

M E M O

TO: Board of Directors

FROM: District Manager

SUBJECT: ADMINISTRATION DEPARTMENT STATUS REPORT
WEEK ENDING February 23, 2007

DATE: February 16, 2007

RECOMMENDATION:

It is recommended that the Board of Directors review and file the Administration Department status report for the week ending February 23, 2007.

BACKGROUND:

WATERSHED PROTECTION PLAN

This project consists of a complete review and update of the District's Watershed Protection Plan which was adopted November 4, 1985. Staff has completed the administrative draft for part one of the Watershed Protection Plan; General Description of the Watershed and Existing conditions. The administrative draft of this section of the report was reviewed by the Environmental Committee at their January 25, 2007 meeting. The Environmental Committee directed staff to undertake additional revisions and amendments. An Environmental Committee meeting is scheduled for March 1, 2007 to review the Administrative draft. Staff continues work activities associated with part two of the Watershed Protection Plan; Policies, Practices and Recommendations.

CAPITAL IMPROVEMENT PLAN

No activities on project during this reporting period.

Staff has started a review and update of the District's Capital Improvement Plan. The Capital Improvement Plan will identify and prioritize the District's future needs for capital improvement projects. Estimated completion date for this project is scheduled for April 1, 2007.

MANANA WOODS MUTUAL WATER COMPANY

District staff continued working with representatives of Manana Woods relative to transition activities. The District entered into a License Agreement with Manana Woods which provides for District operation and management of all aspects of water service in Manana Woods

effective July 1, 2006. Final fee title and grant transfer of all Manana Woods facilities has been revised to April 20, 2007.

ADMINISTRATION/OPERATIONS CAMPUS PROJECT

This project consists of the development of plans necessary for the conversion of District property located at 12788 Highway 9 (Johnson) and 12804 Highway 9 (Prosser), Boulder Creek into the District's primary administration and operations facilities. Staff has engaged the service of Daniel Silvernail Architect to develop preliminary program and design alternatives. The Facilities and Planning Committee discussed preliminary program and design alternatives at their January 19, 2007 meeting. The architect is reviewing the preliminary program and design alternatives; a revised preliminary program is scheduled for February 23, 2007. Staff will review the revisions and schedule a Facilities and Planning Committee meeting for further discussion.

WATER SUPPLY MASTER PLAN

This project consists of the development of an integrated Water Supply Master Plan for the District's existing ground and surface water sources. Staff has engaged the services of Nicholas M. Johnson, Water Resources Consultant to develop the Water Master Plan. Staff is working with Mr. Johnson to provide data necessary for this project. Estimated completion date for this project has been revised to March 30, 2007.

STRATEGIC FINANCIAL PLAN

This project consists of the development of a long-term Strategic Financial Plan for the District. Staff engaged the services of a financial consultant, Municipal Financial Services to assist in the planning and development of this project. The Strategic Financial Plan would be a comprehensive and systematic management tool to help the District assess the current financial condition of the District and develop policies and programs to ensure that the District is prepared for envisioned future conditions. The following elements would be included in the Strategic Financial Plan:

- a) Water Service Rates
- b) Reserve Funds Policies
- c) Integration of Capital Improvement Plan

A final written report and the Long Term Financial Plan prepared by Municipal Financial Services was accepted by your Board at the February 1, 2007 meeting. Staff is working with Municipal Financial Services and is continuing with activities associated with the potential adjustment of water services fees. Estimated completion date for recommended water service fee adjustment is March 15, 2007.

NORTH/SOUTH INTERTIE PROJECT

This project consists of the planning and design of a distribution system pipeline to interconnect the District's Northern and Southern distribution systems. Staff is work on a preliminary design for the proposed pipeline and required rights-of-way. Staff is preparing a RFP for the procurement of the services of an environmental consultant to perform an environmental assessment of the proposed project.

DISTRICT PROPERTY INVENTORY

This project consists of a comprehensive inventory and analysis of all property owned by the District. Staff has completed an administrative draft report. The administrative draft report was presented to the Facilities and Planning Committee at their January 19, 2007 meeting. A final report will be presented to the Board at your March 15, 2007 meeting.

SANTA MARGARITA GOUNDWATER BASIN ADVISORY COMMITTEE

The next scheduled meeting of the Santa Margarita Groundwater Basin Advisory Committee is scheduled for Thursday, May 24, 2007, 7:00 p.m. at Scotts Valley Water District Board Room, Two Civic Center Drive, Scotts Valley.

ORDINANCE 8

This project consists of the review and revisions of Ordinance 8. Upon complete review, the amended Ordinance 8 will be presented to your Board for review and adoption. Estimated completion date for this project has been revised to September 2007.

AGREEMENT FOR FIRE HYDRANTS

No activities on project during this reporting period.

Staff met with representatives of the five (5) fire protection districts (Boulder Creek, Ben Lomond, Zayante, Felton and Scotts Valley) which operate within the boundaries of the San Lorenzo Valley Water District. The purpose of said meeting was to discuss the development of a mutual agreement regarding fire hydrants. A draft agreement will be prepared for consideration and possible adoption. Estimated completion date for a draft agreement has been revised to May 2007.

James A. Mueller
District Manager

JAM/bsb