

# NOTICE OF LOMPICO ASSESSMENT OVERSIGHT COMMITTEE MEETING

Responsible for the review of Lompico assessment oversight.

**NOTICE IS HEREBY GIVEN** that the San Lorenzo Valley Water District has called a regular meeting of the Lompico Oversight Committee to be held Thursday, **December 8, 2016 at 5:30 p.m.** at the old Lompico District Office Building, 11255 Lompico Rd, Lompico, California.

## AGENDA

1. Convene Meeting/Roll Call
2. Oral Communications  
*This portion of the agenda is reserved for Oral Communications by the public for items which are not on the Agenda. Please understand that California law (The Brown Act) limits what the Committee can do regarding issues raised during Oral Communication. No action or discussion may occur on issues outside of those already listed on today's agenda. Any person may address the Committee at this time, on any subject that lies within the jurisdiction of the District. Normally, presentations must not exceed three (3) minutes in length, and individuals may only speak once during Oral Communications. Any Director may request that the matter be placed on a future agenda or staff may be directed to provide a brief response.*
3. Old Business:  
*Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.*
  - a. LOMPICO ASSESSMENT DISTRICT PROJECTS
    1. Project Expenses Report
      - a. Review of Lompico Assessment Project Expense Report if presented by Brian
      - b. Discussion of details that should be included in the report and when we should start receiving pertinent information.
    2. Status of Current and Completed Project
      - a. Discussion of timeline for remaining projects
        - i. 3 New Bolted Steel Tanks -missing Lewis Tank not meeting State minimum storage requirement
        - ii. Refurbish Mill Creek WTP
        - iii. Service Line and Meter Replacements-status issues - Brian has agreed to try to have status available
        - iv. Distribution System Interconnection-may not be meeting the State minimum for gpm per resident
        - v. SCADA System
        - vi. Replace Existing PRV
  - b. DISCUSSION OF ASSESSMENT CONSTRUCTION RELATED COSTS/LOW INTEREST LOANS

Update when and if SLVWD plans to take out incremental project based low interest SRF loans addressed in Assessment Agreement for which Lompico is paying interest up to \$1.4 million loan (\$183,734 interest included in assessment).

- c. UPDATE OF COMMITTEE NAME  
Discussion regarding clarification of committee name.
  - d. COMMITTEE LINK AT [www.slvwd.com](http://www.slvwd.com)  
Quick acknowledgement that Brian anticipates link will be available mid-December.
4. New Business:  
***Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.***
- a. PERCEPTION OF LOMPICO ON SLVWD BOARD AND THROUGHOUT IT'S DISTRICTS  
Discussion by the Committee regarding Scotts Valley Times article and general issue of perception of Lompico.
5. Informational Material: see attached
6. Adjournment

***In compliance with the requirements of Title II of the American Disabilities Act of 1990, the San Lorenzo Valley Water District requires that any person in need of any type of special equipment, assistance or accommodation(s) in order to communicate at the District's Public Meeting can contact the District Office at (831) 338-2153 a minimum of 72 hours prior to the scheduled meeting.***

***Agenda documents, including materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet, are available for public inspection and may be reviewed at the office of the District Secretary, 13060 Highway 9, Boulder Creek, CA 95006 during normal business hours. Such documents may also be available on the District website at [www.slvwd.com](http://www.slvwd.com) subject to staff's ability to post the documents before the meeting.***

#### Certification of Posting

I hereby certify that on December 5, 2016, I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, Boulder Creek, California, said time being at least 72 hours in advance of the special meeting of Lompico Oversight Committee of the San Lorenzo Valley Water District being held at the old Lompico Water District, Office Building 11255 Lompico Rd, Lompico, California. In compliance with California Government Code Section 54956.

Executed at Boulder Creek, California, on December 5, 2016.

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

Overview

Task Report

Resource Report

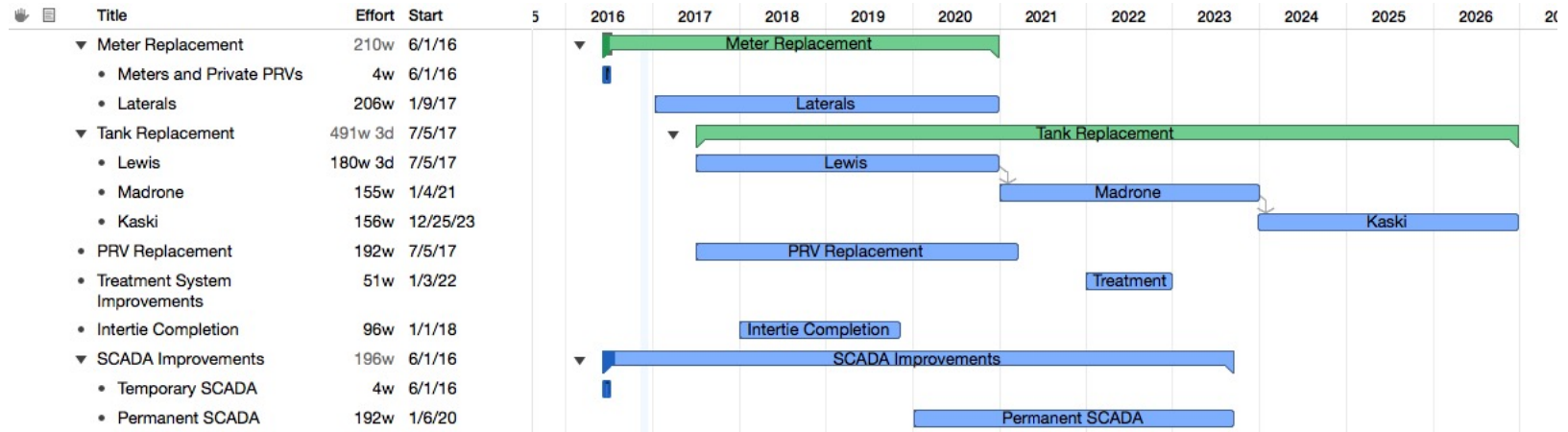
Earned Value Analysis

Gantt Chart

Resources Timeline

Monte Carlo Simulation

## Assessment District No. 2016-1: Gantt Chart



Exported 12/5/16

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### Assessment District No. 2016-1: Task Report

Task	Start	End	Duration	Completed	Dependencies	Total Cost	Assigned	Planned Start	Start Variance	Constraint Start	Planned End	End Variance	Constraint End
0) Assessment District No. 2016-1	6/1/16	12/18/26	550w 3d	< 1%		\$2,750,000.00		6/1/16	0h		12/18/26	0h	
1) Meter Replacement	6/1/16	12/18/20	237w 3d	2%		\$862,500.00		6/1/16	0h	6/1/16	12/18/20	0h	
1.1) Meters and Private PRVs	6/1/16	6/28/16	4w	100%		\$262,500.00		6/1/16	0h		6/28/16	0h	
1.2) Laterals	1/9/17	12/18/20	206w	0%		\$600,000.00		1/9/17	0h	1/9/17	12/18/20	0h	
2) Tank Replacement	7/5/17	12/18/26	493w 3d	0%		\$682,500.00		7/5/17	0h		12/18/26	0h	
2.1) Lewis	7/5/17	12/18/20	180w 3d	0%		\$227,500.00		7/5/17	0h	7/5/17	12/18/20	0h	
2.2) Madrone	1/4/21	12/22/23	155w	0%	2.1	\$227,500.00		1/4/21	0h	1/4/21	12/22/23	0h	
2.3) Kaski	12/25/23	12/18/26	156w	0%	2.2	\$227,500.00		12/25/23	0h		12/18/26	0h	
3) PRV Replacement	7/5/17	3/9/21	192w	0%		\$358,000.00		7/5/17	0h	7/5/17	3/9/21	0h	
4) Treatment System Improvements	1/3/22	12/23/22	51w	0%		\$105,000.00		1/3/22	0h	1/3/22	12/23/22	0h	
5) Intertie Completion	1/1/18	11/1/19	96w	0%		\$301,000.00		1/1/18	0h	1/1/18	11/1/19	0h	
6) SCADA Improvements	6/1/16	9/8/23	379w 3d	2%		\$441,000.00		6/1/16	0h		9/8/23	0h	
6.1) Temporary SCADA	6/1/16	6/28/16	4w	100%		\$60,000.00		6/1/16	0h		6/28/16	0h	
6.2) Permanent SCADA	1/6/20	9/8/23	192w	0%		\$381,000.00		1/6/20	0h	1/6/20	9/8/23	0h	

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### Assessment District No. 2016-1: Earned Value Analysis

Task	Planned Value	Earned Value	Actual Cost	Cost Variance	Schedule Variance	Estimate at Completion	Budgeted at Completion	Variance at Completion	CPI	SPI	CV %	SV %	TCPI
0) Assessment District No. 2016-1	\$322,500.00	\$322,500.00	\$322,500.00			\$2,750,000.00	\$2,750,000.00		1	1	0%	0%	1
1) Meter Replacement	\$262,500.00	\$262,500.00	\$262,500.00			\$862,500.00	\$862,500.00		1	1	0%	0%	1
1.1) Meters and Private PRVs	\$262,500.00	\$262,500.00	\$262,500.00			\$262,500.00	\$262,500.00		1	1	0%	0%	1
1.2) Laterals						\$600,000.00	\$600,000.00						1
2) Tank Replacement						\$682,500.00	\$682,500.00						1
2.1) Lewis						\$227,500.00	\$227,500.00						1
2.2) Madrone						\$227,500.00	\$227,500.00						1
2.3) Kaski						\$227,500.00	\$227,500.00						1
3) PRV Replacement						\$358,000.00	\$358,000.00						1
4) Treatment System Improvements						\$105,000.00	\$105,000.00						1
5) Intertie Completion						\$301,000.00	\$301,000.00						1
6) SCADA Improvements	\$60,000.00	\$60,000.00	\$60,000.00			\$441,000.00	\$441,000.00		1	1	0%	0%	1
6.1) Temporary SCADA	\$60,000.00	\$60,000.00	\$60,000.00			\$60,000.00	\$60,000.00		1	1	0%	0%	1
6.2) Permanent SCADA						\$381,000.00	\$381,000.00						1

Exported 12/5/16

## SLV Water District Board Election

There are three people running for two seats on the San Lorenzo Valley Water District Board Election. Two are incumbents, Margaret Bruce and Randall Brown, with Bill Smallman as the challenger. We asked one question with Bill Smallman and Margaret Bruce responding.

**Q: "With the added financial cost of merging with the Lompico Water District and the lower water usage due to water conservation during the drought, how would you keep water rates from rising?"**



**Margaret Bruce** — I won't. In the future, the Board will propose rate increases that meet the requirements of running the District responsibly. The Lompico merger agreement ensures Lompico customers cover their own costs. They are benefiting, and so is SLV Water District, through economies of scale. Future rates will be based on the capital, operating and reserve needs of the District. The SLV Water District is a great community asset and I am committed to ensuring its long-term financial health, with fair rates that also encourage conservation.

**Bill Smallman** — This question is misinformative. Lompico isn't adding cost, but gain. Lompico is paying to replace 100% of it's failing infrastructure, and it will have the lowest operating cost, adding 500 customers, lowering overhead % and keeping net cost down. Nobody can stop rising costs; what is important is a fair cost, which I am by far the most qualified candidate to maintain. If rates are too low, it costs more. For example, fixing broken water pipes on overtime vs. on schedule. In regard to the financial problems caused by people conserving too much, the base rate should be adjusted to be enough to maintain the District, and the tier money from heavy users going back to customers for conservation improvements.



Posted by [Michael Oppenheimer](#) on November 4, 2016. Filed under [News, Scotts Valley](#). You can follow any responses to this entry through the [RSS 2.0](#). You can leave a response or [trackback](#) to this entry

**SAN LORENZO VALLEY WATER DISTRICT  
SPECIAL MEETING OF LOMPICO ASSESSMENT DIST OVERSIGHT COMMITTEE  
MINUTES**

Nov 10, 2016 6pm

1. Convene Meeting/Roll Call

Lompico Oversight Committee Chairperson Toni Norton convened the meeting at 6pm. April Crittenden, John Grunow, Lydia Hammack, Ruth Shaw and Toni Norton were in attendance.

2. Oral Communications:

District Manager Brian Lee explained that according to the Brown Act Oral Communications are not included in Special Meetings but that the Public may contribute to discussions of agenda items.

3. Old Business:

a. LOMPICO ASSESSMENT EXPENSES REPORT

***DM Lee agreed to try to have a preliminary report available by next meeting***

Toni Norton asked about the procedure for challenging or asking for clarification of individual line items of expenses charged to assessment

***DM Lee explained that when any contentious issues arise we can***

***1st) Attempt to discuss and resolve at committee level with DM Lee***

***2nd) Present issue to Budget and Finance Committee and attempt to resolve***

***3rd) Present issue to BoD of SLVWD***

b. STATUS OF CURRENT AND COMPLETED PROJECTS FOR REMAINING ASSESSMENT AGREEMENT PROJECTS

-Service Line and Meter Replacements-**DM Lee agreed to try to provide status by 11/8 meeting**

**DM Lee explained that the wireless meters, with the exception of a few are working well. The provider has committed to ensuring that they will resolve the issues for the few that are not working properly.**

c. DISCUSSION OF LOAN STATUS: **DM Lee explained that the nature of SRF (State Revolving Funds) are that they are project based. So as each project listed in the Assessment is initiated SLVWD will decide if it is appropriate to apply for the SRF loan and take advantage of the opportunity provided by the Lompico Assessment District Agreement. No SRF loans have been used thus far.**

d. LOMPICO SURCHARGE: **This issue was discussed under New Business b) Status of Lompico Oversight Committee**

4. New Business:

a. SET REGULAR MEETING OF THE LOMPICO ASSESSMENT OVERSIGHT COMMITTEE : **After much discussion it was decided unanimously that moving forward the Lompico Oversight Committee will meet the 2nd Thursday of each month at 5:30.**

b. STATUS OF THE LOMPICO OVERSIGHT COMMITTEE :Ruth Shaw, Lydia Hammack and Toni Norton attended and made comments at the BoD meeting where it was debated whether or not there should be a Lompico Oversight Committee. I was finally decided that the Lompico Oversight Committee would be renamed (still not clear what the final name is) and would only be responsible for overseeing the Assessment Revenues and Project Status.

DM Brian Lee explained that the new name will be Lompico Assessment District Oversight Committee

The Lompico Surcharge will no longer be within the Lompico Oversight Committee's area of responsibility. Toni Norton explained that she received assurances from the BoD that committee members can continue to address the issue as private citizens. DM Brian Lee explained that the Lompico Audit will be complete in February.

John Grunow expressed dismay and dissatisfaction with the decision and felt it took away most of the responsibility of the committee. Other members of the committee felt that although unfortunate that we no longer have broad responsibilities at least now the purpose of the committee is aligned to the description and purpose of the committee outlined in the Merger Resolution. Toni Norton explained that previously no mention of overseeing the revenues of the Assessment District were even listed as part of the responsibility of the Oversight Committee.

Deb Loewen, Ed Frech and Lois Henry made statements regarding their concerns about the change in status to the committee. They were concerned that the people of Lompico had no way of getting in touch with the committee to express their concerns. DM Brian Lee explained that he still plans to provide the link on the SLVWD Site to a Lompico form where questions can be asked. Chair Person Toni Norton will review the questions and either refer the question to the appropriate SLVWD Staff member, BoD or bring the question to the Committee if it pertains to the Assessment District projects for discussion and decisions regarding how to respond. The site will be advertised on NextDoor, the Lompico/Zayante Women's Social Club emails, LCC, Lake Blv Assoc and on the Bulletin Board outside the old LCWD office.

Deb Loewen expressed concern about the negative perception SLVWD and the communities it serves have of Lompico. She asked that we add this issue, along with a discussion of the Scotts Valley Times article interviewing candidates for SLVWD Board and the responses of Bill Smallman and Margaret Bruce.

c. NOTICE OF LOMPICO COPPER AND LEAD EXCEEDANCE -Brian explained that Lompico is no longer in violation of this issue, however because we were previously not in compliance we must continue to be tested for some time.

The meeting was adjourned at 8:15