/25/2017		84.00
			Total for Check Number 13494:	0.00	84.00
13495	00336 2017-07	LAND TRUST OF SANTA CRUZ CNTY OLYMPIA PATROL SERVICE	08/25/2017		1,258.35

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 13495:	0.00	1,258.35
13496	00181 127613	LAS ANIMAS CONCRETE 2SK SLURRY_GLEN ARBOR LEAK	08/25/2017		838.22
			Total for Check Number 13496:	0.00	838.22
13497	00539 0717SLV	MILLER MAXFIELD, INC PUBLIC OUTREACH CONSULTING_JULY	08/25/2017		8,325.00
			Total for Check Number 13497:	0.00	8,325.00
13498	00944 2391 2400	PHIL NEUMAN PDN CONSULTING MONTHLY SERVER BACKUP_JULY ARC/GIS MAINTENANCE	08/25/2017		505.00 937.50
			Total for Check Number 13498:	0.00	1,442.50
13499	00719 10551592	POWERPLAN SHIFTER SPACER	08/25/2017		25.04
			Total for Check Number 13499:	0.00	25.04
13500	00746 43752	SCOTTS VALLEY BANNER AD_REPAIRS	08/25/2017		465.00
			Total for Check Number 13500:	0.00	465.00
13501	10105 10016737 10049995 10049995 10049995	SIERRA CHEMICAL CO. CL2 DRUM CREDIT MILL ASSESSMENT FEE DRUM DEPOSIT CL2	08/25/2017		-880.00 49.24 800.00 2,344.94
			Total for Check Number 13501:	0.00	2,314.18
13502	00047 7070599 7080095 7080098	SOIL CONTROL LAB WATER ANALYSIS_TOTAL PHOSPHATE WATER ANALYSIS_REYNOLDS / FERN WATER ANALYSIS_LAKE BLVD	08/25/2017		39.00 145.00 29.00
			Total for Check Number 13502:	0.00	213.00
13503	00555 53538463	STORDOK ON SITE DOC SHREDDING	08/25/2017		45.00
			Total for Check Number 13503:	0.00	45.00
13504	10140 082117 82117 82117	GREG UNGER GRADE 1 EXAM REIMBURSEMENT TREATMENT EXAM REIMBURSEMENT UNIFORM REIMBURSEMENT	08/25/2017		50.00 50.00 30.37
			Total for Check Number 13504:	0.00	130.37
13505	00768 320955	USA BLUEBOOK HONEYWELL CIRCULAR CHART	08/25/2017		127.44
			Total for Check Number 13505:	0.00	127.44
13506	00011 9790992672	VERIZON WIRELESS CELL PHONE CHARGES_OPS	08/25/2017		584.25

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	9790992672	CELL PHONE CHARGES_ADMIN			100.08
	9790992672	CELL PHONE CHARGES_WT			370.55
	9790992673	TABLET CHARGES_ENG			95.17
	9790992673	TABLET CHARGES_OPS			197.99
	9790992673	TABLET CREDIT_ENV			-54.83
			Total for Check Number 13506:	0.00	1,293.21
13507	10161 082217	WATERWISE PRO TRAINING WATER DISTR. COURSE_R VILLA	08/25/2017		100.00
			Total for Check Number 13507:	0.00	100.00
13508	UB*00319	RANDALL HESS Refund Check Refund Check Refund Check	08/25/2017		21.78 36.55 9.59
			Total for Check Number 13508:	0.00	67.92
13509	10134 080417 080417	WESTERN ALLIANCE BANK - LOAN P. REFUNDING BOND_PRINCIPAL REFUNDING BOND_INTEREST	08/29/2017		322,419.44 32,435.79
			Total for Check Number 13509:	0.00	354,855.23
13510	00729 7081823	ALPHA ANALYTICAL LABS WASTEWATER SAMPLING	08/31/2017		428.00
			Total for Check Number 13510:	0.00	428.00
13511	00162 33180934	ANTHEM BLUE CROSS RETIRED EMPLOYEE MEDCAL_9/1 - 9/30/1	08/31/2017		316.02
			Total for Check Number 13511:	0.00	316.02
13512	00767 94637440I	ANTHEM BLUE CROSS MEDICARECARX_9/1/17 - 10/01/17	08/31/2017		159.80
			Total for Check Number 13512:	0.00	159.80
13513	00055 081917	AT&T TELEPHONE SERVICE_FELTON ACRES	08/31/2017		95.40
			Total for Check Number 13513:	0.00	95.40
13514	00309 081917 081917 081917	AT&T IP SERVICES IP SERVICES_WTP IP SERVICES_OPS IP SERVICES_ADMIN	08/31/2017		407.02 407.03 407.03
			Total for Check Number 13514:	0.00	1,221.08
13515	00687 132167447_81517	AT&T U-VERSE INTERNET_365 MADRONE AVE	08/31/2017		70.67
			Total for Check Number 13515:	0.00	70.67
13516	00687 132338293_81517	AT&T U-VERSE INTERNET_GRAHAM HILL RD	08/31/2017		70.00
			Total for Check Number 13516:	0.00	70.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
13517	00687 250354029_81917	AT&T U-VERSE INTERNET_365 MADRONE AVE #2	08/31/2017		55.00
		Total for Check Number 13517:		0.00	55.00
13518	00363 082817	CINCINNATI LIFE INSURANCE CO LIFE INSURANCE	08/31/2017		42.00
		Total for Check Number 13518:		0.00	42.00
13519	10121 33395	COLANTUONO,HIGHSMITH & WHATL SERVICES THROUGH 7/31/17	08/31/2017		2,986.30
		Total for Check Number 13519:		0.00	2,986.30
13520	00788 1028380_081917	COMCAST INTERNET_7400 HWY 9	08/31/2017		141.12
		Total for Check Number 13520:		0.00	141.12
13521	00265 2445	COMMUNITY TELEVISION BOARD COVERAGE_7/20/17 MEETING	08/31/2017		442.00
		Total for Check Number 13521:		0.00	442.00
13522	00037 32147	COUNTY OF SANTA CRUZ RECYCLE TOILETS	08/31/2017		14.00
		Total for Check Number 13522:		0.00	14.00
13523	00050 021-052-40	COUNTY OF SANTA CRUZ LIEN RELEASE FEE	08/31/2017		15.00
		Total for Check Number 13523:		0.00	15.00
13524	00450 338945 339011	EUROFINS EATON ANALYTICAL, INC WATER ANALYSIS_QUAIL 5 WATER ANALYSIS_VARIOUS LOCATIONS	08/31/2017		150.00 480.00
		Total for Check Number 13524:		0.00	630.00
13525	00365 080117	FREITAS + FREITAS SERVICES THROUGH 7/31/17	08/31/2017		1,890.90
		Total for Check Number 13525:		0.00	1,890.90
13526	00329 9520241218	GRAINGER THERMOMETERS	08/31/2017		168.60
		Total for Check Number 13526:		0.00	168.60
13527	00367 124074 124074	INFOSEND, INC MAILING FEES POSTAGE FEES	08/31/2017		1,152.90 2,662.63
		Total for Check Number 13527:		0.00	3,815.53
13528	00313 SEP 2017 SEP 2017 SEP 2017 SEP 2017 SEP 2017	MET LIFE DENTAL INSURANCE_ADMIN LIFE INSURANCE_ENV DISIBILITY INSURANCE_FINANCE DENTAL INSURANCE_FINANCE DISIBILITY INSURANCE_ADMIN	08/31/2017		250.80 16.65 280.24 1,323.35 84.83

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	SEP 2017	DENTAL INSURANCE_ENV			125.80
	SEP 2017	DENTAL INSURANCE_ENG			60.75
	SEP 2017	DISIBILITY INSURANCE_OPS			312.92
	SEP 2017	DISIBILITY INSURANCE_WT			320.28
	SEP 2017	LIFE INSURANCE_ENG			16.65
	SEP 2017	LIFE INSURANCE_WT			146.52
	SEP 2017	DISIBILITY INSURANCE_ENV			46.45
	SEP 2017	LIFE INSURANCE_FINANCE			144.02
	SEP 2017	DENTAL INSURANCE_WT			1,102.75
	SEP 2017	DENTAL INSURANCE_OPS			2,076.09
	SEP 2017	LIFE INSURANCE_OPS			169.83
	SEP 2017	DISIBILITY INSURANCE_ENG			41.45
	SEP 2017	LIFE INSURANCE_ADMIN			33.30
			Total for Check Number 13528:	0.00	6,552.68
13529	10067 717000079	NBS WATER RATE STUDY_SERVICES THROUG	08/31/2017		5,439.11
			Total for Check Number 13529:	0.00	5,439.11
13530	10001 784494	RUTAN & TUCKER, LLP LEGAL FEES	08/31/2017		19,595.41
			Total for Check Number 13530:	0.00	19,595.41
13531	00047 7080097 7080310	SOIL CONTROL LAB WATER ANALYSIS_METALS DIGESTION, M WATER ANALYSIS	08/31/2017		37.00 145.00
			Total for Check Number 13531:	0.00	182.00
13532	00266 367527402	TERMINIX PEST CONTROL	08/31/2017		133.00
			Total for Check Number 13532:	0.00	133.00
13533	00241 081517 081517 5180655 5180655CR	US PLASTIC CORP TAX TAX CL2 TANK & LID FREIGHT CREDIT	08/31/2017		-27.92 27.92 541.63 -50.00
			Total for Check Number 13533:	0.00	491.63
13534	00399 SEPT 2017 SEPT 2017 SEPT 2017 SEPT 2017 SEPT 2017 SEPT 2017	VISION SERVICE PLAN - (CA) VISION INSURANCE_ENV VISION INSURANCE_ENG VISION INSURANCE_WT VISION INSURANCE_FINANCE VISION INSURANCE_OPS VISION INSURANCE_ADMIN	08/31/2017		16.96 10.92 128.32 163.36 313.02 37.82
			Total for Check Number 13534:	0.00	670.40
13535	10152 082017 082017	WESTAMERICA BANK PRINCIPAL ON TRUCK LOAN INTEREST ON TRUCK LOAN	09/01/2017		1,793.04 307.64
			Total for Check Number 13535:	0.00	2,100.68
13536	00057	AFSCME COUNCIL 57	09/01/2017		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	SEP 2017	UNION DUES			940.72
			Total for Check Number 13536:	0.00	940.72
13537	00115 SEP 2017	ATKINSON-FARASYN LEGAL SERVICES MONTHLY FEE	09/01/2017		3,500.00
			Total for Check Number 13537:	0.00	3,500.00
13538	10113 SEP 2017 SEP 2017	BANK MIDWEST SOLAR LOAN_PRINCIPAL SOLAR LOAN_INTEREST	09/01/2017		2,315.08 934.82
			Total for Check Number 13538:	0.00	3,249.90
13539	00099 SEP 2017	JOEL BUSA CALPERS MEDICAL	09/01/2017		125.00
			Total for Check Number 13539:	0.00	125.00
13540	00415 SEP 2017	CA BANK & TRUST/GOV SVC DEPT_10 1976 SAFE DRINKING WATER BOND	09/01/2017		15,581.43
			Total for Check Number 13540:	0.00	15,581.43
13541	00208 SEP 2017	LEONARD KUHNLEIN CALPERS MEDICAL	09/01/2017		125.00
			Total for Check Number 13541:	0.00	125.00
13542	00662 SEP 2017	JAMES A. MUELLER CALPERS MEDICAL	09/01/2017		50.00
			Total for Check Number 13542:	0.00	50.00
13543	00397	FERGUSON ENTERPRISES, INC	09/07/2017		
	1290198	COMPRESSION COUPLING 1" G/T			194.89
	1290198	SVC VALVE PIPE-PIPE STRT 3/4"			781.74
	1290198	COMPRESSION COUPLING 3/4" G/T			410.42
	1290198	TRACER WIRE 12 GAUGE COATED			62.43
	1290198	MTR CPLG CORP-COPR 3PT 3/4"			110.20
	1290198	MTR VLV COPR-MTR ANG 1X1"			534.19
	1290198	NIPPLE BRASS 3/4" X 0"			13.03
	1290198	MTR VLV PIPE-MTR ANG 3/4X5/8"			125.95
	1290198	ELL 45 GALV 3/4"			11.40
	1290198	HYDRANT(YW) 2-1/2" x 2-1/2" x 4-1/2"			8,143.13
	1290198	MTR VLV PIPE-MTR STRT 3/4X5/8"			527.68
	1290198	NIPPLE BRASS 1" X 0"			12.49
	1290198	FLANGE RING GASKET 3" NO BLT			4.88
	1290198	8" GLAND PACK			390.87
	1290198	PIPE PVC SCHED 80 4"			360.47
	1290198	MTR BOX LID B36 STEEL PLATE			686.19
	1290198	5/8"NUT & BOLT SET-BREAK-OFF			38.00
	1290198	MTR VLV COPR-MTR STRT 3/4X5/8"			692.71
	1290198	MTR VLV COPR-MTR STRT 1X1"			461.45
	1290198	NIPPLE GALV 1/2" X 6"			8.14
	1290198	MTR CPLG PIPE-MTR FEM 3/4" X 5/8"			271.44
	1290198	CORP PIPE-COPPER IP 1"			434.30
	1290198	MTR BOX LID B24D CONCRETE			116.00
			Total for Check Number 13543:	0.00	14,392.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
13544	00711	ROBERTS & BRUNE CO.	09/07/2017		
	S1672353.001	FULL CIRCLE 8.54-8.94 12.50"			150.13
	S1672353.001	FULL CIRCLE 8.99-9.79 12.50"			185.68
	S1672360.001	VALVE BOX RISER GRD RING 1"			335.75
	S1672360.001	HYDRANT BURY MJ 6"X42" W/ACC			264.28
	S1672360.001	PIPE GALV SCHED 40 1" (21')			169.98
	S1672360.002	METER BOX LID B16 -BADGER ORION			698.62
	S1672367.001	FULL CIRCLE 3.96-4.25 7.50"			127.75
	S1672367.001	4" GLAND PACK			135.06
	S1672367.001	NIPPLE GALV 2" X 6"			56.24
	S1672367.001	BUSHING GALV 3/4" X 1/2"			3.40
	S1672367.001	BUSHING GALV 1" X 3/4"			11.50
	S1672367.001	FULL CIRCLE 4.45-4.73 12.50"			223.28
	S1672367.001	NIPPLE GALV 2-1/2" X 6"			21.92
	S1672367.001	GATE VALVE 4"			315.80
	S1672367.001	NIPPLE GALV 1-1/2" X 6"			31.86
	S1672367.001	NIPPLE GALV 3/4" X 5"			9.08
	S1672367.001	BELL REDCR GALV 1-1/2" X 1"			27.22
	S1672367.001	CHECK VALVE 3/4"			77.99
	S1672367.001	6" GLAND PACK			168.03
	S1672367.001	FLEX COUPLING 1" X 5"			163.73
	S1672367.001	UNION GALV 2"			135.38
	S1672367.001	FLANGE RING GASKETS 6" NO BLT			35.94
	S1672367.001	ELL 90 GALV 4"			139.57
	S1672367.001	NIPPLE GALV 1/2" X 3"			5.22
	S1672367.001	PLUG GALV 2-1/2"			14.12
	S1672367.001	BELL REDCR GALV 4" X 2"			141.33
	S1672367.001	BUSHING GALV 1" X 1/2"			12.21
	S1672367.001	FULL CIRCLE 7.05-7.45 7.50"			81.98
	S1672367.001	NIPPLE GALV 2" X 2-1/2"			22.43
	S1672367.001	CHECK VALVE 2"			161.40
	S1672367.001	PLUG GALV 3/4"			8.80
	S1672367.001	TEE GALV 4"			141.02
	S1672367.001	FLEX COUPLING 1-1/2" X 5"			238.81
	S1672367.001	CAP GALV 2"			26.76
	S1672367.001	FLANGE RING GASKETS 2" NO BLT			3.75
	S1672367.001	NIPPLE GALV 1-1/4" X 2-1/2"			9.84
	S1672367.001	FULL CIRCLE 6.84-7.24 12.50"			129.19
	S1672367.001	CAP GALV 1-1/2"			27.21
	S1672367.001	6" NUT & BOLT SET PLATED 150#			73.80
	S1672367.003	MTR BOX LID B36EP TR/PORTHOLE			111.22
	S1674019.001	14" TIGERTOOTH SUPERGRIT DIAMOND B			915.90
	S1674019.001	16" TIGERTOOTH SUPERGRIT DIAMOND B			1,738.08
Total for Check Number 13544:				0.00	7,351.26
13545	00142	SAN LORENZO LUMBER	09/07/2017		
	97403	ROTO HAMMER BITS			37.49
	99112	PAINT FOR HYDRANTS			6.21
	99165	PARTS FOR SERVICE LINE REPAIR			5.82
Total for Check Number 13545:				0.00	49.52
13546	00125	SCARBOROUGH LUMBER	09/07/2017		
	296220	CONCRETE MIX			44.99
	296292	MISC BATTERIES			37.59
	296454	BROOMS			43.47
	296747	TIE DOWN STRAPS			25.77
	297219	SHOVELS			69.59
	297409	FILTER BAGS, BUNGEE CORDS			22.21

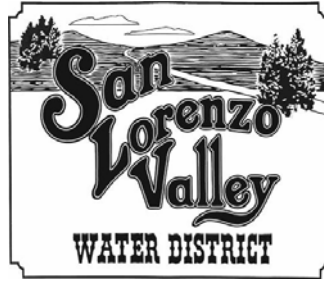
Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	297635	ADMIN BLDG LIGHT BULBS			5.79
	561501	STEEL CONSTRUCTION STAKES			15.44
	561586	TAPE FOR A/C PIPE DISPOSAL			6.44
	561615	MISC PLUMBING SUPPLIES			47.24
	561647	SCREWS			0.17
	561784	MISC SUPPLIES			39.46
	562027	GAS CANS			46.16
	562180	SAND PAPER			2.47
	562235	CAR WASH SUPPLIES			13.67
	562247	PULL START REPAIR			42.88
	562281	CHUCK KEY & HOLDER			6.74
	562598	HOUSEHOLD SUPPLIES			51.49
			Total for Check Number 13546:	0.00	521.57
13547	00168 148422	SCOTTS VALLEY SPRINKLER FIRE HOSE ADAPTER	09/07/2017		78.84
			Total for Check Number 13547:	0.00	78.84
13548	00729 7082868	ALPHA ANALYTICAL LABS WASTEWATER MONITORING	09/07/2017		926.00
			Total for Check Number 13548:	0.00	926.00
13549	10025 80013516	BADGER METER, INC BEACON SERVICES_JULY	09/07/2017		574.05
			Total for Check Number 13549:	0.00	574.05
13550	00423 90172	BAY AREA BARRICADE MESSAGE BOARD RENTAL	09/07/2017		1,359.37
			Total for Check Number 13550:	0.00	1,359.37
13551	00343 709496	ERNIE'S SERVICE CENTER FLOOR MATS_V #228	09/07/2017 VOID	138.87	
			Total for Check Number 13551:	138.87	0.00
13552	00450 339868	EUROFINS EATON ANALYTICAL, INC WATER ANALYSIS_PASO 5, BOB'S LN	09/07/2017		60.00
			Total for Check Number 13552:	0.00	60.00
13553	00397 1290201 1290201 1290201 1290201 1290201	FERGUSON ENTERPRISES, INC GATE VALVE MJ X FLG 4"A2360-16 HYDRNT B/O CK FEC-CLOW LB400E 8MIL MTR BOX LID B36 W/CON READ LID PIPE GALV SCHED 40 1-1/4" (21' MTR BOX LID B16 CONCRETE	09/07/2017		900.55 2,658.25 52.08 42.15 217.00
			Total for Check Number 13553:	0.00	3,870.03
13554	00080 1214359 1214359	GRANITE CONSTRUCTION CO 3/4 AGG BASE BASE ROCK	09/07/2017		44.53 41.01
			Total for Check Number 13554:	0.00	85.54
13555	00020 17080	HARO, KASUNICH & ASSOCIATES CONSULTING SERVICE_LYON ACCESS RD	09/07/2017		9,338.83

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 13555:	0.00	9,338.83
13556	UB*00324	JACKELINE HORAN Refund Check	09/07/2017		65.18
			Total for Check Number 13556:	0.00	65.18
13557	10005 102425670	ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING	09/07/2017		2,794.00
			Total for Check Number 13557:	0.00	2,794.00
13558	UB*00320	TIM LIEBENTHAL Refund Check	09/07/2017		23.61
			Total for Check Number 13558:	0.00	23.61
13559	UB*00321	JANET MORRIS Refund Check	09/07/2017		95.40
			Total for Check Number 13559:	0.00	95.40
13560	UB*00322	MT HERMON ASSOCIATION Refund Check	09/07/2017		76.13
			Total for Check Number 13560:	0.00	76.13
13561	10139 S1088279.001 S1088279.003 S1088285.001	NATIONAL METER AUTOMATION METER 1" BADGER MODEL 55 METER 1" BADGER MODEL 55 METER 5/8"X3/4" BADGER MODEL 25	09/07/2017		875.87 233.71 3,727.26
			Total for Check Number 13561:	0.00	4,836.84
13562	10158 469628	NOSSAMAN, LLP SERVICES THROUGH 7/31/17	09/07/2017		16,517.64
			Total for Check Number 13562:	0.00	16,517.64
13563	00054 082417	PACIFIC GAS & ELECTRIC ELECTRIC CHARGES_LAZYWOODS	09/07/2017		76.30
			Total for Check Number 13563:	0.00	76.30
13564	UB*00307	Julia Powell Refund Check	09/07/2017		62.12
			Total for Check Number 13564:	0.00	62.12
13565	00046 9-822 9-822 9-822	RED WING SHOE STORE GILLIES FOR 209 BOOTS FOR 209 BOOTS FOR 209	09/07/2017		9.78 261.59 239.79
			Total for Check Number 13565:	0.00	511.16
13566	UB*00323	CHASE SMITH Refund Check Refund Check	09/07/2017		27.34 5.50
			Total for Check Number 13566:	0.00	32.84

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
13567	00047 7080536	SOIL CONTROL LAB WATER ANALYSIS	09/07/2017		145.00
Total for Check Number 13567:				0.00	145.00
13568	10156 44-1161901-1	VORTEX INDUSTRIES, INC QUAIL 5 YARD GATE MOTOR	09/07/2017		4,986.74
Total for Check Number 13568:				0.00	4,986.74
13569	00788 082617	COMCAST INTERNET_195 KIRBY ST	09/11/2017		151.12
Total for Check Number 13569:				0.00	151.12
13570	00444 847677516461 847691905161	COSTCO-CAPITAL ONE COMMERCIAL OFFICE SUPPLIES_ADMIN OFFICE SUPPLIES_ADMIN	09/11/2017		33.07 103.28
Total for Check Number 13570:				0.00	136.35
13571	00054 082817 082817 082817 082817 082817 082917 82817 8282017 8282017 8282017 8282017 82917	PACIFIC GAS & ELECTRIC ELECTRIC CHARGES_CARROL AVE ELECTRIC CHARGES_LOMPICO PUMP STA ELECTRIC CHARGES_11255 LOMPICO RD 1 ELECTRIC CHARGES_MADRONE BOOSTER ELECTRIC CHARGES_COMMUNITY WELL ELECTRIC CHARGES_19 SUMMIT AVE ELECTRIC CHARGES_ZAYANTE/ROSEBLO ELECTRIC CHARGES_OPS ELECTRIC CHARGES_BCEWW ELECTRIC CHARGES_WTP ELECTRIC CHARGES_ADMIN 1150 REBECCA DR	09/11/2017		22.48 144.67 199.76 196.77 19.71 619.60 1,798.06 9,246.99 257.63 28,457.78 918.82 51.97
Total for Check Number 13571:				0.00	41,934.24
13572	00044 083017	STAPLES CREDIT PLAN_6035 5178 622 OFFICE SUPPLIES_WTP	09/11/2017		257.28
Total for Check Number 13572:				0.00	257.28
Report Total (192 checks):				1,479.09	745,025.65

EFT TRANSACTIONS

AUGUST 2017



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

Date	Check No	Vendor	Description	Amount
8/1/2017	EFT	CALPERS	RETIREMENT BENEFITS 07/19/17	\$ 15,505.55
8/2/2017	EFT	PAYCHEX	ADMIN & DELIVERY FEES 08/02/17	\$ 1,217.30
8/2/2017	EFT	PAYCHEX	PAYROLL 08/02/17	\$ 91,166.59
8/30/2017	EFT	CALPERS	RETIREMENT BENEFITS 08/16/17	\$ 15,523.08
8/16/2017	EFT	PAYCHEX	ADMIN & DELIVERY FEES 08/16/17	\$ 1,217.30
8/16/2017	EFT	PAYCHEX	PAYROLL 08/16/17	\$ 93,028.88
8/31/2017	EFT	CALPERS	RETIREMENT BENEFITS 08/30/17	\$ 15,672.55
8/30/2017	EFT	PAYCHEX	ADMIN & DELIVERY FEES 08/30/17	\$ 1,234.22
8/30/2017	EFT	PAYCHEX	PAYROLL 08/30/17	\$ 93,471.34
8/30/2017	EFT	CALPERS	CALPERS GASB FEE	\$ 700.00
TOTAL EFT TRANSACTIONS				\$ 328,736.81

0087 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS

THIS REPORT SUMMARIZES YOUR PAYROLL TRANSACTIONS FOR THE CHECK DATE 08/16/17. IT DOES NOT REFLECT MISCELLANEOUS ADMINISTRATIVE CHARGES. PLEASE REFER TO YOUR INVOICE(S) FOR THE TOTAL CASH REQUIRED FOR THIS CHECK DATE.

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
08/15/17	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	57,317.38	57,317.38
08/15/17	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	6,454.73	
				Medicare	1,613.37	
				Fed Income Tax	12,981.14	
				CA Income Tax	4,041.96	
				CA Disability	937.01	
				Total Withholdings	26,028.21	
				Employer Liabilities		
				Social Security	6,454.72	
				Medicare	1,613.37	
				Total Liabilities	8,068.09	34,096.30
08/15/17	WELLS FARGO BANK, NA	xxxxxx1358	401(k) Traditional	PXROTH 401 EEPO		
				PX401 ERMTCH		
				PXROTH 401 EECU		
				PX401 EECU		
				PX401 EEPRE	1,022.88	
				PX401 ERCUM		1,022.88
08/15/17	WELLS FARGO BANK, NA	xxxxxx1358	Section 125	PXUME EE PRE	207.70	
				PXDCA EE PRE	384.62	592.32
EFT FOR 08/15/17						93,028.88
TOTAL EFT (Does not reflect administrative charges)						93,028.88

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

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
08/16/17	WELLS FARGO BANK, NA	xxxxxx1358	Payroll	Check Amounts	16,090.88	
TOTAL NEGOTIABLE CHECKS						16,090.88

0087 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS

THIS REPORT SUMMARIZES YOUR PAYROLL TRANSACTIONS FOR THE CHECK DATE 08/16/17. IT DOES NOT REFLECT MISCELLANEOUS ADMINISTRATIVE CHARGES. PLEASE REFER TO YOUR INVOICE(S) FOR THE TOTAL CASH REQUIRED FOR THIS CHECK DATE.

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

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
08/16/17	Refer to your records for account Information		Payroll	Employee Deductions	
				Aflc/Col Post	66.65
				Aflc/Col Pre	260.35
				Calper 457	525.00
				DPer	6,930.95
				Health	1,631.63
				ICMA	2,794.00
				Life Ins	14.00
				Union dues	477.62
				Total Deductions	12,700.20

TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (Does not reflect administrative charges) **12,700.20**

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

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	
08/23/17	Taxpay®	FED IT PMT Group	29,117.33
08/23/17	Taxpay®	CA IT PMT Group	4,978.97

0087 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS

THIS REPORT SUMMARIZES YOUR PAYROLL TRANSACTIONS FOR THE CHECK DATE 08/30/17. IT DOES NOT REFLECT MISCELLANEOUS ADMINISTRATIVE CHARGES. PLEASE REFER TO YOUR INVOICE(S) FOR THE TOTAL CASH REQUIRED FOR THIS CHECK DATE.

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
08/29/17	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	58,051.44	58,051.44
08/29/17	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	6,407.49	
				Medicare	1,603.21	
				Fed Income Tax	12,738.93	
				CA Income Tax	3,970.10	
				CA Disability	930.13	
				Total Withholdings	25,649.86	
				Employer Liabilities		
				Social Security	6,407.49	
				Medicare	1,603.23	
				Total Liabilities	8,010.72	33,660.58
08/29/17	WELLS FARGO BANK, NA	xxxxxx1358	401(k) Traditional	PXROTH 401 EEPO		
				PX401 ERMTCH		
				PXROTH 401 EECU		
				PX401 EECU		
				PX401 ERCUM		
				PX401 EEPRE	982.44	982.44
08/29/17	WELLS FARGO BANK, NA	xxxxxx1358	Section 125	PXUME EE PRE	392.26	
				PXDCA EE PRE	384.62	776.88
EFT FOR 08/29/17						93,471.34
TOTAL EFT (Does not reflect administrative charges)						93,471.34

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

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
08/30/17	WELLS FARGO BANK, NA	xxxxxx1358	Payroll	Check Amounts	15,224.17	
TOTAL NEGOTIABLE CHECKS						15,224.17

0087 A87P-7177 San Lorenzo Valley Water District

CASH REQUIREMENTS

THIS REPORT SUMMARIZES YOUR PAYROLL TRANSACTIONS FOR THE CHECK DATE 08/30/17. IT DOES NOT REFLECT MISCELLANEOUS ADMINISTRATIVE CHARGES. PLEASE REFER TO YOUR INVOICE(S) FOR THE TOTAL CASH REQUIRED FOR THIS CHECK DATE.

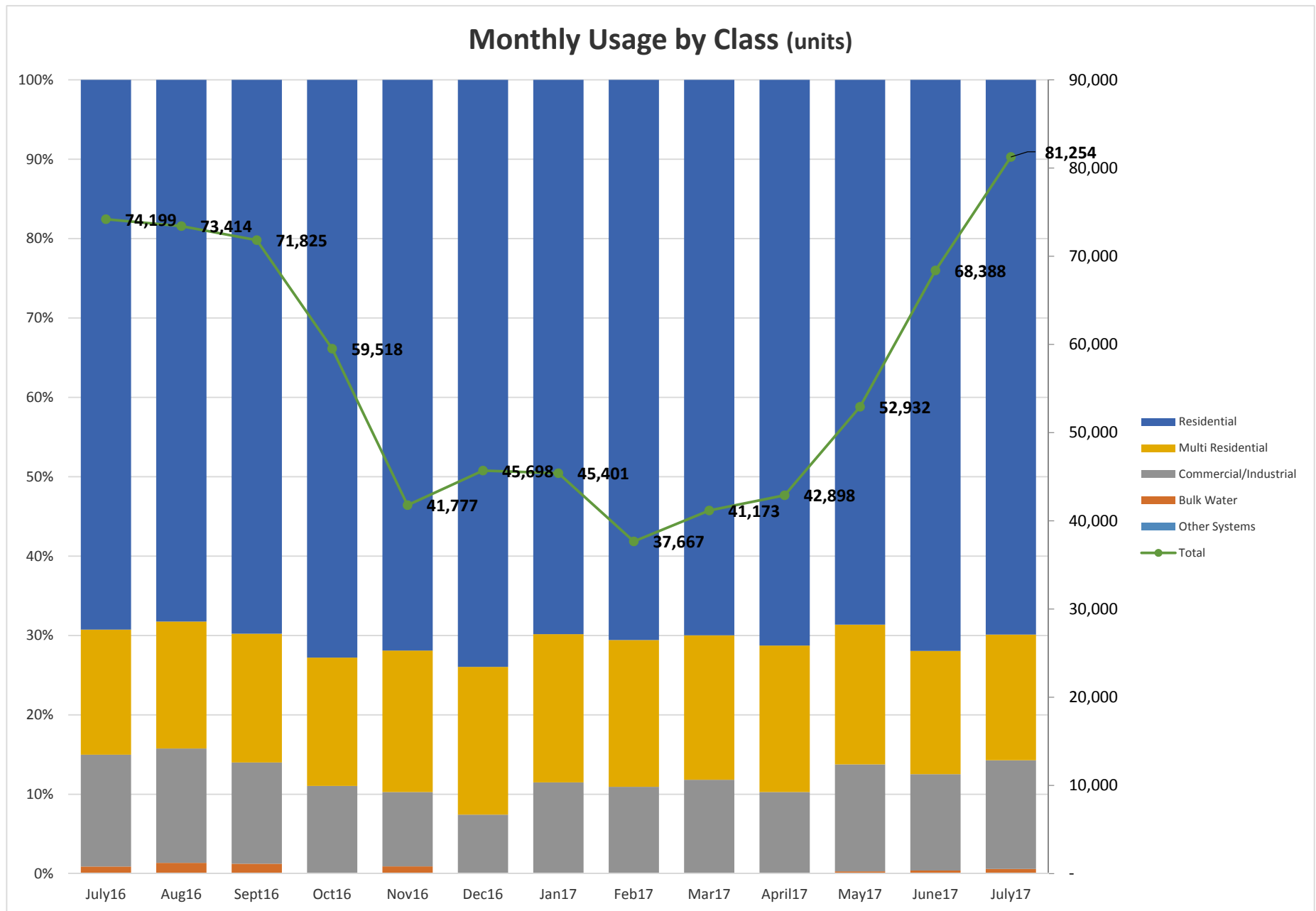
REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

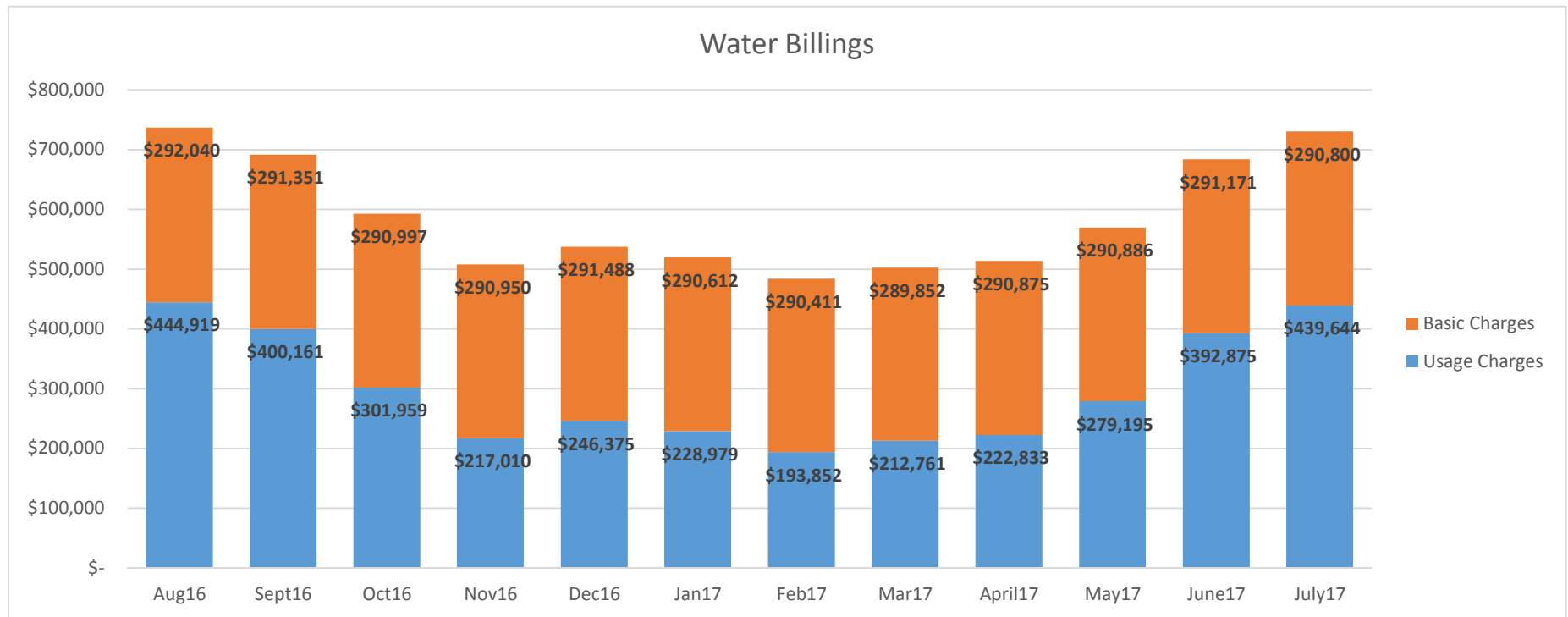
<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
08/30/17	Refer to your records for account	Information	Payroll	Employee Deductions	
				Aflc/Col Post	11.31
				Aflc/Col Pre	160.52
				Calper 457	525.00
				DPer	7,002.92
				ICMA	2,794.00
				Life Ins	14.00
				Total Deductions	10,507.75

TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (Does not reflect administrative charges) **10,507.75**

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

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	
09/07/17	Taxpay®	FED IT PMT Group	28,760.35
09/07/17	Taxpay®	CA IT PMT Group	4,900.23

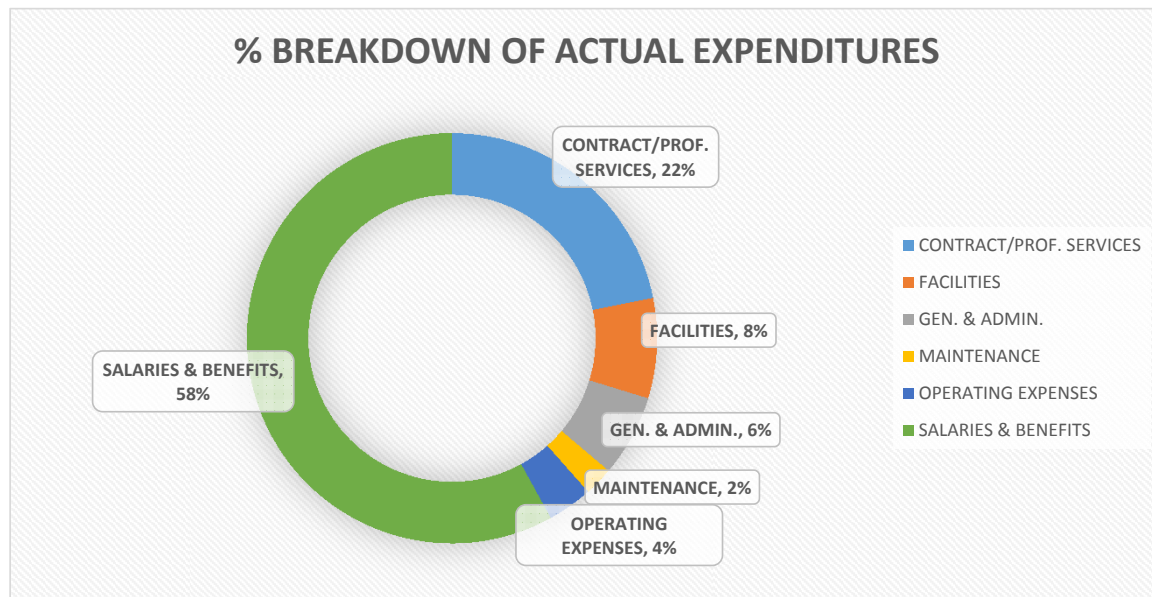




OPERATING EXPENSE ANALYSIS - JULY 2017

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	\$ 402,003	58.0%	\$ 577,959	\$ (175,956)	-30%	9%	\$ 4,531,632	63%
CONTRACT/PROF. SERVICES	\$ 151,419	21.8%	\$ (61,741)	\$ 213,160	-345%	13%	\$ 1,206,061	17%
OPERATING EXPENSES	\$ 24,557	3.5%	\$ 7,527	\$ 17,030	226%	7%	\$ 373,100	5%
MAINTENANCE	\$ 15,799	2.3%	\$ (2,910)	\$ 18,709	-643%	9%	\$ 174,000	2%
FACILITIES	\$ 54,623	7.9%	\$ 8,434	\$ 46,189	548%	11%	\$ 510,300	7%
GEN. & ADMIN.	\$ 44,673	6.4%	\$ 61,348	\$ (16,675)	-27%	12%	\$ 377,450	5%
TOTAL OPERATING EXPENSES	\$ 693,074	100%	\$ 590,617	\$ 102,457	17%	10%	\$ 7,172,543	100%

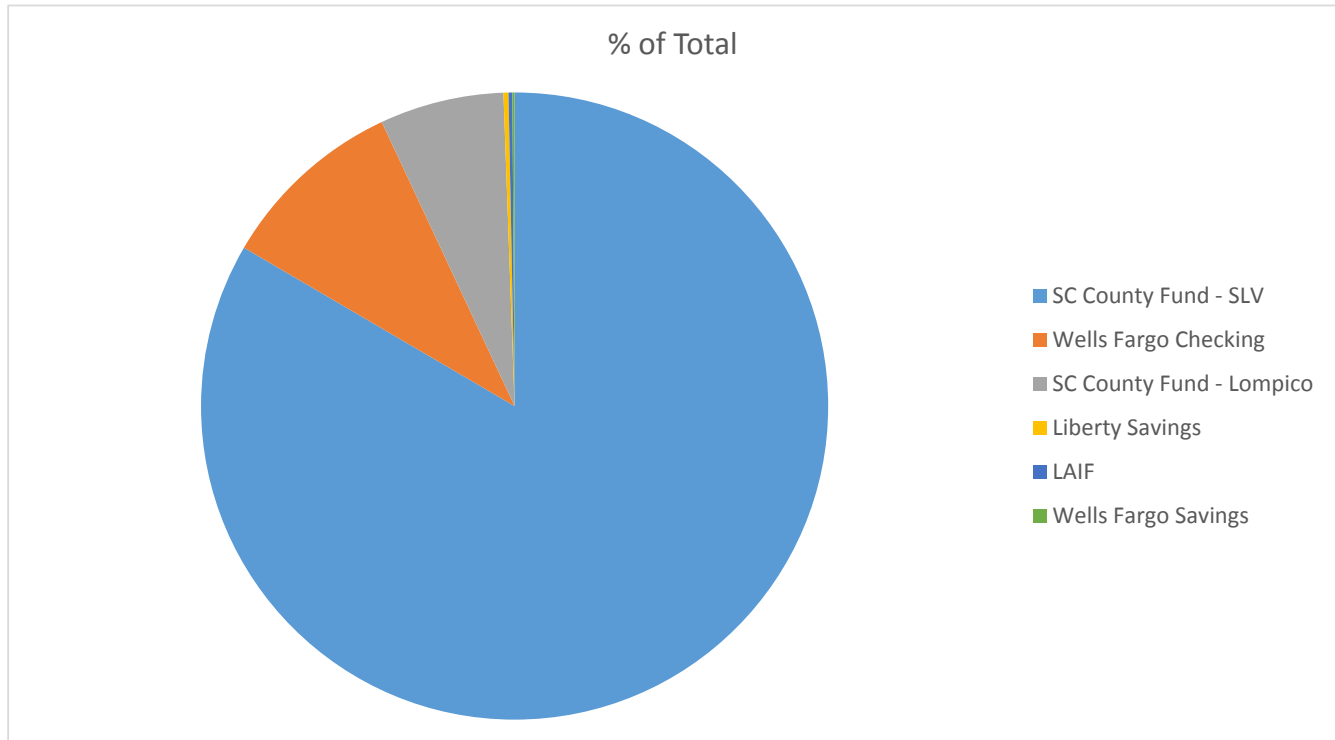


COMMENTS

July operating expenses are not a good representation of "actuals." For audit purposes, there are a lot of year end accruals and reversals performed, which can impact July and August "actuals." We are still in the process of finalizing the audit and some journal entries are still needed that can impact these numbers. We will update charts once all year end entries are complete.

AS OF 7/31/2017

LIQUID ASSETS	\$ Amount	% of Total	Ave Interest Rate
Wells Fargo Checking	167,978	9.6%	0.100%
Wells Fargo Savings	2,012	0.1%	0.150%
Liberty Savings	4,504	0.3%	0.150%
SC County Fund - SLV	1,458,404	83.4%	0.986%
SC County Fund - Lompico	111,801	6.4%	0.986%
LAIF	3,392	0.2%	0.978%
	<u>\$ 1,748,090</u>	<u>100%</u>	



G/L Balances

Criteria: As Of = 7/31/2017; Fund = 76530, 76531, 35115

G/L Account	Title	Beginning Balance	Year-To-Date Debits	Year-To-Date Credits	End Balance
Fund 76530 -- SLV-LOMPICO WTR, EFF 6/2/16					
101	EQUITY IN POOLED CASH	411,360.23	440.90	(300,000.00)	111,801.13
201	VOUCHERS PAYABLE (VENDOR)	0.00	300,000.00	(300,000.00)	0.00
240	STALE DATED WARRANTS LIABILITY	(1,363.90)	0.00	0.00	(1,363.90)
344	FUND BALANCE	(409,996.33)	300,000.00	(440.90)	(110,437.23)
Total Fund 76530		0.00	600,440.90	(600,440.90)	0.00

G/L Balances

Criteria: As Of = 7/31/2017; Fund = 76644

G/L Account	Title	Beginning Balance	Year-To-Date Debits	Year-To-Date Credits	End Balance
Fund 76644 -- SAN LORENZO VALLEY WATER TRUST					
101	EQUITY IN POOLED CASH	1,455,046.45	3,357.30	0.00	1,458,403.75
220	DEFERRED CREDITS	(500,000.00)	0.00	0.00	(500,000.00)
344	FUND BALANCE	(955,046.45)	0.00	(3,357.30)	(958,403.75)
Total Fund 76644		0.00	3,357.30	(3,357.30)	0.00

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

www.treasurer.ca.gov/pmia-laif/laif.asp

August 10, 2017

SAN LORENZO VALLEY WATER DISTRICT

DISTRICT MANAGER
13060 HIGHWAY 9
BOULDER CREEK, CA 95006

[PMIA Average Monthly Yields](#)

// [Tran Type Definitions](#)

July 2017 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
7/14/2017	7/13/2017	QRD	1542034	SYSTEM	7.79

Account Summary

Total Deposit:	7.79	Beginning Balance:	3,384.58
Total Withdrawal:	0.00	Ending Balance:	3,392.37

M E M O

TO: Board of Directors

FROM: District Manager

PREPARED BY: Environmental Programs Manager

SUBJECT: Environmental Status Report

DATE: September 21, 2017

RECOMMENDATION:

It is recommended that the Board of Directors review and file the Environmental Department status report.

CONJUNCTIVE USE PLANNING GRANT AWARDED

In a collaborative effort with the County of Santa Cruz a Prop 1 Planning Grant was awarded in the amount of \$330,000: The award will fund 1. Further scientific analysis to improve stream flow and fish habitat in the upper San Lorenzo River, Fall Creek and Lompico Creek during dry periods, 2. Create an Operations Plan with metrics that will indicate when to divert surface water and when to pump groundwater, 3. Address the intermittent violation of the Fall Creek diversion permit 4. Support the Sustainable Groundwater Management Plan being developed by the Santa Margarita Groundwater Management Agency, and 5. CEQA permitting for the operation of the interties for expanded conjunctive use. This effort will help the San Lorenzo Valley utilize water resources sustainably and will make the water system more climate resilient.

FELTON LIBRARY OUTDOOR EDUCATION ZONE

Staff is part of the Felton Library Design Team. A portion of the District property at the Kirby Treatment Plant in Felton, which is not useful for water operations, has been requested for use as part of the outdoor education zone as well as onsite mitigation for the riparian impacts. Staff has coordinated with county officials & resource agency staff to secure permits and an easement for part of the Kirby Treatment Plant Property. A survey of the District parcel was completed in April, and is being used for the design specification. The Board of Directors will consider the adoption of the easement language with the County at the August Board Meeting.

SANITARY SURVEY

Staff has been working with the City of Santa Cruz Water Department on the Sanitary Survey update.

The Sanitary Survey Update is a high-level summary of the San Lorenzo River Watershed for the City of Santa Cruz Water Department (SCWD) and the San Lorenzo Valley Water District (SLVWD), which merged with the Lompico County Water District in 2016. The Watershed Sanitary Survey (WSS) includes detailed description of Watersheds & Water Supply Systems, Potential Contaminant Sources, Watershed

Management Activities, Non-Drinking Water Regulatory Challenges, Water Quality Data Summary, and Conclusions & Recommendations.

ENVIRONMENTAL COMPLIANCE

PROBATION TANK

Staff has been notified that the Habitat Conservation Plan, mitigation for the Probation Tank Replacement Project- which should result in a conservation bank on the Olympia Watershed has been reviewed by US Fish and Wildlife Service and was submitted to headquarters for review in February 2017. Currently, it is sitting in Sacramento awaiting submission to the Federal Register. Timelines for Federal Register have been slow due to the new Federal Administration.

Staff is also working with USFWS and the Land trust of Santa Cruz County and Jodi McGraw to finalize the language for the Conservation Bank Easement. Language for the Easement was submitted in April 2017 to the USFWS and we are awaiting comment. CEQA has been completed.

Staff continues to contact to the USFWS on a regular basis in hopes to move the application forward to the Federal Registry, with no success. Staff is considering a strategy to contact with federal elected officials in order to move the permit process along.

SWIM TANKS MITIGATED NEGATIVE DECLARATION

Environmental compliance (CEQA) requirements for the Swim Tank Replacement Project are complete. Bids for the contract came in too high, the project will be delayed until more bids can be acquired.

WATERSHED MANAGEMENT

BROOM MANAGEMENT ON OLYMPIA WELLFIELD

The District's Environmental Committee is working in collaboration with District staff to organize the "blue ribbon" panel to review the District's approach to broom management.

WATER CONSERVATION

Stage 2 water restrictions are still in effect. The District continues to ask customers to Conserve Water as a way of life. The District Manager has determined that this summer customers will not be asked to water on assigned days, but can water any day of the week provided that it is only 2 days per week, and not between the hours of 10AM - 5PM and only 15 minutes per irrigation station. Hand watering may happen as frequently as necessary and food gardens are exempt.

We would like to welcome Carly Blanchard as the new Water Conservation Specialist. Carly began her position on August 14th and we are thrilled to have her join our team.

COMMUNICATIONS

The District has been issuing statements through paid advertorials clarifying rate restructuring information in the Press Banner.

The District is running ads in the Mountain Bulletin monthly.

Our monthly e-newsletters include information regarding District operations, general news and notifications and events are sent out monthly.

Staff produces multiple posts on Facebook every week focused on various District business.

PUBLIC OUTREACH/ DROUGHT OUTREACH - UPDATE

- E Newsletters are sent out to over 3500 customer email addresses once or twice monthly.
- The District Facebook page and website are updated regularly (3-5 times per week).
- Media Alerts have been published in local papers regarding:
Broom Management on Olympia Watershed
Rate Restructuring Special Meeting

NETWORKING/ COLLABORATIONS

SAN LORENZO 2025

The San Lorenzo River Watershed is the main source of drinking water for multiple communities and tens of thousands of residents. This watershed is home to dozens of species of fish and wildlife, including both threatened and endangered species. It is the heart of our community and is at risk because the San Lorenzo River is under stress from the effects of drought, climate change, and habitat degradation. Acting now we can keep the San Lorenzo River watershed viable for our communities and our native fish and wildlife for generations to come.

San Lorenzo River 2025 is a collaborative effort focused on addressing the risks facing the San Lorenzo River over the next ten years. Through a partnership between local governments, water districts, the Resource Conservation District and local nonprofits, San Lorenzo River 2025 seeks to achieve **reliability** of water, **restoration** of watershed habitats, and a **resilient and safe** community resource. This effort will increase both the pace and the scale of investment into the San Lorenzo Watershed.

San Lorenzo River 2025 will:

- Implement a suite of habitat restoration and watershed protection activities to maintain and improve water supplies, water quality, and natural habitats for native fish and wildlife
- Provide wildfire planning and readiness to avoid catastrophic events in the watershed

- Improve ailing infrastructure for flood protection and projected sea level rise
- Maintain and improve public areas, trails, and places for the community to enjoy the river.

FELTON LIBRARY - <http://feltonlibraryfriends.org/>

Staff continues to participate with the Technical Advisory Committee including Friends of the Felton Library, the Valley Women's Club and County Planners and administrators to design and implement a new Library building located on Gushee Street in Felton as well as an outdoor education area adjacent to the location and the District's Kirby Treatment Plant. The New Library has been awarded 10 million dollars for construction of a new library. Meetings held several times a month.

SANTA CRUZ MOUNTAINS STEWARDSHIP NETWORK - <http://scmsn.net/>

The Santa Cruz Mountains Stewardship Network is a region-wide and cross-sector collaboration of independent individuals and organizations who are committed to working together to help cultivate a resilient, vibrant region where human and natural systems thrive for generations to come. Meeting was held March 9, 2017 all day.

SANTA CRUZ MOUNTAINS BIOREGIONAL COUNCIL - <http://www.scmbc.org/>

The Bioregional Council is dedicated to the preservation and enhancement of regional biodiversity over time through education, the dissemination of accurate scientific information and assistance in the planning, coordination and implementation of conservation efforts. Next meeting scheduled May 19th.

WATER CONSERVATION COALITION - <http://watersavingtips.org/>

The Water Conservation Coalition is a partnership between all the local Water Districts in Santa Cruz County as well as the County Water Resources Division, Ecology Action and other groups who share a passion for water conservation and public education. Our goal is to combine efforts and share resources to provide a common message about water conservation issues to residents throughout Santa Cruz County, which is a special place because ALL of our water supply comes from rain that falls within our County boundaries. Though each water district gets drinking water from different sources, we all share a common goal and work together to protect water resources in our aquifers and watersheds and continue to provide safe, high quality drinking water to all who live, work and play in Santa Cruz County. Meeting held quarterly or monthly depending on activity level.

SANTA MARGARITA GROUNDWATER AGENCY- <http://smgwa.org/>

Under the Sustainable Groundwater Management Act of 2014, overdrafted groundwater basins need to be sustainably managed by a Groundwater Sustainability Agency (GSA) through the development of a Groundwater Sustainability Plan (GSP). The GSP must be completed by 2020, and the basin must reach sustainability by 2040.

Under development is the Santa Margarita Groundwater Agency (SMGA), a three-member agency comprised of the Scotts Valley Water District, San Lorenzo Valley Water District and the County of Santa Cruz, which will oversee the groundwater

management activities of the Santa Margarita Basin Area in Santa Cruz County, California. The Board of Directors of the SMGA includes two Board members from each of the water districts, one from the County, one from the City of Scotts Valley, one from the City of Santa Cruz, one from the Mount Hermon Association Community Water System and two private well owner representatives.

Once a Joint Powers Agreement (JPA) is completed in early 2017, the SMGA will apply to the state Department of Water Resources to become the GSA for the Basin.

SANTA CRUZ INTEGRATED GROUNDWATER MANAGEMENT -

<http://www.santacruzirwmp.org/>

The Santa Cruz Integrated Regional Water Management (IRWM) program provides a framework for local stakeholders to manage this region's water and water-related resources. The Santa Cruz IRWM Plan was developed in response to California's IRWM planning initiative to promote an informed, locally-driven, and consensus-based approach to water resources management.

The IRWM Plan includes strategies for developing and implementing policies and projects to ensure sustainable water use, reliable water supply, better water quality, improved flood protection and stormwater management, and environmental stewardship. [Find out more.](#)

MEMO

TO: District Manager

FROM: Director of Operations

SUBJECT: OPERATIONS DEPARTMENT STATUS REPORT
AUGUST 2017

DATE: September 11, 2017

RECOMMENDATION:

It is recommended that the District Manager review and file the Operations Department Project Status Report for the month of August 2017.

BACKGROUND:

PASATIEMPO WELL 6 REPAIRS

The Districts Pasatiempo Well 6 recently has had a series of operational issues (casing damage) resulting in failed attempts to repair leaving the well inoperable. The well has reached the end of its service life and efforts to repair and maintain the well will likely not be effective or cost-efficient. The well is 27 years old which is close to the typical service life for a well-constructed of mild steel.

Staff is moving forward with replacement of the well. Staff has submitted to the State Water Resources Control Board for location approval of the new well. Meetings have been scheduled with Consultants regarding hydrology and environmental. Staff is putting together a timeline and construction is anticipated completion March 2017.

BLUE TANK REPLACEMENT

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. The combined condition of the corrosion and earthquake damage to the tank warrants immediate replacement. During the reporting period Staff is working with the Contractor and District Legal Counsel in regards to the purchase agreement and construction contract. Legal Counsel has completed contract review and we are awaiting contractors review.

SCADA COMMUNICATIONS

Communications issues are continuing to be experienced with the District's SCADA system, however have been greatly reduced. Loss of communications and intermittent alarms sometimes up to several hundred over a short period of time was being experienced. AT&T SCADA Bridge has been upgraded to IP based communication as a possible solution. This work has been completed and alarm issues are still being experienced but greatly reduced. The data concentrator which collects and sorts data has been replaced and staff is monitoring overall performance.

SERVICE LINE REPLACEMENT/INSTALLATION

Service Line Replacement- Old Bear Creek Road

Service line Leak - 11035 Lake Boulevard Lompico - resulted in full replacement of the service line

Service line leak Coleman Road - resulted in full replacement of the service line

Service line- Hoot Owl Drive- resulted in full replacement of the service line.

Service line leak Lake Boulevard - resulted in full replacement of the service line

Water Service Abandonment Sugar Pine Drive, Scotts Valley

During the reporting period staff repair approximately 34 service line leaks which consumed the majority of staff time for the month.

FIRE HYDRANT AND MAIN REPAIRS

Staff is working on a fire hydrant upgrade in Downtown Boulder Creek. The fire hydrant set was part of the old Boulder Creek Water System. Staff removed seven leaded joints in a 20 foot section of mainline.

Rick Rogers
Director of Operations

SAN LORENZO VALLEY WATER DISTRICT PRODUCTION COMPARRISON

Source	August-17	July-17	August-13	Difference This Year To 2013
North System				
Surface Water Sources				
Foreman Creek	23,482,213	29,648,365	9,503,000	
Peavine Creek + Hydro	1,707,750	4,493,635	2,662,000	
Clear Creek	983,422		0	
Sweetwater Creek	655,615		0	
Sub-Total (Streams)	26,829,000	34,142,000	12,165,000	120.54%
Wells (North)				
Olympia No. 2	14,001,000	10,081,000	15,905,000	
Olympia No. 3	459,000	-	10,475,000	
Quail Well No. 4-A	6,351,000	4,753,000	7,841,000	
Quail Well No. 5-A	2,986,200	2,883,800	4,843,000	
Sub Total North Wells	23,797,200	17,717,800	39,064,000	-39.08%
South System Wells				
Pasatiempo 5A	10,246,500	9,338,200	N/A	
Pasatiempo 6	-	-	9,923,000	
Pasatiempo 7	-	-	3,078,000	
Sub Total Pasatiempo Wells	10,246,500	9,338,200	13,001,000	-21.19%
North South All Sources Combined	60,872,700	61,198,000	64,230,000	-5.23%
Felton System - Surface Water				
Fall Creek	6,521,068	8,910,353	10,724,420	
Bennett Spring	5,102,108	5,397,992	3,137,000	
Bull 1 & 2	2,203,608	2,184,546	0	
Total Felton System Sources	13,826,784	16,492,891	13,861,420	-0.25%
Manana Woods System				
Well 1	-	-	1,003,519	
Total Manana Woods Sources	-	-	1,003,519	
Sub - Total Production				
North / Felton / Manana	74,699,484	77,690,891	79,094,939	-5.56%
Surface	40,655,784	50,634,891	26,026,420	56.21%
Wells	34,043,700	27,056,000	53,068,519	-35.85%
Total Surface Water Percentage	54.43	65.17	32.91	65.40%
Total Wells Percentage	45.57	34.83	67.09	-32.07%

**SAN LORENZO VALLEY WATER DISTRICT
PRODUCTION BY SYSTEM
+/- INTERTIES
August 2017**

North System All Sources	<u>60,872,700</u>
Interties IN +	<u>17</u>
Interties OUT -	<u>3,800,057</u>
TOTAL NORHT SYSTEM	<u>57,072,660</u>
Felton Water system All Sources	<u>13,826,784</u>
Interties IN +	<u>0</u>
Interties OUT -	<u>0</u>
TOTAL FELTON SYSTEM	<u>13,826,784</u>
Manana Woods System	
Manana Woods Well 1	<u>0</u>
Interties IN +	<u>N/A</u>
TOTAL MANANA WOODS	<u>0</u>

SAN LORENZO VALLEY WATER DISTRICT **INTERTIE USAGE** **August 2017**

INTERTIE 2

SLVWD to SVWD 0

SVWD to SLVWD 0

INTERTIE 3

SLV SOUTH to SLV NORTH 17

SLV NORTH to SLV SOUTH 1,793,249

INTERTIE 4

SLVWD to MHWD 0

MHWD to SLVWD 0

INTERTIE 6

SLV NORTH to SLV FELTON -

SLV FELTON to SLV NORTH -

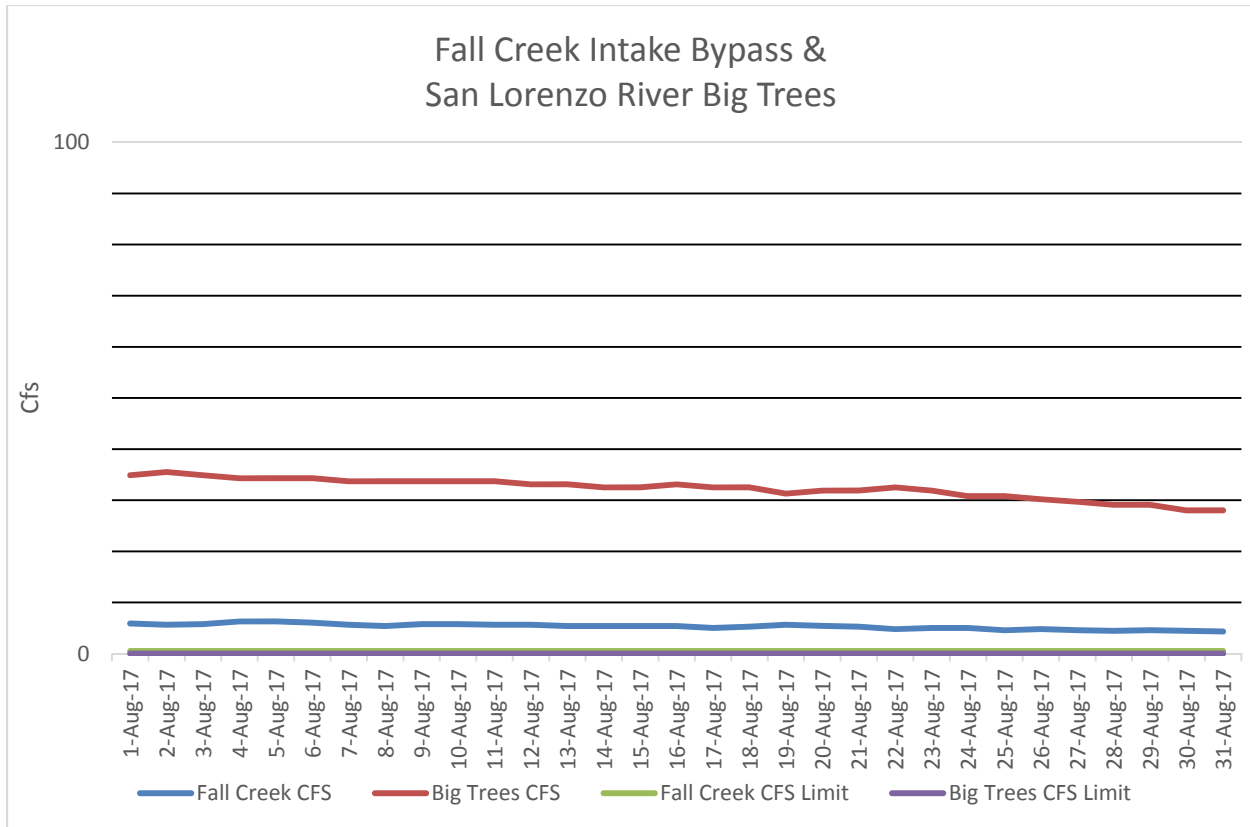
LOMPICO INTERTIE

SLV NORTH to LOMPICO 2,006,808

MANANA WOODS INTERTIE

SLVWD to MANANA WOODS N/A

Fall Creek Intake August 2017



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 August 2017

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: 9.24.17

Item: 7a4

Fall Creek Weir Measurement												
	Month:	August		Year: 2017		Big Trees > 26,500 Acre-ft Oct-Feb Normal Yr <input checked="" type="checkbox"/>				Big Trees <26,500 Acre-ft Oct-Feb Dry Yr <input type="checkbox"/>		
Date	Time	Initials	Pump #	Fall Cr. GPM into Kirby plant	Weir Board Height	Weir Height Measurement	Fall Creek (Cubic Feet per Second)	Big Trees (Cubic Feet per Second)	Rainfall (Feltton gauge)	Met Fall Cr, Bypass Requirement: Normal Year April 1 - Oct 31 1.0 cfs Dry Year April 1- Oct 31 0.5 cfs Nov. 1 - March 31 0.75 cfs (yes/no)	Met Big Trees Requirement Nov-May 21cfs Sept 11 cfs Oct 26 cfs (yes/no)	Notes
1	9:55	DB	1	220	25.0	38.50	5.877	34.9	0	Yes	n/a	
2	8:15	HO	1	272	25.0	38.32	5.621	35.5	0	Yes	n/a	
3	8:50	HO	2	223	25.0	38.51	5.748	34.9	0	Yes	n/a	
4	9:45	DB	2	206	25.0	38.90	6.275	34.3	0	Yes	n/a	
5	7:15	KS	2	261	25.0	38.90	6.275	34.3	0	Yes	n/a	
6	7:30	KS	2	176	25.0	38.70	6.030	34.3	0	Yes	n/a	
7	8:00	HO	2	275	25.0	38.32	5.621	33.7	0	Yes	n/a	
8	8:50	DB	2	180	25.0	38.10	5.371	33.7	0	Yes	n/a	
9	13:10	DB	2	220	25.0	38.50	5.748	33.7	0	Yes	n/a	
10	12:15	DB	2	296	25.0	38.50	5.748	33.7	0	Yes	n/a	
11	9:40	DB	2	252	25.0	38.32	5.621	33.7	0	Yes	n/a	
12	11:45	JG	2	220	25.0	38.32	5.621	33.1	0	Yes	n/a	
13	12:10	JG	2	220	25.0	38.12	5.371	33.1	0	Yes	n/a	Fall Creek meter repaired
14	8:20	JG	2	183	25.0	38.12	5.371	32.5	0	Yes	n/a	
15	8:15	HO	2	180	25.0	38.12	5.371	32.5	0	Yes	n/a	
16	13:35	DB	2	191	25.0	38.12	5.371	33.1	0	Yes	n/a	
17	8:25	DB	2	181	25.0	37.70	5.009	32.5	0	Yes	n/a	
18	7:55	DB	2	183	25.0	37.90	5.249	32.5	0	Yes	n/a	
19	7:25	KS	2	139	25.0	38.32	5.621	31.3	0	Yes	n/a	
20	7:35	KS	2	152	25.0	38.12	5.412	31.9	0	Yes	n/a	
21	7:50	HO	2	150	25.0	37.93	5.249	31.9	0	Yes	n/a	
22	10:15	DB	2	199	25.0	37.50	4.776	32.5	0	Yes	n/a	
23	9:15	DB	2	175	25.0	37.70	5.009	31.9	0	Yes	n/a	
24	8:25	HO	2	170	25.0	37.74	5.009	30.8	0	Yes	n/a	
25	7:40	HO	2	170	25.0	37.35	4.560	30.8	0	Yes	n/a	
26	8:35	HO	2	172	25.0	37.55	4.776	30.2	0	Yes	n/a	
27	8:59	HO	2	190	25.0	37.35	4.560	29.7	0	Yes	n/a	
28	8:50	HO	2	216	25.0	37.16	4.439	29.1	0	Yes	n/a	
29	8:45	DB	2	223	25.0	37.20	4.550	29.1	0	Yes	n/a	
30	13:01	DB	2	174	25.0	37.16	4.439	28.0	0	Yes	n/a	
31	7:50	HO	2	195	25.0	37.0	4.330	28.0	0	Yes	n/a	

San Lorenzo Valley Water District Loch Lomond Water Supply August 2017

Loch Lomond Water Level



Week ending 9/06/2017

(in feet above mean sea level; lake spills at 577.25 feet)

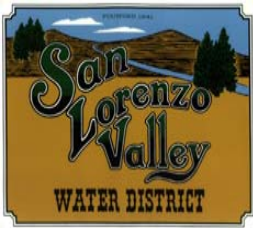
Currently:	574.55 ft
Percent of capacity:	94.3 %

In 1958 SLVWD sold 2,500 acres of property in the vicinity of the Newell Creek Watershed to the City of Santa Cruz, with the agreement that SLVWD would be entitled to purchase 12 ½ percent of the annual safe yield from a future Newell Creek reservoir, up to a maximum of 500 AF/yr. Based on the 1958 agreement, SLVWD began receiving delivers of Loch Lomond water from the City in 1963. In 1965 the District constructed the Glen Arbor Water treatment plant for treating Loch Lomond water. Toward the end of the 1976-77 drought, the City stipulated that the District was not entitled to an allocation of 500 AF/yr, merely 12.5% of the safe yield. This decision based on a reduction to the estimated annual safe yield from the Newell Creek Reservoir, reduced the Districts contractual allocation. On June 7, 1977, the District filed a Complaint for Declaratory Relief, which requested the court to make a judicial determination of the respective parties' duties and rights. In June 1980 a court order fixed the estimated safe yield from Newell Creek Reservoir at reduced quantity, which resulted in a reduction to the Districts contractual allocation to 313 AF/yr.

Production Loch Lomond to SLVWD

Date	Total Used	Total Available
1976 July to June 1977	353 AF	
1977 July to June 2015	0	313 AF
2015 July to 02/2016	0	313 AF
2/20/16 to Current	0	313 AF

Last time District used Loch Lomond water was June 1977

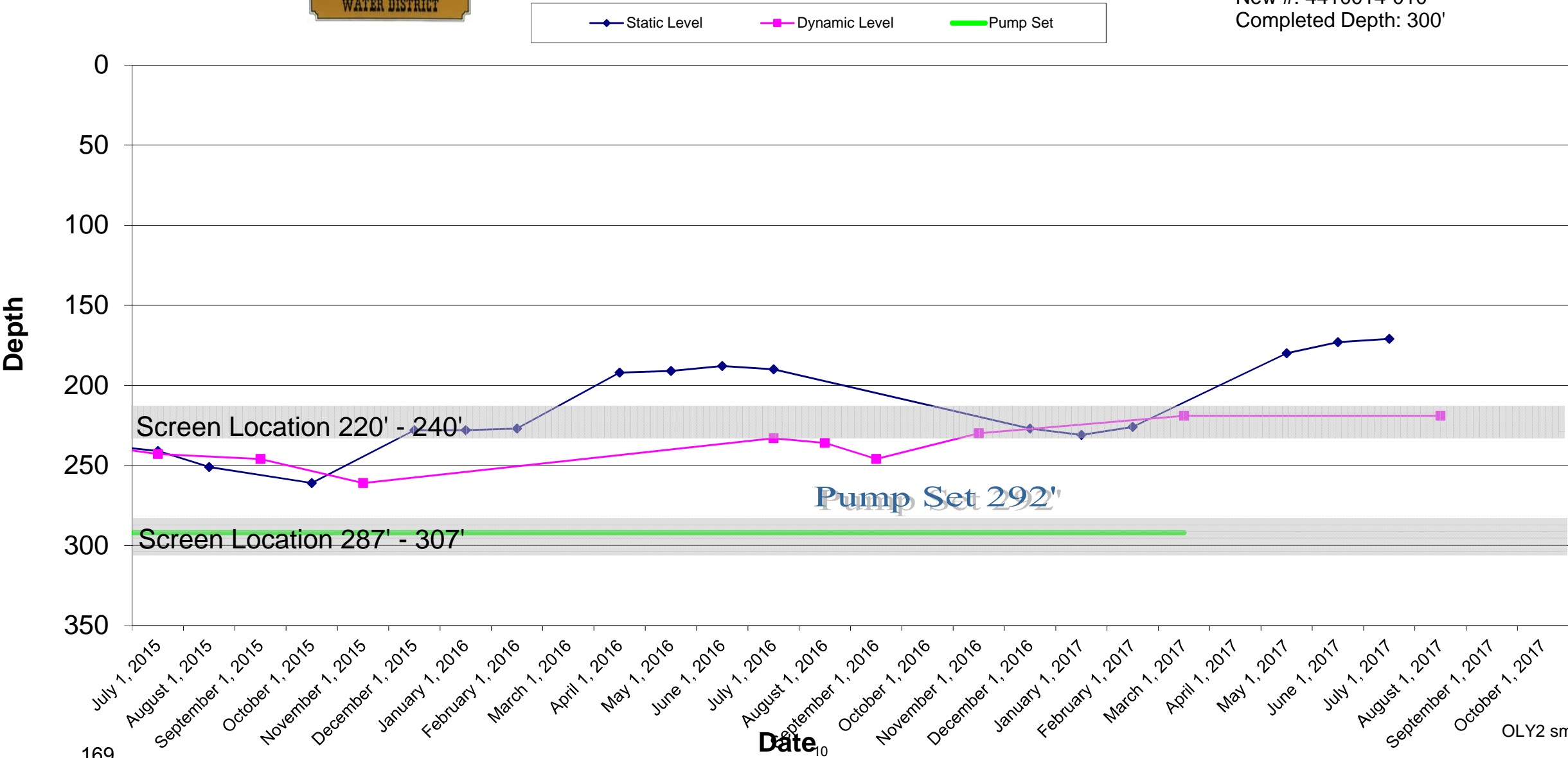


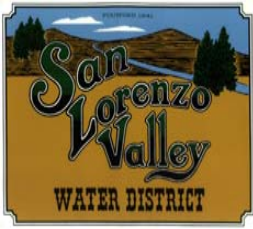
SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Olympia 2

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



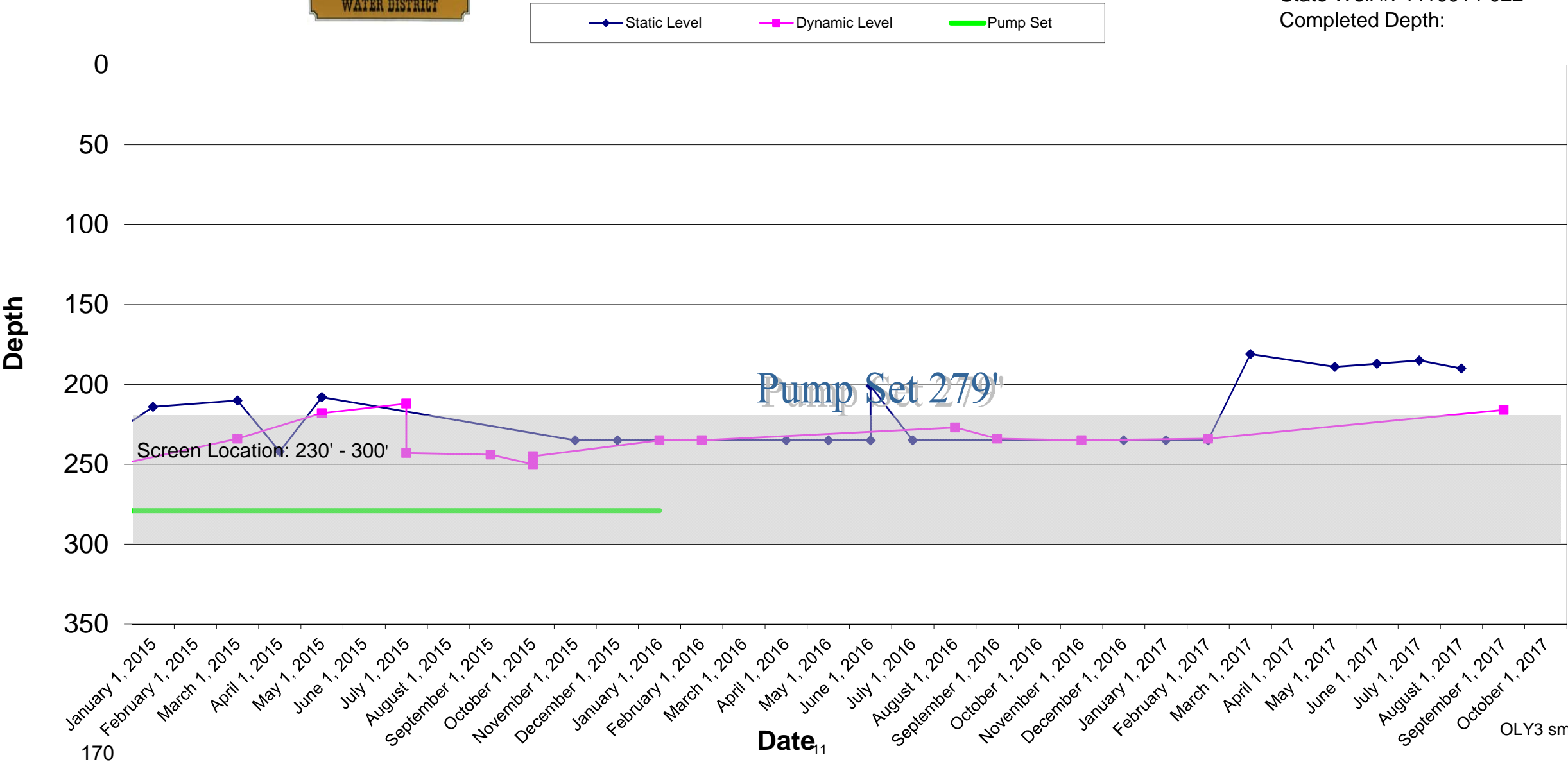


SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Olympia 3

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



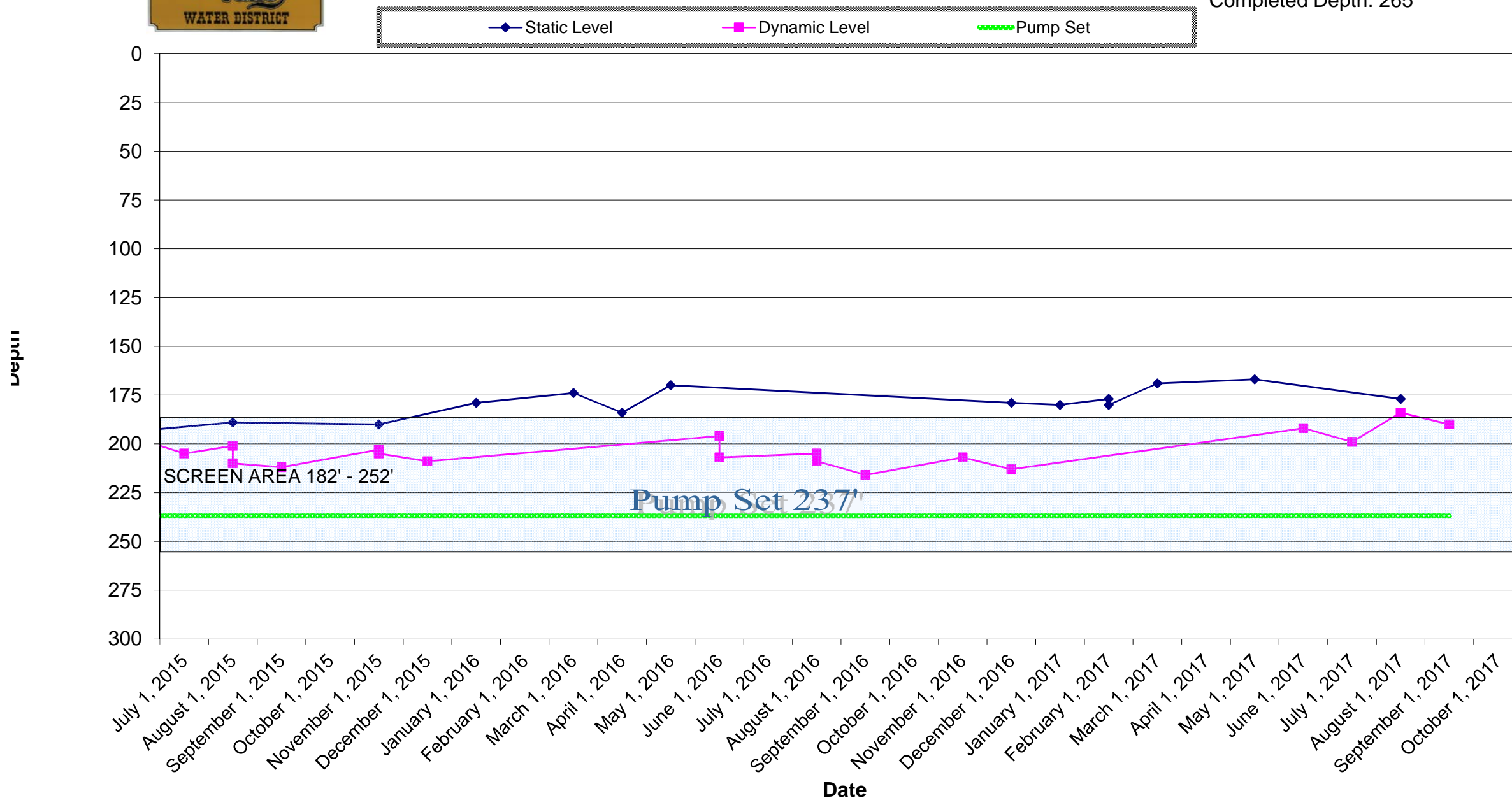


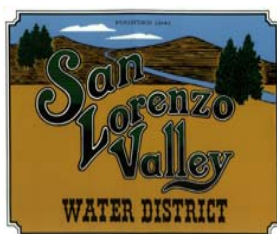
SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Quail Well 4-A

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



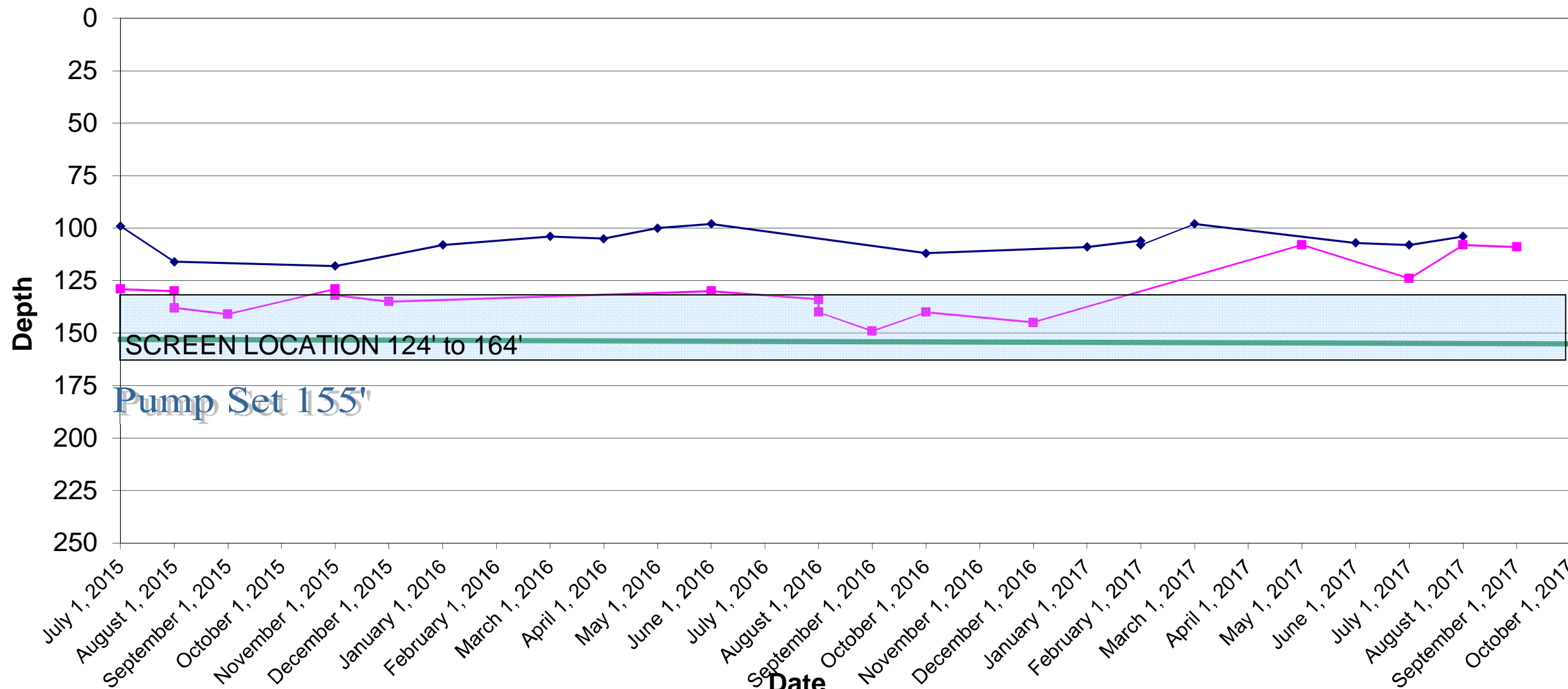
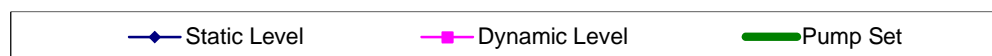


SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Quail Well 5-A

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



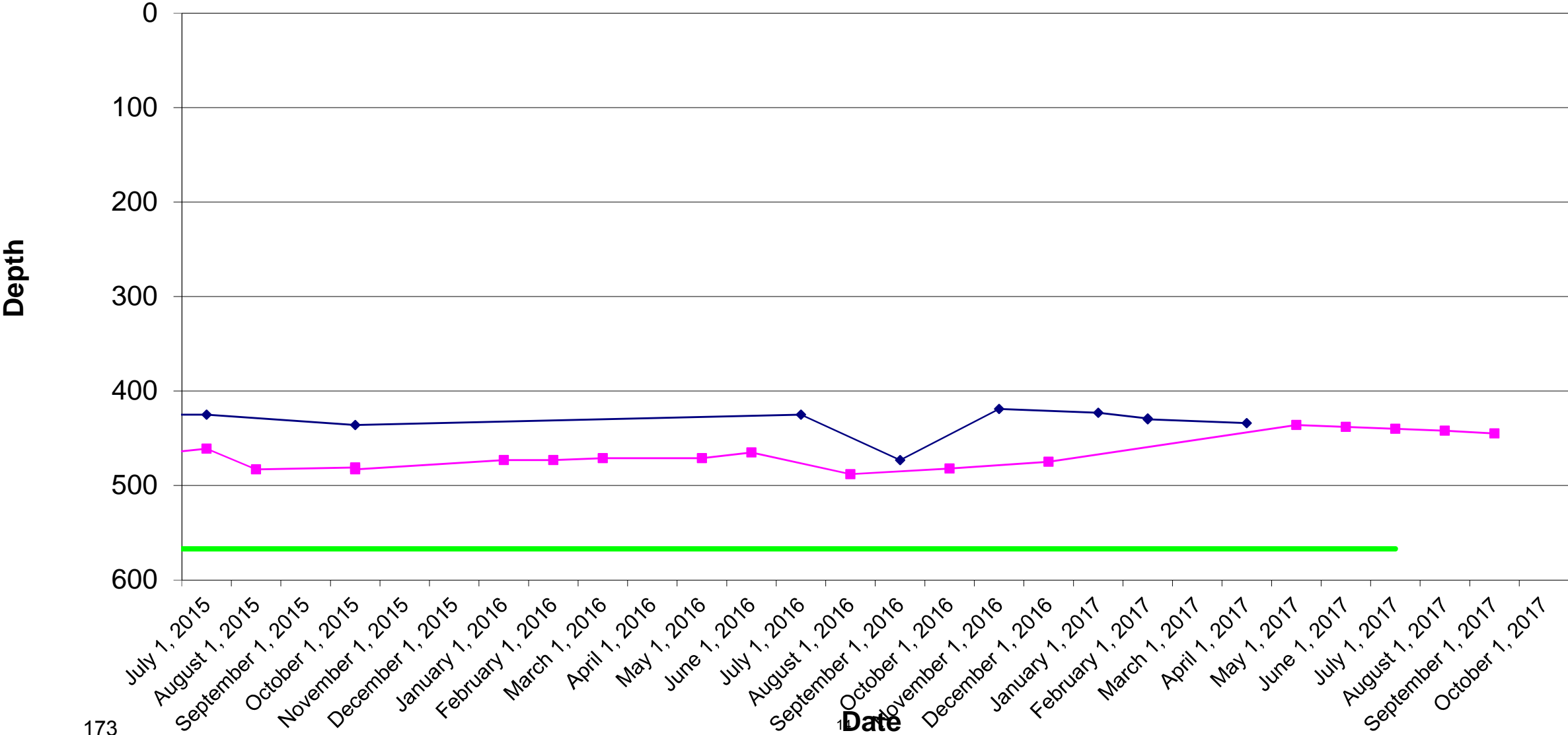


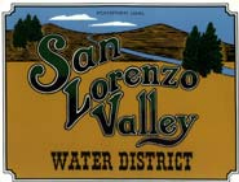
SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Pasatiempo 5-A

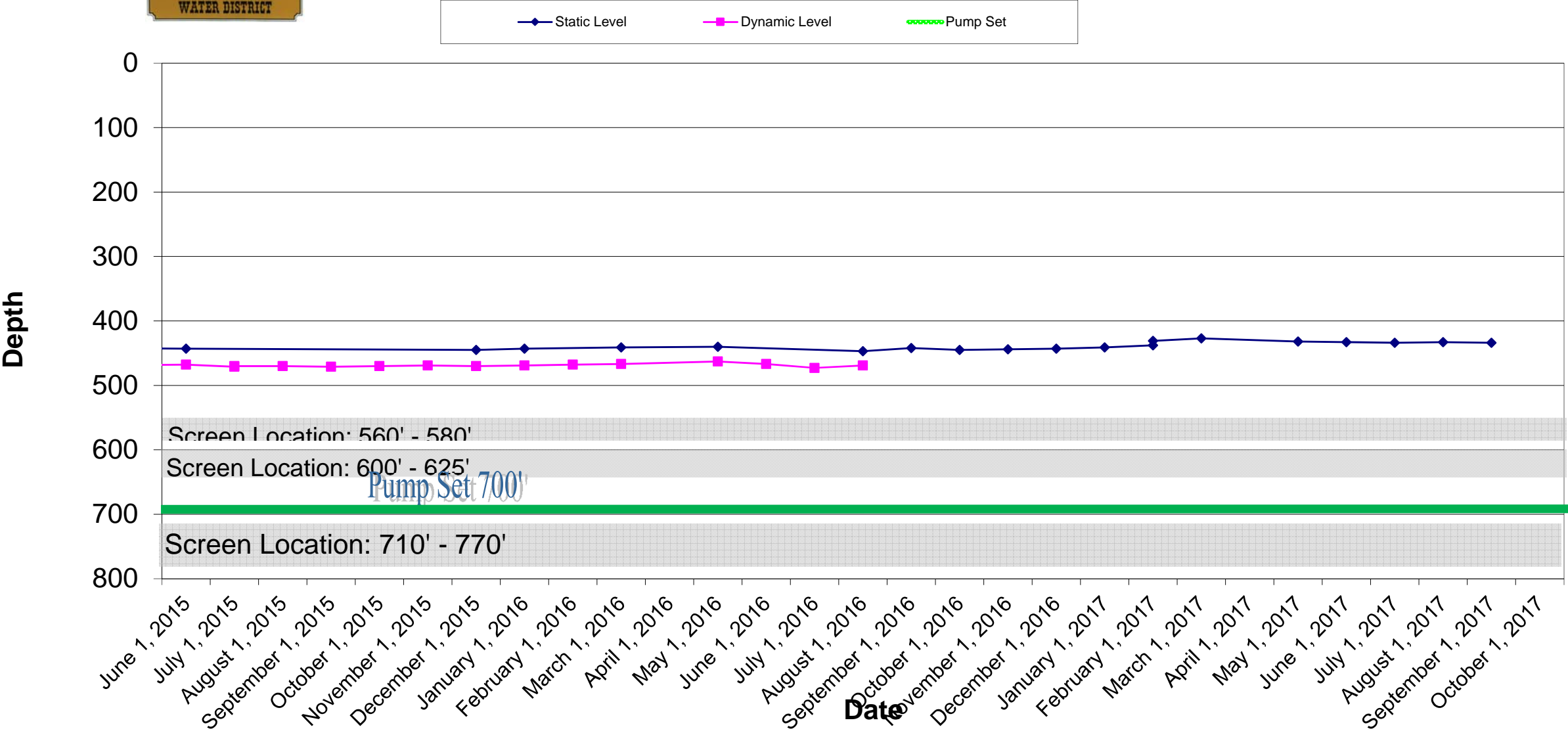
Location: So. Of 3650 Graham Hill Rd
Elevation: 752'
Installed 1-1-14
State Well #:4410014-014
Completed Depth: 710'





SAN LORENZO VALLEY WATER DISTRICT
Well Drawdown Report
Pasatiempo 6

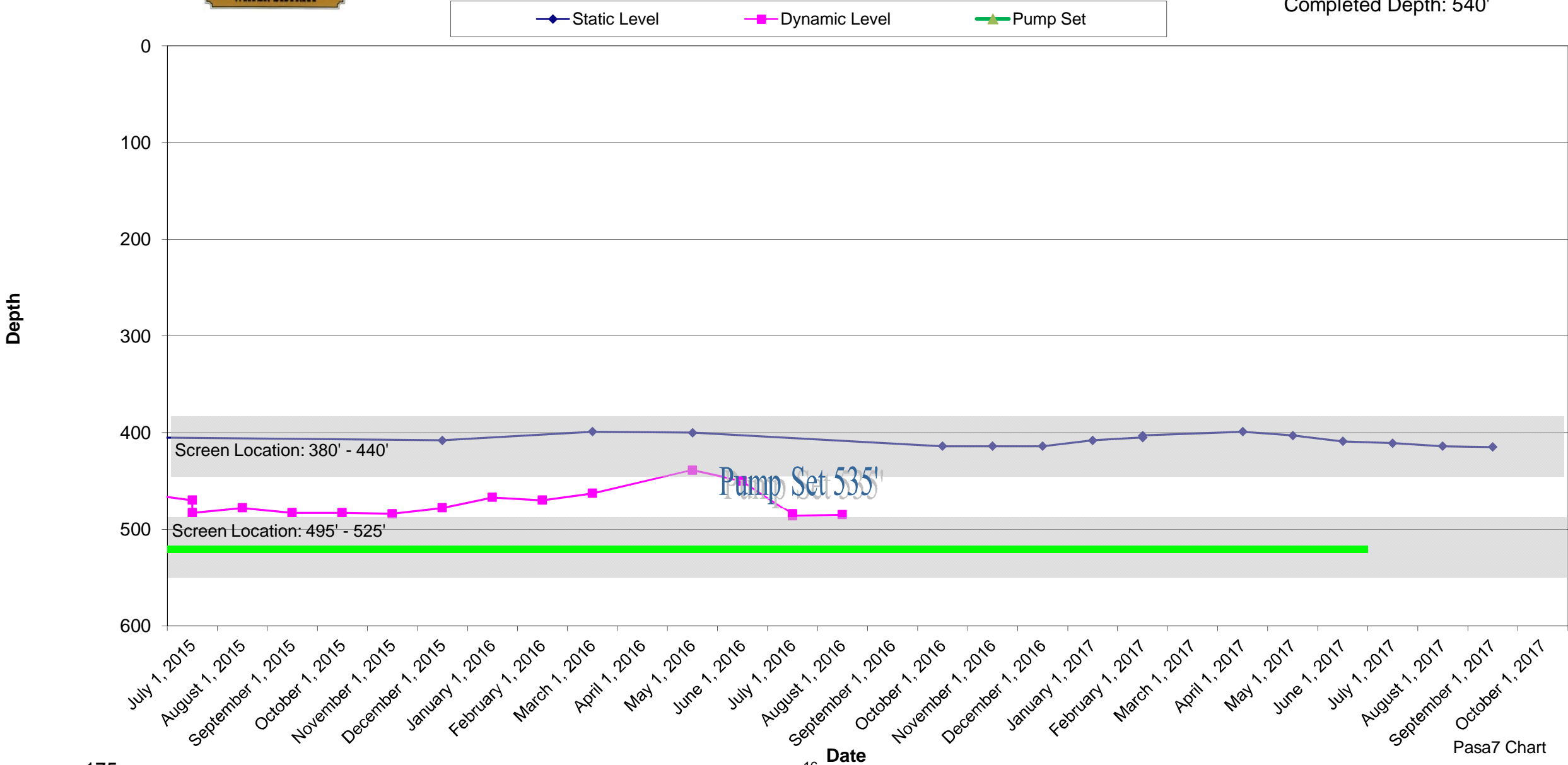
Location: Behind 3650 Graham Hill Rd.
Elevation: 775'
Installed: 5-30-91
State Well #: 4410014-023





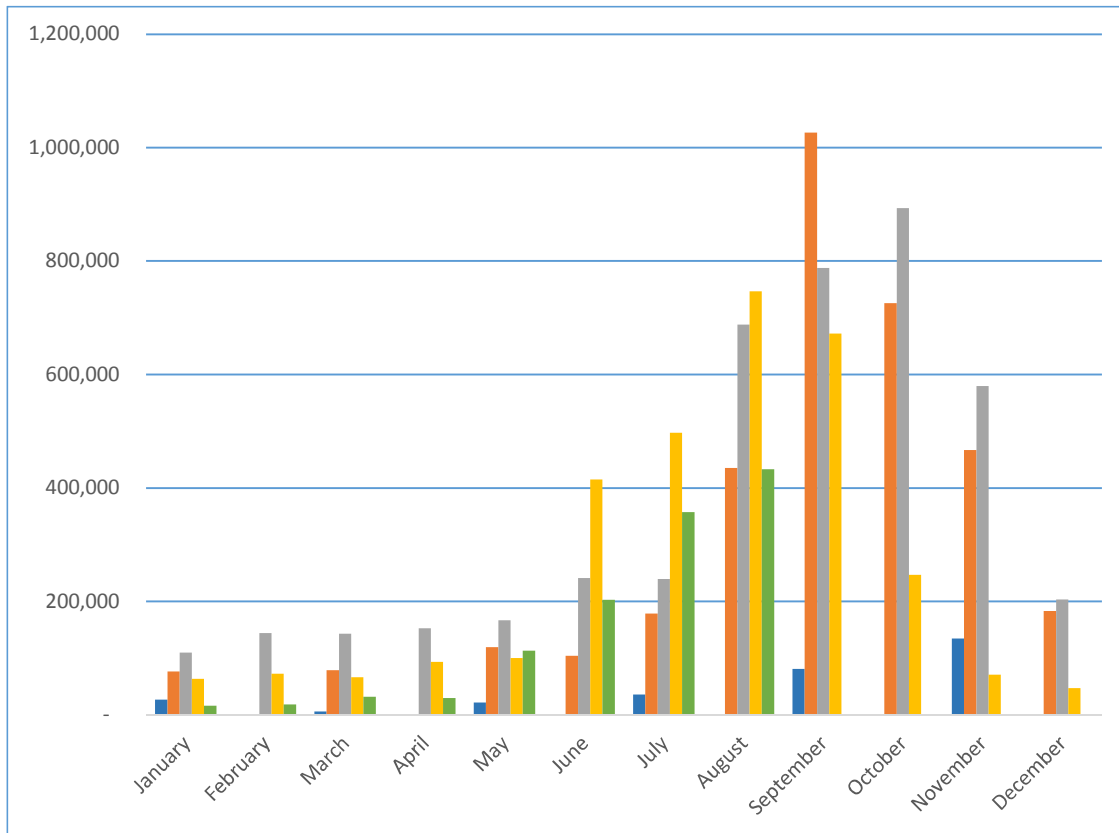
SAN LORENZO VALLEY WATER DISTRICT
Well Drawdown Report
Pasatiempo 7

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



SAN LORENZO VALLEY WATER DISTRICT
BULK WATER SALES
GALLONS
August 2017

Agenda: 9.21.17
Item: 7a4



Month	2013	2014	2015	2016	2017
January	26,928	76,296	109,965	63,850	16,456
February			144,364	72,556	18,700
March	5,984	78,540	142,868	66,572	32,164
April			152,592	93,500	29,920
May	21,692	119,680	166,804	100,232	112,948
June		103,972	240,983	415,140	203,179
July	35,904	178,772	239,360	497,420	357,544
August		435,336	688,160	746,504	433,092
September	81,352	1,026,256	787,644	672,183	
October		725,560	893,112	246,840	
November	134,640	466,752	579,700	71,060	
December		183,260	203,456	47,124	
Totals	306,500	3,394,424	4,349,008	3,092,981	1,204,003

SAN LORENZO VALLEY WATER DISTRICT
MONTHLY LEAK REPORT
August 2017

Agenda: 9.21.17
Item: 7a4

NORTH SYSTEM

Leak Type	Location	Town	Gallons Lost
400 MAIN LEAKING	240 Circle Dr	BEN LOMOND	43,200
400 MAIN LEAKING	9765 Love Creek Rd	BEN LOMOND	21,600
400 MAIN LEAKING	8055 HERMOSA AVE.	BEN LOMOND	5,760
400 MAIN LEAKING	NEAR 8035 FERNWOOD AVENUE	BEN LOMOND	4,320
400 MAIN LEAKING	272 KESSLER DR.	BEN LOMOND	4,320
400 MAIN LEAKING	1485 HARTMAN AVE	BEN LOMOND	2,340
400 MAIN LEAKING	JACKSON AND COUNTRY CLUB	BEN LOMOND	2,160
400 MAIN LEAKING	520 SCENIC WAY	BEN LOMOND	720
400 MAIN LEAKING	TOP OF WILLOWBROOK	BEN LOMOND	720
400 MAIN LEAKING	MARION & KESSLER	BEN LOMOND	-
400 MAIN LEAKING	9400 Mill St	BEN LOMOND	30
400 MAIN LEAKING	CORNER OF GLEN ARBOR	BEN LOMOND	3,600
400 MAIN LEAKING	256 BLUE RIDGE DR	BOULDER CREEK	110,880
420 HYDRANT LEAK/REPAIRS	415 HOOT OWL WAY	BOULDER CREEK	8,640
400 MAIN LEAKING	275 MESA DR.	BOULDER CREEK	5,760
400 MAIN LEAKING	380 BRACKNEY RD.	BOULDER CREEK	4,320
400 MAIN LEAKING	13465 BEAR CREEK RD.	BOULDER CREEK	4,320
400 MAIN LEAKING	13171 LAUREL ST	BOULDER CREEK	4,320
400 MAIN LEAKING	415 HOOT OWL WAY	BOULDER CREEK	4,320
400 MAIN LEAKING	Quigg Way	BOULDER CREEK	2,880
400 MAIN LEAKING	14920 BEAR CREEK RD.	BOULDER CREEK	1,800
400 MAIN LEAKING	100 BROOKSIDE DR.	BOULDER CREEK	1,080
400 MAIN LEAKING	18027 HWY 9	BOULDER CREEK	360
400 MAIN LEAKING	MITCHELL DRIVE	BOULDER CREEK	-
400 MAIN LEAKING	450 Huckleberry Lane	BOULDER CREEK	1,080
400 MAIN LEAKING	11035 Lake Blvd.	LOMPICO	4,500
400 MAIN LEAKING	11051 Lake Blvd	LOMPICO	3,000
Total North System			246,030

FELTON SYSTEM

400 MAIN LEAKING	12151 COLEMAN AVE.	FELTON	5,760
Felton System Total Gallons			5,760

MANANA WOODS

Manana Woods Total Gallons			-

Total All Systems 251,790

SAN LORENZO VALLEY WATER DISTRICT
Authorized Unmetered Water Use (GALLONS)
August 2017

Agenda: 9.21.17
Item: 7a4

<u>North System</u>		Monthly Total
Mainline Flushing		-
Tank Leakage		93,744
Probation	1.0 gpm	44,640
Upper Swim	0.3 gpm	13,392
Blue Ridge	0.4 gpm	17,856
Echo	0.1 gpm	4,464
Highland	0.3 gpm	13,392
Process Water		95,976
Lyon cL2 Analyzer	0.02 gpm	893
Quail 5 cL2 Analyzer	0.11 gpm	4,910
Olympia cL2 Analyzer	1.32 gpm	58,925
Paso cL2 Analyzer	0.7 gpm	31,248
Firefighting		0
Tank Overflow		-
Waste Water		0
Sub Total North		189,720
<u>Felton Water System</u>		
Mainline Flushing		
Tank Leakage		4,464
El Solyo	0.1 gpm	4,464
Process Water		
Kirby WTP cL2 Analyzers	0.8 gpm	35,712
Firefighting		0
Tank Overflow		0
Waste Water		0
Sub Total Felton		40,176
<u>Manana Woods Water System</u>		
Mainline Flushing		-
Tank Leakage		
Process Water		
Firefighting		
Tank Overflow		
Waste Water		
Sub Total Manana Woods		0
<u>Lompico Water System</u>		
Kaski Tank	0.1 gpm	4,464
Lewis Tank	0.3 gpm	13,392
Sub Total Lompico		17,856
Total All Systems		247,752

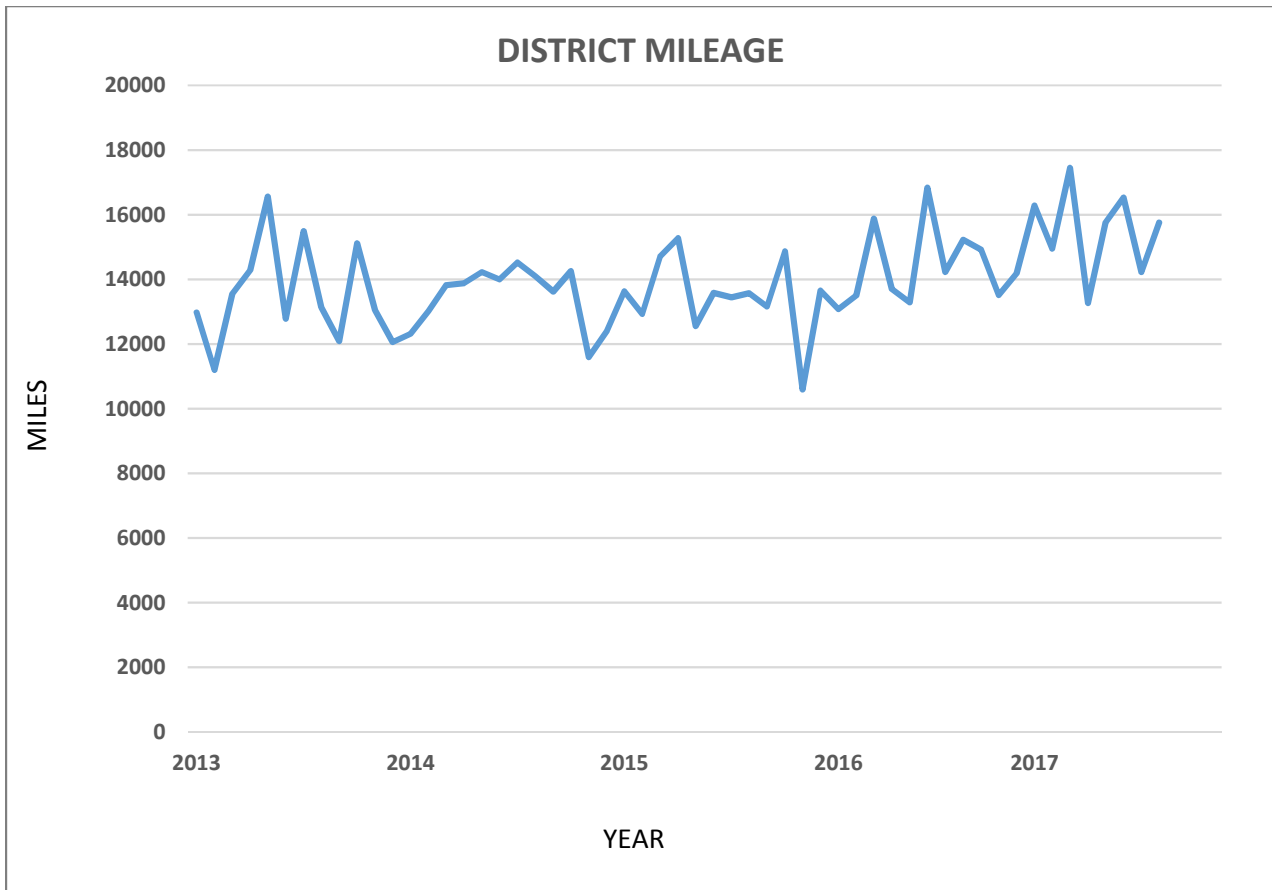
				Water Quality Complaint List						
Date Received	Type Of Complaint							Address	Conclusion	System
	Taste/ Odor	Color	Turbidity/ Particles	Worms/ Other Visible Organisms	Pressure (High/Low)	Illness (Waterborne)	Other (Specify)			
8/4/2017			X				Customer stated that water our of faucet appeared 'milky'.	420 Eleana Dr	A water treatment operator collected a sample at customers residence. Water appeared milky due to entrained air. The water treatment operator turned down the flow of Quail Well #5 by 15 GPM and told the customer to call back if entrained air continues.	SLVWD
8/4/2017		X					Customer stated that water appeared to be a brownish color.	8015 W. Zayante Rd	Upon site investigation by a water treatment operator, water quality results appeared to be normal and within range. A sample was collected, the water sample did not appear to be colored, free chlorine was 0.4 mg/L and turbidity was 0.33 NTU. Customer was provided with sampling results and will call back if problem persists.	SLVWD
8/14/2017		X					Customer stated that water coming from bathtub appeared to be a brownish color	8026 Pine Dr	Upon site investigation by a water treatment operator, water quality results appeared to be normal and within range. A sample was collected, the water sample did not appear to be colored, free chlorine was 1.0 mg/L and turbidity was 0.25 NTU. Customer was provided with sampling results and will call back if problem persists. Customer was also advised to contact a plumber to flush hot water heater, as customer stated that colored water had been only coming out of the hot water tap.	SLVWD
8/22/2017	X						Customer stated that water had tasted salty.	401 Blair St	Upon investigation by a water treatment operator, water quality results appeared to be normal and within range. A sample was collected; the water sample had a free chlorine of 0.6 mg/L, pH was 7.6, and turbidity was .29 NTU. Customer was provided with sampling results.	SLVWD-Felton
8/25/2017	X						Customer stated that water has a strong odor and discoloration	8035 Pine Dr	Upon site investigation by a water treatment operator, water quality results appeared to be normal and within range. A sample was collected, the water sample did not appear to be colored, free chlorine was 0.67 mg/L and turbidity was 0.52 NTU. Customer was provided with sampling results and will call back if problem persists.	SLVWD
8/31/2017			X				Customer had stated that they had noticed a buildup of sand in the water	10621 Visitar	Upon field investigation at customers residence by SLVWD staff, all water quality results appeared to be normal and within range. Free chlorine was 1.1 mg/L at customers hose spigot, while turbidity was 0.40 NTU. No sedimet was observed by SLVWD staff. Customer will investigate home plumbing	SLVWD-Lompico

SAN LORENZO VALLEY WATER DISTRICT

VEHICLE MILEAGE

August 2017

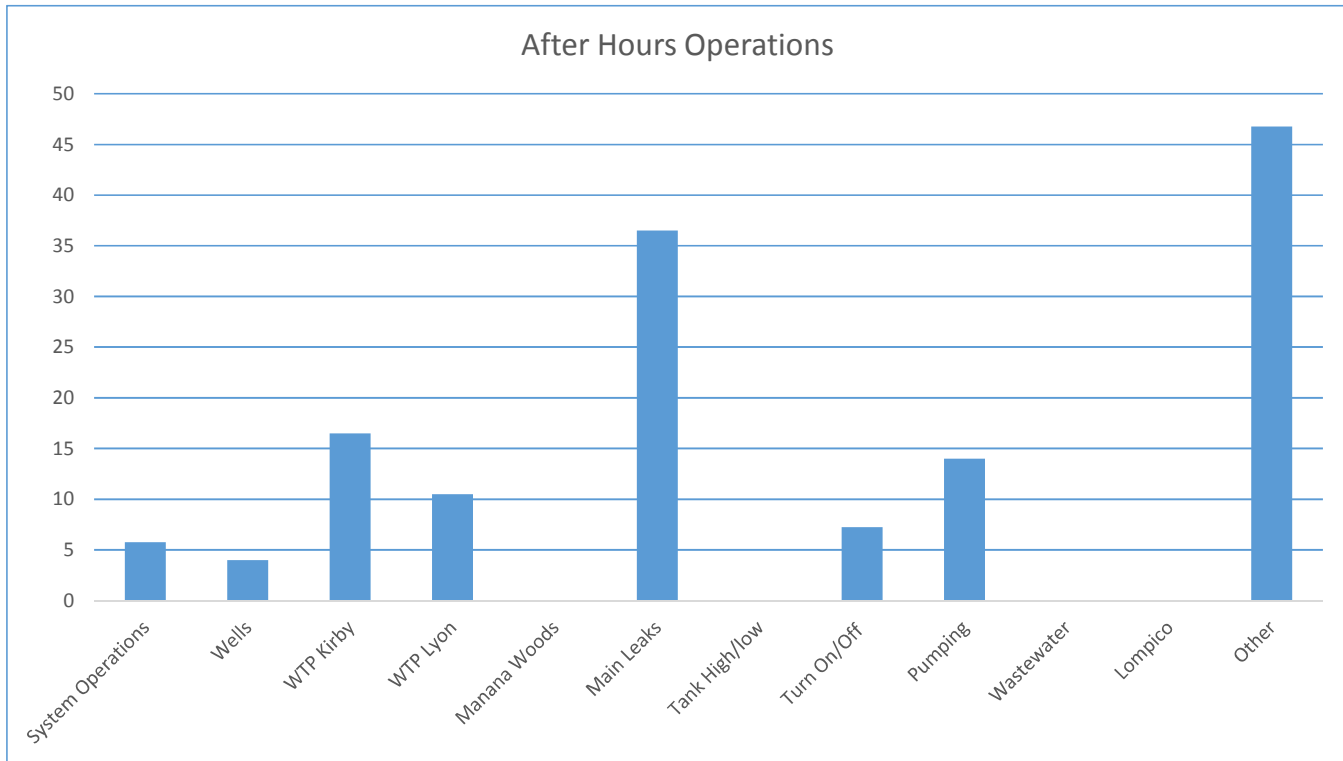
Agenda: 9.21.17
Item: 7a4



Month	2013	2014	2015	2016	2017
January	12,976	12,317	13,633	13,082	16,286
February	11,201	13,015	12,934	13,505	14,945
March	13,558	13,817	14,714	15,882	17,451
April	14,283	13,883	15,279	13,704	13,270
May	16,560	14,228	12,550	13,290	15,757
June	12,780	14,000	13,582	16,841	16,534
July	15,497	14,519	13,441	14,228	14,229
August	13,136	14,096	13,569	14,923	15,761
September	12,087	13,622	13,137	15,229	
October	15,120	14,261	14,868	14,924	
November	13,046	11,594	10,591	13,510	
December	12,060	12,394	13,648	14,187	
Totals	162,304	161,746	161,946	173,305	124,233

SAN LORENZO VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
August 2017

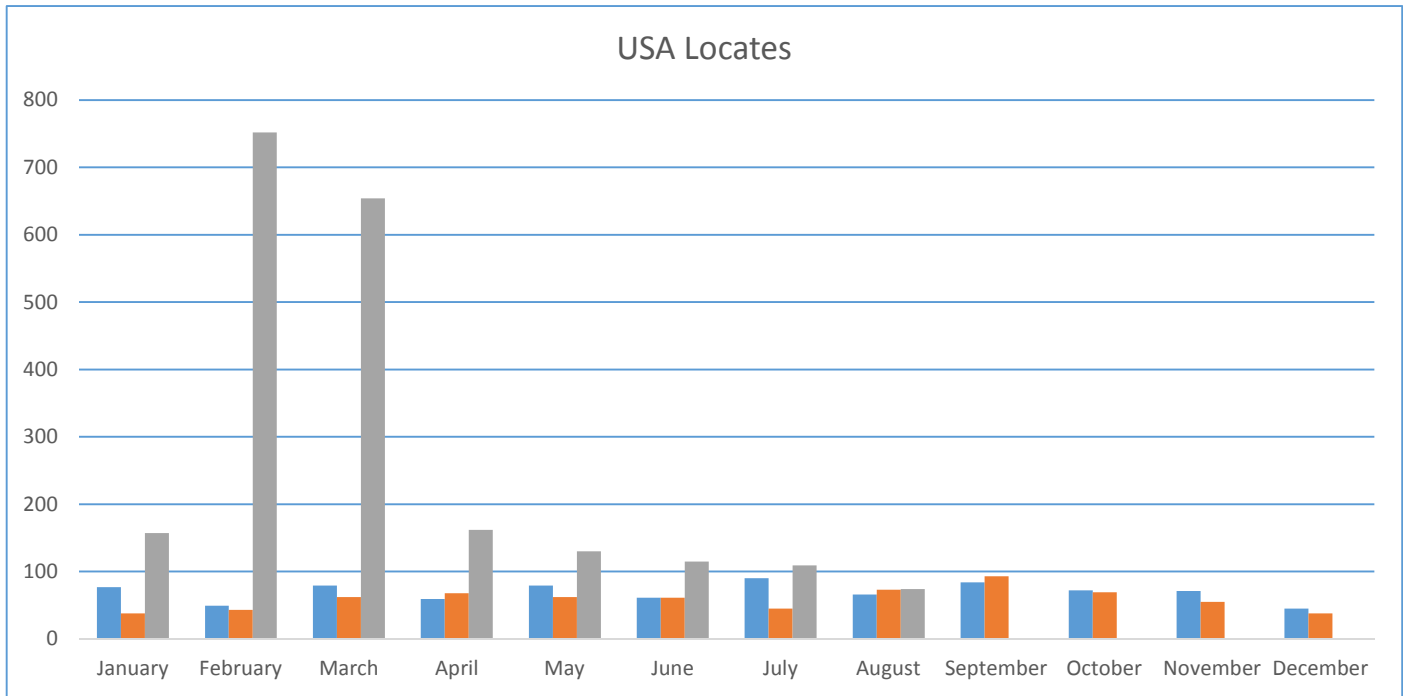
Agenda: 9.21.17
Item: 7a4



<u>Description</u>	<u>Hours</u>		<u>2015</u>	<u>2016</u>	<u>2017</u>
System Operations	5.75	January	N/A	145	280.75
Wells	4	February	N/A	86.5	192.25
WTP Kirby	16.5	March	N/A	153.75	105.75
WTP Lyon	10.5	April	82.50	72	128.75
Manana Woods	0	May	104.75	49.25	132.75
Main Leaks	36.5	June	172.50	83.25	112.75
Tank High/low	0	July	124.25	80.25	162.00
Turn On/Off	7.25	August	111.75	81.25	141.25
Pumping	14	September	230.25	175	
Wastewater	0	October	128.25	78.5	
Lompico	0	November	114.25	96.25	
Other	46.75	December	186.25	130.75	
Total	141.25		1254.75	1231.75	1256.25

SAN LORENZO VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
August 2017

Agenda: 9.21.17
Item: 7a4



<u>Month</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
January	77	38	157
February	49	43	752
March	79	62	654
April	59	68	162
May	79	62	130
June	61	61	115
July	90	45	109
August	66	73	74
September	84	93	
October	72	69	
November	71	55	
December	45	38	
Total to Date	832	707	2,153



Know what's below.
Call before you dig.

Holly Morrison

From: Chris Finnie <cfinnie4185@gmail.com>
Sent: Monday, August 07, 2017 7:17 PM
To: Board of Directors
Subject: Press Banner interview

Dear Mr. Smallman,

I read the recent interview you did with the Press Banner with some dismay. For one thing, I think it is inappropriate to stoke the ongoing vendetta the Banner has against the SLVWD. I want district employees to spend time doing their jobs—not providing information for the incessant demands of the Banner. And I want the money I pay to the district to go to providing water services, not to pay for defense against frivolous lawsuits. I believe your interview could encourage more of this sort of nonsense.

For another, I believe your interview may have violated the Brown Act. The publication “Open & Public, A Guide to the Ralph M. Brown Act, second edition, revised July 2010, put out by the League of California Cities, says, “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.

It is incumbent upon all those attending lawful closed sessions to protect the confidentiality of those discussions. ...the Brown Act now prescribes remedies for 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.

The duty of maintaining confidentiality, of course, must give way to the obligation to disclose improper matters or discussions that may come up in closed sessions.”

I’m not an attorney. But a neighbor I spoke to is. He directed my attention to this section of the guide when I asked him about the issue.

For these two reasons, I ask you as a ratepayer of the district to stop these types of communications to the Banner. Sincerely, Chris Finnie

Chris Finnie
cfinnie4185@gmail.com
831-338-1706

"All progress depends on the unreasonable man." George Bernard Shaw



SANTA CRUZ MUSEUM

of natural history

August 23, 2017

Susan Nemitz
Director of the Santa Cruz County Library System
Administration Headquarters
117 Union St., Santa Cruz, CA 95060

**RE: In partnership with the Felton Library Friends, a Chapter of Santa Cruz Friends of the Libraries;
and the San Lorenzo Valley Water District**

Dear Director Nemitz:

I am writing to state my support for the proposed Felton Library and Nature Discovery Park. On behalf of the Santa Cruz Museum of Natural History, I am excited for the proposed nature learning space and look forward to building a strong partnership with the new library/park. The Santa Cruz Museum of Natural History's mission is *to connect people with nature and inspire stewardship of the natural world*. We see many wonderful possibilities ahead for collaboration to better serve our community together. We look forward to developing joint public programs and small exhibits which engage participants and guests in local green spaces like the proposed park and teach them about the natural world in innovative ways.

It has been exciting to learn of the proposed plans for the library and nature space. We were grateful to have been a part of the early planning and look forward to our future partnership. The Santa Cruz Museum of Natural History fully supports the Nature Discovery Park project at the Felton Library. Thank you for your efforts in accomplishing this important endeavor.

Sincerely,

Heather Moffat McCoy, Executive Director

cc: Felton Library Friends	San Lorenzo Valley Water District
P.O. box 1245	13060 CA-9
Felton, CA 95018	Boulder Creek, CA 95006

connecting
people with nature



SANTA CRUZ MUSEUM

of natural history

August 23, 2017

Jeff Gaffney
Parks Director
County of Santa Cruz Department of Parks, Open Space and Cultural Services
979 17th Ave
Santa Cruz CA 95062

**RE: In partnership with the Felton Library Friends, a Chapter of Santa Cruz Friends of the Libraries;
and the San Lorenzo Valley Water District**

Dear Director Gaffney:

I am writing to state my support for the proposed Felton Library and Nature Discovery Park. On behalf of the Santa Cruz Museum of Natural History, I am excited for the proposed nature learning space and look forward to building a strong partnership with the new library/park. The Santa Cruz Museum of Natural History's mission is *to connect people with nature and inspire stewardship of the natural world*. We see many wonderful possibilities ahead for collaboration to better serve our community together. We look forward to developing joint public programs and small exhibits which engage participants and guests in local green spaces like the proposed park and teach them about the natural world in innovative ways.

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Heather Moffat McCoy, Executive Director

cc: Felton Library Friends	San Lorenzo Valley Water District
P.O. box 1245	13060 CA-9
Felton, CA 95018	Boulder Creek, CA 95006

connecting
people with nature

1169 Whispering Pines Dr
Scotts Valley, Calif
95066

27 Aug 2017

San Lorenzo Valley Water
13060 Central Ave.
Boulder Creek, Calif.

RECEIVED

SEP 14 2017

SAN LORENZO VALLEY
WATER DISTRICT

To Whom It May Concern:

This letter is to state my support of
State Senator Bill Monning's bill, S.B. 623,
which would levy a small \$1/month tax
on households and a small fee on fertilizers
for farmers in order to fund the infra-
structure to provide clean water for All
Californians.

Please count me as a supporter for
SB 623. Everyone needs clean water!

Thank you.

Bonnie Doran

SLV Water District Announces Watershed Education Grants

Grant Program Supports Districts Healthy Watershed Focus

BOULDER CREEK, CA – The San Lorenzo Valley Water District (SLVWD) announced it has awarded seven grants totaling \$17,500 to local organizations as part of its Education Grant Program. The mission of the Education Grant Program is to provide funding for educational and other projects that enhance the understanding of the San Lorenzo River watershed or improve the watershed's environmental health.

Awardees were selected by the SLVWD's 5-member Education Program Advisory Commission, which was established in 2003. Each year since 2004, the District has budgeted from \$15,000 to \$17,500 to support the grant program. Grants are focused on classroom watershed education for students; outdoor watershed education, such as educational hikes or science camps; or community/public education.

"We're very excited to support these worthy organizations and programs that are dedicated to supporting our local watershed in various important ways," said District Manager Brian Lee. "As we work to confront the short-term and long-term impacts of climate change, now more than ever we have a duty to protect the health of our local watershed."

After careful review and evaluation by the Education Advisory Commission, and approval by the SLVWD Board of Directors, the following organizations and projects were awarded with a grant:

- Boulder Creek Elementary Parents Club: Fifth grade science camp

- San Lorenzo Valley Elementary Bobcat Club: Water and environmental awareness through science literacy; K-3 science enrichment at San Lorenzo Valley Elementary School
- Coastal Watershed Council: Watershed Rangers after-school program
- San Lorenzo Valley Elementary School: Family science night
- Santa Cruz Museum of Natural History: San Lorenzo River walks
- San Lorenzo Valley Middle School: San Lorenzo Outdoor Preserve for Education (SLOPE)
- Fred and Roberta McPherson: Video production, "Getting to Know Our Watershed – The Turkey Foot - Where Boulder Creek & Bear Creek Meet the SLR"

Blue Tank Removal in Manana Woods

The San Lorenzo Valley Water District will replace a 65,000-gallon, bolted-steel water storage tank in the Mañana Woods area of the District. The decision to replace the tank, known as the "Blue Tank," was made following the District's routine inspection of the tank. The inspection revealed the tank has experienced extensive corrosion. The tank also suffers from previously identified buckling damage from the 1989 Loma Prieta Earthquake. The combined condition of the corrosion and earthquake damage to the tank warrants immediate replacement. The tank has been emptied and taken offline. Water storage and supply has been shifted to the larger, 100,000-gallon Pasatiempo Tank located near Mañana Woods.

The new, bolted-steel tank will hold 65,000 gallons of water. In response to input from the community, the tank will be painted light brown. The steps in the process to install the new tank include removal of the current tank for recycling, geotechnical and structural review of the site and installation of the new tank. The project is



estimated to cost approximately \$100,000 and will be funded through the District's general fund. Construction is estimated to be completed by the end of November 2017. The Blue Tank, named for its exterior color, was originally installed in the 1980s by the Mañana Woods Mutual Water Company, which was acquired by the San Lorenzo Valley Water district in 2005.

Significant Progress Made on Bear Creek Road

SLVWD has made significant progress on the Bear Creek Road water main replacement project after several scheduled full closures of Bear Creek Road. Progress to date on the project includes installation of pipe and completion of pressure testing and tying the new water main into the existing main and backfilling the work site. The District is very thankful for motorists' patience during this important work. The closures were part of a project with the County of Santa Cruz Department of Public Works to replace a water main on Bear Creek Road that was damaged when the road was washed out by heavy rains in January. Immediately after the storm damage occurred, SLVWD crews re-routed water service in the area through a bypass line to ensure customers had access to water. The District has applied for FEMA funds to assist with the cost of repairs.

Rate Restructuring Meetings

Proposal would increase rates for most customers, eliminate existing drought surcharge for all, and fund capital projects.

"This proposal is about preparing our water system for the future that will include an ongoing need to upgrade and replace equipment, as well as respond to the impacts of climate change," said Brian Lee, SLVWD District Manager. "Compared to more urban areas, our rural district has fewer customers to help shoulder expenses related to each mile of pipeline. We provide water to about 8,000 connections spread over 15,290 acres, served by approximately 140 miles of pipeline. Today's water rates cover current operational costs, but not capital improvements or reserves for future unforeseen expenses."

To increase public understanding of the proposed rate plan and help get questions answered, the District will hold public meetings (all locations tentative and are subject to change):

- August 17 @ 6:30 pm, SLV Water District, 13057 Hwy 9, Boulder Creek. Q&A discussion with SLVWD Board of Directors
- September 7 @ 12:00 pm, Boulder Creek Fire Station, 13230 Central Ave., Boulder Creek: brown bag lunch Q&A discussion with SLVWD staff
- September 21 @ 6:00 pm, Highlands Park Senior Center, 8500 Hwy 9, Ben Lomond: Public Hearing

Read more: www.slvwd.com | www.facebook.com/slvwaterdistrict

