

2013/2014 RESOLUTIONS

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SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 1 (13-14)

SUBJECT: AGREEMENT FOR INTERAGENCY LOAN BETWEEN SAN LORENZO VALLEY WATER DISTRICT AND LOMPICO COUNTY WATER DISTRICT

WHEREAS, the Board of Directors of San Lorenzo Valley Water District desires to assist Lompico County Water District in rescinding the termination of Lompico County Water District's contract with CalPERS; and

WHEREAS, the Board of Directors of San Lorenzo Valley Water District desires to provide an interagency loan to Lompico County Water District for the sole purpose of providing necessary funds which will enable Lompico County Water District's to rescind the termination of its contract with CalPERS; and

WHEREAS, San Lorenzo Valley Water District has prepared the subject Agreement, a copy of which is attached hereto as Exhibit "A" and by reference incorporated herein, which provides terms and conditions for an interagency loan between San Lorenzo Valley Water District and Lompico County Water District;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of San Lorenzo Valley Water District hereby approves the Agreement for Interagency Loan between San Lorenzo Valley Water District and Lompico County Water District, authorizes and directs the District Manager to execute said Agreement, and authorizes and directs the District Manager to take all actions necessary relative to this 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 18th day of July, 2013 by the following vote of the members thereof:

AYES:	Brown, Prather, Rapoza, Vierra, Bruce
NOES:	None
ABSTAIN:	None
ABSENT:	None

James A. Mueller by Sally Harrison

James A. Mueller

Acting District Secretary

San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 2 (13-14)

**SUBJECT: SUPPORT STATE CONSITUTIONAL AMENDMENTS
ACA 8 AND SCA 11, 55% VOTER THRESHOLDS FOR
FUNDING**

WHEREAS, it part of the mission of the San Lorenzo Valley Water District to provide our customers and all future generations with reliable, safe and high quality water at an equitable price and, to ensure the fiscal vitality of the San Lorenzo Valley Water District; and

WHEREAS, the San Lorenzo Valley Water District may in the future decide to secure general obligation bonds and/or special taxes to fund the construction, reconstruction, rehabilitation, or replacement of public improvements including water systems; and

WHEREAS, the current local vote threshold to pass general obligation bond measures and special taxes for cities, counties and special districts is a two-thirds majority, and;

WHEREAS, the current local vote threshold for school districts to approve general obligation bonds 55 percent; and

WHEREAS, the local vote threshold for school districts to approve special taxes is 50 percent; and

WHEREAS, Assembly Constitutional Amendment 8 (ACA 8) would amend the constitution to allow municipalities or special districts to approve general obligation bonds with a 55 percent majority of the local vote; and

WHEREAS, Senate Constitutional Amendment 11 (SCA 11) would amend the California Constitution to allow municipalities or special districts to approve special taxes with a 55 percent majority of the local vote; and

WHEREAS, both ACA 8 and SCA 11 institute important new accountability provisions to specify all purposes of tax proceeds to voters, to require independent audits, and to establish a citizens oversight committee to review all expenditures and financial audits; and

WHEREAS, approval by two thirds of the state legislature will result in both ACA 8 and SCA 11 being placed on the 2014 General Election Ballot as a proposition, to allow California voters to decide whether the 55 percent voter threshold will apply to special districts and other local agencies;

NOW, THEREFORE BE IT RESOLVED, by the Board of Directors of the San Lorenzo Valley Water District that the San Lorenzo Valley Water District hereby states its support for ACA 8 and SCA 11 to allow local communities to approve bonds for local infrastructure and special taxes with a 55 percent majority.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 16th day of May, 2013, by the following vote of the members thereof:

AYES:	Bruce, Prather, Rapoza, Vierra, Brown
NOES:	None
ABSTAIN:	None
ABSENT:	None

James A. Mueller

James A. Mueller

Acting District Secretary

San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 3 (13-14)

SUBJECT: MULTIPLE USER VARIANCE RENEWALS FOR 2013/2014

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

WHEREAS, those accounts who qualify for the exemption are charged the \$49.73 bi-monthly basic fee as a single family dwelling, while those who are multiple users are charged a \$82.90 bi-monthly basic service fee; and

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

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

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 18th day of July 2013, by the following vote of the members thereof:

AYES:	Brown, Prather, Rapoza, Vierra, Bruce
NOES:	None
ABSTAIN:	None
ABSENT:	None

James A. Mueller *By Kelly W. Sanchez*
James A Mueller, Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 4 (13-14)

SUBJECT: DECLARATION OF SURPLUS EQUIPMENT NO. 310

WHEREAS, in June, 2013 the District purchased replacement equipment for existing District Equipment No. 310, a 1980 John Deere tractor; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District desires to declared District Equipment No. 310 as surplus property; and

WHEREAS, District Equipment No. 310 has reached its useful life expectancy;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of San Lorenzo Valley Water District hereby declares District Equipment No. 310 as surplus District property, and authorizes and directs the District Manager to dispose of said equipment.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 18th day of July 2013, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Vierra, Rapoza
NOES:	None
ABSTAIN:	None
ABSENT:	None

James A. Mueller by Sally Harrison
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 5 (13-14)

**SUBJECT: OLYMPIA MUTUAL WATER COMPANY CONSOLIDATION
PROJECT NO. 4400581-001**

**A RESOLUTION OF THE SAN LORENZO VALLEY WATER DISTRICT
AUTHORIZING THE DISTRICT MANAGER TO SIGN FUNDING
AGREEMENT AND AMENDMENTS FOR FUNDING UNDER THE
CALIFORNIA SAFE DRINKING WATER STATE REVOLVING FUND; TO
SIGN ALL CERTIFICATIONS AND REPORTS REQUIRED FOR SUCH
FUNDING; TO APPROVE CLAIMS FOR REIMBURSEMENT; AND, TO SIGN
THE CONTRACTOR'S RELEASE FORM.**

**A RESOLUTION OF THE SAN LORENZO VALLEY WATER DISTRICT
AUTHORIZING R3 CONSULTING ENGINEERS TO EXECUTE BUDGET AND
EXPENDITURE SUMMARY; AND TO SIGN THE CERTIFICATE OF
PROJECT COMPLETION.**

**A RESOLUTION OF SAN LORENZO VALLEY WATER DISTRICT
DEDICATING REVENUES FROM THE OLYMPIA MUTUAL ASSESSMENT
DISTRICT AND WATER RATES AS THE SOURCES OF REVENUE TO REPAY
SAID LOAN.**

WHEREAS, on January 17, 2008, San Lorenzo Valley Water District authorized and made application to the California Department of Public Health for funding under the California Safe Drinking Water State Revolving Fund for a project commonly known as the Olympia Mutual Water Company Consolidation Project; and

WHEREAS, on August 4, 2011, said San Lorenzo Valley Water District adopted a project budget totaling \$1,120,000; and

WHEREAS, it is anticipated that the Funding Agreement under the California Safe Drinking Water State Revolving Fund will provide for a loan in the amount of \$1,120,000; and

WHEREAS, said loan shall be repaid to the California Department of Public Health over a twenty (20) year repayment period at a 2.5707 percent interest rate; and

WHEREAS, prior to the California Department of Public Health's issuance of said Funding Agreement, San Lorenzo Valley Water District is required to pass a resolution formally establishing a dedicated source of revenue to repay said loan; authorizing an officer to execute said Funding Agreement, amendments, and certifications; designating a

person to approve claims for reimbursement; designating a person to sign the Budget and Expenditure Summary; designating a person to sign the Certificate of Project Completion; and, designating a person to sign the Contractor's Release Form; and

WHEREAS, prior to the California Department of Public Health issuing said Funding Agreement, San Lorenzo Valley Water District is required to establish water rates and charges in amounts sufficient to generate net revenues equal to at least 1.2 times annual total debt service;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Board of Directors of the San Lorenzo Valley Water District hereby authorizes and directs the District Manager to sign the Safe Drinking Water State Revolving Fund Funding Agreement, and any amendments thereto; and

BE IT FURTHER RESOLVED AND ORDERED, that the District Manager is hereby authorized and directed to sign all certifications and reports required of funding recipients under the California Safe Drinking Water State Revolving Fund Program; and

BE IT FURTHER RESOLVED AND ORDERED, that the District Manager is hereby authorized and directed to approve Claims for Reimbursement of project costs submitted pursuant to the terms of said Funding Agreement; and

BE IT FURTHER RESOLVED AND ORDERED, that the District Manager is HEREBY authorized and directed to sign the Contractor's Release Form to be provided pursuant to requirements of said Funding Agreement; and

BE IT FURTHER RESOLVED AND ORDERED, that is R3 Consulting Engineers is hereby authorized to execute the Budget and Expenditure Summary for said project; and

BE IT FURTHER RESOLVED AND ORDERED, that R3 Consulting Engineers is hereby authorized to certify that the project is complete and ready for final inspection; and

BE IT FURTHER RESOLVED AND ORDERED, that the San Lorenzo Valley Water District hereby designates all revenues received from the Olympia Mutual Assessment District, and revenues received from water rates and charges as the dedicated sources of revenue to repay any non-subsidized loan principle amount of the Safe Drinking Water State Revolving Fund loan. This dedication shall remain in full force and effect until said loan is fully discharged, unless modification or change of such dedication is approved in writing by the California Department of Public Health. If, for any reason, said source of revenues proves insufficient to satisfy debt service of the Safe Drinking Water State Revolving Fund loan, sufficient funds shall be raised through

increased water rates, user charges, assessments, or any other legal means available to meet this loan obligation, and to operate and maintain this project; and

BE IT FURTHER RESOLVED AND ORDERED, that San Lorenzo Valley Water District does hereby covenant to establish water rates and charges in amounts sufficient to generate and maintain net revenues equal to at least 1.2 times annual total debt service, so long as the loan remains outstanding.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 1st day of August, 2013 by the following vote of the members thereof:

AYES:	Brown, Vierra, Rapoza
NOES:	None
ABSTAIN:	None
ABSENT:	Bruce, Prather

James A. Mueller by Hally W. Farney
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District
District Secretary

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 6 (12-13)

SUBJECT: SCOTTS VALLEY MULTI-AGENCY REGIONAL INTERTIE PROJECT

A RESOLUTION OF THE SAN LORENZO VALLEY WATER DISTRICT APPROVING THE REVISED PROJECT SCOPE FOR THE SCOTTS VALLEY MULTI-AGENCY REGIONAL INTERTIE PROJECT.

A RESOLUTION OF THE SAN LORENZO VALLEY WATER DISTRICT AUTHORIZING THE DISTRICT MANAGER TO SIGN AN EMERGENCY INTERTIE CONTRUCTION AGREEMENT BETWEEN SCCOTTS VALLEY WATER DISTRICT, MOUNT HERMON ASSOCIATION, INC. AND SAN LORENZO VALLEY WATER DISTRICT; TO SIGN AND INTERAGENCY INTERTIE AGREEMENT BETWEEN SCOTTS VALLEY WATER DISTRICT AND SAN LORENZO VALLEY WATER DISTRICT; AND, TO SIGN AN INTERAGENCY INTERTIE AGREEMENT BETWEEN MOUNT HERMON ASSOCIATION, INC. AND SAN LORENZO VALLEY WATER DISTRICT.

A RESOLUTION OF THE SAN LORENZO VALLEY WATER DISTRICT DESIGNATING MATCHING FUNDS IN THE AMOUNT OF \$4,596,077 FROM EXISTING DISTRICT RESERVES FOR SAN LORENZO VALLEY WATER DISTRICT'S APPORTIONED SHARE OF THE SCOTTS VALLEY MULTI-AGENCY REGIONAL INTERTIE PROJECT.

WHEREAS, on August 29, 2012 Scotts Valley Water District submitted an application on behalf of itself and partner agencies, including San Lorenzo Valley Water District, to the California Department of Public Health from grant funding under the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, which is otherwise known as Proposition 50; and

WHEREAS, Scotts Valley Water Districts initial partner agencies consisted of the City of Santa Cruz, San Lorenzo Valley Water District, Soquel Creek Water District, Lompico County Water District, and Mount Hermon Association, Inc.; and

WHEREAS, the City of Santa Cruz, Soquel Creek Water District, and Lompico County Water district have been subsequently removed from the subject project for various reasons; and

WHEREAS, on May 2, 2013 Scotts Valley Water District signed a Letter of Commitment issued by the California Department of Public Health on behalf of the partner agencies which established terms and conditions for a Funding Agreement relative to Project Number P50-4410013-200; and

WHEREAS, said Letter of Commitment established the estimated subject project budget at \$12,867,600, and the estimated Proposition 50 grant amount was established at \$6,947,432; and

WHEREAS, since issuance of the Letter of Commitment the partner agencies have amended the subject project by deletion of Intertie 1 (City of Santa Cruz – Scotts Valley Water district) and Intertie 5 (San Lorenzo Valley Water District – Lompico Valley Water District); and

WHEREAS, a revised project cost estimate dated July 24, 2013 established an estimated project budget of \$8,818,500, and estimated Proposition 50 grant amount was established at \$3,917,000;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Board of Directors of the San Lorenzo Valley Water District hereby authorizes and approves the revised project scope for the Scotts Valley Multi-Agency Regional Intertie Project with an estimated project budget of \$8,815,500; and

BE IT FURTHER RESOLVED AND ORDERED, that the District Manager is hereby authorized and directed to sign the Emergency Intertie Construction Agreement between Scotts Valley Water District, Mount Hermon Association, Inc. and San Lorenzo Valley Water District; and

BE IT FURTHER RESOLVED AND ORDERED, that the District Manager is hereby authorized and directed to sign the Interagency Intertie for Intertie 2 Agreement between Scotts Valley Water District and San Lorenzo Valley Water District ; and

BE IT FURTHER RESOLVED AND ORDERED, that the District Manager is hereby authorized and directed to sign the Interagency Intertie Agreement for Interties 3,4, and 6 between Mount Hermon Association and Lorenzo Valley Water District; and

BE IT FURTHER RESOLVED AND ORDERED, that the San Lorenzo Valley Water District does hereby covenant to designate matching funds in the amount of \$4,596,077 from existing District reserves for the San Lorenzo Valley Water District's apportioned share of the Scotts Valley Multi-Agency Regional Intertie Project.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 5th day of December, 2013, by the following vote of the members thereof:

AYES:	Prather, Rapoza, Vierra
NOES:	Brown
ABSENT:	Bruce
ABSTAIN:	None

James A. Mueller *by Sally Harrison*
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 7 (13-14)

SUBJECT: APPROVAL OF EDUCATION PROGRAM ADVISORY COMMISSION FUNDING RECOMMENDATIONS FOR 2013 DATA COLLECTION/RESTORATION GRANT PROPOSALS

WHEREAS, the Education Program Advisory Commission (Commission) was established by the Board of Directors in 2003 to advise the Board regarding the selection and allocation of Education Program grants; and

WHEREAS, the Board of Directors re-established and expanded the Education Grant Program in May 2012 to include an additional round of funding for Data Collection/Restoration grants; and

WHEREAS, staff publicly noticed the 2013 Education Program Grant Notice of Availability for the 2013 Data Collection/Restoration grants 30 days prior to the June 21, 2013 application deadline; and

WHEREAS, staff received two (2) Data Collection/Restoration Education Program Grant proposals which met submission requirements; and

WHEREAS, the Commission evaluated both 2013 Data Collection/Restoration Education Program grant proposals according to established procedures; and

WHEREAS, the Commission found two (2) Data Collection/Restoration Education Program grant proposals to satisfy the mission of the Education Program and to be worthy of funding; and

WHEREAS, Exhibit A summarizes the 2013 Data Collection/Restoration Education Program Grant proposals and the Commission's recommended funding levels; and

WHEREAS, the Board of Directors has reviewed and considered said recommendation,

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

1. The San Lorenzo Valley Water District hereby awards grant funding for the 2013 Data Collection/Restoration grants, as recommended by the Education Advisory Commission in Exhibit A.

PASSED AND ADOPTED by the Board of Directors of San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 15th day of August, 2013 by the following vote of the members thereof:

AYES:	Brown, Rapoza, Vierra
NOES:	None
ABSTAIN:	None
ABSENT:	Bruce, Prather

James A. Mueller *by Kelly W. Harman*
James A. Mueller, Acting District Secretary
San Lorenzo Valley Water District

EXHIBIT A

2013 Recommended Data Collection/Restoration Grant Awards San Lorenzo Valley Water District Education Program Advisory Commission

1. "Monitor change in sand specialty plant species on the Olympia Watershed property," Greening Associates, Suzanne Schettler principal

Grant amount requested: \$3,500

Recommended grant award: \$3,500

Project area addressed: Monitor change in special status species populations within sandhills/sand parkland communities at the Olympia Watershed property

What would be funded: Test the recovery from past loss/damage of Sand Specialty plants at the sight by re-introducing Sand Specialty plants to locations where they are absent on the property, although the existing habitat appears to be suitable. Native seed would be collected locally and sown at sites where the species are currently absent. Plots are to be documented and revisited to test success of the project.

Previous Education Program Grant awards: 2011. Final Project Report on file. 2012 Final Project Report on file.

2. "French broom management plan at the Olympia Watershed site," Ecological Concerns, Inc., John Morley, contact

Grant amount requested: \$6,450.

Recommended grant award: \$6,450.

Project area addressed: Develop and a 5-year program, to be overseen and implemented by the SLV Water District, to control invasive broom species at the Olympia Watershed property. Program to include a detailed work plan, maps, time and cost estimates, recommended methods, a discussion of different options for recruitment of work crews, and other relevant information

What would be funded: Creation of a comprehensive management plan for control of invasive exotic French broom (*Genista Monspessulana*) at the Olympia Watershed property.

Previous Education Grant awards: None.

RECEIVED

JULY 22 2013

**SAN LORENZO VALLEY
WATER DISTRICT**

**DATA COLLECTION / RESTORATION GRANT
PROJECT REPORT**

**BASELINE SAMPLING OF SAND SPECIALTY PLANTS
AT
OLYMPIA WELLFIELD**

SPRING 2013



permanent marker was emplaced at the southwest corner of the plot. Each plot marker is a 9-inch length of ½" steel flat bar with a code stamped at one end (2013.1, 2013.2, 2013.3 etc.). The bar is bent at a right angle and the long leg of the "L" is inserted into the ground. This type of permanent marker has been used on nearby revegetation sites successfully. A person familiar with the site can find the markers but they are not attractive to vandals; they can also be found later with a metal detector or a magnet on a string.

Normally, late April to mid May is the optimum vegetation monitoring season in the Sandhills, but by mid-February it was apparent it was going to be a dry spring. A front-page headline in the Santa Cruz Sentinel on February 14 read, "Bone-dry start to year sets records. Santa Cruz breaks mark dating to 1891". In mid-April I contacted Jane Orbuch, renowned Environmental Science teacher at San Lorenzo Valley High School, to ask if she had a detail-oriented student who could assist with the project since spring was going to be short. She put me in touch with not one but three students. They are:

McKenna Maness, a junior in spring 2013

Lily Maness, McKenna's sister, a freshman in spring 2013

Sam van Pykeren, a junior in spring 2013

The students all live in the Sandhills and have an interest in Sandhills ecology. The four of us sat around the frame and each tallied plants in our quarter of the sampling plot while conferring among each other regarding plant identification.

The original plan was to inventory native plants only. Initially we included non-natives as well because natives interact with non-natives over time. However, in the first two plots we discovered that a given plot takes over an hour for four people to census if non-natives were included and we would never complete the planned 30 or more plots before spring ended early. We resurrected the original plan and focused only on native species going forward.

Sampling took place from April 29 through May 14 on Tuesday and Thursday afternoons for two hours after school and on Saturdays for three hours in the morning. I inventoried two plots separately.

The April 30 Santa Cruz Sentinel confirmed the dismal spring conditions. The page 1 headline read, "Heating Up. Water restrictions on tap for SC and Soquel as hot, dry weather continues." The article reported that January, February and March had the lowest rainfall on record in Santa Cruz County.

The selected sampling sites fell into six categories of habitats. As noted above, these were relatively lightly vegetated sites because the purpose of the project was to study recolonization of Sand Specialty plants where they had been absent in the past or occurred in limited numbers. These categories are:

- Quarry pits (13 plots)
- Acacia removal areas (3 plots)
- Past burn piles associated with removal of Acacias and Brooms (4 plots)

spring 2011 survey to have very limited distribution at the Wellfield. The scale of the sampling plots was designed to address annuals and perennials, which are especially important components of Sandhills vegetation, rather than shrubs; plots 2013-1 and 2013-2 were located in openings in a small stand of the Manzanitas but did not focus on the larger shrubs. No plots contained Ben Lomond Wallflower (*Erysimum teretifolium*); it occurs only in high-quality Sand Parkland near the southern property line (Polygon 45 at the southeast corner of the map on page 2).

Comparisons of native Sand Specialty plants in the six habitat types are shown on the following page.



Inventorying Plot 2013-1 on April 29.

Photo courtesy of Jane Orbuch, who accompanied the team on our first day of sampling.

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 8 (13-14)

SUBJECT: SAN LORENZO VALLEY WATER DISTRICT STRATEGIC PLAN

WHEREAS, on June 2, 2000 the Board of Director of San Lorenzo Valley Water District adopted a Mission Statement to help frame the overall work and vision for the District; and

WHEREAS, in 2011 the Board of Director of San Lorenzo Valley Water District expressed the need to develop a longer term vision and framework for strategic planning; and

WHEREAS, in 2011 the District engaged the service of BHI Management Consulting to assist the District in the development of a San Lorenzo Valley Water District Strategic Plan; and

WHEREAS, the District engaged the community in the strategic planning process; and

WHEREAS, a five-year San Lorenzo Valley Water District Strategic Plan has been developed, a copy of which is attached hereto as Exhibit "A" and by reference incorporated herein, which includes a Mission Statement, a Vision Statement, goals and related implementation strategies; and

WHEREAS, the Board of Director of San Lorenzo Valley Water District has reviewed and considered said San Lorenzo Valley Water District Strategic Plan;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of San Lorenzo Valley Water District hereby approves the San Lorenzo Valley Water District Strategic Plan.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 5th day of September, 2013 by the following vote of the members thereof:

AYES:	Bruce, Prather, Vierra, Rapoza
NOES:	Brown
ABSTAIN:	None
ABSENT:	None

James A. Mueller by Kelly Harrison
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 9 (13-14)

SUBJECT: NOTICE OF INTENTION PROPOSITION 218 PUBLIC HEARING

WHEREAS, San Lorenzo Valley Water engaged the service of Municipal Financial Service, Inc. to perform a review and analysis of the District's current water and wastewater rates, and a projection for the next five (5) years; and

WHEREAS, on March 21, 2013 the Board of Director of San Lorenzo Valley Water District reviewed and considered the recommendations of Municipal Financial Service, Inc.; and

WHEREAS, on March 21, 2013 the Board of Director of San Lorenzo Valley Water District approved the recommendations of Municipal Financial Service, Inc. and Directed staff to move forward with activities associated with Proposition 218 relative to a proposed change to the District's current water rate fees and rate structure; and

WHEREAS, a Notice of Public Hearing, a copy of which is attached hereto as Exhibit "A" and by reference incorporated herein, has been prepared which sets forth in detail the new proposed water rates and rate structure; and

WHEREAS, said Notice of Public Hearing sets the time, date, and location for the Public Hearing as 7:00 p.m., Thursday, October 24, 2013, Highlands Park Senior Center, 8500 Highway 9, Ben Lomond, CA; and

WHEREAS, on February 15, 2007 the Board of Director of San Lorenzo Valley Water District approved Resolution No. 18 (06-07) Adoption of Procedures for Proposition 218 Property Related Fees and Charges which established procedures of the tabulation and acceptance of protests received relative to Proposition 218 Public Hearing;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of San Lorenzo Valley Water District hereby approves said Notice of Public Hearing, and established the time, date, and location for a Public Hearing on proposed new water rates and rate structure for 7:00 p.m., Thursday, October 24, 2013, Highlands Park Senior Center, 8500 Highway 9, Ben Lomond, CA.

BE IT FURTHER RESOLVED AND ORDERED, that the Board of Directors of San Lorenzo Valley Water District hereby directs staff to mail said notice of the Public Hearing, and to apply the procedures established by San Lorenzo Valley Water District Resolution No. 18 (06-07) Adoption of Procedures for Proposition 218 Property Related Fees and Charges for the tabulation and acceptance of protests received relative to the subject Proposition 218 Public Hearing.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 5th day of September, 2013 by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Rapoza, Vierra
NOES:	None
ABSTAIN:	None
ABSENT:	None

James A. Mueller by Kelly Marisa
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District
District Secretary

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 10 (13-14)

SUBJECT: FIXING AND ADOPTING A WATER SERVICE RATE SCHEDULE

WHEREAS, pursuant to California Water Code Sections 31007 and 31101, the Board of Directors of the San Lorenzo Valley Water District is authorized to fix and direct collection of water service rates in an amount sufficient to meet the operating expenses of the District, to provide for repairs and depreciation of the works and facilities of the District, to meet financial reserves for bonded indebtedness, and to obtain funds for capital projects needed to maintain service within the District; and

WHEREAS, the Board of Directors has reviewed and considered the projected expenses and revenues of the Districts, and has found and determined that an increase in water service rate schedule is necessary; and

WHEREAS, in compliance with Proposition 218 and District procedures, the Board of Directors held a public hearing to hear and consider all public testimony and written protests against the proposed increase to the water service rate schedule; and

WHEREAS, said public hearing was held not less than forty-five (45) days after the District mailed information to property owners regarding the proposed increase to the water service rate schedule; and

WHEREAS, the District Secretary provided the Board of Director's with a final tabulation of all valid written protests received against the proposed increases to the water service rate schedule; and

WHEREAS, the final tabulation of protests against the proposed increases to the water service rate schedule did not constitute a "majority" protest; and

WHEREAS, the Board has considered the proposed increases in water rates as presented; and

WHEREAS, in accordance with Ordinance 8, water rates may be established by resolution;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District as follows:

Section 1. R16.7(e) is hereby amended to read as follows:

R16.7(e) Water Service Charges

The following minimum bi-monthly basic water service charge and consumption (quantity) charges constitute the current water service charges:

1. Basic Water Service Charges

The minimum bi-monthly basic water service charge per meter shall be as shown on Exhibit A, Alternative One, only as to rates for the effective dates of January 1, 2014, January 1, 2015 and January 1, 2016, a copy of which is attached hereto, and by reference incorporated herein.

2. Consumptive Charges

The schedule of consumptive charges shall be based upon a measured unit quantity of 100 cubic feet (748 gallons) per unit. The unit charge for water delivered shall be as shown on Exhibit A, Alternative One, only as to rates for the effective dates of January 1, 2014, January 1, 2015 and January 1, 2016, a copy of which is attached hereto, and by reference incorporated herein.

Section 2. R16.7(f) is hereby amended to read as follows

R16.7(f) Surplus Water

The schedule of charges for surplus water shall be the minimum bi-monthly basic water service charge, in addition to a consumption charges for each unit of water delivered. The minimum bi-monthly basic water service charge shall only be applicable for each bi-monthly billing period during which any surplus water is used. The minimum bi-monthly basic water service charge and consumption charges for surplus water shall be in accordance with the consumption charges for regular metered service.

Section 3. R16.7(g) is hereby established to read as follows

R16.7(g) Flat Rate Customer Classes

The schedule of consumptive charges for all water use to customers in the Commercial, Institutional and Landscape customer classes shall be a flat rate for each measured unit quantity of 100 cubic feet (748 gallons) per unit.

Section 4. R16.7(h) is hereby established to read as follows

R16.7(h) Consumptive Charges Tier Unit Structure Adjustment Customer Classes

The schedule of tier unit consumptive charges for all water use to customers in the Multiple Family and Private Mutual customer classes shall be adjusted for the number of dwelling units served by the meter.

Section 5. The District Manager is directed to revise and collect rates and other water service charges pursuant to this resolution in a reasonable administrative manner proportional to the effective date of this resolution.

Section 6. This resolution shall supersede and **cancel** in their entirety the applicable prior sections relative to this matter.

Section 7. This resolution is effective immediately and implementation of the aforementioned Water Service Rate Schedule Modification shall become effective January 1, 2014, and upon such dated thereafter as stated herein.

Section 8. The Board of Directors, at a Board of Directors meeting at least 120 days before the rate increases scheduled for January 1, 2015 and January 2016, shall study, accept community input, and consider as to whether the full amount of the approved rate increase is necessary, or whether a lesser rate increase should be implemented.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 24th day of October 2013, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Vierra, Rapoza
NOES:	None
ABSTAIN:	None
ABSENT:	None

James A. Mueller by *Holly Harrison*
James A. Mueller District Secretary
Acting District Secretary
San Lorenzo Valley Water District

EXHIBIT "A"

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 10 (13-14)

SUBJECT: FIXING AND ADOPTING A WATER SERVICE RATE SCHEDULE

1. Basic Water Service Charges

The minimum bi-monthly basic water service charge per meter shall be:

Meter Size	Effective Date January 1, 2014	Effective Date January 1, 2015	Effective Date January 1, 2016
5/8-inch	\$55.20	\$61.27	\$68.01
3/4-inch	\$55.20	\$61.27	\$68.01
1-inch	\$92.02	\$102.00	\$113.00
1-1/2-inch	\$185.00	\$205.00	\$228.00
2-inch	\$295.00	\$327.00	\$363.00
3-inch	\$553.00	\$614.00	\$682.00
4-inch	\$921.00	\$1,022.00	\$1,134.00

2. Consumptive Charges

The schedule of consumptive charges shall be based upon a measured unit quantity of 100 cubic feet (748 gallons) per unit. The unit charge for water delivered shall be:

Consumptive Charges	Effective Date January 1, 2014	Effective Date January 1, 2015	Effective Date January 1, 2016
First 8 units	\$3.09	\$3.43	\$3.81
9-30 units	\$4.04	\$4.48	\$4.97
31-100 units	\$4.84	\$5.37	\$5.96
Over 100 units	\$5.36	\$5.95	\$6.61
Flat Rate	\$3.77	\$4.18	\$4.64

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 11 (13-14)**

**SUBJECT: SAN LORENZO VALLEY WATER DISTRICT SEXUAL HARRASSMENT
POLICY 2014**

WHEREAS, state and federal laws prohibit sexual harassment; and

WHEREAS, San Lorenzo Valley Water District is committed to ensuring and providing a work place free of sexual harassment; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District have reviewed the San Lorenzo Valley Water District Sexual Harassment Policy for 2014; and

WHEREAS, District Legal Counsel has reviewed the San Lorenzo Valley Water District Sexual Harassment Policy for 2014:

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the San Lorenzo Valley Water District Sexual Harassment Policy for 2014 is hereby adopted.

FURTHER BE IT RESOLVED that the San Lorenzo Valley Water District Sexual Harassment Policy shall be submitted annually to the District Counsel for review and to the Board of Director for review and adoption at the first meeting in December for subsequent years.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 5th day of December 2013, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Vierra, Rapoza
NOES:	None
ABSENT:	None
ABSTAIN:	None

James A. Mueller by Kelly Harrison
James A. Mueller *District Secretary*
Acting District Secretary
San Lorenzo Valley Water District

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 12 (13-14)**

SUBJECT: PERSONNEL SYSTEM RULES AND REGULATIONS 2014

WHEREAS, on November 16, 2000 the Board of Directors of the San Lorenzo Valley Water District adopted Ordinance No. 99 entitled Establishment of Personnel System; and

WHEREAS, Section 5 of said Ordinance states the specific Personnel Rules and Regulations will be adopted by Resolution of the Board of Directors; and

WHEREAS, the Board of Directors determines it is in the public interest to establish and adopt Personnel System Rules and Regulations; and

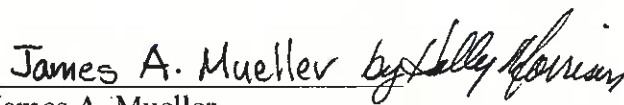
WHEREAS, the representatives of all employee organizations were consulted in good faith regarding the subject matter of the Personnel System Rules and Regulations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the San Lorenzo Valley Water District that the Personnel System Rules and Regulations for the San Lorenzo Valley Water District is hereby approved, a copy of which is incorporated by reference herein and made a part of this Resolution.

FURTHER BE IT RESOLVED that the Personnel System Rules and Regulations shall be submitted annually to the District Counsel for review and to the Board of Director for review and adoption at the first meeting in December for subsequent years.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 5th day of December 2013, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Vierra, Rapoza
NOES:	None
ABSENT:	None
ABSTAIN:	None


James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 13 (13-14)**

SUBJECT: COMMUNITY OUTREACH CITIZEN'S ADVISORY COMMITTEE

WHEREAS, THE Board of Directors of the San Lorenzo Valley Water hereby desire to create and establish the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District as follows:

1. The San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee is hereby established.
2. The San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall consist of ten (10) members.
3. The Board of Directors shall announce each vacancy and shall state that they are seeking applicants, setting forth required qualifications, if any. Each member of the Board of Directors shall appoint two (2) members of the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee.
4. Each member of the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall be a customer of the District, or a resident within the District's boundaries.
5. Members of the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall serve without compensation.
6. The term of the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall be for a period of one (1) year, unless otherwise extended by the Board of Directors.
7. Members of the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee may be removed at any time by the appointing member of the Board of Directors.
8. Appointments to the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall automatically terminate upon exit of office by the appointing member of the Board of Directors.
9. Vacancies on the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall be filled in the same manner as original appoints.
10. The members of the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall, at their first meeting, select from among their members a chair and vice chair, who shall serve in that capacity for the term of the committee.
11. A majority of the membership of the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall constitute a quorum for the transaction of business. Any action taken by a majority of those present, when those present constitute a quorum, at any meeting of the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall be deemed and taken as an Action of the Committee.

12. The San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall hold meetings at such time(s) and places(s) as it deems advisable. However, the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall schedule at least one (1) meeting per month, and such meetings shall be held within the boundaries of the District.
13. All meetings of the San Lorenzo Valley Water District Community Outreach Citizen's Advisory Committee shall be open to the public, and subject to the provisions of the Ralph M. Brown Act (California Government Code section 54950 et seq.).

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 5th day of December, 2013, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Vierra, Rapoza
NOES:	None
ABSENT:	None
ABSTAIN:	None

James A. Mueller by Sally Harrison
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 14 (13-14)**

**SUBJECT: SETTING REGULAR BOARD OF DIRECTORS MEETING DAYS FOR 2014
 AS THE FIRST AND THIRD THURSDAY OF EVERY MONTH**

WHEREAS, California Government Code, Section 54954, establishes that the Board of Directors shall provide the time and place for holding regular meetings; and

WHEREAS, in the past the Board has determined regular meetings days based upon the availability of Board members; and

WHEREAS, the Board desires to continue the regular meeting days as the first and third Thursday of each month, and

WHEREAS, the first Thursday in January and July are in close proximity to national holidays;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that effective January 1, 2014 the time and place for regular Board of Directors meetings is set for 7:30 p.m. on the first and third Thursday of every month at the District Operation Building, 13057 Highway 9, Boulder Creek, California, with the exception of January 2, 2014 and July 3, 2014; or at such other facilities within the District boundaries as the Board may decide upon.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 5th day of December, 2013, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Rapoza, Vierra
NOES:	None
ABSENT:	None
ABSTAIN:	None

James A. Mueller *by Sally H. Hansen*
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 15 (13-14)

SUBJECT: BOARD OF DIRECTOR'S POLICY MANUAL 2014

WHEREAS, on December 6, 2012 the Board of Directors of the San Lorenzo Valley Water District adopted Resolution No. 16 (12-13) Board of Director's Policy Manual 2013; and

WHEREAS, the Board of Director's has reviewed the Policy Manual; and

WHEREAS, the Board of Director's desires to amend the Board of Director's Policy Manual for 2014; and

WHEREAS, the Board of Directors have determined that the following sections of the San Lorenzo Valley Water District Board of Directors Policy Manual shall be amended to read as stated in Exhibit "A" attached hereto, and made a part hereof, and said Exhibit "A" shall supersede and cancel in their entirety the applicable prior sections of the San Lorenzo Valley Water District Board of Directors Policy Manual; and

WHEREAS, the District is a member agency of the Special District Risk Management Authority (SDRMA); and

WHEREAS, SDRMA has an Incentive Credit Program which provides credits for development and adoption of a Board of Director's Policy Manual;

WHEREAS, District Legal Counsel has reviewed the Board of Director's Policy Manual; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the San Lorenzo Valley Water District's Board of Director's Policy Manual for 2014 is hereby adopted.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 6th day of December, 2012, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Rapoza, Vierra
NOES:	None
ABSENT:	None
ABSTAIN:	None

James A. Mueller *by Kelly Herrington*
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 16 (13-14)**

SUBJECT: SAN LORENZO VALLEY WATER DISTRICT BOARD OF
 DIRECTORS STANDING COMMITTEES 2014

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District adopted Resolution No. 12 (12-13) entitled "Policy for Committee Assignment Procedures"; and

WHEREAS, said resolution states that standing committees of the Board of Directors shall be established by resolution; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District has determined the need to establish seven (7) standing committees: Environmental Committee, Facilities and Planning Committee, Finance Committee, Legislation Committee, Lompico County Water District Liaison Committee, Personnel Committee, and Public Relations Committee; and

WHEREAS, the Board of Directors has determined that the powers and duties of each standing committee is to act in an advisory capacity and make recommendations to the Board for any action or the establishment of policy; and

WHEREAS, the Board of Directors has determined that the purpose of said standing committees shall be in accordance with and based upon the Statement of Purpose and Function hereto attached as Exhibit A and by reference incorporated herein;

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the following standing committees of the San Lorenzo Valley Water District Board of Directors are hereby established: Environmental Committee, Facilities and Planning Committee, Finance Committee, Legislation Committee, Lompico County Water District Liaison Committee, Personnel Committee, and Public Relations Committee.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District,
County of Santa Cruz, State of California, on the 5th day of December, 2013, by the following
vote of the members thereof:

AYES:	Brown, Bruce, Prather, Vierra, Rapoza
NOES:	None
ABSENT:	None
ABSTAIN:	None

James A. Mueller by Sally Warriner
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 17 (13-14)**

**SUBJECT: SCOTTS VALLEY MULTI-AGENCY REGIONAL INTERTIE PROJECT
EMERGENCY INTERTIE CONSTRUCTION AGREEMENT AND
INTERAGENCY INTERTIE AGREEMENTS**

WHEREAS, on August 15, 2013 the Board of Directors approved Resolution No. 6 (13-14) which approved the revised project scope for the Scotts Valley Multi-Agency Regional Intertie Project and designated matching funds in the amount of \$4,596,077; and

WHEREAS, said Resolution No. 6 (13-14) also authorized and directed the District Manager to sign the Emergency Intertie Construction Agreement between Scotts Valley Water District, Mount Hermon Association, Inc. and San Lorenzo Valley Water District; and

WHEREAS, said Resolution No. 6 (13-14) also authorized and directed the District Manager to sign the Interagency Emergency Intertie Agreement for Intertie 2 between Scotts Valley Water District and San Lorenzo Valley Water District; and

WHEREAS, said Resolution No. 6 (13-14) also authorized and directed the District Manager to sign the Interagency Emergency Intertie Agreement between Mount Hermon Association, Inc. and San Lorenzo Valley Water District ; and

WHEREAS, the California Department of Public Health (CDPH), in conjunction with the Funding Agreement for the subject Project, has requested additional changes to the three (3) aforementioned agreements; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District desires to authorize the District Manager to executed the revised agreements;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Board of Directors of the San Lorenzo Valley Water District hereby authorizes and directs the District Manager to sign the Emergency Intertie Construction Agreement between Scotts Valley Water District, Mount Hermon Association, Inc. and San Lorenzo Valley Water District, a copy of which is attached hereto and reference incorporated herein; and

BE IT FURTHER RESOLVED AND ORDERED, that the Board of Directors of the San Lorenzo Valley Water District hereby authorizes and directs the District Manager to sign the Interagency Emergency Intertie Agreement for Intertie 2 between Scotts Valley Water District and San Lorenzo Valley Water District, a copy of which is attached hereto and reference incorporated herein; and

BE IT FURTHER RESOLVED AND ORDERED, that the Board of Directors of the San Lorenzo Valley Water District hereby authorizes and directs the District Manager to sign the Interagency Emergency Intertie Agreement for Interties 3, 4, & 6 between Mount Hermon

Association, Inc. and San Lorenzo Valley Water District, a copy of which is attached hereto and reference incorporated herein; and

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 19th day of December, 2013, by the following vote of the members thereof:

AYES:	Brown, Bruce, Rapoza, Vierra, Prather
NOES:	None
ABSTAIN:	None
ABSENT:	None

James A. Mueller by Sally Harrison
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 18 (13-14)**

SUBJECT: RESOLUTION OF APPRECIATION FOR BETSY HERBERT

WHEREAS, on January 3, 2006 Betsy Herbert was first hired by San Lorenzo Valley Water District to the temporary position of Environmental Analyst; and

WHEREAS, said temporary position was funded in part from a grant received from the Robert & Patricia Switzer Foundation Leadership Grant Program relative to the District's proposed acquisition of the Felton Water System; and

WHEREAS, on June 26, 2007 Betsy Herbert was hired by San Lorenzo Valley Water District to the regular position of Administrative/Environmental Analyst; and

WHEREAS, Betsy Herbert faithfully served the San Lorenzo Valley Water District for a period of eight (8) years, in the capacity as Environmental Analyst, and Administrative/Environmental Analyst; and

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


WHEREAS, Betsy Herbert was deeply involved in District issues and projects including development of the Watershed Management Plan; Felton Water System acquisition; Education Program; Greenhouse Gas Inventory; Climate Change; and, numerous other projects; and

WHEREAS, Betsy Herbert is truly deserving of special honors and the highest commendations for service provided to the San Lorenzo Valley Water District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that Betsy Herbert is hereby commended for eight (8) years of devoted and dedicated service as Environmental Analyst and Administrative/Environmental Analyst to the San Lorenzo Valley Water District, that she has the deepest respect of all those who have been privileged to know and work with her, and that her outstanding effort and dedication will be sorely missed.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 19th day of December, 2013, by the following vote of the members thereof:

AYES:	Brown, Bruce, Rapoza, Vierra, Prather
NOES:	None
ABSTAIN:	None
ABSENT:	None


James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 19 (13-14)**

SUBJECT: RESOLUTION OF APPRECIATION FOR KAREN ALVAREZ

WHEREAS, on April 3, 2000 Karen Alvarez was first hired by San Lorenzo Valley Water District to the position of Finance Manager; and

WHEREAS, Karen Alvarez notified the San Lorenzo Valley Water District of her service retirement effective November 28, 2013; and

WHEREAS, Karen Alvarez faithfully served in the capacity as Finance Manager for the San Lorenzo Valley Water District for a period of thirteen (13) years; and

WHEREAS, Karen Alvarez was truly dedicated to the proper fiscal management of the San Lorenzo Valley Water District; and


WHEREAS, Karen Alvarez was deeply involved in providing outstanding customer service to the customers of the San Lorenzo Valley Water District; and

WHEREAS, Karen Alvarez is truly deserving of special honors and the highest commendations for service provided to the San Lorenzo Valley Water District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that Karen Alvarez is hereby commended for thirteen (13) years of devoted and dedicated service as Finance Manager to the San Lorenzo Valley Water District, that she has the deepest respect of all those who have been privileged to know and work with her, and that her outstanding effort and dedication will be sorely missed.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 19th day of December, 2013, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Vierra, Rapoza
NOES:	None
ABSTAIN:	None
ABSENT:	None


James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 20 (13-14)**

**SUBJECT: RESOLUTION DECLARING A STATE OF DROUGHT AND CALLING FOR AN
IMMEDIATE VOLUNTARY 20% REDUCTION IN WATER USE**

WHEREAS, San Lorenzo Valley Water District continues to experience extraordinarily dry weather and record low stream flow conditions; and

WHEREAS, on January 17, 2014 Governor Brown declared a State of Emergency to exist in California due to prolonged drought conditions; and

WHEREAS, the Governor has called on all Californians to voluntarily reduce the water usage by 20%, to ease the effects of the water shortage on agriculture, communities, and fish and wildlife; and

WHEREAS, the San Lorenzo Valley Water District is preparing for the potential of a severe water shortage; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that all District customers should be aware of drought conditions and are called upon to take immediate actions to voluntarily reduce water use 20% until such time that the Board of Directors determines that either a state of drought no longer exists, or that additional actions are necessary.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 6th day of February, 2014, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Rapoza, Vierra
NOES:	None
ABSTAIN:	None
ABSENT:	None

James A. Mueller *by Sally Harrison*
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 21 (13-14)

SUBJECT: DECLARATION OF SURPLUS VEHICLE NO. 650

WHEREAS, in 1997 the District purchased Truck No. 650, a six-yard dump truck; and

WHEREAS, Truck No. 650 is no longer compliant with California Air Resources Board regulations relative to diesel particulate matter emissions; and

WHEREAS, Truck No. 650 has reached its useful life expectancy; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District desires to declare Truck No. 650 as surplus District property;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of San Lorenzo Valley Water District hereby declares Truck No. 650 as surplus District property, and authorizes and directs the District Manager to dispose of said equipment.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 6th day of February, 2014, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Rapoza, Vierra
NOES:	None
ABSTAIN:	None
ABSENT:	None

James A. Mueller *By Sally Harrison*
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 22 (13-14)**

**SUBJECT: LOMPICO COUNTY WATER DISTRICT
EMERGENCY INTERTIE AGREEMENT**

WHEREAS, on January 17, 2014 Governor Edmund G. Brown Jr. proclaimed a State of Emergency to exist in the State of California due to drought conditions; and

WHEREAS, on January 28, 2014 the California Department of Public Health identified Lompico County Water District as one of 17 water agencies in the State of California which has an extremely high potential of running out of drinking water; and

WHEREAS, Lompico County Water District is seeking emergency funds from the California Department of Public Health for a grant of funds through the Proposition 84, Emergency Grant Fund Program, for construction of an emergency intertie identified by the California Department of Public Health as Project Number P84E-4410015-001; and

WHEREAS, this emergency intertie will allow water from the San Lorenzo Valley Water District to be transferred to the Lompico County Water District to prevent or mitigate damage to the health of persons receiving water from the Lompico County Water District who are at risk of running out of drinking water owing to the probable failure of existing water supplies; and

WHEREAS, urgent actions are necessary to protect public health and safety, and the loss of drinking water is an imminent and substantial threat to the public health of these persons; and

WHEREAS, the occurrence of this severe water shortage is a result of the combination of the drought which has necessitated a Proclamation of a State of Emergency by the Governor of California, and the potential failure of existing water supplies in the Lompico County Water District; and

WHEREAS, the purpose of the emergency intertie identified by the California Department of Public Health as Project Number P84E-4410015-001 is to prevent the emergency of the disruption of an essential public service, which is provision of adequate drinking water to persons presently receiving it from the Lompico County Water District, and there is an immediate need for this intertie to protect the life, health, and property of these people;

NOW, THEREFORE, BE IT RESOLVED based on the foregoing, that the Board of Directors of the San Lorenzo Valley Water District hereby approves construction of an emergency intertie identified by the California Department of Public Health as Project

Number P84E-4410015-001, and authorizes and directs the District Manager to sign the Lompico County Water District Emergency Intertie Agreement.

BE IT FURTHER RESOVED BY THE Board of Directors of the San Lorenzo Valley Water District that construction of the intertie is an action necessary to prevent or mitigate an emergency as envisioned by California Public Resources Code, sections 21080 (b) (4) and Public Resources Code section 21060.3.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 20th day February, 2014, by the following vote of the members thereof:

AYES:	Brown, Bruce, Vierra, Rapoza
NOES:	None
ABSTAIN:	None
ABSENT:	Prather

James A. Mueller by Kelly Williams

James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 23 (13-14)

**SUBJECT: ADOPTION OF SAN LORENZO VALLEY WATER
DISTRICT INVESTMENT POLICY 2014**

WHEREAS, on December 6, 2012 the Board of Directors of San Lorenzo Valley Water District adopted Resolution No. 14 (12-13) which established the Statement of Investment Policy for the San Lorenzo Valley Water District 2013; and

WHEREAS, said Statement of Investment Policy states that the District's Investment Policy shall be reviewed and adopted annually by resolution of the Board of Directors at a public meeting; and

WHEREAS, on December 5, 2013 the Board of Director of San Lorenzo Valley Water District directed that the District's Statement of Investment Policy for 2014 be referred to the Finance Committee for review and consideration; and

WHEREAS, the Finance Committee reviewed and considered the District's Statement of Investment Policy on January 24, 2014 and February 14, 2014; and

WHEREAS, the Finance Committee is recommending amendments to the District's Statement of Investment Policy for 2014; and

WHEREAS, the Board of Directors of San Lorenzo Valley Water District has reviewed and considered the recommendations of the Finance Committee, and the District's Statement of Investment Policy 2014;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the San Lorenzo Valley Water District's Statement of Investment Policy 2014, which by reference is attached hereto and incorporated herein, is hereby adopted.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 20th day of February 2014, by the following vote of the members thereof:

AYES: Bruce, Rapoza, Vierra, Brown

NOES: None

ABSTAIN: None

ABSENT: Prather

James A. Mueller *by Sally Harrison*

James A. Mueller

Acting District Secretary

San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT
STATEMENT OF INVESTMENT POLICY 2014

Adopted: **February 20, 2014**

Resolution No. **23 (13-14)**

INTRODUCTION

The purpose of this document is to establish formal policies for the prudent investment of the District's unexpended cash. The main objective of this policy is the establishment of guidelines for the investment of all San Lorenzo Valley Water District funds or funds in the custody of the District, in a manner which conforms to all state and local statutes governing the investment of public funds and provides for an optimal combination of safety, liquidity and yield. This policy is in compliance with the provisions of California Government Code Section 53600, et seq.

BASIC POLICIES

1. **PRUDENCE:** San Lorenzo Valley Water District funds shall be invested under the "prudent investor standard" (California Government Code Section 27000.3) which essentially states that all investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.
2. **DELEGATION OF AUTHORITY:** Authority to manage the San Lorenzo Valley Water District investment program is delegated to the District Manager. This authority is derived from Resolution 79 (87-88) adopted February 1, 1988 by the San Lorenzo Valley Water District Board of Directors which by reference is attached hereto and incorporated herein. The District Manager shall establish written procedures for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except as provided under the term of this policy and the procedures established by the District Manager.
3. **OBJECTIVES:** The primary objectives of the San Lorenzo Valley Water District's investment activities in priority order shall be as follows:
 - A. **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.
 - B. **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.

- C. 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.
- 4. 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.
- 5. AUTHORIZED AND ACCEPTABLE INVESTMENTS: District funds shall be invested only in the following investment instruments and within any limits indicated.
 - A. LAIF – The Local Agency Investment Fund (LAIF) was created by California Government Code Section 16429.1 through 16429.3. LAIF is an investment pool established and controlled by the State of California to afford smaller agencies the benefits of a large investment portfolio, such as higher interest rates and greater diversification. Funds are completely liquid except for a limitation of ten (10) transactions per month.
 - B. COUNTY OF SANTA CRUZ INVESTMENT POOL – The County of Santa Cruz Investment Pool is a local government investment pool established and controlled by the County of Santa Cruz to afford smaller agencies the benefits of a larger investment portfolio, such as higher interest rates and greater diversification. Authority for the County of Santa Cruz Investment Pool is delegated to the County of Santa Cruz Treasurer.
 - C. 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 shall be insured by the Federal Deposit Insurance Corporation (FDIC). The principle and insured interest in any one insured depository institution shall not exceed the limit amount insured by FDIC.
 - D. PASSBOOK SAVINGS ACCOUNTS – This is a regular liquid savings account. The principal and accrued shall be insured by the Federal Deposit Insurance Corporation (FDIC). The principle and insured interest in any one insured depository institution shall not exceed the limit amount insured by FDIC.
 - E. U.S. TREASURY OBLIGATIONS – These are negotiable debt obligations of the U.S. Government which guarantee that all interest and principle payments will be paid on time. Among these are Treasury Bills and Notes.
 - F. GOVERNMENT SPONSORED ENTERPRISES – Government sponsored enterprises are privately held corporations with public purposes created by the U.S. Government, which carry the implicit backing of the U.S. Government, but are not a direct obligation of the U.S. Government. Among these are Government National Mortgage Association (Ginnie Mae); Federal National Mortgage Association (Fannie Mae); Federal Land Bank (FLB) and Federal Farm Credit Banks (FFCB).

6. **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. Current certificates of deposits exceed this limitation. It is the intent of the District to move toward compliance with said limitation. Whenever certificates of deposit purchased prior to the date of this policy mature or are called, the District shall invest in authorized investment instruments other than certificates of deposit until such time compliance has been achieved. The District shall not exceed fifty percent (50%) of the District's total investment portfolio in any one (1) authorized investment type, with the exception of the following; LAIF and County of Santa Cruz Investment Pool. Current Government Sponsored Enterprises investments exceed this limitation. It is the intent of the District to move toward compliance with said limitation. Whenever Government Sponsored Enterprise issuances purchased prior to the date of this policy mature or are called, the District shall invest in authorized investment instruments other than Government Sponsored Enterprises until such time compliance has been achieved.

7. **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 (5) years. The District will diversify its investment by maturity date in order to avoid over concentration in any one specific maturity sector.

8. **REPORTING:** The District's Board of Directors shall receive investment reports at least quarterly. The District Manager shall provide to the Board of Directors quarterly investment reports which provide a clear picture of the status of the current investment portfolio as required by law (California Government Code Section 53646).
9. **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. Officers and employees involved in the District's investment process shall disclose to the District Secretary any material financial interests in financial institutions that conduct business within the jurisdiction of the San Lorenzo Valley Water District and they shall further disclose any large personal financial/investment positions that could be related to the performance of the District's investment portfolio.
10. **INVESTMENT POLICY ADOPTION:** The District's investment policy shall be adopted by resolution of the San Lorenzo Valley Water District's Board of Directors. The District's investment policy shall be reviewed annually thereafter, and any

modifications made thereto must be approved by the Board of Directors. The District's Statement of Investment Policy shall be adopted annually by resolution of the Board of Directors at a public meeting.

*** END ***

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 24 (13-14)

**SUBJECT: AUTHORIZATION TO PURCHASE REPLACEMENT VEHICLE FOR
DISTRICT TRUCK NO. 164**

WHEREAS, District Vehicle Number 164 was stolen from the District on February 20, 2014; and

WHEREAS, the District is in need of a replacement vehicle for District Vehicle Number 164; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District has considered the waiver of formal bidding procedures pursuant to Ordinance 8, Article 18.8 relative to procurement of a replace vehicle for District Vehicle Number 164;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the District Manager is hereby authorized and directed to purchase a replace vehicle for District Vehicle Number 164.

FURTHER, BE IT RESOLVED that the Board of Directors of the San Lorenzo Valley Water District hereby authorizes the waiver of formal bidding procedures pursuant to Ordinance 8, Article 18.8 relative to the procurement of a replace vehicle for District Vehicle Number 164, and authorizes and directs the District Manager to transfer the sum of \$42,000 from the District's Equipment Replacement Fund for the purchase of said replacement vehicle

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 6th day of March, 2014 by the following vote of the members thereof:

AYES:	Brown, Bruce, Rapoza, Prather
NOES:	None
ABSTAIN:	None
ABSENT:	Vierra

James A. Mueller *by H. Harrison*
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 25 (13-14)

SUBJECT: ADOPTION OF BUDGET FISCAL YEAR 2013-2014

WHEREAS, a proposed Budget for Fiscal Year 2013-2014 has been prepared by Staff;
and

WHEREAS, the Finance Committee considered and reviewed the proposed budget at
their February 14, 2014 and March 6, 2014 committee meetings; and

WHEREAS, the Board of Directors considered and reviewed the proposed budget at
their March 6, 2014 Board of Directors meeting; and

WHEREAS, the Board of Directors has referred the District's Reserve Fund Policy to
the Finance Committee to perform a review and analysis of each designated reserve fund, and
possible recommendations for amendment by the Board of Directors;

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the San Lorenzo
Valley Water District that the Budget for Fiscal Year 2013-2014 is adopted, and the District
Manager is hereby authorized and directed to implement said budget in the amount of
\$6,207,900 in total expenditures.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley
Water District, County of Santa Cruz, State of California, on the 6th day of March, 2014 by the
following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Rapoza
NOES:	None
ABSTAIN:	None
ABSENT:	Vierra

James A. Mueller
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 26 (13-14)

**SUBJECT: RESOLUTION DECLARING EXISTENCE OF A WATER SHORTAGE
EMERGENCY**

WHEREAS, San Lorenzo Valley Water District continues to experience extraordinarily dry weather and record low stream flow conditions; and

WHEREAS, on January 17, 2014 Governor Brown declared a State of Emergency to exist in California due to the current drought conditions in the state; and

WHEREAS, the Governor's proclamation acknowledged that the State of California is experiencing extremely dry conditions that have persisted since 2012; and

WHEREAS, conservation of current water supplies and minimization of the effects of water supply shortages that are the result of drought are essential to the public health, safety and welfare; and

WHEREAS, California Water Code sections 350 et seq. authorize the governing body of a public water supply distributor to declare that water shortage emergency conditions prevail within the area served by such distributor whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation, and fire protection; and

WHEREAS, pursuant to Water Code sections 351 and 352, a public hearing on this declaration was duly noticed and held on April 3, 2014;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District as follows:

1. Pursuant to Water Code section 350, and for the reasons set forth herein, the Board of Directors hereby declares that a water shortage emergency now exists throughout the area served by San Lorenzo Valley Water District; and
2. Pursuant to Water Code section 352 and Government Code section 6061, San Lorenzo Valley Water District published in a newspaper of general circulation notice of the time and place of the public hearing that was held on April 3, 2013 at least seven days prior to the date of hearing; and
3. Pursuant to Water Code section 351, San Lorenzo Valley Water District held a public hearing on April 3, 2014 at which consumers had an opportunity to be heard to protest

against the water shortage emergency declaration and to present their respective needs to the Board of Directors.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 3rd day of April, 2014, by the following vote of the members thereof:

AYES:	Brown, Bruce, Prather, Vierra, Rapoza
NOES:	None
ABSTAIN:	None
ABSENT:	None

James A. Mueller by L. H. Henson
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 27 (13-14)

**SUBJECT: AWARD OF BID AND APPROVAL OF AGREEMENT FOR
REGIONAL WATER SYSTEM EMERGENCY INTERTIE NO. 6**

WHEREAS, on August 15, 2013 the Board of Directors of the San Lorenzo Valley Water District approved the Proposition 50 Scotts Valley Multi-Agency Regional Intertie Project; and

WHEREAS, San Lorenzo Valley Water District had plans and specification prepared for Regional Water System Emergency Intertie No. 6; and

WHEREAS, San Lorenzo Valley Water District published a Notice Inviting Bids for the subject project; and

WHEREAS, on March 18, 2014 San Lorenzo Valley Water District received sealed bids relative to the subject project; and

WHEREAS, on March 20, 2014 the initial low bidder Monterey Peninsula Engineering submitted written correspondence with a request for bid relief due to a clerical error; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District hereby desire to consent to the request of Monterey Peninsula Engineering for the grant of bid relief due to a clerical error; and

WHEREAS, Granite Construction is the lowest responsible and responsive bidder with a bid of \$1,410,046;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Lorenzo Valley Water District hereby consent to the request of Monterey Peninsula Engineering for the grant of bid relief due to a clerical error, and hereby awards the bid and construction contract for the Regional Water System Emergency Intertie No. 6 Project to Granite Construction.

BE IT FURTHER RESOLVED that the District Manager is hereby authorized and directed to execute the Agreement for Construction of the subject project on behalf of the San Lorenzo Valley Water 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 3rd day of April, 2014 by the following vote of the members thereof:

AYES: Brown, Bruce, Prather, Rapoza, Vierra
NOES:
ABSTAIN:
ABSENT:

James A. Mueller by L. K. Hanson
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 28 (13-14)

SUBJECT: AMENDMENT OF COMPENSATION PLAN

WHEREAS, on February 6, 2014 the Board of Directors of the San Lorenzo Valley Water District received recommendations for changes to the District's existing Classification Plan and Compensations Plan; and

WHEREAS, the District's Employee Relations Officer provided written notification to all effected recognized employee organizations regarding the proposed changes to the District's Classification Plan and Compensation Plan, and the opportunity to confer with the District's Employee Relations Officer on these matters prior to final adoption; and

WHEREAS, the District's Employee Relations Officer conferred with all recognized employee organizations which requested an opportunity to confer regarding proposed changes to the Classification Plan and Compensation Plan prior to final adoption ; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District desire to amend the District's existing Salary Schedule to incorporate the recommendations received on February 6, 2014;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Lorenzo Valley Water District hereby amends the San Lorenzo Valley Water District Salary Schedule, a copy of which is attached hereto and by reference is incorporated herein.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 3rd day of April, 2014 by the following vote of the members thereof:

AYES: Brown, Bruce, Prather, Rapoza, Vierra
NOES:
ABSTAIN:
ABSENT:

James A. Mueller by L. Harrison
James A. Mueller
Acting District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

Resolution NO. 28 B (13-14)

SUBJECT: WATER AWARENESS MONTH; MAY 2014

WHEREAS, the Governor of California declared a drought emergency in January 2014, acknowledging extremely dry conditions have persisted since 2012 and may continue beyond this year and more regularly into the future.

WHEREAS, the San Lorenzo Valley Water District Board declared a Water Shortage Emergency, asking customers to reduce district wide peak water demand by 20%.

WHEREAS, the San Lorenzo Valley Water District finds that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation, and fire protection;

WHEREAS, during the month of May water agencies, cities, counties and organizations throughout California will organize activities to educate the public about water management efforts of business, agriculture, industry, and others; and

WHEREAS, during the month of May, the San Lorenzo Valley Water District joins with the California Water Awareness Campaign, composed of various urban and agricultural water agencies cities, farm bureaus and other organizations to work to increase understanding of water and to make water conservation a way of life.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Lorenzo Valley Water District hereby proclaim May 2014 as "WATER AWARENESS MONTH" and urges all the citizens and customers of the San Lorenzo Valley Water District to join with other local water organizations in their effort to help Californians conserve and use water wisely.

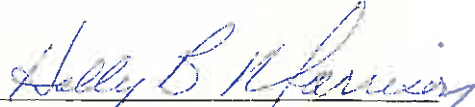
PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California on the 1st of May, 2014 by the following vote of the members thereof:

AYES: Brown, Bruce, Prather, Rapoza, Vierra

NOES:

ABSENT:

ABSTAIN:


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

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 29 (13-14)

SUBJECT: DESIGNATING AND AUTHORIZING PERSONS TO SIGN FOR DISTRICT CHECKING AND SAVINGS ACCOUNTS

WHEREAS, the District is required to place funds in institutions in order to pay bills, collect funds, and for investment purposes; and

WHEREAS, from time to time the District designates certain persons for the purpose of signing on these accounts; and

WHEREAS, the principal persons who work on these accounts are the District Manager and the Finance Manager;

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

1. That the District Manager Water District has established accounts with Wells Fargo Bank and Liberty Bank and that the District Manager and Finance Manager are authorized to open these accounts.

2. That any of the following persons may sign checks or other instruments withdrawing or transferring funds from said accounts: Randall Brown, Board Member; Margaret Bruce, Board Member; Lawrence Prather, Board Member; James Rapoza, Board Member; Terry Vierra, Board Member; James A. Mueller, District Manager; Stephanie Hill, Finance Manager; and Richard Rogers, Director of Operations.

3. That said institutions may honor and pay all checks or other instruments signed in accordance with this resolution, including those payable to persons who signed them and that said institutes may also accept for deposit checks or other instruments payable to the District, whether they are endorsed in writing or by stamp.

4. That it shall be an internal policy of the San Lorenzo Valley Water District that all written transaction shall require two (2) signatures.

5. That the District is authorized to request incoming and outgoing fund transfer to said institutions and accounts.

6. That each of the foregoing statements shall continue in full force and effect until said institutions have received expressed written notice of its rescission or modification.

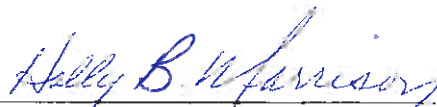
PASSED AND ADOPTED by the Board of Directors of San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 1st day of May, 2014 by the following vote of the members thereof:

AYES: Brown, Bruce Prather, Rapoza, Vierra

NOS:

ABSTAIN:

ABSENT:



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

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 30 (13-14)

**SUBJECT: APPROVAL OF EDUCATION PROGRAM ADVISORY COMMISSION FUNDING
RECOMMENDATIONS FOR 2014 CLASSIC WATERSHED GRANT PROPOSALS**

WHEREAS, the Education Program Advisory Commission (Commission) was established by the Board of Directors in 2003 to advise the Board regarding the selection and allocation of Education Program grants; and

WHEREAS, staff publicly noticed the 2014 Education Program Grant Notice of Availability 30 days prior to the March 14, 2014 application deadline; and

WHEREAS, staff received six (6) Classic Watershed Education Program grant proposals according to established procedures; and

WHEREAS, the Commission found six 2014 Classic Watershed Education Program grant proposals to satisfy the mission of the Education Program and to be worthy of funding; and

WHEREAS, Exhibit A summarizes the six 2014 Classic Watershed Education Program Grant proposals recommended for funding and the Commission's recommended funding levels; and

WHEREAS, the Board of Directors has reviewed and considered said recommendation,

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

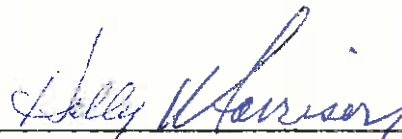
PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California on the 15th of May, 2014 by the following vote of the members thereof:

AYES: Brown, Bruce, Rapoza, Vierra

NOS:

ABSTAIN:

ABSENT: Prather



Holly Morrison
District Secretary

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 31 (13-14)

SUBJECT: RESOLUTION APPLYING TO THE SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION TO AMEND THE SPHERES OF INFLUENCE OF THE LOMPICO COUNTY WATER DISTRICT AND THE SAN LORENZO VALLEY WATER DISTRICT, AND FOR A BOUNDARY REORGANIZATION CONSISTING OF DISSOLUTION OF THE LOMPICO COUNTY WATER DISTRICT AND ANNEXATION OF TERRITORY WITHIN THE LOMPICO COUNTY WATER DISTRICT TO THE SAN LORENZO VALLEY WATER DISTRICT

WHEREAS, the Lompico County Water District and the San Lorenzo Valley Water District are located adjacent to one another in the watershed of the San Lorenzo River, provide potable water to their respective customers, and operate under the authority of the State of California, County Water District Law (Water Code Section 30000 et seq.); and

WHEREAS, the Lompico County Water District and the San Lorenzo Valley Water District have studied options for providing future water service in Lompico and concluded that the Lompico water system could be operated more efficiently if the Lompico water system were part of the San Lorenzo Valley Water District; and

WHEREAS, representatives of the two districts have negotiated the terms and conditions under which the Lompico County Water District can be reorganized into the San Lorenzo Valley Water District in a manner that provides for the efficient provision of potable water to the territory presently served by both districts;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District as follows:

1. Pursuant to Government Code section 56428, the Lompico County Water District and the San Lorenzo Valley Water District jointly propose and apply to the Local Agency Formation Commission ("LAFCO") for the following Sphere of Influence Amendments:
 - a. The San Lorenzo Valley Water District Sphere of Influence to be expanded to include the current Lompico County Water District Sphere of Influence (Exhibit "A");
 - b. The Lompico County Water District Sphere of Influence to be amended to have a "zero" sphere of influence.
2. Pursuant to Government Code section 56654, the Lompico County Water District and the San Lorenzo Valley Water District jointly propose and apply to the Local Agency Formation Commission for a boundary reorganization consisting of the following changes of organization:
 - a. The Lompico County Water District will be dissolved;
 - b. The San Lorenzo Valley Water District will annex all the current territory within the boundaries of the Lompico County Water District (Exhibit "A").

3. The reason for the applications is that the San Lorenzo Valley Water District can operate the San Lorenzo and Lompico water systems in an efficient manner.
4. Pursuant to Government Code section 56700(a), the Districts propose that LAFCO apply the following terms and conditions:
 - a) **INFRASTRUCTURE BOND**

Prior to the filing of the Certificate of Completion, a Community Facilities District bond or similar revenue instrument shall be passed by the voters and/or property owners of the Lompico service area so that proceeds not greater than \$2.75 million will go to the San Lorenzo Valley Water District (SLVWD) for the purposes of infrastructure improvements solely for the benefit of the Lompico service area. If a grant or other source of funds can be secured to make infrastructure improvements that are programmed to be included in the not-to-exceed \$2.75 million of bond proceeds, or if the costs of the programmed improvements are lower, the amount of the bond proceeds can be a lesser amount if authorized in writing by the San Lorenzo Valley Water District Board following consideration of the reduction at a public meeting of that board.
 - b) **BOND OVERSIGHT COMMITTEE**

Upon distribution of the bond proceeds, SLVWD shall establish a citizens' bond oversight committee consisting of five Lompico water customers to review expenditure of the bond proceeds on projects that directly benefit Lompico.
 - c) **LOAN PAYBACK**

Prior to the filing of the Certificate of Completion, Lompico County Water District shall pay the entire amount due on the PERS Side Fund Loan Agreement that was executed on July 30, 2013 by and between Lompico County Water District and San Lorenzo Valley Water District.
 - d) **LOMPICO WATER RATES AND CHARGES**

SLVWD shall bill the Lompico customers of SLVWD the same rates as the other customers within SLVWD. However, prior to filing of the Certificate of Completion, in order to cover the difference between SLVWD's estimated revenues collected in Lompico and SLVWD's estimated operating costs in Lompico, Lompico County Water District shall enact a reduction in their water rates, effective only upon the reorganization, so that \$140,000 in excess of the amount generated by SLVWD rates would be collected in the first year following the effective date of the reorganization. LAFCO shall authorize SLVWD to continue to collect these Lompico charges after the reorganization. Prior to the Certificate of Completion being filed, SLVWD will deliver a letter to the LAFCO Executive Officer indicating that the charges adopted by the Lompico County Water District are structured in a manner that SLVWD is willing to implement. The Lompico charges shall not exceed the following amounts:

<u>Year</u>	<u>Beginning</u>	<u>Per Month Per Connection</u>
1	Upon the effective date of the reorganization	\$23.50
2	One year after effective date of the reorganization	\$19.50
3	Two years after effective date of the reorganization	\$8.50
4	Three years after effective date of the reorganization	\$5.50
5	Four years after effective date of the reorganization	\$5.50

The Lompico charges shall be phased out no later than five years after the effective date of the reorganization.

5. The District's Board of Directors request that the Local Agency Formation Commission initiate proceedings pursuant to Government Code Section 56425 et seq. to consider and approve the two district's sphere of influence amendments, and that the Local Agency Formation Commission further initiate proceedings for the Boundary Reorganization of the two districts pursuant to Government Code Section 56650 et seq.;
6. The boundary changes proposed in the reorganization application are consistent with the two districts' spheres of influence, if LAFCO approves the proposed sphere of influence amendments.
7. The Districts have filed information with the LAFCO executive officer describing the plan for providing services. As more fully described in the information on file with LAFCO, the plan for services generally proposes as follows:
 - a. The services to be provided in Lompico are domestic water services.
 - b. San Lorenzo Valley Water District will operate the Lompico water system using San Lorenzo Valley Water District staff.
 - c. San Lorenzo Valley Water District will provide the services beginning on the effective date of the reorganization.
 - d. System repairs and improvements are required to the Lompico system. In the terms and conditions, the Districts are requesting that LAFCO condition any authorization of the reorganization upon the voters of Lompico approving a bond that will generate proceeds that the San Lorenzo Valley Water District will spend in Lompico to repair and upgrade the water system.
 - e. The operating costs of the water service in Lompico will be paid by the regular San Lorenzo Valley Water rates, a five-year Lompico charge that will be added to the Lompico water bills as specified in the requested terms and conditions, the existing property tax revenues that go to the two Districts, and miscellaneous revenues of the two Districts.

8. The District staff is authorized and directed to take all actions consistent with this resolution to apply for and process the sphere amendments and boundary reorganization request with the Local Agency Formation Commission.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 22nd day of May, 2014, by the following vote of the members thereof:

AYES: Brown, Bruce, Prather, Vierra, Rapoza
NOES:
ABSTAIN:
ABSENT:



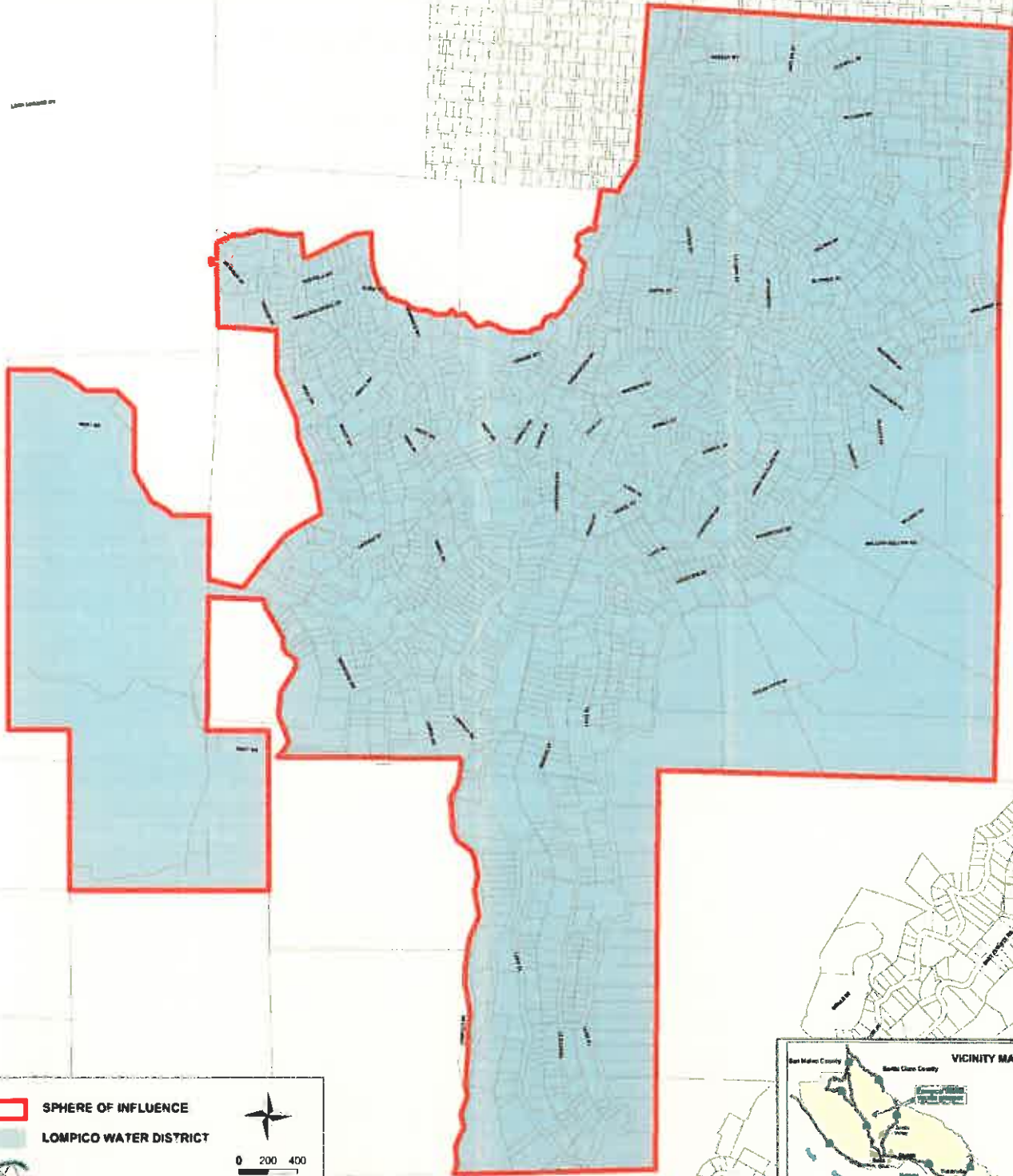
Holly B. Morrison
District Secretary
San Lorenzo Valley Water District

LOMPICO WATER DISTRICT SANTA CRUZ COUNTY, CALIFORNIA

EXHIBIT "A"



LAND OWNED BY



SPHERE OF INFLUENCE



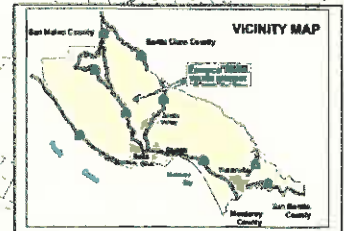
LOMPICO WATER DISTRICT



873-11 LOMPICO
PREPARED BY SANTA CRUZ COUNTY GEOGRAPHIC INFORMATION SYSTEM STAFF
JULY 2012



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SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 32 (13-14)

SUBJECT: DESIGNATING JUNE 23 – 29, 2014, as AMATEUR RADIO WEEK

WHEREAS, the Federal Communications Commission licenses all amateur radio operators to provide public and emergency communications, develop and maintain a pool of radio operators, and promote domestic and international goodwill; and

WHEREAS, Santa Cruz County amateur radio operators are known throughout the county, state and nation for their outstanding dedication and commitment to safety and preparedness; and

WHEREAS, amateur radio operators in San Lorenzo Valley and Santa Cruz County provide thousands of hours of volunteer support to several agencies including; CALFIRE, County Sheriff's Office, County Police Department, the American Red Cross, the Department of Homeland Security, the National Weather Service and the Salvation Army. They also provide invaluable assistance during parades, charity bike rides, running and walking events; and

WHEREAS, local amateur radio operators work closely with federal, state, city and county emergency service organizations to provide volunteer communication services during wild fires, severe weather, natural disasters, communications and power outages, accidents and other emergencies; and

WHEREAS, the amateur radio community represented by the Santa Cruz County Amateur Radio Club, San Lorenzo Valley Amateur Radio Club, UCSC Amateur Radio Club and the Santa Cruz County Amateur Radio Emergency Service (A.R.E.S.) has been active supporting the Emergency Operation Center, CALFIRE, the Sheriff's Department, California Highway Patrol, Search & Rescue, Large Animal Rescue Team, groups and volunteer agencies in their contributions of service to the community; and

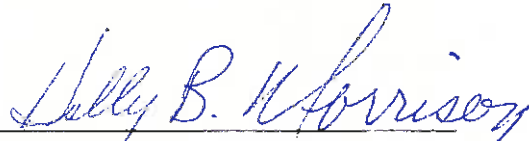
WHEREAS, this year's Amateur Radio Relay League Field Day exercises will take place at the CALFIRE Training Center in Ben Lomond and the UCSC East Field on Saturday, June 28 – 29, 2014.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that June 23 – 29, 2014 be proclaimed as Amateur Radio Week in the District of the State of California, and call on all residents to support this very important emergency preparedness exercise, and recognize the tremendous contributions Santa Cruz County amateur radio operators have made to our community.

* * * * *

PASSED AND ADOPTED by the Board of Directors of San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 5th day of June, 2014 by the following vote of the members thereof:

AYES: Brown, Bruce, Prather, Rapoza, Vierra
NOS:
ABSTAIN:
ABSENT:



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

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 33 (13-14)

SUBJECT: FINANCIAL STATEMENT FOR FISCAL YEAR 2012-2013

WHEREAS, BY State law the District is required to annually examine its financial records; and

WHEREAS, each fiscal year the District has the District's financial records audited by an independent firm; and

WHEREAS, the District utilized the services of Charles Z. Fedak & Company Accounting, Cypress, California to conduct an independent audit in accordance with generally accepted accounting principles; and

WHEREAS, Charles Z. Fedak & Company Accounting has completed the Financial Statement for Fiscal Year ending June 30, 2013; and

WHEREAS, the Board of Directors of San Lorenzo Valley Water District has received and reviewed the Financial Statement prepared by Charles Z. Fedak & Company Accounting for the Fiscal Year ending June 30, 2013;

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the Financial Statement prepared by Charles Z. Fedak & Company Accounting for the Fiscal Year ending June 30, 2013 is hereby approved and accepted.


PASSED AND ADOPTED by the Board of Directors of San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 5th day of June, 2014 by the following vote of the members thereof:

AYES: Brown, Bruce, Prather, Vierra, Rapoza

NOS:

ABSTAIN:

ABSENT:


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

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 34 (13-14)

SUBJECT: DESIGNATING AND AUTHORIZING PERSONS TO SIGN FOR DISTRICT LOCAL AGENCY INVESTMENT FUND

WHEREAS, the District is required to place funds in institutions in order to pay bills, collect funds, and for investment purposes; and

WHEREAS, from time to time the District designates certain persons for the purpose of signing on these accounts; and

WHEREAS, the principal persons who work on these accounts are the District Manager and the Finance Manager;

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

1. That the District Manager Water District has established an account with the Local Agency Investment Fund (LAIF) and that the District Manager and Finance Manager are authorized to open this account.

2. That any of the following persons may sign checks or other instruments Withdrawing or transferring funds from said account: Randall Brown, Board Member; Margaret Bruce, Board Member; Lawrence Prather, Board Member; James Rapoza, Board Member; Terry Vierra, Board Member; James A. Mueller, District Manager; and Stephanie Hill, Finance Manager.

3. That said institution may honor and pay all checks or other instruments signed in accordance with this resolution, including those payable to persons who signed them and that said institutes may also accept for deposit checks or other instruments payable to the District, whether they are endorsed in writing or by stamp.

4. That it shall be an internal policy of the San Lorenzo Valley Water District that all written transactions shall require two (2) signatures.

5. That the District is authorized to request incoming and outgoing fund transfer to said institution and account.

6. That each of the foregoing statements shall continue in full force and effect until said institution has received expressed written notice of its rescission or modification.

PASSED AND ADOPTED by the Board of Directors of San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 5th day of June, 2014 by the following vote of the members thereof:

AYES: Brown, Bruce, Prather, Rapoza, Vierra

NOS:

ABSTAIN:

ABSENT:



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

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 35 (13-14)

SUBJECT: APPROVAL OF DISTRICT WATER CONSERVATION REBATE PROGRAM

WHEREAS, on March 6, 2003 the San Lorenzo Valley Water Board of Directors adopted Resolution No. 27 (02-03), which implemented the District's Water Conservation Rebate Program; and

WHEREAS, new information and proven technologies demonstrating additional water-savings have become available since the amendment of the District's original Water Conservation Rebate Program in 2009; and

WHEREAS, 2014 has been declared the worst drought in history and water resources are limited; and

WHEREAS, the San Lorenzo Valley Water District is a retail water provider to approximately 7,400 customers in the San Lorenzo Valley; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District wants to promote water conservation and the efficient use of water by District customers; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District wants to implement a new Water Conservation Rebate Program to reflect new information and proven technologies in order to promote further water conservation by the customers of the District;

NOW, THEREFORE BE IT RESOLVED, by the Board of Directors of the San Lorenzo Valley Water District as follows:

- 1) The San Lorenzo Valley Water District hereby establishes a new Water Conservation Rebate Program that supersedes and cancels in its entirety all applicable prior actions, related to Water Conservation Rebate Program, unless otherwise stated herein; and
- 2) The San Lorenzo Valley Water District hereby establishes that all rebates shall be applied as a credit to the customer's water bill.
- 3) The San Lorenzo Valley Water District hereby establishes that a rebated credit of actual purchase price, not to exceed \$1.50 per square foot and not to exceed \$750.00 per customer, shall apply to the replacement of an existing outdoor lawn with drought tolerant landscape including very low or low water use plants or permeable landscape surfaces such as mulch, decomposed granite, permeable pavers etc.
- 4) The San Lorenzo Valley Water District hereby establishes that a rebated credit of actual purchase price of materials, not to exceed \$150 per customer for the legal installation of a greywater irrigation system.
- 5) The San Lorenzo Valley Water District hereby establishes that a rebated credit of actual purchase price of materials, up to \$200 for the replacement of a toilet that uses 3.5 gpf or more with an EPA WaterSense-approved Ultra High Efficiency Toilet or an EPA

WaterSense-approved High Efficiency Toilet (1.28 gallons per flush or less). And up to \$75 for the replacement a toilet that uses 1.6 gpf with an EPA WaterSense-approved UHET (1.0 gallon per flush or less).

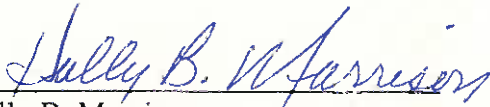
- 6) The San Lorenzo Valley Water District hereby establishes that a rebated credit of actual purchase price, not to exceed \$100 for the installation a self-activated or on demand hot water recirculation system.
- 7) The San Lorenzo Valley Water District hereby establishes that a rebated credit of actual purchase price, not to exceed \$20.00 per 100 square feet, and not to exceed \$500.00 per customer, shall apply to the replacement of an existing outdoor spray irrigation system with an appropriately installed drip irrigation system of at least 100 square feet in area.
- 8) The San Lorenzo Valley Water District hereby establishes that a rebated credit of actual purchase price, not to exceed \$100 per fixture, shall apply to purchase and installation of High-Efficiency Clothes Washers.
- 9) The San Lorenzo Valley Water District hereby establishes a maximum combined credit of \$400.00, applying to High-Efficiency Toilets and High-Efficiency Clothes Washers, for each single family unit customer.
- 10) The San Lorenzo Valley Water District hereby establishes that funding for this program is limited and application for rebates will be processed on a first-come, first-serve basis.
- 11) The San Lorenzo Valley Water District hereby establishes that the intent of the Water Conservation Credit Program is for single family dwelling units. However, the District will consider applications from multifamily, commercial, and and/or institutional customers on a case by case basis.
- 12) The San Lorenzo Valley Water District hereby establishes that the new Water Conservation Rebate Program shall be effective for all rebated items purchased and installed after June 19, 2014.

FURTHER, BE IT RESOLVED, that the Board of Directors of the San Lorenzo Valley Water District authorizes and directs the District Manger to implement the new Water Conservation Rebate Program.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 19th of June, by the following vote of the members thereof:

AYES: Brown, Bruce, Rapoza, Vierra
NOES:
ABSTAIN:
ABSENT: Prather



Holly B. Morrison
District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 36 (13-14)

SUBJECT: RESOLUTION ORDERING AN ELECTION, REQUESTING COUNTY ELECTIONS CONDUCT THE ELECTION AND REQUESTING CONSOLIDATION OF SUCH ELECTION FOR SAN LORENZO VALLEY WATER DISTRICT

WHEREAS, pursuant to Election Code Section 10002, the governing body of any city or district may by resolution request the Board Supervisors of the county to permit the county elections official to render specified services to the city or district relating to the conduct of an election; and

WHEREAS, the resolution of the governing body of the city or district shall specify the services requested; and

WHEREAS, pursuant to Elections Code Section 10002, the city or district shall reimburse the county in full for the services performed upon presentation of a bill to the city or district; and

WHEREAS, pursuant to Election Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, pursuant to Election Code Section 10400, such election for cities and special district may be wither completely or partially consolidated; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city, or other political subdivision for the submission of any question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of ballot acknowledging that the consolidation election will be held and conducted in the manner prescribed in Elections Code Section 10418. Upon such request, the Board of Supervisors may order consolidation; and

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, various district, county, state and other political subdivision elections may be or have been called to be held on November 4, 2014; and

WHEREAS, pursuant to Election Code Section 10418, if consolidated, the consolidated election shall be held and conducted, election boards appointed, voting precincts designated, candidates nominated, ballots printed, polls opened and closed, voter challenges determined, ballots counted and election contests presented, and all other proceedings incidental to and connected with the election shall be regulated and done in accordance with the provisions of law regulating the statewide or special election, or the election held pursuant to Section 1302 or 1303, as applicable.

NOW, THEREFORE BE IT RESOLVED AND ORDERED THAT the Board of Directors of the San Lorenzo Valley Water District hereby orders an election be called and consolidated with any and all elections also called to be held on November 4, 2014 insofar as said elections are to be held in the same territory or in territory that is part the same as the territory of the San Lorenzo Valley Water District and requests the Board of Supervisors of the County of Santa Cruz to order such consolidation under Elections Code Sections 10401, 10403 and 10418.

BE IT FURTHER RESOLVED AND ORDERED that said Board of Directors of the San Lorenzo Valley Water District hereby requests that Board of Supervisors to permit the Santa Cruz County Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services, and

BE IT FURTHER RESOLVED AND ORDERED that the Santa Cruz County Elections Department conducts the election for the following offices on the November 4, 2014 ballot:

Lawrence Prather	Elected Official Board of Directors	4 Year Term
James Rapoza	Elected Official Board of Directors	4 Year Term
Terry Vierra	Elected Official Board of Directors	4 Year Term

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 37 (13-14)

SUBJECT: RESOLUTION DIRECTING THE DISTRICT SECRETARY TO SUBMIT A NOTICE TO THE SANTA CRUZ COUNTY CLERK OF ELECTIVE OFFICES TO BE FILLED AND TRANSMITTAL OF MAP AND BOUNDARIES FOR SAN LORENZO VALLEY WATER DISTRICT

WHEREAS, San Lorenzo Valley Water District will have elective officers of the District up for election on November 4, 2014; and

WHEREAS, San Lorenzo Valley Water District has requested Santa Cruz County Elections Department to conduct and consolidate said election; and

WHEREAS, San Lorenzo Valley Water District has options with respect to said election matters;

NOW, THEREFORE, BE IT RESOLVED BY THE Board of Directors of the San Lorenzo Valley Water District that the District Secretary is hereby directed to submit a Notice to the Santa Cruz County Clerk of Elected Offices to be Filled, and Transmittal of Map and Boundaries for San Lorenzo Valley Water District. Further, be it resolved that said notice shall state as follows:

- a. The elective office of the San Lorenzo Valley Water District to be elected at large in the general election scheduled for November 4, 2014 are as follows:

<u>OFFICE</u>	<u>INCUMBENT'S NAME</u>	<u>TERM</u>
Board of Director	Lawrence Prather	4 Year Term
Board of Director	James Rapoza	4 Year Term
Board of Director	Terry Vierra	4 Year Term

- b. Candidates Statement of Qualifications shall be limited to 200 words;
- c. Candidates are responsible for paying the cost of publishing the Candidates Statement of Qualifications in the Voter's Information Pamphlet;
- d. Tie votes are to be resolved by lot according to the California Elections Code Sections 10551 and 15651;
- e. The date of the last map change was March 15, 2013; and
- f. The person to contact to review the map on file to confirm the District's boundaries is Holly Morrison, District Secretary.


PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California on the 19th of June, 2014 by the following vote of the members thereof:

AYES: Brown, Bruce, Rapoza, Vierra

NOS:

ABSTAIN:

ABSENT: Prather



Holly B. Morrison
District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 38 (13-14)

**SUBJECT: OLYMPIA MUTUAL WATER COMPANY CONSOLIDATION
PROJECT NO. 4400581-001C**

**A RESOLUTION OF THE SAN LORENZO VALLEY WATER DISTRICT
ADOPTING A PROJECT BUDGET IN THE SUM OF \$1,904,500.**

WHEREAS, on January 17, 2008 San Lorenzo Valley Water District authorized and made application to the California Department of Public Health for funding under the California Safe Drinking Water State Revolving Fund for a project commonly known as the Olympia Mutual Water Company Consolidation Project; and

WHEREAS, on June 10, 2010, the California Department of Public Health issued San Lorenzo Valley Water District a Notice of Acceptance of Application for the Olympia Mutual Water Company Consolidation Project; and

WHEREAS, on August 4, 2011 San Lorenzo Valley Water District adopted a project budget totaling \$1,120,000 for said project; and

WHEREAS, San Lorenzo Valley Water District submitted a revised project cost breakdown and Engineer's Cost Estimate dated November 29, 2012 to California Department of Public Health; and

WHEREAS, on May 20, 2014 the California Department of Public Health committed funding in the amount of \$1,904,500 under the California Safe Drinking Water State Revolving Fund for Project No. 4400581-001C, Olympia Mutual Water Company Consolidation; and

WHEREAS, San Lorenzo Valley Water District desires to amend the adopted budget for the Olympia Mutual Water Company Consolidation Project;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Board of Directors of the San Lorenzo Valley Water District hereby adopts and approves a project budget totaling \$1,904,500 for the Olympia Mutual Water Company Consolidation Project.

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. 39 (13-14)

**SUBJECT: OLYMPIA MUTUAL WATER COMPANY CONSOLIDATION
PROJECT NO. 4400581-001C**

**A RESOLUTION OF THE SAN LORENZO VALLEY WATER DISTRICT
AUTHORIZING THE DISTRICT MANAGER TO SIGN FUNDING
AGREEMENT AND AMENDMENTS FOR FUNDING UNDER THE
CALIFORNIA SAFE DRINKING WATER STATE REVOLVING FUND; TO
SIGN ALL CERTIFICATIONS AND REPORTS REQUIRED FOR SUCH
FUNDING; TO APPROVE CLAIMS FOR REIMBURSEMENT; AND, TO SIGN
THE CONTRACTOR'S RELEASE FORM.**

**A RESOLUTION OF THE SAN LORENZO VALLEY WATER DISTRICT
AUTHORIZING R3 CONSULTING ENGINEERS TO EXECUTE BUDGET AND
EXPENDITURE SUMMARY; AND TO SIGN THE CERTIFICATE OF
PROJECT COMPLETION.**

**A RESOLUTION OF SAN LORENZO VALLEY WATER DISTRICT
DEDICATING REVENUES FROM THE OLYMPIA MUTUAL ASSESSMENT
DISTRICT AND WATER RATES AS THE SOURCES OF REVENUE TO REPAY
SAID LOAN.**

WHEREAS, San Lorenzo Valley Water District authorized and made application to the California Department of Public Health for funding under the California Safe Drinking Water State Revolving Fund for a project commonly known as the Olympia Mutual Water Company Consolidation Project in the sum of \$1,904,500; and

WHEREAS, on May 20, 2014, the California Department of Public Health issued a Notice of Application Acceptance to said San Lorenzo Valley Water District committing \$1,904,500 in loan funding (the "Loan") from the California Safe Drinking Water State Revolving Fund for Project No. 4400581-001C; and

WHEREAS, on June 25, 2014 San Lorenzo Valley Water District adopted a project budget totaling \$1,904,500; and

WHEREAS, on May 20, 2014 the California Department of Public Health committed funding in the amount of \$1,904,500 under the California Safe Drinking Water State Revolving Fund for Project No. 4400581-001C; and

WHEREAS, the funding agreement under the California Safe Drinking Water State Revolving Fund will provide for a twenty (20) year repayment period at a 2.5707 percent interest rate; and

WHEREAS, prior to the California Department of Public Health's issuance of said Funding Agreement, San Lorenzo Valley Water District is required to pass a resolution formally establishing a dedicated source of revenue to repay said loan; authorizing an officer to execute said Funding Agreement, amendments, and certifications; designating a person to approve claims for reimbursement; designating a person to sign the Budget and Expenditure Summary; designating a person to sign the Certificate of Project Completion; and, designating a person to sign the Contractor's Release Form; and

WHEREAS, prior to the California Department of Public Health issuing said Funding Agreement, San Lorenzo Valley Water District is required to establish water rates and charges in amounts sufficient to generate net revenues equal to at least 1.2 times annual total debt service;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Board of Directors of the San Lorenzo Valley Water District hereby authorizes and directs the District Manager to sign the Safe Drinking Water State Revolving Fund Funding Agreement, and any amendments thereto; and

BE IT FURTHER RESOLVED AND ORDERED, that the District Manager is hereby authorized and directed to sign all certifications and reports required of funding recipients under the California Safe Drinking Water State Revolving Fund Program; and

BE IT FURTHER RESOLVED AND ORDERED, that the District Manager is hereby authorized and directed to approve Claims for Reimbursement of project costs submitted pursuant to the terms of said Funding Agreement; and

BE IT FURTHER RESOLVED AND ORDERED, that the District Manager is HEREBY authorized and directed to sign the Contractor's Release Form to be provided pursuant to requirements of said Funding Agreement; and

BE IT FURTHER RESOLVED AND ORDERED, that is R3 Consulting Engineers is hereby authorized to execute the Budget and Expenditure Summary for said project; and

BE IT FURTHER RESOLVED AND ORDERED, that R3 Consulting Engineers is hereby authorized to certify that the project is complete and ready for final inspection; and

BE IT FURTHER RESOLVED AND ORDERED, that the San Lorenzo Valley Water District hereby designates all revenues received from the Olympia Mutual Assessment District, and revenues received from water rates and charges as the dedicated sources of revenue to repay any non-subsidized loan principle amount of the Safe Drinking Water State Revolving Fund loan. This dedication shall remain in full force and effect until said loan is fully discharged, unless modification or change of such dedication is approved in writing by the California Department of Public Health. If, for any reason, said source of revenues proves insufficient to satisfy debt service of the Safe Drinking Water State Revolving Fund loan, sufficient funds shall be raised through increased water rates, user charges, assessments, or any other legal means available to meet this loan obligation, and to operate and maintain this project; and

BE IT FURTHER RESOLVED AND ORDERED, that San Lorenzo Valley Water District shall establish water rates and charges in amounts sufficient to generate and maintain annual net revenues from its Fees and Net Water Charges equal to at least 1.2 times annual total debt service payable from its Fees and Net Water Charges until the Loan is repaid in full.

BE IT FURTHER RESOLVED AND ORDERED, the authority granted hereunder shall be deemed retroactive. All acts authorized hereunder and performed prior to the date of this Resolution are hereby ratified and affirmed. The California Department of Public Health is authorized to rely upon this Resolution until written notice to the contrary, executed by each of the undersigned, is received by the California Department of Public Health. The California Department of Public Health shall be entitled to act in reliance upon the matters contained herein, notwithstanding anything to the contrary contained in the formation documents of the San Lorenzo Valley Water District or in any other document.

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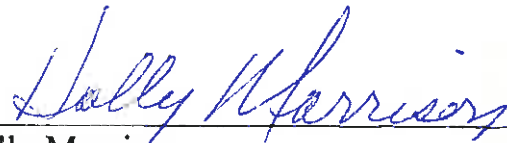
PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 25th day of June, 2014 by the following vote of the members thereof:

AYES: Brown, Bruce, Prather, Vierra, Rapoza
NOES:
ABSTAIN:
ABSENT:



Margaret Bruce, President

ATTEST:



Holly Morrison
District Secretary
San Lorenzo Valley Water District