



The Lompico Assessment District Oversight Committee (LADOC), with the approval of the San Lorenzo Valley Water District (SLVWD) Board of Directors (BoD) is pleased to present the Lompico Assessment 2020 Annual Report.

**LOMPICO
ASSESSMENT
DISTRICT
OVERSIGHT
COMMITTEE-
LADOC**

*Toni Norton-Chair,
Mary Ann LoBalbo-
Vice Chair,
Norm Hagan, and
Jamie Newton*



LOMPICO ASSESSMENT DISTRICT ANNUAL REPORT 2020

This report covers the time period from July 1, 2019 through June 30, 2020

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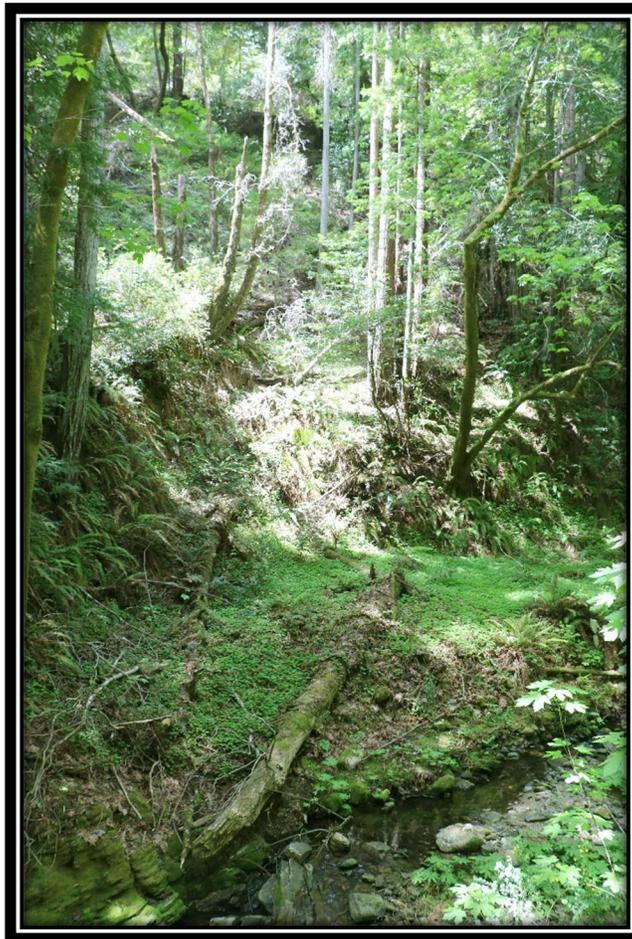


2020 ANNUAL REPORT

The Lompico Assessment District Oversight Committee (LADOC), with the approval of the San Lorenzo Valley Water District (SLVWD) Board of Directors (BoD) is pleased to present the 2020 Lompico Assessment District Annual Report. This report will cover the time period from 7/1/2019 through 6/30/20.

LADOC continues to strive to deliver the report in a timely manner. Life continues to get in the way. We did not have access to all of the final financial information until the Winter Quarter of 2020 because we were forced to cancel meetings during the CZU Lightning Complex Wild Fire evacuations. The Corona virus restrictions have prevented us from meeting in person, which made it more difficult to coordinate and finalize the project.

In addition to the Financial Data, as usual we will be providing an update to the Assessment District Projects (i.e., AD Projects). We will be informing you of where we were through June 30, 2020, but also giving you an update on AD projects all the way to the present. SPOILER ALERT, ITS GREAT NEWS. We will be receiving the final 2021 financial information in the 2021 Fall Quarter and hope to deliver the next annual report by the end of 2021.



LADOC CHARTER

LADOC MISSION STATEMENT

To serve as a Liaison between the Lompico Assessment District customers and the District. To strive to advocate for the community and obtain answers to questions and concerns regarding Lompico Assessment District expenditures and projects. Commitment to Excellence. LADOC is committed to applying the highest standards to public outreach, research and reporting, with excellent representation on behalf of AD-16 property owners, exemplifying the District's commitment to transparency and support.

LADOC PURPOSE

The purpose of the Committee is to review and oversee income and expenses related to construction projects in the Assessment District AD-16 Engineer's Report, to serve as liaison for customers residing within the Lompico Assessment District boundaries, and to inform the Board and public at least annually concerning the revenue and expenditure of assessment district proceeds and projects approved by the voters of Lompico on March 6, 2015, by issuing a written report.

COMMITTEE ESTABLISHED

The Board of Directors (the "Board") of San Lorenzo Valley Water District (the "District") established the Lompico Assessment District Oversight Committee (LADOC, or the "Committee"), in accordance with Local Agency Formation Commission (LAFCO) resolution 953-A for annexation, also called the "merger" agreement. On May 4, 2016, Lompico property owners voted in favor of a 10-year assessment district (AD 2016-1) to generate \$2.75 million in revenue to repair, replace and upgrade infrastructure in the Lompico service area, as requirement for joining the District. The resolution was amended from a "bond" to an "assessment" for the revenue source and went into effect on June 1, 2016. The first five members of the Lompico Oversight Committee were seated on July 21, 2016 by Board action, in accordance with provisions of amendment to Section 15 of the Board Procedure Manual (May 19, 2016) and duties as amended on January 28, 2019 in an updated charter. Many of these changes were initiated due to recommendations outlined in the Grand Jury Report "Encouraging the Flow of Information to the Public" published May 31, 2018.

You may view entire charter at:

https://sanlorenzocawater.pt7.civics.com/sites/sanlorenzocawater/files/uploads/ladoc_charter.pdf



Tanks completed in FY 2021

COMMUNITY MEMBERS

Lompico Assessment District Oversight Committee (LADOC):

Toni Norton-Chair
Mary Ann LoBalbo-Vice Chair
Norm Hagen
Jamie Newton
Lois Henry – BoD Liaison to LADOC

Questions regarding the Annual Report may be directed to: LADOC@SLVWD.com

Support Staff:

District Manager- Rick Rogers
Financial manager- Stephanie Hill
District Secretary- Holly Hossack

San Lorenzo Valley Water District, 13080 Highway 9, Boulder Creek, CA 95006

Board of Directors:

Gail Mahood-President
Lois Henry-VP
Bob Fultz
Mark Smolley
Jayme Ackemann

THANK YOU, DEBRA LOEWEN!

Debra Loewen didn't become a LADOC member until January 2019, but she has been concerned and engaged with ensuring Lompico has safe, clean water for many years. She worked tirelessly to ensure that the 2019 First Lompico Assessment District Annual Report was detailed, informative and complete. We miss her on the committee, and wish her well on her new projects.



Prep work before tank install

BALANCE SHEET AND PROJECT STATUS

2020 LOMPICO ASSESSMENT DISTRICT BALANCE SHEET*						
Running Totals Since Inception	TOTAL	FY1920	FY1819	FY1718	FY1617	FY1516
ASSESSMENT REVENUES	\$1,232,007	\$309,994	\$309,126	\$301,377	\$282,580	\$28,930
EXPENSES						
METER PROGRAM	\$ (197,888)				\$ (197,888)	
SCADA	\$ (19,540)				\$ (19,540)	
NBS Administration Services*	\$ (20,179)	\$ (4,667)	\$ (4,593)	\$ (10,920)		
SERVICE LINES	\$ (50,927)	\$ (6,945)	\$ (19,694)	\$ (24,288)		
MAIN PRV	\$ (565,431)	\$ (528,611)	\$ (30,292)	\$ (6,528)		
WO 1208 Lewis Tank	\$ (542,551)	\$ (519,310)	\$ (23,242)			
WO 1209 Madrone Tank	\$ (299,890)	\$ (276,648)	\$ (23,242)			
WO 1210 Kaski Tank	\$ (119,032)	\$ (95,791)	\$ (23,242)			
SCADA SURVEY	\$ (8,257)		\$ (8,257)			
	\$ (1,823,697)					
NET BALANCE WITH ACCRUED ASSESSMENT FUNDS APPLIED	\$ (591,690)					
FUNDED THROUGH LOAN	\$ 890,003					
CASH BALANCE THROUGH 6/30/2020	\$ 298,314					

*Provides administrative services for Assessment Districts

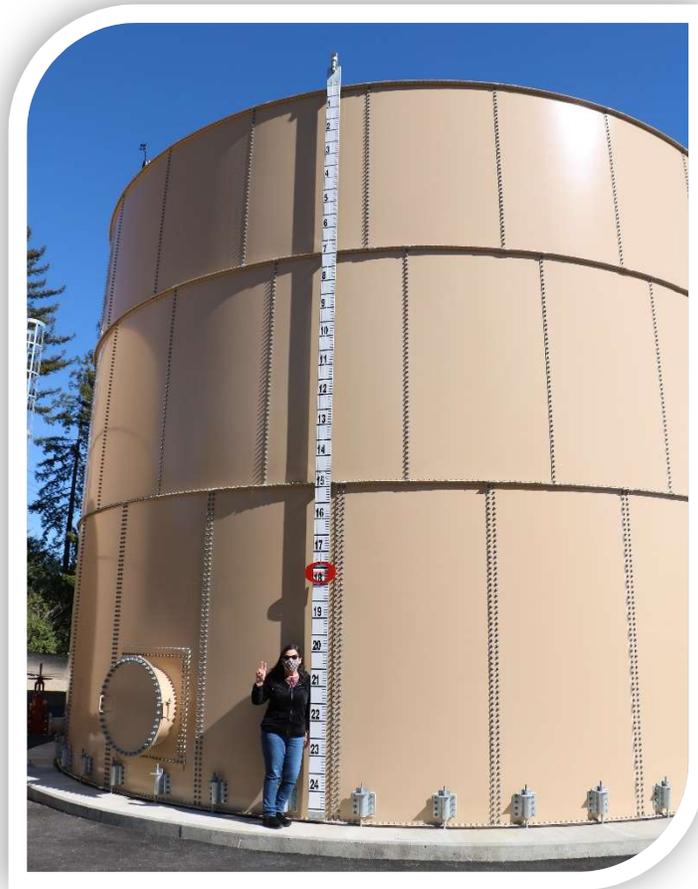
ASSESSMENT DISTRICT PROJECTS	STATUS	Assessment Estimate	Prelim Work Total
Install 3 New Bolted Steel Tanks	Progress of each site	\$ 682,500	
Lewis Tank(s) – replace two	BID Awarded, Tank projects move forward		\$ 542,551
Madrone Tank(s) – replace two	BID Awarded, Tank projects move forward		\$ 299,890
Kaski Tank(s) – replace two	BID Awarded, Tank projects move forward		\$ 119,032
Refurbish Mill Creek WTP	Project cancelled	\$ 105,000	\$ 0
Service Line and Meter Replacements		\$ 862,500	
Meter Program	Complete		\$ 197,888
Service Line/Lateral	46 replaced since inception		\$ 50,927
Distribution System Intertie	Ongoing - see DM Letter	\$ 301,000	\$ 0
SCADA System	Complete	\$ 441,000	\$ 27,797
Remove and Replace Existing Pressure Regulating Valves	Complete		\$ 565,431

Both tables represent all assessment revenues and expenses since the inception of the Lompico Assessment District. Please see Assessment District AD-16 Engineer's Report included for additional details regarding estimates.

ASSESSMENT DISTRICT LOAN STATUS

The Assessment District Fiscal Year 2019/2020 was the first year loan funds were used to cover the cost of the Lompico Assessment District Projects. The Assessment District Engineer's Report took into account the possibility that a loan may be needed to get started on critical projects, rather than wait as the bi-annual Assessment payments accrue in the Assessment District account. It was estimated that a \$1.4M Loan may be utilized, with an interest rate of 2.5% for a total cost of \$183,734. This amount was included in the total Assessment revenues of \$2,933,734 which will be the final amount collected at the end of the 10 Year Assessment District period.

During the 2019/2020 Fiscal year the amount of loan utilized was \$890,003.
The loan will be repaid by the Bi-Annual Assessment payments.



One of two Lewis Site Completed Tanks FY 2021

LETTER FROM THE CHAIR

Dear Residents of the Lompico Assessment District and Customers of SLVWD,

It's been a year now since the first Lompico Assessment District Annual Report, covering the first three years since Lompico joined the San Lorenzo Valley Water District, was published. Thanks to COVID 19, Wild Fires and Evacuations the 2020 Annual Report is being published just in time to start preparing the 2021 Annual Report.

Although much of the District's attention turned to repairing the significant damage done to the SLVWD infrastructure by the CZU Lightening Complex Fires, Lompico Assessment District Projects moved forward.

- At the February 20, 2020 SLVWD BoD meeting, a bid for all Lompico Tanks was accepted, which was substantially higher than the estimated amount in the Assessment District Engineering report. The Board voted to fund the shortfall and move forward with the Tank Projects.
- The critical PRV (Pressure Regulating Valve) Replacement Project was completed, also in February of 2020. Lompicans may have noticed an improvement in Water Pressure.

Because this report covers only Fiscal year 2019/2020, it does not include the financial information or Project Status reports for all that has been accomplished through the end of 2020 and into 2021. It's hard to ignore, however, our beautiful new, steel tanks at all three sites, (i.e., Lewis, Madrone and Kaski). Rick Rogers will be providing updated information in his included report.

Most of us asked for one thing: Clean, safe water with the turn of the tap. San Lorenzo Valley Water District has delivered to Lompico.

Finally, I'd like to thank the members of the LADOC Committee for attending meetings and being available to form a quorum, so we can meet our obligations to the Lompico Community. We're all volunteers, dedicated to keeping Lompico water flowing. I'd especially like to thank Mary Ann LoBalbo for her beautiful photos and all of her hard work on the 2020 Annual Report.

Sincerely,

Toni Norton
Lompico Resident and LADOC Chair



LOMPICO ASSESSMENT DISTRICT PROJECTS

Lompico Assessment District Projects Overview (Information provided by District Manager Rick Rogers)

<p>DONE Completed FY 2021</p>	<p>Water Storage Tanks completed June 2021, in FY 2021</p> 
	<p>Mill Creek Water Treatment Plant Not needed, being sold or repurposed. Please see District Manager report for further information.</p>
	<p>Meter Replacement Project-Completed. Service Line Replacement project is ongoing, replaced as needed.</p>
<p>Intertie</p>	<p>Construction to increase flow capacity to Intertie scheduled for 2023.</p>  <p>See District Manager report.</p>



Supervisory Control and Data Acquisition (SCADA)

SCADA is a computer system for gathering and analyzing real time data. SCADA systems are used to monitor and control water tank levels, high/low level alarms, start/stop pumps or equipment with remote monitoring. Project completed.



Water access to sample water for testing

Pressure Reducing Valve Stations (PRVs) - Project Complete



Pressure Reducing Valve Station



DISTRICT MANAGER'S REPORT



June 11, 2021

On June 1, 2016, the consolidation of Lompico County Water District (LCWD) was finalized and the San Lorenzo Valley Water District took over ownership and operations of the Lompico water district. Shortly after, as required by the Assessment District (AD-2016-1), on July 21, 2016, the District's Board of Directors created the Lompico Oversight Committee.

Working with a group of LCWD Board of Directors and property owners facilitated a list of Capital Projects that the district required for a successful transition. The 2.75-million-dollar project list consisted of the following projects.

- Replacement of all water storage tanks; Lewis, Kaski, and Madrone
- Repair and upgrade to the Mill Creek Surface Water Treatment Plant
- Replacement of all water meters and service lines
- Replacement of all SCADA Controls
- Upgrade of transmission water main to the Lompico Booster (SLV side)
- Replacement of all Pressure Regulating Stations (PRV valves)

When the list of projects was developed the District was looking to operate the system as "stand-alone" with a separate water supply permit. As time went on circumstances changed and it was determined that we could consolidate Lompico into the San Lorenzo Valley Water District and operate as a pressure zone saving substantial operational costs reducing the operational surcharge, and eliminating the need to repair and upgrade the Mill Creek Surface Water Treatment Plant. In May 2019 the District's Water Supply Permit was amended to include Lompico.

When SLVWD took over ownership the priorities were water quality, quantity, and completing the Assessment District projects. The District performed an aggressive main line flushing program which involved cleaning mainlines and removing sediment which was causing degraded water quality and was not meeting state water quality standards. To maintain water quality, the District continues annual mainline flushing in Lompico. All existing Lompico water sources have been abandoned, including the use of Lompico Creek, which the District is in the process of filing a State 1707 instream dedication permit of the water right, dedicating the water back to Lompico Creek to enhance stream flows and improve fisheries.

In 2020 the District moved forward with the water tank replacement projects (6 tanks) and reached completion in June 2021. The six new water tanks are in service providing potable water and fire flow in the canyon. The new tanks, under maximum day demands, provide 8.8 days stored water in the Lewis Tank, 9.3 days in the Kaski Tanks, and 27.6 days in the Madrone Tanks (Madrone has added emergency storage as it can be moved by gravity throughout the canyon). Tank mixers and chlorination dosing systems have been added to the tanks to mitigate the water age. The remaining projects are to complete district service line replacements, of which 57 out of 500 have been completed, and the Zayante Drive water main upgrade to increase flow to the Lompico Booster which is scheduled for construction in 2023. After the total construction costs of the tank projects are known, and the costs of the projects completed to date, the District and the Lompico Assessment District Oversight Committee will reevaluate the total funds remaining and discuss moving forward with the methodology to complete the remaining projects.

There were also additional projects completed that are not part of the Assessment District. The installation of emergency standby generators for both the Madrone and Lompico Boosters has been completed. As part of emergency preparedness, the District felt that it was imperative to install generators for water transmission throughout the canyon due to the potential for isolation during a disaster. These generators have been installed and are in automatic operations. The District paid for the generators through the operating fund.

It is the goal of the District to complete the remaining Assessment District projects by the end of 2023.

The District considers the consolidation of Lompico Water District a great success story and looks forward to completing the Assessment District projects. You are valued customers of the District and we look forward to providing you with exceptional water quality, quantity, and customer service.



Rick Rogers
District Manager

COMMITTEE ANALYSIS AND RECOMMENDATIONS

Assessment District expenditures have been reviewed by LADOC and to the best of our knowledge, are in compliance with the requirements as set forth in the Assessment District ballot measure Engineer's Report. The Annual Report presented includes a summary of all prior fiscal year Assessment District revenues and expenditures as provided by the district from July 1, 2019 to June 30, 2020. For this period, \$890,003 was financed via loan, to be repaid by Assessment District revenues.

- ✓ The district moved forward on securing a loan, as recommended in the Assessment Engineer's Report, to expedite all projects being completed in a timely manner. (page 6)
- ✓ LADOC commends the District for redesigning the LADOC page at SLVWD.com for easier access to documents and reports.
- ✓ The Lompico Community expects to incur no further expenses beyond the already voted upon and approved bi-annual funding for the Lompico Assessment District Projects.

Committee Commends:

- Current SLVWD staff and board for their support with such great work in such difficult times.

Important links: Cash reconciliation reports for all expenditure by month and year https://www.slvwd.com/sites/g/files/vyhlf1176/f/uploads/sccf_ladoc_cash_recon_fy1920.pdf

LADOC page: <https://www.slvwd.com/lompico-assessment-district>



New Generator high enough to avoid water damage

MEMBERS OF THE COMMITTEE 2016 TO PRESENT:

April Crittenden	July 2016 – Feb 2018	Secretary 2016-2018
John Grunow	July 2016 – April 2018	
Lydia Hammack	July 2016 – June 2018	Chair Jan 2018-June 2018
Toni Norton	July 2016 to present	Chair July 2016-Jan 2018; Nov 2018 to present
Andrew Rippert	April 2018 – June 2018	
Mary Ann LoBalbo	April 2018 to present	Vice Chair Nov 2018 to present
Jennifer Gomez	Sept 2018 to April 2019	
Dennis Lynch	Sept 2018 – Oct 2018	
John Wright	Sept 2018 to April 2019	
Debra Loewen	Jan 2019 to Feb 2021	
Norm Hagen	August 2019 to present	
Jamie Newton	March 2021 to present	



Madrone Site One of two Tanks FY 2021