



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
AGENDA
December 15, 2016**

MISSION STATEMENT: Our Mission is to provide our customers and future generations with reliable, safe and high quality water at an equitable price; to create and maintain outstanding service and community relations; to manage and protect the environmental health of the aquifers and watersheds; and to ensure the fiscal vitality of the San Lorenzo Valley Water District.

Notice is hereby given that a regular meeting of the Board of Directors of the San Lorenzo Valley Water District will be held on **Thursday, December 15, 2016 at 6:00 p.m.**, at the Operations Building, 13057 Highway 9, Boulder Creek, California.

In compliance with the requirements of Title II of the American Disabilities Act of 1990, the San Lorenzo Valley Water District requests 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 Secretary's Office at (831) 430-4636 a minimum of 72 hours prior to the scheduled meeting.

Agenda documents, including materials related to an item on this agenda submitted to the Board of Directors 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 are also available on the District website at www.slvwd.com subject to staff's ability to post the documents before the meeting.

1. Convene Meeting/Roll Call

2. Additions and Deletions to Agenda:

Additions to the Agenda, if any, may only be made in accordance with California Government Code Section 54954.2 (Ralph M. Brown Act) which includes, but is not limited to, additions for which the need to take action is declared to have arisen after the agenda was posted, as determined by a two-thirds vote of the Board of Directors (or if less than two-thirds of the members are present, a unanimous vote of those members present).

3. Oral Communications:

This portion of the agenda is reserved for Oral Communications by the public for items which are on the Closed Session portion of the Agenda. Any person may address the Board of Directors at this time, on Closed Session items. Normally, presentations must not exceed three (3) minutes in length, and individuals may only speak once during Oral Communications. No actions may be taken by the Board of Directors on any Oral Communications presented; however, the Board of Directors may request that the matter be placed on a future agenda.

Please state your name and town/city of residence at the beginning of your statement for the record.

4. Adjournment to Closed Session:

At any time during the regular session, the Board may adjourn to Closed Session in compliance with, and as authorized by, California Government Code Section 54956.9 and Brown Act, Government Code Section 54950. Members of the public will be given the opportunity to address any scheduled item prior to adjourning to closed session.

a. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

Case Number CV180394-Bruce Holloway, Plaintiff, v. Terry Vierra; San Lorenzo Valley Water District; Showcase Realty Agents, Inc.; Gregory Dildine; Edwige Dildine; and Does 1 to 25, Defendants.

b. CONFERENCE WITH LABOR NEGOTIATORS

Government Code Section 54957.6

Agency designated representative: Brian Lee

Employee Organizations: Classified Employees Unit and Management, Advisory and Confidential Employees Unit

c. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Government Code Section 54957

Title: District Manager

d. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION

Paragraph (1) of subdivision (d) of Government Code Section 54956.9

Name of Case: Charlene DeBert v. SLVWD

5. Convene to Open Session at 7:00 p.m. (time certain)

6. Report of Actions Taken

7. Special Order of the Day:

a. OATH OF OFFICE

Administration of Oath of Office for New Board Member.

b. ELECTION OF OFFICERS

Discussion and possible action by the Board regarding the election of president and vice-president of the Board.

8. Additions and Deletions to Agenda:

Additions to the Agenda, if any, may only be made in accordance with California Government Code Section 54954.2 (Ralph M. Brown Act) which includes, but is not limited to, additions for which the need to take action is declared to have arisen after the agenda was posted, as determined by a two-thirds vote of the Board of Directors (or if less than two-thirds of the members are present, a unanimous vote of those members present).

9. 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 Board 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 Board of Directors 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.

10. Written Communications: None

11. Consent Agenda:

The Consent Agenda contains items which are considered to be routine in nature and will be adopted by one (1) motion without discussion. Any Board member may request that an item be withdrawn from the Consent Agenda for separate discussion.

a. MINUTES OF THE BOARD OF DIRECTORS MEETING FROM
NOVEMBER 3, 2016

Consideration and possible action by the Board to approve minutes for the November 3, 2016 Board of Directors meeting.

b. MINUTES OF THE BOARD OF DIRECTORS MEETING FROM
DECEMBER 1, 2016

Consideration and possible action by the Board to approve minutes for the November 17, 2016 Board of Directors meeting.

c. BILL LIST FOR PERIOD ENDING DECEMBER 15, 2016

Consideration and possible action by the Board to approve the Bill List for the period ending December 1, 2016.

d. SEXUAL HARASSMENT POLICY 2017

Consideration and possible action by the Board to approve the 2017 Sexual Harassment Policy.

e. PERSONNEL SYSTEM RULES AND REGULATIONS 2017

Consideration and possible action by the Board to approve the 2017 Personnel System Rules and Regulations

f. RESPECTFUL WORKPLACE POLICY 2017

Consideration and possible action by the Board to approve the 2017 Respectful Workplace Policy.

g. FINANCIAL SUMMARY FOR PERIOD ENDING OCTOBER 31, 2016

Consideration and possible action by the Board to approve the Financial Summary for period ending October 31, 2016.

12. Unfinished Business:

Members of the public will be given the opportunity to address each scheduled item prior to Board action. The Chairperson of the Board may establish a time limit for members of the public to address the Board on agenda.

- a. GROUNDWATER SUSTAINABILITY AGENCIES JOINT POWERS AUTHORITY FORMATION DOCUMENT
Discussion and possible action by the Board regarding the GSA JPA formation document.

13. New Business:

Members of the public will be given the opportunity to address each scheduled item prior to Board action. The Chairperson of the Board may establish a time limit for members of the public to address the Board on agenda.

- a. SET BOARD MEETING DATE AND TIME FOR 2017
Discussion and possible action by the Board regarding the setting of the BoD meeting and time for 2017.
- b. CANCELLATION OF BOARD OF DIRECTORS MEETING JANUARY 5, 2017
Discussion and possible action by the Board regarding the cancellation of the Jan. 5, 2017 BoD meeting.
- c. BOARD OF DIRECTORS POLICY MANUAL 2017
Discussion and possible action by the Board regarding the 2017 BoD Policy Manual.
- d. COMMITTEE APPOINTMENTS
Discussion and possible action by the Board regarding the Committee appointments.

14. District Manager Reports:

Information reports by the District Manager, Staff, Committee and Board of Directors.

a. MANAGER

- (1) Department Status Reports
Receipt and consideration by the Board of Department Status Reports regarding ongoing projects and other activities.
 - (i) Q & A from prior Board Meetings
 - (ii) Finance
 - (iii) Operations

b. BOARD OF DIRECTORS MEETINGS:

- (1) Future Board of Director Meeting Agenda Items
 - (i) Scheduled for future meetings

- (a) AB 1234-Ethics Education & Training (within 1 year of election and every other year after)
- (b) Form 700-Statement of Economic Interests (annually by April 1)
- (c) Evaluation of District Manager and Counsel (annually)
- (d) Final 2015 UWMP Presentation

c. COMMITTEE/DIRECTOR REPORTS:

(1) Future Committee Meeting Agenda Items

- (i) Admin
 - (a) Leak Adjustment
 - (b) Board Policy Manual
- (ii) Budget & Finance
- (iii) EEP
- (iv) LAOC

(2) Committee Meeting Notes

- (i) Admin
 - (a) Oct. 25, 2016 meeting notes
 - (b) Nov. 21, 2016 special meeting notes
- (ii) LAOC
 - (a) Nov. 10, 2016 special meeting notes

15. Informational Material: None

16. Adjournment

Certification of Posting

I hereby certify that on December 9, 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 meeting of the Board of Directors of the San Lorenzo Valley Water District (Government Code Section 54954.2).

Executed at Boulder Creek, California on December 9, 2016

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

M E M O

TO: Board of Directors
FROM: District Manager
SUBJECT: Election of Officers
DATE: December 15, 2016

RECOMMENDATION:

The Board Vice-President, Gene Ratcliffe, will entertain nominations for the positions of Board President and Vice-President. The Board will review and vote on the election of officers. The elected President will then take the gavel.

BACKGROUND:

The Board Policy Manual says; there shall be two (2) officers: a president and a vice president, who shall be members of the District Board of Directors. Election of officers shall be held at the second (2nd) Board of Directors meeting in December of each calendar year. Officers will serve for a one (1) year term. Elections will conform to the applicable provisions of this Policy Manual.

STRATEGIC PLAN:

Element 9.0 - Administrative Management

FISCAL IMPACT:

None

**SAN LORENZO VALLEY WATER DISTRICT
BOARD MEETING MINUTES**

November 3, 2016

6:00 p.m.

CONVENE MEETING/ROLL CALL:

President Brown convened the meeting at 6:00 p.m.

Dirs. Bruce, Baughman and Ratcliffe were present. District Manager Lee, and Legal Counsel Hynes were also present.

ORAL COMMUNICATION: None

ADJOURNMENT TO CLOSED SESSION:

President Brown adjourned to closed session at 6:03 p.m.

RECONVENE TO OPEN SESSION:

Pres. Brown reconvened the meeting to open session at 7:02 p.m.

Director Bruce made a motion to excuse the absence of Director Hammer.

ROLL CALL:

Ayes: Baughman, Brown, Ratcliffe, Bruce

Noes:

Abstain:

Absent: Hammer

REPORT ACTIONS TAKEN IN CLOSED SESSION: None

ADDITIONS AND DELETIONS TO AGENDA: None

ORAL COMMUNICATIONS:

Ed Frech, Felton, addressed the Board (see comments Exhibit A).

Debra Loewen, Felton, addressed the Board (see comments Exhibit B).

Charlene DeBert, Boulder Creek, addressed the Board to say that she is here for the 4th anniversary of her claim regarding a pipe through her property. She thanked Brian Lee for verifying the cross claim. She went on to say that it was a big mistake. She said that the District is spending \$16,000 on her case in 2 months. She says she deserves an apology. She said that she doesn't see Dist. Mgr. Lee as the bad guy and the Board should be more engaged.

WRITTEN COMMUNICATIONS:

Pres. Brown noted that there are 2 written communications. He said that he just wanted to say 1 thing about Debra's comment, it's easy to mistake approval for deference. The Board does review the agendas and talk with staff about the agenda. Generally, staff and the Board see eye to eye.

CONSENT AGENDA:

Pres. Brown noted that the agenda listed the wrong date under 10a.

10a MINUTES FROM OCTOBER 13, 2016 Special BoD

10b MINUTES FORM OCTOBER 20, 2016 BoD

10c BILL LIST FOR PERIOD ENDNG October 20, 2016

Pres. Brown moved for approval of the Consent Agenda.

ROLL CALL:

Ayes: Bruce, Baughman, Ratcliffe, Brown

Noes:

Abstain:

Absent: Hammer

NEW BUSINESS:

12a PUBLIC HEARING AND POSSIBLE ADOPTION - 2015 URBAN WATER MANAGEMENT PLAN

DM Lee introduced the 2015 UWMP. It is a requirement of the State of California every 5 years. The District completed the 2010 UWMP in February 2016. The 2015 UWMP was due in July of this year, so we are behind schedule. DM Lee added that he is simply trying to check off a box with this completed 2015 UWMP.

Dir Bruce understands that the template for the UWMP is a compilation of specific reports, but she questions if the District is still updating climate action plans, vehicle emission goals, etc. in preparation of the 2020 UWMP.

DM Lee said that is exactly what he is planning. He said that the UWMP should be a compilation of documents that already exist.

Pres. Brown said that the he noted several items to help the fish situation. It requires working with other agencies.

Dir. Bruce questioned if the completion of the 2015 UWMP is a component of SRF Loans.

DM Lee said that the completion of the 2010 UWMP made us eligible for SRF Loans.

Dir. Baughman said that he likes the narrative of this document. 2010 was data rich and this is more abbreviated.

Dir. Ratcliffe said that she looks at the document as a snapshot of the District. It's understandable.

Pres. Brown said that it's a good overview.

Environmental Programs Manager Michelsen said that DM Lee covered it pretty well. She said that the climate change was covered in the 2010 UWMP. There are a lot of assessments going on and grants in process but not ready for submitting to the State.

Dir. Bruce noted that paragraph 6.8.2, the last sentence doesn't make sense.

Dir. Baughman asked for clarification of 6.4.2, the figures don't exist. He also noted that there is an area of the basin west of Zayante that is unclear and Nick has a very good map that can go there.

DM Lee said that the water loss audit is not a requirement of the UWMP so it is a place holder that was never intended to be filled. The 2010 UWMP was created by scientists for scientists, the 2015 UWMP was created by engineers for government.

At 7:36 pm called the Public Meeting.

John Calaprice, Felton, addressed the Board with data gaps in the plan and with suggestions for improvement (see comments Exhibit C).

Pres. Brown thanked Dr. Calaprice for his thoughtful comments.

DM Lee said he was tempted to clap and applause broke out.

Pres. Brown noted that we are working on many of the projects Dr. Calaprice mentioned.

Dir. Baughman noted that the District has a lot of storage capacity.

Dir. Bruce invited Dr. Calaprice to participate in the Environmental/Engineering/Planning Committee and thanked him for his comments.

Dir. Ratcliffe addressed the focus of the 2015 UWMP. She said that it is necessary to allow our participation in SRF loans for projects related to his concerns.

Environmental Programs Manager Michelsen added that we currently are working on projects related to fish restoration in the valley.

Dir. Bruce noted that SLVWD participates Santa Cruz Mountain stewardship projects with a multi-agency working group.

Dr. Calaprice said that it would be nice to let the public know about all of these projects.

John Fasolas, Felton, said that the District is involved in a lot of things trying to develop data on our carbon footprint, the Santa Margarita Aquifer, etc.

Pres. Brown noted that the Santa Margarita group is no longer an advisory commission it is now becoming an agency.

John Fasolas said that he would like to see the District take a lead role in the new agency. He welcomed Dr. Calaprice to the area and invited him to meet like-minded individuals.

Pres. Brown noted that climate change will help define sustainability.

Debra Loewen, Felton, reported that all of the streams and rivers in the state are being impacted by marijuana cultivation and she wishes that Dir. Hammer was there to address that issue.

Ms. Michelsen said that marijuana cultivation is an issue that she and the District is very involved in through the County Supervisors. She has prepared strong response to the environmental impact report.

Rick Moran, Environmental/Engineering/Planning Committee member, he said that he sees this plan as an introductory tool to educate the public. He is most interested in the gallons per day per individual's use. He likes that the plan has an equitable conservation plan.

Pres. Brown noted that there was an additional comment letter questioning why Lompico wasn't included in the 2015 UWMP.

DM Lee said that the 2015 UWMP information ended on 12/31/15 and Lompico didn't become part of the District until 6/2/16. He said that this plan is not a master plan for the District, just a small part of the overall plan.

The Public Hearing closed 8:07 pm.

Dir. Baughman noted that the RFP allowed up to 3 meetings with representatives that prepared the plan and he hasn't seen them once. He thinks he can learn a lot from them presenting the plan.

DM Lee he said that they can come back with the Final 2015 UWMP with all changes brought up tonight.

Dir. Bruce made a motion to accept the plan in its draft form with the minor changes to be made and upgrades to graphs, charts & maps and that they present the Final at the next meeting.

ROLL CALL:

Ayes: Baughman, Brown, Ratcliffe, Bruce

Noes:

Abstain:

Absent: Hammer

DM Lee noted that this is for Resolution No. 13 (16-17).

12b REFINANCING OF SOLAR LEASE

DM Lee described the item.

Dir. Baughman said that he thought this is a good idea. He questioned if it would require additional insurance.

Dist. Counsel Hynes noted that we already have the system insured.

DM Lee noted that this is a low interest rate.

John Fasolas, Felton, said that this solar equipment lowered the District's carbon footprint. The amount of electricity the District is saving should more than offset the cost of the loan.

Pres. Brown question the viability of the system.

Mr. Fasolas said that inverters wear out but this system is only 5 years old and should last 25 or 30 years.

Dir. Ratcliffe made a motion to approve the purchase of the Solar Equipment and adopt Resolution No. 12 (16-17).

ROLL CALL:

Ayes: Bruce, Baughman, Brown, Ratcliffe

Noes:

Abstain:

Absent: Hammer

12c LOMPICO OVERSIGHT COMMITTEE

DM Lee described the item. This item went to the Administration Committee last week and that committee recommended the clarifying language for the Oversight Committee as listed in the board packet. Since the agenda was published it was brought to his attention that there are 2 key nouns in the sentence; the assessment district 2016-1 and Lompico service area. This could be confusing. He proposed that *Lompico service area* be struck and replaced with *overlying*. He went over, item by item, the proposed Lompico Oversight Committee meeting agenda provided by Toni Norton, committee chair, for relevance to committee.

DM Lee noted that the Lompico Notice of Copper Exceedance does not belong on the Lompico Assessment Oversight Committee (LAOC).

Dir. Bruce offered that the Notice should be on the Environmental/Engineering/Planning Committee. She asked for clarification on the projects listed on the agenda. She noted 3 core issues; expenses, revenues and surcharge.

DM Lee noted that the surcharge discussion is more appropriate for the Admin Committee.

Dir. Bruce noted that we are not 2 separate water districts and it is appropriate for discussion of projects and other issues to be discussed by the appropriate committee.

Toni Norton noted that initially the committee had a broader charter so at that time they thought the surcharge was part of their oversight. She noted ~~that Lompico had instigated a loan, for which they are paying interest, in anticipation of needing funds for the startup costs. Lompico would like to start using their water sources.~~

~~...as you know its 2.9 million dollars that we're bringing and there's a list of projects and that one of the expenses is a loan that San Lorenzo could have chosen and in fact we've already we're being charged interest for, to for you to be able to get ahead and start on the projects. And as Pete, that's my husband, he mentioned that, so he did bring up that we do have 2 great sources of water in Lompico that we really like, we need to start using that water and that so in order to get the water flowing we need to...~~

~~They would also like to start getting information on assessment funds that have already been spent.~~

DM Lee explained that there are already committees set up for the other issues. Copper and lead issues are not isolated to Lompico. The LAOC should concentrate on the assessment and customers can contact the other committees for other issues.

Dir. Ratcliffe noted that the LAOC doesn't have any Board members so they can participate in all other committees and board meetings.

Debra Loewen, Felton, said that she wants a formal written report presented to the committee from management that details all of this, not just come in and talk about it. She added that she wants something on the SLVWD website where these things are posted. She thinks this should go back to the committee for ratification before the Board makes any decisions.

Ms. Norton said that the word "projects" was in the agreement and she would like it to be included in the committee.

DM Lee said that we are all working for the same goal. He suggested that the following be the language of the LAOC; the committee shall be responsible to review matters of revenue and expenses that are directly related to Assessment District 2016-1 projects.

Dir. Bruce suggested that cut sheets for the Lompico projects, similar to the CIP projects, be produced.

DM Lee said he plans to do that.

Ed Frech, Felton, asked if there is a critical path generated on these projects?

DM Lee said there is not a critical path at this moment, but there will be.

Dir. Bruce made a motion to approve Resolution No. 13 (16-17) with the modification of oversight recommended language.

ROLL CALL:

Ayes: Brown, Baughman, Ratcliffe, Bruce

Noes:

Abstain:

Absent: Hammer

12d FINAL REPORT FOR THE FALL CREEK WATERSHED VIDEO

Environmental Programs Manager Michelsen said that in order to close the contract with Fred & Roberta McPherson regarding the Education Grant for the Fall Creek Watershed Video, she requests that the Board approve the final report and final payment on the project.

All agreed that it is a fine effort and well done.

Pres. Brown made a motion to approve the final report and final payment.

ROLL CALL:

Ayes: Bruce, Baughman, Ratcliffe, Brown

Noes:

Abstain:

Absent: Hammer

DISTRICT MANAGER REPORTS

Administration

DM Lee shared highlights from the status report.

Environmental

Environmental Programs Manager Michelsen shared highlights from the status report.

ADJOURNMENT:

President Brown adjourned the meeting at 9:02 p.m.

EXHIBIT A

Many of us put a lot of work into seeing the merger through, and we did it because the most important thing was securing a water supply for people who live in Lompico. This was a success, and is what special districts are meant to do.

Knowing the district's purpose, setting policies, being in touch with your customers and their issues, and oversight of the district is the board's role. Lompico's board got this, and with the merger, I had expected the same or better of this board, so I'm surprised.... and disappointed ...to see the difference.

I'm surprised to hear you think you are prohibited by the Brown Act from talking to the customers you represent. This is strange news coming from board members who have served up to four years.

The board in Lompico, starting about 2008, had a program of regular board training workshops, some through the Special Districts association, and mostly through Cal Rural Water Association. These were public workshops, so we learned a lot about the Brown Act and serial meetings. We also heard about how an item on the agenda must be descriptive enough to allow anyone to understand a specific proposed action.

Mostly we learned that the board answers to the people who elect them. Staff are there to "power the engine", but directors provide the road map, set the direction, and hang on to the steering wheel of the district.

I don't know what type of training this board gets, but I think it would be good to re-evaluate if you are getting the best. We want you to be the best you can. We want you to be informed, not hand over the steering wheel to staff because you don't understand the issues. We want you to understand when course corrections are needed.

As elected representatives, being more accessible to customers—from Lompico or anywhere in this district-- is a good goal for this board, and may be another good thing that comes out of this.

Thank you

Ed Frech, Felton Public comment Nov 3 2016

EXHIBIT B

I would like to thank the board and manager for sharing their opinions about the Lompico merger agreement.

When I came to the board on September 15th, I presented in public comment information about the merger agreement having to do with removal of the Lompico paid debt from the surcharge, as per my letter in correspondence.

I brought this information to the board because I trusted you, and felt this was an honest oversight that you would want to fix right away.

I have since learned a lot about the district by attending a few board and committee meetings, especially the meeting of October 20th. I have learned that there is an underlying feeling of imposition and animosity in this district towards the Lompico merger, directed towards the State, the County, LAFCo and Lompico customers. I have seen this animosity reflected in an email response to the State, some director's comments, management reports, minutes, and a power point presentation. I think this animosity may be the reason behind your distorted view of the merger agreement.

I believe the LAFCo agreement is fine, that the meaning and intent of the terms are clear and as have been presented by those from Lompico since we started this discussion. When I spoke on September 15th, this seemed to make sense to you, too. I believe you should trust this instinct of what is right, and hope you will in the future work harder to honor the spirit and intent of the merger agreement.

I would like the board to agree to have at least one unbiased board member volunteer to be the liaison for Lompico customers like us, for better communication.

As this has not been resolved, I encourage the board to consider directing staff to enact the surcharge reduction as requested, asap, retroactive to June 1. I will be happy to meet with anyone on the board having questions about documents I presented on Oct 20, or to help set up a meeting with those in Lompico who worked on the merger.

Thank you

Public comment
Debra Loewen
SLV customer
Nov 3, 2016

EXHIBIT C

John R Calaprice, Ph.D.
Ecosystems Engineering and Analysis, LLC
125 Clearview Place
Felton, CA 95018

November 2, 2016

San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006

Dear Board Members,

Thank you for posting the draft of “the Urban Water Management Plan” and for the opportunity to comment. I am a relatively new resident of Felton, having relocated and arrived some 7 years ago. I am a resident that relies upon water service from the Districts supply system each and every day. I feel compelled to comment on the proposed plan, not just as a stakeholder but as someone who has spent the last 56 years as a graduate ecologist who had, and continues to be involved in education and research of aquatic ecosystems, salmon restoration and watershed management. After retiring, I formed a consulting company that has designed and carried out studies for Water Districts in northern and southern California and Los Angeles and Orange County Sanitation Districts. Currently I have no clients nor do I want any, instead I occupy my time in my garden and have spent a great deal of time studying climate change data (global warming) and models, and considering and how this will affect our individual lives and institutions. It is with this perspective that I comment on this draft plan.

A. My Summary statement and general comments.

I understand that this plan was mandated by the State of California who has also provided guidelines as to content and format. I have little doubt that the draft plan will satisfy the State’s requirement. I do have serious doubts that the plan, if implemented, will be adequate given the changes we expect as a consequence of global warming. I say that because the present plan is based upon historical data and historical climate. In this respect it is interesting to note that section 7.2 of this report dealing with “Factors affecting supply reliability” lists climate change as one of a number of factors that can affect the reliability of SLVWD water supplies. In other words, **if climate change occurs then the conclusions reached in this**

report are not valid. Hello folks, the climate is changing. That the climate has changed is irrefutable. Great achievements have been realized collecting and utilizing weather data from satellites. Using such data, and our increasing understanding of the fine scale factors and processes that affect weather, it has been possible to predict change. These model predictions are uncanny in their ability to predict actual occurrences. For example, the high pressure zone that “parked” over our area during the last number of years of relatively lower rainfall, reportedly, was predicted in advance by computer model simulations with variables driven by the melting and reduction in the size of the polar ice cap. And, the prediction is that further melting and reduction of the ice will result in more lengthy periods of reduced rainfall associated with a larger high pressure zone, parked over our geographic area for a longer period of time. Hello Again, hello folks, the polar ice cap continues to melt. Note that the present planning document assumes that we will have adequate water supplies into the year 2035 with our present system. That conclusion is based on the assumption that periods of low rainfall will be of the order observed in the years 2013-2015, and that conservation measures alone will suffice. **Given our knowledge of the climatic changes expected, this is an unreasonable and misleading conclusion.**

B. Some Specific Comments about the report. I will limit these for the sake of brevity.

*The executive summary is very weak, Needs to have the assumptions clearly stated within.

*Assumes that present water production can be increased to meet the demands of an expected increase in population. If you read Section 6.9 dealing with future water projects, it is unclear how this demand will be met during periods of low rainfall. For example, the district can draw some water from Loch Lomond Reservoir, only if the City of Santa Cruz does not need the water.

*Additional groundwater pumping capacity. How is that going to work if the groundwater supply is challenged by a prolonged period of low rainfall.

C. There is some relief, but only if the Districts come to realize the challenges presented by climate change and take steps to increase water storage and other measures that result in more storm related percolation into the aquifers. The real danger is that District Personnel and local decision makers will read this report and **take no measures** that will reduce the felt effects of changing weather patterns. Like it or not Climate Change has been occurring and will continue to increase in ways that will affect our society as we know it. In this

case it is the watershed we live in and our water quality and supply. To a significant extent we can mitigate these effects. We need to implement these as soon as possible.

1) River and stream restoration. Climate models predict that we will be experiencing less frequent storms that are more intense. What this translates to, in this context, is increased runoff and less groundwater recharge. Unfortunately I am not familiar with the present status of streams in this watershed, but it is more than likely that we have impacted our streams by removing woody debris that once formed pools and riffles that enhanced percolation and provided the necessary habitat for aquatic organisms. Salmon and steelhead trout restoration measures not only restore the health of our watershed, they can, if done correctly, improve water quality and recharge aquifers. Similarly, we most likely have impacted streams by destroying naturally occurring flood plains. We need to get the streams and rivers back in equilibrium. This will likely involve measures that either relocate homes constructed in the flood plain or that increase their height above the flood plain. Quite possibly some storm in the future will take care of this.

2) Consider fabricating man made structures within the streams that promote water retention. Many of these can be installed and maintained as part of salmon restoration measures, “J hooks” as well as the equivalent of artificial beaver dams (Can provide details if desired)

3) We have significant amounts of rainfall, by we have little significant storage capacity. The end result of global warming will make it even more difficult to ride out periods of low rainfall in this situation. Can the Water District add more storage? I am not all certain that the answer has to be no. In any event promote rainwater capture and retention at user sites. Make available water tanks, individual filter systems, and pumps at cost and/or using a system of rebates. Educate the public on how one may easily implement such systems.

4) etc. etc. I can go on, but perhaps another time and place.

Again, thank you for the opportunity to comment on the plan.

Yours sincerely,

John R Calaprice

**SAN LORENZO VALLEY WATER DISTRICT
BOARD MEETING MINUTES**

December 1, 2016

6:00 p.m.

CONVENE MEETING/ROLL CALL:

President Brown convened the meeting at 6:00 p.m.

Dirs. Hammer, Bruce, Baughman and Ratcliffe were present. District Manager Lee, and Legal Counsel Hynes were also present.

ORAL COMMUNICATION: None

ADJOURNMENT TO CLOSED SESSION:

President Brown adjourned to closed session at 6:02 p.m.

RECONVENE TO OPEN SESSION:

Pres. Brown reconvened the meeting to open session at 7:02 p.m.

ROLL CALL:

Ayes: Hammer, Baughman, Ratcliffe, Brown
Noes:
Abstain:
Absent: Bruce

Dir. Ratcliffe made a motion to approve the absence of Dir. Bruce because she is attending an ACWA conference.

ROLL CALL:

Ayes: Hammer, Baughman, Brown, Ratcliffe
Noes:
Abstain:
Absent: Bruce

REPORT ACTIONS TAKEN IN CLOSED SESSION:

President Brown related that the Board discussed a question of State regulations that the District has a paperwork issue that needs to be resolved. The Board has agreed to the State's terms for settlement.

Legal Counsel Hynes said that the announcement of action came in by unanimous vote of the Board members present was to approve conditional offer of settlement and expedited payment in a complaint in the amount of \$8,500, payment to be applied to

2015 under licenses 6275, 6276, 6277, 9742, 5398 and 20123, covering Bennett Creek, Bull Spring, Bull Creek and Fall Creek.

ADDITIONS AND DELETIONS TO AGENDA:

DM Lee suggested that the meeting minutes from November 3, 2016 be pulled from the agenda because there are referenced exhibits that were not included in the agenda packet.

Pres. Brown moved that the November 3, 2016 minutes, item 10a, be pulled from the Consent Agenda.

ORAL COMMUNICATIONS:

Lois Henry, Felton, said, "Last meeting I made, I read something from the attorney general from the State of California on the Brown Act but there was some question about what I was reading because I didn't leave a copy. So there was a copy and I'm not going to read this all over again but at the bottom it says the attorney general took a position that communications between staff and Board members were permissible with certainty only to the extent the purpose was to plan upcoming meetings by discussing times, dates, and placement of items on the agenda or for staff to receive spontaneous input from the Board members with respect to these or other matters so long as a quorum is not involved. Thus the attorney general's view would not support an administrator or individually meeting with each Board member to provide a Board member with information on an agenda item. New Brown Act provisions provisions signed into Senate Bill 17 in 32 Romeo takes effect January 1, 2009. The new Brown Act provisions basically adopt the Attorney General's view on serial communication among Board members. Now the reason I brought that up was cause I couldn't figure out when you decided to wait for the Lompico audit that would be for the time period of July 2015 - June 1st of 2016. I couldn't figure out when you decided on that and I'm not going to say it was a serial meeting, I don't know what it was. I never saw it on the agenda, I never heard it talked about and to me the best thing seems to me that okay when I went to Sacramento they said that the last thing a Board wants to do is to appear to have done something wrong. So this is just me, nobody else but to me it had the appearance of a serial meeting. So I think it would be easy to fix, say maybe the first meeting in January you put it on the agenda to talk about why you're holding off on discussing the surcharge until after you have the audit cause I've looked at I can't tell you how many audits I've seen in my life, that's what I did and I don't understand why you think you need to see that and it would be great if your general manager would write something up so everybody would know what he expects to find from the audit. And maybe all he wants to see is what our liabilities and assets were as of June 1st but still I don't know what it has to do with the surcharge. It would make me feel a lot better if you put it on the agenda and talked about it. The other thing that I talked about and I didn't give a paper on was agenda requirements that say a brief, general description of each item to be discussed, the act makes it clear that discussion items must be placed on the agenda as well as items that may be subject to action by the body. The purpose of the brief, general description is to inform interested members of the public about the subject

matter under consideration so they can determine whether to monitor or participate in the meeting.”

Pres. Brown questioned Ms. Henry if she had already submitted this in writing.

Ms. Henry said, “no, she didn’t give it to you that night and if you read the minutes”...

Pres. Brown said that her time was up.

Ms. Henry continued, “I’m just saying, I talked about it last meeting the way the minutes read I purportedly read something from an attorney general and so I brought it and I didn’t read the whole thing and I’m just trying to say what I think.”

Pres. Brown said thank you. He is sure the Board will consider what she has to say.

Ms. Henry said, “And I hope you will, I guess I don’t get my 3 minutes then.”

Pres. Brown said she had spoken for 5 or 6 minutes.

Ms. Henry said, “I guess I talk slow. I apologize.”

Ed Frech, Lompico, said, “I guess you know by now that we feel strongly about the surcharge terms not being followed and Lompico customers being overcharged. I think the general manager and the Board made an unfortunate decision that will turn out to make the District look bad. I think this all could have been avoided by having better access to Board members and everyone sitting down and having a discussion like a workshop. Instead we’re restricted to 3 minutes of public comment. At the last Budget Committee meeting, the president of the Board, Randall Brown, said that he would like one more committee meeting before he is off of the Board. He said the main reason is so he can talk more than 3 minutes, that he didn’t want to be restricted, that he had a lot of things to say. Those on this side of the room also have a lot to say sometimes, Mr. Brown, and we feel just as passionate as you about having an opportunity not only to say them but to be listened to, to be heard, to have our words matter, our words to make a difference. You all know the important issues, you all know that important issues can’t be handled in 3 minutes with no discussion. You discuss this issue, but not with us. We want to meet with you, we want to discuss this with you, we want to work with you to be sure that Lompico customers are not overcharged but are treated fairly. Thank you.

Pres. Brown said that he is looking forward to the challenge and he is practicing already.

Debra Loewen began speaking, “I thought it would be helpful to put a little of what we are talking about in context and so I have my last water bill, I just paid it, it’s \$62.31. I live very close to where the intertie comes into Lake Blvd. in Lompico, It’s about a 600 foot pipeline. If I lived 600 feet on the other side, my bill would be \$38.31 for the same amount of water and the same service. Lompico is being served just like every other person in SLVWD right now, by a pipe. Our pipe costs us \$23.50 more. That amount was supposed to pay, not for getting our water on this side, but for getting it back there

from wells, not having a SCADA system, having meters that were on a different system. We're not getting our water from back there now because from the time the agreement was written it all changed and now we're getting our water from San Lorenzo like every other District customer. We were told we would be treated like San Lorenzo Valley Water customers. We were happy to pay the extra amount for the extra employees, for the extra well pumps, for everything else. Those aren't happening. We were happy to pay extra for the \$23.50 also includes that debt. We were happy to pay that when we owed it, now we don't. You've known about this discrepancy for 1 months and done nothing and your answer now is to wait 4 more months to review something that has nothing to do with cost of service to Lompico. I'm having a lot of trouble understanding how that is justified. To keep doing nothing when you very well know that we are being served just like every other customer in San Lorenzo and I would love to be paying \$38.31 like my neighbor 600 feet away. That was the plan. And I am so delighted to see the scouts here. So the whole thing about special districts and local government is that people get to come and get to say things about these people that represent us when we don't like what they're doing. We get to come and talk about it and they are supposed to discuss it and go on an agenda. So this is a really cool thing you're seeing how local government works. I appreciate you being here.

Dir. Ratcliffe said that she believes it was one of our October meetings that had a general discussion on this subject.

Pres. Brown agreed that we did agendize the topic of Lompico charges.

Dir. Ratcliffe continued that that was the only opportunity to discuss it, thus far. She said she will check the record for which meeting that occurred. It was the second meeting in October.

Pres. Brown said that the Board had a consensus to wait until after the audit was complete.

Rick Moran, Ben Lomond, said that he wanted to keep the Board up to date on an issue that is important to him, the use of glyphosate (Round Up). The Pajaro Unified School District voted 7 to 0 to prohibit the use of glyphosate on their school grounds on November 17th.

John Fasolas, Felton, questioned the plans for a wooden tank on San Lorenzo Ave. in Felton. He suggested that another site in that area be considered for that tank in the future.

Pres. Brown questioned if that is the tank that says Citizen's Utility on the side. He shared some history regarding the tank.

WRITTEN COMMUNICATIONS:

Pres. Brown noted that there was a letter from the SLV High School.

CONSENT AGENDA:

10a MINUTES FROM NOVEMBER 3, 2016 BoD

10b MINUTES FROM NOVEMBER 17, 2016 BoD

10b BILL LIST FOR PERIOD ENDNG DECEMBER 1, 2016

Pres. Brown noted that item 10a Minutes from Nov. 3 2016 BoD was to be pulled from the Consent Agenda, as previously discussed.

Dir. Baughman made a motion to approve the Consent Agenda items 10b and 10c.

ROLL CALL:

Ayes: Hammer, Ratcliffe, Brown, Baughman

Noes:

Abstain:

Absent: Bruce

Dir. Hammer requested that item 10a be corrected and brought to the next meeting.

DM Lee noted that at the last meeting Toni Norton felt that she had been misquoted in the minutes. She sent an email to say that she went back and listened to the minutes and agreed that, intended or not, the minutes accurately reflected what she had said.

UNFINISHED BUSINESS:

11a PROBATION TANK NOTICE OF INTENT

DM Lee introduced the item by saying that this is a very important project with many environmental issues. Jen gets 99% of the credit for the work done on the project. The District is trying to create our own mitigation bank on our own property for Sandhills Habitat. We have an opportunity to pay ourselves for managing our Sandhill Habitat watershed mitigation. Staff is looking for approval of the Notice of Intent for the Probation Tank, as stated in the memo.

Pres. Brown questioned if this is a necessary step in the process of building the Probation Tank.

DM Lee said that is correct. We will not get a building permit from Fish & Wildlife without doing mitigation.

Environmental Manager Michelsen added that the Land Trust comes in to the process because it is necessary to assure the protection of the Sandhills Habitat in perpetuity. In order to do that we are transferring our development rights to the Land Trust while maintaining the ownership of the land. An account has been set up that will generate \$6000 per year to maintain the property.

The Board questioned specifics on the report.

Dir. Hammer said that he is pleased with the project. Instead of paying someone else for mitigation, we are going to preserve our own land. It shows that we are following our mission by increasing water storage while protecting our environment.

Dir. Ratcliffe said that she is interested in the non-wasting endowment. She questioned the dollar amounts needed. They didn't seem consistent.

Dir. Baughman questioned the Land Trust process.

Ms. Michelsen said that the Land Trust is required to make an annual inspection to insure that no development has happened on the property. Part of the money paid to the Land Trust is for that. They can use the funds for any Sandhills Habitat in the area.

Dir. Ratcliffe questioned if others can use our site for mitigation.

DM Lee said that could open us up to a project we don't necessarily agree with.

Dir. Baughman asked for clarification of the money.

Ms. Michelsen said that the \$30,000 is flexible because it is based on time. The rest of it will go to the non-wasting endowment which won't be more than \$265,000.

There was no public comment.

Dir. Ratcliffe made a motion to approve the Notice of Intent.

ROLL CALL:

Ayes: Hammer, Brown, Baughman, Ratcliffe

Noes:

Abstain:

Absent: Bruce

DM Lee said this was an incredible job by Jen getting this across the finish line.

NEW BUSINESS:

12a INTERTIES 2, 3 & 4 - NOTICE OF COMPLETION

DM Lee described the item. This is a requirement of the County that is a 2 fold requirement. First it allows the District to send the County certified notice to the State so we can complete the grant application and second it starts the time clock for when liens can be filed on the project. We are seeking approval of Resolution No. 15 (16-17).

John Fasolas, Felton, said that it is nice that we were able to apply for the money from the State. He added that it is very important that the District rebuild its reserves. He believes this is the Board that can do it.

Pres. Brown made a motion to approve Resolution No. 15 (16-17).

ROLL CALL:

Ayes: Hammer, Baughman, Ratcliffe, Brown

Noes:

Abstain:

Absent: Bruce

12b WATER/SEWER RATES AND CHARGES

Pres. Brown asked that this be added to the agenda because he had hoped that the Cost of Service would be complete by now. He hoped he would be able to weigh in on the next discussions regarding the rate structuring in the future. He shared a presentation (see attached).

Dir. Hammer said that he thinks that Pres. Brown just opened a 10 hour discussion with his presentation.

Pres. Brown said that it was meant as a general discussion.

Dir. Baughman thought this was a valuable presentation and discussion.

Lois Henry said that she “really liked the presentation because it was so easy to understand and one of the telling things to me and people would go, wait a minute, it costs 1 penny for a gallon of water. How many people buy water at the grocery store? I mean that was so clever to put it in gallons. Thank you”.

John Fasolas, Felton, said he was pleased with the presentation. It seems that the Board has come of age and it will be difficult without Pres. Brown behind the desk. He is sad to see you go. He likes the idea of making the water rates simple. During the last rate increase 50 out of 7500 squashed the rate increase. Capital improvements are what make us strong. One last thing, he would like to see the waste water system pushed on to the County.

DISTRICT MANAGER REPORTS:

Admin

DM Lee said he believes the report speaks for itself. Are there any questions?

Environmental

The same goes for the Environmental report.

Dir. Ratcliffe questioned the Fall Creek Fish Ladder environmental compliance assessment. There is mention of RCD working on permitting, are they still involved?

DM Lee said that RCD is still working on the individual permitting.

Dir. Ratcliffe noted that Ms. Michelsen had a very nice display at the Town Hall.

ADJOURNMENT:

President Brown adjourned the meeting at 8:15 p.m.

**FAIR RATE
RISES:
OXYMORON
OR
ACHIEVABLE
GOAL?**



REVENUES FROM RATES:

2014-15 \$5,321,811

2015-16 \$6,100,000

PROJECTED EXPENSE SCENARIOS

Operations Only=\$7,600,000 \$1,500,000

Partially Funded CIP=\$8,900,000 \$2,800,000

Fully Funded CIP=\$10,200,000 \$4,100,000

Fixed Charges

Meter Size Per Year

5/8-3/4	34	\$408
1. 1	56.50	\$678
2.1½	114.00	\$1368
3.2”	181.50	\$2178
4.3”	341.00	\$4092
5.4”	567.00	\$6804

Surplus 114.00





Basic Revenue

2014/2015 2,806,166

2015/2016 3,100,000

IF BOARD USED 2013 FORMULA

Increase Base Rate +11%

Year 1 \$3,442,632

Year 2 \$3,822,321

Year 3 \$4,242,776

Year1 \$6,802,632

Year 2 \$7,504,671

Year 3 \$8,325,896

Increase Usage Rate +11%

\$3,360,000 (average \$5.22)

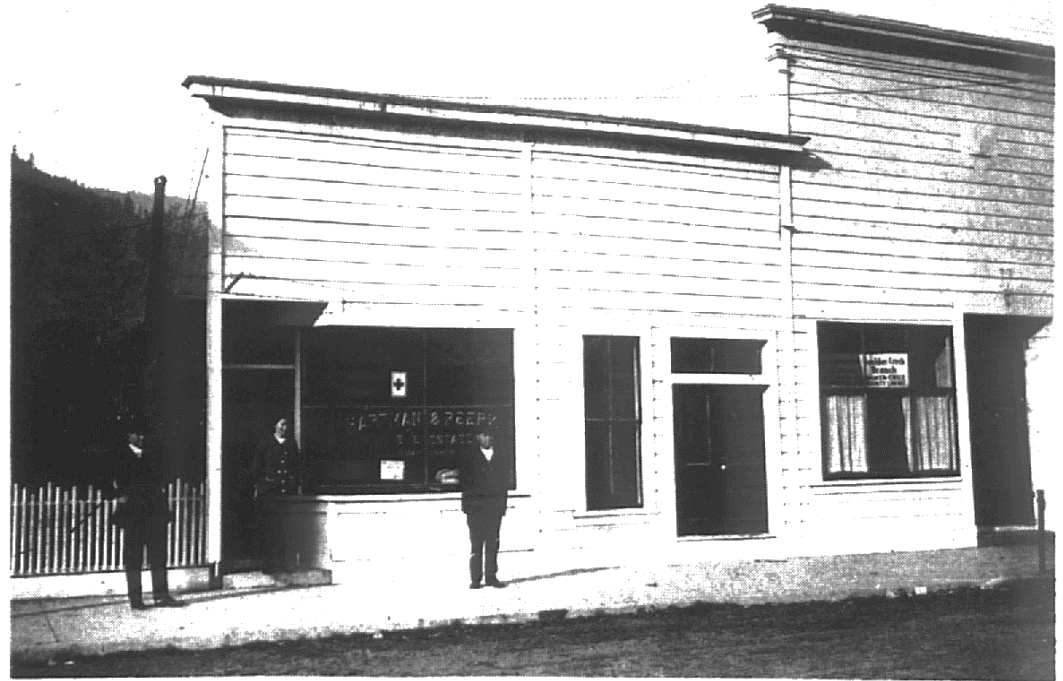
\$3,682,440 (average \$5.79)

\$4,083,120 (average \$6.42)

WATER PRICES

Usage Charges

Tier 1 (0-4)	3.81
Tier 2 (5-15)	4.97
Tier 3 (16-50)	5.96
Tier 4 (51+)	6.61
Surcharge	+1.00



WATER PRICE
PER GALLON:

- Tier 1: 1/2 cent
- Tier 2: 2/3 cent
- Tier 3: 4/5 cent
- Tier 4: 9/10 cent

Surcharge: 1/8 cent

Pure Water Scotts Valley
50-55 cents



		Scenarios
2015-2016	\$6,100,000	
FIXED:	\$3,100,000	Operations Only= \$7,600,000
USAGE:	\$3,000,000 (Average \$4.71)	Partially Funded CIP= \$8,900,000
		Fully Funded CIP= \$10,200,000

No Change to Base Rate

+11%	\$3,360,000	(average \$5.22)	\$6,4100,00
+50%	\$4,500,000	(average \$7.075)	\$7,600,000
+100%	\$6,000,000	(average \$9.42)	\$9,100,000
+150%	\$7,500,000	(average \$11.80)	\$10,500,000

WATER PRICE PER
GALLON +50%

Tier 1: $\frac{3}{4}$ cent

Tier 2: 1 cent

Tier 3: 1.2 cent

Tier 4: 1.4 cent

WATER PRICE PER
GALLON +100%:

Tier 1: 1 cent

Tier 2: $1\frac{1}{3}$ cent

Tier 3: $1\frac{3}{5}$ cent

Tier 4: 1.8 cent

WATER PRICE PER
GALLON +150%:

Tier 1: $1\frac{1}{2}$ cents

Tier 2: $1\frac{2}{3}$ cents

Tier 3: 2 cents

Tier 4: 2.25 cents

SUGGESTIONS

Reduce Tiers to Two

1. Basic Service

2. Extra Use

Higher Summer Usage
Rate

Include Drought
Surcharge Trigger



Decrease Reliance on Rates

Solicit Loans and Grants For:

Infrastructure

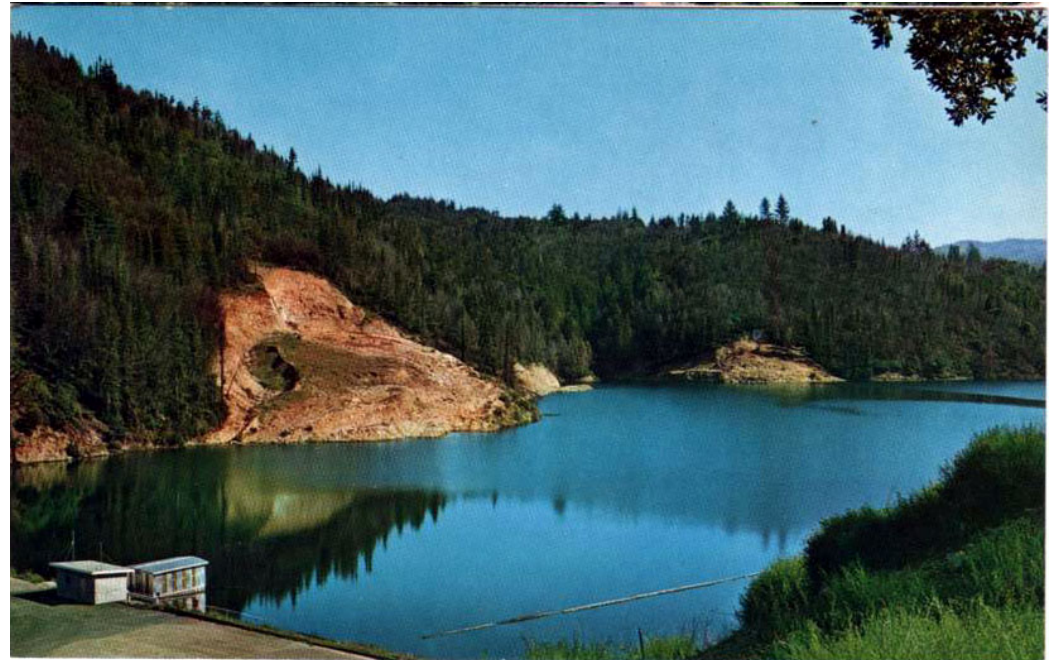
Water Supply

Habitat Restoration

Alternate Energy (Hydro)

**Bundle Capital Projects into
Assessment District**

Sell Real Estate or Water





Accounts Payable

Outstanding Invoices

User: KendraNegro
 Printed: 12/8/2016 - 8:12 AM
 Date Type: JE Date
 Date Range: 11/22/2016 to 12/08/2016

BILL LIST SUMMARY
 Check Register Total : \$124,633.59
 AP Outstanding Total: \$135,622.59
 Payroll 11/23: \$96,189.70
 Payroll 12/07: \$94,684.42
TOTAL FOR APPROVAL: \$451,129.78



13060 Highway 9
 Boulder Creek, CA 95006-9119
 (831) 338-2153 phone
 (831) 338-7986 fax

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00001 - ROYAL WHOLESALE ELECTRIC						
01-400-5300	12/6/2016	11/15/2016	609791	00036-06-2017	716.63	MISC ELECTRICAL_MANANA WOODS
Total for Vendor 00001 - ROYAL WHOLESALE ELECTRIC:					716.63	
00016 - GREENWASTE RECOVERY,INC						
01-100-5420	12/6/2016	12/1/2016	2468668	00034-06-2017	270.65	TRASH/RECYCLE/YARDWASTE SERVICE
Task Label:		Type:	PO Number:	0000100734		
Total for Vendor 00016 - GREENWASTE RECOVERY,INC:					270.65	
00044 - STAPLES CREDIT PLAN						
01-200-5600	12/6/2016	11/29/2016	112916	00035-06-2017	24.20	FILE FOLDERS
Total for Vendor 00044 - STAPLES CREDIT PLAN:					24.20	
00047 - SOIL CONTROL LAB						
01-800-5202	11/29/2016	11/18/2016	6110082	00190-05-2017	78.00	WATER ANALYSIS_TOTAL PHOSPHATE
Task Label:		Type:	PO Number:	0000100704		
01-800-5202	11/29/2016	11/18/2016	6110486	00190-05-2017	174.00	WATER ANALYSIS_GEN PHYSICAL
Task Label:		Type:	PO Number:	0000100704		
01-800-5202	11/29/2016	11/18/2016	6110488	00190-05-2017	29.00	WATER ANALYSIS_GEN PHYSICAL
Task Label:		Type:	PO Number:	0000100704		
01-800-5202	11/29/2016	11/23/2016	6110599	00190-05-2017	145.00	WATER ANALYSIS_GEN PHYSICAL
Task Label:		Type:	PO Number:	0000100704		
01-800-5202	12/6/2016	11/30/2016	6110487	00034-06-2017	117.00	WATER ANALYSIS_TOTAL PHOSPHATE
Task Label:		Type:	PO Number:	0000100704		
01-800-5202	12/6/2016	11/30/2016	6110600	00034-06-2017	37.00	WATER ANALYSIS_METAL DIGESTION, TOTAL MANGANESE
Task Label:		Type:	PO Number:	0000100704		
Total for Vendor 00047 - SOIL CONTROL LAB:					580.00	
00054 - PACIFIC GAS & ELECTRIC						

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00054 - PACIFIC GAS & ELECTRIC						
01-400-5500	12/6/2016	11/22/2016	112216	00035-06-2017	50.32	ELECTRIC CHARGES_FELTON HEIGHTS
01-400-5500	12/6/2016	11/29/2016	112916A	00035-06-2017	297.48	ELECTRIC CHARGES_19 SUMMIT AVE
01-400-5500	12/6/2016	11/29/2016	112916B	00035-06-2017	50.40	ELECTRIC CHARGES_1150 REBECCA
01-800-5500	12/6/2016	11/30/2016	113016	00035-06-2017	8,988.87	GAS/ELECTRIC CHARGES_WT
01-400-5500	12/6/2016	11/30/2016	113016	00035-06-2017	5,142.88	GAS/ELECTRIC CHARGES_OPS
02-600-5500	12/6/2016	11/30/2016	113016	00035-06-2017	232.51	GAS/ELECTRIC CHARGES_BCEWW
01-100-5500	12/6/2016	11/30/2016	113016	00035-06-2017	569.55	GAS/ELECTRIC CHARGES_ADMIN
Total for Vendor 00054 - PACIFIC GAS & ELECTRIC:					15,332.01	
00058 - IHWY, INC.						
01-100-5200	12/6/2016	12/1/2016	12206	00034-06-2017	25.00	BUSINESS HOSTING
Task Label:		Type:	PO Number:	0000100733		
Total for Vendor 00058 - IHWY, INC.:					25.00	
00080 - GRANITE CONSTRUCTION CO						
01-400-5300	11/29/2016	11/18/2016	1082140	00190-05-2017	51.05	PASO 6 ACCESS RD REPAIR
Total for Vendor 00080 - GRANITE CONSTRUCTION CO:					51.05	
00093 - JOHN TREGEMBO						
01-800-5172	12/6/2016	11/28/2016	112816	00035-06-2017	140.00	EMPLOYEE REIMBURSEMENT
Total for Vendor 00093 - JOHN TREGEMBO:					140.00	
00096 - AWWA						
01-100-5632	12/6/2016	10/27/2016	7001265641	00034-06-2017	767.00	SUBSCRIPTION RENEWAL_2/1/17 - 1/31/18
Total for Vendor 00096 - AWWA:					767.00	
00115 - ATKINSON-FARASYN						
01-100-5210	11/29/2016	11/17/2016	111716A	00190-05-2017	4,791.93	LEGAL SERVICES
01-100-5210	11/29/2016	11/17/2016	111716B	00190-05-2017	56.25	LEGAL SERVICES
Total for Vendor 00115 - ATKINSON-FARASYN:					4,848.18	
00118 - FARMER BROTHERS COFFEE						
01-400-5600	11/29/2016	11/16/2016	64578378	00190-05-2017	358.33	COFFEE SUPPLIES
Total for Vendor 00118 - FARMER BROTHERS COFFEE:					358.33	

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00124 - BRUCE BARTON PUMP						
01-400-5300	11/29/2016	11/9/2016	0090565	00190-05-2017	946.67	MITCHELL BOOSTER PUMP
Total for Vendor 00124 - BRUCE BARTON PUMP:					946.67	
00129 - UNITED RENTALS NORTHWEST INC						
01-400-5320	11/29/2016	11/9/2016	141934632	00190-05-2017	519.61	CORE DRILL RENTAL
Total for Vendor 00129 - UNITED RENTALS NORTHWEST INC:					519.61	
00133 - DASSEL'S						
01-100-5420	11/29/2016	11/4/2016	435343	00190-05-2017	104.28	PROPANE_ADMIN
Total for Vendor 00133 - DASSEL'S:					104.28	
00204 - FEDERAL EXPRESS CORP						
01-100-5650	11/29/2016	11/11/2016	560832580	00190-05-2017	63.54	OVERNIGHT SHIP FEE
Total for Vendor 00204 - FEDERAL EXPRESS CORP:					63.54	
00210 - FISHER SCIENTIFIC						
01-800-5302	12/6/2016	11/18/2016	4185800	00034-06-2017	701.86	LAB SUPPLIES
Total for Vendor 00210 - FISHER SCIENTIFIC:					701.86	
00212 - COUNTY OF SANTA CRUZ ENVIRONMENTAL HEALTH SERVICE						
01-800-5320	12/6/2016	11/16/2016	80826	00035-06-2017	2,838.00	HEALTH PERMITS_MANANA WOODS
Total for Vendor 00212 - COUNTY OF SANTA CRUZ ENVIRONMENTAL HEALTH SERVICE:					2,838.00	
00220 - BAY BUILDING JANITORIAL,INC						
01-100-5420	11/29/2016	11/15/2016	29141	00190-05-2017	424.42	JANITORIAL SERVICES
Task Label:		Type:	PO Number:	0000100672		
Total for Vendor 00220 - BAY BUILDING JANITORIAL,INC:					424.42	
00234 - CITY OF SCOTTS VALLEY						
01-800-5300	11/29/2016	11/17/2016	111716	00190-05-2017	79.00	SEWER CHARGES_232 KINGS VILLAGE
Total for Vendor 00234 - CITY OF SCOTTS VALLEY:					79.00	
00263 - RAYNE WATER CONDITIONING						
01-800-5200	12/6/2016	11/30/2016	113016	00034-06-2017	33.33	WATER CONDITIONER_12/1-12/31/16

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00263 - RAYNE WATER CONDITIONING						
Task Label:		Type:	PO Number:	0000100703		
Total for Vendor 00263 - RAYNE WATER CONDITIONING:					33.33	
00266 - TERMINIX						
01-100-5420	12/6/2016	11/14/2016	360099191	00034-06-2017	125.00	PEST CONTROL SERVICES
Total for Vendor 00266 - TERMINIX:					125.00	
00268 - WATTS ON						
01-400-5200	11/29/2016	11/12/2016	11879	00190-05-2017	370.56	GENERATOR SERVICE_MITCHELL
01-400-5200	11/29/2016	11/12/2016	11880	00190-05-2017	614.49	40 KW GENERATOR SERVICE_KIRBY
01-100-5200	11/29/2016	11/12/2016	11881	00190-05-2017	423.93	GENERATOR SERVICE_ADMIN
01-400-5200	11/29/2016	11/12/2016	11882	00190-05-2017	485.45	GENERATOR SERVICE_BLUE RIDGE
01-400-5200	11/29/2016	11/12/2016	11883	00190-05-2017	488.94	GENERATOR SERVICE_OPS
01-800-5200	11/29/2016	11/12/2016	11884	00190-05-2017	999.67	150 KW GENERATOR SERVICE_KIRBY
01-800-5200	11/29/2016	11/12/2016	11886	00190-05-2017	920.33	GENERATOR SERVICE_LYON PLANT
Total for Vendor 00268 - WATTS ON:					4,303.37	
00273 - CORELOGIC, INC.						
01-200-5200	12/6/2016	11/30/2016	81750341	00034-06-2017	93.75	REALQUEST
Task Label:		Type:	PO Number:	0000100771		
01-300-5200	12/6/2016	11/30/2016	81750341	00034-06-2017	93.75	RELAQUEST
Task Label:		Type:	PO Number:	0000100771		
Total for Vendor 00273 - CORELOGIC, INC.:					187.50	
00300 - PHIL MATHEWS						
01-100-5200	12/6/2016	9/10/2016	7299	00034-06-2017	240.00	UNBLOCK CLOGGED LINE
02-600-5200	12/6/2016	11/18/2016	7306	00034-06-2017	340.00	UNBLOCK MAIN LINE
Total for Vendor 00300 - PHIL MATHEWS:					580.00	
00309 - AT&T IP SERVICES						
01-800-5510	12/6/2016	11/19/2016	111916	00035-06-2017	381.07	IP SERVICE_WTP
01-400-5510	12/6/2016	11/19/2016	111916	00035-06-2017	381.07	IP SERVICE_OPS
01-100-5510	12/6/2016	11/19/2016	111916	00035-06-2017	381.07	IP SERVICE_ADMIN
Total for Vendor 00309 - AT&T IP SERVICES:					1,143.21	
00336 - LAND TRUST OF SANTA CRUZ CNTY						

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00336 - LAND TRUST OF SANTA CRUZ CNTY						
01-500-5200	11/29/2016	11/17/2016	11.17.2016	00190-05-2017	5,000.00	OLY WATERSHED EASEMENT
Task Label: CAP-1516002A		Type: S	PO Number:			
Total for Vendor 00336 - LAND TRUST OF SANTA CRUZ CNTY:					5,000.00	
00343 - ERNIE'S SERVICE CENTER						
01-400-5410	11/29/2016	11/14/2016	55296	00190-05-2017	232.10	TAIL LIGHT REPAIR
Total for Vendor 00343 - ERNIE'S SERVICE CENTER:					232.10	
00362 - ACCELA, INC #774375						
01-200-5610	12/6/2016	12/1/2016	26097	00034-06-2017	2,106.00	BANK FEE
01-200-5200	12/6/2016	12/1/2016	26097	00034-06-2017	185.00	SERVICE FEE
Total for Vendor 00362 - ACCELA, INC #774375:					2,291.00	
00363 - CINCINNATI LIFE INSURANCE CO						
01-000-2202	12/6/2016	12/1/2016	DEC 2016	00035-06-2017	28.00	LIFE INSURANCE
Total for Vendor 00363 - CINCINNATI LIFE INSURANCE CO:					28.00	
00366 - ASSOC.OF CA WATER AGENCIES						
01-100-5631	11/29/2016	10/23/2016	102316	00190-05-2017	16,030.00	ANNUAL DUES
Total for Vendor 00366 - ASSOC.OF CA WATER AGENCIES:					16,030.00	
00367 - INFOSEND, INC						
01-200-5200	11/29/2016	10/31/2016	112655	00190-05-2017	1,164.08	CONTRACT SERVICES
01-200-5650	11/29/2016	10/31/2016	112655	00190-05-2017	2,710.54	POSTAGE FEES
Total for Vendor 00367 - INFOSEND, INC:					3,874.62	
00444 - COSTCO-CAPITAL ONE COMMERCIAL						
01-200-5600	12/6/2016	11/26/2016	112616	00035-06-2017	89.23	OFFICE SUPPLIES_FIN
01-800-5600	12/6/2016	11/26/2016	112616	00035-06-2017	51.04	OFFICE SUPPLIES_WTP
01-200-5600	12/6/2016	11/26/2016	112616	00035-06-2017	23.80	OFFICE SUPPLIES_FINANCE
01-100-5600	12/6/2016	11/26/2016	112616	00035-06-2017	60.17	OFFICE SUPPLIES_ADMIN
01-400-5600	12/6/2016	11/26/2016	112616	00035-06-2017	114.87	OFFICE SUPPLIES_OPS
Total for Vendor 00444 - COSTCO-CAPITAL ONE COMMERCIAL:					339.11	
00450 - EUROFINS EATON ANALYTICAL, INC						

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00450 - EUROFINS EATON ANALYTICAL, INC						
01-800-5202	11/29/2016	11/18/2016	292063	00190-05-2017	400.00	WATER ANALYSIS_CREEKWOOD, LAKE BLVD
	Task Label: EXP-1516004A	Type: E	PO Number:			
01-800-5202	11/29/2016	11/18/2016	292064	00190-05-2017	200.00	WATER ANALYSIS_MIRAFLORES
01-800-5202	11/29/2016	11/21/2016	292418	00190-05-2017	40.00	WATER ANALYSIS_PASO 5
01-800-5202	11/29/2016	11/22/2016	292611	00190-05-2017	350.00	WATER ANALYSIS_HWY 9, VIEW
01-800-5202	12/6/2016	10/14/2016	286456	00035-06-2017	35.00	WATER ANALYSIS_OCEANVIEW_LOMPICO
	Task Label: EXP-1516004A	Type: E	PO Number:			
01-800-5202	12/6/2016	11/30/2016	293547	00034-06-2017	800.00	WATER ANALYSIS_SAMPLE SITES
Total for Vendor 00450 - EUROFINS EATON ANALYTICAL, INC:					1,825.00	
00539 - MILLER-MAXFIELD, INC						
01-100-5200	12/6/2016	10/31/2016	1016SLV	00034-06-2017	1,068.75	PUBLIC OUTREACH CONSULTING
Total for Vendor 00539 - MILLER-MAXFIELD, INC:					1,068.75	
00561 - GEMPLER'S						
02-600-5300	12/6/2016	11/18/2016	S10304283	00034-06-2017	192.44	SLUDGE MEASUREMENT DEVICE
Total for Vendor 00561 - GEMPLER'S:					192.44	
00569 - PITNEY BOWES GLOBAL FIN.LLC						
01-100-5320	12/6/2016	11/30/2016	3100794140	00034-06-2017	458.43	MAIL MACHINE LEASE_9/30-12/29/16
Total for Vendor 00569 - PITNEY BOWES GLOBAL FIN.LLC:					458.43	
00599 - WEX BANK						
01-800-5410	12/6/2016	11/30/2016	47784148	00035-06-2017	1,230.16	FUEL_WTP
01-400-5410	12/6/2016	11/30/2016	47784148	00035-06-2017	2,637.13	FUEL_OPS
Total for Vendor 00599 - WEX BANK:					3,867.29	
00609 - BALANCE HYDROLOGICS, INC						
01-500-5200	11/29/2016	11/11/2016	21608-1016	00190-05-2017	13,747.00	STREAM GAGING
	Task Label: EXP-1516001A	Type: E	PO Number:			
Total for Vendor 00609 - BALANCE HYDROLOGICS, INC:					13,747.00	
00615 - HOME DEPOT CREDIT SERVICES						
01-800-5311	12/6/2016	11/28/2016	110816	00035-06-2017	277.28	HAND TOOLS
01-400-5300	12/6/2016	11/28/2016	111716	00035-06-2017	516.49	EARTHQUAKE EPOXY
01-400-5311	12/6/2016	11/28/2016	111716	00035-06-2017	126.73	SHOVELS

Vendor	Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
Total for Vendor 00615 - HOME DEPOT CREDIT SERVICES:						920.50	
00640 - MONTEREY BAY AIR RESOURCES							
	01-800-5320	12/6/2016	11/23/2016	112316	00034-06-2017	2,580.00	GENERATOR PERMITS
Total for Vendor 00640 - MONTEREY BAY AIR RESOURCES:						2,580.00	
00711 - ROBERTS & BRUNE CO.							
	01-000-1310	12/6/2016	11/4/2016	S1594475.003	00036-06-2017	445.88	FLEX CPLG HYMAX 12.40-13.66
	Task Label:		Type:	PO Number:	0000100783		
	01-000-1310	12/6/2016	11/4/2016	S1594475.003	00036-06-2017	154.80	FULL CIRCLE 11.75-12.15 7.50"
	Task Label:		Type:	PO Number:	0000100783		
	01-400-5300	12/6/2016	11/17/2016	S1609779.001	00036-06-2017	1,708.04	CLA-VAL CHECK VALVE_MADRONE BOOSTER
Total for Vendor 00711 - ROBERTS & BRUNE CO.:						2,308.72	
00721 - UNITED SITE SVCS.,INC							
	01-400-5200	11/29/2016	11/16/2016	4692004	00190-05-2017	157.18	PORTO-TOILET
	Task Label:		Type:	PO Number:	0000100697		
Total for Vendor 00721 - UNITED SITE SVCS.,INC:						157.18	
00727 - ULINE SHIPPING SUPPLIES							
	01-800-5300	11/29/2016	11/10/2016	81848721	00190-05-2017	627.70	KIRBY LOCKERS
Total for Vendor 00727 - ULINE SHIPPING SUPPLIES:						627.70	
00729 - ALPHA ANALYTICAL LABS							
	02-600-5202	11/29/2016	11/18/2016	6112497	00190-05-2017	926.00	BCEWW MONITORING
	Task Label:		Type:	PO Number:	0000100700		
	02-600-5202	11/29/2016	11/21/2016	6112574	00190-05-2017	1,687.00	BCEWW MONITORING
	Task Label:		Type:	PO Number:	0000100700		
	02-600-5202	11/29/2016	11/21/2016	6112575	00190-05-2017	1,687.00	BCEWW MONITORING
	Task Label:		Type:	PO Number:	0000100700		
	02-600-5202	12/6/2016	11/7/2016	6111299	00035-06-2017	1,687.00	WATER ANALYSIS_BCEWW
Total for Vendor 00729 - ALPHA ANALYTICAL LABS:						5,987.00	
00750 - FEDAK & BROWN, LLP							
	01-200-5201	12/6/2016	11/30/2016	113016A	00034-06-2017	1,500.00	AUDIT SERVICES_LOMPICO
	Task Label:	EXP-1516004A	Type:	S	PO Number:		
	01-200-5201	12/6/2016	11/30/2016	113016B	00034-06-2017	1,000.00	AUDIT SERVICES_NOVEMBER

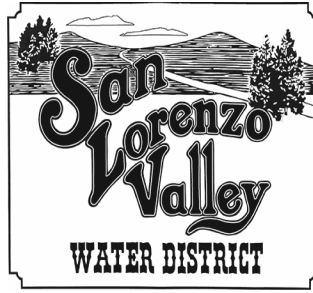
Vendor	Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
Total for Vendor 00750 - FEDAK & BROWN, LLP:						2,500.00	
00768 - HD SUPPLY FACILITIES MAINTENANCE	02-600-5300	11/29/2016	11/8/2016	105246	00190-05-2017	993.99	BCEWW RECIRCULATING PUMP
Total for Vendor 00768 - HD SUPPLY FACILITIES MAINTENANCE:						993.99	
00785 - REGIONAL WATER MANAGEMENT	01-100-5200	11/29/2016	11/28/2016	2016-17 IRWM-C	00190-05-2017	10,000.00	
Total for Vendor 00785 - REGIONAL WATER MANAGEMENT:						10,000.00	
00788 - COMCAST	01-800-5510	12/6/2016	11/26/2016	112616	00035-06-2017	151.08	INTERNET SERVICE_195 KIRBY
Total for Vendor 00788 - COMCAST:						151.08	
00944 - PHIL NEUMAN	01-100-5200	12/6/2016	11/30/2016	2143	00034-06-2017	415.00	MONTHLY BACKUP & ANTI VIRUS
Total for Vendor 00944 - PHIL NEUMAN:						415.00	
00988 - PETE'S OUTFLOW TECHNICIANS	02-600-5200	11/29/2016	11/9/2016	10891	00190-05-2017	5,160.00	PUMP WTP TANK
Total for Vendor 00988 - PETE'S OUTFLOW TECHNICIANS:						5,160.00	
10001 - RUTAN AND TUCKER, LLP	01-100-5210	11/29/2016	11/9/2016	761973	00190-05-2017	9,455.00	LEGAL FEES
Total for Vendor 10001 - RUTAN AND TUCKER, LLP:						9,455.00	
10067 - NBS	01-100-5200	12/6/2016	9/29/2016	916000382	00035-06-2017	7,154.00	COST OF SERVICE STUDY THROUGH 9/30/16
	Task Label: EXP-1516002A		Type: E	PO Number:			
Total for Vendor 10067 - NBS:						7,154.00	
10073 - KEN GIROUARD	01-400-5200	12/6/2016	11/1/2016	3	00035-06-2017	260.00	METER REVIEWS

Vendor	Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
Total for Vendor 10073 - KEN GIROUARD:						260.00	
10099 - DAWN WASHBURN							
	01-100-5200	12/6/2016	11/1/2016	0000003	00034-06-2017	1,056.55	UPDATED DRAFT_MOU
Total for Vendor 10099 - DAWN WASHBURN:						1,056.55	
10107 - AMERICAN INTEGRATED SERVICES							
	01-800-5200	11/29/2016	11/14/2016	148830	00190-05-2017	1,700.00	MWTP IRON REMOVAL
Total for Vendor 10107 - AMERICAN INTEGRATED SERVICES:						1,700.00	
UB*00205 - Brooks of Swenson Collado Home/Collado Homes LLC							
	01-000-2100	12/2/2016	12/2/2016		00012-06-2017	0.23	Refund Check
	Task Label:		Type:		PO Number:		
	01-000-2100	12/2/2016	12/2/2016		00012-06-2017	0.07	Refund Check
	Task Label:		Type:		PO Number:		
	01-000-2100	12/2/2016	12/2/2016		00012-06-2017	78.47	Refund Check
	Task Label:		Type:		PO Number:		
Total for Vendor UB*00205 - Brooks of Swenson Collado Home/Collado Homes LLC:						78.77	
Report Total:						135,622.07	

Accounts Payable

Checks by Date - Detail by Check Number

User: KendraNegro
 Printed: 12/8/2016 8:12 AM



13060 Highway 9
 Boulder Creek, CA 95006-9119
 (831) 338-2153 phone
 (831) 338-7986 fax

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
12078	00545 NOV 2016	AFLAC SUPPLEMENTAL INSURANCE_NOV 2016	12/02/2016		445.52
				Total for Check Number 12078:	0.00 445.52
12079	00162 17822745	ANTHEM BLUE CROSS RETIRED EMPLOYEE MEDICAL_12/1-12/31	12/02/2016		315.07
				Total for Check Number 12079:	0.00 315.07
12080	00767 933844001	ANTHEM BLUE CROSS MEDICARERX_RETIRED EMPLOYEE	12/02/2016		132.00
				Total for Check Number 12080:	0.00 132.00
12081	00055 111916 111916B	AT&T TELEPHONE SERVICE_FELTON ACRES TELEPHONE SERVICE_LOMPICO	12/02/2016		85.30 234.34
				Total for Check Number 12081:	0.00 319.64
12082	00309 111116 111116 111116	AT&T IP SERVICES IP SERVICES_OPS IP SERVICES_WTP IP SERVICES_ADMIN	12/02/2016		242.03 242.03 242.04
				Total for Check Number 12082:	0.00 726.10
12083	00686 111316 111316 111316	AT&T LONG DISTANCE LONG DISTANCE_WTP LONG DISTANCE_OPS LONG DISTANCE_ADMIN	12/02/2016		258.52 9.25 2.50
				Total for Check Number 12083:	0.00 270.27
12084	00687 111516 111516A	AT&T U-VERSE AT&T U-VERSE_345 QUAIL TERRACE AT&T U-VERSE_365 MADRONE	12/02/2016		79.00 66.00
				Total for Check Number 12084:	0.00 145.00
12085	10109 013086	KEITH BAUGHMAN OLY REFUND	12/02/2016		1,694.79
				Total for Check Number 12085:	0.00 1,694.79
12086	00566 16110	C S S C ANSWERING SERVICE_10/22 - 11/21/16	12/02/2016		258.26
				Total for Check Number 12086:	0.00 258.26
12087	00178	CALPERS	12/02/2016		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	2163	HEALTH INSURANCE_ENV			1,708.00
	2163	HEALTH INSURANCE_FINANCE			9,061.00
	2163	HEALTH INSURANCE_ADMIN			3,212.87
	2163	HEALTH INSURANCE_DEPENDENT			4,246.70
	2163	HEALTH INSURANCE_RETIRED EMP			600.00
	2163	HEALTH INSURANCE_OPS			18,053.60
	2163	HEALTH INSURANCE_WTP			7,438.40
			Total for Check Number 12087:	0.00	44,320.57
12088	00788	COMCAST	12/02/2016		
	111116	INTERNET SERVICE_23 SUMMIT AVE			138.92
	111616	INTERNET SERVICE_264 ORCHARD RD			136.08
	111916	INTERNET SERVICE_7400 HWY 9			141.08
			Total for Check Number 12088:	0.00	416.08
12089	00409	EASYPERMIT POSTAGE	12/02/2016		
	111116	POSTAGE MACHINE			500.00
			Total for Check Number 12089:	0.00	500.00
12090	10111	AARON GARFINKEL	12/02/2016		
	111516	CUSTOMER INSTALLATION REFUND			522.94
			Total for Check Number 12090:	0.00	522.94
12091	00573	STEPHANIE HILL	12/02/2016		
	110916	EMPLOYEE REIMBURSEMENT			105.30
			Total for Check Number 12091:	0.00	105.30
12092	10000	FRED MC PHERSON	12/02/2016		
	112116	WATERSHED DVD'S			234.00
			Total for Check Number 12092:	0.00	234.00
12093	00313	MET LIFE	12/02/2016		
	111416	DENTAL INSURANCE_OPS			1,951.26
	111416	LIFE INSURANCE_ADMIN			33.30
	111416	LIFE INSURANCE_OPS			209.79
	111416	DISABILITY INSURANCE_ADMIN			75.95
	111416	DISABILITY INSURANCE_WTP			275.95
	111416	LIFE INSURANCE_ENV			16.65
	111416	LIFE INSURANCE_WTP			139.86
	111416	DENTAL INSURANCE_ENV			122.14
	111416	DISABILITY INSURANCE_ENV			41.61
	111416	DISABILITY INSURANCE_OPS			353.64
	111416	DENTAL INSURANCE_WTP			1,025.99
	111416	DENTAL INSURANCE_FINANCE			1,100.28
	111416	DISABILITY INSURANCE_FINANCE			193.70
	111416	LIFE INSURANCE_FINANCE			116.55
	111416	DENTAL INSURANCE_ADMIN			243.49
			Total for Check Number 12093:	0.00	5,900.16
12094	10110	LORRAINE SINTETOS	12/02/2016		
	013097	OLY REFUND			1,694.79
			Total for Check Number 12094:	0.00	1,694.79
12095	UB*00204	SLV BC ELEMENTARY SCHOOL	12/02/2016		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
		Refund Check			677.48
		Refund Check			4,358.46
			Total for Check Number 12095:	0.00	5,035.94
12096	10108 013075	GERALDINE STOMBS OLY REFUND	12/02/2016		1,694.79
			Total for Check Number 12096:	0.00	1,694.79
12097	UB*00202	LEA TAYLOR Refund Check	12/02/2016		14.33
			Total for Check Number 12097:	0.00	14.33
12098	00011 101316 9775336570 9775336570 9775336570 9775336570 9775336571	VERIZON WIRELESS TABLET CHARGES CELL PHONE CHARGES_ADMIN CELL PHONE CHARGES_WTP CELL PHONE CHARGES_ENG CELL PHONE CHARGES_OPS TABLET CHARGES	12/02/2016		325.63 82.21 355.20 85.36 1,212.24 468.19
			Total for Check Number 12098:	0.00	2,528.83
12099	UB*00203	BEN WOO Refund Check Refund Check	12/02/2016		8.82 33.62
			Total for Check Number 12099:	0.00	42.44
12100	00362 ACC25357 ACC25357	ACCELA, INC #774375 WEB PAYMENTS_BANK FEE WEB PAYMENTS_CONTRACT SERVICES	12/02/2016		2,049.00 185.00
			Total for Check Number 12100:	0.00	2,234.00
12101	00729 6111894 6111895	ALPHA ANALYTICAL LABS BCEWW MONITORING BCEWW MONITORING	12/02/2016		1,687.00 1,687.00
			Total for Check Number 12101:	0.00	3,374.00
12102	10025 80009001	BADGER METER, INC ORION CELLULAR SERVICE	12/02/2016		525.10
			Total for Check Number 12102:	0.00	525.10
12103	00415 DEC 2016	CA BANK & TRUST/GOV SVC DEPT 1976 SAFE WATER BOND	12/02/2016		15,581.43
			Total for Check Number 12103:	0.00	15,581.43
12104	10106 5503	CEL ANALYTICAL, INC LYON TANK MONITORING	12/02/2016		943.00
			Total for Check Number 12104:	0.00	943.00
12105	00312 703979	DOCTORS ON DUTY EMPLOYEE PHYSICAL	12/02/2016		75.00
			Total for Check Number 12105:	0.00	75.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
12106	00450 290823 290824	EUROFINS EATON ANALYTICAL, INC LEAD _11214 OCEANVIEW LEAD TOTALS_LOMPICO	12/02/2016		10.00 80.00
Total for Check Number 12106:				0.00	90.00
12107	00750 102816	FEDAK & BROWN, LLP SERVICES RENDERED _OCT 2016	12/02/2016		2,000.00
Total for Check Number 12107:				0.00	2,000.00
12108	10081 9408	INFRASTRUCTURE ENGINEERING CO BCEWW PLANT IMPROVEMENTS	12/02/2016		4,569.84
Total for Check Number 12108:				0.00	4,569.84
12109	00046 3-822A 3-822B 3-822C	RED WING SHOE STORE SAFETY BOOTS_ROBUSTELLI_155 SAFETY BOOTS_BEASLEY_212 SAFETY BOOTS_SIFTON_213	12/02/2016		208.75 235.70 295.79
Total for Check Number 12109:				0.00	740.24
12110	00512 145293	RIVERSIDE LIGHTING LYON PLANT ELECTRICAL	12/02/2016		136.81
Total for Check Number 12110:				0.00	136.81
12111	00183 110316	SDRMA LOMPICO_PROPERTY DEDUCTABLE	12/02/2016		5,000.00
Total for Check Number 12111:				0.00	5,000.00
12112	00047 6110081 6110304	SOIL CONTROL LAB METAL DIGESTION, MANGANESE, IRON WATER ANALYSIS_GENERAL PHYSICAL	12/02/2016		86.00 145.00
Total for Check Number 12112:				0.00	231.00
12113	00540 5288283 5333793 5381178 5475971 5527658 5557665 5566260 5577565	STATE OF CALIFORNIA PERMIT PERMIT PERMIT PERMIT PERMIT PERMIT PERMIT PERMIT	12/02/2016		219.89 183.92 170.07 169.21 157.39 151.78 157.39 1,000.00
Total for Check Number 12113:				0.00	2,209.65
12114	00722 ea 0217-2117	SWRCB ELAP ANNUAL FEE	12/02/2016		2,193.00
Total for Check Number 12114:				0.00	2,193.00
12115	10072 2268	WATER SYSTEMS CONSULTING, INC SERVICES RENDERED-10/1 - 10/31_UWMP	12/02/2016		7,298.15
Total for Check Number 12115:				0.00	7,298.15
12116	00711	ROBERTS & BRUNE CO.	12/02/2016		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	S1604644.001	STEEL PROBE, SADDLE			143.04
			Total for Check Number 12116:	0.00	143.04
12117	00001	ROYAL WHOLESALE ELECTRIC	12/02/2016		
	608563	FLUKE METER			963.70
	608993	CONTACTOR & STARTER			249.31
	609236	MISC ELECTRICAL PARTS/ FELTON ACRES			138.15
	609520	GFI OUTLETS/FELTON ACRES			59.78
			Total for Check Number 12117:	0.00	1,410.94
12118	00142	SAN LORENZO LUMBER	12/02/2016		
	80066	TOOLS FOR 218			61.71
	80316	EARTHQUAKE RESTRAINTS			151.46
	80832	LIGHTS FOR FELTON ACRES			31.38
	80881	OPS LADDER			133.96
			Total for Check Number 12118:	0.00	378.51
12119	00125	SCARBOROUGH LUMBER	12/02/2016		
	280169	HOSE WASHERS			2.69
	280207	TARP/QUAIL			26.03
	280410	5-MILE TOOLS			135.97
	280511	GFI SOCKET REPLACEMENT			41.44
	280519	MISC SUPPLIES/FELTON ACRES			110.86
	280555	LYON PLANT WATER LINE PARTS			17.13
	280560	SAMPLE STATION CLEANING SUPPLIES			64.61
	280632	HOUSEHOLD SUPPLIES_WTP			19.33
	280745	DEHUMIDIFIER_IRWIN BOOSTER			203.60
	280849	TOILET_FELTON ACRES			144.67
	280911	PARTS FOR FELTON ACRES TOILET			22.64
	280912	MISC HARDWARE			1.50
	280916	HAND TRUCK			42.86
	280978	1" HEX NUTS			36.25
	280980	CUT OFF WHEEL			9.63
	281538	EARTHQUAKE RESTRAINTS			152.35
	281552	KWTP PARTS			17.44
	281585	DIGITAL HEAT GUN			51.42
	281696	HASP			5.30
	358898	DEHUMIDIFIER_FIREHOUSE BOOSTER			251.23
	359296	HOOKS, ORGANIZERS			20.80
	551811	GAS CAN			41.77
	551833	PLUMBING PARTS			42.06
	551885	ECHO TRANSDUCER REPLACEMENT			23.59
	552062	CHAIN SAW OIL			27.84
	552111	CORD ADAPTER			9.63
	552418	MISC SCREWS_LOMPICO BOOSTER			17.11
	552539	GAS CAN			9.63
	552623	LEAK DETECTOR BATTERIES			13.43
	552652	FIREHOUSE BOOSTER SUPPLIES			91.58
			Total for Check Number 12119:	0.00	1,654.39
12120	00168	SCOTTS VALLEY SPRINKLER	12/02/2016		
	146108	HYDRANT ADAPTER			73.41
	146210	FLOAT SWITCHES_LYON PLANT			204.54
			Total for Check Number 12120:	0.00	277.95
12121	00057	AFSCME COUNCIL 57	12/02/2016		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	DEC 2016	UNION DUES_DEC 2016			940.72
			Total for Check Number 12121:	0.00	940.72
12122	00115 DEC 2016	ATKINSON-FARASYN LEGAL SERVICES_MONTHLY FEE	12/02/2016		3,500.00
			Total for Check Number 12122:	0.00	3,500.00
12123	00099 DEC 2016	JOEL BUSA CALPERS MEDICAL	12/02/2016		125.00
			Total for Check Number 12123:	0.00	125.00
12124	10005 102269133	ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING	12/02/2016		1,635.00
			Total for Check Number 12124:	0.00	1,635.00
12125	00662 DEC 2016	JAMES A. MUELLER CALPERS MEDICAL	12/02/2016		50.00
			Total for Check Number 12125:	0.00	50.00
			Report Total (48 checks):	0.00	124,633.59

CASH REQUIREMENTS

THIS REPORT SUMMARIZES YOUR PAYROLL TRANSACTIONS FOR THE CHECK DATE 11/23/16. IT DOES NOT REFLECT MISCELLANEOUS ADMINISTRATIVE CHARGES. PLEASE REFER TO YOUR INVOICE(S) FOR THE TOTAL CASH REQUIRED FOR THIS CHECK DATE.

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
11/22/16	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	44,460.40	44,460.40
11/22/16	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	5,334.54	
				Medicare	1,419.12	
				Fed Income Tax	10,761.12	
				CA Income Tax	3,211.95	
				CA Disability	723.45	
				Total Withholdings	21,450.18	
				Employer Liabilities		
				Social Security	5,334.55	
				Medicare	1,419.11	
				Fed Unemploy	22.52	
				Total Liabilities	6,776.18	28,226.36
11/22/16	WELLS FARGO BANK, NA	xxxxxx1358	401(k) Traditional	PXROTH 401 EEPO		
				PX401 EECU		
				PX401 ERMTCH		
				PXROTH 401 EECU		
				PX401 ERCUM		
				PX401 EEPRE	916.20	916.20
11/22/16	WELLS FARGO BANK, NA	xxxxxx1358	Section 125	PXDCA EE PRE	443.16	
				PXUME EE PRE	350.00	793.16
EFT FOR 11/22/16						74,396.12
TOTAL EFT (Does not reflect administrative charges)						74,396.12

NEGOTIABLE CHECKS - *Check amounts will be debited when payees cash checks. Funds must be available on check date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
11/23/16	WELLS FARGO BANK, NA	xxxxxx1358	Payroll	Check Amounts	21,793.58	
TOTAL NEGOTIABLE CHECKS						21,793.58

CASH REQUIREMENTS

THIS REPORT SUMMARIZES YOUR PAYROLL TRANSACTIONS FOR THE CHECK DATE 11/23/16. IT DOES NOT REFLECT MISCELLANEOUS ADMINISTRATIVE CHARGES. PLEASE REFER TO YOUR INVOICE(S) FOR THE TOTAL CASH REQUIRED FOR THIS CHECK DATE.

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
11/23/16	Refer to your records for account	Information	Payroll	Employee Deductions	
				Advance	580.58
				Aflc/Col Post	55.11
				Aflc/Col Pre	302.75
				Calper 457	125.00
				DPer	6,307.67
				Health	2,092.11
				ICMA	1,635.00
				Life Ins	14.00
				Union dues	470.36
				Total Deductions	11,582.58
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (Does not reflect administrative charges)					11,582.58

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - *This information serves as a record of payment.*

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	
11/30/16	Taxpay®	FED IT PMT Group	24,268.44
11/30/16	Taxpay®	CA IT PMT Group	3,935.40

CASH REQUIREMENTS

THIS REPORT SUMMARIZES YOUR PAYROLL TRANSACTIONS FOR THE CHECK DATE 12/07/16. IT DOES NOT REFLECT MISCELLANEOUS ADMINISTRATIVE CHARGES. PLEASE REFER TO YOUR INVOICE(S) FOR THE TOTAL CASH REQUIRED FOR THIS CHECK DATE.

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
12/06/16	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	46,515.38	46,515.38
12/06/16	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	5,224.34	
				Medicare	1,401.68	
				Fed Income Tax	10,869.86	
				CA Income Tax	3,286.84	
				CA Disability	648.35	
				Total Withholdings	21,431.07	
				Employer Liabilities		
				Social Security	5,224.34	
				Medicare	1,401.66	
				Total Liabilities	6,626.00	28,057.07
12/06/16	WELLS FARGO BANK, NA	xxxxxx1358	401(k) Traditional	PXROTH 401 EEPO		
				PX401 EECU		
				PX401 ERMTCH		
				PXROTH 401 EECU		
				PX401 ERCUM		
				PX401 EEPRE	916.20	916.20
12/06/16	WELLS FARGO BANK, NA	xxxxxx1358	Section 125	PXDCA EE PRE	443.16	
				PXUME EE PRE	350.00	793.16
EFT FOR 12/06/16						76,281.81
TOTAL EFT (Does not reflect administrative charges)						76,281.81

NEGOTIABLE CHECKS - *Check amounts will be debited when payees cash checks. Funds must be available on check date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
12/07/16	WELLS FARGO BANK, NA	xxxxxx1358	Payroll	Check Amounts	18,402.61	
TOTAL NEGOTIABLE CHECKS						18,402.61

CASH REQUIREMENTS

THIS REPORT SUMMARIZES YOUR PAYROLL TRANSACTIONS FOR THE CHECK DATE 12/07/16. IT DOES NOT REFLECT MISCELLANEOUS ADMINISTRATIVE CHARGES. PLEASE REFER TO YOUR INVOICE(S) FOR THE TOTAL CASH REQUIRED FOR THIS CHECK DATE.

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
12/07/16	Refer to your records for account	Information	Payroll	Employee Deductions	
				Advance	714.93
				Aflc/Col Post	55.11
				Aflc/Col Pre	302.75
				Calper 457	125.00
				DPer	6,335.82
				Health	2,092.11
				ICMA	1,685.00
				Life Ins	14.00
				Union dues	470.36
				Total Deductions	11,795.08
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (Does not reflect administrative charges)					11,795.08

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - *This information serves as a record of payment.*

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	
12/14/16	Taxpay®	FED IT PMT Group	24,121.88
12/14/16	Taxpay®	CA IT PMT Group	3,935.19

MEMO

TO: Board of Directors
FROM: District Manager
SUBJECT: Sexual Harassment Policy 2017
DATE: December 15, 2016

RECOMMENDATION:

It is recommended that the Board of Directors review this memo, the District's Sexual Harassment Policy, and approve the attached resolution which establishes the San Lorenzo Valley Water District Sexual Harassment Policy for 2017.

BACKGROUND:

Both state and federal laws prohibit sexual harassment. On December 9, 2015 the Board adopted Resolution No. 21 (15-16) which established the San Lorenzo Valley Water District Sexual Harassment Policy for 2016. District Legal Counsel has reviewed the District's Sexual Harassment Policy. There are no recommended revisions to the existing San Lorenzo Valley Water District Sexual Harassment Policy for 2017.

The District is a member agency of the special District Risk Management Authority (SDRMA). SDRMA is a Joint Powers Agency consisting of over 660 member agencies throughout California formed to provide risk management services and insurance coverage. SDRMA has an Incentive Credit Program which provides incentive credits to reduce an agency's general, auto liability and worker's compensation premium contributions. The Incentive Credit Program provides credits for development and adoption of written policy and procedure manual relative to sexual harassment. Credit is provided upon initial adoption of the District's Sexual Harassment Policy and thereafter credits are maintained upon annual review.

STRATEGIC PLAN:

Element 9.0 - Administrative Management

FISCAL IMPACT:

None

SAN LORENZO VALLEY WATER DISTRICT RESOLUTION NO. 16 (16-17)

SUBJECT: SAN LORENZO VALLEY WATER DISTRICT SEXUAL HARASSMENT
POLICY 2017

WHEREAS, state and federal laws prohibit sexual harassment; and

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

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District have reviewed the San Lorenzo Valley Water District Sexual Harassment Policy for 2017; and

WHEREAS, District Legal Counsel has reviewed the San Lorenzo Valley Water District Sexual Harassment Policy for 2017:

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the San Lorenzo Valley Water District Sexual Harassment Policy for 2017 is hereby adopted.

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

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 15th day of December 2016, by the following vote of the members thereof:

AYES:

NOES:

ABSENT:

ABSTAIN:

Holly B. Morrison
District Secretary

SAN LORENZO VALLEY WATER DISTRICT SEXUAL HARASSMENT POLICY 2017

Adopted: December 15, 2015

Resolution No. 16 (16-17)

PURPOSE. It is legally mandated by state and federal laws that all employees have a right to work in an environment that is free from all forms of discrimination, including sexual harassment. Sexual harassment is a form of discrimination that is prohibited by Title VII of the Civil Rights Act of 1964 and California Government Code Section 12940 et. seq. Sexual harassment is a costly form of discrimination that can result in expensive litigation that may result in back pay or punitive damage awards, withdrawal of federal support funds and/or other adverse actions. District employees have a grave responsibility for maintaining high standards of honesty, integrity, impartiality and conduct to assure proper performance of the District's business and the maintenance of confidence of the people it serves. It is the policy of the San Lorenzo Valley Water District that sexual harassment is unacceptable and will not be condoned or tolerated. San Lorenzo Valley Water District is committed to a workplace free of unlawful discrimination and harassment.

DEFINITION. Sexual harassment is generally defined as harassment based on sex or of a sexual nature; gender harassment; and harassment based on pregnancy, childbirth, or related medical conditions. The definition of sexual harassment includes many forms of offensive behavior, including harassment of a person of the same gender as the harasser. Sexual harassment may be written, verbal, physical and/or visual.

EXAMPLES. Sexual harassment manifests itself in many forms. The following provides a partial list of offensive conduct which would constitute sexual harassment:

- Written communications of a sexual nature, obscene letters, notes and/or invitations (this includes electronic formats).
- Verbal conduct such as making or using derogatory comments, slurs, jokes or epithets.
- Visual conduct such as leering, making sexual gestures, and/or displaying sexually suggestive objects, pictures, cartoons, calendars or posters.
- Physical conduct such as touching, assaulting, impeding and/or blocking movements.
- Sexual comments including graphic, verbal and/or visual commentary about an individual's body.
- Sexually degrading words used to describe an individual.
- Offering employment benefits in exchange for sexual favors (this may include situations where an individual is treated less favorably because others have acquiesced to sexual advances).
- Unwanted sexual advances or propositions (this may include situations which began as reciprocal attractions, but later ceased to be reciprocal).
- Implied, actual and/or threatened retaliation after negative response(s) to sexual advances.
- Implied, actual and/or threatened offering and/or withholding employment benefits in exchange for sexual favors, or if requests for sexual favors are not met.

POLICY PUBLICIZING. All District officers and employees shall be informed of the

District's Sexual Harassment Policy and reporting process prior to their need to know. Also, said policy and reporting process shall be readily available to all officers, employees and members of the general public utilizing the District's facilities and services.

All new District officers and employees shall be given a copy of this Sexual Harassment Policy at the time of appointment or hiring. The contents of this policy shall be discussed with said officers and employees at said times by the responsible managing employee. All employees, at the time of hire, shall be required to sign an acknowledgment of this Sexual Harassment Policy stating that he or she has read the policy and knows its contents, including reporting procedures.

Whenever the Board of Directors adopts revisions to this Sexual Harassment Policy, the District Manager shall promptly distribute a copy of the revised policy to all officers and employees of the District.

At least annually, on or about June 15th of each calendar year, the District Manager shall distribute a copy of this Sexual Harassment Policy to all officers and employees of the District.

SUPERVISORY EMPLOYEE EDUCATION AND TRAINING. In accordance with California Government Code Section 12950.1, all supervisory employees of the District, at a minimum shall be provided no less than two (2) hours of sexual harassment education and training at least once every two (2) years. Solely for the purpose of this policy, supervisory employees shall be defined as individuals having the authority to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward or discipline other employees, or effectively to recommend said actions. The District Manager shall designate supervisory employees for the purpose of this policy.

REPORTING PROCEDURES. Any officer or employee of the District or member of the public, who feels or believes that they have been or are being harassed by an officer or employee of the District is strongly encouraged to report such incident either verbally or in writing to the District Manager as promptly as feasible after the occurrence. Individuals who report an incident of alleged harassment can do so without fear of reprisal, regardless of the outcome of the report.

- a) Any supervisory employee who receives, witnesses or becomes aware of an incident of alleged harassment shall immediately report the matter to the District Manager.
- b) Upon receipt of a report of alleged harassment by an officer of the District, the District Manager shall assign the investigation of the alleged misconduct to an outside party.
- c) Upon receipt of a report of alleged harassment by an employee of the District, the District Manager shall promptly conduct a thorough and impartial investigation of the incident. All reports shall be kept confidential to the extent possible. Witnesses to sexual harassment and victims of sexual harassment shall not be retaliated against in any way for making a report or cooperating in an investigation. Any incident of implied, actual and/or threatened retaliation should be reported as set out in this policy. The District Manager may assign the investigation of a report of alleged harassment to an outside party.
- d) In the event the report of alleged harassment involves the District Manager, the incident shall be reported to the President of the Board of Directors. Thereafter, the President of the Board of Directors shall be responsible for processing the investigation and appropriate necessary actions.
- e) Any person who initiates a report of an alleged incident of harassment shall have the right to be accompanied by advocates(s) when discussing the incident. Said person shall be advised of this right prior to the commencement of discussions.
- f) A written record of any investigation of an alleged incident of harassment shall be maintained.

ENFORCEMENT PROCEDURES. The District's Sexual Harassment Policy shall be enforced by the District Manager unless otherwise stated in this policy. Upon conclusion of the investigation of an alleged incident of harassment, if it has been determined that harassment has occurred in violation of this policy, the District may impose appropriate disciplinary action up to and including discharge.

- a) Officers and employees of the District who report harassment, and/or individuals cooperating in an investigation of a report of harassment shall be protected thereafter from any form of reprisal and/or retaliation regardless of the outcome of the report.
- b) Officers and employees of the District who knowingly make false reports will be subject to appropriate disciplinary actions.

-END OF POLICY-

MEMO

TO: Board of Directors
FROM: District Manager
SUBJECT: Personnel Rules & Regulations 2017
DATE: December 15, 1016

RECOMMENDATION:

It is recommended that the Board of Directors review this memo, review the attached Personnel System Rules and Regulations and approve the attached resolution which establishes the San Lorenzo Valley Water District Personnel System Rules and Regulations for 2017.

BACKGROUND:

On November 16, 2000 your Board adopted Ordinance No. 99 which established a personnel system for the District. Ordinance No. 99, Section 5 provides for the adoption and amendment of personnel rules and regulations by resolution of the Board of Directors. On December 9, 2015 your Board adopted Resolution No. 23 (15-16) which established Personnel System Rules and Regulations for 2016. District Legal Counsel has reviewed the San Lorenzo Valley Water District Personnel System Rules and Regulations. There are no recommended revisions to the existing Personnel System Rules and Regulations for 2017.

The District is a member agency of the special District Risk Management Authority (SDRMA). SDRMA is a Joint Powers Agency consisting of OVER 660 member agencies throughout California formed to provide risk management services and insurance coverage. SDRMA has an Incentive Credit Program which provides incentive credits to reduce an agency's general, auto liability and worker's compensation premium contributions. The Incentive Credit Program provides credits for development and adoption of the Personnel System Rules and Regulations. Credit is provided upon initial adoption of the Personnel System Rules and Regulations by the Board of Directors, and thereafter credits are maintained upon annual review.

It is recommended that the Board of Directors review this memo, attached Personnel System Rules and Regulations for 2017, and approve the attached resolution which establishes the San Lorenzo Valley Water District Personnel System Rules and Regulations for 2017.

STRATEGIC PLAN:

Element 8.0 -Organizational Health/Personnel

FISCAL IMPACT:

None

SAN LORENZO VALLEY WATER
DISTRICT RESOLUTION NO. 17 (16-17)

SUBJECT: PERSONNEL SYSTEM RULES AND REGULATIONS 2017

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

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

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

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

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

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

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 15th day of December 2016, by the following vote of the members thereof:

AYES:
NOES:
ABSTAIN:
ABSENT:

Holly B. Morrison
District Secretary

SAN LORENZO VALLEY WATER DISTRICT
PERSONNEL SYSTEM
RULES AND REGULATIONS 2017

ADOPTED
DECEMBER 15, 2017
RESOLUTION NO. 17 (16-17)

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SAN LORENZO VALLEY WATER DISTRICT
PERSONNEL SYSTEM RULES AND REGULATIONS

SECTION 1-GENERAL PROVISIONS

1.1 General Provisions.

These Personnel System Rules and Regulations of the San Lorenzo Valley Water District are adopted pursuant to District Ordinance No. 99 dated November 16, 2000 and shall be known as the "Personnel System Policy" (hereinafter referred to as "Policy"), and may be cited and referred to herein as such.

1.2 Statement of Purpose.

The purpose of this Policy is to provide orderly, equitable and uniform procedures for administration of the personnel system.

1.3 Effect of Policy on Past Actions and Obligations.

This Policy which establishes rules and regulations for the administration of the personnel system completely supersedes and cancels all prior practices, policies and agreements whether written or oral, howsoever the same may be expressed, which are contrary to or in conflict with this Policy, including resolutions and ordinances of the Board of Directors, unless expressly stated to the contrary herein or expressly stated within a duly authorized and fully executed collective bargaining agreement by and between the District and a duly recognized employee organization prepared pursuant to the Government Code of the State of California (Section 3500 et. seq.). Notwithstanding the provisions of this Section, this Policy constitutes the complete and entire rules and regulations relative to this subject matter.

1.4 Severability.

If any provision, sentence, clause or phrase of this policy or the application of said provision, sentence, clause or phrase to any person or circumstance is for any reason held to be invalid or not in accordance with applicable provisions of Federal, State or local laws or regulation, the remainder of this policy, or the application thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

1.5 Effect of Memorandum of Understanding.

Whenever the provisions of this Policy conflict with the provision of a duly authorized and fully executed collective bargaining agreement by and between the District and a duly recognized employee organization pursuant to the Government Code of the State of California (Section 3500 et. seq.), the provisions of the agreement shall prevail.

1.6 Fair Employment Practices.

All techniques or procedures used in recruitment and selection of employees shall be designed to measure only the job-related qualifications of applicants. No recruitment or selection technique shall be used which is not justifiably linked to successful job performance. The District Manager shall have the sole authority to make the final determination regarding which recruitment and/or selection techniques will be utilized for any given position or class.

1.7 District Manager Authority.

The District Manager shall have the authority to administer this Policy and may delegate any or all of the authorized powers and duties to his/her duly authorized representative(s) or designee(s), or may recommend that such powers and duties be performed under contract. The authority to appoint all officers and employees except those specifically excluded by Ordinance, to remove same and have general control and supervision over same is vested in the District Manager.

1.8 Definitions.

As used in this Policy, the following terms shall have the meanings indicated:

- a. "Advancement, means a salary increase within the limits of a pay range established for a class.
- b. "Allocation" means the assignment of a single position to its proper class in accordance with the duties performed, and the authority and responsibilities exercised.
- c. "Class" means all positions sufficiently similar in duties, authority, and responsibility, to permit grouping under a common title in the application with equity of common standards of selection, transfer, demotion and salary.

- d. "Competitive Service" means all positions of employment in the service of the District except those excluded by the personnel system ordinance.
- e. "Continuous Service" means an employee's length of continuous regular full-time or regular part-time service since their last date of hire, less any adjustments due to lay off, approved leaves of absence without pay or other breaks in service
- f. "Days" means calendar days unless otherwise stated.
- g. "Demotion" means the movement of an employee from one class to another class having a lower maximum base rate of pay.
- h. "Disciplinary Action" means the demotion, discharge, reduction in pay and/or written suspension or reprimand of a regular employee for just cause(s).
- i. "District" means the San Lorenzo Valley Water District, and, where appropriate herein, refers to any duly authorized representative(s) as herein defined.
- j. "District Manager" means the District Manager or his/her duly authorized representative or agent.
- k. "Eligible" means a person whose name is on an employment list.
 - l. Eligible List:
 - (1) "Open Eligible List" means a list of names of persons who have taken an open competitive examination for a class in the competitive service and have qualified.
 - (2) "Promotional Eligible List" means a list of names of persons who have taken a promotional examination for a class in the competitive service and have qualified.
- m. Examination:

- (1) "Open Competitive Examination" means an examination for a particular class which is open to all persons meeting the qualifications for the class.
 - (2) "Promotional Examination" means an examination for a particular class which is open only to employees of the District meeting the qualifications for the class.
 - (3) "Continuous Examination" means an open competitive examination which is administered periodically and as a result of which names of qualified candidates are placed on an employment list, in order of final scores, for a period of not more than one (1) calendar year.
- n. "Lay-Off" means the separation of employees from the active work force due to lack of work or funds, or to the abolition of positions by the Board of Directors for the above reasons or due to organization changes.
- o. "Personnel Ordinance" means District Ordinance No. 99 which created a personnel system for the District.
- p. "Position" means a group of duties and responsibilities in the competitive service requiring the full-time or part-time employment of one person.
- q. "Probationary Period" means a period to be considered an integral part of the examination, recruiting, testing and selection process during which an employee is required to demonstrate fitness for the position to which the employee is appointed by actual performance of the duties of the position.
- r. "Promotion" means the movement of an employee from one class to another class having a higher maximum base rate of pay.
- s. "Provisional Appointment" means an appointment of a person who possesses the minimum qualifications established for a particular class and who has been appointed to a position in that class in the absence of available eligibles. In no instance shall a

provisional appointment exceed one (1) calendar year unless otherwise approved by the District Manager.

t. "Regular Employee., means an employee in the competitive service who has successfully completed the probationary period and has been retained as hereafter provided in these rules and regulations.

u. "Re-employment" means the restoration without examination of a former regular employee or probationary employee to a classification in which the employee formerly served and resigned with good standing.

v. "Reinstatement" means the restoration without examination of a former regular employee or probationary employee to a classification in which the employee formerly served and was laid off or demoted in accordance with the provisions of Section 11.

w. "Relief of Duty, means the temporary assignment of an employee to a status of leave with pay.

x. "Separation of Service" means the termination of employment by means of layoff, resignation or discharge.

y. "Suspension" means the temporary separation from service of an employee without pay for disciplinary purposes.

z. "Temporary Employee" means an employee who is appointed to a non-regular position for a limited period of time and/or fixed by the duration of a specific project or an employee appointed to fill a position in the competitive service for a limited period of duration not to exceed one (1) calendar year unless otherwise approved by the District Manager.

aa. "Transfer" means the reassignment of an employee from one position to another position in the same class or in a comparable class.

SECTION 2- CLASSIFICATION

2.1 Preparation of Plan.

The District Manager or a person or agency employed for that purpose, shall ascertain and record the duties and responsibilities of all positions in the competitive service and shall recommend a classification plan for such positions. The classification plan shall consist of classes of positions in the competitive service defined by class specifications, including the title. The classification plan shall be so developed and maintained that all positions substantially similar with respect to duties, responsibilities, authority, and character of work are included within the same class, and that the same schedules of compensation may be made to apply with equity under similar working conditions to all positions in the same class.

2.2 Adoption, Amendment and Revision of Plan.

The classification plan shall be adopted by the District Manager and may be amended from time to time. During the process of adoption and consideration of amendment and revision of the classification plan all recognized employee organizations affected shall be advised. Amendments and revisions of the plan may be suggested by any interested party, including any recognized employee organization, and shall be submitted in writing to the District Manager.

2.3 Allocation of Positions.

Following adoption of the classification plan and consultation with any recognized employee organization affected, the District Manager shall allocate every position in the competitive service to one of the classes established by the classification plan.

2.4 New Positions.

A new position in the competitive service shall not be created until the classification plan has been amended to provide therefore and shall not be filled until an appropriate employment list has been established for such position.

2.5 Reclassification.

The District Manager may make periodic studies of the classification plan and make any changes deemed desirable. When the assigned duties and responsibilities of a position have changed

significantly so as to necessitate reclassification, whether new or already created, the position may be reclassified by the District Manager to a more appropriate class. Reclassifications shall not be used for the purpose of avoiding restrictions concerning demotions and promotions, nor to effect a change in salary in the absence of a significant change in assigned duties and responsibilities.

2.6 Status of Reclassified Employees.

When occupied position(s) are reclassified pursuant to this Section the incumbent(s) shall be affected as follows:

- a. When the incumbent's status is regular employee, the incumbent(s) shall assume regular employee status in the new classification on such effective date without qualifying tests or probationary period.
- b. When the incumbent's status is probationary employee, the incumbent(s) must successfully serve the remainder of the probationary period to attain regular employee status.

SECTION 3-APPLICATIONS AND APPLICANTS

3.1 Announcement.

All examinations for classes in the competitive service shall be publicly advertised either by posting, by publication, or such other methods as the District Manager deems appropriate. Special recruiting shall be conducted, if necessary, to insure that all segments of the community are aware of the forthcoming examinations. The announcements shall specify the title and pay of the class for which the examination is announced; the nature of the work to be performed; preparation desirable for the performance of the work of the class; the manner of making application; and other pertinent information.

3.2 Application Forms.

Applications shall be made in the manner as prescribed on the examination announcements and on such application forms designated by the District. Application forms may require information covering education, training, experience, references and other pertinent information. All applications must be signed by the person applying.

3.3 Qualification of Applicants.

All applicants for examination must meet the qualification standards set forth in the announcement.

3.4 Disqualification.

The District Manager shall have the authority to disqualify applicants, candidates, or eligibles consistent with the provisions of these rules. The following shall constitute grounds for disqualification of an applicant, candidate or eligible:

- a. Failure to meet any of the requirements or qualifications, as published in the announcement
- b. Fraudulent conduct or false statements by an applicant, or by others with his/her concurrence, on any application or any selection procedure.
- c. Conviction (including pleas of guilty or nolo contendere) of a felony if the District Manager determines that the conviction has a rational relationship to the position for which applicant is made. In making the determination, the District Manager shall consider the duties and responsibilities of the position, the nature of the conviction, and the circumstances surrounding the crime, and the candidate's record since the conviction. Any applicant who is disqualified for employment under this subsection may appeal the determination of disqualification. Such appeal shall be in writing and filed with the District Manager within fourteen (14) calendar days of the date of the notice of disqualification. The District Manager shall hear and determine the appeal within thirty (30) calendar days after it is filed. The determination of the District Manager on the appeal is final.

3.5 Notice of Qualification.

All applicants and candidates shall be sent written notice of acceptance or rejection of their application and the results of their examination. Said notice shall be mailed to the address of record on the application filed for the examination.

SECTION 4- EXAMINATIONS

4.1 Examination Process.

The selection techniques used in the examination process shall be impartial and related solely to those subjects which will test fairly the qualifications of candidates and fairly measure the relative capacities of the persons examined to execute the duties and responsibilities of the class to which they seek to be appointed. Examinations shall be designed to provide equal opportunity to all candidates by being based on an analysis of the essential job requirements of the class, covering only factors related to such job requirements. The District Manager shall have the sole authority to make the final determination regarding which test or combination of tests will be utilized in the examination process for any given position or class. Examinations shall consist of job related selection techniques such as, but not necessarily limited to, achievement tests, written tests, performance tests, oral tests, physical agility tests, evaluation of daily work performance, work samples, or any combination of these or other tests. The probationary period shall be considered as a portion of the examination process.

4.2 Examination Administration.

The District Manager shall be responsible for the administration and scoring of all selection examinations. The District Manager shall have the sole authority to set minimum qualifying scores for each phase of the selection examination process. Applicants or candidates failing to achieve the qualifying score in any phase of the examination process shall be disqualified from further participation in the examination process. The final score of a candidate shall be based upon the compilation of all examinations in the selection examination process. Two or more candidates with the same final score shall be given the same rank on the eligibility list. The rank following the tie shall be left vacant.

4.3 Promotional Examinations.

Promotional examinations may be conducted whenever the needs of the service require. Promotional examinations may include any of the selection techniques mentioned in Section 4.1 of this Policy or any combination thereof. Only regular, probationary, provisional or temporary employees of the District who meet the requirements set forth in the promotional examination announcements may compete in promotional examinations. The District Manager shall have the sole

authority to make the final determination when the services of a promotional examination will be utilized for any given position or class.

4.4 Open Competitive Examinations.

Open competitive examinations may be administered for a single position or class, as the needs of the service require. Names of qualified candidates may be placed on an eligible list, and shall remain on said list, as prescribed in Section 5 of this policy.

4.5 Continuous Examinations.

At the discretion of the District Manager open or promotional continuous examinations may be administered periodically, as the needs of the service require. Names of qualified candidates may be placed on an eligible list in the order of final scores and shall remain on said lists for a period of not more than one (1) year.

4.6 Contract For Examinations.

The District may contract with any competent public or private agency or qualified individual(s) for the preparing and/or administering of examinations. In the absence of such a contract, the District Manager shall see that such duties are performed. The District Manager shall arrange for the use of public buildings and equipment for the conduct of examinations.

4.7 Review of Examinations.

All candidates and eligibles shall have the right to inspect their own test answer sheet within seven (7) calendar days after the notifications of examination results. Any error in computation, if called to the attention of the District Manager within this period, shall be corrected. Such corrections shall not, however, require invalidation of appointments previously made.

SECTION 5-ELIGIBLE LISTS

5.1 Eligible Lists.

As soon as possible after the completion of an examination, the District Manager shall prepare and maintain an eligible list consisting of the names of candidates who qualified in the examination.

5.2 Duration of Lists.

Eligible lists shall become effective on the date certified by the District Manager and shall remain in effect for a period of one (1) calendar year from said date unless exhausted or abolished by the District Manager, whichever occurs first. The District Manager may establish a new eligible list pursuant to the provision of Section 6.3 of this Policy.

5.3 Removal of Names from Lists.

The name of any person appearing on an eligible, re-employment or promotional list shall be removed by the District Manager if the eligible candidate requests in writing that the name be removed or if the eligible candidate fails to respond within seven (7) calendar days to a notice mailed to the last designated address. The person affected shall be notified of the removal of the name by a notice mailed to the last known address. The names of persons on promotional employment lists who resign from the service of the District shall automatically be dropped from such lists.

SECTION 6- FILLING OF VACANCIES

6.1 Types of Appointment.

The District Manager may fill a vacancy in the competitive service by transfer, demotion, reinstatement, or re-employment, or from persons from an appropriate eligible list, if available. In the absence of persons eligible for appointment in these ways the District Manager may make a provisional appointment pursuant to Section 6.5 of this Policy. The District Manager may make a temporary appointment pursuant to Section 6.6 of this Policy. All vacancies shall be filled in accordance with the provisions of this Section.

6.2 Competitive Service Vacancy.

When a vacancy exists in the competitive service the District Manager shall fill the vacancy in the following order:

- 1) From eligibles on a reinstatement list, if available.
- 2) From eligibles on an existing promotional eligible list, if available.
- 3) From eligibles on an existing open employment list, if available.
- 4) Announcement and examination process.

6.3 Certification of Eligibles.

When a vacancy is to be filled by appointment from an open eligible list or from a promotional eligible list, the District Manager shall certify from the specified list the names of the three (3) most highly qualified candidates available for appointment. If there are fewer than three (3) names available for appointment the District Manager may make an appointment from among such certified eligibles or may establish a new list. When a new list is to be established the District Manager shall conduct a new announcement and examination process.

6.4 Appointment.

After interview and inquire, the District Manager shall make appointments from among those certified. The person accepting appointment shall report to the District Manager, or the District Manager's duly designated representative(s), for processing on or before the date of appointment. If the applicant accepts the appointment and reports for duty within the prescribed time the applicant shall be deemed to be appointed; otherwise, the applicant shall be deemed to have declined the appointment.

6.5 Provisional Appointment.

In the absence of there being names of individuals willing to accept appointment from appropriate eligible lists, the District Manager may make a provisional appointment of a person meeting the minimum training and experience qualifications for the position. Such an appointment may be made during the period of suspension of an employee or pending final action on proceedings to review suspension, demotion or discharge of an employee. A provisional employee may be removed at any time without cause and without the right of grievance, hearing, or appeal. No provisional appointment shall exceed a time period of one (1) calendar year, unless otherwise approved by the District Manager.

6.6 Temporary Appointment.

Temporary appointments may be made by the District Manager to fill a non-regular employment status position for a limited period of time and/or fixed by the duration of a specific project; or to fill a position in the competitive service for a limited period of duration not to exceed one (1) calendar year, unless otherwise approved by the District Manager.

SECTION 7- PROBATIONARY PERIOD

7.1 Probationary Period.

All original and promotional appointments in the competitive service shall be tentative and subject to a probationary period of not less than six (6) calendar months of actual service. The probationary period shall be regarded as part of the examination process and shall be utilized for closely observing the employee's work, the employee's ability to work with other employees, and for securing the most effective adjustment of a new employee to their position. Time spent on leave without pay shall not count toward completion of the probationary period. The probationary period may be extended at the discretion of the District Manager. Extension of the probationary period shall be for appropriate circumstances and for a specific period of time up to and including six (6) months. No such extension shall exceed six (6) additional months, and no further extensions shall be granted. If the service of a probationary employee has been satisfactory said employee shall be certified in writing for regular employee status. Regular employee status shall begin with the day following the expiration date of the probationary period. During the probationary period an employee may be recommended for rejection at any time without cause and without right of grievance, hearing or appeal. The District Manager shall provide all probationary employees with written notification regarding the status of the probation period.

7.2 Rejection Following Promotion.

Any employee rejected during the probationary period following a promotional appointment shall be given the opportunity to be reinstated to a position in the class from which the employee was promoted. If there is no vacancy in such position, the employee may request to be placed on a reinstatement list. Such opportunity will not be given if the employee is discharged pursuant to disciplinary action under these rules and regulations.

SECTION 8- COMPENSATION

8.1 Preparation of Compensation Schedule.

The District Manager, or a person or agency employed for that purpose, shall prepare a compensation schedule consisting of a schedule of salary ranges allocated to each class in the position classification plan.

The compensation schedule shall also include a schedule of hourly wage rates applicable to positions which are not in the competitive service.

8.2 Adoption, Amendment and Revision of Compensation Schedule.

The compensation schedule shall be adopted and may be amended or revised from time to time by resolution of the Board of Directors. Amendments or revisions to the compensation schedule may be suggested by any interested party and shall be submitted in writing to the District Manager.

8.3 Schedule of Salary Ranges.

The compensation schedule shall be an integrated schedule consisting of seven (7) step salary ranges with a five percent (5%) differential between steps in each range.

SECTION 9- TRANSFER, PROMOTION, DEMOTION, SUSPENSION AND REINSTATEMENT

9.1 Transfer.

Transfer is defined as the reassignment of an employee from one position to another position in the same or in a comparable class. The District Manager may transfer an employee from one position to another position in the same class or in a comparable class. For transfer purposes, a comparable class is one with the same maximum salary, involves the performance of similar duties, and requires substantially the same basic qualifications. Transfer shall not be used to effectuate a promotion, demotion, advancement, or reduction, each of which may be accomplished only as provided in the personnel ordinance or these rules and regulations. No person shall be transferred to a position for which that person does not possess the minimum qualifications.

9.2 Promotion.

Promotion is defined as the movement of an employee from one class to another class having a higher maximum base rate of pay. Insofar as consistent with the best interests of the District all vacancies in the competitive service may be filled by promotion from within the competitive service, after a promotional examination has been given and a promotional list established.

The District Manger may fill a vacancy in the competitive service by an open competitive examination instead of promotional examination, in which event the District Manger shall arrange for an open competitive examination and for the preparation and certification of an open competitive eligible list.

9.3 Demotion.

Demotion is defined as the movement of an employee from one class to another class having a lower maximum base rate of pay. The District Manager may demote an employee for disciplinary purposes in accordance with Section 10 of this Policy. In addition, upon written request of an employee, and with written approval of the District Manager a voluntary non-disciplinary demotion may be made to a vacant position. No employee shall be demoted to a position who does not possess the minimum qualifications.

9.4 Suspension.

The District Manager may suspend an employee from a position for a disciplinary purpose in accordance with Section 10 of this policy. Suspension without pay shall not exceed thirty (30) calendar days.

9.5 Re-employment.

With approval of the District Manager, a regular employee who has resigned with good standing may be re-employed within one (1) year of the effective date of resignation, to a vacant position in the same or comparable class. Upon re-employment, the employee may be subject to the probationary period prescribed for the class. No credit for former employment shall be granted in computing salary, annual leave, or other benefits except on the specific recommendation of the District Manager at time of re-employment.

SECTION 10- DISCIPLINARY ACTION

10.1 Policy.

Prior to demotion, discharge, reduction in pay, reprimand or suspension of a regular employment status employee for disciplinary purposes, the District Manager shall comply with the procedures set forth in this Policy.

10.2 Notification of Disciplinary Action.

The District Manager may take disciplinary action for just cause against any employee who has completed their probationary period by notifying the employee of the action in writing. Employees who have not completed their probationary period pursuant to Section 7 of this Policy may be terminated at any time for any cause, without prior notice and without right of grievance, hearing or appeal. Notification of intended disciplinary action must be in writing and served on the employee in person or by registered mail at least seventy-two (72) hours prior to the effective date of the intended disciplinary action, except in an emergency situation. The notice must be included in the employee's personnel file, and shall include:

- a. Nature of Action. A statement of the nature of the disciplinary action. Disciplinary action is defined as demotion, discharge, reduction in pay, letters of reprimand and/or suspension.
- b. Effective Date. The effective date of action, which shall be at least seventy-two (72) hours after notice of intended discipline, is served on the employee, except in an emergency situation.
- c. Basis for Action. A statement in ordinary and concise language of the act or the omissions upon which the disciplinary action is based.
- d. Representation. A statement that any employee may be represented by any representative of the employee's choosing relative to disciplinary action. The employee shall provide written notice to the District Manager relative to designated representation.
- e. Entitlement to Meet with District Manager. A statement that the employee has the right to respond orally or in writing to the charges prior to said disciplinary action being taken. The employee shall advise the District Manager of the request for a meeting within seventy-two (72) hours after receiving the notice. If, at the employee's option, there is no meeting, the District Manager shall advise the employee in writing within five (5) calendar days after the seventy-two (72) hour period expires, of his/her decision regarding the intended disciplinary action.

10.3 Employee Review.

The employee shall be given an opportunity to review the documents or materials upon which the proposed disciplinary action is based, and, if practicable, the employee shall be supplied with a copy of the documents.

10.4 Relief of Duty.

Notwithstanding the provisions of this Section, the District Manager may approve the temporary assignment of an employee to a status of leave with pay pending conduct or completion of such investigations or opportunity to respond as may be required to determine if disciplinary action is to be taken.

SECTION 11 -LAYOFF POLICY AND PROCEDURE

11.1 Statement of Intent.

The District shall have the sole right and authority to determine when it is necessary to abolish any position(s) or employment in the interest of economy or efficiency, changes in duties or organization or any other reasons determined to be in the best interest of governmental operations. The Board of Directors may abolish any position(s) or employment for the purposes stated herein and the District Manger shall have the authority to layoff, demote or transfer the employee(s) holding such position(s) or employment pursuant to this Section without disciplinary action and without right of grievance, hearing or appeal.

11.2 Notification.

Employees to be laid off or displaced pursuant to this Section shall be given, whenever possible, at least thirty (30) calendar days prior written notice.

11.3 Order of Separation.

Layoffs and/or reductions in employment shall be made by classification. A classification is defined as a position or number of positions having the same title, job description and salary. Whenever in the judgment of the District layoffs and/or a reduction in employment are deemed necessary, the order of layoff within the affected layoff classification(s) shall be as follows:

- (a) Temporary employees;
- (b) Provisional employees;
- (c) Part time employees;
- (d) Probationary employees; and

- (e) In the event of further layoff(s) or reduction in employment, employees will be laid off from the affected classification(s) in accordance with seniority pursuant to this Section.

11.4 Demotion Procedures Due to Reduction in Force.

Except as otherwise provided pursuant to this Section, whenever there are layoffs or reductions in employment, the District Manager shall first demote to a vacancy if any, in the same or lower classification in the same class series which the employee(s) who are scheduled for layoff meet the minimum employment standards. Employees with the least seniority pursuant to Section 11.7 shall be demoted first. All employees demoted pursuant to this Section shall have their names placed on the classification reinstatement eligible list.

11.5 Displacement Due to Reduction in Force.

Displacement is defined as the movement in layoff(s) or reduction(s) in employment of an employee to an equal or lower classification (as determined by maximum base rate of pay) on the basis of seniority. An employee cannot displace to a higher classification. Any employee in the competitive service affected by layoff(s) or reduction(s) in employment shall have the right to displace an employee who has less seniority in the same classification or in a lower classification in the same class series. Any employee displaced pursuant to the Section if applicable may in the same manner displace another employee within the same classification or in a lower classification in the same class series.

11.6 Displacement Procedures.

In order to exercise displacement rights, an employee must have more seniority than at least one of the incumbent employees in the retreat classification(s) and request displacement action in writing to the District Manager within seven (7) calendar days of receipt of notice of layoff or reduction of employment. Employees who exercise displacement rights and retreat to an equal or lower classification shall be placed at the salary step representing the least loss of pay. In no case shall the salary be increased above that received in the classification from which the employee was laid off. Employees who retreat to a lower classification in the same class series shall serve a probationary period pursuant to Section 7.1 of this Policy unless they have previously successfully completed a probationary period for said classification.

11.7 Seniority for Purpose of Reduction in Force.

For the purpose of this Section seniority shall be defined as an employee's length of continuous regular full time service and/or part time service (pro-rated) at or above the classification level where layoff is to occur. If the above factor is equal, the date regular employment status with the District is achieved shall be determinative. If the foregoing factor is equal, the employee's position on the eligible list shall be determinative.

11.8 Reinstatement List.

The names of persons laid off or demoted in accordance with provisions of this Section shall be entered upon a reinstatement list. Lists from different departments or at different times for the same class of position shall be combined into a single list. The District Manager shall use such list when a vacancy arises in the same or lower classification in the same series before certification is made from an eligible list. Names shall be placed on reinstatement lists in order of their seniority in the classification with the highest seniority in the class being at the top of the reinstatement list.

11.9 Duration of Reinstatement List.

Names of persons laid off or demoted shall be carried on a reinstatement list for a period of one (1) calendar year, except that persons appointed to permanent positions of the same level as that which laid off, shall, upon such appointment, be dropped from the list. Persons who refuse reinstatement shall be dropped from the list. Persons reinstated in a lower class, or on a temporary basis, shall be continued on the reinstatement list for the higher position for the one (1) year period.

SECTION 12-SEPARATION FROM SERVICE

12.1 Discharge.

An employee in the competitive service may be discharged at any time by the District Manager. Disciplinary discharge action shall be in accordance with Section 10 of this policy.

12.2 Resignation.

An employee wishing to leave the competitive service in good standing shall file with the District Manager a written resignation stating the effective date and reasons for leaving at least fourteen (14) calendar

days before leaving the service, unless such time limit is waived by the District Manager.

SECTION 13-ADMINISTRATIVE LEAVES, REPORTS AND RECORDS

13.1 Attendance.

Employees shall be in attendance at their work in accordance with the rules regarding hours of work, holidays, and leaves. All departments shall keep daily attendance records of employees which shall be reported to the District Manager in the form and on the dates so specified.

13.2 Military Leave.

Military leave and regulations for payment pertaining thereto shall be in accordance with the provisions of the Military and Veterans Code of the State of California.

13.3 Leave of Absence Without Pay.

The District Manager, at his/her sole discretion, may grant a regular or probationary employee a leave of absence without pay for a period of time not to exceed six (6) months. No such leave of absence without pay shall be granted except upon written request of the employee setting forth the reason for the request, and the written approval of the District Manager. Upon expiration of an approved leave of absence without pay, the employee shall be reinstated in the position held at the time leave was granted.

13.4 Failure to Return.

Any employee who fails to return to duty at the time specified on application of authorized annual, sick, maternity, or other leaves of absence shall be considered to have resigned from service with the District in the absence of evidence of extenuating circumstances.

13.5 Jury Duty.

Every employee in the competitive service of the District who is called or required to serve as a trial juror, upon notification and appropriate verification submitted to his/her supervisor, shall be entitled to be absent from his/her duties with the District during the period of such service or while necessarily being present in court as a result of such call.

The employee's normal pay shall be lowered by the amount of pay received for jury duty.

13.6 Personnel Records.

The District Manager shall maintain a service or personnel record for each employee in the service of the District showing the name, title of position held, the department to which assigned, salary, changes in employment status and such other information as maybe considered pertinent by the District Manager.

13.7 Change of Status Report.

Every appointment, transfer, promotion, demotion, change of salary rate, or any other temporary or permanent change in status of an employee shall be reported in writing to the employee by the District Manager in such manner as he/she may prescribe.

SECTION 14-MISCELLANEOUS

14.1 Safety.

All employees of the District shall be responsible for following the general safety guidelines of the District, as well as any additional safety regulations which are defined by the employees' work area or position. Any variance or refusal to comply with these guidelines shall result in disciplinary action up to, and including, discharge, in accordance with these rules and regulations.

14.2 Identification Cards, Badges, or Insignia.

No employee in the service of the District who uses an identification card, badge, or insignia as either evidence of the employee's position or authority shall allow it to be used by any other individual nor shall the employee use it in any way to advance a private interest. All identification cards, badges, or insignia issued by the District shall be turned in to the District Manger upon change of status within the competitive service or termination of employment.

- END-

MEMO

TO: Board of Directors
FROM: District Manager
SUBJECT: Respectful Workplace Policy 2017
DATE: December 15, 2016

RECOMMENDATION:

It is recommended that the Board of Directors review this memo, review the attached proposed Respectful Workplace Policy, and approve the attached resolution which establishes the San Lorenzo Valley Water District Respectful Workplace Policy for 2017.

BACKGROUND:

On December 9, 2015 the Board adopted Resolution No. 22 (15-16) which established the San Lorenzo Valley Water District Respectful Workplace Policy for 2016. There are no recommended revisions to the existing San Lorenzo Valley Water District Respectful Workplace Policy for 2017.

It is recommended that the Board of Directors review this memo, review the attached proposed Respectful Workplace Policy and approve the attached resolution which establishes the San Lorenzo Valley Water District Respectful Workplace Policy for 2017.

STRATEGIC PLAN:

Element 9.0 - Administrative Management

FISCAL IMPACT:

None

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 18 (16-17)**

SUBJECT: RESPECTFUL WORKPLACE POLICY 2017

WHEREAS, San Lorenzo Valley Water District is committed to creating and sustaining a professional and respectful work and public service environment free from violence, discrimination, and other offensive or degrading conduct; and

WHEREAS, San Lorenzo Valley Water District desires a workplace which promotes and maintains an environment in which all members of the Board of Directors, employees and the public are treated with respect and dignity; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District is charged with the responsibility of establishing policies to guide the District; and

WHEREAS, District Legal Counsel has reviewed the San Lorenzo Valley Water District Respectful Workplace Policy for 2017; and

WHEREAS, the Board of Directors of the San Lorenzo Valley Water District has reviewed and considered the San Lorenzo Valley Water District Respectful Workplace Policy for 2017;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the San Lorenzo Valley Water District Respectful Workplace Policy for 2017 is hereby adopted.

FURTHER BE IT RESOLVED that the San Lorenzo Valley Water District Respectful Workplace Policy shall be submitted annually to the District Counsel for review and to the Board of Directors for review and adoption in December for subsequent years.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 15th day of December 2016, by the following vote of the members thereof:

AYES:
NOES:
ABSENT:
ABSTAIN:

Holly B. Morrison
District Secretary
San Lorenzo Valley Water District

SAN LORENZO VALLEY WATER DISTRICT RESPECTFUL WORKPLACE POLICY 2017

Adopted: December 15, 2016
Resolution No. 18 (16-17)

Purpose

The intent of this policy is to provide and establish general guidelines about conduct that is, and is not appropriate in the workplace. San Lorenzo Valley Water District is committed to creating and sustaining a professional and respectful work and public service environment free from violence, discrimination, and other offensive or degrading remarks or conduct. A workplace which promotes and maintains an environment in which all members of the Board of Directors, employees, and the public are treated with respect and dignity. The District acknowledges that this policy cannot possibly predict all situations that might arise. The District also recognizes that conflicts or disagreements may occur. The District expects these issues to be resolved in a manner that contributes to a healthy and productive workplace.

Applicability

Maintaining a respectful work environment is a shared responsibility. This policy is applicable to District personnel including regular and temporary employees, volunteers, and Board of Directors.

Abusive Customer Behavior

While the District has a strong commitment to customer service, the District does not expect that employees accept verbal abuse from any customer. An employee may request that a supervisor intervene when a customer is abusive, or they may defuse the situation themselves, including if necessary, ending the contact. If there is a concern over the possibility of physical violence, a supervisor should be contacted immediately. When extreme conditions dictate, 911 may be called. Employees should leave the area immediately when violence is imminent unless their duties require them to remain. Employees must notify their supervisor about the incident as soon as possible.

Types of Disrespectful Behavior

The following types of behaviors cause a disruption in the workplace and are, in many instances, unlawful.

Violent Behavior:

Violent behavior includes the use of physical force, harassment, or intimidation.

Discriminatory Behavior:

Discriminatory behavior includes inappropriate remarks about or conduct related to a person's race, color, creed, religion, national origin, disability, sex, marital status, age, sexual orientation, or status with regard to public assistance.

Disruptive and Disrespectful Behavior:

Disruptive and disrespectful behavior is any conduct or behavior that disrupts civility and co-operation in the workplace and interferes with efficient and effective work flow. Disruptive behavior is any behavior in the form of hostile or unwanted conduct, verbal comments, actions or gestures that affect an employee's dignity and psychological or physical integrity. A single serious incident of such behavior that has a lasting harmful effect on an employee may also constitute disruptive and disrespectful behavior. Such behavior may include but is not limited to the following:

- Rudeness, angry outbursts, inappropriate humor, vulgar obscenities, name calling, disrespectful language, or any other behavior regarded as offensive to a reasonable person.
- Abuse of authority where an employee uses authority unreasonably to interfere with another's performance.
- Non-constructive criticism addressed in such a way as to intimidate or undermine confidence.

Disruptive and disrespectful behavior is a serious offense, however it must be distinguished from an employee's legitimate right to:

- Express opinions freely and to support positions whether or not they are in agreement with those of other employees.
- Engage in honest differences of opinion with respect to work related issues that are discussed in appropriate forums.
- Engage in good faith constructive criticism of others.
- Comply with supervisory responsibilities to address concerns regarding the performance or competence of employees.

It is not possible to anticipate in this policy every example of offensive behavior. Accordingly, employees are encouraged to discuss with their fellow employees and supervisor what is regarded as offensive, taking into account the sensibilities of employees and the possibility of public reaction. Although the standard for how employees treat each other and the general public will be the same throughout the District, there may be differences between work groups about what is appropriate in other circumstances unique to a work group. If an employee is unsure whether a particular behavior is appropriate, the employee should request clarification from their supervisor or the District Manager.

Sexual Harassment:

Sexual harassment can consist of a wide range of unwanted and unwelcome sexually

directed behavior such as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- Submitting to the conduct is made either explicitly or implicitly a term or condition of an individual's employment; or
- Submitting to or rejecting the conduct is used as the basis for an employment decision affecting an individual's employment; or
- Such conduct has the purpose or result of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

Sexual harassment includes, but is not limited to, the following:

- Unwelcome or unwanted sexual advances. This means stalking, patting, pinching, brushing up against, hugging, cornering, kissing, fondling or any other similar physical contact considered unacceptable by another individual.
- Verbal or written abuse, kidding, or comments that are sexually-oriented and considered unacceptable by another individual. This includes comments about an individual's body or appearance where such comments go beyond mere courtesy, telling "dirty jokes" or any other tasteless, sexually oriented comments, innuendos or actions that offend others.
- Requests or demands for sexual favors. This includes subtle or obvious expectations, pressures, or requests for any type of sexual favor, along with an implied or specific promise of favorable treatment (or negative consequence) concerning one's current or future job.

Employee Response to Disrespectful Workplace Behavior

Employees who believe that disrespectful behavior is occurring are encouraged to deal with the situation in one of the ways listed below. The District encourages the prompt identification and resolution of alleged disrespectful workplace behavior by all involved and affected persons through collaborative efforts, but recognizes that such resolution may be impractical. However, if the allegations involve violent behavior, sexual harassment, or discriminatory behavior, then the employee shall immediately contact their supervisor or the District Manager.

Resolution Procedures

Step 1(a). Politely, but firmly, tell whoever is engaging in the disrespectful behavior how

you feel about their actions. Politely request the person to stop the behavior because you feel intimidated, offended, or uncomfortable. If practical, bring a witness with you for this discussion.

Step 1(b). If you fear adverse consequences could result from telling the offender or if the matter is not resolved by direct contact, go to your supervisor or District Manager. The person to whom you speak is responsible for documenting the issues and for giving you a status report on the matter no later than ten (10) business days after your report.

Step 1(c). In the case of violent behavior, all employees are required to report the incident immediately to their supervisor, District Manager or Santa Cruz County Sheriff's Department.

Supervisor's Response to Allegations of Disrespectful Workplace Behavior

Employees who have a complaint of disrespectful workplace behavior will be taken seriously. In the case of sexual harassment or discriminatory behavior, a supervisor must report the allegations within two (2) business days to the District Manager, who will determine whether an investigation is warranted. A supervisor must act upon such a report even if requested otherwise by the victim. In situations other than sexual harassment and discriminatory behavior, supervisors will use the following guidelines when an allegation is reported:

Step 1. If the nature of the allegations and the wishes of the victim warrant a simple intervention, the supervisor may choose to handle the matter informally. The supervisor may conduct a coaching session with the offender, explaining the impact of his/her actions and requiring that the conduct not reoccur. This approach is particularly appropriate when there is some ambiguity about whether the conduct was disrespectful.

Step 2. If a formal investigation is warranted, the individual alleging a violation of this policy will be interviewed to discuss the nature of the allegations. The person being interviewed may have someone of his/her own choosing present during the interview.

The investigator will obtain the following description of the incident, including date, time and place.

- Corroborating evidence.
- A list of witnesses.
- Identification of the offender.

Step 3. The supervisor must notify the District Manager about the allegations.

Step 4. As soon as practical after receiving the written or verbal complaint, the alleged policy violator will be informed of the allegations. The alleged violator will have the opportunity to answer questions and respond to the allegations.

Step 5. After adequate investigation and consultation with the appropriate personnel, a decision will be made regarding whether or not disciplinary action will be taken.

Step 6. The alleged violator and complainant will be advised of the findings and conclusions as soon as practicable.

Special Reporting Requirements

When the supervisor is perceived to be the cause of a disrespectful workplace behavior incident, a report will be made directly to the District Manager who will assume the responsibility for investigation and discipline.

If the District Manager is perceived to be the cause of a disrespectful workplace behavior incident, a report will be made directly to the District Counsel who will confer with the Board of Directors regarding appropriate investigation and action.

If a Board Member is perceived to be the cause of a disrespectful workplace behavior incident involving District personnel, the report will be made directly to the District Manager and referred to the District Counsel who will undertake the necessary investigation. The District Counsel will report his/her findings to the Board of Directors, which will take the action it deems appropriate.

Pending completion of the investigation, the District Manager may at his/her discretion take appropriate action to protect the alleged victim, other employees, or citizens.

Confidentiality

A person reporting or witnessing a violation of this policy cannot be guaranteed anonymity. The person's name and statements may have to be provided to the alleged offender. All complaints and investigative materials will be contained in a file separate from the involved employees' personnel files. If disciplinary action does result from the investigation, the results of the disciplinary action will then become a part of the employee(s) personnel file(s).

Retaliation

Consistent with the terms of applicable statutes and District personnel policies the District may discipline any individual who retaliates against any person who reports alleged violations of this policy. The District may also discipline any individual who retaliates against any participant in an investigation, proceeding or hearing relating to the report of alleged violations. Retaliation includes, but is not limited to, any form of intimidation, reprisal, or harassment.

- END OF POLICY -

M E M O

TO: Board of Directors
FROM: District Manager
SUBJECT: FINANCIAL SUMMARY
DATE: December 8, 2016

RECOMMENDATION:

It is recommended that the Board of Directors review and file the Financial Summary Report.

BACKGROUND:

Overview:

This section presents management's analysis of the San Lorenzo Valley Water District's (the District) financial condition and activities as of the above mentioned period. This information should be read in conjunction with the unaudited financial information that follows. For a complete review of a fiscal year, it is best to come back and look at the audited Annual Financial Report.

The District does a hard year end close, through that process there are yearend expenses that are booked at yearend and not represented in the monthly expenses. There may also be annual expenses paid upfront that could cause individual months to appear skewed. Data is continuously being reviewed, so it is not un-common for a prior month balance to change slightly throughout the year as accounts are reconciled. It is important to understand this in connection with the numbers that follow.

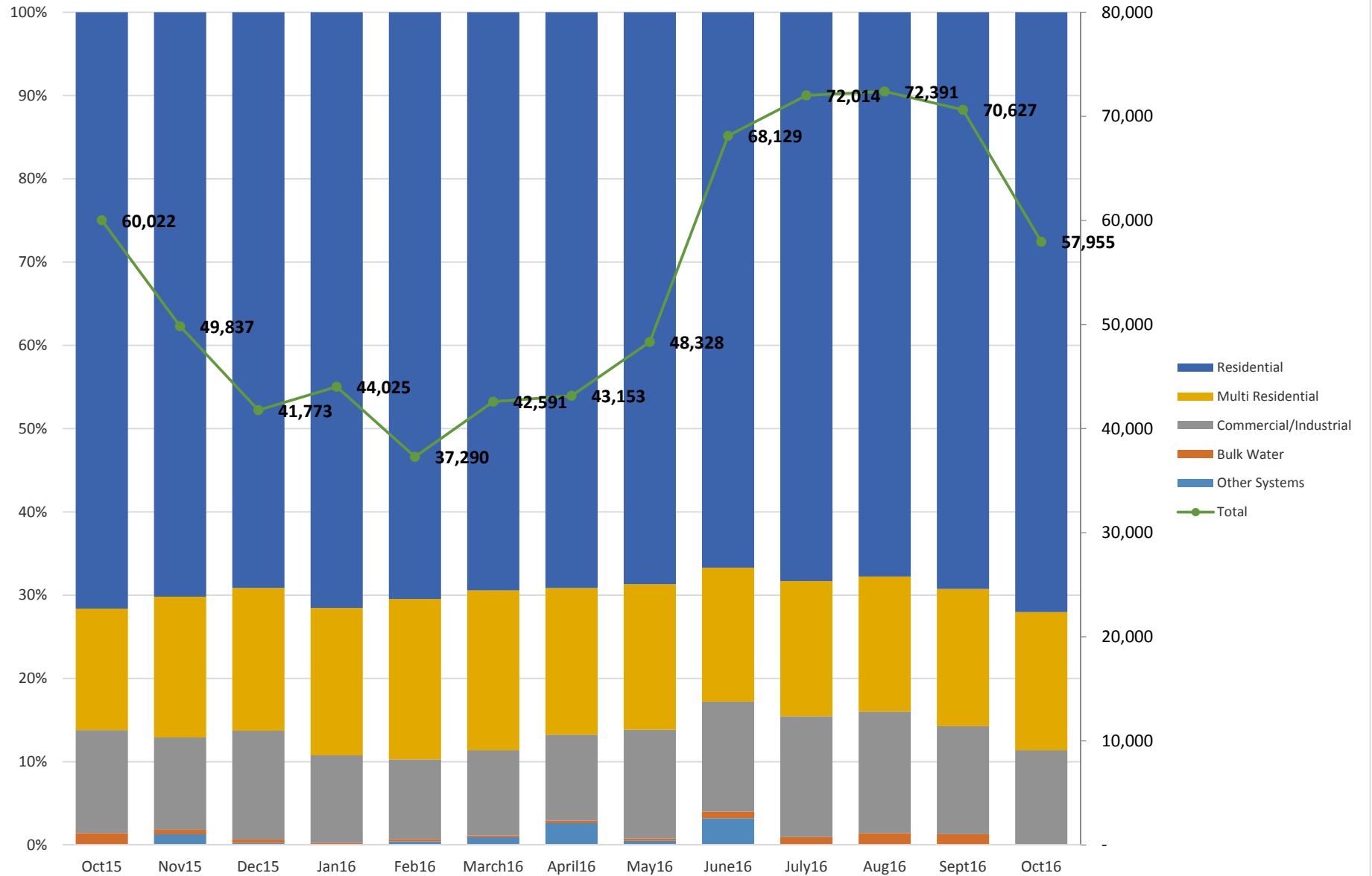
October 2016 consumption usage was 57,955 units, compared to 70,627 the month prior and 60,022 the year prior. The decrease in usage directly correlates to the decreased operating revenue.

October operations resulted in an Operating Income of \$9,388. October YTD has an Operating Loss of (\$11,472).

STRATEGIC PLAN: 5.1 Fiscal Plan for support of Strategy

FISCAL IMPACT: none

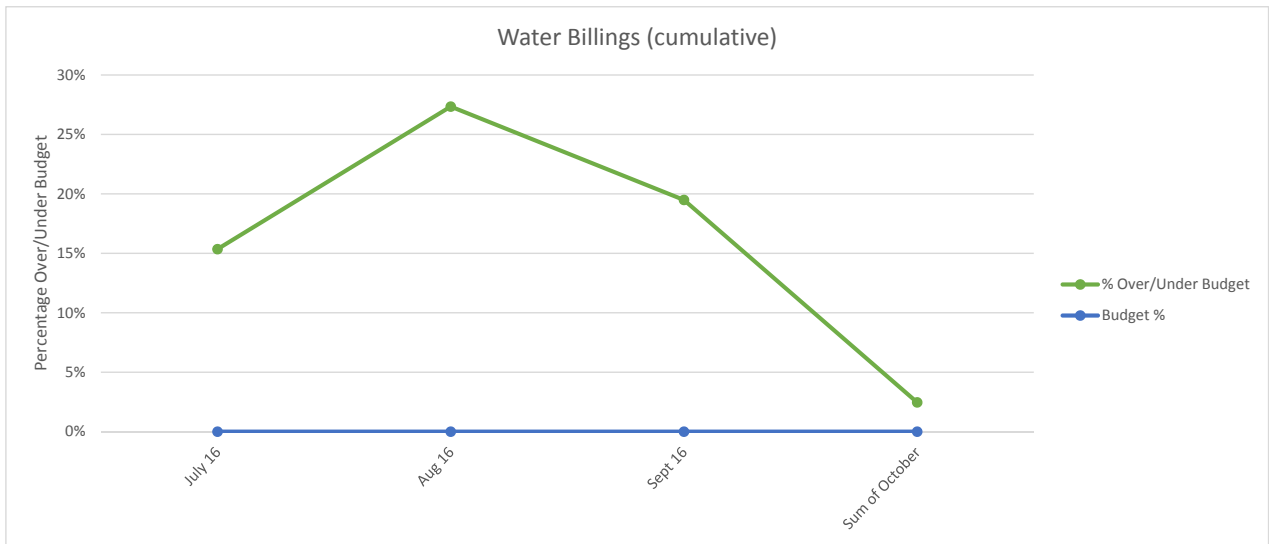
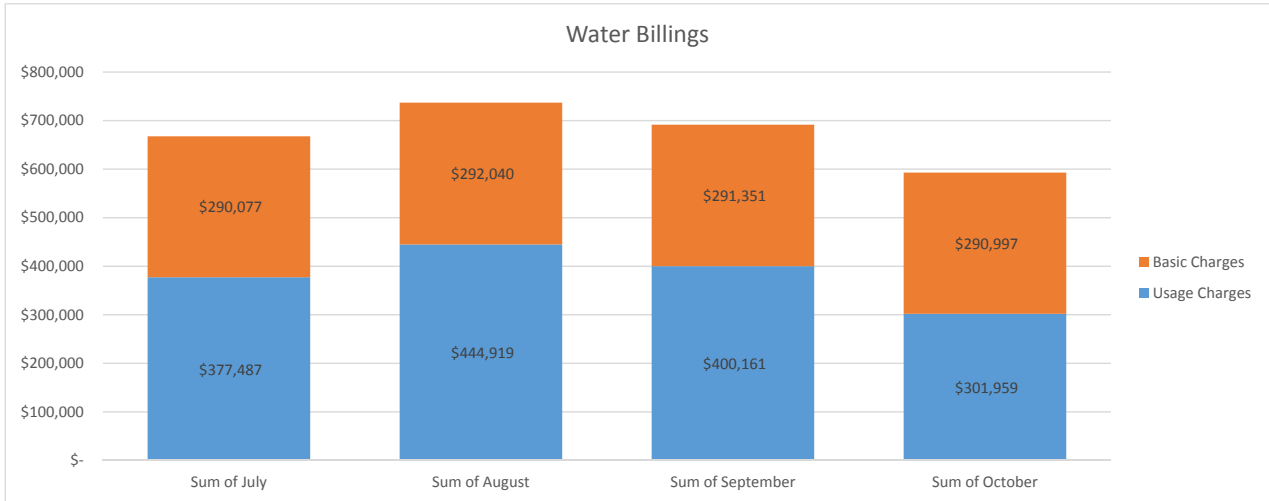
Monthly Usage by Class (units)



OPERATING ANALYSIS [A]

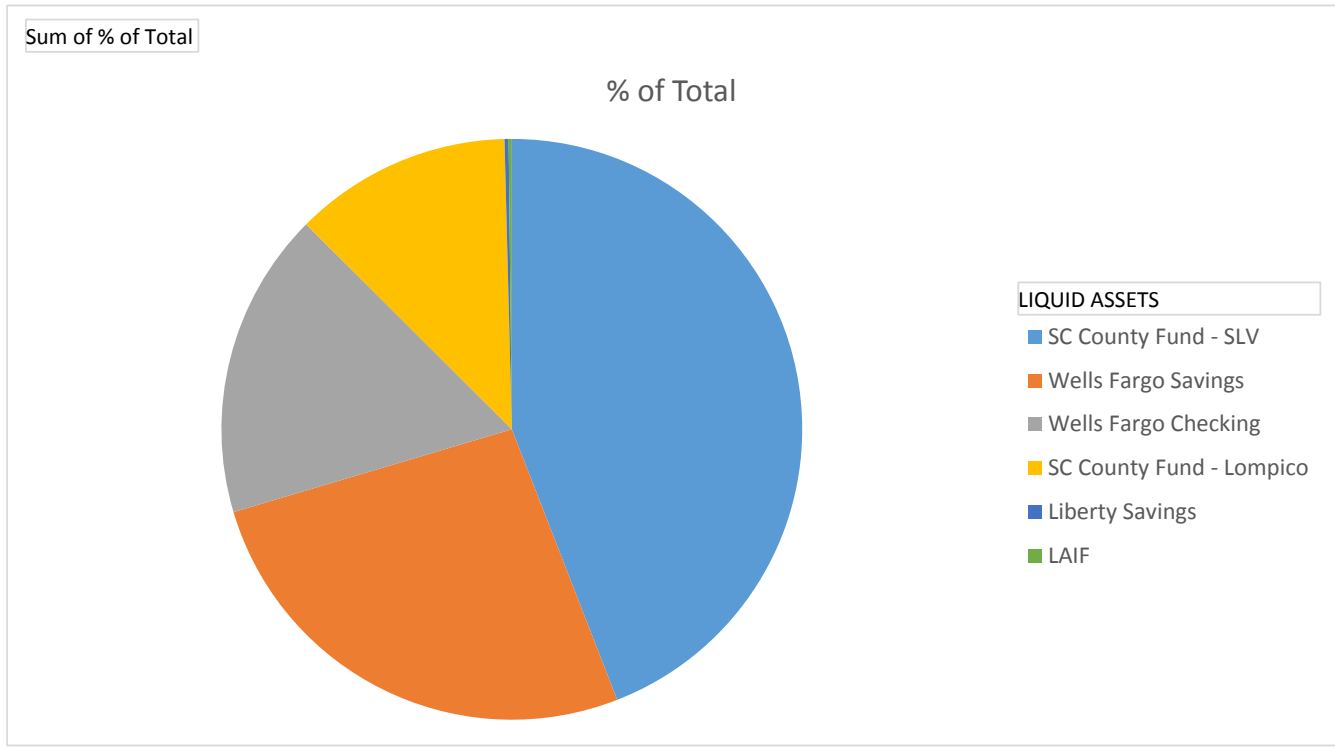
	JULY	AUGUST	SEPTEMBER	OCTOBER	Q1/YTD	ANNUAL BUDGET	% of Budget
OPERATING REVENUE							
Water Basic	290,077	292,040	291,351	290,997	1,164,466		
Water Usage	377,487	444,919	400,161	301,959	1,524,525		
Water Fees	7,100	6,325	6,660	2,435	22,520		
Water Misc	6,452	8,697	13,185	1,397	29,730		
Sewer	8,046	8,046	8,046	7,897	32,035		
Sewer Misc	-	-	-	-	-		
TOTAL OPERATING REVENUE	689,162	760,027	719,403	604,684	2,773,276	6,944,640	39.9%
OPERATING EXPENSES:							
Salaries & Benefits	577,959	375,342	284,121	396,642	1,634,064		
Materials & Services	13,725	280,631	657,675	198,655	1,150,685		
TOTAL OPERATING EXPENSES	591,683	655,973	941,796	595,297	2,784,748	8,365,760	33.3%
TOTAL OPERATING INCOME (LOSS)	97,479	104,054	(222,393)	9,388	(11,472)	(1,321,151)	0.9%

[A] As mentioned previously, monthly data can appear skewed due to the nature of entries. For example, estimated depreciation is booked quarterly on the last day of the quarter. Fiscal year end accruals and reversals are performed at once and may not coincide with the month the expense came in.



AS OF 10/31/16

LIQUID ASSETS	\$ Amount	% of Total	Ave Interest Rate
Wells Fargo Checking	327,512	17.1%	0.100%
Wells Fargo Savings	504,340	26.3%	0.150%
Liberty Savings	4,349	0.2%	0.150%
SC County Fund - SLV	845,337	44.1%	0.824%
SC County Fund - Lompico	232,382	12.1%	0.824%
LAIF	3,372	0.2%	0.654%
	<u>\$ 1,917,291</u>	<u>100%</u>	





CLIENT STATEMENT | For the Period October 1-31, 2016



STATEMENT FOR:
SAN LORENZO VALLEY WATER DIST

TOTAL VALUE OF YOUR ACCOUNT (as of 10/31/16) —
Includes Accrued Interest

Morgan Stanley Smith Barney LLC. Member SIPC.

Your Financial Advisor
Christopher Hoe
Associate Vice President
Christopher.Hoe@morganstanley.com
650 926-7647

Your Branch
6004 LA MADRONA DR
SANTA CRUZ, CA 95060-1040
Telephone: 831-440-5200; Alt. Phone: 800-488-3436; Fax: 831-440-5201

047688 MSGDD476

#BWNJGMM



00047688 01 AV 0.373 01 TR 00237 MSGDD476 000000

SAN LORENZO VALLEY WATER DIST
13060 HI GHWAY 9
BOULDER CREEK CA 95006-9119



Client Service Center (24 Hours a Day; 7 Days a Week): 800-869-3326

Access Your Account Online: www.morganstanley.com/online



Standard Disclosures

The following Disclosures are applicable to the enclosed statement(s). Expanded Disclosures are attached to your most recent June and December statement (or your first Statement if you have not received a statement for those months). The Expanded Disclosures are also available by selecting Account Documents when you log on to www.morganstanley.com/online or, call 800-869-3326.

Questions?

Questions regarding your account may be directed to your Financial Advisor or the Branch Manager for the branch office where you maintain your account. If you require further assistance, call Client Service Center at (800) 869-3326 or for account-related concerns call our Client Advocate at (866) 227-2256.

Errors and Inquiries

It is your responsibility to review your statement promptly and to seek immediate clarification about entries that you do not understand or believe were made in error by contacting the Branch Manager of the office where you maintain your account. Oral communications regarding any inaccuracy or discrepancy in this statement should be re-confirmed in writing to further protect your rights, including rights under the Securities Investor Protection Act (SIPA). Your statement will be deemed correct unless we receive a written inquiry of a suspected error. See your account documentation for special rules regarding your rights and responsibilities with respect to erroneous electronic fund transfers, including a description of the transfers covered.

Availability of Free Credit Balances and Financial Statements

Under the customer protection rules of the SEC [17 CFR §240.15c3-3], we may use funds comprising free credit balances carried for customer accounts here, provided that these funds are payable to customers on demand (i.e., are free of a lien or right of set-off in our favor or on behalf of some third party to whom you have given control). A financial statement of this organization is available for your personal inspection at its offices, or a copy will be mailed to you upon your written request.

Listed Options

Information with respect to commissions and other charges related to the execution of options transactions has been included in confirmations of such transactions previously furnished to you and such information will be made available to you promptly at your request. Promptly advise us of any material change in your investment objectives or financial situation.

Important Information if you are a Margin Customer(not available for certain retirement accounts)

If you have margin privileges, you may borrow money from us in exchange for pledging assets in your accounts as collateral for any outstanding margin loan. The amount you may borrow is based on the

value of the eligible securities in your margin accounts. If a security has eligible shares, the number of shares pledged as collateral will be indicated below the position.

Margin Interest Charges

We calculate interest charges on margin loans as follows: (1) multiply the applicable margin interest rate by the daily close of business net settled debit balance, and (2) divide by 360 (days). Margin interest accrues daily throughout the month and is added to your debit balance at month-end. The month-end interest charge is the sum of the daily accrued interest calculations for the month. We add the accrued interest to your debit balance and start a new calculation each time the applicable interest rate changes and at the close of every statement month. For interest rate information, log into your Morgan Stanley account at morganstanley.com/online. Select your account with a Margin agreement and click Interest Rates for more information.

Information regarding Special Memorandum Account

If you have a Margin Account, this is a combined statement of your Margin Account and Special Memorandum Account maintained for you under Section 220.5 of Regulation T issued by the Board of Governors of the Federal Reserve System. The permanent record of the Special Memorandum Account as required by Regulation T is available for your inspection at your request.

Important Information About Auction Rate Securities

For certain Auction Rate Securities there is no or limited liquidity. Therefore, the price(s) for these Auction Rate Securities are indicated by N/A (not available). There can be no assurance that a successful auction will occur or that a secondary market exists or will develop for a particular security.

Structured Investments Risks and Considerations

Structured Investments (Structured Products) are complex products and may be subject to special risks. Investors should consider the concentration risk of owning the related security and their total exposure to any underlying asset. Structured Investments, which may appear in various statement product categories and are identified on the Position Description Details line as "Asset Class: Struct Inv," may not perform in a manner consistent with the statement product category where they appear and therefore may not satisfy portfolio asset allocation needs for that category. For information on the risks and conflicts of interest related to Structured Investments generally, log in to Morgan Stanley Online and go to www.morganstanley.com/structuredproductsrisksandconflicts.

Security Measures

This statement features several embedded security elements to safeguard its authenticity. One is a unique security mark—a blue rectangle printed in heat-sensitive ink on the back of every page. When

exposed to warmth, the blue rectangle will disappear, and then reappear.

SIPC Protection

We are a member of Securities Investor Protection Corporation (SIPC), which protects securities of its customers up to \$500,000 (including \$250,000 for claims for cash). An explanatory brochure is available upon request or at www.sipc.org. Losses due to market fluctuation are not protected by SIPC and assets not held with us may not be covered by SIPC protection. To obtain information about SIPC, including an explanatory SIPC brochure, contact SIPC at 1-202-371-8300 or visit www.sipc.org.

Transaction Dates and Conditions

Upon written request, we will furnish the date and time of a transaction and the name of the other party to a transaction. We and/or our affiliates may accept benefits that constitute payment for order flow. Details regarding these benefits and the source and amount of any other remuneration received or to be received by us in connection with any transaction will be furnished upon written request.

Equity Research Ratings Definitions and Global Investment Manager Analysis Status

Some equity securities may have research ratings from Morgan Stanley & Co. LLC or Morningstar, Inc. Research ratings are the research providers' opinions and not representations or guarantees of performance. For more information about each research provider's rating system, see the Research Ratings on your most recent June or December statement (or your first statement if you have not received a statement for those months), go to www.morganstanley.com/online or refer to the research provider's research report. Research reports contain more complete information concerning the analyst's views and you should read the entire research report and not infer its contents from the rating alone. If your account contains an advisory component or is an advisory account, a GIMA status will apply.

Credit Ratings from Moody's Investors Service and Standard & Poor's
The credit rating from Moody's Investors Service and Standard & Poor's may be shown for certain securities. All credit ratings represent the opinions of the provider and are not representations or guarantees of performance. Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting these credit ratings.

Revised 08/2016



Account Summary

Basic Securities Account
136-022962-098

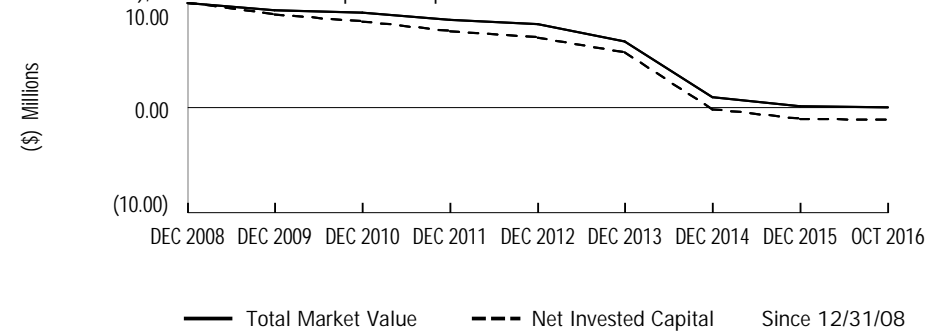
SAN LORENZO VALLEY WATER DIST
13060 HIGHWAY 9

CHANGE IN VALUE OF YOUR ACCOUNTS (includes accrued interest)

	This Period (10/1/16-10/31/16)	This Year (1/1/16-10/31/16)
TOTAL BEGINNING VALUE	\$70.23	\$136,780.83
Credits	—	—
Debits	(70.23)	(137,403.04)
Security Transfers	—	—
Net Credits/Debits/Transfers	\$(70.23)	\$(137,403.04)
Change in Value	—	622.21
TOTAL ENDING VALUE	—	—

CHANGE IN VALUE OVER TIME

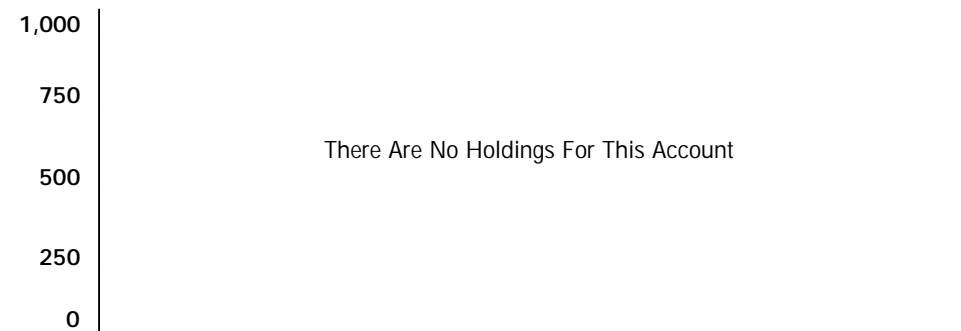
The display of market value (total account value) and net invested capital (total amount invested minus total withdrawn), demonstrates the impact of deposits and withdrawals.



This graph does not reflect corrections to Net Invested Capital or Market Value made subsequent to the dates depicted. It may exclude transactions in Annuities or positions where we are not the custodian, which could delay the reporting of Market Value or affect the Net Invested Capital.

ASSET ALLOCATION

	Market Value	Percentage
TOTAL VALUE	\$0.00	100.00%



Account Summary

Basic Securities Account
136-022962-098

SAN LORENZO VALLEY WATER DIST
13060 HIGHWAY 9

BALANCE SHEET (^ includes accrued interest)

	Last Period (as of 9/30/16)	This Period (as of 10/31/16)
Cash, BDP, MMFs	\$70.23	—
Total Assets	\$70.23	—
Total Liabilities (outstanding balance)	—	—
TOTAL VALUE	\$70.23	—

INCOME AND DISTRIBUTION SUMMARY

	This Period (10/1/16-10/31/16)	This Year (1/1/16-10/31/16)
Interest	—	\$1,801.69
Total Taxable Income And Distributions	—	\$1,801.69
Total Tax-Exempt Income	—	—
TOTAL INCOME AND DISTRIBUTIONS	—	\$1,801.69

Taxable and tax exempt income classifications are based on the characteristics of the underlying securities and not the taxable status of the account.

CASH FLOW

	This Period (10/1/16-10/31/16)	This Year (1/1/16-10/31/16)
OPENING CASH, BDP, MMFs	\$70.23	\$601.35
Sales and Redemptions	—	135,000.00
Income and Distributions	—	1,801.69
Total Investment Related Activity	—	\$136,801.69
Electronic Transfers-Debits	(70.23)	(137,283.04)
Other Debits	—	(120.00)
Total Cash Related Activity	\$(70.23)	\$(137,403.04)
CLOSING CASH, BDP, MMFs	—	—

GAIN/(LOSS) SUMMARY

	Realized This Period (10/1/16-10/31/16)	Realized This Year (1/1/16-10/31/16)	Unrealized Inception to Date (as of 10/31/16)
TOTAL GAIN/(LOSS)	—	—	—

The Gain/(Loss) Summary, which may change due to basis adjustments, is provided for informational purposes and should not be used for tax preparation. Refer to Gain/(Loss) in the Expanded Disclosures.



Account Detail

Basic Securities Account
136-022962-098

SAN LORENZO VALLEY WATER DIST
13060 HIGHWAY 9

Investment Objectives†: Capital Appreciation, Income, Aggressive Income, Speculation

Brokerage Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change.

ACTIVITY

CASH FLOW ACTIVITY BY DATE

Activity Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Credits/(Debits)
10/3		Withdrawal	BRANCH CHECK	PAID TO SAN LORENZO VALLEY WAT			\$(70.23)

NET CREDITS/(DEBITS) \$(70.23)

MONEY MARKET FUND (MMF) AND BANK DEPOSIT PROGRAM ACTIVITY

Activity Date	Activity Type	Description	Credits/(Debits)
10/3	Automatic Redemption	BANK DEPOSIT PROGRAM	\$(70.23)

MESSAGES

Update to Morgan Stanley's Independent Equity Research Provider

Effective August 2016, Morgan Stanley switched its independent third-party equity research provider from Standard & Poor's (S&P) to Morningstar, the largest independent research provider, whose core competence is to deliver analyst-driven research. This shift demonstrates Morgan Stanley's continued commitment to servicing our clients. Equity Research, content and ratings currently based on S&P will be replaced with Morningstar, while S&P Credit Ratings will continue to be displayed on your statements. Please contact your Financial Advisor or Private Wealth Advisor if you have any questions.

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G/L Balances

Criteria: As Of = 10/31/2016; Fund = 76530, 76531, 35115

G/L Account	Title	Beginning Balance	Year-To-Date Debits	Year-To-Date Credits	End Balance
Fund 76530 -- SLV-LOMPICO WTR, EFF 6/2/16					
101	EQUITY IN POOLED CASH	217,734.66	2,342.22	0.00	220,076.88
102	IMPREST CASH	250.00	0.00	0.00	250.00
124	INVENTORIES	17,497.00	0.00	0.00	17,497.00
150	BOND ISSUANCE COST	2,125.00	0.00	0.00	2,125.00
161	LAND	34,820.00	0.00	0.00	34,820.00
162	STRUCTURES AND IMPROVEMENTS	3,658,470.00	0.00	0.00	3,658,470.00
163	ACCUM. DEPR - STRUCT & IMP	(2,579,523.00)	0.00	0.00	(2,579,523.00)
164	EQUIPMENT	75,283.00	0.00	0.00	75,283.00
208	COMPENSATED ABSENCES	(7,232.05)	0.00	0.00	(7,232.05)
232	BONDS OUTSTANDING	(361,000.00)	0.00	0.00	(361,000.00)
234	OTHER LONG-TERM LIABILITIES	(110,789.96)	0.00	0.00	(110,789.96)
240	STALE DATED WARRANTS LIABILITY	(1,337.20)	0.00	0.00	(1,337.20)
302	FUND BAL-NONSPENDABLE INVENTOR	(17,497.00)	0.00	0.00	(17,497.00)
341	FUND BAL-NONSPENDABLE	(250.00)	0.00	0.00	(250.00)
343	FUND BAL-ASSIGNED	(2,191.57)	0.00	0.00	(2,191.57)
344	FUND BALANCE	(139,298.88)	0.03	(2,342.25)	(141,641.10)
349	INVESTMENT IN PROPRIETARY FIXE	(787,060.00)	0.00	0.00	(787,060.00)
Total Fund 76530		<u>0.00</u>	<u>2,342.25</u>	<u>(2,342.25)</u>	<u>0.00</u>
Fund 76531 -- SLV-LOMPICO WATER-DWR RES					
101	EQUITY IN POOLED CASH	12,305.00	0.00	0.00	12,305.00
344	FUND BALANCE	(12,305.00)	0.00	0.00	(12,305.00)
Total Fund 76531		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Local Agency Investment Fund
P.O. Box 942809
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December 08,
2016

SAN LORENZO VALLEY WATER DISTRICT

DISTRICT MANAGER
13060 HIGHWAY 9
BOULDER CREEK, CA 95006

[PMIA Average Monthly Yields](#)

[Tran Type Definitions](#)

October 2016 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
10/14/2016	10/13/2016	QRD	1517197	SYSTEM	5.12

Account Summary

Total Deposit:	5.12	Beginning Balance:	3,367.26
Total Withdrawal:	0.00	Ending Balance:	3,372.38

G/L Balances

Criteria: As Of = 10/31/2016; Fund = 76644

<u>G/L Account</u>	<u>Title</u>	<u>Beginning Balance</u>	<u>Year-To-Date Debits</u>	<u>Year-To-Date Credits</u>	<u>End Balance</u>
Fund 76644 -- SAN LORENZO VALLEY WATER TRUST					
101	EQUITY IN POOLED CASH	828,328.63	17,007.99	0.00	845,336.62
220	DEFERRED CREDITS	(500,000.00)	0.00	0.00	(500,000.00)
344	FUND BALANCE	(328,328.63)	0.26	(17,008.25)	(345,336.62)
Total Fund 76644		<u>0.00</u>	<u>17,008.25</u>	<u>(17,008.25)</u>	<u>0.00</u>

M E M O

TO: Board of Directors

FROM: District Manager

SUBJECT: DISCUSSION REGARDING THE CITY OF SANTA CRUZ AS A PARTICIPANT IN THE SANTA MARGARITA BASIN GROUNDWATER SUSTAINABILITY AGENCY (GSA).

DATE: December 15, 2016

RECOMMENDATION:

The Board review and provide comments regarding possible inclusion of the City of Santa Cruz as a participant in the Santa Margarita Basin Groundwater Sustainability Agency (GSA).

BACKGROUND:

Pursuant to the decision of the Santa Margarita Groundwater Basin Advisory Committee, a Groundwater Sustainability Agency (GSA) Formation Committee was formed in May 2016.

The attached draft Joint Powers Agreement (JPA) for Santa Margarita Groundwater Agency has been reviewed and discussed at a regular Board meeting on September 15th of this year.

Since that time the Formation Committee has held discussions regarding the possible inclusion of the City of Santa Cruz as a member of the Board of the GSA. Staff is seeking Board input regarding including the City of Santa Cruz as a voting agency within the GSA.

The City already receives significant amounts of water from the groundwater basin as baseflow in the San Lorenzo River. The City is actively evaluating the potential to store significant amounts of water in the basin through in lieu recharge and/or aquifer storage and recovery. The City would then draw on that storage during times of drought. Given their current and future members of the Formation Committee think it could be very beneficial to have the City be a part of the Board of the GSA, similar to Board slots which are being designated for Mount Hermon and the City of Scotts Valley, which are on the Board, but not members of the JPA>. If the City were to pursue direct use of groundwater from the basin in the future, it would make sense at that time for the City of Santa Cruz to become a full member of the JPA.

The GSA Formation Committee is working on developing an outreach and communications plan to engage and involve the impacted parties and stakeholders, with an initial public workshop expected in February 2017.

STRATEGIC PLAN:

Element 7.1 - Develop strategic Partnerships with Other Agencies

FISCAL IMPACT: Unknown at this time.

JOINT EXERCISE OF POWERS AGREEMENT

by and among

SCOTTS VALLEY WATER DISTRICT

SAN LORENZO VALLEY WATER DISTRICT

and

COUNTY OF SANTA CRUZ

creating the

SANTA MARGARITA GROUNDWATER AGENCY

xxxx xx, 2016

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JOINT EXERCISE OF POWERS AGREEMENT OF THE SANTA MARGARITA GROUNDWATER AGENCY

This **Joint Exercise of Powers Agreement** (“**Agreement**”) is made and entered into as of xxxx xx, 2016 (“**Effective Date**”), by and among the Scotts Valley Water District, the San Lorenzo Valley Water District, and the County of Santa Cruz, sometimes referred to herein individually as a “**Member**” and collectively as the “**Members**” for purposes of forming the Santa Margarita Groundwater Agency (“**Agency**”) and setting forth the terms pursuant to which the Agency shall operate. Capitalized defined terms used herein shall have the meanings given to them in Article 1 of this Agreement.

RECITALS

- A. Each of the Members is a local agency, as defined by the Sustainable Groundwater Management Act of 2014 (“**SGMA**”), duly organized and existing under and by virtue of the laws of the State of California, and each Member can exercise powers related to groundwater management.
- B. SGMA requires designation of a groundwater sustainability agency (“**GSA**”) by June 30, 2017, for groundwater basins designated by the California Department of Water Resources (“**DWR**”) as medium- and high-priority basins.
- C. SGMA requires adoption of a groundwater sustainability plan (“**GSP**”) by January 31, 2022, for all medium- and high-priority basins not identified as being subject to critical conditions of overdraft.
- D. Each of the Members either extracts groundwater from or regulates land use activities overlying a common groundwater basin located in Santa Cruz County in the vicinity of Scotts Valley, Felton, Ben Lomond and Boulder Creek. This area is known as the Santa Margarita Groundwater Basin (hereafter “**Basin**”), and is proposed by DWR to be designated as Basin 3-27 in the Draft Bulletin 118 Basins (2016 Edits). It is expected that the Basin will be designated by DWR as having a medium or high priority.
- E. The Members intend for the Agency to develop a GSP and manage the Basin pursuant to SGMA.
- F. Under SGMA, a combination of local agencies may form a GSA through a joint powers agreement.
- G. The Members have determined that the sustainable management of the Basin pursuant to SGMA may best be achieved through the cooperation of the Members operating through a joint powers agency.
- H. The Joint Exercise of Powers Act of 2000 (“**Act**”) authorizes the Members to create a joint powers authority, to jointly exercise any power common to the Members, and to exercise additional powers granted under the Act.
- I. The Act, including the Marks-Roos Local Bond Pooling Act of 1985 (Government Code sections 6584, *et seq.*), authorizes an entity created pursuant to the Act to issue bonds, and under certain circumstances, to purchase bonds issued by, or to make loans to, the Members for financing public capital improvements, working capital, liability and other insurance needs or projects whenever doing so results in significant public benefits, as determined by the Members. The Act further authorizes and empowers a joint powers authority to sell bonds so issued or purchased to public or private purchasers at public or negotiated sales.

J. The Members have a history of collaborating on groundwater management issues in the Santa Margarita Groundwater Basin, originally with a memorandum of understanding dated June 30, 1995, forming the Santa Margarita Groundwater Basin Management Advisory Committee (SMGBAC).

K. Based on the foregoing legal authority, the Members desire to create a joint powers authority for the purpose of taking all actions deemed necessary by the joint powers authority to ensure sustainable management of the Basin as required by SGMA.

L. The governing board of each Member has determined it to be in the Member's best interest and in the public interest that this Agreement be executed.

TERMS OF AGREEMENT

In consideration of the mutual promises and covenants herein contained, the Members agree as follows:

ARTICLE 1 DEFINITIONS

The following terms have the following meanings for purposes of this Agreement:

- 1.1 "Act" means the Joint Exercise of Powers Act, set forth in Chapter 5 of Division 7 of Title 1 of the Government Code, sections 6500, *et seq.*, including all laws supplemental thereto.
- 1.2 "Agreement" has the meaning assigned thereto in the Preamble.
- 1.3 "Auditor" means the auditor of the financial affairs of the Agency appointed by the Board of Directors pursuant to Section 14.3 of this Agreement.
- 1.4 "Agency" has the meaning assigned thereto in the Preamble.
- 1.5 "Basin" has the meaning assigned thereto in Recital D.
- 1.6 "Board of Directors" or "Board" means the governing body of the Agency as established by Article 6 of this Agreement.
- 1.7 "Bylaws" means the bylaws, if any, adopted by the Board of Directors pursuant to Article 11 of this Agreement to govern the day-to-day operations of the Agency.

1.8 “Director” and “Alternate Director” mean a director or alternate director appointed pursuant to Sections 6.3 and 6.4 of this Agreement. “Member Director” is a Director or Alternate Director appointed by and representing a Member agency pursuant to Section 6.1.1 of this agreement.

1.9 “DWR” has the meaning assigned thereto in Recital B.

1.10 “GSA” has the meaning assigned thereto in Recital B.

1.11 “GSP” has the meaning assigned thereto in Recital C.

1.12 “Member” means each party to this Agreement that satisfies the requirements of Section 5.1 of this Agreement, including any new members as may be authorized by the Board, pursuant to Section 5.2 of this Agreement.

1.13 “Officer(s)” means the Chair, Vice Chair, Secretary, or Treasurer of the Agency to be appointed by the Board of Directors pursuant to Section 7.1 of this Agreement.

1.14 “SGMA” has the meaning assigned thereto in Recital A.

1.15 “State” means the State of California.

ARTICLE 2 CREATION OF THE AGENCY

2.1 Creation of a Joint Powers Authority. There is hereby created pursuant to the Act a joint powers authority, which will be a public entity separate from the Members to this Agreement, and shall be known as the Santa Margarita Groundwater Agency (“**Agency**”). Within 30 days after the Effective Date of this Agreement and after any amendment, the Agency shall cause a notice of this Agreement or amendment to be prepared and filed with the office of the California Secretary of State containing the information required by Government Code section 6503.5. Within 10 days after the Effective Date of this Agreement, the Agency shall cause a statement of the information concerning the Agency, required by Government Code section 53051, to be filed with the office of the California Secretary of State and with the County Clerk for the County of Santa Cruz, setting forth the facts required to be stated pursuant to Government Code section 53051(a).

2.2 Purpose of the Agency. Each Member to this Agreement has in common the power to study, plan, develop, finance, acquire, construct, maintain, repair, manage, operate, control, and govern the water supply and water management within the Basin, either alone or in cooperation with other public or private non-member entities, and each is a local agency eligible to serve as a GSA within the Basin, either alone or jointly through a joint powers agreement as provided for by SGMA. The purpose of this Agency is to serve as the GSA for the Basin and to develop, adopt, and implement the GSP for the Basin pursuant to SGMA and other applicable provisions of law.

ARTICLE 3 TERM

This Agreement shall become effective upon execution by each of the Members and shall remain in effect until terminated pursuant to the provisions of Article 17 (Withdrawal of Members) of this Agreement.

ARTICLE 4 POWERS

The Agency shall possess the power in its own name to exercise any and all common powers of its Members reasonably related to the purposes of the Agency, including but not limited to the following powers, together with such other powers as are expressly set forth in the Act and in SGMA. For purposes of Government Code section 6509, the powers of the Agency shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed on the County of Santa Cruz, and in the event of the withdrawal of the County of Santa Cruz as a Member under this Agreement, then the manner of exercising the Agency's powers shall be those restrictions imposed on the Scotts Valley Water District.

- 4.1 To exercise all powers afforded to a GSA pursuant to and as permitted by SGMA.
- 4.2 To develop, adopt and implement the GSP pursuant to SGMA.
- 4.3 To adopt rules, regulations, policies, bylaws and procedures governing the operation of the Agency and adoption and implementation of the GSP.
- 4.4 To obtain rights, permits and other authorizations for or pertaining to implementation of the GSP.
- 4.5 To perform other ancillary tasks relating to the operation of the Agency pursuant to SGMA, including without limitation, environmental review, engineering, and design.
- 4.6 To make and enter into all contracts necessary to the full exercise of the Agency's power.
- 4.7 To employ, designate or otherwise contract for the services of agents, officers, employees, attorneys, engineers, planners, financial consultants, technical specialists, advisors, and independent contractors.
- 4.8 To exercise jointly the common powers of the Members, as directed by the Board, in developing and implementing a GSP for the Basin.
- 4.9 To investigate legislation and proposed legislation affecting the Basin and to make appearances regarding such matters.
- 4.10 To cooperate and to act in conjunction and contract with the United States, the State of California or any agency thereof, counties, municipalities, public and private corporations of any kind (including without limitation, investor-owned utilities), and individuals, or any of them, for any and all purposes necessary or convenient for the full exercise of the powers of the Agency.
- 4.11 To incur debts, liabilities or obligations, to issue bonds, notes, certificates of participation, guarantees, equipment leases, reimbursement obligations and other indebtedness, and, to the extent provided for in a duly adopted Agency to impose assessments, groundwater extraction fees or other charges, and other means of financing the Agency as provided in Chapter 8 of SGMA commencing at Section 10730 of the Water Code.
- 4.12 To collect and monitor data on the extraction of groundwater from, and the quality of groundwater in, the Basin.

- 4.13 To establish and administer a conjunctive use program for the purposes of maintaining sustainable yields in the Basin consistent with the requirements of SGMA.
- 4.14 To exchange and distribute water.
- 4.15 To regulate groundwater extractions as permitted by SGMA.
- 4.16 To impose groundwater extraction fees as permitted by SGMA.
- 4.17 To spread, sink and inject water into the Basin.
- 4.18 To store, transport, recapture, recycle, purify, treat or otherwise manage and control water for beneficial use.
- 4.19 To apply for, accept and receive licenses, permits, water rights, approvals, agreements, grants, loans, contributions, donations or other aid from any agency of the United States, the State of California, or other public agencies or private persons or entities necessary for the Agency's purposes.
- 4.20 To develop and facilitate market-based solutions for the use and management of water rights.
- 4.21 To acquire property and other assets by grant, lease, purchase, bequest, devise, gift or eminent domain, and to hold, enjoy, lease or sell, or otherwise dispose of, property, including real property, water rights, and personal property, necessary for the full exercise of the Agency's powers.
- 4.22 To sue and be sued in its own name.
- 4.23 To provide for the prosecution of, defense of, or other participation in actions or proceedings at law or in public hearings in which the Members, pursuant to this Agreement, may have an interest and may employ counsel and other expert assistance for these purposes.
- 4.24 To exercise the common powers of its Members to develop, collect, provide, and disseminate information that furthers the purposes of the Agency, including but not limited to the operation of the Agency and adoption and implementation of the GSP to the Members, legislative, administrative, and judicial bodies, as well the public generally.
- 4.25 To accumulate operating and reserve funds for the purposes herein stated.
- 4.26 To invest money that is not required for the immediate necessities of the Agency, as the Agency determines is advisable, in the same manner and upon the same conditions as Members, pursuant to Government Code section 53601, as it now exists or may hereafter be amended.
- 4.27 To undertake any investigations, studies, and matters of general administration.
- 4.28 To perform all other acts necessary or proper to carry out fully the purposes of this Agreement.

ARTICLE 5 MEMBERSHIP

5.1 Members. The Members of the Agency shall be the Scotts Valley Water District, the San Lorenzo Valley Water District, and the County of Santa Cruz, as long as they have not, pursuant to the provisions hereof, withdrawn from this Agreement.

5.2 New Members. Any public agency (as defined by the Act) that is not a Member on the Effective Date of this Agreement may become a Member upon: (a) the approval of the Board of Directors by a supermajority of at least seventy-five (75%) of the votes held among all Directors as specified in Article 9 (Member Voting); (b) payment of a pro rata share of all previously incurred costs that the Board of Directors determines have resulted in benefit to the public agency, and are appropriate for assessment on the public agency; and (c) execution of a written agreement subjecting the public agency to the terms and conditions of this Agreement.

ARTICLE 6 BOARD OF DIRECTORS AND OFFICERS

6.1 Formation of the Board of Directors. The Agency shall be governed by a Board of Directors (“**Board**”). The Board shall consist of eleven (11) OR nine (9) Directors consisting of the following representatives who shall be appointed in the manner set forth in Section 6.3:

6.1.1 Two (2) representatives appointed by the governing body of each of the following public agency Members: the Scotts Valley Water District and the San Lorenzo Valley Water District

6.1.2 Two (2) OR one (1) representative(s) appointed by the governing body of the County of Santa Cruz

6.1.3 One (1) representative appointed by the governing body of the City of Scotts Valley

6.1.4 One (1) representative appointed by the governing body of the City of Santa Cruz

6.1.5 One (1) representative of the Mt. Hermon Association Community Water System

6.1.6 Three (3) OR two (2) representatives of private well owners or small public water systems within the boundaries of the Agency.

6.2 Duties of the Board of Directors. The business and affairs of the Agency, and all of its powers, including without limitation all powers set forth in Article 4 (Powers), are reserved to and shall be exercised by and through the Board of Directors, except as may be expressly delegated to the staff or others pursuant to this Agreement, Bylaws, or by specific action of the Board of Directors.

6.3 Appointment of Directors. The Directors shall be appointed as follows:

6.3.1 The two representatives from the Scotts Valley Water District shall be appointed by resolution of the Scotts Valley Water District Board of Directors.

6.3.2 The two representatives from the San Lorenzo Valley Water District shall be appointed by resolution of the San Lorenzo Valley Water District Board of Directors.

6.3.3 The two OR one representative(s) from the County of Santa Cruz shall be appointed by resolution of the County of Santa Cruz Board of Supervisors.

6.3.4 The representative from the City of Scotts Valley shall be appointed by resolution of the City of Scotts Valley Council.

6.3.5 The representative from the Mt. Hermon Association Community Water System shall be appointed by the Mt Hermon Association, Inc.

6.3.6 The three OR two representatives of private well owners shall be appointed by majority vote of the six Member Agency Directors. The procedures for nominating the private well owners shall be set forth in the Bylaws.

6.4 Alternate Directors. Each Member may have one Alternate to act as a substitute Director for either of the Member's Directors. One Alternate shall also be appointed to act as a substitute Director for any of the three OR two Directors representing private well owners, and one alternate may be appointed to act as a substitute Director for the City of Scotts Valley and Mt. Hermon Association. All Alternates shall be appointed in the same manner as set forth in Section 6.3. Alternate Directors shall have no vote, and shall not participate in any discussions or deliberations of the Board unless appearing as a substitute for a Director due to absence or conflict of interest. If the Director is not present, or if the Director has a conflict of interest which precludes participation by the Director in any decision-making process of the Board, the Alternate Director appointed to act in his/her place shall assume all rights of the Director, and shall have the authority to act in his/her absence, including casting votes on matters before the Board. Each Alternate Director shall be appointed prior to the third meeting of the Board. Alternates are strongly encouraged to attend all Board meetings and stay informed on current issues before the Board.

6.5 Requirements. Each Member's Directors and Alternate Director shall be appointed by resolution of that Member's governing body to serve for a term of four years except, for the purpose of establishing staggered terms, one of the initially-appointed Directors of each Member shall, as designated by the Member, serve an initial term of two years. A Member's Director or Alternate Director may be removed during his or her term or reappointed for multiple terms at the pleasure of the Member that appointed him or her. A Director representing private well owners, the City of Scotts Valley or the Mt. Hermon Association may be removed or reappointed in the same manner as he or she was appointed as set forth in Section 6.3. No individual Director may be removed in any other manner, including by the affirmative vote of the other Directors.

6.6 Vacancies. A vacancy on the Board of Directors shall occur when a Director resigns or at the end of the Director's term as set forth in Section 6.5. For Member Directors, a vacancy shall also occur when he or she is removed by his or her appointing Member. For Directors representing private well owners, the City of Scotts Valley or the Mt. Hermon Association, a vacancy shall also occur when the Director is removed as set forth in Section 6.5. Upon the vacancy of a Director, the Alternate Director shall serve as Director until a new Director is appointed as set forth in Section 6.3 unless the Alternate is already serving as a substitute Director in the event of a prior vacancy, in which case, the seat shall remain vacant until a replacement Director is appointed as set forth in Section 6.3. Members shall provide notice of any changes in Director or Alternate Director positions to the Board of Directors or its designee in writing and signed by an authorized representative of the Member.

ARTICLE 7 OFFICERS

7.1 Officers. Officers of the Agency shall be a Chair, Vice Chair, Secretary, and Treasurer. The Treasurer shall be appointed consistent with the provisions of Section 14.3. The Vice Chair, or in the Vice

Chair's absence, the Secretary, shall exercise all powers of the Chair in the Chair's absence or inability to act.

7.2 Appointment of Officers. Officers shall be elected annually by, and serve at the pleasure of, the Board of Directors. Officers shall be elected at the first Board meeting, and thereafter at the first Board meeting following January 1st of each year, or as duly continued by the Board. An Officer may serve for multiple consecutive terms, with no term limit. Any Officer may resign at any time upon written notice to the Board, and may be removed and replaced by a simple majority vote of the Board.

7.3 Principal Office. The principal office of the Agency shall be established by the Board of Directors, and may thereafter be changed by a simple majority vote of the Board.

ARTICLE 8 DIRECTOR MEETINGS

8.1 Initial Meeting. The initial meeting of the Board of Directors shall be held in the County of Santa Cruz, California, within thirty (30) days of the Effective Date of this Agreement.

8.2 Time and Place. The Board of Directors shall meet at least quarterly, at a date, time and place set by the Board within the jurisdictional boundaries of one or more of the Members, and at such other times as may be determined by the Board.

8.3 Special Meetings. Special meetings of the Board of Directors may be called by the Chair or by a simple majority of Directors, in accordance with the provisions of Government Code section 54956.

8.4 Conduct. All meetings of the Board of Directors, including special meetings, shall be noticed, held, and conducted in accordance with the Ralph M. Brown Act (Government Code sections 54950, *et seq.*). The Board may use teleconferencing in connection with any meeting in conformance with and to the extent authorized by applicable law.

8.5 Local Conflict of Interest Code. The Board of Directors shall adopt a local conflict of interest code pursuant to the provisions of the Political Reform Act of 1974 (Government Code sections 81000, *et seq.*)

ARTICLE 9 MEMBER VOTING

9.1 Quorum. A quorum of any meeting of the Board of Directors shall consist of an absolute majority of Directors plus one Director. In the absence of a quorum, any meeting of the Directors may be adjourned by a vote of the simple majority of Directors present, but no other business may be transacted. For purposes of this Article, a Director shall be deemed present if the Director appears at the meeting in person or participates telephonically, provided that the telephone appearance is consistent with the requirements of the Ralph M. Brown Act.

9.2 Director Votes. Voting by the Board of Directors shall be made on the basis of one vote for each Director. A Director, or an Alternate Director when acting in the absence of his or her Director, may vote on all matters of Agency business unless disqualified because of a conflict of interest pursuant to California law or the local conflict of interest code adopted by the Board of Directors.

9.3 Affirmative Decisions of the Board of Directors. Except as otherwise specified in this Agreement, all affirmative decisions of the Board of Directors shall require the affirmative vote of a simple majority of all appointed Directors participating in voting on a matter of Agency business, provided that if a Director is disqualified from voting on a matter before the Board because of a conflict of interest, that Director shall be excluded from the calculation of the total number of Directors that constitute a majority. Notwithstanding the foregoing, a unanimous vote of all Member Directors participating in voting shall be required to approve any of the following: (i) any expenditure that is estimated to cost \$100,000 OR \$50,000 or more; (ii) the annual budget; (iii) the GSP for the Basin or any amendment thereto; (iv) the levying of assessments or fees; (v) issuance of indebtedness; or (vi) any stipulation to resolve litigation concerning groundwater rights within or groundwater management for the Basin.

ARTICLE 10 AGENCY ADMINISTRATION, MANAGEMENT AND OPERATION

The Board of Directors may select and implement an approach to Agency administration and management that is appropriate to the circumstances and adapted to the GSA's needs as they may evolve over time. Details of the Board's decision on Agency administration, management and operation shall be incorporated into the GSA's bylaws and reviewed and revised as needed using the established process for revising the GSA's bylaws.

ARTICLE 11 BYLAWS

The Board of Directors shall cause to be drafted, approve, and amend Bylaws of the Agency to govern the day-to-day operations of the Agency. The Bylaws shall be adopted at or before the first anniversary of the Board's first meeting.

ARTICLE 12 ADVISORY COMMITTEES

The Board of Directors may from time to time appoint one or more advisory committees or establish standing or ad hoc committees to assist in carrying out the purposes and objectives of the Agency. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them.

ARTICLE 13 OPERATION OF COMMITTEES

Each committee shall include a Director as the chair thereof. Other members of each committee may be constituted by such individuals approved by the Board of Directors for participation on the committee. However, no committee or participant on such committee shall have any authority to act on behalf of the Agency except as duly authorized by the Board.

ARTICLE 14 ACCOUNTING PRACTICES

14.1 General. The Board of Directors shall establish and maintain such funds and accounts as may be required by generally accepted public agency accounting practices. The Agency shall maintain strict accountability of all funds and a report of all receipts and disbursements of the Agency.

14.2 Fiscal Year. Unless the Board of Directors decides otherwise, the fiscal year for the Agency shall run concurrent with the calendar year.

14.3 Appointment of Treasurer and Auditor; Duties. The Treasurer and Auditor shall be appointed in the manner, and shall perform such duties and responsibilities, specified in Sections 6505.5 and 6505.6 of the Act.

ARTICLE 15 BUDGET AND EXPENSES

15.1 Budget. Within 120 days after the first meeting of the Board of Directors, and thereafter prior to the commencement of each fiscal year, the Board shall adopt a budget for the Agency for the ensuing fiscal year no later than June 30th. In the event that a budget is not so approved, the prior year's budget shall be deemed approved for the ensuing fiscal year, and any groundwater extraction fee or assessment(s) of contributions of Members, or both, approved by the Board during the prior fiscal year shall again be assessed in the same amount and terms for the ensuing fiscal year.

15.2 Agency Funding and Contributions. For the purpose of funding the expenses and ongoing operations of the Agency, the Board of Directors shall maintain a funding account in connection with the annual budget process. The Board of Directors may fund the Agency and the GSP as provided in Chapter 8 of SGMA, commencing with Section 10730 of the Water Code, and may also issue assessments for contributions by the Members in the amount and frequency determined necessary by the Board. Such Member contributions shall be paid by each Member to the Agency within 30 days of assessment by the Board.

15.3 Return of Contributions. In accordance with Government Code section 6512.1, repayment or return to the Members of all or any part of any contributions made by Members and any revenues by the Agency may be directed by the Board of Directors at such time and upon such terms as the Board of Directors may decide; provided that (1) any distributions shall be made in proportion to the contributions paid by each Member to the Agency, and (2) any capital contribution paid by a Member voluntarily, and without obligation to make such capital contribution pursuant to Section 15.2, shall be returned to the contributing Member, together with accrued interests at the annual rate published as the yield of the Local Agency Investment Fund administered by the California State Treasurer, before any other return of contributions to the Members is made. The Agency shall hold title to all funds and property acquired by the Agency during the term of this Agreement.

15.4 Issuance of Indebtedness. The Agency may issue bonds, notes or other forms of indebtedness, as permitted under Section 4.11, provided such issuance be approved at a meeting of the Board of Directors by unanimous vote of the Member Directors as specified in Article 9 (Member Voting).

ARTICLE 16 LIABILITIES

16.1 Liability. In accordance with Government Code section 6507, the debt, liabilities and obligations of the Agency shall be the debts, liabilities and obligations of the Agency alone, and not the Members.

16.2 Indemnity. Funds of the Agency may be used to defend, indemnify, and hold harmless the Agency, each Member, each Director, and any officers, agents and employees of the Agency for their actions taken within the course and scope of their duties while acting on behalf of the Agency. Other than for gross

negligence or intentional acts, to the fullest extent permitted by law, the Agency agrees to save, indemnify, defend and hold harmless each Member from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are in any way attributable, in whole or in part, to negligent acts or omissions of the Agency or its employees, officers or agents or the employees, officers or agents of any Member, while acting within the course and scope of a Member relationship with the Agency.

ARTICLE 17 WITHDRAWAL OF MEMBERS

17.1 Unilateral Withdrawal. Subject to the Dispute Resolution provisions set forth in Section 18.9, a Member may unilaterally withdraw from this Agreement without causing or requiring termination of this Agreement, effective upon 30 days written notice to the Board of Directors or its designee.

17.2 Rescission or Termination of Agency. This Agreement may be rescinded and the Agency terminated by unanimous written consent of all Members, except during the outstanding term of any Agency indebtedness.

17.3 Effect of Withdrawal or Termination. Upon termination of this Agreement or unilateral withdrawal, a Member shall remain obligated to pay its share of all debts, liabilities and obligations of the Agency required of the Member pursuant to terms of this Agreement, and that were incurred or accrued prior to the effective date of such termination or withdrawal, including without limitation those debts, liabilities and obligations pursuant to Sections 4.11 and 15.4. Any Member who withdraws from the Agency shall have no right to participate in the business and affairs of the Agency or to exercise any rights of a Member under this Agreement or the Act, but shall continue to share in distributions from the Agency on the same basis as if such Member had not withdrawn, provided that a Member that has withdrawn from the Agency shall not receive distributions in excess of the contributions made to the Agency while a Member. The right to share in distributions granted under this Section 17.3 shall be in lieu of any right the withdrawn Member may have to receive a distribution or payment of the fair value of the Member's interest in the Agency.

17.4 Return of Contribution. Upon termination of this Agreement, any surplus money on-hand shall be returned to the Members in proportion to their contributions made. The Board of Directors shall first offer any property, works, rights and interests of the Agency for sale to the Members on terms and conditions determined by the Board of Directors. If no such sale to Members is consummated, the Board of Directors shall offer the property, works, rights, and interest of the Agency for sale to any non-member for good and adequate consideration. The net proceeds from any sale shall be distributed among the Members in proportion to their contributions made.

ARTICLE 18 MISCELLANEOUS PROVISIONS

18.1 No Predetermination or Irretrievable Commitment of Resources. Nothing herein shall constitute a determination by the Agency or any of its Members that any action shall be undertaken, or that any unconditional or irretrievable commitment of resources shall be made, until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, has been completed.

18.2 Notices. Notices to a Director or Member hereunder shall be sufficient if delivered to the respective Director or clerk of the Member agency and addressed to the Director or clerk of the Member agency. Delivery may be accomplished by U.S. Postal Service, private mail service or electronic mail.

18.3 Amendments to Agreement. This Agreement may be amended or modified at any time only by subsequent written agreement approved and executed by all of the Members.

18.4 Agreement Complete. The foregoing constitutes the full and complete Agreement of the Members. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement that are not set forth in writing herein.

18.5 Severability. Should any part, term or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any applicable federal law or any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, or provisions hereof shall not be affected thereby, provided however, that if the remaining parts, terms, or provisions do not comply with the Act, this Agreement shall terminate.

18.6 Withdrawal by Operation of Law. Should the participation of any Member to this Agreement be decided by the courts to be illegal or in excess of that Member's authority or in conflict with any law, the validity of the Agreement as to the remaining Members shall not be affected thereby.

18.7 Assignment. The rights and duties of the Members may not be assigned or delegated without the written consent of all other Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void.

18.8 Binding on Successors. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Members.

18.9 Dispute Resolution. In the event that any dispute arises among the Members relating to (i) this Agreement, (ii) the rights and obligations arising from this Agreement, or (iii) a Member proposing to withdraw from membership in the Agency, the aggrieved Member or Member proposing to withdraw from membership shall provide written notice to the other Members of the controversy or proposal to withdraw from membership. Within thirty (30) days thereafter, the Members shall attempt in good faith to resolve the controversy through informal means. If the Members cannot agree upon a resolution of the controversy within thirty (30) days from the providing of written notice specified above, the dispute shall be submitted to mediation prior to commencement of any legal action or prior to withdraw of a Member proposing to withdraw from membership. The mediation shall be no less than a full day (unless agreed otherwise among the Members) and the cost of mediation shall be paid in equal proportion among the Members. The mediator shall be either voluntarily agreed to or appointed by the Superior Court upon a suit and motion for appointment of a neutral mediator. Upon completion of mediation, if the controversy has not been resolved, any Member may exercise all rights to bring a legal action relating to the controversy or (except where such controversy relates to withdrawal of a Member's obligations upon withdrawal) withdraw from membership as otherwise authorized pursuant to this Agreement.

18.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

18.11 Singular Includes Plural. Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

18.12 Member Authorization. The legislative bodies of the Members have each authorized execution of this Agreement, as evidenced by their respective signatures below.

IN WITNESS WHEREOF, the Members hereto have executed this Agreement by authorized officials thereof.

SCOTTS VALLEY WATER DISTRICT

APPROVED AS TO FORM:

By: _____

By: _____

Title: _____

Title: _____

Signatures continue on the following page.

SAN LORENZO VALLEY WATER DISTRICT

APPROVED AS TO FORM:

By: _____

By: _____

Title: _____

Title: _____

COUNTY OF SANTA CRUZ

APPROVED AS TO FORM:

By: _____

By: _____

Title: _____

Title: _____

MEMO

TO: Board of Directors
FROM: District Manager
SUBJECT: Board of Directors Meeting Dates 2017
DATE: December 15, 2016

Recommendation

It is recommended that the Board of Directors discuss and adopt a meeting schedule for 2017. The recommendation of staff is to reduce the regularly scheduled Board of Directors meetings to one meeting per month. If necessary a Special meeting can be called with 24 hours notice.

Background

Since January 1992, the regular days for the Board of Directors' meetings has been the first and third Thursday of each month. Over the last year the meetings have been lasting 1.75 hours on average, on 2 occasions the meeting was cancelled, on 3 occasions there were special meetings called and on 13 occasions one or more Board members were unable to attend. Staff believes that holding one meeting a month will, allow Board members to plan for just one meeting making attendance more manageable, cut back on staff time and save time and money by consolidating a month of information into one meeting.

STRATEGIC PLAN:

Element 9.0 - Administrative Management

FISCAL IMPACT:

Unknown at this time

MEMO

To: Board of Directors
From: District Manager
Date: December 15, 2016
Subject: CANCELING OF JANUARY 5 BOARD MEETING

Recommendation

It is recommended that the Board of Directors cancel the scheduled board meeting of January 5, 2017, if it is set for a regularly scheduled meeting.

Background

Both the District Manager and the District Secretary will be unable to attend a meeting on January 5, 2017 so staff recommends cancelling the meeting.

FISCAL IMPACT:

None

2015 STRATEGIC PLAN:

No Connection

MEMO

TO: Board of Directors
FROM: District Manager
SUBJECT: Board of Directors Policy Manual 2016
DATE: December 9, 2015

RECOMMENDATION:

It is recommended that the Board of Directors review this memo, review the attached Board of Directors Policy Manual and approve the attached resolution which establishes the San Lorenzo Valley Water District Board of Directors Policy for 2017.

BACKGROUND:

The 2016 Board Policy Manual was approved by the full Board on December 9, 2015.

During the last calendar year the Board made 1 change to the Board Policy Manual;

RESOLUTION NO. 39 (15-16) - Repeal and Replacement of Section 13 of the District's 2015 Board Policy Manual to Include a Lompico Oversight Committee (May 19, 2016)

Staff recommends the following additional changes to the attached 2017 Board Policy Manual:

- One regularly scheduled meeting per month on the third Thursday
- Every motion requires a second
- Committees - Section 14

All other Sections remain unchanged from the passed and adopted Board of Policy Manual 2016.

STRATEGIC PLAN:

Element 9.0 - Administrative Management

FISCAL IMPACT:

None

SAN LORENZO VALLEY WATER
DISTRICT RESOLUTION NO. 19 (16-17)

SUBJECT: BOARD POLICY MANUAL 2017

WHEREAS, on December 9, 2015 the Board of Directors of the San Lorenzo Valley Water District adopted Resolution No. 26 (15-16) Board of Directors Policy Manual 2016; and

WHEREAS, Section 27 of said Policy Manual states the specific Board of Directors Policy Manual will be adopted by Resolution of the Board of Directors annually; and

WHEREAS, the proper functioning of the District Board and Board Meetings is critical to proper functioning of the District; and

WHEREAS, an adopted set of rules and procedures assist in the proper functioning of the Board; and

WHEREAS, each Board Member, individually, agrees with the Policy Manual as a whole and agrees to follow said Policy Manual;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the Board adopts and approves the 2017 San Lorenzo Valley Water District Board of Directors Policy Manual.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 15th day of December 2016, by the following vote of the members thereof:

AYES:
NOES:
ABSTAIN:
ABSENT:

Holly B. Morrison
District Secretary

SAN LORENZO VALLEY WATER DISTRICT



BOARD OF DIRECTORS POLICY MANUAL 2016

ADOPTED

December 9, 2015

RESOLUTION NO. 26 (15-16)

MODIFICATIONS TO POLICY MANUAL SINCE LAST FULL BOARD APPROVAL

1. RESOLUTION NO. 26 (15-16) - 2016 Board Policy Manual, approved by the full (December 9, 2015)
2. RESOLUTION NO. 39 (15-16) - Repeal and Replacement of Section 13 of the District's 2015 Board Policy Manual to Include a Lompico Oversight Committee (May 19, 2016)

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1. MISSION STATEMENT

“Our mission is to provide our customers and all future generations with reliable, safe and high quality water at an equitable price; to create and maintain outstanding customer service; to manage and protect the environmental health of the aquifers and watersheds; and to ensure the fiscal vitality of the San Lorenzo Valley Water District”.

Adopted by the Board of Directors of the San Lorenzo Valley Water District on June 2, 2000.

The mission of the San Lorenzo Valley Water District will be accomplished through the implementation of the following objectives:

OBJECTIVE I; STAFFING

Provide an efficient and adequate staff of employees and consultants, dedicated to the District mission and responsive to the Board. Provide staff and consultants with proper resources.

OBJECTIVE II; COMMUNICATIONS

Establish and maintain an environment that encourages the open exchange of ideas and information between Board members, staff and the public that is positive, honest, concise, understandable, responsive and cost-efficient.

OBJECTIVE III; EDUCATION

Develop and maintain comprehension and competence regarding issues that come before the Board of Directors and Staff. Ensure the District's customers are informed regarding the benefits of safe operations, proper claims procedures, District operations and conservation.

2. AUTHORITY OF BOARD

- A) The Board of Directors shall act only at regular, regularly adjourned, or special meetings, as provided by State Law.

- B) Individual Directors shall have no power to act for the San Lorenzo Valley Water District, or the Board of Directors, or to direct District staff, except as authorized by the Board of Directors.
- C) Until a quorum is present there can be no meeting of the Board of Directors. The presence of a minimum of 3 Board members is required to constitute a quorum of the Board of Directors.

3. CODE OF ETHICS AND CONDUCT

The Board of Directors of the San Lorenzo Valley Water District is committed to providing excellence in legislative leadership that results in providing the highest quality services to its constituents. The Board of Directors is expected to maintain the highest ethical standards, to follow District policies and regulation, and to abide by all applicable local, state and federal laws. Board of Directors conduct should enhance the integrity and goals of the District. In order to assist in the governing of behavior between and among members of the Board of Directors, the following rules shall be observed:

- A) The dignity, style, values and opinions of each Director shall be respected.
- B) Responsiveness and attentive listening in communications is encouraged.
- C) The needs of the District's constituents shall be the priority of the Board of Directors.
- D) The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to staff members of the District.
- E) Directors should commit themselves to emphasizing the positive.
- F) Directors should commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged.
- G) Differing viewpoints are healthy in the decision-making process. Individual Directors have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action, Directors should commit to supporting said action and not to creating barriers to the implementation of said action.
- H) Directors should practice the following procedures:
 - 1. In seeking clarification on informational items, Directors may directly approach the District Manager to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making.

2. In handling complaints or inquiries from residents and property owners of the District, said complaints should be referred to the District Manager and may be followed up by the Board of Directors.
 3. In handling items related to safety concerns, hazards should be reported to the District Manager. Emergency situations should be dealt with immediately by seeking appropriate assistance.
 4. In seeking clarification for policy-related concerns, especially those involving personnel, legal action, land acquisition, sale or development, finance, and programming, said concerns should be referred directly to the District Manager.
- I) When approached by District personnel concerning specific District policy, Directors should direct inquiries to the District Manager.
 - J) The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.
 - K) When responding to constituent requests and concerns at board meetings, the Board President's discretion determines the amount of time for comments. Specific questions or concerns will be directed to the District Manager for future action by the Board or staff. Directors should be courteous, responding to individuals in a positive manner and routing their questions through appropriate channels and to responsible management personnel.
 - L) Directors should develop a working relationship with the District Manager wherein current issues, concerns and District projects can be discussed comfortably and openly.
 - M) Directors should function as a part of the whole. Issues should be brought to the attention of the Board of Directors as a whole, rather than to individual members selectively.
 - (N) Members' interaction with public, press or other entities must recognize the limitation of any Board member to speak for the Board except to repeat explicitly stated Board decisions, while respecting the right of Board members to express individual opinions.
 - O) Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.
 - P) The Board will further inform itself, individually and collectively, through ongoing outreach to determine community wishes and through continuing education on issues relevant to the District.
 - Q) Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of process improvement.

4. ETHICS TRAINING

Pursuant to California Government Code section 53234 et seq. or as amended, all Directors shall receive two (2) hours of training in general ethics principles and ethics laws relevant to public service within one (1) year of election or appointment to the Board of Directors, and at least once every two (2) years thereafter. All ethics training shall be provided by entities whose curriculum has been approved by the California Attorney General and the Fair Political Practices Commission. The District Manager and any other employee(s) of the District designated by the Board of Directors shall also receive the ethics training specified herein. The District shall maintain records indicating the name of the entity that provided the training and the dates ethics training was completed. Records shall be maintained for a period of at least five (5) years after the date on which the training was received. These records are public records subject to disclosure under the California Public Records Act.

5. GOVERNING LAWS

The Board of Directors shall comply with and shall be guided by applicable provisions of Federal laws; State laws, including the Water Code, Government Code, Section 1090 of the Government Code, Elections Code and Public Resources Code; this Policy Manual, and the rules and regulations of the District as established by the motions, resolutions and ordinances enacted by the Board of Directors. Motions, resolutions and ordinances may be enacted by the Board in accordance with Water Code section 30523 or as amended.

6. ELECTION OF OFFICERS

There shall be two (2) officers: a president and a vice president, who shall be members of the District Board of Directors. Election of officers shall be held at the second (2nd) Board of Directors meeting in December of each calendar year. Officers will serve for a one (1) year term. Elections will conform to the applicable provisions of this Policy Manual.

7. ROLE OF THE BOARD POWERS, DUTIES AND FUNCTIONS

A) POWERS

The Board of Directors is responsible for the establishment of policy and general control of the District. This broad authority shall be exercised in accordance with all applicable federal, state and local laws and regulations. The Board of Directors may execute any powers delegated by law to the District, and shall discharge any duty imposed by law upon the District.

The enabling codes established by the California State Legislature empowers the Board of Directors to have broad authority and flexibility in carrying out financial programs and activities which meet its individual needs, provided these programs or activities are not in conflict with, inconsistent with, or preempted by law.

B) DUTIES

The primary duties of the Board of Directors are as follows:

1. Take action at legal meetings.
2. Establish and periodically review written policies for District operation and administration.
3. Be responsible for all District finances.
 - a. Approve fiscal budget.
 - b. Monitor the budget spending.
4. Set rates, fees and charges for District services.
5. Personnel
 - a. Hire and discharge General Manager and Legal Counsel.
 - b. Annually evaluate the General Manager and Legal Counsel.
6. Establish written policy on how Board of Director's Meetings are conducted.
7. Review and revise the Master Plan for the District.
8. Ratify committee appointments made by the President.
9. Establish Director compensation limits.

C) FUNCTIONS

The powers and duties of the Board of Directors include governance, executive and quasi-judicial functions. These relate to the Board's own operations as a governing body and to all functions of the District.

1. GOVERNANCE FUNCTIONS

To fulfill its responsibility, the Board is committed to establishing policies to govern District activities. The Board of Directors shall consider and approve or disapprove matters submitted to it by a Director, Staff or the public. The Board of Directors shall prescribe rules for its own governance which are consistent with its "enabling code" or by Federal or State Laws and regulations.

2. EXECUTIVE FUNCTIONS

The Board of Directors is authorized to delegate any of its powers and duties to an officer or employee of the District. The Board of Directors; however, retains ultimate responsibility over the performance of those powers or duties so delegated.

3. QUASI-JUDICIAL FUNCTIONS

The Board of Directors desires that public complaints be resolved at the lowest possible administrative level. The method of resolving public complaints shall be as follows:

- a. The individual with a complaint shall first discuss the matter with the District Manager. If this individual registering the complaint is not satisfied with the disposition of the complaint by the District Manager, said complaint may be filed with the Board of Directors.
- b. The Board of Directors may consider the matter at a subsequent regular meeting or call a special meeting. The Board of Directors will expeditiously resolve the matter.
- c. This policy in no way prohibits or intends to deter a member of the public from appearing before the Board of Directors to present a verbal complaint or statement in regards to actions of the Board of Directors, District programs or services, or impending considerations of the Board of Directors.

8. ROLE OF INDIVIDUAL DIRECTORS

The Board of Directors is the unit of authority for the District. Apart from their normal function as a part of this unit, individual Directors may not commit the District to any policy, act or expenditure unless duly authorized by the Board of Directors. Nor may an individual Director direct staff to perform specific duties unless duly authorized by the Board of Directors. Directors do not represent any factional segment of the constituency, but are, rather, a part of the body which represents and acts for the constituency as a whole.

- A) Each Director has the right to place an item on a subsequent Board of Directors Meeting. The deadline for submittal of an agenda item by a Director shall be the preceding Wednesday at 5:00 p.m. before the scheduled Board of Directors meeting date at the office of the District Secretary. Agenda item requests received after the

submittal deadline for a specific agenda will be added to the next following regularly scheduled agenda.

- B) Directors will make every effort to attend assigned Board of Directors and Committee meetings:
 - 1. To prepare adequately for each such meeting;
 - 2. To observe the rules of decorum as set forth herein; and
 - 3. Whenever any individual Directors will be absent or late for a Board of Directors or Committee meeting said Director shall notify the District Secretary or Board President at the earliest opportunity.
- C) When requesting information from staff, Directors shall contact the District Manager. When responding to constituent requests and concerns, Directors should reroute such inquiries to the District Manager.
- D) Each Director shall decide individually on what contact information will be released by District staff to the general public. In order to accomplish this in an orderly and consistent manner, each Director shall provide the District Secretary with a completed and signed Director Contact Authorization Form. Directors shall be responsible for any and all updates and amendments to said Director Contact Authorization Form.

9. BOARD OF DIRECTORS MEETINGS

A) REGULAR TIME AND PLACE OF MEETINGS

Regularly scheduled meetings of the Board of Directors shall be held, ~~on the first (1st) and third (3rd)~~ Thursday of each month at 6:00 pm; at the District Operations Building, 13057 Highway 9, Boulder Creek, CA, unless otherwise specified by action of the Board of Directors. Special meetings of the Board of Directors, as that term or its successor terms are defined within the meaning of the Ralph M. Brown Act (California Government Code section 54950 et seq.), may be duly authorized and held as deemed necessary by the President or a majority of the Board of Directors. Notice and location of special meetings shall be as prescribed by law. Emergency meetings of the Board of Directors, as that term or its successor terms are defined within the meaning of the Ralph M. Brown Act, may be duly authorized and held as deemed necessary only by a majority of the Board of Directors. Notice and location of emergency meetings shall be as prescribed by law.

B) PUBLIC NATURE OF MEETINGS

All meetings of the Board of Directors shall be open to the public, except when the Board is convened in Closed Session as authorized under provisions of the Ralph M. Brown Act (California Government Code section 54950 et seq.).

C) QUORUM AND VOTING REQUIREMENTS

The presence of three (3) or more Directors shall constitute a quorum for the transaction of District business. No ordinance, resolution or motion shall be passed by the Board of Directors without a majority vote of the Board, unless otherwise required or prescribed by State law. (See for example, Government Code section 54954.2, Board Policy Manual subparagraph K, below.)

D) BOARD ACTION

The Board of Directors shall act only by ordinance, resolution, or motion. Except where action is taken by the unanimous vote of all Directors present and voting, the ayes and noes shall be taken upon the passage of all ordinances, resolutions or motions and shall be entered in the minutes. An ordinance does not require two readings at separate meetings unless otherwise prescribed by law. Unless otherwise provided by its own terms, all ordinances, resolutions and motions shall become effective upon adoption. Any member of the Board of Directors, including the President, can make a motion. Motions ~~do not~~ require seconds. The President may vote on all motions unless disqualified or abstaining. The President shall not call for a vote on any motion until sufficient time has been allowed to permit any and all members of the Board of Directors to speak. Complex motions should generally be prepared in writing and read aloud to the members of the Board of Directors at the time the motion is made. If a motion is not in writing, and if it is necessary for full understanding of the matter before the Board of Directors, the President shall restate the question prior to the vote. Common motions may be stated in abbreviated form, and will be put into complete form in the minutes. Until the President states the question, the maker may modify their motion or withdraw it completely. However, after the President has stated the question, the motion may be changed only by a motion to amend which is passed by a majority vote of the Board of Directors.

The President of the Board may at any time, during debate or otherwise, declare a recess. Declaration of a recess shall not be subject to any motions.

E) PARLIAMENTARY PROCEDURES

Unless otherwise inconsistent with any provision stated herein, Parliamentary Procedure for Board of Directors meetings shall be based upon the current edition of Sturgis Standard Code of Parliamentary Procedure. No action of the Board of Directors shall be deemed invalid for the reason that said action was not in conformance with Sturgis Standard Code of Parliamentary Procedure.

F) ROUTINE BUSINESS

Matters of routine business such as approval of the minutes and approval of minor matters may be expedited by assuming unanimous consent of the members of the Board of Directors and having the President state that without objection the matter will stand approved. Should any Director object to such unanimous consent, the President shall then call for a vote.

G) ORDERLY DISCUSSION

In order to promote discussion of the issues before the Board of Directors, each

Director shall be recognized by the chair before speaking. Notwithstanding any provision of this Policy, however, each Director shall have a right to be heard within reason on any issue before the Board of Directors. Each Director may seek information or comment by the staff on any question.

H) CLOSED SESSION

Except as provided by law, all proceedings in Closed Sessions shall remain confidential.

I) MEETING AGENDAS

The District Manager, in consultation with the Board President, shall be responsible for the preparation of a written agenda for each regular meeting and/or special meeting of the Board of Directors as those terms or its successor terms are defined by the Ralph M. Brown Act (California Government Code section 54950 et seq.). The District Manager and the Board President shall meet, annually, in January of each calendar year to identify recurring items of business which should be placed on written agendas at appropriate times during the coming year. The District Manager, in consultation with the President, shall be responsible for the preparation of a written agenda for each regular meeting and/or special meeting of "other legislative bodies," of the San Lorenzo Valley Water District, as those terms or its successor terms are defined by the Ralph M. Brown Act. Any Director may request that an item be placed on the agenda for a regular meeting of the Board of Directors. The District Secretary shall be responsible for the posting of the appropriate notice and agenda for all meetings of the Board of Directors and/or "other legislative bodies."

A copy of the agenda for each regular meeting of the Board of Directors shall be forwarded to each Board member, at least three (3) days in advance of each regular meeting, together with copies of all applicable supporting documentation; minutes to be approved; staff report; and other available documents pertinent to the meeting. Directors shall review agenda materials before each meeting. Individual directors may confer directly with the District Manager to request additional information on the agenda items.

J) ORDER OF BUSINESS

As a practice for normal business. The Board President may rearrange this order at any time.

1. Convene Meeting, Roll Call.
2. Additions and Deletions to Agenda.
3. Oral Communications Related to Closed Session
4. Adjournment to Closed Session.
5. Reconvene to Open Session at 7:00 PM (time-certain).
6. Report Actions Taken in Closed Session.
7. Additions and Deletions to Agenda.
8. Oral Communications.
9. Written Communications.
10. Consent Agenda.
11. Unfinished Business.

12. New Business.
13. General Manager Reports.
 - a. Manager Reports.
 - b. Committee/Director Reports.
14. Informational Material.
15. (If applicable) Adjournment to Closed Session.
16. (If applicable) Reconvene to Open Session to Report Actions Taken in Closed Session.
17. Adjournment

K) ADDITIONS AND DELETIONS TO AGENDA

Additions to the Agenda, if any, shall be made in accordance with California Government Code Section 54954.2 or as amended (Ralph M. Brown Act), which includes, but is not limited to, additions for which the need to take action is declared to have arisen after the agenda was posted, as determined by a two-thirds vote of the Board of Directors. If less than two-thirds of the members are present a unanimous vote of those members present is required.

L) ORAL COMMUNICATION

The Board of Directors encourages public participation. The Oral Communications portion of the agenda is reserved for citizen communication on matters not otherwise on the agenda. Any person may address the Board of Directors on any subject that lies within the jurisdiction of the District during this portion of the agenda. Unless otherwise altered by the President or presiding officer, individual citizen communication during the Oral Communication portion of the agenda shall not exceed three (3) minutes in length and individuals may only speak once. The Ralph M. Brown Act (Section 54954.3 or as amended) prohibits any action being taken by the Board of Directors on any Oral Communications presented; however, the Board of Directors may request that the matter be placed on a future agenda. Each person addressing the Board of Directors shall be requested to give his or her name and address for the record, and designate the subject matter. Citizens may also address the Board of Directors on specific agenda items, including those on the consent agenda, only after first obtaining recognition by the President or presiding officer. Participation by interested citizens on specific agenda items is subject to orderly procedure, including time limits and decorum established under the authority of the President or presiding officer and applicable law.

All communications by interested citizens, whether during Oral Communications, or other items on the agenda, shall be addressed to the Board of Directors as a single body and not to individual Board members, staff or members of the audience. No person other than the Board of Directors and the person having the floor shall be permitted to enter into discussion, either directly or through a director, without the permission of the President or presiding officer. No member of the public shall approach the Board of Directors table while the Board is in session unless granted permission by the President or presiding officer. Proper decorum must be observed by Directors, staff, speakers and the audience. The President or presiding officer shall preserve order and decorum, discourage personal attacks, and confine debate to the question under discussion. The President or presiding

officer, or a majority of the board, may eject from a meeting any person who becomes disorderly, abusive, or disruptive, or who fails or refuses to obey a ruling of the president regarding a matter of order or procedure. The President shall rule out of order any irrelevant, repetitive or disruptive comments. No cell phone operation or audible pager use is allowed in the Board of Directors chambers.

M) CONSENT AGENDA

The purpose of a consent agenda is to minimize the time required for the handling of any non-controversial matters. Consent agenda items are considered to be routine and non-controversial, with documentation provided to the Board of Directors that is adequate and sufficient for approval without inquiry or discussion. Any item on the consent agenda will be moved to the regular agenda upon request from individual Directors or a member of the public. Unless moved to the regular agenda, the consent agenda shall be voted upon as one single item without discussion or debate.

N) STUDY SESSIONS

Study sessions or workshop meetings are for the purpose of discussing an item(s) that may come before the Board at a later time for official action, to facilitate planning, or discussion of special topics of interest. Study sessions provide a more informal forum for the Board of Directors, staff and the public to engage in open-ended discussion and share information on a particular subject(s). No formal action(s) can be taken at a study session; direction can be given to staff regarding preparation of an agenda item for discussion and possible action at a subsequent meeting. From time to time, study sessions may be duly authorized as deemed necessary by the President or a majority of the Board.

O) WRITTEN CORRESPONDENCE

The Written Correspondence portion of the agenda is established to act as a report of written materials received by the Board as a whole, but may also include items requested for inclusion by individual Directors or members of the public. Written Communications which require no official actions by the Board of Directors may be listed only by title and date received, and not presented in its entirety. Written Correspondence not presented in its entirety will be maintained by the District Secretary for a period of two (2) years.

10. TECHNOLOGICAL CONFERENCING

Teleconferencing may be used for all purposes in connection with any meeting within the subject matter jurisdiction of any legislative body of the District. Teleconferencing is defined as a meeting of a legislative body of the District, the members of which are in different locations, connected by electronic means, through either audio or video, or both. If a legislative body of the District elects to use teleconferencing, it shall comply with all applicable requirements of the Ralph M. Brown Act (Section 54953, or as amended.)

11. PRESIDENT

A) DUTIES

The President shall sit as presiding officer and conduct all meetings of the Board of Directors, shall carry out the resolution and orders of the Board of Directors and shall exercise such other powers and perform such other duties as the Board of Directors shall prescribe; including the following:

1. Call the meeting to order at the appointed time.
2. Announce the business to come before the Board of Directors in its proper order.
3. Enforce the Board of Directors policies and rules with respect to the order of business and the conduct of meetings.
4. Recognize persons who desire to speak, and protect the speaker who has the floor from disturbance or interference.
5. Explain what the effect of a motion would be if it is not clear to every member of the Board of Directors.
6. Restrict discussion to the question when a motion is before the Board of Directors.
7. Rule on parliamentary procedure.
8. Put motions to a vote, and state clearly the results of the vote.

B) RESPONSIBILITIES

The President shall have all the rights to discuss and vote on any issues before the Board of Directors. The President shall have the following responsibilities:

1. Sign all instruments, acts, and carry out stated requirements and the will of the Board of Directors.
2. Consult with the District Manager on the preparation of the Board of Directors agendas. In addition, any Director shall have the right to place any matter on the agenda for any meeting in accordance with the provisions of this policy.
3. Appoint and disband all committees, subject to Board of Directors approval.
4. Call such meetings of the Board of Directors as they may deem necessary, giving notice as prescribed by law.
5. Confer with the District Manager and/or District Counsel on matters which may occur between Board of Directors meetings.

6. Be responsible for the orderly conduct of all Board of Directors meetings.
7. Act as spokesperson for the Board of Directors.
8. Coordinate and prepare the Board of Directors annual evaluation of the General Manager and Legal Counsel.
9. Other duties as authorized by the Board of Directors.

12. VICE-PRESIDENT

When the President resigns or is absent or disabled, the Vice President shall perform the President's duties. When the President disqualifies himself/herself from participating in an agenda item, the Vice-President shall perform the duties of the presiding officer.

13. MINUTES

Minutes of all regularly scheduled Board of Directors meetings will be audio recorded. Said audio record shall be subject to inspection in accordance with State Laws, including the California Public Records Act.

14. COMMITTEES

The Board shall organize committees that are advisory to the Board with regard to matters within their respective areas of responsibility.

The ~~four~~-five District standing committees are as follows: Administrative, Budget & Finance, Environmental, Engineering/Planning and Lompico Oversight. Each standing committee shall have no power or authority to commit the District or to take any action on behalf of the Board of Directors. Standing Committees shall hold meetings at such times as deemed necessary by consensus of the committee members. Committees are encouraged to meet at least monthly.

Committee meetings shall be held in accordance with the provisions of the Ralph M. Brown Act. In order to promote attendance by Directors at Committee meetings without inadvertently creating a violation of the Ralph M. Brown Act, Directors that are not members of a committee may attend as observers, but shall not participate at the Committee's meeting.

Committee appointments will be reviewed by the full Board at the 2nd Board of Director's meeting in December of each Calendar Year, or as soon thereafter as practical. Applications to serve as a Public Member will be available at the District's Office or on-line at the District's website (www.slwvd.com). Public Member Applications will be reviewed by the full Board. Each committee member shall be appointed by a simple majority vote of the Board.

Administrative, Budget & Finance, Environmental, Engineering/Planning Committees may have no more than two Board Members and no more than one Public Member. During the appointment discussion each Director may present a public member to serve on each committee; Administrative, Budget & Finance, Environmental/Engineering/Planning Committees. If more than one public member is presented to serve on an individual committee, the full Board shall vote to determine which public member shall be seated on that committee for the year.

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The Lompico Oversight Committee may have no more than five Public Members. Public members serving on the Lompico Oversight Committee shall have a residential mailing address within Assessment District 2016-1.

Members of the committees serve at the pleasure of the Board. Each committee shall designate their own chairperson. For the Administrative, Budget & Finance, ~~and~~ Environmental, ~~and~~ Engineering/Planning Committees the chairperson shall be a member of the Board. Each committee may elect a vice- chairperson. Members of committees, including the chairperson and vice-chairperson shall serve until their successors are appointed. The chairperson of a committee is its presiding officer and shall be responsible for communicating the recommendation of the committee to the Board. In the absence of the chairperson, the vice-chairperson shall perform the duties of the chairperson. The chairperson and vice-chairperson are not deprived of any of the rights and privileges of a committee member by reason of being the presiding officer.

A majority of the members of each committee shall constitute a quorum for the transaction of business. Only members of the committee are entitled to make, second or vote on any motion or other action of the committee. Each committee member shall be entitled to one vote on all matters considered by the committee. A simple majority vote of the members of the Committee shall designate approval of a motion.

During the first regular meeting after January 1st of each year, each Committee shall review the District's current Strategic Plan and identify Strategic Plan Elements pertaining to said Committee. The Committee's findings regarding such Strategic Plan review shall be reported back to the Board at the next available regular Board Meeting for discussion and to allow the Board to provide direction back to the committees regarding completion of identified Strategic Plan Elements.

During the first regular meeting after January 1st of each year, each Committee shall prepare a multi-month forward looking calendar of items to be discussed by said Committee. Said calendar shall be no less than a three month look-ahead. Each Committee chairperson shall maintain said look-ahead calendar and submit same to the Board on a monthly basis.

The committee Chairperson shall record summary minutes of each committee meeting. The minutes of each committee meeting and any recommendation of a committee shall include a summary of the information presented.

All committee member absences will be considered by the majority of the committee members to determine whether or not the absence is without cause. Sickness, jury duty, vacation and/or bereavement will be considered excused absences. When three meetings in a row or a total of six meetings in one calendar year are missed the remaining committee members will consider removal of the individual from the committee. The removal must be voted upon and approved by the majority of the committee members with the exception of the committee member in question.

Vacancies shall be reported to the full Board as soon as practically possible. Vacancies shall be filled by simple majority vote of the Board.

Committee Members shall comply with the obligations and responsibilities of office including the obligation to comply with the disclosure requirements of the Political Reform Act (Form

700). The reporting categories made applicable to the Directors by San Lorenzo Valley Water District's local conflict of code shall apply to the members of the committee members.

All committee communications must go through the designated committee chairperson.

A committee has jurisdiction to consider and make a recommendation to staff, other committees and to the Board regarding any item of business within the responsibility of the committee. Committee recommendations shall be communicated to the Board. A committee may consider other matters referred to it by the Board.

The Board may refer a recommendation back to any committee for reevaluation whenever the Board deems additional evaluation is required.

Each Standing Committee shall, as a minimum, be responsible for the following:

Administrative Committee

The Committee shall be responsible for matters of internal and external administrative matters including: communications, staffing and staff support; District's data gap grant programs; interagency relations; codes and policies, pending State and Federal legislation; and other administrative programs.

Budget and Finance Committee

The Committee shall be responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget and reserves; audit; investments; insurance; and other financial matters.

Environmental Committee

The Committee shall be responsible to review matters of stewardship of the District's property including: Urban Water Management Plans; Water Conservation Programs; Classic Watershed Education Grants; Watershed Management; Resource Management; and other environmental related matters.

Engineering/ Planning Committee

The Committee shall be responsible to review matters of design, construction, replacement, and repair of the District facilities including: The Capital Improvement Program; Master Plans; and other engineering / operational and planning related matters.

Lompico Assessment District Oversight Committee

The Committee shall be responsible to review matters of revenue and expenses directly related to Assessment District 2016-1, the Lompico Service Area.

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Lompico Oversight Committee

~~—The Committee shall be responsible to review matters of stewardship, design, construction, replacement, and repair of the District facilities and~~

15. MEETING STIPENDS

Each Director may receive compensation as established by resolution of the Board of Directors. Pursuant to California Water Code section 30507, each Director may receive compensation in an amount not to exceed one hundred dollars (\$100.00) per day for each day's attendance at meetings of the Board, or for each day's service rendered as a Director by request or approval of the Board, not to exceed six hundred dollars (\$600.00) in any calendar month.

Consistent with California Water Code section 30507, by resolution of the Board of Directors, the District has established the following per day (daily meeting stipend) for each day's attendance at meetings, as defined herein. Such compensation is in addition to any approved reimbursement for meals, lodging, travel and other expenses consistent with the policies stated herein.

- a) To be entitled to a daily meeting stipend of one hundred dollars (\$100.00), the event in question must constitute one of the following:
 - 1. A meeting of the San Lorenzo Valley Water District Board of Directors within the meaning of California Government Code section 54952(a); or
 - 2. Any meeting attended or service provided on a given day at the formal request of the District Board of Directors, and for which the Board at a public meeting approved payment of a daily meeting stipend.
- b) To be entitled to a daily meeting stipend of twenty five dollars (\$25.00), the event in question must be a meeting of a designated District standing committee within the meaning of California Government Code section 54952(b). Only Directors appointed to the District standing committees shall be entitled to said daily meeting stipend.

16. TRAINING, EDUCATIONAL PROGRAMS, CONFERENCE AND MEETINGS

The Board of Directors has determined that the following provisions shall be applicable to Director training, educational programs, conferences and meetings:

- A) Directors are encouraged to attend educational conferences and professional

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meetings when the purposes of such activities are to improve District operation. Directors may attend, on behalf of the District, such training, educational programs, conferences and meetings as have been approved by the Board of Directors.

- B) It is the policy of the District to encourage Board development and excellence of performance by reimbursing necessary and reasonable expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, state and national conferences associated with the interests of the District. Cash advances or use of District credit cards for these purposes is not permitted. All reimbursement of actual and necessary expenses shall be pursuant to District policy on expenditure reimbursement as stated herein.
- C) Attendance by Directors at seminars, workshops, courses, professional organization meetings, and conferences etc. shall be approved by the Board of Directors at a public meeting prior to incurring any authorized reimbursable costs.
- D) The District Manager or designee is responsible for making arrangements for Directors for conference and registration expenses, and for per diem. Per Diem, when appropriate, shall include reimbursement of expenses for meals, lodging, and travel. All expenses for which reimbursement is requested by Directors, or which are billed to the District by Directors, shall be submitted to the District Manager, together with validated receipts.
- E) To conserve District resources and keep Directors' reimbursement expenses for training, educational programs, conferences and meetings within community standards for public officials, reimbursement expenditures should adhere to the following guidelines. Expenses to the District for Board of Directors' training, education programs, conferences and meetings should be kept to a minimum by:
 - 1. Utilizing hotel(s) recommended by the event sponsor in order to obtain discounted rates.
 - 2. Traveling together whenever feasible and economically beneficial.
 - 3. Requesting reservations sufficiently in advance, when possible, to obtain discounted air fares and hotel rates.
- F) A Director shall not attend a conference or training event for which there is an expense to the District if it occurs after the Director has announced a pending resignation, or if it occurs after an election in which it has been determined that a Director will not retain a seat on the Board. A Director shall not attend a conference or training event when it is apparent that there is no significant benefit to the District.
- G) Whenever a Director who has not previously attended a particular conference or educational program is available to attend same, that Director shall have preference for attendance over a Director who has previously attended the same program.

- H) Upon returning from seminars, workshops, conferences, etc., where expenses are reimbursed by the District, Directors will either prepare a written report for distribution to the Board, or make a verbal report during the next regular meeting of the Board. The report shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) may be delivered to the District office to be included in the District library for the future use of other Directors and staff.
- I) Nothing in this policy shall permit the conduct of business in violation of the Ralph M. Brown Act when more than three (3) Directors attend the same event.

17. EXPENDITURE REIMBURSEMENT

The purpose of this policy is to prescribe the manner in which members of the San Lorenzo Valley Water District Board of Directors may be reimbursed for expenditures related to approved District business. The District shall adhere to California Government Code sections 53232 through 53232.4 or as amended when dealing with issues of expenditure reimbursements for Directors. This policy shall apply to all members of the Board of Directors, and is intended to result in no personal gain or loss to a Director.

Directors may be reimbursed for out-of-pocket expenditure(s) relative to reasonable and necessary costs associated with appropriate District business. The Board of Directors must provide approval for said District business at a public meeting prior to incurring any authorized reimbursement costs.

Directors are eligible to receive reimbursements for travel, meals, lodging, and other reasonable and necessary expenses associated with approved District business. Reimbursement rates shall coincide with guidelines established herein, or rates set by Internal Revenue Service Publication 1542 or its successor publication(s), whichever are greater.

If lodging is in connection with a prior approved event, such lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor. If the published group rate is unavailable, Directors shall be reimbursed for comparable lodging at government or IRS rates.

If travel is in connection with a prior approved event, the most economical mode and class of transportation reasonably consistent with scheduling needs must be used, using the most direct and time-efficient route. Directors shall use government or group rates offered by the event provider of transportation when available. If the group rate is unavailable, Directors shall be reimbursed for comparable travel at government or IRS rates.

Directors shall submit their requests for reimbursement on a form approved by the District Manager. The reimbursement form shall include an explanation of the District-related

purpose for the expenditure(s). Receipts documenting all expenditure are required to be submitted in conjunction with the expense report form. Failure to submit necessary receipts will result in denial of the reimbursement claim. Expense reports shall be submitted within a reasonable time, and at no time more than fourteen (14) calendar days after incurring the expense. The District Manager will review and approve reimbursement requests.

Any and all expenses that do not fall within the adopted travel reimbursement policy or the IRS reimbursable rates are required to be approved by the Board of Directors in a public meeting prior to the expense(s) being incurred. Expenses that do not adhere to the adopted travel reimbursement policy or the IRS reimbursable rates, and that do not receive prior approval from the Board of Directors in a public meeting prior to the expense being incurred, shall not be eligible for reimbursement.

State law provides criminal penalties for misuse of public resources, which includes falsification of expense reports. Penalties include fines, imprisonment, and restitution.

18. PERSONNEL POLICIES

A) PERSONNEL SYSTEM RULES AND REGULATIONS

San Lorenzo Valley Water District is committed to the provision of an orderly, equitable and uniform personnel system. The Board of Directors by resolution shall establish written rules and regulations for the administration of the personnel system. Personnel system rules and regulations shall be reviewed at the second (2nd) Board of Directors meeting in December of each calendar year or as soon thereafter as reasonable.

B) SEXUAL HARASSMENT

The San Lorenzo Valley Water District is committed to creating and maintaining a work environment free of objectionable and disrespectful conduct and/or communication of a sexual nature and prohibits sexual harassment by all employees and the Board of Directors. The Board of Directors by resolution shall establish a written policy and procedure manual relative to sexual harassment. The District's sexual harassment policy shall be reviewed at the second (2nd) Board of Directors meeting in December of each calendar year or as soon thereafter as reasonable.

Conduct which creates an intimidating, hostile or offensive work environment will not be tolerated. Verbal behavior, physical behavior, gestures and other non-verbal behavior which create said environment will not be tolerated. Any employee or member of the public who feel that they have been or are being harassed by a Director is strongly encouraged to immediately report such incident to the District Manager without fear of reprisal regardless of the outcome of the complaint. The District Manager shall assign the investigation of the alleged misconduct to an outside party such as an attorney or law firm experienced in such matters. The District Manager shall notify the President of the Board of Directors of said alleged misconduct. Thereafter, the President, at the next meeting of the Board of Directors,

shall report the facts and nature of the allegations to the entire Board of Directors.

If the Director charged with sexual harassment is the President of the Board of Directors, the District Manager shall report the fact and nature of the allegation(s) to the entire Board of Directors at its next meeting.

If an allegation of sexual harassment against a Director is investigated and found to be supported, the Board of Directors reserves the right to take such remedial action as is appropriate under all of the circumstances, including, if warranted, initiating an action for recall of such Director. The Directors agree that an accusation of sexual harassment against any one of them must be investigated. It is further agreed that such an investigation is not an invasion of their right of privacy.

C) NONDISCRIMINATION

The District shall not unlawfully discriminate against qualified employees or job applicants on the basis of age, sex, race, color, creed, religion, national origin, ancestry, marital status, sexual orientation, physical or mental disability, veteran status, or status with regard to public assistance. Equal opportunity shall be provided to all qualified employees and applicants in every aspect of personnel policy and practice.

All employees are expected to carry out the responsibilities in a manner that is free from discriminatory statements or conduct.

D) REASONABLE ACCOMMODATION-AMERICANS WITH DISABILITIES ACT

Pursuant to the Americans with Disabilities Act, employers have a duty to reasonably accommodate employees and job applicants with known disabilities. This accommodation is not required for individuals who are not otherwise qualified for the job nor is accommodation generally required until the person with the disability requests it. The following optional regulation includes procedures recommended by the Equal Employment Opportunity Commission for use when determining what accommodation to make.

Requests for reasonable accommodation may first be considered informally by the site administrator. If an accommodation cannot be made at the site because it would impose undue hardship or because of a lack of funds, the site administrator shall ask that the request be submitted in writing to the General Manager. The site administrator shall provide the employee or applicant with any assistance he/she may need in order to submit this request.

The duty to reasonably accommodate an individual with a disability is limited to those accommodations which do not impose an undue hardship upon the district. Undue hardship is determined on a case-by case basis and includes any action that is unduly costly, extensive, substantial, disruptive, or that fundamentally alters the nature or operation of the agency. The burden of proving undue hardship rests with the agency, and what may be an undue hardship for one agency may not be an undue hardship for another, depending on factors such as cost and agency size. Even if cost does pose an undue hardship, the disabled person should have the opportunity to pay for the portion of the cost that constitutes an undue hardship, or

to personally provide the accommodation.

19. CONFLICT OF INTEREST CODE

Pursuant to provision of California Government Code section 81,000 et seq., commonly known as the Political Reform Act, the District shall adopt and maintain a Conflict of Interest Code. The Conflict of Interest Code and, any amendments thereto shall be adopted by resolution of the Board of Directors. The Board of Directors shall review the adopted Conflict of Interest Code on a bi-annual basis. At a regularly scheduled Board of Directors meeting in September of each even-numbered year, the Board of Directors shall review its Conflict of Interest Code and, if amendments are needed, shall submit said amendments to the Santa Cruz County Board of Supervisors in accordance with applicable deadlines. If no amendments are needed, the Board of Directors shall submit a written statement saying that its Conflict of Interest Code is still accurate.

20. RESIGNATIONS

Resignations by Directors shall be in writing, state the effective date and be submitted to the President of the Board of Directors and District Secretary. In the event the President of the Board of Directors resigns, the resignation shall be submitted to the Vice-President of the Board of Directors and the District Secretary.

21. VACANCIES

Directors are expected to carry out their responsibilities to the best of their abilities. In order to accomplish this goal, Directors should be present for scheduled meeting or events whenever possible. In accordance with California Government Code section 1770 a Director position vacancy will occur whenever "he or she ceases to discharge the duties of his or her office for the period of three consecutive months, except when prevented by sickness", or when absent from the Board of Directors without the permission of the majority of the Board of Directors.

If such vacancy occurs, the Board of Directors will take action in accordance with California Government Code section 1770.

In order to accomplish this in an orderly and consistent manner, when a vacancy of an elected Director occurs, the District Board of Directors, after discussion and consideration, shall when deemed appropriate, instruct staff to:

- A) Place a public notice advising that a vacancy has occurred in accordance with applicable provisions of law; and

- B) Said notice shall advise prospective candidates of the steps to take to apply for appointment; and
- C) The District's Board of Directors shall establish the closing date for the receipt of applications; and
- D) Applicants shall submit the following, by the date specified in the notice:
 - a) a letter of interest, and
 - b) a resume, with particular emphasis on the applicant's knowledge of special districts, and
- E) Applicant(s) shall be interviewed at the next regularly scheduled meeting of the District's Board of Directors following the date of closure for applications; and
- F) The District's Board of Directors shall make the appointment without undue delay, but need not act at the same meeting.

22. INCONSISTENT, INCOMPATIBLE AND CONFLICTING EMPLOYMENT OR ACTIVITIES

Pursuant to the provision of the California Government Code section 1126, the Board of Directors of the San Lorenzo Valley Water District has determined that it would be inconsistent and incompatible for a Board member to be a paid employee of the District. Therefore, based on this decision, a member of the Board of Directors shall not be a paid District employee.

23. DIRECTORS' LEGAL LIABILITIES

The District shall defend and indemnify Directors from any claim, liability or demand that arises out of a Director's performance of his or her duties or responsibilities as a Director or Officer of the District.

24. INVESTMENT POLICY

San Lorenzo Valley Water District is committed to the establishment of formal policies relative to the prudent investment of the District's unexpended cash. The Board of Directors by resolution shall establish written guidelines for the investment of all San Lorenzo Valley Water District funds or funds in the custody of the District, in a manner which conforms to all state and local statutes governing the investment of public funds. Said guidelines shall

provide for an optimal combination of safety, liquidity and yield. The District's Investment Policy and, any amendments thereto, shall be adopted by resolution of the Board of Directors. The Investment Policy shall be reviewed at the second (2nd) Board of Directors meeting in December of each calendar year or as soon thereafter as reasonable.

25. ANNUAL DISCLOSURE OF REIMBURSEMENTS

The District shall annually disclose any reimbursements paid by the San Lorenzo Valley Water District of at least one hundred dollars (\$100.00) for each individual charge for services or products received. The Board of Directors shall review said reimbursement information for the preceding fiscal year (July 1 - June 30) at a regularly scheduled Board of Directors meeting in September of each calendar year.

26. GENERAL PROVISIONS

Any of the within policies not required by law may be altered, amended, or repealed by a majority of the Board at a duly authorized meeting.

27. ANNUAL REVIEW

This Board of Directors Policy Manual shall be reviewed annually by District Counsel and ratified by Resolution of the Board of Directors at the second (2nd) Board of Directors meeting in December of each calendar year or as soon thereafter as reasonable.

*** END ***

M E M O

TO: Board of Directors
FROM: District Manager
SUBJECT: FINANCE DEPARTMENT STATUS REPORT
DATE: December 8, 2016

RECOMMENDATION:

It is recommended that the Board of Directors review and file the Finance Department Status Report.

BACKGROUND:

FISCAL YEAR END

The auditors are still working diligently on getting all the audits wrapped up in time. We expect to have the reports and related Board meetings in January to go over the results. We have been granted an extension until January 31st to complete the CAFR documents. I am still in hopes we can submit for the award with our fiscal year 2015/16 audit.

CALENDAR YEAR END

With the calendar year end we will have a lot processes going on for completing 1099 and W-2's. As well as any new year changes to employees payroll for MOU, health plan changes etc. The pressure of all these events is heightened this year due to the timing of the audit and calendar year end coinciding.

BUDGET

As the new year is coming up quickly, we are starting to prepare for the FY2017/18 budget. We continue to learn and develop the tools in Springbrook and hope to have a much more smooth budget this year, which will include additional support than in prior years.

RATE STUDY

From the last Budget & Finance Committee meeting, it was discussed to potentially extend the Rate Study to NBS. I feel NBS would be able to save valuable time and money in the Rate Study process given the extensive time they have spent on the Cost of Service Study. It is imperative to the financial health of our District that a new rate study be done as soon as possible to ensure adequate rates are in place. The Cost of Service Study provides a full scope of District needs and the District has gone through so many changes since the last rate study that a new one is imperative.

CUSTOMER SERVICE DEPT SUMMARY

Monthly Stats:	Nov	Oct*	Sept	Aug	July	June	May	April	March	Feb	Jan
Cut In/Outs	87	102	87	125	116	123	116	91	84	64	67
Final Bills	59	44	54	70	62	74	56	36	60	29	30
Tags	205	111	306	362	245	341	310	267	388	372	360
Turn-offs	40	23	47	74	46	53	53	52	81	73	67

Online / Going Green*As of 11/9/2016*

Online Sign-ups	2,826	2,772	2,712	2,640	2,585	2,452	2,322	2,277	2,235	2,181	2,125
E-Bills	808	783	762	740	721	691	637	626	612	591	551
Auto Pay	1,924	1,900	1,852	1,786	1,755	1,718	1,658	1,636	1,611	1,596	1,552

*Only one billing cycle was tagged/turned off this month due to timing issues

MEMO

TO: District Manager
FROM: Director of Operations
SUBJECT: OPERATIONS DEPARTMENT PROJECT STATUS
REPORT NOVEMBER 2016
DATE: December 08, 2016

RECOMMENDATION:

It is recommended that the District Manager review and file the Operations Department Project Status Report for the month of November 2016.

BACKGROUND:

ADJUSTMENTS TO THE WASTE WATER SYSTEM AND SAMPLING

The District continues to work with consultant Infrastructure Engineering Corporation (IEC) on the waste water system at Bear Creek Estates. Changes in sampling and operation of the system have been implemented and are being monitored and tested. The District will continue to make changes and sample the system with consulting from IEC.

LOMPICO BOOSTER PUMP INSTALLATION

Staff installed the second booster pump at the Lompico Booster. At time of consolidation there was only one pump installed. The second pump is for redundancy should the first pump fail. All water going to Lompico is pump through this station and a second pump is critical should the first pump fail.

FIREHOUSE BOOSTER

During the reporting period Pump 1 packing bearing failed flooding the underground pump station. Water damaged the majority of the electrical equipment including SCADA equipment. The pump has been removed and sent out for repairs. Pump 2 is operational however there are no SCADA or automatic controls. Relocation of all electrical outside of the underground station is being considered to avoid flooding issues.

BEAR CREEK WASTEWATER OVERFLOW

During the reporting period a wastewater effluent overflow was experienced at the Bear Creek Estates Wastewater Facility. As a result of an effluent pump failure approximately 25 gallons of effluent overflow from the manhole of Tank No. 1. Considered a Category 3 spill as no effluent left the site or entered a waterway. A pumper truck was called to lower the level of the tank and the pump was replaced.

SCADA COMMUNICATIONS

Communications issues are being experienced with the District's SCADA system. Loss of communications and intermittent alarms sometimes up to several hundred over a short period of time are being experienced. AT&T is trouble shooting the SCADA Bridge and Staff is investigation possible hardware and software issues. At this time the focus is on the AT&T Bridge as this technology is outdated and not supported by AT&T. Staff is looking to change the existing Legacy 1200 baud modem to IP based communication.

Rick Rogers
Director of Operations

SAN LORENZO VALLEY WATER DISTRICT PRODUCTION COMPARRISON

Source	November-16	October-16	November-13	Difference This Year To 2013
North System				
Surface Water Sources				
Foreman Creek	16,872,610	4,211,098	1,370,000	
Peavine Creek + Hydro	2,963,550	1,624,032	1,729,000	
Clear Creek	830,904	4,436,922	2,850,600	
Sweetwater Creek	553,936	2,957,948	1,900,400	
Sub-Total (Streams)	21,221,000	13,230,000	7,850,000	170.33%
Wells (North)				
Olympia No. 2	51,000	9,978,000	7,905,000	
Olympia No. 3	24,000	843,000	5,559,000	
Quail Well No. 4-A	5,037,000	4,978,000	9,156,000	
Quail Well No. 5-A	3,237,100	3,153,800	5,727,000	
Sub Total North Wells	8,349,100	18,952,800	28,347,000	-70.55%
South System Wells				
Pasatiempo 5A	7,074,958	8,409,742	N/A	
Pasatiempo 6	-	-	8,724,000	
Pasatiempo 7	-	-	2,344,000	
Sub Total Pasatiempo Wells	7,074,958	8,409,742	11,068,000	-36.08%
North South All Sources Combined	36,645,058	40,592,542	47,265,000	-22.47%
Felton System - Surface Water				
Fall Creek	3,655,423	4,895,714	7,636,860	
Bennett Spring	2,791,046	2,597,670	3,140,800	
Bull 1 & 2	2,982,770	2,757,841	0	
Total Felton System Sources	9,429,239	10,251,225	10,777,660	-12.51%
Manana Woods System				
Well 1	-	-	684,534	
Paso Mana By Pass	528,704	711,398	324,401	
Total Manana Woods Sources	528,704	711,398	1,008,935	
Sub - Total Production				
North / Felton / Manana	46,603,001	51,555,165	59,051,595	-21.08%
Less South /Manana Inter-Tie	528,704	711,398	324,401	
Total Production	46,074,297	50,843,767	58,727,194	-21.55%
Surface	30,650,239	23,481,225	18,627,660	64.54%
Wells	15,424,058	27,362,542	40,099,534	-61.54%
Total Surface Water Percentage	66.52	46.18	31.72	109.73%
Total Wells Percentage	33.48	53.82	68.28	-50.97%

**SAN LORENZO VALLEY WATER DISTRICT
PRODUCTION BY SYSTEM
+/- INTERTIES
November 2016**

North System All Sources	<u>36,645,058</u>
Interties IN +	<u>745,184</u>
Interties OUT -	<u>2,248,339</u>
TOTAL NORHT SYSTEM	<u>35,141,903</u>
Felton Water system All Sources	<u>9,429,239</u>
Interties IN +	<u>12,726</u>
Interties OUT -	<u>1,324</u>
TOTAL FELTON SYSTEM	<u>9,440,641</u>
Manana Woods System	
Manana Woods Well 1	<u>0</u>
Interties IN +	<u>528,704</u>
TOTAL MANANA WOODS	<u>528,704</u>

**SAN LORENZO VALLEY WATER DISTRICT
INTERTIE USAGE
November 2016**

INTERTIE 2

SLVWD to SVWD 0

SVWD to SLVWD 0

INTERTIE 3

SLV SOUTH to SLV NORTH 743,860

SLV NORTH to SLV SOUTH 2,832

INTERTIE 4

SLVWD to MHWD 0

MHWD to SLVWD 0

INTERTIE 6

SLV NORTH to SLV FELTON 12,726

SLV FELTON to SLV NORTH 1,324

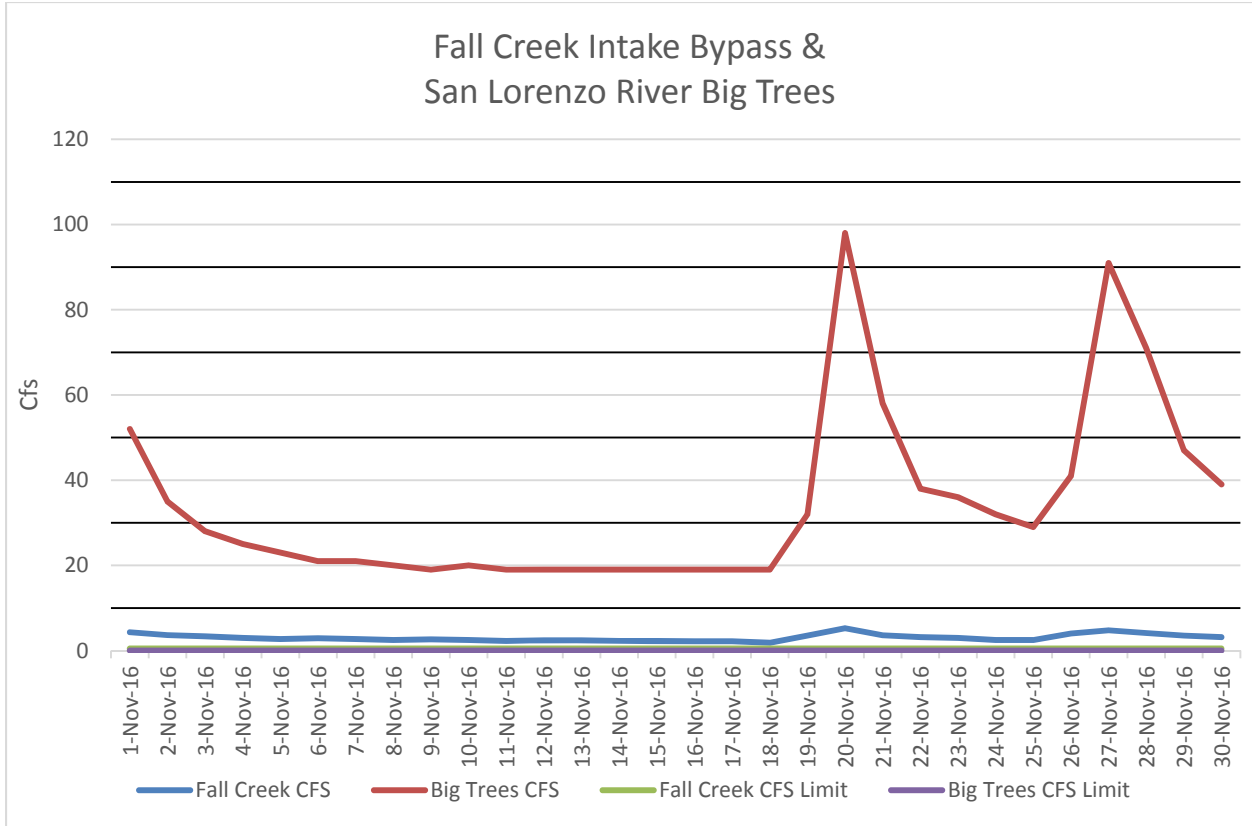
LOMPICO INTERTIE

SLV NORTH to LOMPICO 1,704,077

MANANA WOODS INTERTIE

SLVWD to MANANA WOODS 528,704

Fall Creek Intake November 2016



Normal Rainfall Fall Creek Intake Bypass Requirements

April 1 through October 31 1.0 cubic feet per second

November 1 through March 31 1.5 cubic feet per second

Dry Conditions Fall Creek Intake Bypass Requirements

April 1 through October 31 0.5 cubic feet per second

November 1 through March 31 0.75 cubic feet per second

Number of Days in month 0.50 cfs or below, ZERO days

San Lorenzo River USGS Big Trees Flow Requirements

September 11 cubic feet per second

October 26 cubic feet per second

November 1 through May 31 21 cubic feet per second

June - August No Requirements

Fall Creek Intake November 2016

For the protection of fish and wildlife, during the period: (a) April 1 through October 31 bypass a minimum of 0.5 cfs; (b) November 1 through March 31 bypass a minimum of 1.5 cfs past the Fall Creek point of diversion. The natural streamflow shall be bypassed whenever it is less than 1.5 cfs; provided, however, that during a dry year, the bypass requirement shall be reduced from 1.5 to 0.75 cfs. A dry year is defined on a monthly basis of cumulative runoff beginning October 1 of each season in the San Lorenzo River at the USGS gage at Big Trees. These runoff figures are based on approximately 50 percent of normal runoff as the dividing level between normal and dry year runoff and are as follows:

- November 1 for the month of October 500 af
- December 1 for October-November, inclusive 1,500 af
- January 1 for October-December, inclusive 5,000 af
- February 1 for October-January, inclusive 12,500 af
- March 1 for October-February, inclusive 26,500 af

San Lorenzo Valley Water District
Loch Lomond Water Supply
November 2016

Loch Lomond Water Level



Week ending 12/9/2016

(in feet above mean sea level; lake spills at 577.25 feet)

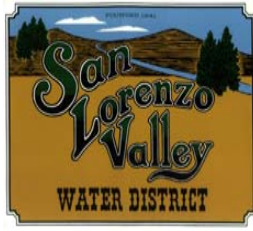
Currently:	569.80ft
Percent of capacity:	85.3%

In 1958 SLVWD sold 2,500 acres of property in the vicinity of the Newell Creek Watershed to the City of Santa Cruz, with the agreement that SLVWD would be entitled to purchase 12 ½ percent of the annual safe yield from a future Newell Creek reservoir, up to a maximum of 500 AF/yr. Based on the 1958 agreement, SLVWD began receiving delivers of Loch Lomond water from the City in 1963. In 1965 the District constructed the Glen Arbor Water treatment plant for treating Loch Lomond water. Toward the end of the 1976-77 drought, the City stipulated that the District was not entitled to an allocation of 500 AF/yr, merely 12.5% of the safe yield. This decision based on a reduction to the estimated annual safe yield from the Newell Creek Reservoir, reduced the Districts contractual allocation. On June 7, 1977, the District filed a Complaint for Declaratory Relief, which requested the court to make a judicial determination of the respective parties' duties and rights. In June 1980 a court order fixed the estimated safe yield from Newell Creek Reservoir at reduced quantity, which resulted in a reduction to the Districts contractual allocation to 313 AF/yr.

Production Loch Lomond to SLVWD

Date	Total Used	Total Available
1976 July to June 1977	353 AF	
1977 July to June 2015	0	313 AF
2015 July to 02/2016	0	313 AF
2/20/16 to Current	0	313 AF

Last time District used Loch Lomond water was June 1977

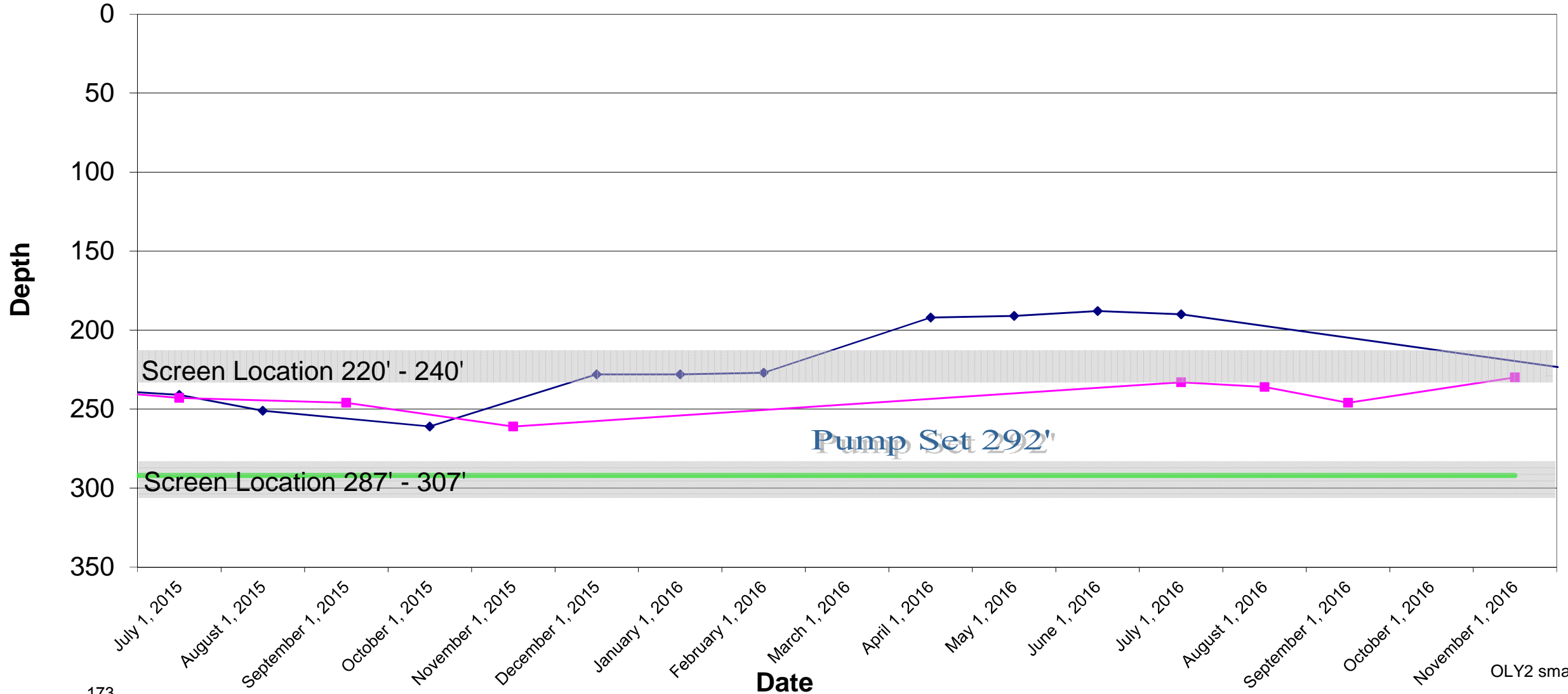


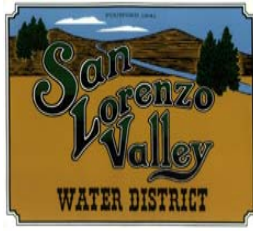
SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Olympia 2

Location: 7701 E. Zayante Rd.
 Elevation: 525'
 Installed: April 28, 1980
 State Well #: 10S/O2W-11P01
 New #: 4410014-010
 Completed Depth: 300'



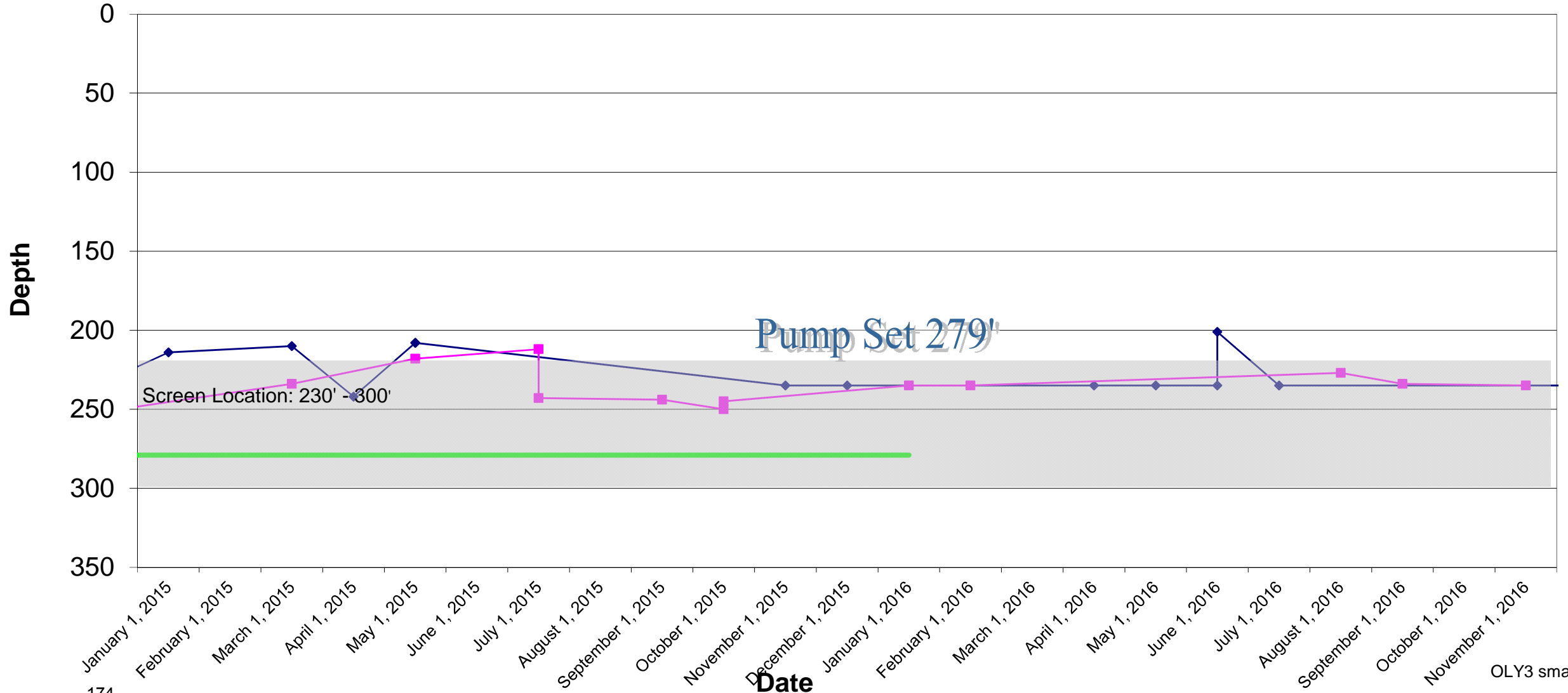


SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Olympia 3

Location: 7701 E. Zayante Rd
 Elevation: 538' Mean Sea Level
 Installed: 8-15-90
 State Well #: 4410014-022
 Completed Depth:



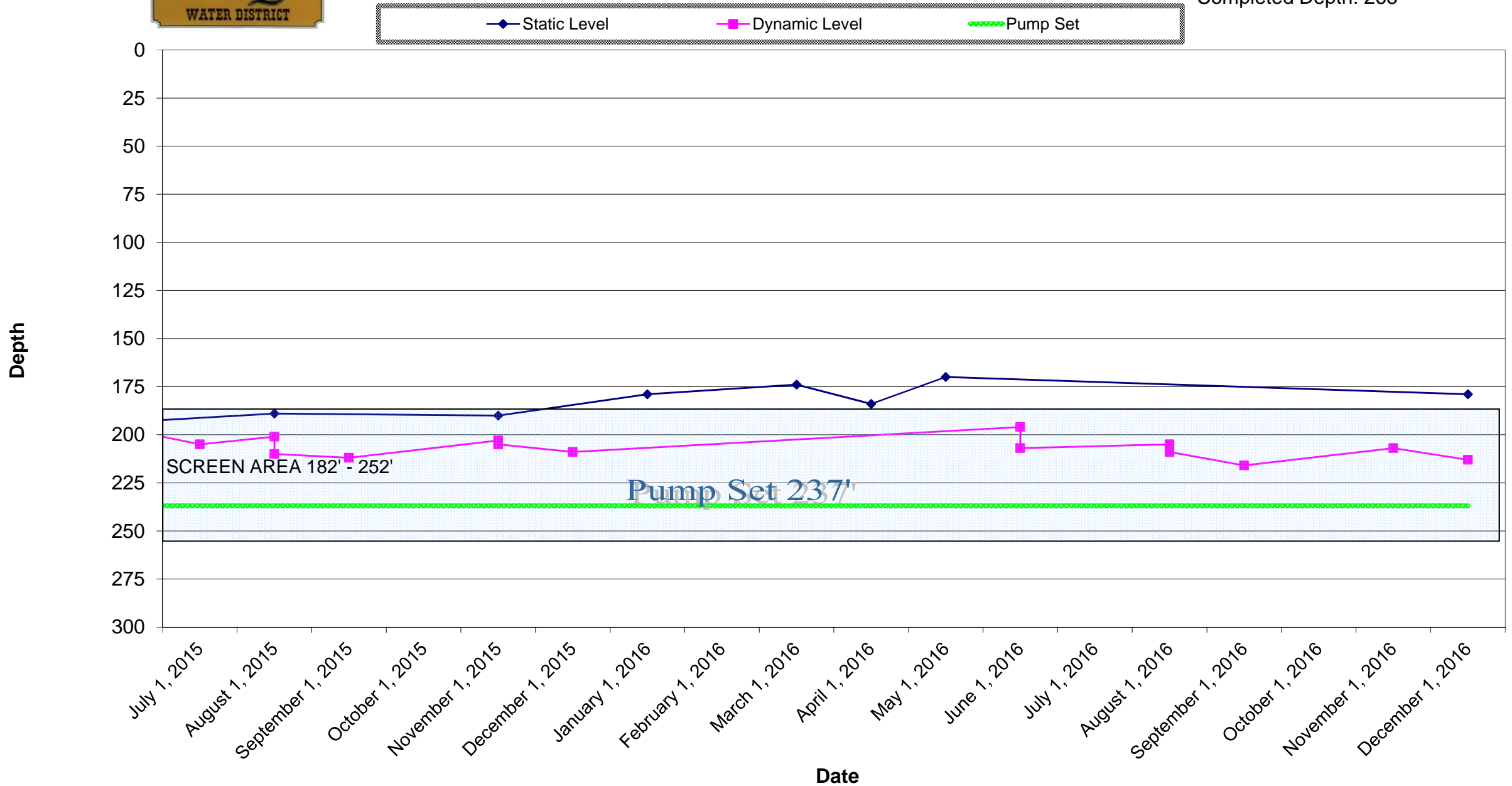


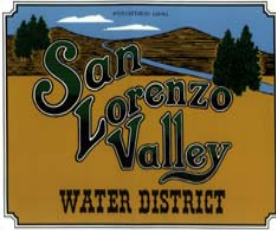
SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Quail Well 4-A

Location: Cumora Ln. Ben Lomond
Elevation: 596.54 ft @ Pad
Installed: 6-07-2001
State Well #: 4410014-026
Completed Depth: 265



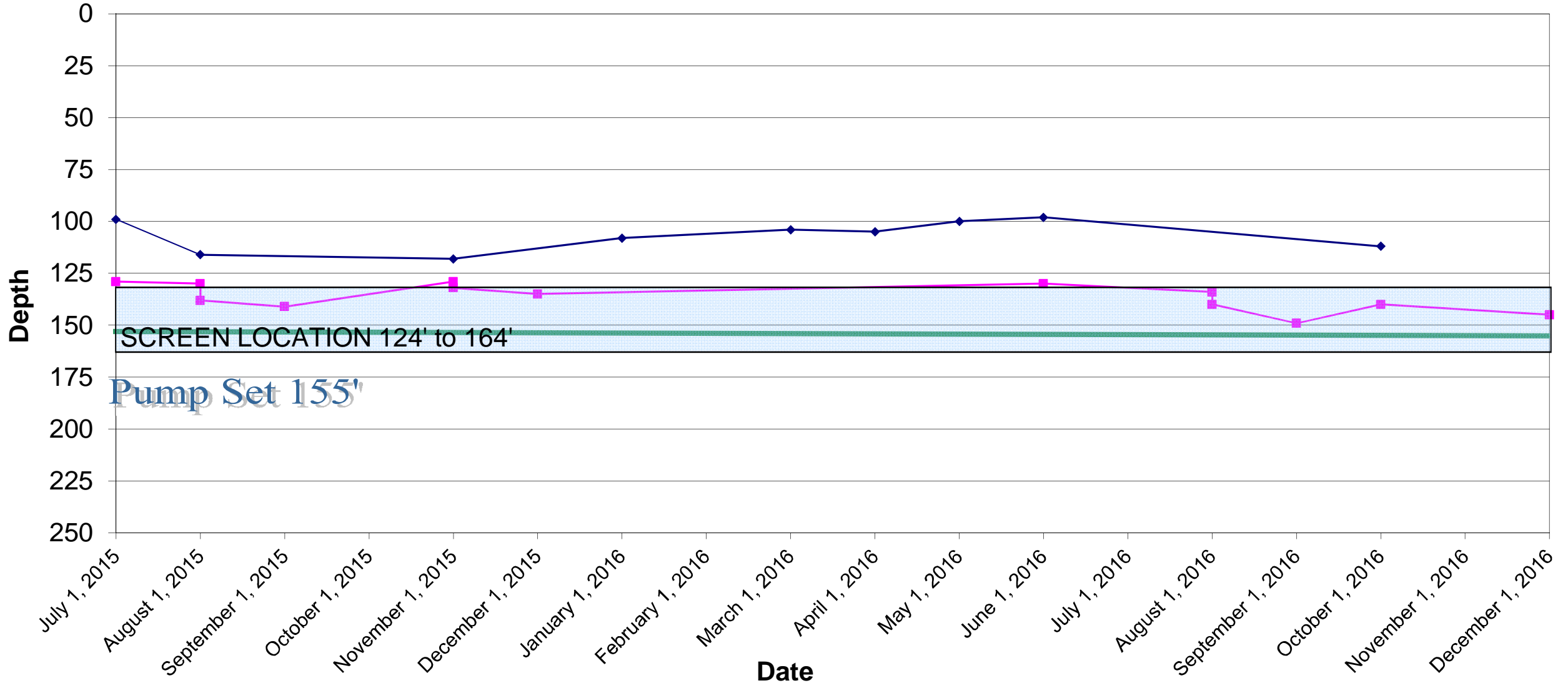


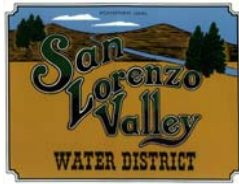
SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Quail Well 5-A

Location: 1161 Quail Hollow Rd.
Ben Lomond
Elevation: 517.65 ft. @ Pad
Installed: March 2000
State Well #: 4410014-025
Completed Depth: 174'



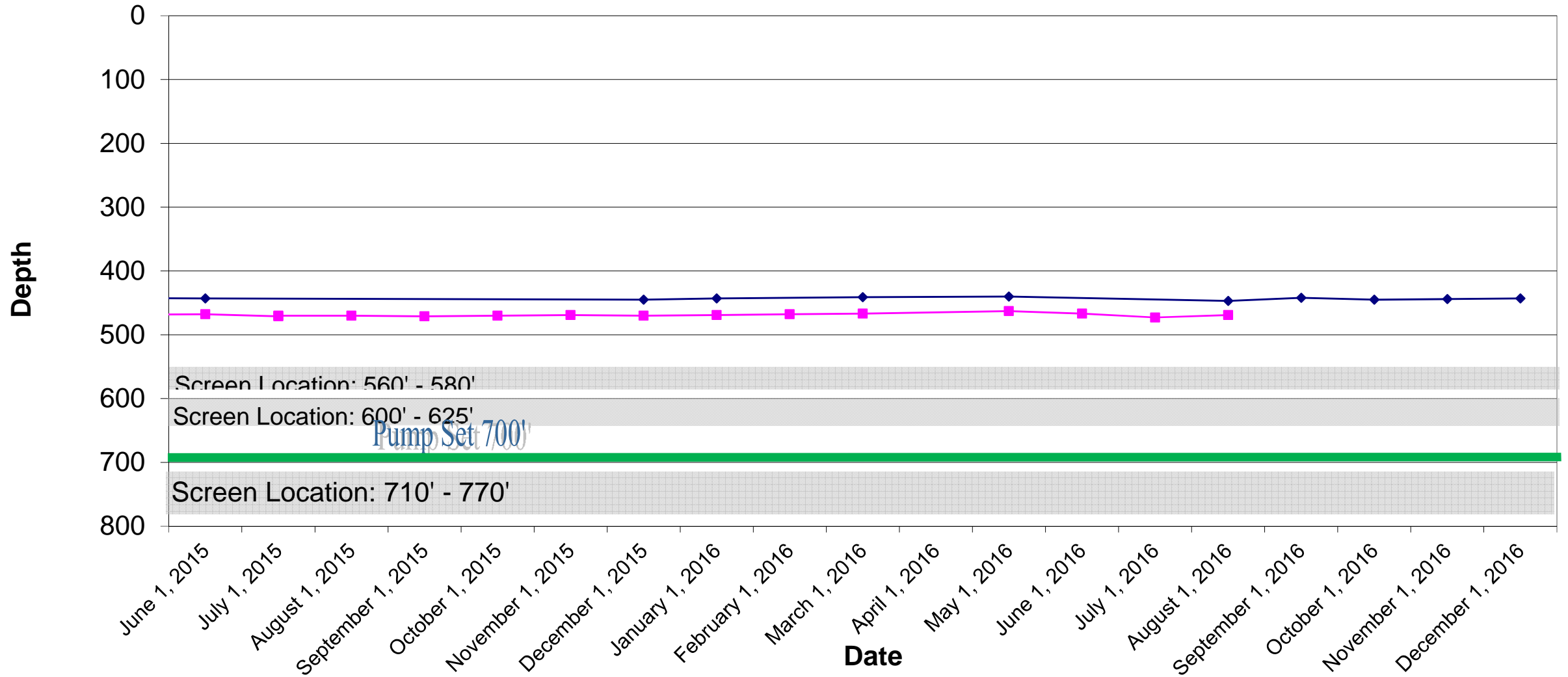
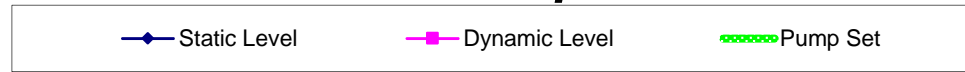


SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Pasatiempo 6

Location: Behind 3650 Graham Hill Rd.
Elevation: 775'
Installed: 5-30-91
State Well #: 4410014-023



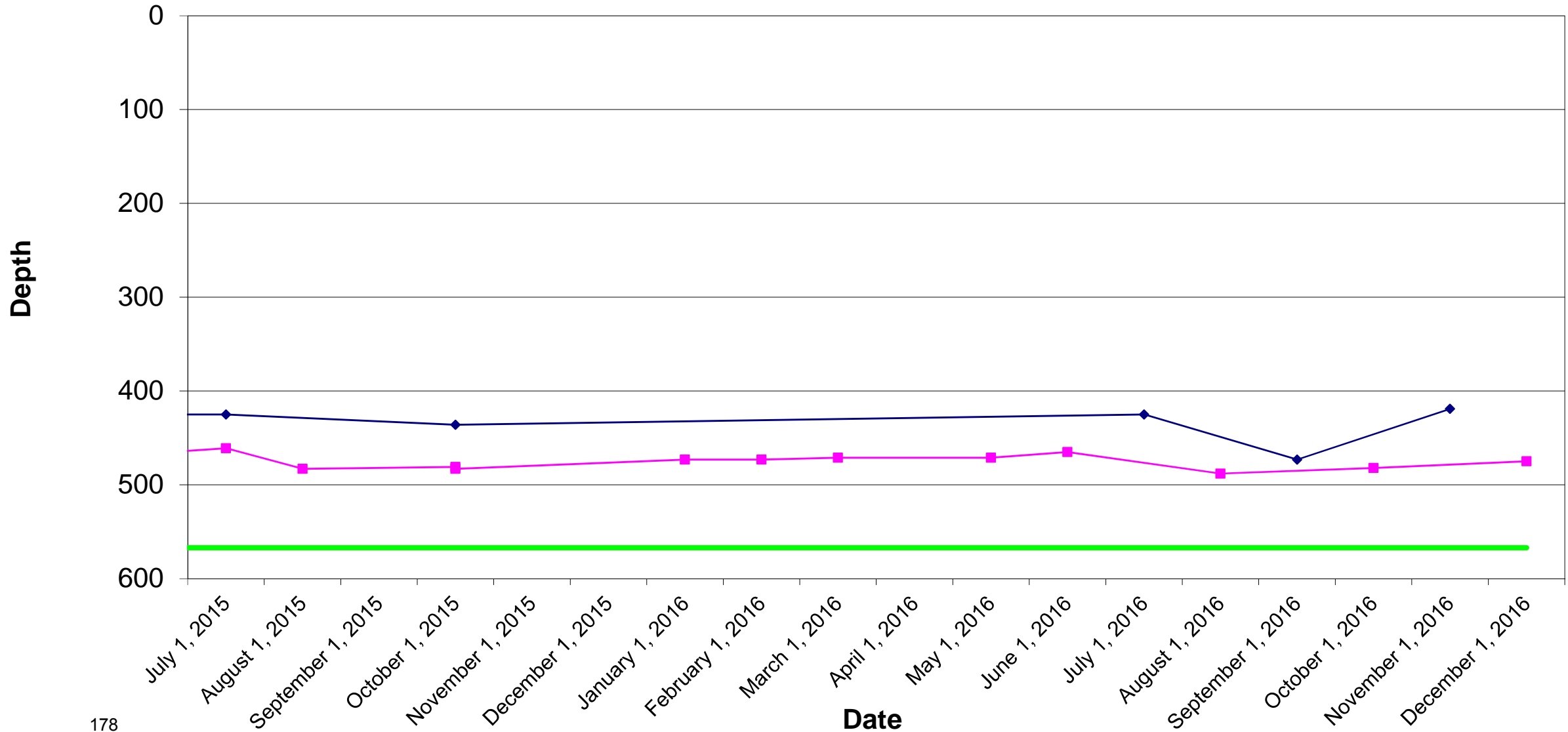
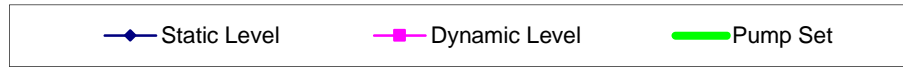


SAN LORENZO VALLEY WATER DISTRICT

Well Drawdown Report

Pasatiempo 5-A

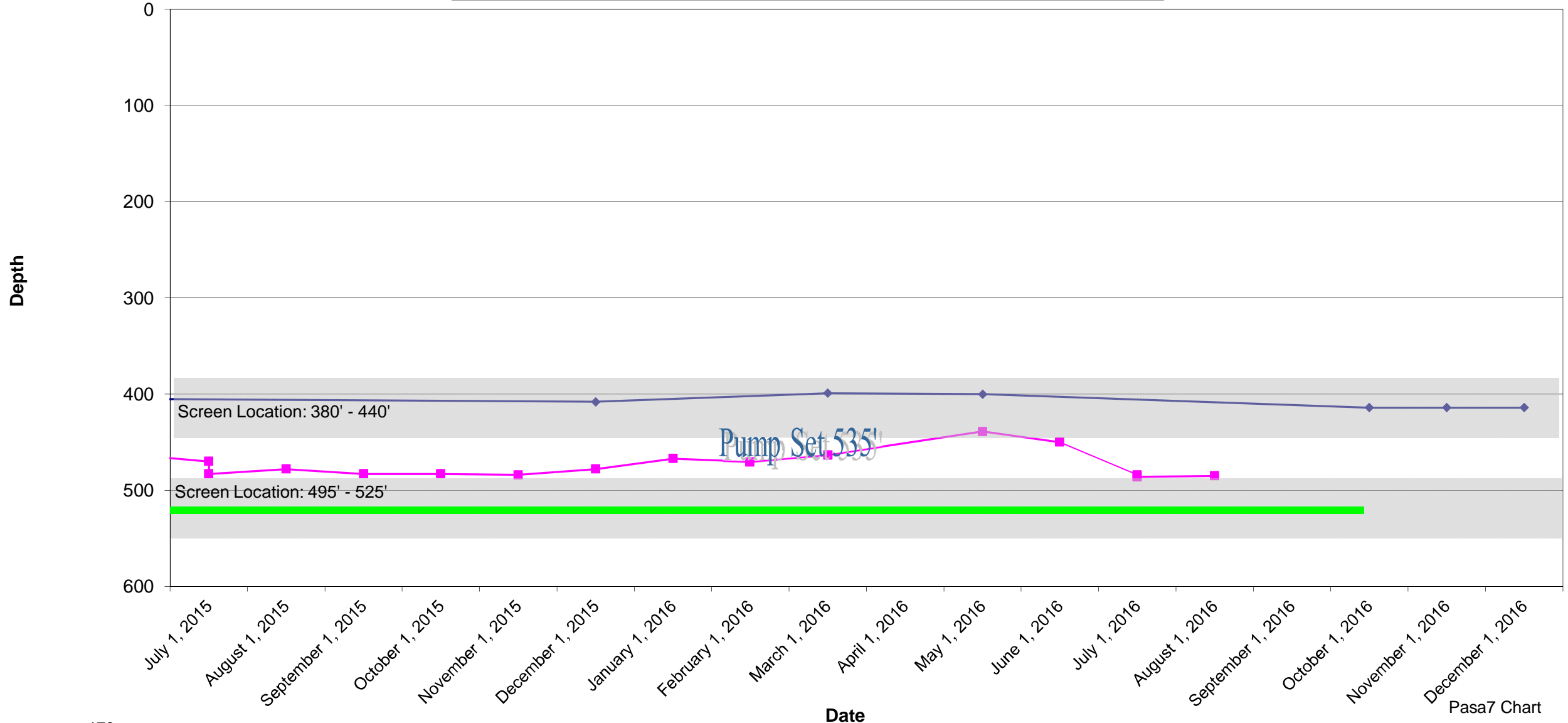
Location: So. Of 3650 Graham Hill Rd
Elevation: 752'
Installed 1-1-14
State Well #:4410014-014
Completed Depth: 710'



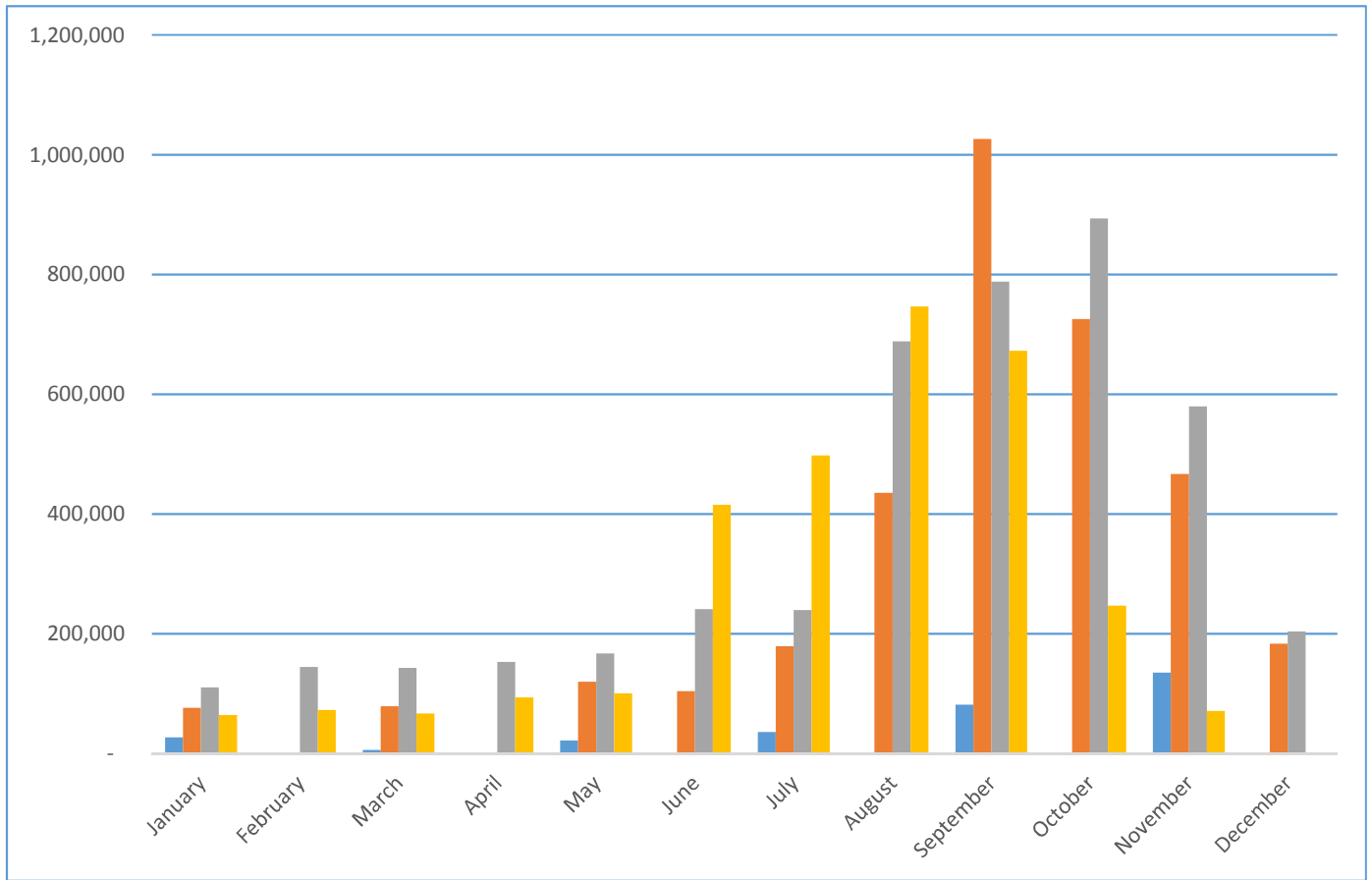


SAN LORENZO VALLEY WATER DISTRICT
Well Drawdown Report
Pasatiempo 7

Location: South of Probation Center
 Elevation: 734' MSL
 Installed: July 21, 1990
 State Well #: 4410014-024
 Completed Depth: 540'



**SAN LORENZO VALLEY WATER DISTRICT
BULK WATER SALES
GALLONS
November 2016**



<u>Month</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
January	26,928	76,296	109,965	63,850
February			144,364	72,556
March	5,984	78,540	142,868	66,572
April			152,592	93,500
May	21,692	119,680	166,804	100,232
June		103,972	240,983	415,140
July	35,904	178,772	239,360	497,420
August		435,336	688,160	746,504
September	81,352	1,026,256	787,644	672,183
October		725,560	893,112	246,840
November	134,640	466,752	579,700	71,060
December		183,260	203,456	
Totals	306,500	3,394,424	4,349,008	3,045,857

SAN LORENZO VALLEY WATER DISTRICT
MONTHLY LEAK REPORT
November 2016

NORTH SYSTEM

Leak Type	Location	Town	Gallons Lost
400 MAIN LEAKING	Above 500 Middleton Drive	Boulder Creek	2,700.00
400 MAIN LEAKING	Corner of West Park	Boulder Creek	2,700.00
400 MAIN LEAKING	335 Vista Terrace	Boulder Creek	5,760.00
400 MAIN LEAKING	612 Blue Ridge Dr.	Boulder Creek	1,200.00

North System Total Gallons 12,360

LOMPICO SYSTEM

400 MAIN LEAKING	LAKE BLVD.	Lompico	3,600
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Lompico System Total Gallons 3,600

FELTON SYSTEM

400 MAIN LEAKING	634 West Drive	Felton	1,440.00
400 MAIN LEAKING	544 Gold Ave	Felton	3,600.00

Felton System Total Gallons 5,040

MANANA WOODS

Manana Woods Total Gallons 0

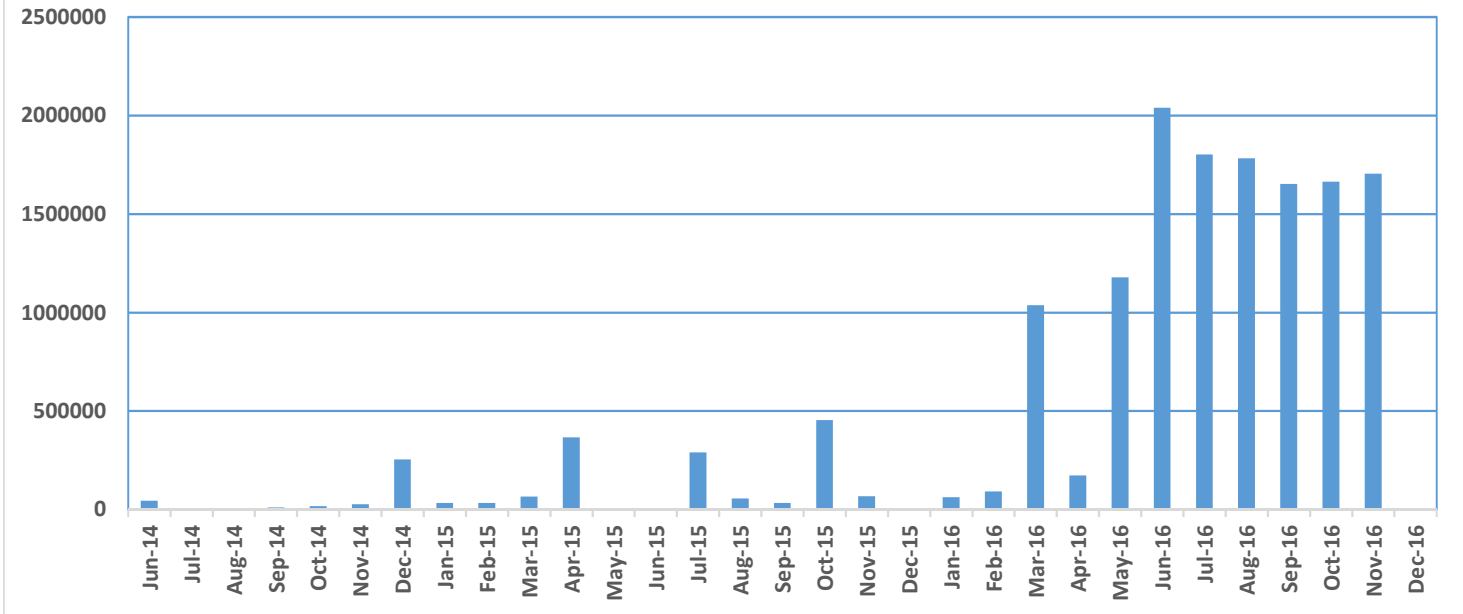
Total All Systems 21,000

SAN LORENZO VALLEY WATER DISTRICT
 Authorized Unmetered Water Use (GALLONS)
 November 2016

<u>North System</u>		Monthly Total
Mainline Flushing		-
Tank Leakage		90,720
Probation	1.0 gpm	43,200
Upper Swim	0.3 gpm	12,960
Blue Ridge	0.4 gpm	17,280
Echo	0.1 gpm	4,320
Highland	0.3 gpm	12,960
Process Water		92,880
Lyon cL2 Analyzer	0.02 gpm	864
Quail 5 cL2 Analyzer	0.11 gpm	4,752
Olympia cL2 Analyzer	1.32 gpm	57,024
Paso cL2 Analyzer	0.7 gpm	30,240
Firefighting		0
Tank Overflow		0
Waste Water		0
Sub Total North		183,600
<u>Felton Water System</u>		
Mainline Flushing		
Tank Leakage		4,320
El Solyo	0.1 gpm	4,320
Process Water		
Kirby WTP cL2 Analyzers	0.8 gpm	34,560
Firefighting		0
Tank Overflow		0
Waste Water		0
Sub Total Felton		38,880
<u>Manana Woods Water System</u>		
Mainline Flushing		-
Tank Leakage		
Process Water		
Firefighting		
Tank Overflow		
Waste Water		
Sub Total Manana Woods		0
<u>Lompico Water System</u>		
Kaski Tank	0.1 gpm	4,320
Lewis Tank	0.3 gpm	12,960
Sub Total Lompico		17,280
Total All Systems		239,760

**SAN LORENZO VALLEY WATER DISTRICT
LOMPICO INTERTIE
November 2016**

Booster Usage in Gallons

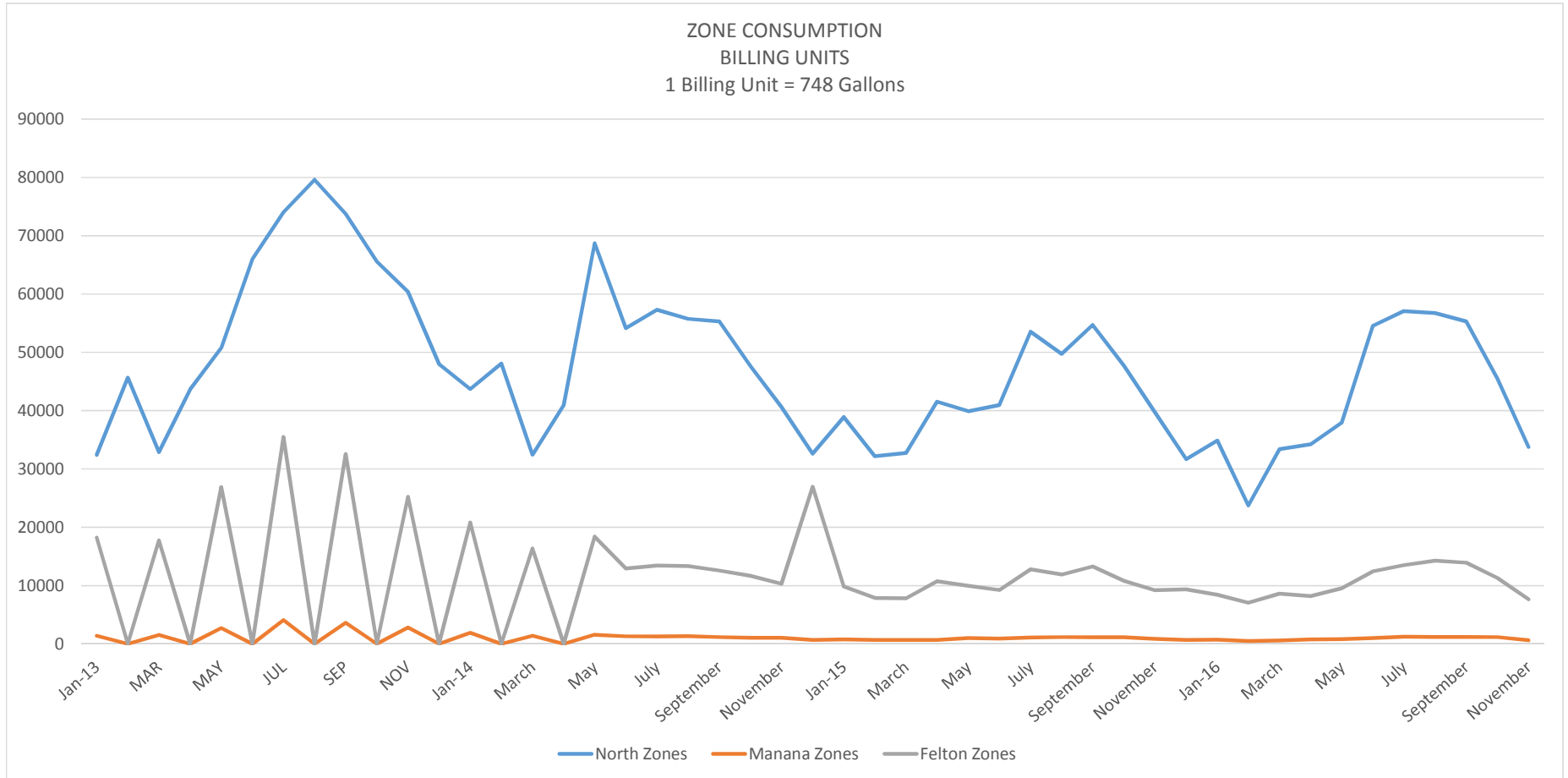


Month / Year	2014	2015	2016
January		32,164	62,641
February		32,912	91,503
March		65,076	1,036,730
April		365,540	172,572
May		3,740	1,177,674
June	44,800	3,740	2,039,326
July		288,728	1,801,916
August	5,984	55,934	1,782,037
September	9,724	32,252	1,651,532
October	17,204	454,036	1,662,843
November	26,180	66,572	1,704,077
December	254,320	0	
Totals	358,212	1,400,694	13,182,850

SAN LORENZO VALLEY WATER DISTRICT

Consumption by Zone

November 2016



SAN LORENZO VALLEY WATER DISTRICT
CONSUMPTION BY ZONE

Zones	Jan-13	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1	0	742	0	684	0	1053	0	1315	0	1267	2	1204
2	0	174	0	199	0	486	0	631	0	519	0	458
3	0	436	0	399	0	653	0	814	0	850	5	676
4	1	14856	0	13189	16	20742	5	25687	18	20923	8	15756
5	0	2782	0	2430	3	4121	1	4676	5	3612	0	2820
6	0	100	0	90	0	105	0	157	0	104	0	82
7	0	118	0	147	0	315	0	333	0	297	0	266
8	52	9308	19	9210	60	13143	52	15349	107	12132	123	9060
9	0	622	0	701	0	1182	0	1671	0	1289	0	907
10	0	231	0	66	0	122	0	278	0	188	0	152
11	0	1144	2	1180	9	1869	0	2131	0	2353	6	1613
12	0	18	0	20	0	48	0	47	0	42	0	39
13	0	694	0	668	14	1198	0	1420	2	1117	0	828
14	0	1024	0	981	0	1837	0	2144	0	1648	5	1251
15	0	13	0	33	0	58	0	74	0	54	0	37
16	12023	9045	12059	9786	16486	13371	25131	16108	27729	13526	20690	7555
17	0	592	0	569	0	736	0	891	2	707	10	674
18	8	1752	0	1457	0	2087	1	2386	0	2001	1	1907
19	2	608	0	538	1	815	5	869	1	842	0	796
20	1203	12	1359	9	2262	12	3325	44	2985	12	2900	11
21	5759	0	5447	3	8307	0	12741	7	12050	2	9618	0
22	12014	0	12416	0	20676	11	28212	29	26767	24	23624	0
23	1340	0	1567	0	2932	0	4511	30	4056	9	3360	0
24	26	1408	26	1284	55	2060	36	2521	40	2062	29	1902
North Totals	32428	45679	32895	43643	50821	66024	74020	79612	73762	65580	60381	47994
25	1053	0	1118	0	1773	0	3000	0	2760	0	2136	0
26	302	0	332	0	855	0	937	0	725	0	561	0
27	55	0	65	0	80	0	136	0	121	0	105	0
Manana Totals	1410	0	1515	0	2708	0	4073	0	3606	0	2802	0
28	675	0	632	0	970	0	1308	0	935	0	827	0
29	185	0	177	0	436	0	699	0	637	0	464	0
30	514	0	580	0	691	0	991	8	1000	0	765	0
31	13634	0	13424	0	20483	14	27588	10	25615	12	19096	0
32	239	0	258	0	321	0	307	0	293	0	324	0
33	2978	0	2663	1	3984	0	4604	-54	4080	58	3777	0
Felton Totals	18225	0	17734	1	26885	14	35497	-36	32560	70	25253	0

SAN LORENZO VALLEY WATER DISTRICT
CONSUMPTION BY ZONE

Zones	Jan-14	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
1	0	911	0	686	616	548	514	562	492	457	411	300
2	0	397	0	279	228	197	190	214	217	149	167	92
3	0	577	0	422	373	284	311	389	266	310	235	163
4	17	14471	5	12306	10732	9023	9868	9573	8845	8286	6338	5540
5	5	2647	-22	2116	1829	1600	1654	1652	1407	1291	1184	854
6	2	104	0	89	71	52	53	51	44	42	45	41
7	0	215	81	134	133	94	106	101	107	89	61	41
8	238	9707	0	8387	5879	5312	6271	5501	6341	5593	4051	3837
9	0	900	0	631	457	496	425	515	419	426	380	221
10	0	106	4	105	101	102	88	94	139	68	51	33
11	0	1533	0	1109	789	716	700	644	725	542	545	379
12	0	22	0	25	29	18	17	20	40	18	19	6
13	2	887	0	721	648	484	561	515	457	472	327	261
14	0	1258	0	902	756	702	761	704	653	691	466	354
15	0	33	11804	30	26	30	32	18	19	19	12	8
16	15851	9694	0	9163	18029	14392	14747	15650	14297	11712	10482	7978
17	0	578	0	490	306	263	302	273	309	260	222	325
18	7	1747	0	1481	1578	947	957	868	1034	799	823	533
19	1	762	0	544	417	317	351	320	363	301	321	194
20	1973	11	1334	15	1487	1060	1203	987	964	971	778	593
21	7125	25	5372	0	6284	4518	4780	4705	4212	3912	3450	3327
22	16003	11	12196	2	14711	10524	10920	10121	11515	9124	8293	6193
23	2451	0	1634	0	1960	1562	1315	1264	1472	1215	1045	730
24	33	1474	31	1286	1260	920	1172	990	969	894	927	604
North Totals	43708	48070	32439	40923	68699	54161	57298	55731	55306	47641	40633	32607
25	1435	0	1049	0	1172	1008	973	1025	909	830	777	514
26	404	0	300	0	348	250	245	286	237	210	206	133
27	49	0	40	0	47	21	23	22	22	19	31	12
Manana Totals	1888	0	1389	0	1567	1279	1241	1333	1168	1059	1014	659
28	730	0	541	0	602	412	375	466	345	355	326	229
29	311	0	182	0	317	248	286	257	248	247	173	138
30	640	0	457	0	526	355	414	319	300	333	246	183
31	15707	3	12246	1	13736	9945	10294	10341	9717	8968	7894	25290
32	289	0	345	0	426	260	266	243	276	229	241	155
33	3134	0	2584	0	2782	1690	1802	1700	1683	1555	1424	966
Felton Totals	20811	3	16355	1	18389	12910	13437	13326	12569	11687	10304	26961

SAN LORENZO VALLEY WATER DISTRICT
CONSUMPTION BY ZONE

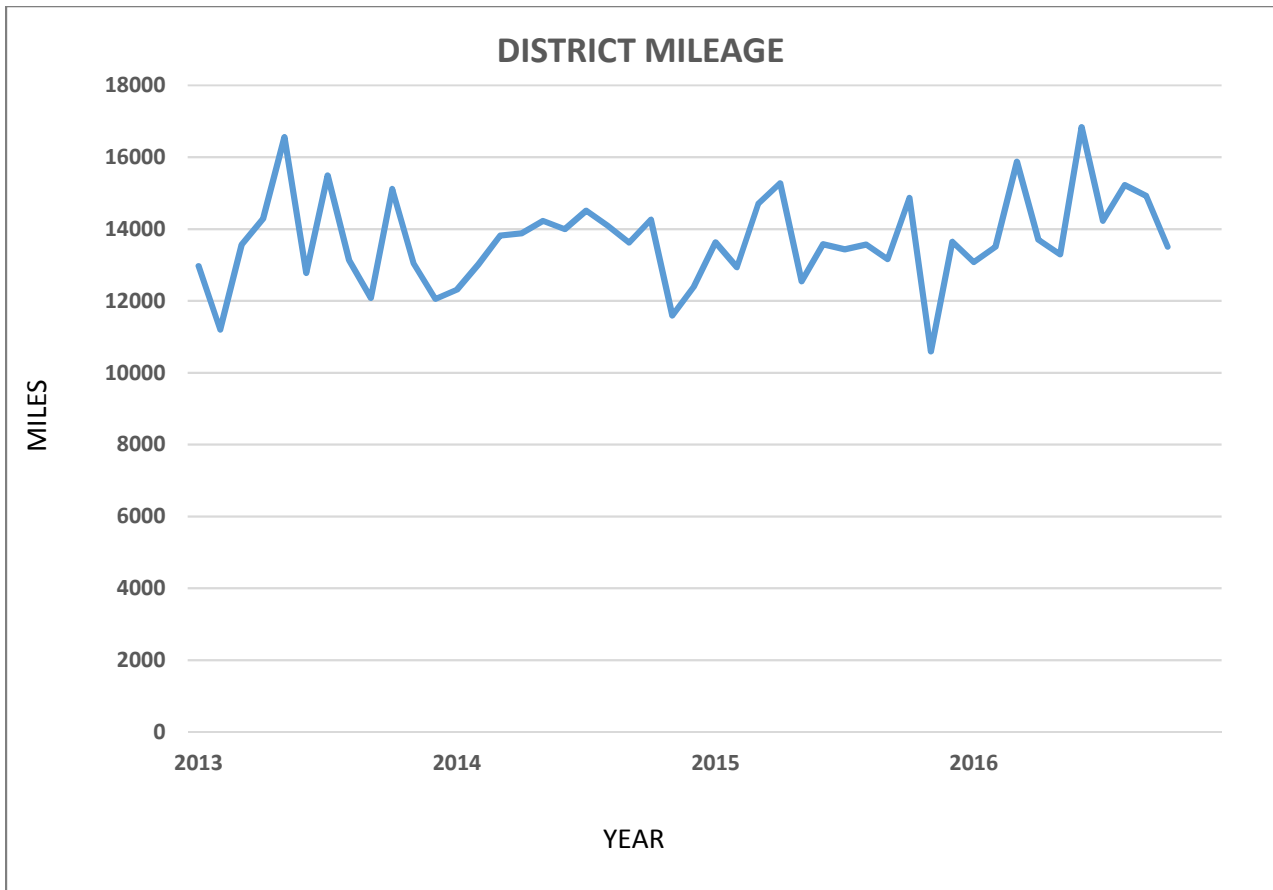
Zones	Jan-15	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
1	326	311	347	322	397	375	402	458	415	425	343	258
2	83	81	121	183	170	164	189	223	237	221	196	94
3	189	185	203	220	208	237	326	253	291	274	229	166
4	6869	5450	5779	7138	6624	7035	9539	7914	8396	7595	5959	5021
5	1724	944	1032	1115	1169	1405	1512	1356	1652	1463	1085	976
6	60	44	51	49	52	51	52	62	63	60	48	36
7	71	59	64	78	67	68	100	89	114	82	70	66
8	4567	3788	3864	4590	4438	4849	6115	5352	6775	5380	4144	3964
9	302	255	287	340	274	293	386	353	466	363	301	151
10	54	41	40	59	55	75	85	68	70	79	45	32
11	649	464	401	538	468	528	709	571	667	654	514	426
12	13	10	12	15	12	15	17	17	17	23	12	6
13	437	270	298	391	350	390	508	383	507	407	399	249
14	516	415	428	589	514	538	689	595	846	617	439	368
15	8	8	15	20	17	18	27	14	44	23	14	12
16	8729	7826	8767	10388	10232	10971	13128	13307	14181	13525	10530	7906
17	282	217	214	258	226	281	268	258	314	234	228	265
18	827	673	674	810	705	717	911	776	962	755	737	586
19	284	246	256	312	264	261	317	280	373	278	295	212
20	742	597	605	823	761	732	1018	889	940	1013	789	590
21	3367	2493	2587	3317	3984	3259	5163	5226	4947	4679	4120	3026
22	7333	6458	5402	8115	7125	7006	9817	9032	9940	7359	7438	6031
23	720	761	716	1160	937	979	1331	1187	1561	1327	1079	711
24	736	584	592	684	867	715	935	1063	929	929	696	536
North Totals	38888	32180	32755	41514	39916	40962	53544	49726	54707	47765	39710	31688
25	576	524	506	667	774	701	857	920	877	884	667	528
26	154	132	141	165	202	177	219	220	201	225	164	137
27	25	17	21	18	14	15	20	22	36	23	15	9
Manana Totals	755	673	668	850	990	893	1096	1162	1114	1132	846	674
28	264	227	206	276	288	259	322	374	364	208	148	124
29	158	130	125	179	140	154	234	198	243	185	171	179
30	239	193	191	268	286	231	333	256	307	271	236	212
31	7477	6048	5906	8188	7683	7018	9736	9279	10208	8432	7030	7588
32	231	176	210	236	207	212	268	244	359	275	297	173
33	1446	1108	1175	1590	1346	1350	1877	1548	1772	1445	1324	1043
Felton Totals	9815	7882	7813	10737	9950	9224	12770	11899	13253	10816	9206	9319

SAN LORENZO VALLEY WATER DISTRICT
CONSUMPTION BY ZONE

Zones	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
1	329	288	296	430	319	449	448	475	508.85	408	475	
2	76	63	57	91	118	216	211	229	173	151	72	
3	437	276	151	149	169	271	284	305	304.92	247	176	
4	7122	5428	5909	5840	6444	9068	9163	9567	8747.49	7159	5085	
5	1235	1018	1237	1029	1176	1748	1542	1610	1666	1245	822	
6	46	42	50	36	42	50	59	70	83	60	43	
7	65	55	57	64	126	201	173	167	154	87	52	
8	3970	4050	4342	3754	4465	6214	6963	6632	6001.34	4077	3690	
9	227	195	227	226	253	300	360	411	326	291	165	
10	42	39	34	49	61	92	118	118	106	73	38	
11	527	410	418	446	567	625	759	674	624	619	391	
12	6	5	3	6	7	16	22	20	14	12	4	
13	311	242	298	302	315	460	409	441	407	297	233	
14	405	357	406	411	438	802	743	789	763	569	377	
15	14	14	18	17	15	22	22	23	18	16	18	
16	8487	1589	7985	9003	10501	13585	15009	15944	14740.21	12455	8885	
17	284	392	220	225	303	268	307	329	267.6	223	240	
18	755	600	605	669	816	773	976	838	856	788	630	
19	267	219	203	217	277	311	384	327	330.1	323	231	
20	661	461	528	614	643	1047	1042	989	1207	962	629	
21	3036	2802	3447	4390	3478	6851	5456	4909	5282	4279	4486	
22	4955	4230	5690	4978	6110	8786	9935	9466	10238.36	8897	5744	
23	535	432	637	557	704	1393	1723	1409	1441.53	1432	688	
24	1063	524	571	697	632	1004	969	1011	1041	815	587	
North Totals	34855	23731	33389	34201	37977	54552	57076	56752	55300	45485	33761	0
25	529	355	419	562	658	794	973	983	995	944	495	
26	160	106	132	154	117	168	228	178	171	171	83	
27	17	15	16	17	16	15	26	34	33	43	19	
Manana Totals	706	476	567	733	791	977	1227	1195	1199	1158	597	0
28	133	218	260	306	304	418	547	558	691.95	452	340	
29	350	101	118	118	133	196	246	232	227	190	110	
30	195	161	178	157	175	272	255	294	466.56	276	165	
31	6347	5394	6525	6305	7316	9692	10479	11103	10525.97	8663	5774	
32	223	162	256	172	228	225	271	265	301	250	165	
33	1176	1026	1269	1136	1371	1634	1702	1824	1704.06	1482	1073	
Felton Totals	8424	7062	8606	8194	9527	12438	13500	14275	13917	11313	7626	0

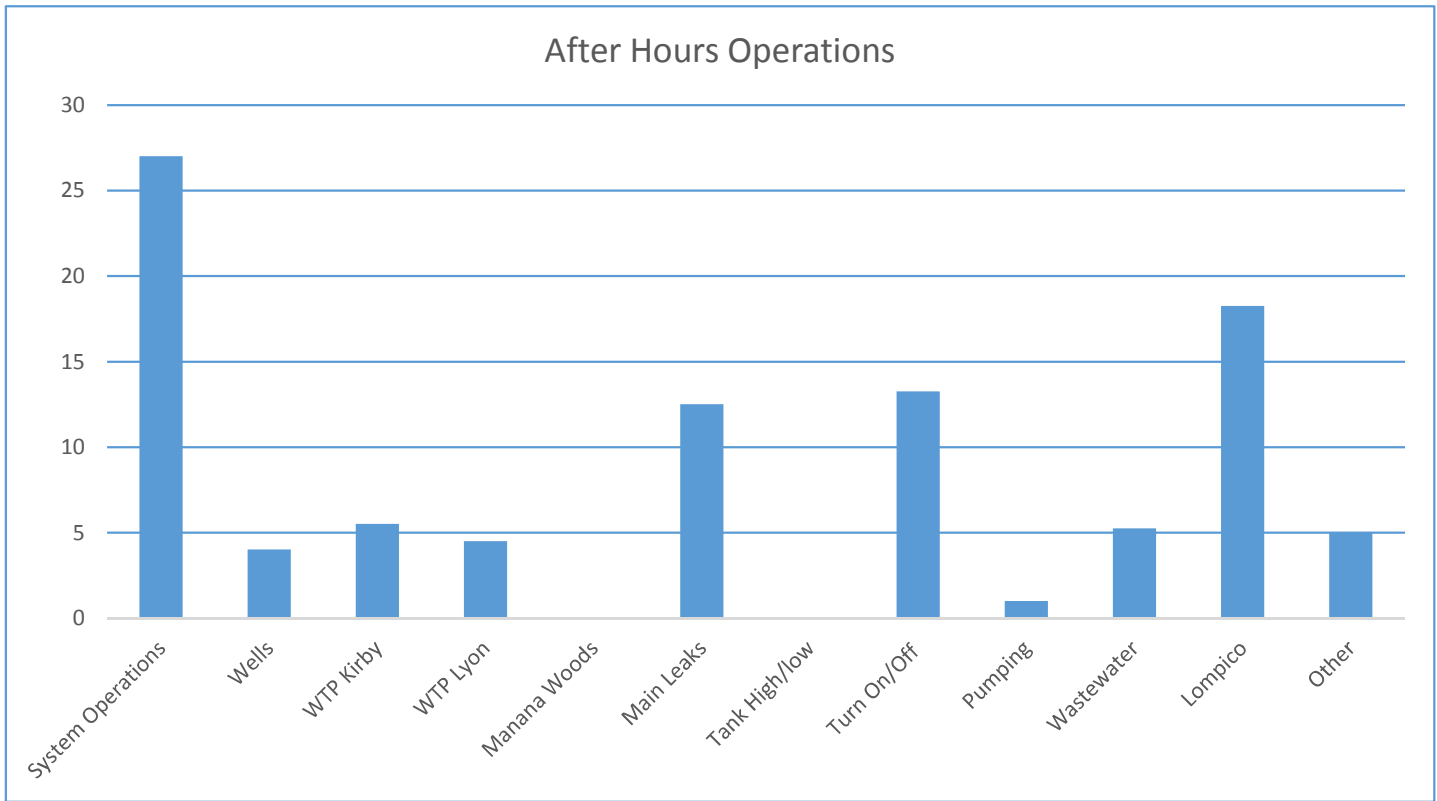
				Water Quality Complaint List				System No. 4410014	
Date Received	Type Of Complaint							Address	Conclusion
	Taste/Odor	Color	Turbidity/Particles	Worms/Other Visible Organisms	Pressure (High/Low)	Illness (Waterborne)	Other (Specify)		
11/10/2016	X							385 Woodland Dr	Upon field investigation, water quality results were normal and within range. Free chlorine was 1.0 mg/L, while field turbidity was 0.14 NTU. Customer was notified of these results and will investigate home plumbing.

**SAN LORENZO VALLEY WATER DISTRICT
VEHICLE MILEAGE
November 2016**



Month	2013	2014	2015	2016
January	12,976	12,317	13,633	13,082
February	11,201	13,015	12,934	13,505
March	13,558	13,817	14,714	15,882
April	14,283	13,883	15,279	13,704
May	16,560	14,228	12,550	13,290
June	12,780	14,000	13,582	16,841
July	15,497	14,519	13,441	14,228
August	13,136	14,096	13,569	14,923
September	12,087	13,622	13,137	15,229
October	15,120	14,261	14,868	14,924
November	13,046	11,594	10,591	13,510
December	12,060	12,394	13,648	
Totals	162,304	161,746	161,946	159,118

SAN LORENZO VALLEY WATER DISTRICT
OPERATIONS DEPARTMENT
November 2016



<u>Description</u>	<u>Hours</u>		<u>2015</u>	<u>2016</u>
System Operations	27	January	N/A	145
Wells	4	February	N/A	86.5
WTP Kirby	5.5	March	N/A	153.75
WTP Lyon	4.5	April	82.50	72
Manana Woods	0	May	104.75	49.25
Main Leaks	12.5	June	172.50	83.25
Tank High/low	0	July	124.25	80.25
Turn On/Off	13.25	August	111.75	81.25
Pumping	1	September	230.25	175
Wastewater	5.25	October	128.25	78.5
Lompico	18.25	November	114.25	96.25
Other	5	December	186.25	
Total	96.25		1254.75	1101.00

ADMIN COMMITTEE – Meeting Notes 10.25.16

Agenda review –

Chair Bruce asked that the agenda items be prioritized to facilitate a focused meeting.

Staff recommendations – review new items:

Deferred items 4a and 4c to future date.

4.b. MATRIX OF LEGAL NEEDS Discussion and possible action by the Committee regarding a Matrix Legal Needs.

The committee members discussed the draft description of the District’s legal needs. Committee members had several comments regarding: description of possible legal services, scoring of received proposals, etc. DM Lee will continue to refine and bring the item back at the next committee meeting for further discussion.

4. New Business:

4.b. STATE REVOLVING FUND LOAN APPLICATIONS

SRF Loan Application process and status was shared by DM Lee with committee members. SRF loan application being performed by Frietas & Frietas, who have been retained to pursue paperwork for fall applications for Swim and Probations tanks as well as the Fish Ladder. In the budget. Intent is to wrap up loan applications prior to RFPs.

Q: Pay?

A: T&M at \$85 with an NTE of \$10K

Q: chances of acceptance?

A: Very good. Easy application process. Non-competitive process. Interest rates at less than 3%

4.d. BULK WATER FOR AGRICULTURAL USE Discussion and possible action by the Committee Bulk Water for Agricultural Use.

Brief review of Chair Bruce’s comments on the County’s draft ordinance.

4.e. FORMALIZE CUSTOMER COMMENT PROCESS Discussion and possible action by the Committee regarding Formalizing the Customer Comment Process.

Proposed changes to past due policy.

Posted on website

Invited comments

IT person is out on vacation and so we can't post old policy. IT person will return at the end of this week. We will extend the comment period. We will re-post to social networks. We will seek customer input.

Q How many people does this interest? Perhaps 100?

A Yes, but really everyone may be interested.

Q Can we reach out to specific people?

A Yes, but hesitant to single out specific people

Q Is the existing PP/RR docs on the website?

A Yes, can link, but maybe better to just put the specific policy item there.

Public comment on this item: Suggestion from Mr. Peterson – if there is a high-level “Why is this important” summary for public benefit, it would help engage people. Skip the jargon! Retrain the public through the manner in which you present the information. Use “People Speak”.

Post a set of instructions for how the public is empowered to engage in comment

Policy to support engagement and transparency.

5. Informational Material: None.

ADMIN COMMITTEE – Notes from Special Meeting 11.21.16

Chair Bruce convened the meeting at 11am. Committee members Bruce, Brown and Fultz were present. Staff was represented by DM Lee.

There were no members of the public in attendance.

There were no additions or changes to the agenda.

DM Lee provided the committee members with an overview of the needs assessment RFP. Committee member Fultz had provided DM Lee with extensive comments via email. These and additional comments from committee member Brown and Chair Bruce were incorporated into the RFP.

Committee members concurred on all changes and recommended that DM Lee compile and finalize and publish the RFP.

There were no public comments on the draft document.

The meeting was adjourned at 12:15pm

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