

**MINUTES OF LADOC Annual Report Workshop 7/16/19**  
prepared by Toni Norton

Chair Norton called the meeting to order at 6:06 PM

**IN ATTENDANCE:**

The current 3 LADOC Committee members were present; Debbie Loewen, Mary Ann LoBalbo, along with District Manager, Rick Rogers. SLVWD Chair, Lois Henry attended as a member of the public, along with Ed Frech.

**ORAL COMUNICATIONS**

None

**NEW BUSINESS**

**Continued to review and update Annual Report Draft**

Debbie Loewen presented an almost complete Draft. Mary Ann LoBalbo and Toni Norton had worked together to review and edit. Both original and edited versions were included in the Agenda Materials. Toni Norton covered a few additional edits she had prepared.

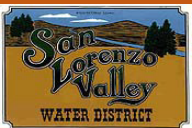
District Manager, Rick Rogers presented his summary of the work in progress on the projects listed in the Assessment District Engineering Report.

The meeting was adjourned at 7:38 PM

THIS IS A DRAFT WORKING COPY, not for distribution: [JUNE 28-TN-ML](#)

Deleted: June 10 2019

## LOMPICO ASSESSMENT DISTRICT ANNUAL REPORT 2019



This report covers the time period from inception  
June 1, 2016 through June 30, 2019

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 LADOC 2019 FIRST ANNUAL REPORT. This report covers the time period from 6/1/2016 through 6/30/2019.

LADOC will strive to deliver the report each remaining year of the Assessment District term, which is scheduled to continue through June of 2025.



We are committed to meeting the following Annual Report guidelines as specified in the

#### LADOC Charter:

1. A statement indicating whether the proposed Assessment District expenditures are in compliance with the requirements as set forth in the Assessment District ballot measure Engineer's Report.
2. A statement indicating whether the prior fiscal year Assessment District expenditures have been reviewed by LADOC and are in compliance with the requirements as set forth in the Assessment District ballot measure Engineer's Report. Said statement shall include an itemization and summary of the prior fiscal year Assessment District revenues and expenditures. Included in the itemization and summary shall be information about any loans related to completing the Assessment District projects (i.e., terms, interest and balances.)
3. Any other information LADOC deems as useful for furthering understanding of Assessment District revenue and expenses, projects, funding, history or purpose.
4. The Annual Report shall be based on the District Fiscal Year and will be completed as soon as possible after June 30, each year, using preliminary data.

## 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.** The Committee 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.

Deleted: n

## 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 by [the Board in a 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.

Deleted: LADOC HISTORY

Deleted: part

Deleted: of

Deleted: a new charter

Deleted: A Summary of Findings follows, with more detail and background further in this report. Please see Frequently Asked Questions section, or contact us with questions at [LADOC@SLVWD.com](mailto:LADOC@SLVWD.com)

## SUMMARY OF FINDINGS

Formatted: Font: 18 pt

LOMPICO ASSESSMENT DISTRICT BALANCE SHEET					
Running Totals Since Inception	TOTAL	FY1819 YTD	FY1718	FY1617	FY1516
<u>ASSESSMENT REVENUE</u>	\$768,787	\$155,899	\$301,377	\$282,580	\$28,930
<b>EXPENSES</b>					
METER PROGRAM	-\$197,888			-\$197,888	
SCADA	-\$19,540			-\$19,540	
SERVICE LINES	-\$39,591	-\$15,303	-\$24,288		
MAIN PRV	-\$23,181	-\$16,653	-\$6,528		
Lewis Tank	-\$8,689	-\$8,689			
Madrone Tank	-\$8,689	-\$8,689			
Kaski Tank	-\$8,689	-\$8,689			
NBS Administration Services*	-\$13,214				
	<b>-\$319,481</b>				
<b>CASH BALANCE</b>	<b>\$449,307</b>				

\*Company that provides administrative services for Assessment Districts

LOMPICO ASSESSMENT DISTRICT PROJECTS AND EXPENSES*				
ASSESSMENT DISTRICT PROJECTS	STATUS	Assessment Estimate	BID	Prelim work Total
<b>Install 3 New Bolted Steel Tanks</b>		\$ 682,500		
Lewis Tank(s) – replace two	Engineering and consulting completed-awaiting RFQ response			\$ 8,689
Madrone Tank(s) – replace two	Engineering and consulting completed			\$ 8,689
Kaski Tank(s) -replace two	Engineering and consulting completed			\$ 8,689
<b>Refurbish Mill Creek WTP</b>	Project cancelled - see details	\$ 105,000		\$ -
<b>Service Line and Meter Replacements</b>		\$ 862,500		
Meter Program	<b>Complete</b>			\$ 197,888
Service Line/Lateral	Ongoing - 34 replaced - see details			\$ 39,591
<b>Distribution System Interconnect</b>	Ongoing - see details	\$ 301,000		\$ -
<b>SCADA System</b>	Temporary- see details	\$ 441,000		\$ 19,540
<b>Remove and Replace Existing PRVs</b>	In progress	\$ 358,000		
6 PRV units on water mains	Expenses for consulting work. Awarded Bid for all \$468k Feb 2019		x	\$ 23,181

\* Represents all Assessment revenue and expenses since inception of Lompico Assessment District. Please see Assessment District AD-16 Engineer's Report included for additional details regarding estimates

LOMPICO ASSESSMENT DISTRICT OVERSIGHT COMMITTEE

Formatted Table

## LETTER FROM THE CHAIR Toni Norton

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

Although it may appear that very little has been accomplished in meeting the Assessment purpose "to repair, replace and upgrade infrastructure in the Lompico Service Area." I realized that it would be more productive to focus on the positives of where we are today. I've been a member of the committee since its inception. It's been a tough three years, but finally we are on the right track to meeting our goals.

- [Thanks to a grant provided by the State of California, we](#) have an Intertie connected to SLVWD that delivers fresh, safe, clean water to our taps
- Finally, there are specific plans and timelines in place to address all of the projects listed in the Assessment District Engineer's Report. You'll read the details in the District Manager report
- We have a District Manager that is extremely knowledgeable about the specific water needs of the entire San Lorenzo Valley, including Lompico and is dedicated to completing the Assessment projects as quickly and efficiently as possible always with an eye to cost savings. DM Rick Rogers is also accessible, responsive and quick in addressing our concerns.
- We now have access to the SLVWD Financial Manager, Stephanie Hill. She and Rick Rogers meet with us quarterly to provide a detailed financial report updating us on the expenditures of the Assessment District funds and status regarding the Assessment Engineering Report projects
- We now have a SLVWD Board in place that understands and supports the terms of the Merger Agreement's requirement for an Oversight Committee. They support us in giving us access to information, support from their staff and support our desire and responsibility to report back to the Lompico Assessment District Community.
- With the full support and approval of the Board, with no restrictions, our committee published both the Lompico Assessment District Oversight Committee (LADOC) Charter and the Assessment District First (ever!) Annual Report.

While I can't say all the recommended steps to support the Lompico Assessment District Oversight Committee (LADOC) listed in last year's May 2018 Grand Jury have been fulfilled, many have and I have confidence that we'll get there soon.

We welcome both the residents living in the Lompico Assessment District and all customers of San Lorenzo Valley Water District to attend our Quarterly Meetings that are held currently at the SLVWD Operations Building. We schedule additional meetings, as needed and try to hold them at the Zayante Fire Station, if the space is available. All meetings are posted on the SLVWD.com website.

For those of you that would like to see details of why it's taken so long to get our first Annual Report published, I invite you to read the LADOC Chair Timeline which is posted to the LADOC page at SLVWD.COM. You'll find our page linked in the menu at the bottom of the Main SLVWD.com site.

I hope you'll all join me in my hope that our projects will be SUCCESSFULLY COMPLETED, Lompico's Infrastructure will be safe and sound and the LADOC's responsibilities will be fulfilled!

Sincerely,

Toni Norton, [Lompico Resident and Chair of LADOC](#)

Deleted:

Deleted: We

Deleted:

## Table of Contents

<b>Presentation of Report .....</b>	<b>1</b>
<b>Committee Mission, Purpose and <a href="#">Committee Established</a>.....</b>	<b>2</b>
<b>Financial Summary of Findings .....</b>	<b>3</b>
<b>Letter from the Chair .....</b>	<b>4</b>
<b>Table of Contents .....</b>	<b>5</b>
<b>Lompico Water District and the Assessment .....</b>	<b>6</b>
<b>Lompico Assessment District Projects .....</b>	<b>8</b>
Description of Projects .....	9
District Manager's Report on Progress .....	10
<b>Financial Report: budget and expenses .....</b>	<b>11</b>
Lompico AD Capital Projects in Annual Budgets .....	12
Detail of Expenses to date .....	13
Water Meter Replacement .....	
SCADA (automated control system) .....	
Service Line Replacement .....	
Tank Replacement .....	
Pressure Regulator Valve (PRV) Replacement .....	
NBS Administrative Services .....	
<b>Committee Analysis and Recommendation .....</b>	<b>16</b>
<b>Frequently Asked Questions.....</b>	<b>17</b>
<b>Background Information .....</b>	<b>18</b>
The Oversight Committee, past and present .....	19
2017-18 Grand Jury Investigation and Findings re: Lompico .....	20
References and Resources, a timeline history .....	24

Deleted: History

**DRAFT** To Do list on last page 6-10 version

## Brief History of Lompico County Water District





Lompico County Water District was formed in 1963 by the community of Lompico Canyon, located within the watershed of San Lorenzo River in the Santa Cruz Mountains. In 1964, the 70 registered voters in Lompico approved a 1.5 million dollar water infrastructure bond. In 1974 the State of California set a moratorium limiting customer hookups to no more than 500, based on a limited water supply. The system was completed in 1978, and the last ~~of~~ of the four series of 40-year bonds paid off in 2018. The district's water sources were from Lompico Creek, a federally protected steelhead trout habitat, and half a dozen wells located in the low-yield Monterey aquifer.

After several earlier attempts, in response to recommendation by ~~Insert photo MAL/TN 2~~ State and County agencies, Lompico resumed talks in 2010 with larger neighboring water district SLVWD as to the possibility of a merger. In 2015 Lompico County Water District (LCWD) was named by the State as one of 17 small water systems in danger of ~~running out of~~ water resources during the drought.

Deleted:

Deleted: s

Deleted: losing

Deleted: In that same year,

Deleted: received an emergency grant from the State to install an intertie with SLVWD.

Deleted: , via the merger,

Deleted: now customers of SLVWD

Formatted: Font: Not Italic, Font color: Auto



## What is an Assessment District? \*

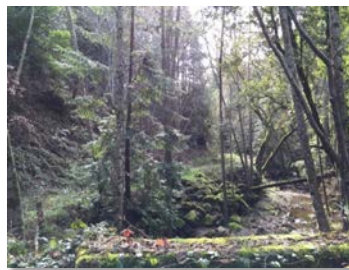
### .....and how much do we pay?

"Assessment districts have been in use in California for the past 150 years. Local agencies, including cities, counties, and special districts, may establish assessment districts for the purposes of financing all or a portion of the cost of certain public improvements and services. Each property within an assessment district is assessed an amount sufficient to cover the proportional cost of the special benefit that it receives from the improvements or services that are paid for by the assessment."

"The proposed assessment must be supported by a detailed engineer's report prepared by a registered professional engineer, which would, under Proposition 218 ... include identifying the parcels that will receive a special benefit from the improvements or services to be funded by the assessment, determining the proportionality of the special benefit among the parcels, and making certain the assessment levied upon a parcel is not greater than its proportionate share of the costs of the special benefit received." \*From the California Debt and Investment Advisory Commission, State Treasurer's Office, [www.treasurer.ca.gov/cdiac/](http://www.treasurer.ca.gov/cdiac/)

Insert photo MAL/TN 3

Insert photo MAL/TN 4







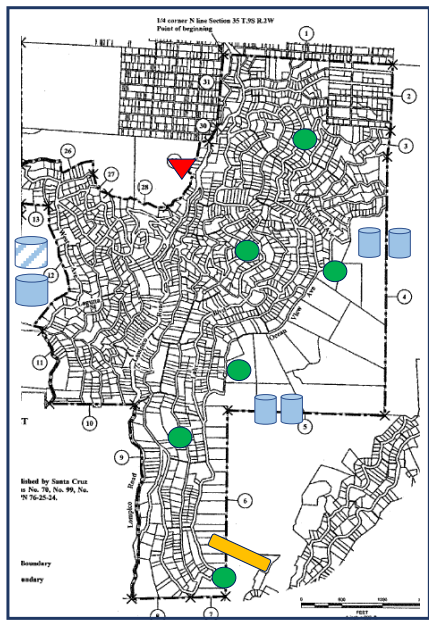


**The Assessment amount** for each improved parcel having a water meter in Lompico is \$587 a year for ten years, per the Engineer's Report, calculated at 500 service connections. In addition, the Assessment District allowed the County to add a small fee to collect the revenue on property taxes, initially up to 2% of the annual installment. [ref Assessment to voters]

ENGINEER’S REPORT FOR LOMPICO ASSESSMENT DISTRICT

The Assessment required an Engineer's Report, describing its specific purpose:  
Established a fund for construction projects in Lompico      Six projects:




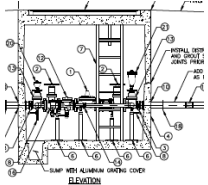
Replacement of 6 redwood tanks	\$682,500	3 sites	
Refurbish Mill Creek treatment plant	\$105,000		
Service line and meter replacement	\$862,500	System wide	
Distribution system Interconnection	\$301,000		
SCADA (automated control system)	\$441,000	System wide	
Replace PRVs (pressure reducing valves)	\$358,000	6 sites	
<b>Total Construction</b>	<b>\$2,750,000</b>		
Loan Interest	\$183,734		
<b>Total Assessment</b>	<b>\$2,933, 734</b>		



# LOMPICO ASSESSMENT DISTRICT PROJECTS



## Lompico Assessment District Projects- Overview

	<p><b>Tanks</b> [description]</p>
	<p><b>Treatment plant</b> [description]</p>
	<p><b>Service lines and meters</b> [description]</p>
[insert photo or graphic]	<p><b>Interconnection</b> [description]</p>
[insert photo or graphic]	<p><b>SCADA</b> [description]</p>
	<p><b>PRVs</b> [description] ie:Six sites located on Coleman Ave, Van Allen Rd , Edgewood Dr, Visitar St , Lake Blvd &amp; Lakeview Ave. Replacement of six Pressure Reduction Valve stations. Awarded bid to Earthworks on February 21, 2019 for total \$468,000.</p>

**District Manager’s Report**    [insert Rick’s write-up; rough draft of ideas to cover]

**Projects commentary** [links to SLVWD website?: capital project descriptions, RFP's bids, et al]

**Priorities**

**Work completed or in progress**

**Timeline** [gantt chart?] [what needs to be done before interconnection, for example]

**Future** [what if assessment money runs out before all projects completed? Or ref to FAQ]

# LOMPICO ASSESSMENT DISTRICT FINANCIAL REPORT BUDGET & EXPENSES



*Insert photo MAL/TN*

## The loan

### NBS Administrative Services

#### Details, Charts and graphs

[from previous draft – to be edited]

**Tracking Assessment Funds** Water district tracking and financial reporting follows Government Accounting Standard Board (GASB) guidelines, including No. 6 which is financial reporting standards for capital improvements and services financed by special assessments. Revenue is collected from Lompico property taxes by the County and held in a special account. Assessment funds may not be used for any purpose other than described Lompico projects of AD-16 in the Engineer's Report.

**Source of Report Data** Quarterly LADOC, meets with the SLVWD, Finance Director who presents a Quarterly Finance Report. Included is an itemization of revenue per quarter and to date, with an itemization of ongoing expenses per project, including labor and materials. Reports may also include receipts and labor timecards. The LADOC charter allows committee members to request and review all relevant data sources.

**Assessment Collection Management** is contracted by SLVWD to a consultant, NBS Government Finance Group via their Special Finance District (SFD) Administration service, for tasks not included by the County when collecting the Assessment on property taxes. NBS services include delinquency management, tracking parcel changes, calculations of penalties and interest, correspondence and follow up. The cost for this service has been about \$1,150.00 per quarter, charged to the Assessment District. *Description of NBS duties and fee, (\$4500 yr + exp ref addendum 6.9.16) can we see and include a copy of contract?.*

Deleted: reports to

Deleted: are generated by

Deleted: the

Deleted: Manager

Deleted: ;

## SLVWD Capital Budgets – Lompico Projects



SLVWD Capital Budgets – Lompico Projects [track per grand jury recommendation; ROUGH DRAFT data]

**FY 16-17**

Capital Project Summary						Overall Project Total
	Planning/ Design (8%)	CEQA (2%)	Construction (80%)	Contingency (10%)	2016-17 Total	
Lompico Service Area			\$ 168,000	\$ 16,800	\$ 184,800	\$ 184,800
Lompico Service Area Tank Replacement	\$ 75,000			\$ -	\$ 75,000	\$ 75,000
Lompico SCADA	\$ 2,500		\$ 25,000	\$ 2,750	\$ 30,250	\$ 30,250

Fiscal Year 2016/2017	
Water Enterprise Fund	\$ 3,025,850
Lompico Assessment District	\$ 354,050
Sewer Enterprise Fund	\$ 400,000
<b>TOTAL</b>	<b>\$ 3,779,900</b>

**FY 17-18**

#	Project	Funding Type	Spent in Prior FY	FY1718 Budget	Future FY Projection	Project Cost
<b>Lompico Assessment District</b>						
20	Lompico Lewis Tank Replacement	Assessment District		25,000	175,000	200,000
21	Lompico PRV Replacements	Assessment District		50,000	150,000	200,000

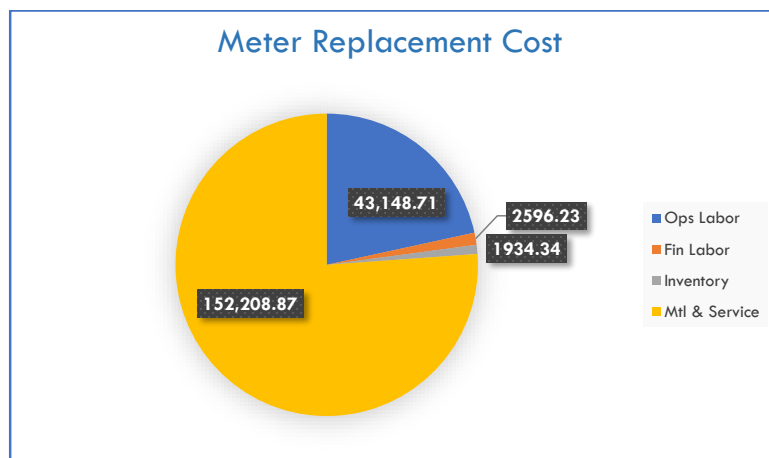
**FY 18-19**

#	Project	Funding Type	Spent in Prior FY(s)	FY1819 Budget	Future FY Projection	Total Project Cost
<b>Lompico Assessment District</b>						
30	Service Line Replacements	LOMPICO AD	25,000	150,000	489,600	664,600
31	PRV's	LOMPICO AD	50,000	90,000	218,000	358,000
32	Interconnection Booster	LOMPICO AD		45,000	256,000	301,000
33	Lewis Tank	LOMPICO AD		34,000	193,334	227,334

**Detail of Expenses** [rough draft example]

## LOMPICO METER CHANGEOUT WORK ORDER #129

<b>Labor &amp; Overhead</b> 22%	\$43,744.94	Operations Dept \$41,148.71	Payroll \$ total per 5- pay periods Aug 17 to Oct 26, 2017 Labor \$27,728.24 OH \$13,420.47
		Finance Dept \$2,596.23	80 hrs @ \$23.88 Labor \$1,910.40; OH \$685.83
<b>Materials</b> 78%	\$154,143.21	\$1,934.34	inventory
		\$152,208.87	Materials and Service: Rent vac truck \$1,843.94 5/8 meter w/lid approx. \$230 ea
<b>TOTAL</b>	<b>197,888.15</b>	Average cost each	Installed at 500 meters is +-\$396.



### Committee Analysis:

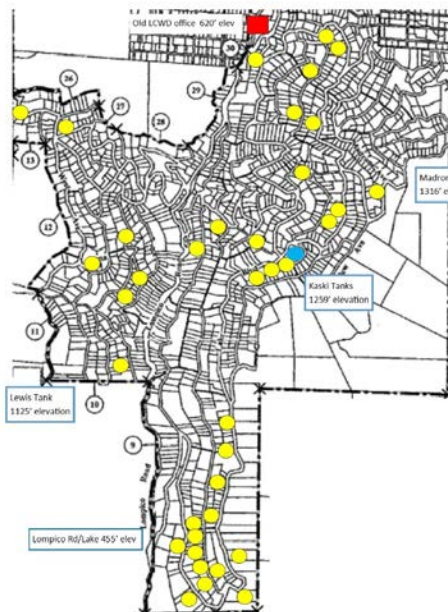
[Planned and staged, efficiently done, meets the estimate]

[add other project expense itemizations and analysis/opinion: tanks, PRVs...see chart]

[chart reference for expenditure details] [requested itemized project exp from S. Hill, or get from Q's]

ASSESSMENT DISTRICT PROJECTS	List or describe vendor/work/bid STATUS	Assessment Estimate	Prelim work Total
<b>Install 3 New Bolted Steel Tanks</b>		\$ 682,500	
Lewis Tank(s) – replace two	Engineering and consulting completed-awaiting RFQ response		\$ 8,689
Madrone Tank(s) – replace two	Engineering and consulting completed		\$ 8,689
Kaski Tank(s) -replace two	Engineering and consulting completed		\$ 8,689
<b>Refurbish Mill Creek WTP</b>	Project cancelled - see details	\$ 105,000	\$ -
<b>Service Line and Meter Replacements</b>		\$ 862,500	
Meter Program	<b>Complete</b>		\$ 197,888
Service Line/Lateral	Ongoing – as needed		\$ 43,050.44
<b>Distribution System Interconnect</b>	Ongoing - see details	\$ 301,000	\$ -
<b>SCADA System</b>	Temporary- see details	\$ 441,000	\$ 19,540

**Service Line/Lateral replacements** were done on an as-needed basis as they failed:



**Total replaced to date: 37**

**Original material replaced:**

**Blue poly pipe: 35**

**Copper pipe : 2**

**Location:**

**West side: 7**

**East side: 30**

**38% (14) are in Kaski zone (Visitar/Lake)**

**Cost:**

**Range of cost to replace: \$635 to \$1610**

**Total cost for 37 replacements: \$43,050.44**

**=Average cost each \$1164**

## Committee Analysis and Recommendations

[insert statements as per Charter and grand jury report] example:

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 an itemization and summary of all prior fiscal year Assessment District revenues and expenditures as provided by the district, from June 1, 2016 to June 30, 2019. At the time of this report, no loans have been taken out for Assessment District projects.

The Committee and district are in agreement that a third party expert in Assessment Districts is needed, as well as training on assessments and oversight for members, staff and the board.

The Committee would like the district to move forward on securing a loan, as in the Assessment Engineer's Report, to expedite all projects being completed in a timely manner.

The Committee recommends the SLVWD website include an area for the AD with details on projects and ongoing updates on progress and expenses, per GJ recommendation [district website [in process of being redesigned](#)]

Deleted: to be re-done

The Committee recommends more frequent district website public reports or posts on AD finances, in addition to Annual Report.

The Committee commends current staff and board for their support.

The Committee thanks the 2017-18 Grand Jury for their investigation and recommendations, which have been instrumental in defining and supporting LADOC duties.

## Frequently Asked or Unanswered Questions

[examples]

From the Grand Jury investigation

What is/about

- the process for changing or removing projects from the Engineer's Report list
- the possibility of reducing Assessment District collections in later years
- ending the Assessment District early
- whether the AD is collecting interest on a future loan
- whether obtaining a loan against the AD is required
- using the \$183,000 collected for loan interest for other AD expenses
- returning unused funds to the ratepayers
- postponing the completion of Assessment District capital projects beyond ten years

### Other questions from previous meetings:

- Will SLVWD come back to Lompico ratepayers for more money if the original assessment no longer covers the cost to complete projects in the original plan?
- Can projects be dropped from the original Engineers report list? What is the process, and what happens to those funds?
- If SLVWD does not intend to use the treatment plants, can they be sold and the money used for Assessment District projects, or returned to Lompico ratepayers?
- Will the district plan to sell the old growth redwood from replaced tanks?
- Is the metal recycle payback value of removed materials (old meters, fittings, etc) being put back in the Assessment District fund?
- Does the present intertie meet flow requirements of the State? (ref BOD agenda 9.20.18 item 13.1 (page 229) Permit Change and Report from State Water Resources)

# **LOMPICO ASSESSMENT DISTRICT BACKGROUND INFORMATION**





Insert photo MAL/TN

## Lompico Citizen Oversight Committee

A Lompico Citizens Oversight Committee was an element proposed and approved by SLVWD to be included in LAFCo "merger" Resolution 953-A. The SLVWD board reviewed applications and appointed the first five Lompico members in July of 2016. The first meeting was held at the old LCWD office in August. The original description/purpose of the committee written by SLVWD staff and published in the SLVWD stated "The Committee shall be responsible to review matters of stewardship, design, construction, replacement, and repair of the Assessment District facilities and property". This was revised in 2017 to include only assessment district fund and project oversight, and the name changed to LADOC, for Lompico Assessment District Oversight Committee.

The committee faced challenges of district support throughout 2017. At the October 19, 2017, meeting the District Manager proposed making the following changes to the Board of Directors Policy impacting LADOC: redefine and differentiate LADOC as a "Public Committee" whose only purpose is to deliver and receive information, who therefore will have no need to produce and publish minutes, who will meet once annually at the time and place specified by the Board, the Board will appoint the Chair and Vice Chair of the LADOC. Fortunately, the October 19, 2017 meeting was well attended. Three LADOC members attended the meeting and spoke out against these egregious changes. Many members of public and all three public members of the other SLVWD Committees spoke out against the changes. Only one member of the Board spoke in favor of the changes and she also admitted that she had assisted the District Manager in preparing the recommendation. No action was taken on the proposal.

In the meantime, months earlier LADOC had approached and met with members of the Finance Committee to request assistance in developing the Finance Report which had been promised by the District Manager since the very first meeting. The Chair of LADOC met with the Chair of the Finance Committee (also a Board Director) and engage the Finance Manager and place the item on the Finance Committee agenda. An agreement was struck for the LADOC to hold a meeting once Quarterly at the

Deleted: , and

Deleted: its

Deleted: ir

Deleted: charter given

Deleted: included

Deleted: oversight of engineering, projects, the surcharge, and the assessment district funds

Boulder Creek Operations Bld with both the Finance Manager (now a Finance Director) Board Member (preferably the Chair) in attendance to present the Lompico Assessment District Quarterly Finance Report. It was also agreed that LADOC could continue to meeting as often as they deemed necessary to meet their obligation.

A series of resignations throughout 2018 resulted in lack of a quorum and irregular meetings. The committee has met regularly on a quarterly basis since November 2018, with greatly improved district support under the new District Manager and board of directors.

A new Charter was written by the committee in January 2019, and adopted by the Board, to meet recommendations of a Grand Jury investigation and report released May 2018.

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
Ruth Shaw	July 2016 – June 2018	Vice 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	January 2019 to present	

**Deleted:** meetings were changed from monthly to quarterly, with regular financial reports beginning in early 2018.



Members of the Committee, shown above, front to back, left to right are

[Or a picture of the old water district office?]

Insert photo MAL/TN 7

More history of the Lompico merger and LADOC follows in the next two sections:  
**2017-18 Grand Jury investigation and Findings, and References and Resources.**

## 2017-18 Grand Jury Findings and Recommendations

### San Lorenzo Valley Water District

“Encouraging the Flow of Information to the Public”

*Published May 31, 2018*

#### **Summary**

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

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

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

#### **Three Findings and Four Recommendations regarding Lompico**

See the complete Grand Jury Report Online:

[www.co.santa-cruz.ca.us/Portals/0/County/GrandJury/GJ2018\\_final/SLVWDAndThePublic.pdf](http://www.co.santa-cruz.ca.us/Portals/0/County/GrandJury/GJ2018_final/SLVWDAndThePublic.pdf)

F1	The lack of effective communication between the District and the community concerning the administration of the Assessment District has caused public concern regarding the timing and implementation of the Assessment District projects.
F2	The District has not provided adequate authority, guidance, training or support to the Lompico Assessment District Oversight Committee (LADOC) to ensure that the committee can fulfill its assessment district oversight responsibilities, thus reducing transparency and accountability to the public.
F3	Lack of effective District communication practices has reduced public access to the decision-making process and contributed to acrimony and on-going relationship challenges with the community, causing stress on elected officials and staff, as well as frustration among ratepayers.
R1	LADOC should produce an annual report detailing the status of the Assessment District revenues and expenditures (F1, F2)
R2	The District should schedule annual public study sessions or workshops to review the LADOC annual report and discuss the administration of the Assessment District (AD), in order to provide in-depth information to the public about the timing, funding, and execution of the AD projects. (F1, F3)
R3	The Board and LADOC should work in concert to create a charter for LADOC that describes in detail the committee's responsibilities and its authority to fulfill its oversight role (F2, F2)
R4	The Board should ensure that LADOC receives adequate professional, technical and administrative support from the District, as well as the authority to carry out its oversight responsibilities (F2)
R5	The District should provide formal training for all LADOC citizen committee members in

governance, meeting management and the Brown Act. (F2)
--

### Previous board response Aug 22, 2018 [edit and condense? Link?]

**F1-2-3** Cites "...confusion about the mechanics of the assessment district and unaligned expectations" and "...commonly held misconceptions about assessment districts generally..." leading to poor communications.

**R1** "staff will help jump start the process... by generating a template to help facilitate the first annual report" within 6 months.

**R2** "We believe it is important to note that comments and questions about the implementation of AD-16 projects, including priority, timeline, bidding and design considerations etc., are within the purview of the Engineering Committee and ultimately the Board. We encourage members of the public to bring these types of issues to the Engineering Committee rather than LADOC."

**R3** Within 6 months we will revise the LADOC Charter to replace its current Charter. A draft will be presented to LADOC for its review and comment and to the Board for approval.

**R4** We "believe the district has professional expertise up to the task of locating appropriate resources..." Within 6 months, we will make governance, meeting management, and Brown Act training available to all members of the Board and the District's public committee members. Within a year, we will evaluate and select a means of making such training available on a recurring or ongoing basis. For example, staff may consider creating tailored training materials for in-house use and reproduction versus hiring consultants and/or procuring online subscriptions, etc.

**R6** "training on key topics" We believe the District has professional expertise up to the task of locating or adapting existing training, or creating new materials as necessary.

*Committee comment: While an Ad Hoc committee of two board members was created June 27, 2018 for the above, no actions were taken beyond writing the initial response to the Grand Jury.*

### Current board response to GJ follow-up June 2019 [under construction]

[May summarize and provide link here and/or in Reference section at end of report]

Excerpts from Grand Jury report. Footnote [#] references are found in the Grand Jury report.

#### **LCWD-SLVWD Merger**

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

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

Another condition of the merger, the 10-year Assessment District, provided \$2.75 million to fund a set of capital improvement projects specified in the accompanying Engineer's Report.<sup>[1 2]</sup> It also provided for

the collection of an additional \$183,000 for interest payments on anticipated loans taken against future Assessment District collections. The Engineer's Report lists the Lompico capital improvement projects and the estimated cost of each project. It contains few other details about the projects or their implementation.

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

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

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

SLVWD updated its policy manual to add the new oversight committee.[23] It then solicited applicants.[24] The policy manual described the committee's role in broad terms: *The Committee shall be responsible to review matters of stewardship, design, construction, replacement, and repair of the District facilities and property directly related to Assessment District 2016-1, the Lompico Service Area.*[25]

LADOC's opening meeting was August 23, 2016. At its second meeting, held on October 6, 2016, the committee decided to pursue several open questions and issues that appeared to fall under its purview. Less than two weeks later, at the October 16, 2016 Board of Directors meeting, the Board debated the reduction of LADOC's duties,[26] by changing the description of its role to one which it said more closely resembled the wording of the merger agreement.[27] At the next Board meeting, the SLVWD policy manual was amended to read: *The Committee shall be responsible to review matters of revenue and expenses directly related to Assessment District 2016-1 projects.*[28] [29] District representatives refer to this one sentence description of the responsibilities of LADOC as the LADOC "charter." [30] The responsibilities of LADOC continue to be the subject of discussion and disagreement.[31]

## Investigation

### **Assessment District 2016-1**

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

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

- the process for changing or removing projects from the Engineer's Report list[36]
- the possibility of reducing Assessment District collections in later years[37]
- ending the Assessment District early[38] [39] [40]

- whether the AD is collecting interest on a future loan[41]
- whether obtaining a loan against the AD is required[42]
- using the \$183,000 collected for loan interest for other AD expenses[43]
- returning unused funds to the ratepayers[44] [45]
- postponing the completion of Assessment District capital projects beyond ten years[46]

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

The District-wide Capital Improvement Program introduced in November 2017 has presented another communication challenge. The District used a priority rating system to rank each capital project, which resulted in a timetable for the execution of each project on the list. The CIP assumes, however, that there are no differences between Lompico and non-Lompico projects except for the funding source; that is, that the projects for which Lompico ratepayers pay an extra assessment have no special status.

In contrast, Lompico ratepayers contend that they gave their vote to accept the Assessment District in exchange for the District's promise to complete the specific projects listed in the Engineer's Report in an expeditious manner.[47]

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

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

**Expected duties of the oversight committee would include:**

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

**Expected duties of the District would include:**

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

LADOC meeting notes and internal emails from April 2017, and subsequent Grand Jury interviews, confirm that LADOC sought more support from the Board and staff, but the District did not have the resolve to provide effective support.[81] [82] [83]

## References and Resources

1964 June 7	"\$1.5 Million Water Bond Issue Before Lompico's 70 Voters" <i>Santa Cruz Sentinel</i> ; Library clipping file: <u>Lompico</u> ; Viewed on microfiche, California Room. Also may be found by title on <a href="https://cdnc.ucr.edu">https://cdnc.ucr.edu</a> UCR Center for Bibliographical Studies and Research, California Digital
----------------	---



	Newspaper Collection.
2010 May	"Up a Creek without a Financial Paddle: The Lompico County Water District", Grand Jury Report 2009-10. <a href="http://www.co.santa-cruz.ca.us/Portals/0/County/GrandJury/GJ2010_final/Up_the_Creek.pdf">http://www.co.santa-cruz.ca.us/Portals/0/County/GrandJury/GJ2010_final/Up_the_Creek.pdf</a>
2010 July	Beginning of merger discussion between districts: SLVWD District Manager Jim Mueller; BOD consists of Jim Rapoza, Terry Vierra, ; Lompico County Water District board: Lois Henry, Bill Smallman, Rick Harrington, and
2010 July 8	"Lompico Summary of Costs", SLVWD announcement. "On July 8, 2010 Lompico County Water District held a meeting with representatives from the San Lorenzo Valley Water District to discuss and provide information relative to potential merger options for Lompico County Water District at the Zayante Fire Station." <a href="http://www.slvwd.com/agendas/OTHER/2010/Lompico/Lompico%20July%208%202010.pdf">http://www.slvwd.com/agendas/OTHER/2010/Lompico/Lompico%20July%208%202010.pdf</a>
2010 July 15	"Lompico Water considers merger with SLV", Press Banner. "Jim Mueller, San Lorenzo Valley Water District's general manager, presented his district's evaluation of Lompico, including what a merger would cost customers." <a href="http://www.goldenstatenewspapers.com/press_banner/news/lompico-water-considers-merger-with-slv/article_433d800b-7aa1-561f-bf80-fa6947c3abf2.html">http://www.goldenstatenewspapers.com/press_banner/news/lompico-water-considers-merger-with-slv/article_433d800b-7aa1-561f-bf80-fa6947c3abf2.html</a>
2011 July 13	"Cash strapped Lompico to consider increases to water rates", Santa Cruz Sentinel. "Meanwhile, talks are continuing with the larger San Lorenzo Valley Water District, which serves 7,300 connections. Lompico, which has approximately 500 connections, is seeking members of the community to sit on a citizens advisory committee to research and prepare information related to the potential merger, with those members chosen at next week's meeting." <a href="https://www.santacruzsentinel.com/2011/07/13/cash-strapped-lompico-to-consider-increases-to-water-rates/">https://www.santacruzsentinel.com/2011/07/13/cash-strapped-lompico-to-consider-increases-to-water-rates/</a>
2012 April 20	"SLV Water to assist Lompico", SLV news slvnews.net "The San Lorenzo Valley Water District Board voted 5-0 to assist the Lompico County Water District by providing technical and contract management assistance for a pair of studies that will help determine the costs to replace tanks and install a connection between the two systems" <a href="http://slvnews.blogspot.com/">http://slvnews.blogspot.com/</a>
2012 Aug 8	"For tiny Lompico County Water District, a huge retirement bill", Santa Cruz Sentinel. "The 494-hookup district has navigated years of rocky waters and criticism of sky-high water bills. Its former district manager was charged with falsifying water reports, and since his firing the district has operated with a secretary and three technicians, one part-time. Its annual payroll is a threadbare \$130,000." <a href="https://www.santacruzsentinel.com/2012/08/08/for-tiny-lompico-county-water-district-a-huge-retirement-bill/">https://www.santacruzsentinel.com/2012/08/08/for-tiny-lompico-county-water-district-a-huge-retirement-bill/</a>
2013 July 25	"Potential Consolidation of Lompico and San Lorenzo Valley water districts". Letter of Recommendation to Board of Supervisors from Health Services, Santa Cruz County. "Operation of the District has been subject to many challenges, including: inadequate water supply, lack of any potential new water sources, aging infrastructure, leaking water tanks, inadequate treatment facilities, management issues, and disagreements among the community about how best to govern. Lompico has the highest water rates in the County, which has posed a challenge to the many low and moderate income residents of the community." <a href="http://sccounty01.co.santa-cruz.ca.us/BDS/Govstream2/Bdsdata/non_legacy_2.0/Minutes/2013/20130625-599/PDF/067-1.pdf">http://sccounty01.co.santa-cruz.ca.us/BDS/Govstream2/Bdsdata/non_legacy_2.0/Minutes/2013/20130625-599/PDF/067-1.pdf</a>
2013 Sept 23	Water board President of the Year, California Special Districts Association, awarded to Lois Henry, Lompico County Water District: County Press Release

	<a href="https://patch.com/california/scottsvally/lompico-water-board-president-wins-state-honor">https://patch.com/california/scottsvally/lompico-water-board-president-wins-state-honor</a>
2013 Dec 4	Public Meeting at Zayante Fire Station, Presentation of Merger Options SLVWD-LCWD <a href="http://www.santacruzlafco.org/wp-content/uploads/2015/09/Lompico-Merger-Options.pdf">http://www.santacruzlafco.org/wp-content/uploads/2015/09/Lompico-Merger-Options.pdf</a>
2014 - 2016	Santa Cruz Local Agency Formation Commission (LAFCo) containing reports on Lompico County Water District. <a href="https://www.santacruzlafco.org/reports/">https://www.santacruzlafco.org/reports/</a> and links. Feb 2014 presentation on draft merger options: <a href="http://santacruzlafco.org/Library/Lompico%20Merger%20Options%20Dec%205.pdf">http://santacruzlafco.org/Library/Lompico%20Merger%20Options%20Dec%205.pdf</a>
2014 Jan 30	"California drought: communities at risk of running dry", <i>San Francisco Chronicle</i> . State Department of Public Health lists Lompico County Water District among 17 small communities throughout the State likely to run out of water within 100 days; requirements to cut water use by 30% during the drought. <a href="https://www.sfgate.com/news/article/California-drought-communities-at-risk-of-5184906.php">https://www.sfgate.com/news/article/California-drought-communities-at-risk-of-5184906.php</a>
2014 Feb 4	"What happens when a town runs out of water?", <i>Newsweek</i> . "For now, Lompico has enough water to limp by. But [LCWD Chair Lois] Henry says one of the town's three wells has recently been cutting out, reducing even further the approximately 35 gallons per minute the district is able to pump to its 494 water hookups. The water supply is so precarious that, Henry says, Lompico is one water main break or major fire away from disastrously low levels." <a href="https://www.newsweek.com/what-happens-when-town-runs-out-water-227929">https://www.newsweek.com/what-happens-when-town-runs-out-water-227929</a>
2014 Feb 14	SLVWD-Lompico Intertie Agreement. Board of Directors agenda packet Feb 20, 2014. <a href="http://slvwd.com/agendas/Full/2014/02-20-2014/Item%208b.pdf">http://slvwd.com/agendas/Full/2014/02-20-2014/Item%208b.pdf</a>
2014 April 18	"Bad week as Lompico loses two of its three water wells to motor damage" <i>KION news</i> . "Not only is Lompico in a phase three rationing stage-- which means no water use between specified hours and no outdoor irrigation-- but with two out of their three wells went down.. 'it means we have a lot of work to do' " <a href="https://www.kion546.com/news/santa-cruz-county/bad-week-as-lompico-loses-two-of-its-three-water-wells-to-motor-damage/66224358">https://www.kion546.com/news/santa-cruz-county/bad-week-as-lompico-loses-two-of-its-three-water-wells-to-motor-damage/66224358</a>
2014 May 4	"Lompico emergency pipeline completed fears eased ", <i>Santa Cruz Sentinel</i> . <a href="http://www.santacruzsentinel.com/general-news/20140504/lompico-emergency-pipeline-completed-fears-eased">http://www.santacruzsentinel.com/general-news/20140504/lompico-emergency-pipeline-completed-fears-eased</a>
2015 Feb	Measure N: Bond Issue, Parcel Tax and Appropriations Limit Increase, Santa Cruz Community Facilities District No. 2 <a href="https://ballotpedia.org">https://ballotpedia.org</a>
2015 Feb 27	"Lompico water bond fails by one vote", <i>Santa Cruz Sentinel</i> . "Of the 516 votes, 343 backed the measure — 66.47 percent — and 173 voted against it — 33.53 percent." Total voter turnout was 69%, "which is a good turnout when it comes to elections but what happened to the other 31 percent of the people?"- Gail Pellerin, County Clerk, on why every vote counts. <a href="http://www.santacruzsentinel.com/20150227/lompico-water-bond-fails-by-one-vote">http://www.santacruzsentinel.com/20150227/lompico-water-bond-fails-by-one-vote</a>
2015 Aug 20	SLVWD board memo to approve Lompico Assessment District and recommitting to merger. Board agenda packet. <a href="http://www.slvwd.com/agendas/Full/2015/8-20-2015/10c.pdf">http://www.slvwd.com/agendas/Full/2015/8-20-2015/10c.pdf</a>
2015 Aug 24	Commentary on SLVWD-Lompico merger, <i>Fifth District Supervisor Bruce McPherson</i> on change to Assessment District for funding mechanism <a href="http://supervisorbrucemcpherson.org/san-lorenzo-valley-water-district-to-merge-with-the-lompico-water-district/">http://supervisorbrucemcpherson.org/san-lorenzo-valley-water-district-to-merge-with-the-lompico-water-district/</a>
2015 Nov 25	County Board of Supervisors approve Lompico Assessment District With letter of recommendation from County Health Services, after failure of bond vote and

	granting of one year extension by LAFCo: "LCWD now proposes to form an assessment district within its boundaries, in order to finance the infrastructure upgrades required to complete the annexation to SLVWD. This financing method has broader support in the community than the CFD had, and is expected to be approved by Lompico property owners." <a href="http://scceh.com/Portals/6/Env_Health/water_resources/WAC/WAC%20Meeting%202015%2012%209/J5.pdf">http://scceh.com/Portals/6/Env_Health/water_resources/WAC/WAC%20Meeting%202015%2012%209/J5.pdf</a>
2016 March 16	Assessment District mail-in vote deadline
2016 March 17	"Assessment District vote count delayed", <i>Santa Cruz Sentinel</i> . <a href="https://www.santacruzsentinel.com/2016/03/17/lompico-water-vote-count-stalled-until-may-4/">https://www.santacruzsentinel.com/2016/03/17/lompico-water-vote-count-stalled-until-may-4/</a>
2016 May 5	"Lompico votes for merger with San Lorenzo Valley Water District" <i>Santa Cruz Sentinel</i> . "Dealing with increasing stringent state regulations was a challenge for Lompico, limited in revenue with 500 customers compared to 8,800 in the San Lorenzo Valley Water District." "This is terrific, a tremendous ending to a three-year process," said county Supervisor Bruce McPherson." <a href="https://www.santacruzsentinel.com/2016/05/05/lompico-votes-for-merger-with-san-lorenzo-valley-water-district/">https://www.santacruzsentinel.com/2016/05/05/lompico-votes-for-merger-with-san-lorenzo-valley-water-district/</a>
2016 June 1	"Lompico merger with San Lorenzo Valley Water District is complete", <i>Santa Cruz Sentinel</i> . The Assessment District was "approved by voters 287-74 on May 4...Lompico residents with one hookup will pay \$5,786 over 10 years, about \$48 per month, paying in property tax bills mailed twice a year." "Applications are being sought for the five-member Lompico Oversight Committee." <a href="http://www.santacruzsentinel.com/article/NE/20160601/NEWS/160609982">http://www.santacruzsentinel.com/article/NE/20160601/NEWS/160609982</a>
2016 June 2	"Merger Official after Assessment District vote", <i>Santa Cruz County Press Release</i> . "In May, 79.5 percent of District customers voted in favor of a merger." <a href="http://www.co.santa-cruz.ca.us/Portals/0/County/CAO/press%20releases/06022016Lompico.pdf">http://www.co.santa-cruz.ca.us/Portals/0/County/CAO/press%20releases/06022016Lompico.pdf</a>
2017 Mar 11	"SLV water should drop unfair Lompico surcharge", <i>Press Banner Commentary</i> by B. Holloway. <a href="http://www.goldenstatenewspapers.com/press_banner/slv-water-should-drop-unfair-lompico-surcharge/article_1143a73e-06ef-11e7-b2f8-c773d6a70fd2.html">http://www.goldenstatenewspapers.com/press_banner/slv-water-should-drop-unfair-lompico-surcharge/article_1143a73e-06ef-11e7-b2f8-c773d6a70fd2.html</a>
2017 May 11	District Manager Brian Lee informs LADOC he will no longer attend meetings, and says all further questions must be in writing to the board of directors. LADOC drafts first list of questions, included a request for a meeting with the Finance Manager to work together to design a monthly Finance Report and a quarterly meeting with Rick Rogers, the Director of Operations to obtain updates on Lompico Projects.
2017 Sept 7	"San Lorenzo Valley residents to pay most for water after rate increase", <i>Santa Cruz Sentinel</i> . "According to water district staff, the increase is necessary to fund long-overdue replacement and repair of pipes, pumps and tanks throughout the widespread rural region. The district estimates the work to cost \$30 million over the next 10 years." <a href="http://www.santacruzsentinel.com/environment-and-nature/20170927/san-lorenzo-valley-residents-to-pay-most-for-water-after-rate-increase">http://www.santacruzsentinel.com/environment-and-nature/20170927/san-lorenzo-valley-residents-to-pay-most-for-water-after-rate-increase</a>
2017 Oct	LADOC chair memo to the Board of Directors: "The committee has been meeting for fifteen months and has not yet been provided with a report that would assist us in this task [review of expenses]."
2017 Oct 19	BOD meeting. District Manager and director Margaret Bruce propose to either eliminate the Lompico Assessment District Oversight Committee (LADOC) or reduce it to meeting "no more than once a year".

2017 Nov	First financial reports? Per Toni
2018 Jan	First financial reports received by LADOC at a meeting: included water meter changeouts completed in June 2016, and a temporary SCADA (control system) installed in August of 2016.
2018 Feb	End of LADOC monthly meetings, changed to quarterly. A series of resignations resulted in periods having a lack of quorum, with meetings thereafter only in May and November 2018.
2018 May 31	"Encouraging the Flow of Information to the Public", <i>Santa Cruz County Grand Jury report</i> <a href="http://www.co.santacruz.ca.us/Portals/0/County/GrandJury/GJ2018_final/SLVWDAndThePublic.pdf">http://www.co.santacruz.ca.us/Portals/0/County/GrandJury/GJ2018_final/SLVWDAndThePublic.pdf</a>
2018 May 31	"San Lorenzo Valley Water District challenged by grand jury findings", <i>Santa Cruz Sentinel</i> . "The San Lorenzo Valley Water District since 2016 has struggled to address divisive issues, management of Lompico Assessment District capital projects and support for the Lompico Citizen Oversight Committee, the Santa Cruz County civil grand jury reported Thursday." <a href="https://www.santacruzsentinel.com/2018/05/31/san-lorenzo-valley-water-district-challenged-by-grand-jury-findings/">https://www.santacruzsentinel.com/2018/05/31/san-lorenzo-valley-water-district-challenged-by-grand-jury-findings/</a>
2018 June 27	Special meeting: SLVWD BOD agenda item 3a (pgs 4-43) Presentation of Grand Jury report to the board and formation of an Ad Hoc committee of directors Baughman and Hayes, to draft a board response to the Grand Jury; Ad Hoc amended to fulfill changes proposed. <a href="https://www.slvwd.com/agendas/OTHER/2018/SpecBoDAgenda%206.27.18%20with%20Closed%20Session.pdf">https://www.slvwd.com/agendas/OTHER/2018/SpecBoDAgenda%206.27.18%20with%20Closed%20Session.pdf</a>
2018 Aug 22	SLVWD board grand jury response. The board "agreed" with all findings and responded to all recommendations with "has not been implemented but will be implemented in the future". <a href="http://www.co.santa-cruz.ca.us/Portals/0/County/GrandJury/GJ2018_final/SLVWDAndThePublic_BoD_Response.pdf">http://www.co.santa-cruz.ca.us/Portals/0/County/GrandJury/GJ2018_final/SLVWDAndThePublic_BoD_Response.pdf</a>
2018 Sept 20	BOD regular meeting, agenda item 13.1 SWRCB Permit Amendment [adding Lompico and Manana Woods to SLVWD system] and Supplemental Engineering Report on conditions in Lompico re: redwood tank replacements, water testing, minimum flow requirements of intertie. <a href="https://www.slvwd.com/agendas/Full/2018/9-20-2018/BoD%20MEETING%20AGENDA%209.20.18.pdf">https://www.slvwd.com/agendas/Full/2018/9-20-2018/BoD%20MEETING%20AGENDA%209.20.18.pdf</a>
2018 Oct 25	"Familiar face to lead SLV", <i>Press Banner</i> ; on appointment of Rick Rogers as District Manager, after serving as interim manager since Brian Lee resigned in August. <a href="http://www.goldenstatenewspapers.com/press_banner/news/a-familiar-face-to-lead-slvwd/article_1259c7e6-d87d-11e8-b959-6b5557a6560d.html">http://www.goldenstatenewspapers.com/press_banner/news/a-familiar-face-to-lead-slvwd/article_1259c7e6-d87d-11e8-b959-6b5557a6560d.html</a>
2018 Nov 29	"Fultz, Henry, Swan elected to SLVWD BoD", <i>Press Banner</i> . "[Lois] Henry, long-time resident of Lompico,"..."served eight years on the board of directors of the Lompico Water District from 2008 to 2016 through the merger with SLVWD. <a href="http://www.goldenstatenewspapers.com/press_banner/news/fultz-henry-swan-elected-to-slvwd-bod/article_65fca5ec-f409-11e8-bbb2-5773f02afbb4.html">http://www.goldenstatenewspapers.com/press_banner/news/fultz-henry-swan-elected-to-slvwd-bod/article_65fca5ec-f409-11e8-bbb2-5773f02afbb4.html</a>
2019 Jan-Feb	LADOC new charter detailing duties of the committee and district support was written by the committee in a series of workshops; approved and adopted by the Board on March 21. BOD agenda 3.21.19, New Business, item 5B (pages 118-125). <a href="http://www.slvwd.com/agendas/Full/2019/3-21-2019/BoD%20MEETING%20AGENDA%203.21.19%20with%20backup.pdf">http://www.slvwd.com/agendas/Full/2019/3-21-2019/BoD%20MEETING%20AGENDA%203.21.19%20with%20backup.pdf</a>
2019 April-July	LADOC workshops on preparation of first Annual Report. Approved by the board on – [link]

## Notes on working copy draft 6.10

Edits/add

- Photos: Toni and Mary Ann
- Mission Statement: Toni to update
- Charter: add link [added to reference list]
- Overview: update financials to June 30 [S.Hill Q4 1819]
- Assessment District vote document: find
- Engineer's report: link to entire report
- Project Overview: Rick will write short descriptions; refer to more detailed descriptions online?
- Photo: news photo PR when intertie was under construction – Rick provided – Mary Ann to review
- The loan: update on status, write short description
- NBS: write short description, and expense itemization here or under project expense detail
- Accounting: write short description of money flow; account earns interest -how much current rate?
- Capital budget history: grand jury says LADOC is to track projects to budgets
- Itemizing expenses per project (including NBS here, or above); chart? Graph? Printout report from S.Hill per project to date?
- Map service line replacements -in progress, Debbie
- Photo: all LADOC members to date
- Committee analysis and statement for this report; add paragraph from committee; presented by?
- Grand Jury: Leave summary for background; edit board response/add links?
- FAQs: review, edit, add
- Timeline of Activity: eliminated section and included highlights in References and Resources.
- Photo: group when the merger agreement was signed, Press release- locate?
- Board history: adding DM and boards by date to Reference list in background
- References: additions, ie: full Engineer's Report (on lafco site?); links to project bids et al SLV site; links to board meeting agenda items on AD-16, ref: Resource list
- Index to LADOC meetings and BOD meetings referencing AD-16 projects or LADOC [in progress] or add summaries to Resource list by date

#### REVIEW

- Input from the public
- Suggestions by staff