



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER DISTRICT
AGENDA
September 1, 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, September 1, 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. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION

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

Name of Case: Charlene DeBert v. SLVWD

d. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9

One potential case

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

6. Report of Actions Taken

7. 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).

8. 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.

9. Written Communications:

- a. EMAIL FROM B. LEWIS

10. 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 AUGUST 4, 2016
Consideration and possible action by the Board to approve minutes for the August 4, 2016 Board of Directors meeting.
- b. MINUTES OF THE BOARD OF DIRECTORS MEETING FROM AUGUST 18, 2016
Consideration and possible action by the Board to approve minutes for the August 18, 2016 Board of Directors meeting.
- c. MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING FROM AUGUST 20, 2016
Consideration and possible action by the Board to approve minutes for the August 20, 2016 Special Board of Directors meeting.
- d. BILL LIST FOR PERIOD ENDING SEPTEMBER 1, 2016
Consideration and possible action by the Board to approve the Bill List for the period ending September 1, 2016.
- e. FISCAL YEAR 15-16 EMPLOYEE REIMBURSEMENTS
Consideration and possible action by the Board to approve the FY 15-16 Employee Reimbursements.

11. Unfinished Business: None

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.

12. 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. SWIM TANK MITIGATED NEGATIVE DECLARATION PUBLIC HEARING AND ACCEPTANCE
Discussion and possible action by the Board regarding the Swim Tank MND public hearing and acceptance.

- b. LOCAL AGENCY FORMATION COMMISSION SPHERE OF INFLUENCE
AMMENDMENTS-FOR CITY OF SCOTTS VALLEY AND SCOTTS VALLEY
WATER DISTRICT
Discussion and possible action by the Board regarding the LAFCO Sphere of
Influence - City of Scotts Valley and Scotts Valley Water District.
 - c. POLICIES AND PROCEDURES MANUAL - ARTICLE VI FINANCES,
INVESTMENTS AND RESERVE POLICIES
Discussion and possible action by the Board regarding P & P Manual - Article VI
Finances, Investments & Reserve policies.
13. 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) Administration and Environmental
 - b. COMMITTEE/DIRECTOR REPORTS:
 - (1) Future Committee Agenda Items
 - (2) Committee Meeting Notes
 - (i) Administration Committee notes - August 23, 2016
14. Informational Material: None
15. Adjournment

Certification of Posting

I hereby certify that on August 26, 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 August 26, 2016

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

To: Board of Directors <bod@slvwd.com>

Subject: Illegal Water Storage & damming of the creek on Logan Creek Road

Eric,

As I mentioned to you at the community gathering, This correspondence is to inform you of the adverse conditions on Logan Creek. The neighbor located up the hill from me, William Hausknecht, has seen fit to again dam off the north fork of Logan Creek, and has been ordered previously to cease & desist this action several time by the Fish & Wildlife Department. I live at 725 Logan Creek Road, & Mr. Hausknecht lives uphill from me. He owns over 80,00 gallons of water storage, located on his property, installed upon an illegally & unpermitted constructed Platform above his domicile. I have evidence that he has, after very heavy rainstorms, dumped the Contents of those tanks on my home & property, deliberately causing flood damage to my home on two occasions. the structure was built without permit, nor engineering documents, as required by the county, by John Jackson. I am asking for a formal inquiry into this situation, and investigation into law & water statute violations. The damming up of the creek damages the rest of the residents of Logan Creek Road's ability for water supply and riparian rights, especially late in the fall, where critical water needs are left unmet due to Mr. Hausknecht's hoarding of the water supply. Please assist the residents of my road, and myself in ridding us of this gross violation of Environmental damage and riparian rights.

Regards, Bob Lewis (831) 338-4087,

bobalew@mindspring.com

725 Logan Creek Rd.

Boulder Creek, CA 95006-8700

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

August 4, 2016

6:00 p.m.

CONVENE MEETING/ROLL CALL:

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

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

The Board voted 4 - 0 in favor of excusing the absence of Director Bruce.

ORAL COMMUNICATION: None

ADJOURNMENT TO CLOSED SESSION:

President Brown adjourned to closed session at 6:05 p.m.

RECONVENE TO OPEN SESSION:

Pres. Brown reconvened the meeting to open session at 7:00 p.m.

REPORT ACTIONS TAKEN IN CLOSED SESSION: None

ADDITIONS AND DELETIONS TO AGENDA: None

ORAL COMMUNICATIONS: None

WRITTEN COMMUNICATION:

Pres. Brown noted the notice from the City of Santa Cruz Urban Water Management Plan.

CONSENT AGENDA:

10a MINUTES FROM JULY 21, 2016 BoD

10b BILL LIST FOR PERIOD ENDNG AUGUST 4, 2016

10c PROP 218 POLICY

Dir. Hammer made a motion to approve the Consent Agenda.

ROLL CALL:

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

UNFINISHED BUSINESS: None

NEW BUSINESS:

12a RESOLUTION OF APPRECIATION FOR CAROL CARSON

Pres. Brown said that the appreciation is deserved.

Dir. Baughman agreed and said that Ms. Carson is the epitome of what the watershed grant is meant to be for.

Dir. Hammer made a motion to approve the resolution.

ROLL CALL:

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

12b SAN LORENZO VALLEY WATER DISTRICT 75TH ANNIVERSARY

Pres. Brown reviewed the history of the District.

Dir. Ratcliffe said that we are in good shape for 75 years old.

DM Lee said that he plans to share the history with the public.

Dir. Hammer made a motion to approve the resolution.

ROLL CALL:

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

12c CANNABIS CULTIVATION COMMENT LETTER

Dir. Hammer recused himself from the discussion for conflicts of interest.

Counsel Hynes agreed that that was the correct thing to do.

Pres. Brown noted that there is a letter written by staff to Supervisor McPherson.

DM Lee described the letter and the reason for it. The EEP Committee helped with the content of the letter. He said that he believes that the District should treat the agriculture

in the valley as agriculture, not to get involved with what kind of agriculture it is. Let the County Agriculture department handle the issues.

Pres. Brown agreed and said that it is consistent with our mission.

Dir. Ratcliffe agreed and said that our primary concern is water quality.

Pres. Brown said that it is appropriate to monitor what goes into the water table.

Dir. Baughman said that he likes the letter. There are things in the letter that he would like to comment on. He thinks that growing should not be allowed in the Timber Protection Zones (TPZ).

Dir. Ratcliffe is concerned about year round use of roads. She said she would like to educate the small growers regarding the use of chemicals.

Dir. Baughman noted the canopy limit was mentioned. He also noted that the permitted growers are required to have an on-site source of water.

DM Lee noted that the letter says that the District is entitled to fees sufficient to administer the program.

Directors Ratcliffe and Baughman noted typos and grammatical errors in the letter.

Dir. Baughman said that the ordinance is weak, he requested an addendum with maps.

DM Lee suggested we draft an additional letter.

Dir. Ratcliffe made a motion to authorize the Board president to sign the letter.

ROLL CALL:

Ayes: Brown, Baughman, Ratcliffe

Noes:

Abstain:

Absent: Bruce, Hammer

DISTRICT MANAGER REPORTS:

Admin

DM Lee shared highlights from the Admin Status Report. He noted that the SMGB Committee is close to setting up a JPA. He also noted that the District has submitted applications to the State Revolving Fund for Swim and Probation Tanks funding.

Environmental

DM Lee said that the report stands on its own.

Director Reports

Pres. Brown questioned if the Cost of Service Study is on schedule. DM Lee said that the report should be available by Sept. 6th.

Director Ratcliffe said that she has a potential lead on a small scale hydro.

DM Lee said that he is trying to put together a joint board meeting with Scotts Valley in September to introduce our 2015 UWMP.

INFORMATIONAL MATERIAL: None

ADJOURNMENT:

President Brown adjourned the meeting at 8:01 p.m.

DRAFT

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

August 18, 2016

6:00 p.m.

CONVENE MEETING/ROLL CALL:

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

Drs. Hammer, Baughman and Bruce were present. District Manager Lee, Deputy Director of Operations Furtado and Legal Counsel Baird were also present.

The Board voted 4 - 0 in favor of excusing the absence of Director Ratcliffe.

ORAL COMMUNICATION: None

ADJOURNMENT TO CLOSED SESSION:

President Brown adjourned to closed session at 6:05 p.m.

RECONVENE TO OPEN SESSION:

Pres. Brown reconvened the meeting to open session at 7:00 p.m.

REPORT ACTIONS TAKEN IN CLOSED SESSION: None

ADDITIONS AND DELETIONS TO AGENDA: None

ORAL COMMUNICATIONS:

Bruce Holloway, Boulder Creek, addressed the Board to say that he recalled the last time he saw Legal Counsel Baird. He said that Mr. Baird made a mistake then. He also said that Mr. Hynes has made mistakes.

WRITTEN COMMUNICATION:

Pres. Brown noted the conference flyer from the California Special Districts Association.

CONSENT AGENDA:

Director Hammer requested that item 10a the Minutes from the August 4, 2016 BoD meeting be removed from the Consent Agenda. They will be moved to the September 1, 2016 BoD agenda.

10b BILL LIST FOR PERIOD ENDNG AUGUST 18, 2016

10c FINANCIAL SUMMARY FOR PERIOD ENDING 6/30/16.

Dir. Baughman thanked Finance Manager Hill for the additional information included in the summary.

Dir. Hammer made a motion to approve the Consent Agenda.

ROLL CALL:

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

UNFINISHED BUSINESS: None

NEW BUSINESS:

12a DRAFT STAFFING STUDY

Pres. Brown noted that Robert DeLoach presented the draft Staffing Study to the Budget & Finance Committee on August 8, 2016.

DM Lee explained the draft Staffing Study. He said there are three things staff would like to see come from this meeting in relation to the Staffing Study:

1. Accept the Staffing Study for inclusion in the Cost of Service Study
2. Use the Staffing Study for a Needs Assessment Study
3. Agree to recommend creation of additional positions
 - a. HR/Safety
 - b. GIS/CAD Specialist
 - c. Field Service Representatives 1 & 2
 - d. Water Treatment Operator
 - e. Grant Coordinator/Environmental Planner

Dir. Bruce noted a peculiarity in Mr. DeLoach's writing style and said that she would like to see how these positions fit with best practices or common practices comparison.

Pres. Brown noted that the presentation by Mr. DeLoach was better than the written version.

Dir. Baughman agreed and said the written version is just notes.

DM Lee noted that the biggest and most controversial change will be moving the Customer Service Field Reps under the Director of Customer Service and Finance. These positions have traditionally been Operations. The Project Manager will replace the Engineering Manager with changes to the job description.

DM Lee proposed that we hire 1 position each year until the necessary positions are filled. There is an immediate need for an HR/Safety position.

Dir. Hammer questioned waiting 6 years to hire all of the positions. He asked, what is the cost to the District for not hiring the necessary positions now, when they are obviously needed. He would rather operate an organization that is running on all cylinders.

DM Lee noted that the Project Manager would not be needed until the CIP is up and running.

Dir. Hammer noted that we have already determined that we can lay pipe cheaper in house than subcontracting.

Dir. Bruce noted that the Valley is vulnerable to fire and we need pipe.

DM Lee noted that a crew to lay pipe is already in the CIP. He said he will add the pipe crews to the organizational chart as a "shadow".

Pres. Brown said that we need to be realistic regarding the projects we need to fund. We need the Cost of Service Study and the Needs Assessment to decide.

Dir. Hammer questioned what the Board needs to do here.

DM Lee said that to move ahead the Board needs to commit to the 6 additional positions being added to the Cost of Service Study.

Dir. Baughman noted some typos in the document.

DM Lee pointed out the tables on page 72 of the Board packet.

Bruce Holloway, Boulder Creek, addressed the Board for 11 minutes. He noted the wide ranging discussion. He said that the Needs Assessment and RFP are not in the agenda. He noted the Admin. Bldg. and the Rebecca house. He also noted contradictions in numbers on tables on page 72 of the Board packet. He said that he thought the salary survey would be a comparison of comparable positions.

Dir. Baughman noted that it is a Staffing Study not a Salary Study. He said he thought the tables are a good comparison, a good first start.

Pres. Brown said that accepting the draft staffing study would be appropriate at this time.

Dir. Baughman made a motion to accept the draft Staffing Study with a few changes.

ROLL CALL:

Ayes: Hammer, Brown, Bruce, Baughman

Noes:

Abstain:

Absent: Ratcliffe

12b RIVER AND ROAD CLEAN-UP

The Board agreed that this is a social event, so all can attend.

Dir. Hammer made a motion to approve the River & Road Clean-up up to \$600.

Bruce Holloway, Boulder Creek, agreed that it sounds like a social event.

ROLL CALL:

Ayes: Brown, Baughman, Bruce, Hammer

Noes:

Abstain:

Absent: Ratcliffe

12c JOINT MEETING WITH SCOTTS VALLEY

DM Lee described this item.

Pres. Brown is hesitant to cancel the October 6 BoD meeting because there are a number of items coming.

DM Lee said we can decide that later.

Dir. Baughman made a motion to schedule a joint meeting with the Scotts Valley Water District Board on October 13, 2016.

ROLL CALL:

Ayes: Hammer, Brown, Bruce, Baughman

Noes:

Abstain:

Absent: Ratcliffe

DISTRICT MANAGER REPORTS:

DM Lee reminded the Board that this Saturday there is a special BoD meeting at the Olympia Wellfield for Broom Management. Also, the first Lompico Oversight Committee is scheduled for Tues. evening. The Board is welcome to attend as observers.

Finance

DM Lee shared highlights from the Finance Status Report.

Operations

Deputy Director of Operations answered questions on the Operations Status Report.

Director Reports

Dir. Bruce said that she will not be able to attend the September 15 BoD meeting.

INFORMATIONAL MATERIAL: None

ADJOURNMENT:

President Brown adjourned the meeting at 8:37 p.m.

**MINUTES OF SPECIAL BOARD OF DIRECTORS MEETING
WORKING FIELD TRIP TO OLYMPIA WELLFIELD
AUGUST 20, 2016**

Chairman Brown convened the meeting at 8:35 AM. Participants included Director Baughman, Environmental Committee member Rick Moran, Director Ratcliffe and her mother, and consultant Suzanne Schettler. Bruce Holloway and Director Bruce arrived later.

After a brief introduction to the site, the group proceeded to tackle a monoculture of Portuguese Broom (*Cytisus striatus*) in a portion of the largest Priority 2 zone. The map of priority zones was included in the July draft of the Plan to Control Invasive Brooms and Acacia at the Olympia Wellfield, and has been substantially improved by Director Baughman's mapping skills after the passing of Rob Menzies.

The main purpose of the working field trip was to cut Portuguese Broom plants at about knee height as a temporary holding action until the formal weed control program can begin. The selected site is a small area adjacent to the single location at the Wellfield where one of the Sand Specialty plants occurs. Reducing the biomass of the plants will reduce the amount of seed produced in 2017 at this particular location - a modified "birth control" project.

Some ideas came up during the work session. Rick Moran suggested the District could generate income by charging visitors to participate in weed control projects, a local form of "eco-tourism". Director Bruce suggested the piles of cut Broom that are generated could be bundled in tarps and slid/dragged to sites where they can be either picked up by District staff and removed from the Wellfield or safely burned.

Approximately 300 plants of Portuguese Broom were cut. It seemed like more because this species does not have a central stem, or even 2 or 3; rather it has profuse and substantial side branches that were individually cut. After a snack break and photo op, Chairman Brown adjourned the meeting at 11:15 AM.

Respectfully submitted,
Suzanne Schettler
Principal, Greening Associates

SPECIAL BOARD OF DIRECTORS MEETING – August 20, 2016



Before



During



After

Accounts Payable

Outstanding Invoices

User: KendraNegro
 Printed: 8/25/2016 - 8:13 AM
 Date Type: JE Date
 Date Range: 08/12/2016 to 08/25/2016

BILL LIST SUMMARY

Check Register Total : \$628,279.38
 AP Outstanding Total: \$70,445.41
 Payroll 8/17: \$91,271.57
 TOTAL FOR APPROVAL: \$789,996.36



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
00020 - HARO, KASUNICH & ASSOCIATES						
01-000-1565	8/24/2016	8/11/2016	11032-16080	00165-02-2017	1,906.50	LOST ACRES WATER TANK PROJECT
Total for Vendor 00020 - HARO, KASUNICH & ASSOCIATES:					1,906.50	
00022 - JOHNS ELECTRIC MOTOR						
01-800-5300	8/24/2016	8/8/2016	13541	00165-02-2017	2,895.00	GOULDS PUMP FOR FELTON HEIGHTS BOOSTER
Total for Vendor 00022 - JOHNS ELECTRIC MOTOR:					2,895.00	
00047 - SOIL CONTROL LAB						
01-800-5202	8/24/2016	8/12/2016	6080177	00165-02-2017	37.00	WATER ANALYSIS_METALS DIGESTION, IRON
Task Label:		Type:	PO Number:	0000100704		
01-800-5202	8/24/2016	8/12/2016	6080178	00165-02-2017	37.00	WATER ANALYSIS_METALS DIGESTION, MANGANESE
Task Label:		Type:	PO Number:	0000100704		
01-800-5202	8/24/2016	8/12/2016	6080180	00165-02-2017	147.00	WATER ANALYSIS_METAL DIGESTION, IRON, MANGANESE
Task Label:		Type:	PO Number:	0000100704		
01-800-5202	8/24/2016	8/12/2016	6080402	00165-02-2017	145.00	WATER ANALYSIS_GENERAL PHYSICAL
Task Label:		Type:	PO Number:	0000100704		
Total for Vendor 00047 - SOIL CONTROL LAB:					366.00	
00082 - MID VALLEY SUPPLY						
01-100-5600	8/24/2016	8/16/2016	201717	00165-02-2017	73.61	PAPER SUPPLIES
Total for Vendor 00082 - MID VALLEY SUPPLY:					73.61	
00118 - FARMER BROTHERS COFFEE						
01-400-5300	8/24/2016	7/27/2016	64198117	00165-02-2017	25.59	COFFEE SUPPLIES
Task Label:		Type:	PO Number:	0000100745		
Total for Vendor 00118 - FARMER BROTHERS COFFEE:					25.59	

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00220 - BAY BUILDING JANITORIAL,INC						
01-100-5420	8/24/2016	8/15/2016	28781	00165-02-2017	424.42	JANITORIAL SERVICES
Task Label:		Type:	PO Number:	0000100672		
Total for Vendor 00220 - BAY BUILDING JANITORIAL,INC:					424.42	
00233 - LADD'S AUTO BODY & TOWING						
01-400-5410	8/24/2016	7/29/2016	69983	00165-02-2017	250.00	TOW V#480
01-400-5410	8/24/2016	8/8/2016	70488	00165-02-2017	150.00	TOW V#341
Total for Vendor 00233 - LADD'S AUTO BODY & TOWING:					400.00	
00265 - COMMUNITY TELEVISION						
01-100-5200	8/24/2016	8/8/2016	2318	00165-02-2017	236.00	REGULAR MEETING COVERAGE_7/21/16
Total for Vendor 00265 - COMMUNITY TELEVISION:					236.00	
00342 - BRASS KEY LOCKSMITH						
01-400-5200	8/24/2016	8/2/2016	944987	00165-02-2017	188.60	LOCKS FOR NINA
Task Label:		Type:	PO Number:	0000100737		
Total for Vendor 00342 - BRASS KEY LOCKSMITH:					188.60	
00343 - ERNIE'S SERVICE CENTER						
01-400-5410	8/24/2016	8/10/2016	53049	00165-02-2017	4,169.97	TRUCK 280 TRANSMISSION REBUILD
01-400-5410	8/24/2016	7/26/2016	53126	00165-02-2017	56.18	TRUCK 222/LOF
Task Label:		Type:	PO Number:	0000100743		
01-400-5410	8/24/2016	7/27/2016	53163	00165-02-2017	55.86	TRUCK 275/LOF
Task Label:		Type:	PO Number:	0000100743		
01-400-5410	8/24/2016	8/3/2016	53282	00165-02-2017	552.18	TRUCK 480/SHIFTER
Task Label:		Type:	PO Number:	0000100742		
01-400-5410	8/24/2016	8/5/2016	53388	00165-02-2017	697.09	TRUCK 338/BRAKES & ROTORS
Task Label:		Type:	PO Number:	0000100744		
01-400-5410	8/24/2016	8/15/2016	53490	00165-02-2017	909.44	TRUCK 341 COOLING SYSTEM
01-400-5410	8/24/2016	8/16/2016	53690	00165-02-2017	17.55	TRUCK 249_OIL CHANGE
Total for Vendor 00343 - ERNIE'S SERVICE CENTER:					6,458.27	
00356 - MR ROOTER PLUMBING						
02-600-5200	8/24/2016	8/10/2016	54879777	00165-02-2017	775.00	EMERGENCY CLEAN-OUT_BCEWW
Total for Vendor 00356 - MR ROOTER PLUMBING:					775.00	

Vendor	Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00367 - INFOSEND, INC							
	01-200-5650	8/24/2016	7/29/2016	108832	00165-02-2017	2,730.52	POSTAGE
	01-200-5200	8/24/2016	7/29/2016	108832	00165-02-2017	1,169.17	MAILING SERVICE FEES
Total for Vendor 00367 - INFOSEND, INC:						3,899.69	
00384 - D.W. ALLEY & ASSOCIATES							
	01-500-5200	8/24/2016	8/16/2016	816-01	00165-02-2017	1,848.05	SERVICES RENDERED 8/1 - 8/16/16
Total for Vendor 00384 - D.W. ALLEY & ASSOCIATES:						1,848.05	
00398 - WATSONVILLE METAL CO.,INC							
	01-400-5300	8/24/2016	8/19/2016	842745	00165-02-2017	600.00	METAL RECYCLING_7710 E ZAYANTE
Total for Vendor 00398 - WATSONVILLE METAL CO.,INC:						600.00	
00407 - UNIVAR USA							
	01-800-5300	8/24/2016	7/15/2016	SJ398967	00165-02-2017	-880.00	SODIUM HYPOCHLORITE_DRUM CREDIT
	01-800-5300	8/24/2016	8/2/2016	SJ762561	00165-02-2017	3,872.77	SODIUM HYPOCHLORITE_KWTP
Total for Vendor 00407 - UNIVAR USA:						2,992.77	
00409 - PURCHASE POWER							
	01-100-5650	8/24/2016	8/11/2016	081116	00165-02-2017	500.00	POSTAGE FOR MAIL MACHINE
Total for Vendor 00409 - PURCHASE POWER:						500.00	
00415 - CA BANK & TRUST/GOV SVC DEPT							
	01-200-5610	8/24/2016	8/16/2016	SEPT 2016	00165-02-2017	15.00	1976 SAFE DRINKING WATER BOND BANK FEE
	01-000-2401	8/24/2016	8/16/2016	SEPT 2016	00165-02-2017	11,930.97	1976 SAFE DRINKING WATER BOND PRINCIPAL
	01-000-7111	8/24/2016	8/16/2016	SEPT 2016	00165-02-2017	3,635.46	1976 SAFE DRINKING WATER BOND INTEREST
Total for Vendor 00415 - CA BANK & TRUST/GOV SVC DEPT:						15,581.43	
00422 - CITY OF SANTA CRUZ							
	01-500-5620	8/24/2016	7/22/2016	2016-001	00165-02-2017	171.39	WATER SMART GARDENING WEBSITE UPGRADE
	01-500-5620	8/24/2016	7/22/2016	2016-001	00165-02-2017	571.29	ANNUAL WEB MAINTENANCE & LICENSE_5/16 - 5/17
Total for Vendor 00422 - CITY OF SANTA CRUZ:						742.68	
00450 - EUROFINS EATON ANALYTICAL, INC							
	01-800-5202	8/24/2016	8/12/2016	276908	00165-02-2017	100.00	WATER ANALYSIS
Task Label:		Type:		PO Number:		0000100701	

Vendor

Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
00450 - EUROFINS EATON ANALYTICAL, INC						
01-800-5202	8/24/2016	8/12/2016	276909	00165-02-2017	30.00	WATER ANALYSIS
Task Label:		Type:	PO Number:	0000100701		
01-800-5202	8/24/2016	8/12/2016	276910	00165-02-2017	60.00	WATER ANALYSIS
Task Label:		Type:	PO Number:	0000100701		
01-800-5202	8/24/2016	8/12/2016	276911	00165-02-2017	300.00	WATER ANALYSIS
Task Label:		Type:	PO Number:	0000100701		
Total for Vendor 00450 - EUROFINS EATON ANALYTICAL, INC:					490.00	
00539 - MILLER-MAXFIELD, INC						
01-100-5200	8/24/2016	7/31/2016	0716SLV	00165-02-2017	1,693.75	PUBLIC OUTREACH SERVICES_JULY 2016
Total for Vendor 00539 - MILLER-MAXFIELD, INC:					1,693.75	
00550 - HACH COMPANY						
01-800-5300	8/24/2016	8/16/2016	10065360	00165-02-2017	1,016.99	WTP SUPPLIES
Task Label:		Type:	PO Number:	0000100702		
Total for Vendor 00550 - HACH COMPANY:					1,016.99	
00566 - C S S C						
01-400-5510	8/24/2016	8/22/2016	16080	00165-02-2017	312.52	ANSWERING SERVICE
Task Label:		Type:	PO Number:	0000100705		
Total for Vendor 00566 - C S S C:					312.52	
00589 - ALLARD'S SEPTIC						
02-600-5200	8/24/2016	8/6/2016	7186	00165-02-2017	700.00	HOLDING TANK HAUL AWAY_MEADOW DR
Total for Vendor 00589 - ALLARD'S SEPTIC:					700.00	
00609 - BALANCE HYDROLOGICS, INC						
01-500-5200	8/24/2016	8/16/2016	216018-0716	00165-02-2017	10,249.05	STREAM GAGING_THROUGH JULY 2016
Total for Vendor 00609 - BALANCE HYDROLOGICS, INC:					10,249.05	
00729 - ALPHA ANALYTICAL LABS						
02-600-5202	8/24/2016	8/18/2016	6082638	00165-02-2017	926.00	BCEWW MONITORING
Task Label:		Type:	PO Number:	0000100700		
Total for Vendor 00729 - ALPHA ANALYTICAL LABS:					926.00	
10072 - WATER SYSTEMS CONSULTING, INC						

Vendor	Account Number	JE Date	Invoice Date	Invoice No	Journal Entry	Amount	Description
10072 - WATER SYSTEMS CONSULTING, INC	01-000-1565	8/24/2016	7/31/2016	2134	00165-02-2017	6,731.25	SERVICES RENDERED 7/1 - 7/31/16 - UWMP
Total for Vendor 10072 - WATER SYSTEMS CONSULTING, INC:						6,731.25	
10081 - INFRASTRUCTURE ENGINEERING CORP.	01-000-1565	8/24/2016	7/29/2016	9165	00165-02-2017	8,412.24	
Total for Vendor 10081 - INFRASTRUCTURE ENGINEERING CORP.:						8,412.24	
Report Total:						70,445.41	

Accounts Payable

Checks by Date - Detail by Check Number

User: KendraNegro
Printed: 8/25/2016 8:17 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
11594	00016 2156044	GREENWASTE RECOVERY, INC SPOIL REMOVAL_6/1 - 6/30/16	08/11/2016		262.82
Total for Check Number 11594:				0.00	262.82
11595	10001	RUTAN AND TUCKER, LLP LEGAL SERVICES THROUGH 6/30/16	08/11/2016		3,750.00
Total for Check Number 11595:				0.00	3,750.00
11596	00055	AT&T	08/11/2016		
	080116	TELEPHONE CHARGES_OPS			3,224.99
	080116	TELEPHONE CHARGES_BCEWW			331.20
	080116	TELEPHONE CHARGES_ADMIN			150.89
	080116	TELEPHONE CHARGES_WTP			1,688.87
Total for Check Number 11596:				0.00	5,395.95
11597	00378	BANK OF THE WEST	08/11/2016		
	071416	SDRMA SAFETY INSPECION LUNCH			91.00
	071816	CALENDAR			9.95
	072016	STAMPER			85.83
	072316	CONTRACT SERVICES_MAIL CHIMP			50.00
	072516	LUNCHEON MEETING			17.88
Total for Check Number 11597:				0.00	254.66
11598	00415	CA BANK & TRUST/GOV SVC DEPT	08/11/2016		
	AUGUST 2016	1976 SAFE DRINKING WATER PRINCIPAL			11,930.97
	AUGUST 2016	1976 SAFE DRINKING WATERBANK FEE			15.00
	AUGUST 2016	1976 SAFE DRINKING WATER INTEREST			3,635.46
Total for Check Number 11598:				0.00	15,581.43
11599	00788	COMCAST	08/11/2016		
	080316	INTERNET SERVICE_545 FALL CREEK DR			162.12
Total for Check Number 11599:				0.00	162.12
11600	00444	COSTCO-CAPITAL ONE COMMERCIAL	08/11/2016		
	072616	OFFICE SUPPLIES			168.04
	072616A	FEES			29.95
Total for Check Number 11600:				0.00	197.99
11601	00050	COUNTY OF SANTA CRUZ	08/11/2016		
	08503327	LIEN RELEASE FEE			15.00
Total for Check Number 11601:				0.00	15.00
11602	01024	DAN'S UPHOLSTERY	08/11/2016		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	15499				185.00
			Total for Check Number 11602:	0.00	185.00
11603	00502 4518019A	DLT SOLUTIONS, LLC RENEWAL FEE	08/11/2016		2,092.74
			Total for Check Number 11603:	0.00	2,092.74
11604	00076 073016 666562	ERNIE'S AUTO CENTER SERVICE CHARGE VEHICLE MAINTENANCE, BATTERY	08/11/2016		3.34 166.04
			Total for Check Number 11604:	0.00	169.38
11605	00058 080116	IHWY, INC. BUSINESS HOSTING	08/11/2016		25.00
			Total for Check Number 11605:	0.00	25.00
11606	00054 072816 072816 072816 072816 080416 080416A 080416A 080416A 080416A 080416A	PACIFIC GAS & ELECTRIC GAS/ELECTRIC CHARGES_BCEWW GAS/ELECTRIC CHARGES_OPS GAS/ELECTRIC CHARGES_WTP GAS/ELECTRIC CHARGES_ADMIN ELECTRIC CHARGES_140 ELENA CT ELECTRIC CHARGES_11590 LAKESHORE I ELECTRIC CHARGES_11255 LOMPICO RD_ ELECTRIC CHARGES_11255 LOMPICO RD ELECTRIC CHARGES_COMMUNITY WELL ELECTRIC CHARGES_PUMP_WELL#6	08/11/2016		266.02 8,366.24 32,986.77 1,042.50 9.86 220.41 390.41 161.97 21.03 23.84
			Total for Check Number 11606:	0.00	43,489.05
11607	00044 072916	STAPLES OFFICE SUPPLIES, FEE	08/11/2016		29.04
			Total for Check Number 11607:	0.00	29.04
11608	00398 842739	WATSONVILLE METAL CO.,INC SPOIL REMOVAL_7710 E ZAYANTE RD	08/11/2016		600.00
			Total for Check Number 11608:	0.00	600.00
11609	00599 46342428 46342428	WEX BANK FUEL_OPS FUEL_WTP	08/11/2016		3,175.11 1,139.69
			Total for Check Number 11609:	0.00	4,314.80
11610	00363 AUG 2016	CINCINNATI LIFE INSURANCE CO LIFE INSURANCE	08/12/2016		28.00
			Total for Check Number 11610:	0.00	28.00
11611	00362 33740	ACCELA, INC #774375 ANNUAL MAINTENANCE_10/1/16 - 9/30/17	08/19/2016		1,039.50
			Total for Check Number 11611:	0.00	1,039.50
11612	00729 6072474	ALPHA ANALYTICAL LABS BCEWW MONITORING	08/19/2016		926.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	6081446	BCEWW MONITORING			1,343.00
	6081535	BCEWW MONITORING			390.00
					<hr/>
Total for Check Number 11612:				0.00	2,659.00
11613	10025	BADGER METER, INC	08/19/2016		
	7749	BEACON CELLULAR STANDARD			70.00
	7749	BEACON CELLULAR STANDARD			23.76
	7749	BEACON CELLULAR STANDARD			70.00
					<hr/>
Total for Check Number 11613:				0.00	163.76
11614	00220	BAY BUILDING JANITORIAL,INC	08/19/2016		
	28655	JANITORIAL SERVICES			424.42
					<hr/>
Total for Check Number 11614:				0.00	424.42
11615	01080	BC ELEMENTARY PARENTS CLUB	08/19/2016		
	080116	WATERSHED EDUCATION GRANT_FINAL 1			250.00
					<hr/>
Total for Check Number 11615:				0.00	250.00
11616	00342	BRASS KEY LOCKSMITH	08/19/2016		
	944893	REKEY LOMPICO			240.50
	944925	DISTRICT LOCKS/RE-KEY			264.14
					<hr/>
Total for Check Number 11616:				0.00	504.64
11617	00566	C S S C	08/19/2016		
	16070	ANSWERING SERVICE			265.38
					<hr/>
Total for Check Number 11617:				0.00	265.38
11618	00290	CONTRACTOR COMPLIANCE & MONI	08/19/2016		
	7367	INTERTIES 2,3,4_LABOR COMPLIANCE SEI			49.50
					<hr/>
Total for Check Number 11618:				0.00	49.50
11619	00212	COUNTY OF SANTA CRUZ	08/19/2016		
	79696	WASTEWATER GENERATOR			602.00
	79740	NINA TANK GENERATOR			752.00
					<hr/>
Total for Check Number 11619:				0.00	1,354.00
11620	00343	ERNIE'S SERVICE CENTER	08/19/2016		
	53159	TIRE REPAIR-VE325			19.50
					<hr/>
Total for Check Number 11620:				0.00	19.50
11621	00450	EUROFINS EATON ANALYTICAL, INC	08/19/2016		
	272395	WATER ANALYSIS			80.00
	273384	WATER ANALYSIS			75.00
	273385	WATER ANALYSIS			100.00
	273386	WATER ANALYSIS			60.00
	274586	WATER ANALYSIS			360.00
	274933	WATER ANALYSIS			150.00
	274934	WATER ANALYSIS			40.00
	274952	WATER ANALYSIS			80.00
	275522	WATER ANALYSIS_LAKE BLVD, WEST DR			60.00
	275646	WATER ANALYSIS_PASO, BOB'S LN SAMPI			80.00
	276052	WATER ANALYSIS_LEWIS WELL			1,360.00
	276053	WATER ANALYSIS_WELL 7			680.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 11621:	0.00	3,125.00
11622	00991 1847207 1856848	EWING IRRIGATION PRODUCTS BEAR CREEK WASTEWATER SAMPLE TAP; CREDIT_BCEWW TAPS	08/19/2016		143.34 -41.93
			Total for Check Number 11622:	0.00	101.41
11623	00750 072216	FEDAK & BROWN, LLP AUDIT SERVICES_JULY 2016	08/19/2016		2,000.00
			Total for Check Number 11623:	0.00	2,000.00
11624	00365 14012 16009 16010 16010	FREITAS + FREITAS SWIM TANK REPLACEMENT PROJECT LOMPICO ROAD WATER MAIN REPLACEM SWIM TANK REPLACEMENT PROJECT SWIM TANK REPLACEMENT PROJECT	08/19/2016		3,345.70 5,085.30 4,799.80 4,799.80
			Total for Check Number 11624:	0.00	18,030.60
11625	00080 1012616	GRANITE CONSTRUCTION CO HOT MIX/TWIN PINES METER INSTALL	08/19/2016		170.18
			Total for Check Number 11625:	0.00	170.18
11626	00016 2238592	GREENWASTE RECOVERY,INC TRASH/RECYCLE/YARDWASTE SERVICE_	08/19/2016		270.65
			Total for Check Number 11626:	0.00	270.65
11627	00550 10014329 10036560 10036560 10036562	HACH COMPANY KIRBY PLANT TURBIDITY VIEWER PH SENSOR & TRANSMITTER CHLORINE ANALYZERS WTP SUPPLIES	08/19/2016		773.44 3,072.25 7,250.70 926.02
			Total for Check Number 11627:	0.00	12,022.41
11628	00526 3616300834	HOPKINS TECHNICAL PROD. MEMBRANE CHLORINE ANALYZER PARTS	08/19/2016		349.23
			Total for Check Number 11628:	0.00	349.23
11629	00247 S102867456 &001	INDEPENDENT ELECTRIC SUPPLY SOFT STARTER REPLACEMENT	08/19/2016		3,482.05
			Total for Check Number 11629:	0.00	3,482.05
11630	01047 080116	JANE ORBUCH WATERSHED EDUCATION GRANT_FINAL 1	08/19/2016		290.00
			Total for Check Number 11630:	0.00	290.00
11631	00336 JULY 2016	LAND TRUST OF SANTA CRUZ CNTY OLYMPIA PATROL SERVICE	08/19/2016		540.30
			Total for Check Number 11631:	0.00	540.30
11632	00082 200440 200698	MID VALLEY SUPPLY PAPER PRODUCT SUPPLIES PAPER PRODUCT SUPPLIES	08/19/2016		84.44 45.11

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	200825	PAPER PRODUCT SUPPLIES			60.19
			Total for Check Number 11632:	0.00	189.74
11633	00478 1719608	MWH AMERICAS CONSULTING SERVICES THROUGH 7/8/16	08/19/2016		1,918.75
			Total for Check Number 11633:	0.00	1,918.75
11634	10067 71600017 71600030	NBS PROFESSIONAL SVCS RENDERED THROU CONSULTING SERVICES_COST OF SERVIC	08/19/2016		14,507.37 1,410.00
			Total for Check Number 11634:	0.00	15,917.37
11635	00625 852695880001 852695947001	OFFICE DEPOT OFFICE SUPPLIES OFFICE SUPPLIES	08/19/2016		47.61 51.69
			Total for Check Number 11635:	0.00	99.30
11636	00944 2028	PDN CONSULTING MONTHLY BACKUP & ANTI VIR---MONTH	08/19/2016		415.00
			Total for Check Number 11636:	0.00	415.00
11637	00263 063016 073116	RAYNE WATER CONDITIONING WATER CONDITIONER SVC WATER CONDITIONER SVC_8/1 - 8/31/16	08/19/2016		31.75 31.75
			Total for Check Number 11637:	0.00	63.50
11638	10001 753850	RUTAN AND TUCKER, LLP LEGAL SERVICES RENDERED THROUGH 7	08/19/2016		918.00
			Total for Check Number 11638:	0.00	918.00
11639	00047 6060918 6060919 6070174 6070175 6070353 6070354 6070355 6070590 6070591 6070592 6070593 6070594 6070595 6070810 6070811 6070812 6080175 6080176 6080179	SOIL CONTROL LAB WATER ANALYSIS_GEN PHYSICAL WATER ANALYSIS_TOTAL PHOSPHATE WATER ANALYSIS_GEN PHYSICAL WATER ANALYSIS_TOTAL PHOSPHATE WATER ANALYSIS_GEN PHYSICAL WATER ANALYSIS_TOTAL PHOSPHATE WATER ANALYSIS_ALKALINITY, METAL I WATER ANALYSIS_GEN PHYSICAL TOTAL PHOSPHATE WATER ANALYSIS_GEN PHYSICAL WATER ANALYSIS_METALS DIGESTION ALKALINITY, METALS,PH WATER ANALYSIS_GEN PHYSICAL GENERAL PHYSICAL TOTAL PHOSPHATE HETEROTROPIC PLATE COUNT WATER ANALYSIS_GEN PHYSICAL WATER ANALYSIS_TOTAL PHOSPHATE WATER ANALYSIS_GEN PHYSICAL	08/19/2016		145.00 39.00 145.00 78.00 145.00 39.00 246.00 29.00 39.00 116.00 37.00 246.00 29.00 145.00 78.00 39.00 145.00 117.00 29.00
			Total for Check Number 11639:	0.00	1,886.00
11640	00727 78648757	ULINE SHIPPING SUPPLY EMBOSSABLE FOIL TAGS	08/19/2016		150.32

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 11640:	0.00	150.32
11641	00721 4186347 4276900	UNITED SITE SVCS.,INC PORTO-TOILET RENTAL PORTO-TOILET	08/19/2016		157.18 157.18
			Total for Check Number 11641:	0.00	314.36
11642	00768 000346 11395	USA BLUEBOOK METER WRENCHES MISC LAB SUPPLIES	08/19/2016		357.79 2,087.94
			Total for Check Number 11642:	0.00	2,445.73
11643	00609 215018-0516 216018-0316 216018-0516 216018-1215	BALANCE HYDROLOGICS, INC END OF YR. 2 DRAFT & FINAL REPORT_AI YR. 3 GAGING_FOREMAN, PEAVINE, BOUI YR. 3 GAGING_FOREMAN, PEAVINE, BOUI YR. 3 GAGING_FOREMAN, PEAVINE, BOUI	08/19/2016		3,232.50 21,991.68 31,858.22 4,479.75
			Total for Check Number 11643:	0.00	61,562.15
11644	00054 080416	PACIFIC GAS & ELECTRIC ELECTRIC CHARGES_LOMPICO_15/16	08/19/2016		57.75
			Total for Check Number 11644:	0.00	57.75
11645	00545 578668	AFLAC SUPPLEMENTAL INSURANCE_AUGUST 20	08/19/2016		445.52
			Total for Check Number 11645:	0.00	445.52
11646	00589 7178	ALLARD'S SEPTIC HOLDING TANK HAULAWAY_KWTP	08/19/2016		300.00
			Total for Check Number 11646:	0.00	300.00
11647	00162 073116	ANTHEM BLUE CROSS RETIRED MEDICAL EMPLOYEE_9/1 - 11/1/1	08/19/2016		630.14
			Total for Check Number 11647:	0.00	630.14
11648	00767 929560531	ANTHEM BLUE CROSS MEDICARERX_RETIRED EMPLOYEE	08/19/2016		132.00
			Total for Check Number 11648:	0.00	132.00
11649	10023 2992917	AT & T CAPITAL SERVICES, INC V2 SYSTEM MAINTENANCE	08/19/2016		396.07
			Total for Check Number 11649:	0.00	396.07
11650	00687 080516 080616 080716	AT&T U-VERSE INTERNET SERVICE_13057 HWY 9 INTERNET SERVICE_MANANA WOODS INTERNET SERVICE_345 QUAIL TERRACE	08/19/2016		70.00 80.00 70.00
			Total for Check Number 11650:	0.00	220.00
11651	00052 080116	BOULDER CREEK POSTMASTER ANNUAL PERMIT 55 FEE	08/19/2016		225.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 11651:	0.00	225.00
11652	00713 14438250	C.C.O.I. GATE & FENCE GATE REPAIRS	08/19/2016		329.54
			Total for Check Number 11652:	0.00	329.54
11653	10093 4169533-0001	CRESO EQUIPMENT RENTALS METER CHANGE OUT/VACUUM TRAILER	08/19/2016		1,843.94
			Total for Check Number 11653:	0.00	1,843.94
11654	00450 LO271701	EUROFINS EATON ANALYTICAL, INC WATER ANALYSIS_PASO, BOB'S LN	08/19/2016		60.00
			Total for Check Number 11654:	0.00	60.00
11655	00080 1014677	GRANITE CONSTRUCTION CO HOT MIX	08/19/2016		132.55
			Total for Check Number 11655:	0.00	132.55
11656	00247 S102864443.001	INDEPENDENT ELECTRIC SUPPLY MADRONE BOOSTER	08/19/2016		916.52
			Total for Check Number 11656:	0.00	916.52
11657	00181 119689	LAS ANIMAS CONCRETE SLURRY	08/19/2016		590.50
			Total for Check Number 11657:	0.00	590.50
11658	00082 201026	MID VALLEY SUPPLY PAPER SUPPLIES	08/19/2016		60.62
			Total for Check Number 11658:	0.00	60.62
11659	10004 081616 081616 081616 081616 081616 081616 081616	PETTY CASH - CHELSEA SLADWICK CHARGER POSTAGE_OVER NIGHT PVC NIPPLE MEAL POSTER BOARD SCREWDRIVER, TROWEL, WASHER FLUID 1/2 & 1/2	08/19/2016		27.05 6.45 3.77 11.97 3.18 27.56 3.99
			Total for Check Number 11659:	0.00	83.97
11660	00302 0037363	POLLARDWATER.COM FLUSHING DEVICE	08/19/2016		277.33
			Total for Check Number 11660:	0.00	277.33
11661	00100 080416	RICK ROGERS T-3 REIMBURSEMENT	08/19/2016		151.20
			Total for Check Number 11661:	0.00	151.20
11662	UB*00162	CHRISTOPHER RODRIGUES Refund Check	08/19/2016		65.93

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 11662:	0.00	65.93
11663	01057 52559	SILKE COMMUNICATIONS SITE FAN	08/19/2016		438.30
			Total for Check Number 11663:	0.00	438.30
11664	00241 4854850	U S PLASTIC CORP CHLORINE BARRELS	08/19/2016		489.01
			Total for Check Number 11664:	0.00	489.01
11665	00722 081816	SWRCB WT OPERATOR RENEWAL_GRADE T2	08/19/2016		60.00
			Total for Check Number 11665:	0.00	60.00
11666	00309 081116 081116 081116	AT&T IP SERVICES IP SERVICES_OPS IP SERVICES_ADMIN IP SERVICES_WTP	08/24/2016		242.20 242.20 242.20
			Total for Check Number 11666:	0.00	726.60
11667	00686 081316 081316 081316	AT&T LONG DISTANCE LONG DISTANCE_OPS LONG DISTANCE_ADMIN LONG DISTANCE_WTP	08/24/2016		74.84 8.89 214.52
			Total for Check Number 11667:	0.00	298.25
11668	00687 081516 81516	AT&T U-VERSE INTERNET SERVICE_GRAHAM HILL RD INTERNET SERVICE_365 MADRONE AVE	08/24/2016		70.00 57.00
			Total for Check Number 11668:	0.00	127.00
11669	UB*00164	Brooks of Swenson Collado Home/Collado Refund Check	08/24/2016		4,930.18
			Total for Check Number 11669:	0.00	4,930.18
11670	00178 SEPT 2016 SEPT 2016 SEPT 2016 SEPT 2016 SEPT 2016 SEPT 2016 SEPT 2016	CALPERS MEDICAL INSURANCE_FINANCE MEDICAL INSURANCE_DEPENDENT MEDICAL INSURANCE_RETIRED EMPLOY MEDICAL INSURANCE_ADMIN MEDICAL INSURANCE_WTP MEDICAL INSURANCE_W.SHED MEDICAL INSURANCE_OPS	08/24/2016		5,663.06 3,909.40 613.35 3,082.78 7,462.20 1,713.47 18,111.37
			Total for Check Number 11670:	0.00	40,555.63
11671	00788 071116 081116 081616 081916	COMCAST INTERNET SERVICE_23 SUMMIT AVE INTERNET SERVICE_23 SUMMIT AVE INTERNET SERVICE_264 ORCHARD RD INTERNET SERVICE_7400 HWY 9	08/24/2016		138.92 143.67 136.08 141.08
			Total for Check Number 11671:	0.00	559.75

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
11672	UB*00163	RON CRAIG Refund Check	08/24/2016		10.20
Total for Check Number 11672:				0.00	10.20
11673	10005 102212221	ICMA RETIREMENT C/O M & T RETIRI RETIREMENT WITHHOLDING	08/24/2016		1,635.00
Total for Check Number 11673:				0.00	1,635.00
11674	00313	MET LIFE	08/24/2016		
	SEPT 2016	LIFE INSURANCE_FINANCE			83.25
	SEPT 2016	DISABILITY INSURANCE_OPS			340.26
	SEPT 2016	LIFE INSURANCE_ADMIN			33.30
	SEPT 2016	DISABILITY INSURANCE_FINANCE			145.24
	SEPT 2016	LIFE INSURANCE_WT			129.87
	SEPT 2016	DISABILITY INSURANCE_W.SHED			41.61
	SEPT 2016	DENTAL INSURANCE_OPS			1,877.45
	SEPT 2016	DISABILITY INSURANCE_WT			255.89
	SEPT 2016	DENTAL INSURANCE_W.SHED			122.14
	SEPT 2016	DENTAL INSURANCE_FINANCE			731.26
	SEPT 2016	LIFE INSURANCE_OPS			203.13
	SEPT 2016	DENTAL INSURANCE_WTP			915.29
	SEPT 2016	DISABILITY INSURANCE_ADMIN			75.95
	SEPT 2016	LIFE INSURANCE_W.SHED			16.65
	SEPT 2016	DENTAL INSURANCE_ADMIN			243.49
Total for Check Number 11674:				0.00	5,214.78
11675	00887 081216 081216	TPB INVESTMENTS INC REFUNDING BOND_PRINCIPAL REFUNDING BOND_INTEREST	08/24/2016		314,197.22 40,658.02
Total for Check Number 11675:				0.00	354,855.24
11676	00011 081316 9770345442 9770345442 9770345442 9770345442	VERIZON WIRELESS TABLET CHARGES CELL PHONE CHARGES_ADMIN CELL PHONE CHARGES_WTP CELL PHONE CHARGES_ENG CELL PHONE CHARGES_OPS	08/24/2016		175.71 85.46 314.21 85.46 1,255.29
Total for Check Number 11676:				0.00	1,916.13
Report Total (83 checks):				0.00	628,279.38

CASH REQUIREMENTS

THIS REPORT SUMMARIZES YOUR PAYROLL TRANSACTIONS FOR THE CHECK DATE 08/17/16. 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
08/16/16	WELLS FARGO BANK, NA	xxxxxx1358	Direct Deposit	Net Pay Allocations	41,344.68	41,344.68
08/16/16	WELLS FARGO BANK, NA	xxxxxx1358	Taxpay®	Employee Withholdings		
				Social Security	5,338.83	
				Medicare	1,344.53	
				Fed Income Tax	10,225.27	
				CA Income Tax	3,066.45	
				CA Disability	771.41	
				Total Withholdings	20,746.49	
				Employer Liabilities		
				Social Security	5,338.84	
				Medicare	1,344.49	
				Fed Unemploy	4.20	
				Total Liabilities	6,687.53	27,434.02
08/16/16	WELLS FARGO BANK, NA	xxxxxx1358	401(k) Traditional	PXROTH 401 EEPO	300.97	
				PX401 EECU		
				PX401 ERMTCH		
				PXROTH 401 EECU		
				PX401 ERCUM		
				PX401 EEPRE	898.56	1,199.53
08/16/16	WELLS FARGO BANK, NA	xxxxxx1358	Section 125	PXDCA EE PRE	443.16	
				PXUME EE PRE	350.00	793.16
EFT FOR 08/16/16						70,771.39
TOTAL EFT (Does not reflect administrative charges)						70,771.39

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>
08/17/16	WELLS FARGO BANK, NA	xxxxxx1358	Payroll	Check Amounts	20,500.18	
TOTAL NEGOTIABLE CHECKS						20,500.18

CASH REQUIREMENTS

THIS REPORT SUMMARIZES YOUR PAYROLL TRANSACTIONS FOR THE CHECK DATE 08/17/16. 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>
08/17/16	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	6,096.64
				Health	2,007.78
				ICMA	1,635.00
				Life Ins	14.00
				Union dues	427.60
				Total Deductions	11,244.46
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (Does not reflect administrative charges)					11,244.46

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>	
08/24/16	Taxpay®	FED IT PMT Group	23,591.96
08/24/16	Taxpay®	CA IT PMT Group	3,837.86

MEMO

TO: Mr. Brian Lee, District Manager
FROM: Stephanie Hill, Finance Manager
DATE: August 25, 2016
SUBJECT: Annual Disclosure Report of Employee Reimbursements for Fiscal Year 2015-2016

RECOMMENDATION:

It is recommended that the Board of Directors accept and file the Annual Disclosure Report of Employee Reimbursements for Fiscal Year 2015-2016.

BACKGROUND:

In accordance with Government Code Section 53065.5, each special district shall, at least annually, disclose and make available for public inspection, any reimbursement paid by the District within the immediately preceding fiscal year of at least one hundred dollars (\$100) for each individual charge for services for product received. "Individual charge" includes, but is not limited to, one meal, lodging for one day, transportation or a registration fee paid to any employee or member of the governing body of the District.

Pursuant to the San Lorenzo Valley Water District Board of Director's Policy Manual, said reimbursement information for the preceding fiscal year (July 1-June 30) shall be reviewed at the first Board of Director's meeting in September of each calendar year.

STRATEGIC PLAN:

8.0 Organizational Health/Personnel

FISCAL IMPACT:

\$7,306.67

**SAN LORENZO VALLEY WATER DISTRICT
REIMBURSEMENT DISCLOSURE REPORT
JULY 1, 2015 - JUNE 30, 2016**

DATE	EMPLOYEE	TOTAL	CATEGORY
06/21/16	RICARDO VILLA	\$ 157.89	DISTRICT UNIFORM
06/21/16	DETLEF ADAM	\$ 194.85	DISTRICT UNIFORM
05/26/16	ANDY ROBUSTELLI	\$ 146.14	DISTRICT UNIFORM
05/12/16	HOLLY MORRISON	\$ 167.62	BUSINESS MEAL/SUPPLIES
05/06/16	NATE GILLESPIE	\$ 141.38	DISTRICT UNIFORM
04/21/16	JEN MICHELSEN	\$ 950.47	CONFERENCE/MILEAGE
03/30/16	BEN VIRAMONTES	\$ 110.00	CERTIFICATION
03/17/16	JOHN TREGEMBO	\$ 203.49	DISTRICT UNIFORM
03/17/16	JEN MICHELSEN	\$ 282.40	CONFERENCE/MILEAGE
03/10/16	DAVE BASLER	\$ 123.68	CERTIFICATION
02/18/16	HOLLY MORRISON	\$ 317.21	CONFERENCE/MILEAGE
02/18/16	JEN MICHELSEN	\$ 470.29	OFFICE SUPPLIES
01/07/16	RICK ROGERS	\$ 105.00	CERTIFICATION
12/23/15	SCOTT MATTOCH	\$ 292.67	OFFICE SUPPLIES
12/23/15	GENE RATCLIFFE	\$ 760.00	CONFERENCE/MILEAGE
12/10/15	BEN BEASLEY	\$ 131.81	DISTRICT UNIFORM
12/10/15	RICK ROGERS	\$ 377.00	PERMIT FEES
12/04/15	JAMES FURTADO	\$ 173.99	DISTRICT UNIFORM
12/01/15	HOLLY MORRISON	\$ 106.42	CONFERENCE/MILEAGE
12/01/15	JEN MICHELSEN	\$ 244.81	CONFERENCE/MILEAGE
10/29/15	HOLLY MORRISON	\$ 1,045.23	CONFERENCE/MILEAGE
09/24/15	HOWARD OLIPHANT	\$ 112.96	DISTRICT UNIFORM
09/24/15	ANDY ROBUSTELLI	\$ 120.00	CERTIFICATION
08/27/15	HOLLY MORRISON	\$ 236.67	EMPLOYEE RECOGNITION
07/27/15	DON LONG	\$ 112.84	DISTRICT UNIFORM
07/27/15	JESSE GUIVER	\$ 221.85	DISTRICT UNIFORM
	TOTAL	\$ 7,306.67	

This report was prepared pursuant to California Government Code Section 53065.5.

MEMO

TO: Board of Directors
FROM: District Manager
SUBJECT: Swim Tank Mitigated Negative Declaration
DATE: August 18, 2016

RECOMMENDATION:

It is recommended that the Board of Directors review and file this memo and by motion of the Board approve Resolution No. 8 (16-17) Swim Tank Mitigated Negative Declaration.

BACKGROUND:

The District prepared an Initial Study and a Mitigated Negative Declaration (IS/MND) in accordance with the California Environmental Quality Act (CEQA) for the project. This document concludes that the project, with the implementation of mitigation measures, will not have a significant effect on the environment.

The Initial Study and Mitigated Negative Declaration were circulated for agency and public comment from July 14, 2016 through August 12, 2016. No public comments were received.

The California State Clearinghouse sent a letter to the District upon the close of the public review period to indicate that the District had complied with the State's environmental review process. No comments have been received that alter the conclusion of the Initial Study as of the writing of this staff report, except for identification of a typo in the Initial Study. Item 3d in the Initial Study checklist is checked twice. The correct box should be "Less Than Significant".

A Mitigation Monitoring and Reporting Program (MMRP) has been prepared in accordance with requirements of CEQA and is included as an attachment in Exhibit A and as an attachment to the resolution.

STRATEGIC PLAN:

Element - 3.1 Capital Improvement Program

FISCAL IMPACT:

\$2,260

SAN LORENZO VALLEY WATER DISTRICT

BOARD OF DIRECTORS TO ADOPT A MITIGATED NEGATIVE DECLARATION, AND ADOPT A MITIGATION MONITORING AND REPORTING PROGRAM (EXHIBIT A)

RESOLUTION NO. 8 (16-17)

WHEREAS, the Swim Tank Replacement Project (the Project) consists of replacing the two existing 20,000 gallon redwood storage tanks with one 62,000 gallon bolted steel storage tank (the Project); and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA) and State CEQA Guidelines, the San Lorenzo Valley Water District (District) prepared an Initial Study for the Project, which concluded that a Mitigated Negative Declaration should be prepared; and

WHEREAS, based on this Initial Study, the District prepared a Draft Mitigated Negative Declaration and circulated the document, along with the Initial Study, for agency and public review and comment for a review period that started on July 14, 2016 and ended on August 12, 2016; and

WHEREAS, no public comments were received on the Initial Study and Mitigated Negative Declaration; and

WHEREAS, a letter was received the California State Clearinghouse to indicate that the District had complied with the State's environmental review process; and

WHEREAS, the Initial Study and Mitigated Negative Declaration have been completed in compliance with the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et seq, the Guidelines for Implementation of the California Environmental Quality Act (14 Cal. Code Regs. Section 15000 et seq.) (the "State CEQA Guidelines") and local procedures adopted pursuant thereto; and

WHEREAS, the District Board of Directors considered the Initial Study and Mitigated Negative Declaration at a public meeting held on September 1, 2016; and

WHEREAS, the District Board of Directors recognizes the District's obligation, pursuant to Public Resources Code section 21081.6, subdivision (a), to ensure the monitoring of all adopted mitigation measures necessary to substantially lessen or avoid the significant effects of the project; and

WHEREAS, Exhibit A to this Resolution is the Mitigation Monitoring and Reporting Plan prepared in order to comply with § 21081.6, subdivision (a);

NOW, THEREFORE, BE IT RESOLVED by the San Lorenzo Valley Water District as follows:

- The Board of Directors hereby finds that it has considered the Mitigated Negative Declaration together with the Initial Study and finds that the Mitigated Negative Declaration (dated July 8, 2016) and supporting documents reflects the District's independent judgment and analysis, as required by Public Resources Code Section 21082.1.
- The Board of Directors finds on the basis of the whole record before it (including the Initial Study and comments received at the public meeting) that there is no substantial evidence that the project will have a significant effect on the environment.
- The Board of Directors hereby adopts the Mitigated Negative Declaration and finds that the Initial Study has been completed in compliance with CEQA, the State CEQA Guidelines and local procedures adopted pursuant thereto.
- The Board of Directors hereby adopts the Mitigation Monitoring and Reporting Program attached hereto as Exhibit "A".
- All environmental documents and other materials that constitute the record of proceedings upon which this decision is based, are located at San Lorenzo Valley Water District, 13060 Highway 9, Boulder Creek, CA 95006-9119.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 1st day of September 2016, by the following vote of the members thereof:

ROLL CALL:

AYES:

NOES:

ABSTAIN:

ABSENT:

Holly B. Morrison
District Secretary

MITIGATION MONITORING & REPORTING PROGRAM

San Lorenzo Valley Water District – Swim Tank Replacement Project

The Mitigation Monitoring and Reporting Program (MMRP) has been prepared pursuant to the California Environmental Quality Act (CEQA – Public Resources Code, Section 21000 *et seq.*), the CEQA Guidelines (Cal. Code Regs., Title 14, Chapter 3, Sections 15074 and 15097). A copy of this MMRP shall be kept in the San Lorenzo Valley Water District Office and shall be available for viewing upon request.

This MMRP includes mitigation measures in the Mitigation Monitoring and Reporting Matrix on the following pages that correspond to the final Mitigated Negative Declaration (MND) for the project. The matrix lists each mitigation measure or series of mitigation measures by environmental topic. For each mitigation measure, the frequency of monitoring and the responsible monitoring entity is identified. Mitigation measures may be shown in submittals and may be checked only once, or they may require monitoring periodically during and/or after construction. Once a mitigation measure is complete, the responsible monitoring entity shall date and initial the corresponding cell, and indicate how effective the mitigation measure was.

MITIGATION MONITORING PROGRAM – Swim Tank Replacement Project

Mitigation Measure	Implementation Actions	Monitoring / Reporting Responsibility	Timing Requirements	Reporting Requirements & Verification of Compliance
Biological Resources				
<p>MITIGATION MEASURE 1: To avoid potential direct and indirect impacts to nesting migratory birds, schedule tree removal and construction in late summer and fall (i.e. after August 1 and before March 1), which is outside the nesting season. If this schedule is not possible, the SLVWD shall hire a qualified biologist to survey for nesting birds no more than 30 days prior to vegetation removal. If any raptors or migratory birds are nesting on or adjacent to the site, the biologist shall determine a buffer area around the nest that is adequate to protect the nesting birds until fledging of young is complete. No construction shall take place within the buffer zone until the biologist determines fledging is complete.</p>	<p>Implementation actions are outlined in the mitigation measure.</p>	<p>San Lorenzo Valley Water District staff are responsible for hiring a qualified biologist to conduct a pre-construction nesting bird survey if construction proceeds during the nesting season.</p>	<p>Prior to construction during the times specified in the mitigation measure.</p>	
Geology and Soils				
<p>MITIGATION MEASURE 2: Incorporate erosion control measures in the project construction plans and specifications and implement during construction, including but not limited to measures outlined in the geotechnical report, including but not limited to: limiting the area of ground disturbance and vegetation removal at any one time during construction; installing silt fences or other barriers to prevent soils from leaving the project site; conducting work prior to the rainy season if possible and protecting disturbed areas during the rainy season; and immediately revegetating disturbed areas.</p>	<p>Include measure in construction specifications.</p>	<p>San Lorenzo Valley Water District staff are responsible for reviewing construction plans to verify measure is included and that measures are in place at the construction site prior to ground disturbance.</p>	<p>Prior to construction.</p>	
<p>MITIGATION MEASURE 3: Require implementation of recommendations set forth in the September 2014 “Geotechnical Investigation” for the project site by Haro, Kasunich and Associates, site preparation, foundation design, drainage, and all other recommendations.</p>	<p>Implementation actions are outlined in the mitigation measure.</p>	<p>San Lorenzo Valley Water District staff or qualified consultant are responsible for reviewing project plans to verify that geotechnical recommendations are included.</p>	<p>Prior to construction.</p>	

Mitigated Negative Declaration San Lorenzo Valley Water District

The San Lorenzo Valley Water District has prepared this Mitigated Negative Declaration for the following described project:

Project: Swim Tank Replacement Project

Project Location: 1045 Country Club Drive (See map in attached Initial Study)

Project Description: The proposed project consists of replacing the two existing 20,000 gallon redwood storage tanks with one 62,000 gallon bolted steel storage tank. The new tank would be approximately 16 tall and 29 feet in diameter and is located between and to the north of the current tank locations.

Applicant: Not Applicable

FINDINGS: The San Lorenzo Valley Water District has reviewed the proposed project and has determined, based on the attached Initial Study, that the project will have a less-than-significant impact on the environment with implementation of mitigation measures. Consequently, adoption of a Mitigated Negative Declaration is appropriate. An Environmental Impact Report is not required pursuant to the *California Environmental Quality Act of 1970 (CEQA)*. This environmental review process was conducted and the attached Initial Study was prepared in accordance with the State *CEQA Guidelines* and the local City of Santa Cruz *CEQA Guidelines and Procedures*.

BASIS OF FINDINGS: The Initial Study finds that all potentially significant impacts that could be caused by the project can be reduced to less-than-significant levels with implementation of mitigation measures as described in the attached Initial Study and to be incorporated into the project plans and specifications. The following mitigation measures will be incorporated into the project design or as conditions of approval, to ensure that any potential environmental impacts will not be significant.

<u>Impact</u>	<u>Mitigation</u>
Biological Resources: Tree removal and/or construction noise have the potential to cause death or injury to nesting birds if they are nesting at the time of tree removal and/or construction.	MITIGATION MEASURE 1: To avoid potential direct and indirect impacts to nesting migratory birds, schedule tree removal and construction in late summer and fall (i.e. after August 1 and before March 1), which is outside the nesting season. If this schedule is not possible, the SLVWD shall hire a qualified biologist to survey for nesting birds no more than 30 days prior to vegetation removal. If any raptors or migratory birds are nesting on or adjacent to the site, the biologist shall determine a buffer area around the nest that is adequate to protect the nesting birds until fledging of young is complete. No construction shall take place within the buffer zone until the biologist determines fledging is complete.

Geology and Soils: Grading and excavation may result in erosion if not properly managed.

MITIGATION MEASURE 2: Incorporate erosion control measures in the project construction plans and specifications and implement during construction, including but not limited to measures outlined in the geotechnical report, including but not limited to: limiting the area of ground disturbance and vegetation removal at any one time during construction; installing silt fences or other barriers to prevent soils from leaving the project site; conducting work prior to the rainy season if possible and protecting disturbed areas during the rainy season; and immediately revegetating disturbed areas.

Geology and Soils: The geotechnical investigation concluded that the proposed construction of a replacement water tank is acceptable from a geotechnical standpoint, provided the geotechnical criteria and recommendations are incorporated into the design and construction of the project, including removal of topsoil and the top four feet of soil and replacement non-expansive engineered fill.

MITIGATION MEASURE 3: Require implementation of recommendations set forth in the September 2014 "Geotechnical Investigation" for the project site by Haro, Kasunich and Associates, site preparation, foundation design, drainage, and all other recommendations.



By: Brian Lee, District Manager
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006-9119



Date

INITIAL STUDY / ENVIRONMENTAL CHECKLIST

SAN LORENZO VALLEY WATER DISTRICT

CONTENTS

Initial Study

- I. Background & Project Description
 - II. Environmental Setting
 - III. Environmental Checklist
 - IV. Determination
 - V. References and Data Source List
 - VI. Explanation of Environmental Checklist Responses
- FIGURES

I. BACKGROUND & PROJECT DESCRIPTION

- 1. Project Title:** Swim Tank Replacement Project
- 2. Lead Agency Name and Address:**
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006-9119
- 3. Contact Person and Phone Number:** Brian C. Lee, District Manager, 831-338-2153;
blee@slvwd.com
- 4. Project Location:** 1045 Country Club Drive north of the town of Ben Lomond in the San Lorenzo Valley (APN 078-261-07); see Figures 1 and 2¹.
- 5. Project Applicant's/Sponsor's Name and Address:**
San Lorenzo Valley Water District – SAME ADDRESS AS ABOVE
- 6. General Plan Designation:** Rural Residential (R-R)
- 7. Zoning:** R-1-15 (Single-Family Residential)
- 8. Public Agencies Whose Approval or Review Is Required:**
 - California Water Resources Control Board, Drinking Water Branch: Review/Approval of Change in Water System Operation Permit
 - County of Santa Cruz: Potential Encroachment Permit for Work in Public Right-of-way

As a public water service district, the San Lorenzo Valley Water District is not required to obtain development permits from the County of Santa Cruz [pursuant to Santa Cruz County Code section 13.10.140(b) and California Government Code section 53091(e)].
- 9. Initial Study Preparation:** Strelow Consulting with Biotic Resources Group

¹ All figures are included at the end of the document for ease of reference.

10. Background: The San Lorenzo Water District (SLVWD) was established in 1941 and serves several communities within the 136 square-mile San Lorenzo River watershed. The SLVWD owns, operates, and maintains three water systems that supply separate service areas from separate water sources. The North Service Area includes the unincorporated communities of Boulder Creek, Brookdale, and Ben Lomond, the area in which the proposed project is located. The District serves an average of approximately 1.7 million gallons of water per day (MG/D) to approximately 7,300 service connections and a population of more than 22,000 (SOURCE V.1 a²). The District's service area boundaries are shown on Figure 3.

The SLVWD owns and maintains two 20,000-gallon water storage tanks, referred to as the "Swim Water Storage Tanks" that are part of the original water distribution system acquired by the District in 1965 from Citizens Utilities Company for the area in which the tanks are located. The existing storage tanks are located off a steep embankment and provide water service to approximately seventy nine (79) connections in the Swim Zone (Zone 18). The District's Spring Booster also is located on this parcel. The Spring Booster supplies water from Swim Zone (Zone 18) to the Spring Zone (Zone 19) (SOURCE V.5).

The existing tanks are old and require ongoing maintenance to control leakage, which is difficult given limited access to the facilities. The current tanks do not meet current seismic stability requirements. Furthermore, the tanks do not provide sufficient storage for the area they serve. The District estimates that the zone needs about 60,000 gallons of water storage (SOURCE V.5).

11. Project Description: The proposed project consists of replacing the two existing 20,000 gallon redwood storage tanks with one 62,000 gallon bolted steel storage tank. The new tank would be approximately 16 tall and 29 feet in diameter and is located between and to the north of the current tank locations. See Figure 4 for location of existing tanks. A preliminary site plan is shown on Figure 5, and a schematic of the proposed replacement tank is shown on Figure 6.

The new tank will have a reinforced concrete ring foundation. A retaining wall will be constructed around three sides of the new tank to support excavations necessary to construct the new tank pad. Other project features include relocation of booster pumps to a new concrete pad and constructing a new 4-foot wide stairway from Country Club Drive to the tank site. A truck pullout will also be constructed at the intersection of Country Club Drive and Woodland Drive to accommodate service vehicles. A retaining wall will be constructed at the new roadside pullout. Grading for the project will consist of sub-excavation of soil in the tank pad and engineered fill placement and compaction for the tank pad, driveway, and associated improvements.

The existing tanks and booster pump will remain in operation during construction to maintain water service to the existing pressure zones. The two existing wooden tanks will be removed after installation of the new steel tank is complete.

² All source (document) references are summarized in SECTION V.

Construction is anticipated to begin in the spring of 2016, and is expected to take six months. Construction staging will be within the existing roadway.

II. ENVIRONMENTAL SETTING

The approximate 0.14-acre (6,081 square feet) project site is located southwest of the intersection of Country Club Drive, Woodland Drive, and Scenic Way in Ben Lomond, southwest of the unincorporated town of Ben Lomond and west of Highway 9 and Highlands County Park. Single-family homes on larger lots are located in the vicinity in an area that is generally characterized as semi-rural. The site is bordered by Woodland Drive and Country Club Drive on the east, single-family dwellings on the west and northwest, a private road and residence on the south, and an undeveloped parcel to the north.

The existing tanks are located on a moderately steep east facing slope with no vehicular access onto the site. The existing site topography and features, including the siting of the existing facilities, are shown on Figure 4. The existing 14-foot diameter redwood water tanks spaced are spaced about 60 feet apart on the southern portion of the parcel. Minor cuts have been made on the parcel to make the tank pads less steep and to construct concrete pads for electrical panels and pumps.

The parcel has an average slope gradient of about 50 percent (SOURCE V.7). The property supports small second-growth redwood trees and tan oaks. East of the parcel, the slope continues to a steep 4-foot by 6-foot high cut slope along Woodland Drive. A short distance beyond the south property line, slopes descend to a drainage channel which flows toward Woodland Drive.



III. ENVIRONMENTAL CHECKLIST

Environmental Factors Potentially Affected by the Project: The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by an asterisk (*) below and on the checklist on the following pages.

	Aesthetics		Agricultural & Forest Resources	✓	Air Quality
✓*	Biological Resources		Cultural Resources	✓*	Geology / Soils
✓	Greenhouse Gas Emissions		Hazards & Hazardous Materials	✓	Hydrology / Water Quality
	Land Use / Planning		Mineral Resources	✓	Noise
	Population / Housing		Public Services		Recreation
	Transportation / Traffic		Mandatory Findings of Significance		

Instructions to Environmental Checklist

1. A brief explanation is required (see VI. "Explanation of Environmental Checklist Responses") for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question (see V. Source List, attached). A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that any effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
4. "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level.
5. Earlier Analysis may be used where, pursuant to the tiering, program EIR, or other CEQA process, one or more effects have been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case a discussion should identify the following on attached sheets:
 - a) *Earlier Analysis used.* Identify earlier analyses and state where they are available for review.

- b) *Impacts adequately addressed.* Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c) *Mitigation measures.* For effects that are "Less than Significant with Mitigation Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
7. Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
8. The explanation of each issue should identify:
- a) The significance criteria or threshold, if any, used to evaluate each question; and
 - b) The mitigation measure identified, if any, to reduce the impact to less than significance.

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
1. AESTHETICS. Would the project:				
a) Have a substantial adverse effect on a scenic vista?				✓
b) Substantially damage scenic resources, including but not limited to trees, rock outcroppings, and historic buildings within a state scenic highway?				✓
c) Substantially degrade the existing visual character or quality of the site and its surroundings?			✓	
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				✓
2. AGRICULTURE AND FOREST RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement Methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use? (V.3)				✓
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				✓
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				✓
d) Result in the loss of forest land or conversion of forest land to non-forest use?				✓
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
3. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?				✓
b) Violate any air quality standard or contribute to an existing or projected air quality violation?			✓	
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?				✓
d) Expose sensitive receptors to substantial pollutant concentrations?			✓	✓
e) Create objectionable odors affecting a substantial number of people?				✓
4. BIOLOGICAL RESOURCES. Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				✓
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			✓	
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				✓
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?		✓		
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				✓
5. CULTURAL RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5?				✓
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5?			✓	
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				✓
d) Disturb any human remains, including those interred outside of formal cemeteries?				✓
e) Would the project cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code 21074?				✓
6. GEOLOGY AND SOILS. Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving: <ul style="list-style-type: none"> i. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42. (V.Ic) ii. Strong seismic ground shaking? iii. Seismic-related ground failure, including liquefaction? iv. Landslides? 			✓	✓
b) Result in substantial soil erosion or the loss of topsoil?		✓		
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?			✓	
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?		✓		

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?				✓
7. GREENHOUSE GAS EMISSIONS. Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			✓	
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?				✓
8. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				✓
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				✓
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within ¼ miles of an existing or proposed school?				✓
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				✓
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				✓
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				✓
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				✓
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
9. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards or waste discharge requirements?				✓
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local ground water table level (for example, the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				✓
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				✓
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				✓
e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?			✓	
f) Otherwise substantially degrade water quality?			✓	
g) Place housing within a 100-year flood-hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				✓
h) Place within a 100-year flood-hazard area structures which would impede or redirect flood flows?				✓
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				✓
j) Inundation by seiche, tsunami, or mudflow?				✓
10. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?				✓
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
mitigating an environmental effect?				
c) Conflict with any applicable Habitat Conservation Plan or Natural Community Conservation Plan?				✓
11. MINERAL RESOURCES. Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state? (V.2c)				✓
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?				✓
12. NOISE: Would the project:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance or applicable standards of other agencies?				✓
b) Exposure of persons to or generation of excessive ground borne vibration or ground borne noise levels?				✓
c) Substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				✓
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?			✓	
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				✓
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				✓
13. POPULATION AND HOUSING. Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				✓
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				✓
14. PUBLIC SERVICES. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or need for new or physical altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the public services:				
a) Fire protection?				✓
b) Police protection?				✓
c) Schools?				✓
d) Parks?				✓
e) Other public facilities?				✓
15. RECREATION. Would the project:				
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				✓
b) Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				✓
16. TRANSPORTATION/TRAFFIC. Would the project:				
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				✓
b) Conflict with an applicable congestion management program, including, but not limited to level of service standard and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?				✓
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location, that results in substantial safety risks?				✓
d) Substantially increase hazards due to a design feature (for example, sharp curves or dangerous intersections) or incompatible uses (for example, farm				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
equipment)?				
e) Result in inadequate emergency access?				✓
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?				✓
17. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				✓
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				✓
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				✓
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				✓
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				✓
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				✓
g) Comply with federal, state, and local statutes and regulations related to solid waste?				✓
18. MANDATORY FINDINGS OF SIGNIFICANCE. Would the project:				
a) Have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				✓
b) Have impacts that are individually limited, but				✓

ENVIRONMENTAL IMPACTS Issues (and Supporting Information Sources):	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of the past projects, the effects of other current projects, and the effects of probable future projects.)				
c) Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?				✓

DISCUSSION OF ENVIRONMENTAL CHECKLIST


See Section VI--ENVIRONMENTAL EVALUATION for discussion.

IV. DETERMINATION

On the basis of this initial evaluation:

I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.	
I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.	✓
I find that the proposed project MAY have a significant effect on the environment and an ENVIRONMENTAL IMPACT REPORT is required.	
I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.	
I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.	


 Brian Lee
 District Manager


 Date

V. REFERENCES AND DATA SOURCE LIST

Agency Plans & Reports

1. San Lorenzo Valley Water District.
 - a) May 2015. *San Lorenzo Valley Water District 2010 Urban Water Management Plan*. ADMINISTRATIVE DRAFT. Prepared by Nicholas M. Johnson. Available Online at: <http://www.slvwd.com/pdf/SLVWD%202010%20UWMP%20final%20draft.pdf>
 - b) May 11, 2009. *Watershed Management Plan, Part I: Existing Conditions Report*. Final Version. Available Online at: <http://www.slvwd.com/watershed.htm>
2. County of Santa Cruz.
 - a) Adopted by Board of Supervisors 5/24/94. Certified by “California Coastal Commission 12/5/94. *1994 General Plan and Local Coastal Program for the County of Santa Cruz, California*. Available Online at: <http://www.sccoplanning.com/PlanningHome/SustainabilityPlanning/GeneralPlan.aspx>
 - b) Approved by Board of Supervisors February 23, 2013. *Climate Action Strategy*. Prepared by Planning Department. Available Online at: <http://www.sccoplanning.com/Portals/2/County/Planning/policy/Climate%20Action%20Strategy/Climate%20Action%20Strategy.pdf>
 - c) 2015. County of Santa Cruz Geographic Information System (GIS). Available Online at: <http://www.co.santa-cruz.ca.us/default.aspx?tabid=93>
3. California Department of Conservation. 2013. “Farmland Mapping and Monitoring Program.” Available Online at: http://www.conservation.ca.gov/dlrp/fmmp/Pages/county_info.aspx
4. Monterey Bay Unified Air Pollution Control District.
 - a) 2015. “NCCAB Area Designations and Attainment Status.” Available Online at: <http://mbuapcd.org/wp-content/uploads/2015/01/attainment-status-january-2015.pdf>
 - b) April 17, 2013, Adopted. “Triennial Plan Revision 2009 – 2011.” Final.
 - c) August 2008. *2008 Air Quality Management Plan for the Monterey Bay Region*.
 - d) February 2008. “CEQA Air Quality Guidelines.”
 - e) April 30, 2012, “Update on District GHG Threshold Development”.

Project Plans & Studies

5. Freitas + Freitas. Preliminary 11/29/14. “Feasibility Report for swim Tank Replacement San Lorenzo Valley Water District Boulder Creek, California.”
6. Biotic Resources Group. May 26, 2015. “Swim Tank Replacement Project, San Lorenzo Valley Water District Santa Cruz County, Ca Biological Report. “
7. Haro, Kasunich and Associates. September 2014. “Geotechnical investigation for APN 078-261-07, Swim Tanks Site, Ben Lomond, California.”

Initial Study Preparation: Stephanie Strelow, Strelow Consulting

VI. EXPLANATION OF ENVIRONMENTAL CHECKLIST RESPONSES

I. Aesthetics

(a) Scenic Views – No Impact. The project site is located in a rural mountainous area in San Lorenzo Valley. The project site is not located within a scenic vista or view corridor as designated by the County of Santa Cruz (SOURCE V.2a & 2b), and there are no officially designated scenic highways in the immediate vicinity of the project site. Highway 9 (State Route 9) is located approximately one mile to the east of the project site and is eligible for designation as a scenic highway³. Highway 9 is a designated scenic road in the County of Santa Cruz General Plan (SOURCE V.2a).

The project site is not visible from Highway 9. Due to the steep terrain, the site is not visible from any public viewpoints, but only is visible within the immediate adjacent surrounding properties. The project site is not visible from a designated vista point nor is it within a scenic view. The project is generally screened from view by existing topographical and elevation changes as well as tree cover. The project would not obstruct or remove scenic views as none exist in the area, and therefore, the project would have no effect on scenic views.

(b) Scenic Resources – No Impact. The project site is located within a wooded area, consisting of primarily second-growth redwoods. The project site contains approximately 27 trees of which 13 are small tan oak trees that are generally 13 inches in diameter or less in size. The remainder of onsite trees are second-growth redwoods that are generally about 25± inches in diameter, although a few are smaller and three are approximately 30 inches in diameter.

The project will result in removal of nine trees to accommodate the new tank site. These include four redwood and five tan oak trees. The remainder of the onsite trees (18 trees), including approximately eight redwood trees at the front of the property adjacent to Woodland Drive are proposed to be retained. The oak trees to be removed are small, and the redwoods are second-growth trees. While any tree may possess aesthetic qualities, the trees that would be removed are not unusual for their species or visually distinctive or prominent from a wide area or from public view corridors. Therefore, the trees are not considered scenic resources, and the removal would not result in an impact to a scenic resource.

(c) Effects on Visual Character of Surrounding Area – Less-than-Significant Impact. The project site is located within a second-growth redwood forest in the Santa Cruz Mountains. The visual character of the surrounding area is characterized by mountainous terrain, redwoods, and single-family homes on larger lots. Due to the steep terrain in the area and intervening topography and

³ California Department of Transportation. Updated December 19, 2013. "Eligible (E) And Officially Designated (OD) Routes." Online at: <http://www.dot.ca.gov/hq/LandArch/scenic/cohisys.htm>.

tree cover, the project site is not visible from any public viewpoints, but only is visible within the immediate adjacent surrounding properties.

Impact Analysis. The proposed project would result in installation of a new steel water storage tank that would replace two smaller redwood tanks. The new tank would be located in between the two existing tanks and would be 29 feet in diameter and 16 feet in height. The existing tanks are 14 feet in diameter and approximately 14 feet in height. The new tank would be about twice the size in diameter as the existing tanks, but only slightly taller. A concrete retaining wall is proposed around most of the tank, so that from upper elevations only the top of the tank would be visible (see Figures 5 and 6). The tank site is not visible from any public location and only is visible in the immediate area. While larger than the existing tanks, the site is of limited visibility and water storage facilities are part of the water system infrastructure and aesthetic landscape in the San Lorenzo Valley. The District plans to paint the tank and retaining wall in a muted color that blends with the surrounding forest colors, which would further reduce the visual prominence of the structure. Thus, the proposed project would not result in a substantial degradation to the visual quality of the site or surrounding area due to the limited visibility of the structure and muted colors, and the project would not result in a significant impact. No mitigation measures are required.

(d) Create New Source of Substantial Lighting or Glare – No Impact. The proposed replacement water storage tank does not include lighting. The facility and retaining wall will be painted in a muted color/tone that blends with the surrounding forest colors. Thus, the project would not result in impacts related to creation of a new source of light or glare.

2. Agriculture & Forest Resources

(a, b, e) Agricultural Lands – No Impact. The project site is located in a forested rural area and is not in agricultural production or located adjacent to or near agricultural lands. The project site does not contain any lands designated as Prime Farmland, Unique Farmland, or Farmland of Statewide Importance as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency. In addition, the project does not contain Farmland of Local Importance or Grazing Land that would be converted to a non-agricultural use. The project site is designated “Other Land”, which is not an agricultural designation (SOURCE V.3). There are no Williamson Act contracts on the property. Thus, the proposed project would not result in or lead to the conversion of agricultural lands.

(c, d, e) Forest Resources – No Impact. The project site is not zoned as Timberland Preserve, and is not located adjacent to lands zoned Timberland Preserve. Thus, the project would not conflict with zoning of lands that have a Timberland Preserve designation. The site is not identified as having timber resources in the County’s GIS mapping system (SOURCE V.2c). The project would result in replacement of two water storage tanks with one larger tank, but would not result in loss of or conversion of forest land. As indicated above in subsection 1(b), nine trees would be removed, half of which are small tan oak trees and the others are second-growth redwood trees.

These trees are not considered to be forest resources or forest land under state definitions; the site and surrounding forestland are not managed for the production of forest products or traditional forest uses, but are comprised of residential uses within a wooded setting. Thus, the proposed project would not result in or lead to conversion of forest lands.

3. Air Quality

(a) Consistency with Air Quality Plans – No Impact. The Monterey Bay Unified Air Pollution Control District (MBUAPCD) prepares and updates an air quality plan, which addresses attainment of the state and federal emission standards. The plan accommodates growth by projecting growth in emissions based on different indicators, such as population and housing growth. The project consists of replacement of water storage tanks to serve existing development. The project will not result in new structural development, and will not result in new population growth. Thus, the project would not conflict with or obstruct implementation of the existing air quality management plan for the region.

(b-c) Project Emissions – Less-than-Significant Impact. Federal and state ambient air quality standards (AAQS) address six criteria pollutants, including ozone, carbon monoxide, nitrogen dioxide, sulfur dioxide, fine particulate matter (both PM₁₀ and PM_{2.5}, which refer to particles less than 10 microns and 2.5 microns, respectively), and lead. The state standards, which are generally more stringent than the federal standards, apply to the same pollutants as the federal standards do, but also include sulfate, hydrogen sulfide, and vinyl chloride.

The North Central Coast Air Basin (NCCAB), in which the project site is located, is under the jurisdiction of the MBUAPCD and includes Santa Cruz, Monterey and San Benito Counties. The NCCAB is currently in attainment or unclassified for the all federal criteria pollutant standards (SOURCE V.4a). The basin is designated non-attainment for the state ozone and PM₁₀ standards, and is in attainment for all other state standards, except for carbon monoxide for which it is unclassified (SOURCE V.4b).

Impact Analysis. The proposed project would result in replacement of existing water storage tanks. The project would not result in new structural development. Minimal emissions would occur from periodic Water District staff maintenance trips to the site, but the project would not result a new of stationary source of emissions and would have no significant long-term operational phase impacts on air quality.

Project construction would result in short-term, localized increases in exhaust emissions due to construction activities, but would not exceed construction emission thresholds as explained below. This is considered a less-than-significant impact as discussed below. Construction projects generally have the potential to cause short-term increases in exhaust emissions from worker trips to and from the construction site, construction equipment, and grading and site preparation activities that can generate fugitive dust, which may increase volatile organic compounds (VOC) or nitrogen oxides (No_x), the precursors of ozone. The

MBUAPCD does not generally require projects to quantify VOC and NO_x emissions from typical construction equipment, because these temporary emissions have been accommodated in State and federally required air plans (SOURCE V.4c).

Construction activities would involve limited equipment and site disturbance. Equipment expected to be used is limited to a small grader/excavator for grading and installation of retaining wall and storage tank building pad. Project construction would result in grading and site disturbance of approximately 0.15 acres for installation the new water storage tank.

The MBUAPCD and its CEQA Air Quality Guidelines indicate that 8.1 acres may be graded per day with minimal earthmoving or 2.2 acres per day with grading and excavation without exceeding the PM₁₀ threshold of 82 lbs/day, which could result in a significant effect. The area of disturbance, grading or excavation, are well below these thresholds. Therefore, no significant impacts related to emissions would occur, and no mitigation measures are required.

(d) Sensitive Receptors – *Less-than-Significant Impact*. The project site is located within a rural residential area with single-family homes to the west, east and south of the project site. As indicated above, the proposed project would not result in stationary emissions. Thus, the proposed project will not expose sensitive receptors to substantial pollutant concentrations. For CEQA purposes, a sensitive receptor is defined as any residence, including private homes, condominiums, apartments, and living quarters; education resources such as preschools and kindergarten through grade twelve (k-12) schools; daycare centers; and health care facilities such as hospitals or retirement and nursing homes (SOURCE V.4d).

Diesel particulate matter was identified as a toxic air contaminant (TAC) by the State of California in 1998. Diesel exhaust is emitted from a broad range of on- and off-road diesel engines. Following the identification of diesel as a TAC, the California Air Resources Board (CARB) developed a comprehensive strategy to control diesel PM emissions. The “Risk Reduction Plan to Reduce Particulate Matter Emissions from Diesel-Fueled Engines and Vehicles (approved by CARB in September 2000) set goals to reduce diesel PM emissions in California by 75% by 2010 and 85% by 2020. This objective would be achieved by a combination of approaches (including emission regulations for new diesel engines and low sulfur fuel program). Since approval of the “Diesel Risk Reduction Plan,” CARB has adopted adopted regulations for in-use, off-road diesel vehicles that will significantly reduce particulate matter emissions. In July 2007, the ARB adopted regulations for in-use, off-road diesel vehicles that will significantly reduce particulate matter emissions by requiring fleet owners to accelerate turnover to cleaner engines and install exhaust retrofits.

Impact Analysis. Project grading and construction could involve the use of diesel trucks and equipment that will emit diesel exhaust, including diesel particulate matter, which is classified as a toxic air contaminant. Nearby residents could potentially be exposed to construction-related diesel emissions. However, construction activities that would use diesel equipment would be temporary and of short-term duration. Thus, potential exposure to adjacent sensitive receptors is considered a less-than-significant impact as explained below.

Construction-related diesel emissions would be of limited duration (i.e., primarily during grading) and would be temporary. CARB has identified diesel exhaust particulate matter as a toxic air contaminant, and assessment of toxic air contaminant cancer risks is typically based upon a 70-year exposure period. Project grading and construction activities that would utilize diesel-powered equipment would expose receptors to possible diesel exhaust for a very limited number of days over the estimated 6-month construction period. Because exposure to diesel exhaust will be well below the 70-year exposure period, and given the limited, intermittent and short-term duration of construction activities that would use diesel equipment, construction-related diesel emissions are not considered significant. Furthermore, the State has been implementing emission standards for different classes of on- and off-road diesel vehicles and equipment that applies to off-road diesel fleets and includes measures such as retrofits that continue to reduce diesel emissions. Additionally, Title 13 of the California Code of Regulations (section 2485(c)(1)) prohibits idling of a diesel engine for more than five minutes in any location.

Therefore, the project would not expose sensitive receptors to substantial pollutant concentrations. Potential exposure of sensitive receptors to diesel emissions and associated risks is considered a less-than-significant impact, and no mitigation measures are required.

(e) Odors – No Impact. According to the MBUAPCD CEQA Guidelines, land uses associated with odor complaints typically include landfills, agricultural uses, wastewater treatment plants, food processing plants, chemical plants, refineries, and landfills (SOURCE V.4d). The proposed project does not include construction activities that are generally associated with the creation of objectionable odors. Upon completion of construction, there would be no long-term operations associated with the water storage tanks that would result in generation of odors.

4. Biological Resources

One plant community type was observed within the project area: coast redwood forest. The forest occupies the ridge within the project area as well as slopes supporting nearby residential development. Tree cover is dominated by second-growth coast redwood (*Sequoia sempervirens*); other tree species observed include tan oak (*Notholithocarpus densiflorus*) and California bay (*Umbellularia californica*). The forest understory is sparse (SOURCE V.6).

(a) Special Status Species – No Impact. The wildlife value of the redwood forest habitat is moderated by the proximity of the site to roads and residential development (SOURCE V.6). The project site was not observed to support any special status plant species or micro that could support special status species. The May 2015 field survey was sufficient in determining presence or absence of special status species as these species would be identifiable during this survey period. The site lacks habitat for special status wildlife species. No species status plant or animal species were observed or are expected to occur in the project area (SOURCE V.6).

(b-c) Sensitive Habitats – *Less-than-Significant Impact*. Sensitive habitats are defined by local, State, or Federal agencies as those habitats that support special status species, provide important habitat values for wildlife, represent areas of unusual or regionally restricted habitat types, and/or provide high biological diversity. The project site does not contain riparian or wetland habitat, and there would be no impacts to these habitats (SOURCE V.6).

The California Department of Fish and Wildlife (CDFW) classifies and ranks the State’s natural communities to assist in the determining the level of rarity and imperilment. Vegetation types are ranked between S1 and S5. For vegetation types with ranks of S1-S3, all associations within the type are considered to be highly imperiled. A vegetation alliance ranked as S4 or S5 is generally considered common enough to not be of concern; however, it does not mean that certain associations contained within them are not rare (SOURCE V.6).

The coast redwood forest is identified as S3, a plant community with an imperiled status; however, this forest is typically considered sensitive when supporting old-growth tree groves, residual old-growth trees, or large-size second growth. The project site does not contain these forest characteristics (SOURCE V.6). The project would result in removal of nine trees (five tan oaks and four coast redwoods) within the coast redwood forest, a plant community identified as imperiled (rank S3) by CDFW. Due to the small stature of these trees and the second-growth condition of the redwood forest, the removal of these trees is not considered a significant impact to regional botanical resources. No mitigation measures are required (SOURCE V.6).

(d) Wildlife Movement/Breeding – *Less-than-Significant Impact With Mitigation*. Some bird species may use the onsite and/or adjacent trees for nesting. Nesting birds are protected under CDFW codes and the Migratory Bird Treaty Act. Bird nesting season generally occurs between March 1st and the end of July (SOURCE V.6).

Impact Analysis. Tree removal and/or construction noise have the potential to cause death or injury to nesting birds if they are nesting at the time of tree removal and/or construction. Impacts to birds potentially nesting that are protected under the Migratory Bird Treaty Act would be considered a potentially significant impact. No other protected or special status wildlife species will be impacted by this project because none occur in the project area. Implementation of the following measures will reduce the impact to a less-than-significant level.

MITIGATION MEASURE 1: To avoid potential direct and indirect impacts to nesting migratory birds, schedule tree removal and construction in late summer and fall (i.e. after August 1 and before March 1), which is outside the nesting season. If this schedule is not possible, the SLVWD shall hire a qualified biologist to survey for nesting birds no more than 30 days prior to vegetation removal. If any raptors or migratory birds are nesting on or adjacent to the site, the biologist shall determine a buffer area around the nest that is adequate to protect the nesting birds until

fledging of young is complete. No construction shall take place within the buffer zone until the biologist determines fledging is complete.

(e) Tree Removal/Conflict with Local Regulations – No Impact. The project site is located within wooded area, consisting of primarily second-growth redwoods. The project site contains approximately 27 trees, and the proposed project will result in removal of nine trees to accommodate the new tank site. As indicated in Section I.10 above, as a public water service district, the San Lorenzo Valley Water District is not subject to local zoning regulations. However, it is noted that the tree removal required for the proposed project does not conflict with the County’s “Significant Trees Protection” regulations (Chapter 16.34) as the trees do not qualify as “significant” trees. Outside the Urban Services Line or Rural Services, a “significant” tree is defined as any tree visible from a scenic road, beach, or within a designated scenic resource area that is 40 inches dbh (diameter at breast height) in size (County Code section 16.34.030). The trees to be removed are not visible from a scenic road or designated scenic and are less than 40 inches in diameter. Therefore, although not applicable to the project, the proposed tree removal would not conflict with local policies or ordinances protecting biological resources, such as a tree preservation ordinance.

(f) Conflicts with Plans – No Impact. There are no known adopted Habitat Conservation or Natural Community Conservation Plans in the project vicinity.

5. Cultural Resources

(a) Historical Resources – No Impact. The first residents of the San Lorenzo River watershed were the Ohlone Indians, who were nomadic hunters and gatherers. They managed grasslands with fire to encourage the growth of seed-bearing annuals and to facilitate hunting. After colonial settlement, from the 1860s through the 1890s, logging was the major land use in the San Lorenzo River watershed. By 1899, Boulder Creek was the fifth largest shipper of timber in the country. Old-growth stumps are found throughout the watershed (SOURCE V.1b). As the San Lorenzo Valley was settled in the mid-1800s, populations in Ben Lomond, Brookdale and Boulder Creek formed their own water systems (Ibid.).

The existing redwood water tanks on the project site are thought to have been constructed in the early 1960s due to their condition and design. The tanks are similar to other tanks constructed at this time that still exist within the Water District’s service area. There is no unique feature of the tank, and there is no known link to historical events or nearby historic structures associated with the existing tank. Thus, the tanks are considered historical resources, and removal and replacement would not result in a significant impact to a historical resource.

(b,d,e) Archaeological and Tribal Cultural Resources – Less-than-Significant Impact. With regards to pre-historic Ohlone settlements, no archeological sites have been observed on lands owned by the San Lorenzo Valley Water District, and no archeological sites were identified by an archeological survey completed in 1993 (SOURCE V.1b). According to County Geographic

Information System (GIS) data, the site is not located within an archaeological resource area (SOURCE V.2c).

State Assembly Bill 52, effective July 1, 2015, recognizes that California Native American prehistoric, historic, archaeological, cultural, and sacred places are essential elements in tribal cultural traditions, heritages, and identities. The law establishes a new category of resources in the California Environmental Quality Act called “tribal cultural resources” that considers the tribal cultural values in addition to the scientific and archaeological values when determining impacts and mitigation. Public Resources Code section 21074 defines a “tribal cultural resource” as either:

- (1) Sites, features, places, cultural landscapes, sacred places and objects with cultural value to a California Native American tribe that is either listed, or determined to be eligible for listing, on the national, state, or local register of historic resources, or
- (2) A resource determined by the lead agency chooses, in its discretion and supported by substantial evidence, to treat as a tribal cultural resource.

The California Public Resources Code section 21084.2 now establishes that “[a] project with an effect that may cause a substantial adverse change in the significance of a tribal cultural resource is a project that may have a significant effect on the environment.” The Public Resources Code requires a lead agency to consult with any California Native American tribe that requests consultation and is traditionally and culturally affiliated with the geographic area of a proposed project.

Impact Analysis. The project site is not located within an area of known archaeological sensitivity or archaeological resources. The project consists of removal and replacement of existing water storage tanks on a site previously disturbed by logging operations and installation of the existing water tanks. It is not expected that archeological resources would be encountered during the limited grading for and installation of the replacement tank or that a significant impact would occur. However, in the event that unknown resources are uncovered during construction, the following measure recommended for inclusion in the Project Construction Specifications.

There are no known resources on or adjacent to the site that would be considered a tribal cultural resource. No California Native American tribe that is traditionally and culturally affiliated with this geographic area has contacted the San Lorenzo Valley Water District and requested consultation. Therefore, the project would not cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code 21074.

RECOMMENDED CONSTRUCTION SPECIFICATION: If archaeological resources or human remains are accidentally discovered during construction, work shall be halted within 50 meters (150 feet) of the find until it can be evaluated by a qualified professional archaeologist. If the find is determined to be significant, appropriate mitigation measures shall be formulated and implemented. Disturbance shall not

resume until the significance of the archaeological resources is determined and appropriate mitigations to preserve the resource on the site are established. If human remains are encountered during construction or any other phase of development, work in the area of discovery must be halted, the Santa Cruz County coroner notified, and the provisions of Public Resources Code 5097.98-99, Health and Safety Code 7050.5 carried out. If the remains are determined to be Native American, the Native American Heritage Commission (NAHC) shall be notified within 24 hours as required by Public Resources Code 5097.

(c) Paleontological/Unique Geological Resources – No Impact. No unique geologic features have been identified in plans or observed on the site. The site is not identified as having paleontological resources in the County’s GIS mapping system (SOURCE V.2c). The limited depth of grading and area of disturbance for the proposed project would be minimal, and the project would have no effect on any unanticipated paleontological resources.

6. Geology and Soils

(a-i) Fault Rupture – No Impact. The project site is located in a seismically active region of California and the region is considered to be subject to very intense shaking during a seismic event. The active San Andreas Fault Zone and the potentially active Zayante Fault Zone and Ben Lomond Fault, are located about 6.8 miles, 2.5 miles, and 0.3 miles from the project site, respectively. Since no known faults cross the project site, the potential for surface ground rupture is low (SOURCE V.7).

(aii-iii) Seismic Hazards – Less-than-Significant Impact. A geotechnical investigation was conducted to evaluate the soil and bedrock conditions at the tank site and develop geotechnical design criteria and recommendations for the proposed replacement water tank foundation and associated improvements. Potential seismic hazards include liquefaction and damage from strong seismic shaking. As indicated above, since no known faults cross the project site, the potential for surface ground rupture is low. Because of the stiff to very stiff consistency of the weathered siltstone and clayey siltstone and hard siltstone underlying the project site, the potential for seismically-induced liquefaction at the site is low. The most current California Building Code (CBC) edition design considerations, specifically the seismic factors and coefficients from Chapter 16, Volume II, will be followed during design and construction of the projects.

Impact Analysis. The project would be subject to seismic shaking. The project will not result in construction of any habitable structures, and thus would not expose people or habitable structures to seismic hazards. During a major earthquake there is potential for severe ground shaking at this site. However, the geotechnical investigation concluded that structures designed in accordance with the most current California Building Code (2013 CBC) should perform adequately during strong seismic shaking (SOURCE V.7). Therefore, exposure to seismic hazards would be less than significant.

(aiv, c) Geologic & Soils Hazards – *Less-than-Significant Impact*. The site is mapped as Tm: Monterey Formation (middle Miocene), and the project site is underlain by loose sandy silt and silty lean clay topsoil from the surface to depths of 2 to 4 feet. Below the topsoil, stiff to very stiff lean clay, clayey silt and siltstone was found at depths of 13 to 16 feet. (SOURCE V.7).

No visual indications of instability of the moderately steep natural slopes at the tank site were observed during the geotechnical investigation. However, the geotechnical investigation indicates that the project site is located in an area mapped as a large probable landslide deposit of about 450 acres (±) in size as shown on the “Preliminary Map of Landslide Deposits in Santa Cruz County” (Cooper-Clark, 1974), which encompasses hundreds of occupied parcels (SOURCE V.7). The investigation indicates that the existing water storage tanks have been on the site for many years and do not appear to have experienced damage as a result of slope instability. The geotechnical report also indicated that a geologic report for another property within the suspected landslide deposit noted the deposit was not mapped on a regional geologic map and in an examination of stereo aerial photographs, concluded there was no evidence in the aerial photographs to support the existence of the landslide, notably the absence of a landslide headscarp (SOURCE V.7).

The geotechnical investigation for the proposed project did not observe any indications of slope instability on the site nor did conditions encountered in soils borings indicate potential instability (SOURCE V.7). However, a quantitative analysis of the static and seismic stability of the site and large landslide was not included in the geotechnical investigation. The geotechnical investigation did not include recommendations for further investigation, and concluded that the proposed construction of a replacement water tank on the project site is acceptable from a geotechnical standpoint provided the geotechnical criteria and recommendations outlined in the geotechnical report are incorporated into the design and construction of the project (SOURCE V.7). Specifically, the investigation recommends that concentrated surface runoff from the project site not be allowed to flow onto the slopes at the site, and roof and surface runoff be directed to collection facilities and conveyed to the paved road downslope of the site. MITIGATION MEASURE 3 requires implementation of all geotechnical report recommendations; see subsection 6(f) below.

(b) Erosion – *Less-than-Significant Impact With Mitigation*. According to the 1980 Soil Conservation Survey of Santa Cruz County (U.S. Department of Agriculture), the hazard of erosion is very high for the soils on the project site and surrounding area (Nisene-Aptos Complex-158). The project geotechnical report also indicates that soils at the project site has potential for erosion where unvegetated (SOURCE V.7).

Impact Analysis. The project site will be graded to construct a reinforced concrete ring foundation for the new water tank; a retaining wall will be constructed to support excavations necessary to construct the new tank pad. The project may also include the construction of a base rock surfaced or paved driveway. Grading for the project will consist of sub-excavation of soil in the tank pad and engineered fill placement and compaction for the tank pad, driveway, and associated improvements. Excavation may result in erosion if not properly managed, although the construction site is not situated directly adjacent to a

water body. This is a potentially significant impact. An erosion control plan has not yet been completed, but the District has indicated that construction would commence after winter rainy season. Implementation of standard erosion control measures during construction, including but not limited to, recommendations in the geotechnical report regarding erosion would reduce the potential impact to a less-than-significant level.

MITIGATION MEASURE 2: Incorporate erosion control measures in the project construction plans and specifications and implement during construction, including but not limited to measures outlined in the geotechnical report, including but not limited to: limiting the area of ground disturbance and vegetation removal at any one time during construction; installing silt fences or other barriers to prevent soils from leaving the project site; conducting work prior to the rainy season if possible and protecting disturbed areas during the rainy season; and immediately revegetating disturbed areas.

(f) Expansive Soils – Less-than-Significant Impact With Mitigation. The geotechnical investigation included drilling three exploratory borings and laboratory testing of soil samples. The tank site is underlain by loose sandy silt and silty lean clay topsoil from the surface to depths of 2 to 4 feet (SOURCE V.7). Below the topsoil, stiff to very stiff lean clay, clayey silt and siltstone was found at depths of 13 to 16 feet. Test results indicate the soil has 55 to 75 percent fines (clay and silt). The fine grained soils are moderately expansive, difficult to compact and unsuitable for use as structural fill.

Impact Analysis. The geotechnical report indicates that the soil and geotechnical considerations at project site include the presence of loose near surface soil, providing firm uniform bearing support for the tank foundations, slope stability, the potential for strong seismic shaking, and providing adequate site drainage. The site also contains moderately expansive soils. The geotechnical investigation concluded that the proposed construction of a replacement water tank is acceptable from a geotechnical standpoint, provided the geotechnical criteria and recommendations are incorporated into the design and construction of the project, including removal of topsoil and the top four feet of soil and replacement non-expansive engineered fill. Impacts related to exposure of unstable or expansive soils would be mitigated to a less-than-significant level with implementation of Mitigation Measure 3.

MITIGATION MEASURE 3: Require implementation of recommendations set forth in the September 2014 “Geotechnical Investigation” for the project site by Haro, Kasunich and Associates, site preparation, foundation design, drainage, and all other recommendations.

(e) Use of Septic Systems – No Impact. The project consists of replacement and upgrading of existing water storage facilities owned and operated by the San Lorenzo Valley Water District. The project will not require sanitary sewer service and will not use septic systems.

7. Greenhouse Gas Emissions

(a) Greenhouse Gas Emissions – *Less-than-Significant Impact*. Climate change refers to any significant change in measures of climate, such as average temperature, precipitation, or wind patterns over a period of time. Climate change may result from natural factors, natural processes, and human activities that change the composition of the atmosphere and alter the surface and features of the land. Significant changes in global climate patterns have recently been associated with global warming, an average increase in the temperature of the atmosphere near the Earth’s surface, attributed to accumulation of greenhouse house gas (GHG) emissions in the atmosphere. Greenhouse gases trap heat in the atmosphere, which in turn heats the surface of the Earth. Some GHGs occur naturally and are emitted to the atmosphere through natural processes, while others are created and emitted solely through human activities. Climate change models predict changes in temperature, precipitation patterns, water availability, and rising sea levels, and these altered conditions can have impacts on natural and human systems in California that can affect California’s public health, habitats, ocean and coastal resources, water supplies, agriculture, forestry, and energy use.

The State of California passed the Global Warming Solutions Act of 2006 (AB 32), which requires reductions of GHG emissions generated within California. The Governor’s Executive Order S-3-05 and AB 32 (Health & Safety Code, § 38501 et seq.) both seek to achieve 1990 emissions levels by the year 2020. Executive Order S-3-05 further requires that California’s GHG emissions be 80 percent below 1990 levels by the year 2050. AB 32 defines GHGs to include carbon dioxide, methane, nitrous oxide, hydrocarbons, perfluorocarbons and sulfur hexafluoride.

The California Air Resources Board (CARB) is the lead agency for implementing AB32. In accordance with provisions of AB 32, CARB has completed a statewide Greenhouse Gas (GHG) Inventory that provides estimates of the amount of GHGs emitted to, and removed from, the atmosphere by human activities within California. In accordance with requirements of AB32, a Scoping Plan was adopted by CARB in December 2008 and updated in 2014. The Scoping Plan and 2014 Update identify emissions reduction measures and actions related to energy, transportation, agriculture, water conservation and management, waste management, natural resources, green building, and cap-and-trade actions.

The San Lorenzo Valley Water District Board of Directors approved a climate change resolution in 2008 that commits the District to address aspects of climate change, mitigation and adaptation. In terms of mitigation, the Board’s climate change resolution commits the District to reducing GHGs to levels defined in California law AB 32. Approximately 71% of the District’s total emissions can be attributed to indirect electricity, purchased from PG&E. The District’s primary use of electricity is from ground-water pumping (SOURCE V.1b).

Impact Analysis. The project consists of replacement of two existing water storage tanks totaling 40,000 gallons with one new tank with a slightly expanded capacity of 60,000

gallons. The project will not result in new structural development, and will not result in new population or growth. The project will not result in new vehicular or stationary emissions. The existing booster pump will be upgraded with the most current energy efficient equipment. Thus, it is likely that the indirect electrical use and greenhouse emissions associated with the pump equipment would be reduced as a result of the proposed project, resulting in a less-than-significant or no impact related to GHG emissions. Thus, further quantification and analysis of greenhouse gas emissions was not deemed necessary.

(b) Conflict with Applicable Plans – No Impact. The project would not conflict with state plans adopted for the purpose of reducing greenhouse gas emissions. The State’s “Scoping Plan” includes strategies for transportation, energy, water and other sectors that are not directly applicable to the proposed project.

In 2013, the Santa Cruz County Board of Supervisors approved a Climate Action Strategy (CAS), which includes a GHG emissions inventory for Santa Cruz County, targets for GHG reduction, and strategies and implementing actions to achieve the targets. Based on a 2005 community emissions inventory, 1990 emissions levels for Santa Cruz County were estimated, and Santa Cruz County has already met the target for 2020 due to the closing of the Davenport cement plant (SOURCE V.2b). GHG reduction strategies are proposed for the three sectors with the highest emissions: transportation, energy, and solid waste. The report indicates that the emissions targets for 2035 and 2050 can be met, but that a sustained commitment to full implementation of the strategies will be required (Ibid.). The largest reduction will come from state and federal standards for fuel efficiency and vehicle emissions and from the California renewable energy portfolio standard (58 percent), followed by a cleaner energy supply from Community Choice Aggregation (CCA) if that type of regional energy authority is formed (22 percent), energy efficiency (9 percent), transportation and land use planning (5 percent), green business (3 percent), and electric vehicles (3 percent).

The proposed project does not conflict with County measures to reduce GHG emissions as set forth in the County’s Strategy, although the Strategy is not directly applicable to the project. Of the specific strategies outlined, the upgraded booster pump that is expected to be more energy efficient than the existing facility would be consistent with Strategy E-2 to Increase energy efficiency in new and existing buildings and facilities.

8. Hazards & Hazardous Materials

The project site is not located near an airport or air strip. The project would not result in construction of habitable structures that would be exposed to wildland fire hazards.

(a,c) Use/Create Hazardous Materials – No Impact. The project consists of replacement of existing water storage tanks. The project will not result in new structural development, and will not result in new population or employee growth. The project would not result in the use, transport or disposal of hazardous materials. Thus, the project will not result in operations that would create

risks associated with hazardous material use. Construction would not include development that would store or use hazardous materials. The project is not located within ¼ mile of an existing or proposed school, and would not result in a stationary source of emissions.

8. Hydrology and Water Quality

(a-b) Waste Discharge Requirements Quality and Groundwater – No Impact. The proposed consists of replacement of two existing water storage tanks with one new tank with a slightly greater capacity. The project does not involve new discharges that would violate any water quality standards or waste discharge requirements. According to County Geographic Information System (GIS) data, the site is not located within a groundwater recharge area (SOURCE V.2c), and would have no effect on groundwater resources.

(c-d) Alteration of Stream Channel – No Impact. Neither the County GIS nor the USGS maps depict a creek at the site or in close proximity; no drainage features were observed during the site visit. The proposed project would not result in direct alterations to existing streams or result in indirect impacts that would alter the course of a stream.

(e) Stormwater Runoff – Less-than-Significant Impact. The proposed project would result in a minimal increase of surface runoff from the impervious surfaces of the slightly expanded water storage tank footprint. The potential increase would be considered minor to the minimal net increase in surface area and would not result in a significant increase in runoff that would exceed capacity of existing facilities as drainage in the area is via sheet flow.

(f) Water Quality – No Impact. The proposed replacement of existing water storage tanks with a one tank would not result in a permanent use that would generate runoff with the potential to carry pollutants into downstream water bodies. The project would not result in new habitable structures or population increases, and no parking lots or vehicle use would occur, except for intermittent Water District staff maintenance.

(g-h) Flood Hazards – No Impact. The project site is not located near a stream or within a designated flood hazard zone.

j) Tsunami Inundation – No Impact. The project site is not located in proximity to the coast or subject to potential tsunami inundation.

10. LAND USE AND PLANNING

(a) Divide a Community – No Impact. The project is located within an unincorporated area of Santa Cruz County. The proposed project consists of replacement of existing water storage tanks and would not result in new structural development and or not divide an established community. The project is not subject to

(b-c) Consistency with Local Policies/ Plans – No Impact. The proposed project consists of upgrading existing water storage facilities. The project is not affected by nor will it affect existing and planned land uses in the area. There are no known policies, plans or regulations adopted for the purpose of mitigating an environmental impact with which the project would potentially be in conflict.

(c) Conflict with Habitat Conservation Plan – No Impact. The project site is not located within an area covered by an adopted Habitat Conservation Plan or Natural Community Conservation Plan.

11. MINERAL RESOURCES

The proposed project is located in a rural, forested area. The site is not designated for mineral extraction in the County's General Plan and is not located within, adjacent to or near existing mining operations or known mineral resources.

12. NOISE

The project site is not located near an airport or private airstrip.

(a-b) Exposure to Noise – No Impact. The project consists of replacement of existing water storage tanks. The project will not result in new structural development, and will not result in new population or growth. The project will not result in new structural development, and thus, would not expose residents, workers or visitors to noise levels above compatibility standards.

(d) Temporary Construction Noise – Less-than-Significant Impact. The proposed project would result in short-term construction equipment noise, but would not result in a substantial temporary increase in ambient noise levels. The construction of the proposed replacement water tank is expected to take six months. Construction noise levels would be temporary and fluctuate over the construction period and on any given day. Construction would occur during normal business hours. Given the short-term duration of construction and fluctuation of noise level throughout the construction period, construction would not substantially affect nearby residences, and construction noise is considered a less-than-significant impact. No mitigation measures are required.

13. POPULATION AND HOUSING

The project consists of implementation of replacement of existing water storage tanks. The project will not result in new structural development, and will not result in new residential development or population growth. The project will not result in displacement of housing units or residents as none exist on the project site.

14. PUBLIC SERVICES

The project consists of implementation of replacement of existing water storage tanks with a slightly expanded capacity. The project will not result in new structural development, population or growth or demand for services.

15. RECREATION

The project consists of implementation of replacement of existing water storage. The project will not result in new structural development, population or growth or demand for recreational services.

16. TRANSPORTATION / TRAFFIC

There are no adopted congestion management programs for the project area, and the project would not conflict with adopted policies, plans or programs that support alternative transportation. The project is not located near an airport. The project consists of replacement of existing water storage tanks. The project will not result in new structural development, and will not result in new population or growth. The project will not result in new structural development or generation of vehicular trips. Periodic trips by District staff for facility maintenance would continue as currently occurs.

17. UTILITIES & SERVICE SYSTEMS

The project consists of implementation of replacement of existing water storage tanks. The project will not result in new structural development, population or growth or demand for services. The project will not result in new structural development or increased demand for sewer or water service or result in solid waste generation.

18. MANDATORY FINDINGS OF SIGNIFICANCE

(a) Quality of the Environment – No Impact. The proposed project would result in a significant effect on biological resources (nesting birds) with implementation of the mitigation as discussed in subsection 4 above. The project would not result in impacts related to fish or wildlife or reduce fish

or wildlife habitat and species populations. The project would not result in significant impacts to cultural resources or eliminate important examples of major periods of California history or prehistory as discussed in section 5 above.

(b) Cumulative Impacts – No Impact. There are no known cumulative projects in the area to which the project would contribute cumulative impacts.

(c) Substantial Adverse Effects on Human Beings – No Impact. No environmental effects have been identified that would have direct or indirect substantial adverse effects on human beings.

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FIGURE 1: Regional Location

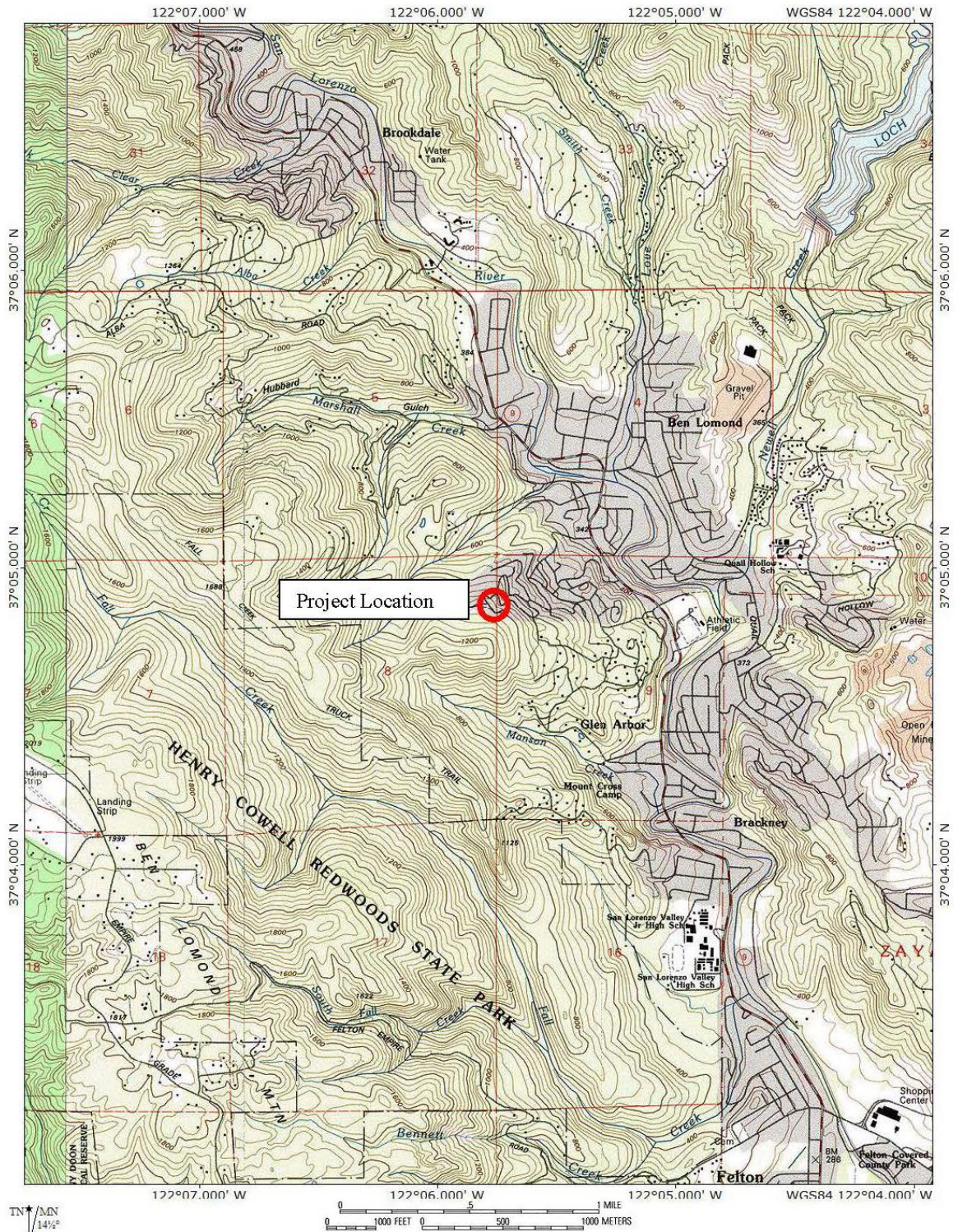


FIGURE 3: San Lorenzo Valley Water District

Service Area Boundaries

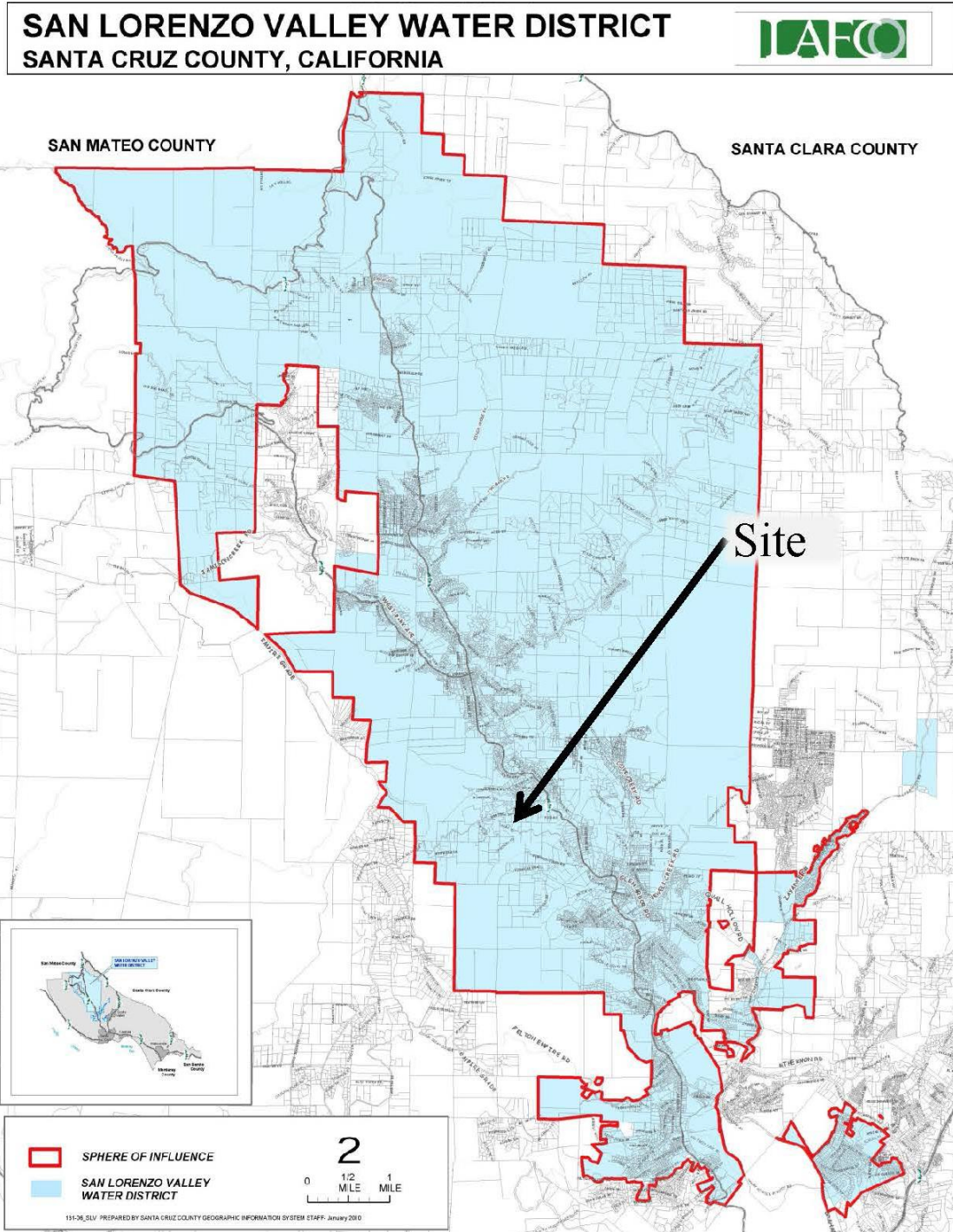


FIGURE 4: Site Topography and Existing Conditions

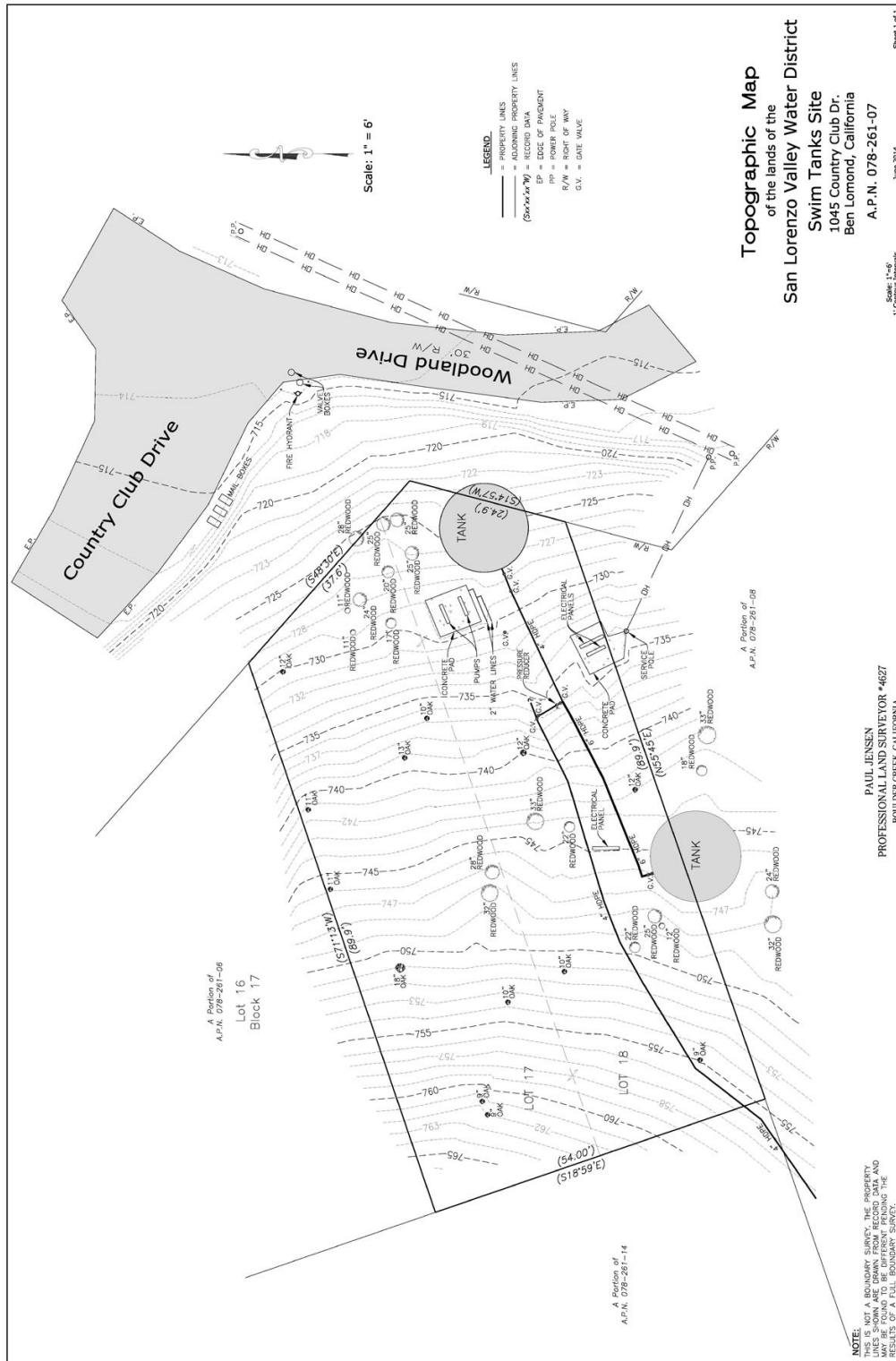


FIGURE 5: Preliminary Project Site Plan

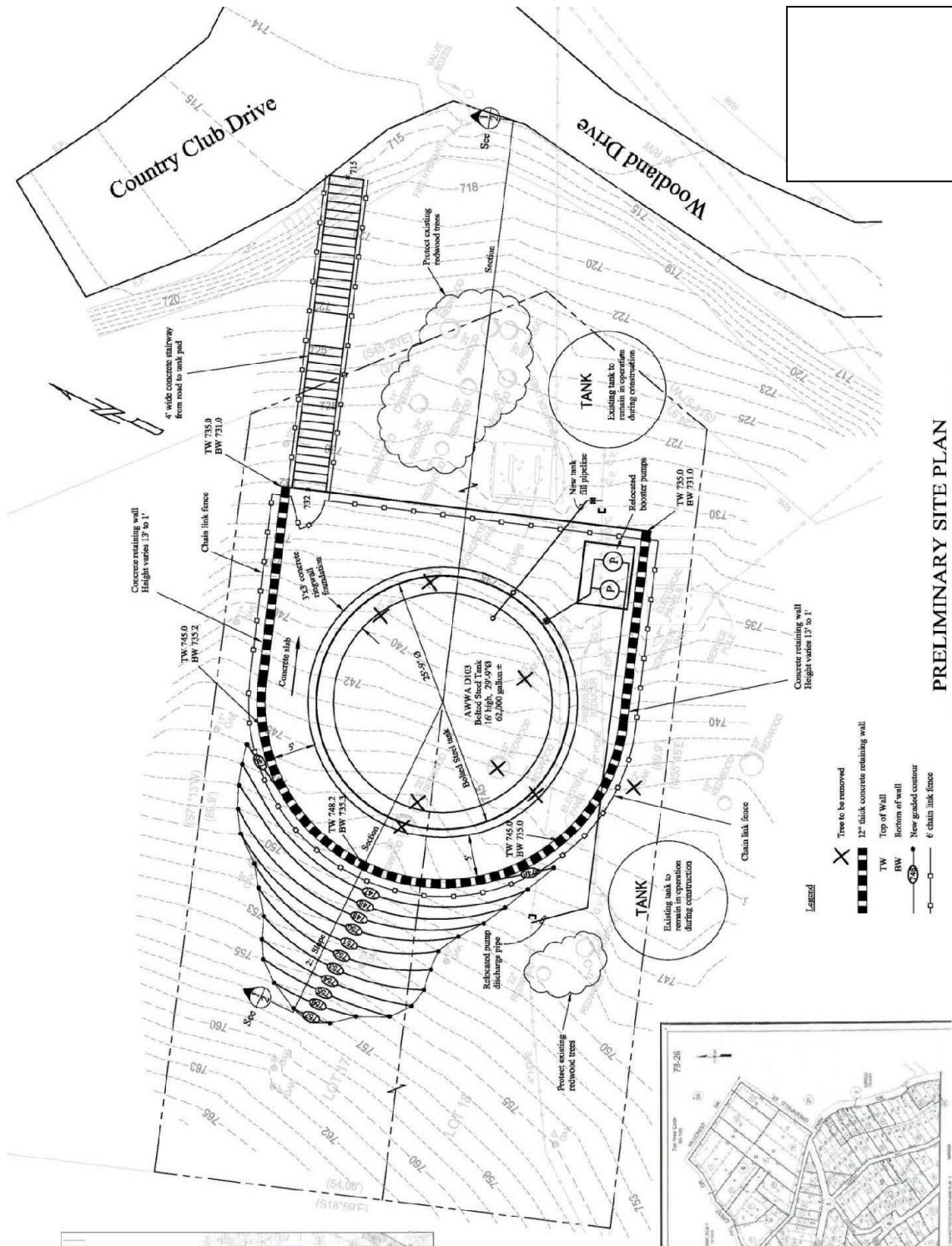
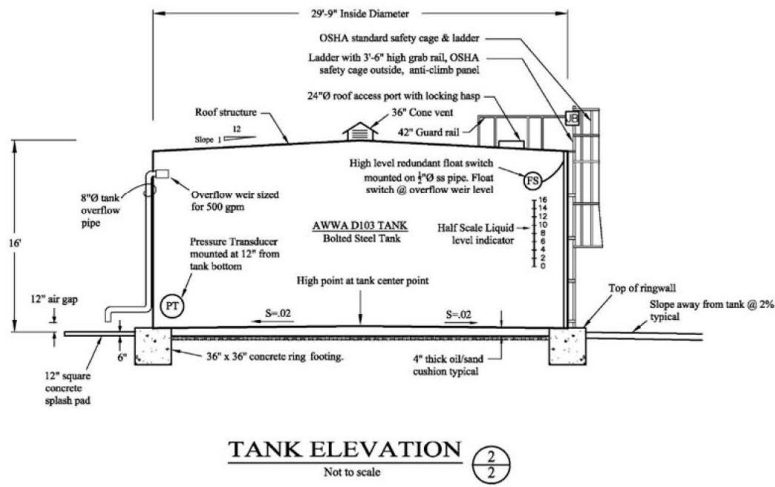
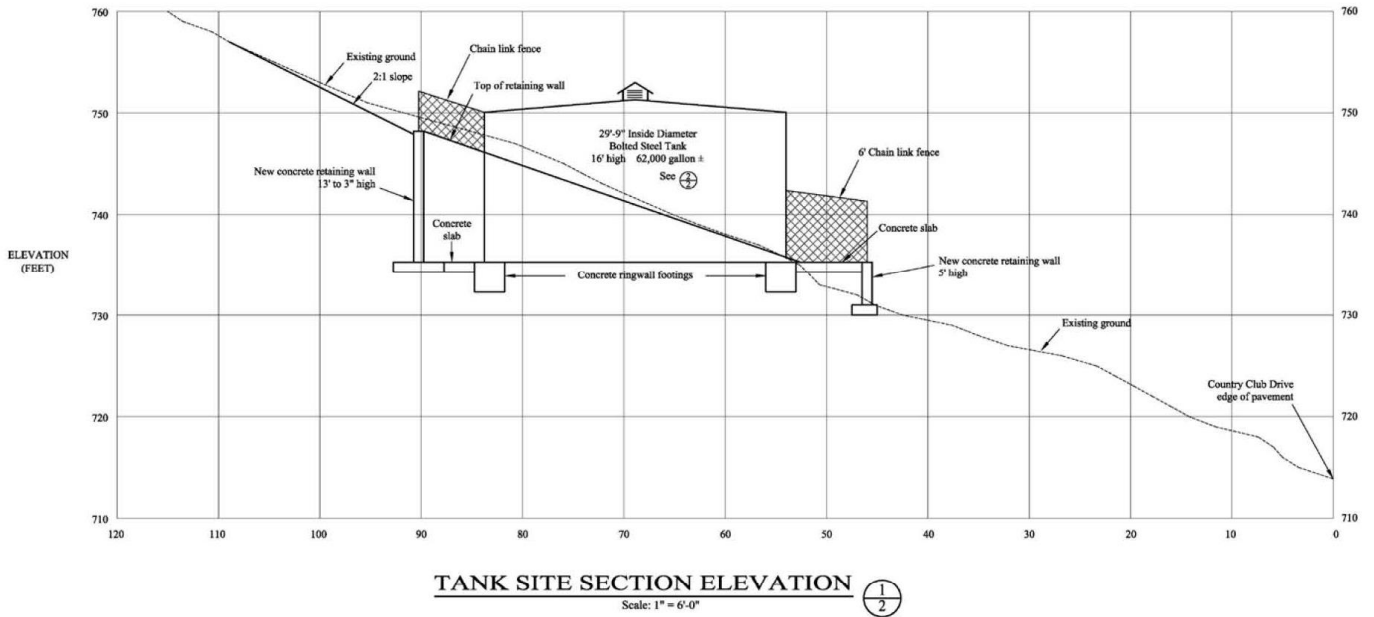


FIGURE 6: Preliminary Plan Details



MEMO

TO: Board of Directors

FROM: District Manager

SUBJECT: Discussion and Possible Action on Proposed Sphere of Influence amendments for the City of Scotts Valley and the Scotts Valley Water District.

DATE: September 1, 2016

RECOMMENDATION:

It is recommended that the Board of Directors review this memo, review the attached documentation and provide direction.

BACKGROUND:

On Monday, August 22, 2016 the District received the attached email from Pat McCormick, Executive Officer of the Santa Cruz Local Agency Formation Commission (LAFCO).

LAFCO is reviewing the Sphere of Influence (SOI) for the City of Scotts Valley and the Scotts Valley Water District. Two recommendations are being proposed to expand the SOI of the City and Water District. Maps of the proposed expansions are attached.

LAFCO is soliciting comments on the proposed amendments. The District may submit comments by September 12 if it wishes.

STRATEGIC PLAN:

Element 7.0 – Through active participation, establish strong ties with regional planning groups.

FISCAL IMPACT:

None

Subject: Proposed Amendments to the Spheres of Influence of City of Scotts Valley and Scotts Valley Water District

Date: Monday, August 22, 2016 at 4:43:01 PM Pacific Daylight Time

From: Pat McCormick

To: Taylor Bateman, Piret Harmon, Daniel Grebil, Susan Mauriello, Kathy Previsich, John Presleigh, John Hodges, Brian Lee, Juliana Rebagliati, Jan.sweigert@Waterboards.ca.gov, askbdr@wildlife.ca.gov

Attachments: image002.jpg, 069-16_SV_Water.pdf, 069-16_SV_City.pdf

The Local Agency Formation Commission (LAFCO) has received a proposal to amend the Spheres of Influence of the City of Scotts Valley and the Scotts Valley Water District. In the Monte Fiore area west of Highway 17, the proposal is to add the area to the Scotts Valley Water District Sphere of Influence. This area already receives water service from the Scotts Valley Water District, but the area is not within the district boundaries or current sphere of influence.

The second area, located east of Highway 17, concerns the most northerly ¼ mile of Glen Canyon Road. The proposal is to add it to the Spheres of Influence of both the City of Scotts Valley and the Scotts Valley Water District.

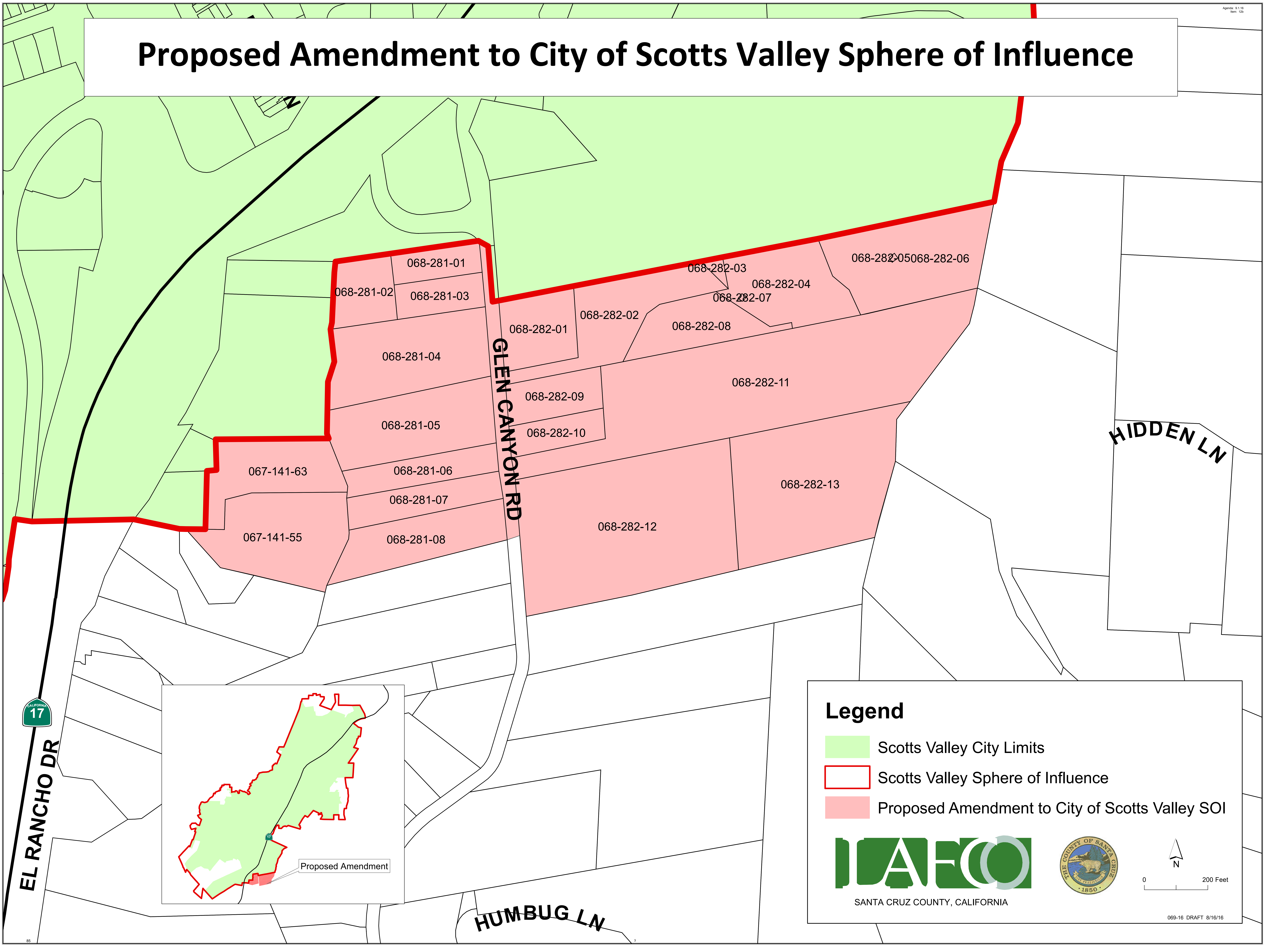
I am writing to notice your agency and to solicit any comments you may have. LAFCO is the lead agency for environmental review and requests any comments pertinent to the initial study be returned to me by September 12.

At a later date, LAFCO will send your agency notice of a public hearing on the proposals.

Patrick M. McCormick
Executive Officer
Local Agency Formation Commission of Santa Cruz County
701 Ocean Street, Room 318-D, Santa Cruz, CA 95060
pat@santacruzlafco.org
phone (831) 454-2055



Proposed Amendment to City of Scotts Valley Sphere of Influence



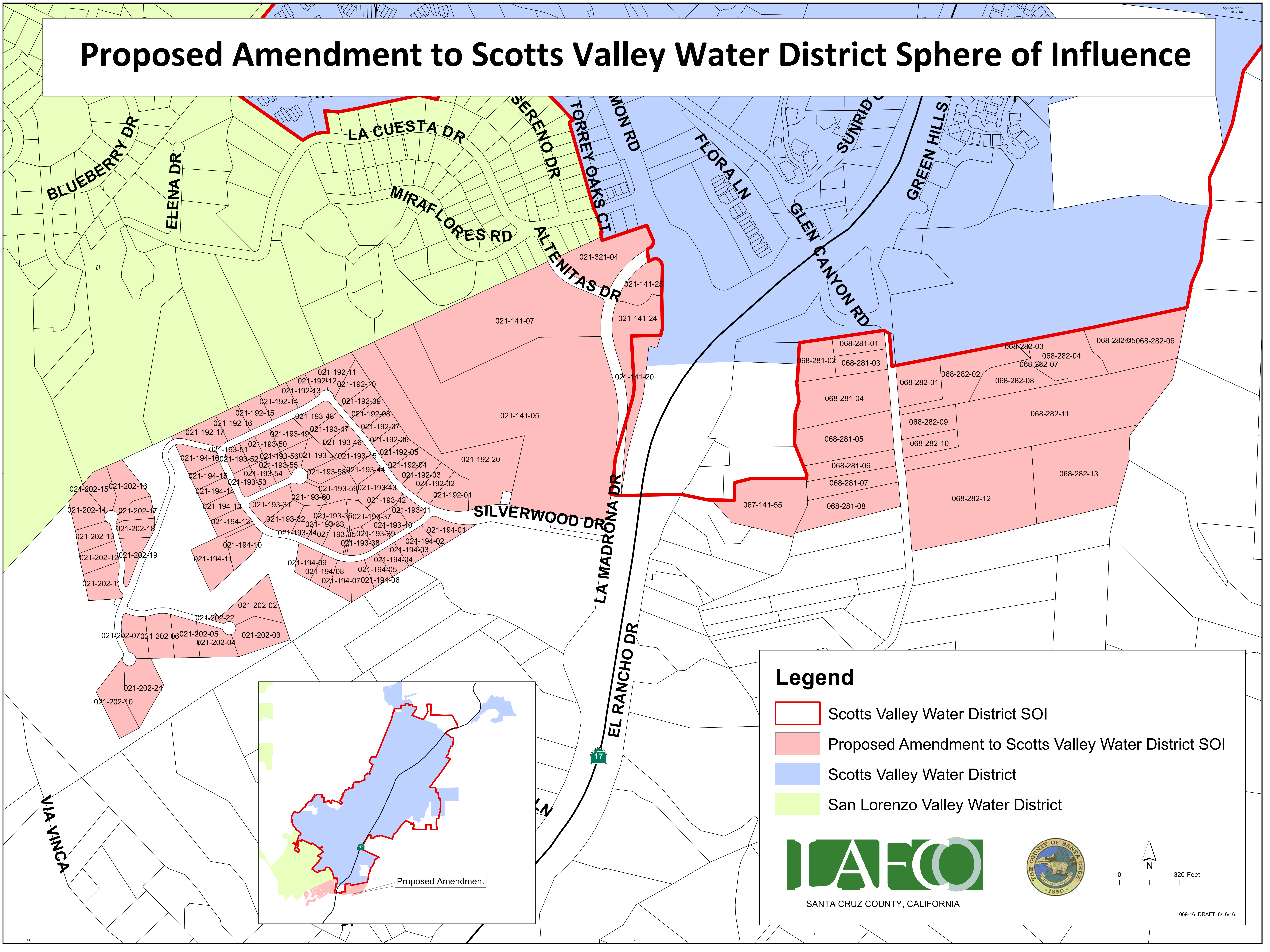
Legend

- Scotts Valley City Limits
- Scotts Valley Sphere of Influence
- Proposed Amendment to City of Scotts Valley SOI

SANTA CRUZ COUNTY, CALIFORNIA

069-16 DRAFT 8/16/16

Proposed Amendment to Scotts Valley Water District Sphere of Influence

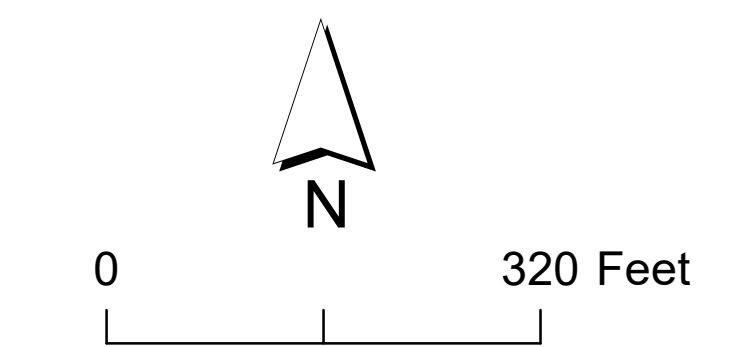
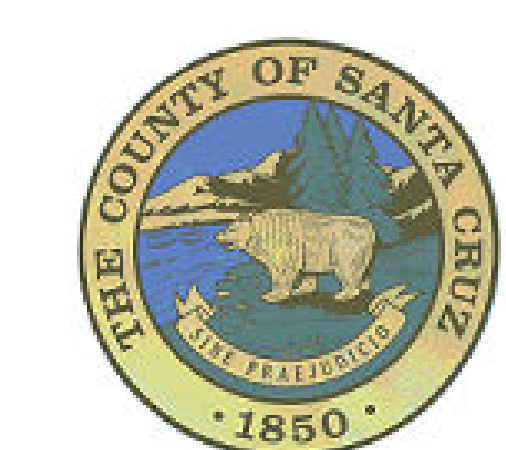


Legend

- Scotts Valley Water District SOI
- Proposed Amendment to Scotts Valley Water District SOI
- Scotts Valley Water District
- San Lorenzo Valley Water District



SANTA CRUZ COUNTY, CALIFORNIA



M E M O

TO: Board of Directors

FROM: District Manager

SUBJECT: DISCUSSION AND POSSIBLE ACTION REGARDING RESOLUTION NO. 9 (16-17), POSSIBLE ADOPTION OF 'ARTICLE VI - FINANCES' OF THE DISTRICTS POLICIES AND PROCEDURES

DATE: September 1, 2016

RECOMMENDATION:

The Board adopt Resolution No. 9 (16-17), adding 'Article VI - Finances' to the District's Policies and Procedures.

BACKGROUND:

On October 1, 2015 the Board approved the District's current Reserve Policy (attached).

On January 7, 2016 the Board approved the District's current Investment Policy (attached).

On February 4, 2016 the Board approved Ordinance 108 repealing Ordinance 8 in its entirety and all amendments to Ordinance 8, effectively repealing the District's current Reserve and Investment Policies.

Also on February 4, 2016 the Board approved Resolution 27 (15-16) adopting the District's Policies and Procedures, a successor of Ordinance 8.

When adopting the District's new Policies and Procedures back in February 2016 it was known that there would be gaps that would need to be added back into the Policies and Procedures of the District.

Staff has formatted the attached draft "Article VI - Finances", of the Policies and Procedures Manual to reinstate into the Policies and Procedures of the District the language approved by the Board for Investments and Reserves.

STRATEGIC PLAN:

Element 9.0 - Update Ordinance 8

FISCAL IMPACT:

None.

**SAN LORENZO VALLEY WATER DISTRICT
RESOLUTION NO. 9 (16-17)**

**ADOPTION OF ARTICLE VI OF THE SAN LORENZO VALLEY WATER DISTRICT POLICIES
AND PROCEDURES**

WHEREAS, the San Lorenzo Valley Water District follows certain rules, regulations, policies and procedures; and

WHEREAS, it is appropriate that a regular review of the District's Rules, Regulations, Policies and Procedures be conducted, allowing for revisions as determined by the Board; and

WHEREAS, the Board has reviewed the draft Policies and Procedures of the San Lorenzo Valley Water District, Article VI - FINANCES, as provided; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the Board adopts Policies and Procedures of the San Lorenzo Valley Water District, Article VI - FINANCES, as attached to the report of the District Manager dated August 4, 2016;

AND THEREFORE, The Board directs the District Manager to take all action necessary to put into effect the intent of this Resolution.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 1st day of September 2016, by the following vote of the members thereof:

ROLL CALL:

AYES:

NOES:

ABSTAIN:

ABSENT:

Holly B. Morrison
District Secretary

Article I. Finances

Section 6.01 Investments

(a) Introduction

The purpose of this Article is to establish formal policies for the prudent investment of the District's unexpended cash. The main objectives of this Article are:

1. Establish guidelines for the investment of all funds belonging to or in the custody of the District in a manner conforming to all state and local statutes governing the investment of public funds, and
2. Provide an optimal combination of safety, liquidity and yield for District Investments.

(b) Basic Policies

- (i) **PRUDENCE:** District funds shall be invested under the "prudent investor standard" (California Government Code Section 53600.3) which essentially states that all investments shall be made with care, under circumstances then prevailing, that a prudent person acting in like capacity would use with funds of like character to safeguard capital and maintain liquidity.
- (ii) **DELEGATION OF AUTHORITY:** Authority to manage the District investment program is delegated to the District Manager. The District Manager is encouraged to consult with the Budget and Finance Committee in between monthly reports to the Board as required by this Article.

No person may engage in an investment transaction except as provided under this Article.

- (iii) **OBJECTIVES:** The objectives of the District's investment activities in priority order are as follows:

1st **SAFETY** – Safety of principal is the foremost objective of the investment program. The District's investment portfolio shall be designed and undertaken in a manner that seeks to ensure the preservation of the principal invested.

2nd **LIQUIDITY** – The District's investment portfolio shall be designed to remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated. The liquid needs of the District shall be commensurate with the constraints of anticipated cash flow requirements.

3rd **RETURN ON INVESTMENTS** – The District's investment portfolio shall be designed with the objective of attaining the maximum possible rate of return commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio.

- 4th PERFORMANCE STANDARDS: Investments shall only be made as allowable by law with specific reference to California Government Code Section 53600, et seq., and any other applicable provisions of law.
- (iv) AUTHORIZED AND ACCEPTABLE INVESTMENTS: District funds shall be invested only in the following investment instruments and within any limits indicated:
- 1st LAIF – The Local Agency Investment Fund (LAIF) is an investment pool established and controlled by the State of California to afford smaller agencies the benefits of a large investment portfolio, including higher interest rates and greater diversification.
 - 2nd COUNTY OF SANTA CRUZ INVESTMENT POOL – This is an investment pool established and controlled by the County of Santa Cruz to afford smaller agencies the benefits of a larger investment portfolio, including higher interest rates and greater diversification. Authority for the County of Santa Cruz Investment Pool is delegated to the County of Santa Cruz Treasurer.
 - 3rd CERTIFICATES OF DEPOSIT – These are receipts for funds deposited in a bank, or savings and loan, or broker deposits for a specific term and rate of interest. The principal and accrued interest shall be insured by the Federal Deposit Insurance Corporation (FDIC). The principal and accrued interest in any one insured depository institution shall not exceed the limit amount insured by FDIC.
 - 4th PASSBOOK SAVINGS ACCOUNTS – This is a regular liquid savings account. The principal and accrued interest shall be insured by the Federal Deposit Insurance Corporation (FDIC). The principal and accrued interest in any one insured depository institution shall not exceed the limit amount insured by FDIC.
 - 5th U.S. TREASURY OBLIGATIONS – These are negotiable debt obligations of the U.S. Government which guarantee that all interest and principal payments will be paid on time. Among these are Treasury Bills, Notes and Bonds.
 - 6th With Board approval, repurchase bonds issued by the District or accelerate payback of loans incurred by the District, including bonds payable solely from a revenue producing property owned, controlled or operated by the District.
 - 7th Registered warrants, treasury notes or bonds of the State of California, including bonds payable solely from a revenue producing property owned, controlled or operated by the State of California, or by a department, board, agency or authority of same.
- (v) DIVERSIFICATION: The purpose of diversification is to reduce overall portfolio risks while attaining market yields. The District will diversify its investments by security type and institution, especially when there is no decrease in yield. Pursuant to California Government Code Section 53601(i) certificates of deposit invested outside of an authorized pool shall not exceed thirty percent (30%) of the District's total investment portfolio.
- (vi) MATURITY OF INVESTMENTS: In order to minimize the impact of market risk, generally it is intended, that all investments will be held until maturity. Projected cash flow requirements are the primary factor to be used in determining investment maturity terms. After cash flow needs have been met, yield considerations will be the next factor in determining maturity terms, with the expectations that longer

maturity periods will generally yield greater returns on investments. Investments may be sold before maturity if required for cash flow or appreciation purposes.

The maximum maturity term of any investment shall not exceed five years.

- (vii) **REPORTING:** The District Manager shall provide to the Board of Directors monthly investment reports that provide a clear picture of the status of the current investment portfolio, as required by California Government Code Section 53607 and in compliance with the recommendations provided in California Government Code 53646.
- (viii) **ETHICS AND CONFLICTS OF INTEREST:** Officers and employees involved in the District's investment process shall not conduct personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions.
- (ix) **INVESTMENTS POLICIES ADOPTION:** In accordance with California Government Code Section 53607 the District's investments policies shall be adopted annually by resolution of the Board of Directors at a public meeting.

Section 6.02 Reserves

(c) Purpose of Reserve Policy

Adequate designations of reserve funds set aside for various legitimate purposes are critical to the successful and stable, short and long-term operation of the San Lorenzo Valley Water District (the "District").

Adequate reserves for the District operations ensure that customers experience both stable rates for service and the security that the District can respond to emergencies, especially regarding water and wastewater quality issues. Adequate reserves ensure that the District will at all times have sufficient funding available to meet its operating, capital and debt service cost obligations, together with future debt or capital obligations, as well as any unfunded mandates, including costly regulatory requirements.

The District manages its working capital in a manner that allows the District to fund costs consistent with its annually updated capital improvement program and budgeted financial plan, and that avoids significant rate fluctuations due to changes in cash flow requirements. The ability of the District to maintain reserve funds is a critical factor in providing reliable service, mitigating rate increases, and ensuring overall financial strength.

Annually, during the budget adoption process, the District Board should review and approve the appropriate levels and uses for reserve funds based upon the needs of the District.

This Reserve Fund Policy (the "Policy") was developed to clearly identify specific designated reserves and reserve funds. It is the intent of this Policy to clearly identify both reserve fund categories and purposes, and set target levels for reserves that are

consistent with the District's mission statement, the uniqueness of the District, and the philosophy of the District's Board.

(d) Fund Balance Classifications

The Governmental Accounting Standards Board (GASB) issued GASB Statement Number 54 (Statement 54), Fund Balance Reporting and Governmental Fund Type Definitions in February 2009. Statement 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned.

- (i) Nonspendable – consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.
- (ii) Restricted: Amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.
- (iii) Committed: Amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.
- (iv) Assigned: Amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.
- (v) Unassigned: Residual classification for the government's general fund, and could report a surplus or deficit. In funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

(e) Designated Reserve Funds

(i) Restricted - Debt Service Reserve Fund

The District requires that this fund be maintained at a level sufficient to fund any current debt covenant requirements. Whether funds are held by the debt trustee during the term of the debts or if it is held internally. These are to be used in the event that the District is unable to meet its required semi-annual debt service obligation. Debt covenant requirements will be updated on an as needed basis for any new or retired obligations.

(ii) Committed - Capital Reserve Fund

This fund pays for the replacement of existing facilities and equipment as it reaches the end of its useful life or for major repairs that extend the useful life of facilities.

This fund will also cover any emergency repairs to insure a timely response by the District to natural disasters and/or other emergencies. This insures timely acquisition, replacement and upgrade of the District's water system infrastructure and capital assets.

Expenditures from this reserve fund which are subsequently recovered, either partially or fully, from FEMA, OES, insurance and/or any other sources, said revenue shall be utilized solely for the purpose of refunding the Capital Reserve Fund.

The fund level for the Capital Reserve Fund is a target level equal to \$2,000,000, unless otherwise directed by the Board at a public meeting. If current funds are below the target level of \$2,000,000, the Board can designate a plan to replenish the fund.

(iii) Committed - Operational Reserve Fund

This fund is established to cover unexpected cash flow shortages, expense or losses. These might be caused by delayed payments, unexpected building repairs, or economic conditions. Reserves should not be used to make up for income shortfalls, unless the District has a plan to replace the income or reduce expenses in the near-term future, which would require Board designation. In short, reserves should be used to solve timing problems, not deficit problems.

A commonly used reserve goal is 3-6 months' expenses. The fund level for the Operational Reserve Fund is a target level equal to \$1,500,000, unless otherwise directed by the Board at a public meeting. If current funds are below the target level of \$1,500,000, the Board can designate a plan to replenish the fund.

- Assigned – none at this time
- Nonspendable – none at this time
- Unassigned – none at this time

(f) Annual Review

The District Manager shall perform a review and analysis of each designated reserve funds for presentation to the Board at a public meeting upon the occurrence of the following:

- Upon consideration by the Board of the annual budget.
- Upon any significant change to and/or expenditure(s) from a designated reserve fund.
- Upon determination that a fund balance is less than the established target level, without a near term replenishment plan.
- As part of the annual review, a summary of the funds and fund level(s) shall be listed out, as well as the anticipated levels for that fiscal year.

SAN LORENZO VALLEY WATER DISTRICT
INVESTMENT POLICY 2016

INTRODUCTION

The purpose of this document is to establish formal policies for the prudent investment of the District's unexpended cash. The main objective of this policy is the establishment of 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 and provides for an optimal combination of safety, liquidity and yield. This policy is in compliance with the provisions of California Government Code Section 53600, et seq.

BASIC POLICIES

1. PRUDENCE: San Lorenzo Valley Water District funds shall be invested under the "prudent investor standard" (~~California Civil Code, Section 2261, et seq.~~ California Government Code Section 27000.3) which essentially states that all investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.
2. DELEGATION OF AUTHORITY: Authority to manage the San Lorenzo Valley Water District investment program is delegated to the District Manager. This authority is derived from Resolution 79 (87-88) adopted February 1, 1988 by the San Lorenzo Valley Water District Board of Directors which by reference is attached hereto and incorporated herein. The District Manager shall establish written procedures for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except as provided under the term of this policy and the procedures established by the District Manager.
3. OBJECTIVES: The primary objectives of the San Lorenzo Valley Water District's investment activities in priority order shall be as follows:
 - A. SAFETY – Safety of principal is the foremost objective of the investment program. The District's investment portfolio shall be designed and undertaken in a manner that seeks to ensure the preservation of the principal invested.
 - B. LIQUIDITY – The District's investment portfolio shall be designed to remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated. The liquid needs of the District shall be commensurate with the constraints of anticipated cash flow requirements.
 - C. RETURN ON INVESTMENTS – The District's investment portfolio shall be designed with the objective of attaining the maximum possible rate of return

commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio.

4. PERFORMANCE STANDARDS: Investments shall only be made as allowable by law with specific reference to California Government Code Section 53600, et seq., and any other applicable provisions of law.
5. AUTHORIZED AND ACCEPTABLE INVESTMENTS: District funds shall be invested only in the following investment instruments and within any limits indicated.
 - A. LAIF – The Local Agency Investment Fund (LAIF) was created by California Government Code Section 16429.1 through 16429.3. LAIF is an investment pool established and controlled by the State of California to afford smaller agencies the benefits of a large investment portfolio, such as higher interest rates and greater diversification. ~~Deposits are limited to \$30,000,000 per account.~~ Funds are completely liquid except for a limitation of ten (10) transactions per month.
 - B. COUNTY OF SANTA CRUZ INVESTMENT POOL – The County of Santa Cruz Investment Pool is a local government investment pool established and controlled by the County of Santa Cruz to afford smaller agencies the benefits of a larger investment portfolio, such as higher interest rates and greater diversification. Authority for the County of Santa Cruz Investment Pool is delegated to the County of Santa Cruz Treasurer.
 - ~~B.C.~~ CERTIFICATES OF DEPOSIT – These are receipts for funds deposited in a bank, or savings and loan, or broker deposits for a specific term and rate of interest. The principal and accrued shall be insured by the Federal Deposit Insurance Corporation (FDIC). The principle and insured interest in any one insured depository institution shall not exceed the limit amount insured by FDIC.
 - ~~C.D.~~ PASSBOOK SAVINGS ACCOUNTS – This is a regular liquid savings account. The principal and accrued shall be insured by the Federal Deposit Insurance Corporation (FDIC). The principle and insured interest in any one insured depository institution shall not exceed the limit amount insured by FDIC.
 - ~~D.E.~~ U.S. TREASURY AND AGENCY SECURITIES OBLIGATIONS – These are negotiable debt obligations of the U.S. Government which guarantee that all interest and principle payments will be paid on time. Government securities and debt obligations issued by the US Government or its agencies which are secured by the federal government. Among these are Treasury Bills and Notes. ~~Government National Mortgage Association (Ginnie Mae); Federal National Mortgage Association (Fannie Mae); Federal Land Bank (FLB) and Federal Farm Credit Banks (FFCB).~~
 - F. GOVERNMENT SPONSORED ENTERPRISES – Government sponsored enterprises are privately held corporations with public purposes created by the U.S. Government, which carry the implicit backing of the U.S. Government, but are not

a direct obligation of the U.S. Government. Among these are Government National Mortgage Association (Ginnie Mae); Federal National Mortgage Association (Fannie Mae); Federal Land Bank (FLB) and Federal Farm Credit Banks (FFCB).

6. DIVERSIFICATION: The purpose of diversification is to reduce overall portfolio risks while attaining market yields. The District will diversify its investments by security type and institution, especially when there is no decrease in yield. Pursuant to California Government Code Section 53601(i) certificates of deposit invested outside of an authorized pool shall not exceed thirty percent (30%) of the District's total investment portfolio. Current certificates of deposits exceed this limitation. It is the intent of the District to move toward compliance with said limitation. Whenever certificates of deposit purchased prior to the date of this policy mature or are called, the District shall invest in authorized investment instruments other than certificates of deposit until such time compliance has been achieved. The District shall not exceed fifty percent (50%) of the District's total investment portfolio in any one (1) authorized investment type, with the exception of the following; LAIF and County of Santa Cruz Investment Pool. Current Government Sponsored Enterprises investments exceed this limitation. It is the intent of the District to move toward compliance with said limitation. Whenever Government Sponsored Enterprise issuances purchased prior to the date of this policy mature or are called, the District shall invest in authorized investment instruments other than Government Sponsored Enterprises until such time compliance has been achieved.

7. MATURITY OF INVESTMENTS: In order to minimize the impact of market risk, generally it is intended, that all investments will be held until maturity. Projected cash flow requirements are the primary factor to be used in determining investment maturity terms. After cash flow needs have been met, yield considerations will be the next factor in determining maturity terms, with the expectations that longer maturity periods will generally yield greater returns on investments. Investments may be sold before maturity if required for cash flow or appreciation purposes.

The maximum maturity term of any ~~fixed rate~~ investment shall not exceed five (5) years. ~~seven (7) years. However, callable investments that increase ("step-up") at regular intervals may have a maturity term which exceeds seven (7) years.~~ The District will diversify its investment by maturity date in order to avoid over concentration in any one specific maturity sector.

8. REPORTING: The District's Board of Directors shall receive investment reports at least quarterly. The District Manager shall provide to the Board of Directors quarterly investment reports which provide a clear picture of the status of the current investment portfolio as required by law (California Government Code Section 53646).
9. ETHICS AND CONFLICTS OF INTEREST: Officers and employees involved in the District's investment process shall not conduct personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. Officers and employees involved in the District's investment process shall disclose to the District Secretary any material financial interests in financial institutions that conduct business within the jurisdiction of the San Lorenzo

Valley Water District and they shall further disclose any large personal financial/investment positions that could be related to the performance of the District's investment portfolio.

10. INVESTMENT POLICY ADOPTION: The District's investment policy shall be adopted by resolution of the San Lorenzo Valley Water District's Board of Directors. The District's investment policy shall be reviewed annually thereafter, and any modifications made thereto must be approved by the Board of Directors. The District's Statement of Investment Policy shall be adopted annually by resolution of the Board of Directors at a public meeting.

*** END ***

THE DISTRICT RESERVE FUND POLICY

Purpose of Reserve Policy

Adequate designations of reserve funds set aside for various legitimate purposes are critical to the successful and stable, short and long-term operation of the San Lorenzo Valley Water District (the “District”).

Adequate reserves for the District operations ensure that customers experience both stable rates for service and the security that the District can respond to emergencies, especially regarding water and wastewater quality issues. Adequate reserves ensure that the District will at all times have sufficient funding available to meet its operating, capital and debt service cost obligations, together with future debt or capital obligations, as well as any unfunded mandates, including costly regulatory requirements.

The District manages its working capital in a manner that allows the District to fund costs consistent with its annually updated capital improvement program and budgeted financial plan, and that avoids significant rate fluctuations due to changes in cash flow requirements. The ability of the District to maintain reserve funds is a critical factor in providing reliable service, mitigating rate increases, and ensuring overall financial strength.

Annually, during the budget adoption process, the District Board should review and approve the appropriate levels and uses for reserve funds based upon the needs of the District.

This Reserve Fund Policy (the “Policy”) was developed to clearly identify specific designated reserves and reserve funds. It is the intent of this Policy to clearly identify both reserve fund categories and purposes, and set target levels for reserves that are consistent with the District’s mission statement, the uniqueness of the District, and the philosophy of the District’s Board.

Fund Balance Classifications

The Governmental Accounting Standards Board (GASB) issued GASB Statement Number 54 (Statement 54), Fund Balance Reporting and Governmental Fund Type Definitions in February 2009. Statement 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.

Restricted – consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – consists of amounts that are subject to a purpose constraint imposed by a formal action of the government’s highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.

Assigned – consists of amounts that are subject to a purpose constraint that represents an intended use established by the government’s highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.

Unassigned – represents the residual classification for the government’s general fund, and could report a surplus or deficit. In funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Designated Reserve Funds

Restricted - Debt Service Reserve Fund

The District requires that this fund be maintained at a level sufficient to fund any current debt covenant requirements. Whether funds are held by the debt trustee during the term of the debts or if it is held internally. These are to be used in the event that the District is unable to meet its required semi-annual debt service obligation. Debt covenant requirements will be updated on an as needed basis for any new or retired obligations.

Committed - Capital Reserve Fund

This fund pays for the replacement of existing facilities and equipment as it reaches the end of its useful life or for major repairs that extend the useful life of facilities. This fund will also cover any emergency repairs to insure a timely response by the District to natural disasters and/or other emergencies. This insures timely acquisition, replacement and upgrade of the District’s water system infrastructure and capital assets.

Expenditures from this reserve fund which are subsequently recovered, either partially or fully, from FEMA, OES, insurance and/or any other sources, said revenue shall be utilized solely for the purpose of refunding the Capital Reserve Fund.

The fund level for the Capital Reserve Fund is a target level equal to \$2,000,000, unless otherwise directed by the Board at a public meeting. If current funds are below the target level of \$2,000,000, the Board can designate a plan to replenish the fund.

Committed - Operational Reserve Fund

This fund is established to cover unexpected cash flow shortages, expense or losses. These might be caused by delayed payments, unexpected building repairs, or economic conditions. Reserves should not be used to make up for income shortfalls, unless the District has a plan to replace the income or reduce expenses in the near-term future, which would require Board designation. In short, reserves should be used to solve

timing problems, not deficit problems.

A commonly used reserve goal is 3-6 months' expenses. The fund level for the Operational Reserve Fund is a target level equal to \$1,500,000, unless otherwise directed by the Board at a public meeting. If current funds are below the target level of \$1,500,000, the Board can designate a plan to replenish the fund.

Assigned – none at this time

Nonspendable – none at this time

Unassigned – none at this time

Annual Review

The District Manager shall perform a review and analysis of each designated reserve funds for presentation to the Board at a public meeting upon the occurrence of the following:

Upon consideration by the Board of the annual budget.

Upon any significant change to and/or expenditure(s) from a designated reserve fund.

Upon determination that a fund balance is less than the established target level, without a near term replenishment plan.

As part of the annual review, a summary of the funds and fund level(s) shall be listed out, as well as the anticipated levels for that fiscal year.

M E M O

TO: Board of Directors
FROM: District Manager
SUBJECT: Administration/Engineering Departments Status Report
DATE: ~~September 1st~~ ~~August 4~~, 2016

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RECOMMENDATION:

It is recommended that the Board of Directors review and file the Administration/Engineering Departments status report.

BACKGROUND:

MEETINGS OF NOTE

- ~~July 15 the DM attended a Santa Margarita Groundwater Basin Advisory Committee subcommittee regarding GSA formation documents~~
- ~~July 20 the DM and Board Secretary met with Chris Palmer, Regional Public Affairs Representative of CSDA.~~
- ~~July 25 the DM and Director Baughman attended a SGMA GSA Formation Committee Meeting at Scotts Valley Water District.~~
- ~~August 8 the DM, Ops Manager and Env. Prog. Manager attended a Regional Collaborative Agency Workshop with Scotts Valley WD, Soquel Creek WD, City of Santa Cruz and County of Santa Cruz to assist in identifying areas of mutual interest and benefit for future projects.~~
- ~~August 12 the DM attended a meeting at Community Foundation of Santa Cruz County regarding development of a regional internship program.~~
- ~~August 18 the DM attended a regional District Managers luncheon.~~
- ~~August 23 the DM attended the inaugural Lompico Oversight Committee~~

ENTERPRISE WIDE COST-OF-SERVICE STUDY

- ~~Staffing study is currently being~~ has been reviewed by Budget and Finance Committee and accepted by the Board for inclusion in the Cost of Service study.
- Capital Component will be reviewed by Budget and Finance Committee on September 6th.
- Board-ready cost-of-service study draft expected to be presented to Budget and Finance Committee on ~~August 9 or August 23.~~ September 20

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The intent of this study is to determine what the true cost of providing water and sewer service includes; watershed protection, water rights management, infrastructure, staffing and administration. These issues will be studied both from a geographical and seasonal standpoint.

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PROBATION TANK REPLACEMENT PROJECT

The 100% Plan Review is currently in progress. The Project's Habitat Conservation Plan (HCP) was approved by the Board in late summer.

Staff and consultant continue to work on final HCP requirements. We remain on track to obtain a permit in ~~late Summer or~~ Fall of 2016. Project is scheduled for bidding in late-2016 and construction is expected to be completed in early 2017. Construction is expected to take 6 months

SRF Application has been ~~drafted and should be~~ submitted to State in August. State has responded and staff is working to provide additional information.

SWIM TANKS REPLACEMENT PROJECT

Plans and Specifications are complete and a Mitigated Negative Declaration is ~~in the works~~ being reviewed by the Board tonight for possible adoption. Project has been deferred a minimum of six months while District applies for SRF funding.

SRF Application has been ~~drafted and should be~~ submitted to State in August. State has responded and staff is working to provide additional information.

FALL CREEK FISH LADDER

100% plans and specifications are under staff review.

Staff recently was informed by Federal Fish and Wildlife (FFW) that the Fall Creek Diversion and Fish Ladder do not qualify for streamlined permitting. This is a change of direction from past conversations over the last three years. Individual consultation will be required and the District ~~will be submitting~~ has submitted a request to the Army Corp of Civil Engineers. This new information will delay the project at least a year, if not longer.

INTERTIES 2, 3, 4

Primary project construction is finished. Testing is complete and the interties are fully functional and operational.

County has rejected ~~all select area of~~ paving on Graham Hill Road. District is in discussions with ~~County and~~ contractor to ~~resolve the paving issues~~ schedule a fix of the identified areas.

FELTON HEIGHTS WATER STORAGE TANK

Staff is working to obtain necessary easements on neighboring property. Design is expected for ~~summer-fall/winter~~ of 2016 with construction occurring in Spring 2017. Project has been deferred while District applies for SRF funding.

LOMPICO

The merger was completed on June 1, 2016. Since that time staff has flushed the entire Lompico system. Currently the Lompico Service Area is being provided water through the booster station (former intertie) and all local water sources are off-line while the District conducts assessments of the local Lompico source water, particularly for Lead and Copper Rule compliance.

New meters have arrived and staff has begun installation. As of this week all meters have been replaced. To date new meters have been installed in approximately 25% of the Lompico service area (~125 out of 500). Staff has an aggressive schedule to complete replacement of all meters in the service area by the end of August. Operations staff are to be commended for their aggressive schedule to complete replacement of all meters in the service area.

Meeting Notes from the

San Lorenzo Valley Water District

August 23, 2016 Administrative Committee Meeting

AGENDA

1. Convene Meeting/Roll Call

Attending: Committee members: Brown, Fultz, Bruce (Chair), DM Lee, Fin. Dir Stephanie
Mark Lee commented on DWR's (sic SWRCB) directive regarding water district mandatory conservation. Asked SLVWD to consider halting the drought surcharge.

2. Oral Communications

There were comments by staff on the agenda: a) and d) are redundant and b and c are the same. We will combine items accordingly.

Staff recommends we put New Business item to next regular meeting in September.

3. Old Business: Members of the public will be given the opportunity to address each scheduled item prior to Committee action.

a. RULES & REGULATION, POLICIES & PROCEDURES Discussion and possible action by the Committee regarding Rules & Regulations – Policies & Procedures.

b. 48 HOUR TAGS AND SHUT OFF POLICY Discussion and possible action by the Committee regarding 48 hour tags and shut off policy.

c. PAST DUE POLICY Discussion and possible action by the Committee regarding the past due policy.

Stephanie provided an overview of the staff recommendations for past due policy and procedures.

Changes are:

* Due date: currently its 10 days after the next bill. Proposed due date is to be the due date of the NEXT regular bill. Will be working with InfoSend to change the name, change the date, and change the look.

* Delinquent charge will be changed from \$20 to \$25.

* Increasing the 'turn off charge' from \$20 to \$40

* Restoration of water service once turned off will accrue a \$75 deposit if one is not already on deposit.

CM Fultz commented on the duration of the \$20 fee. This must have been an onerous charge back in the day when it was imposed.

CM Fultz asked about the day/s of billing. A: There are two billing cycles. CM Fultz asked for a clarification on the terms “may”, “will” and “shall” in the context of this policy. Suggesting to change language to reflect specifically when the charge is assessed.

All of the dollar amounts will be pulled out and will be included in a separate “fees and charges” document.

Public Comment: Mark Lee – Does the 48 hour notice include weekends? A: Not really – that’s why we’re changing the name. We want to get away from this because it’s confusing. There are a lot of ways people can pay – drop box, online, via phone... all of those things show up before close of business on Monday. Next question from Mark: What if someone leaves for an extended period of time – 6 months or something – how does that work? A: We can turn off someone’s water for that extended time and turn it back on again with 24hrs notice. We can also take ‘pay ahead’ payments so that their regular service charges are covered.

- d. REVIEW, PRIORITIZE AND SCHEDULE POLICY UPDATES. Discussion and possible action by the Committee regarding Policy updates.

DM Lee commented that he would like to have the Board Policy manual formatted in alignment with the established format for future merger into the policy and procedure manual. That synthesis will happen in December.

Investment and Reserve policies have been reviewed by the Finance Committee and will be before the board at the next meeting.

- 4. New Business: Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.

- a. DRAFT REQUEST FOR PROPOSAL FOR LEGAL SERVICES Discussion and possible action by the Committee regarding Draft RFP for legal services.

This item will be addressed on the next regular Administrative Committee agenda in September.

- 5. Informational Material: None.

- 6. Adjournment

The committee adjourned at 11:42pm.