



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER
DISTRICT
REGULAR MEETING
AGENDA
JANUARY 5, 2023**

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 meeting of the Board of Directors of the San Lorenzo Valley Water District will be held on **Thursday, January 5, 2023, at 5:30 p.m.**, via videoconference and teleconference. Open Session begins at 6:30 p.m.

There will not be any physical location for this meeting. Pursuant to AB 361 and San Lorenzo Valley Water District Resolution No. 4 (21-22), this meeting will be conducted by video/teleconference. Any person in need of any reasonable modification or accommodation in order to participate in the meeting may contact the District Secretary's Office at (831) 430-4636 a minimum of 72 hours prior to the scheduled meeting. The meeting access information is as follows:

To join the meeting click the link below, or type it into your web browser.

Webinar/Public link:

<https://us02web.zoom.us/j/85144108029>

+1 346 248 7799

+1 669 900 6833

+1 253 215 8782

Webinar ID: **85144108029**

Agenda documents are 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 Closed Session 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 Regarding Items in Closed Session:

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. PUBLIC EMPLOYEE ANNUAL PERFORMANCE EVALUATION
Government Code section 54957
Title: District Manager
- b. CONFERENCE WITH LABOR NEGOTIATORS
Gov. Code section 54957.6
Agency designated representatives: District Manager, Rick Rogers;
District Counsel, Gina Nicholls
Employee Organizations: Classified Employees Union and Management,
Supervisory and Confidential Employees Unit
- c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APNs 083-251-71 (540 acres of watershed land) and 083-251-21 (wastewater system land) over which the District may need easements
Agency negotiators: District Manager, Rick Rogers;
District Counsel, Gina Nicholls
Negotiating parties: Jim Moore, Big Basin Water Company
Under negotiation: Price and terms of payment

If necessary the Board of Directors may re-adjourn to Closed Session after the Open Session in order to complete the Closed Session agenda items, as allowed by the Brown Act and the District's Board Policy Manual, Section 9.A. All public comments regarding Closed Session items will be taken right after the meeting starts at 5:30 p.m.

Closed Session Note:

The Brown Act prohibits the disclosure of confidential information acquired in a closed session by any person present and offers various remedies to address willful breaches of confidentiality. These include injunctive relief, disciplinary action against an employee, and referral of a member of the legislative body to the grand jury. It is incumbent upon all those attending lawful closed sessions to protect the confidentiality of those discussions. Only the legislative body acting as a body may agree to divulge confidential closed

session information; regarding attorney/client privileged communications, the entire body is the holder of the privilege and only a majority vote of the entire body can authorize the waive of the privilege.

5. Re-Convene Meeting/Roll Call

6. Report of Actions Taken in Closed Session

7. Additions and Deletions:

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 on any subject that lies within the jurisdiction of the District and is not on the agenda. Any person may address the Board of Directors at this time. Normally, presentations must not exceed three (3) minutes in length, and individuals may only speak once. Please state your name and town/city of residence for the record at the beginning of your statement. Please understand that the Brown Act limits what the Board can do regarding issues not on the agenda. No action or discussion may occur on issues outside of those already listed on today's agenda. Any Director may request that a matter raised during Oral Communication be placed on a future agenda.

9. President's Report

No action will be taken and discussion may be limited at the Chairperson's discretion.

10. Unfinished Business:

Members of the public will be given the opportunity to address each agenda item prior to Board action. Normally, presentations must not exceed three (3) minutes in length, and individuals may only speak once. Please state your name and town/city of residence for the record at the beginning of your statement.

- a. REMOTE MEETING AUTHORIZATION UNDER AB 361
Discussion and possible action to ratify Resolution No. 4 (21-22) proclaiming an ongoing state of local emergency and authorizing remote meetings for another 30 days during the COVID-19 pandemic.

11. New Business:

Members of the public will be given the opportunity to address each agenda item prior to Board action. Normally, presentations must not exceed three (3) minutes in length, and individuals may only speak once. Please state your name and town/city of residence for the record at the beginning of your statement.

- a. BOARD COMMITTEE APPOINTMENTS FOR 2023
Discussion and possible action by the Board appointments of Board members to committees.

- b. SANTA CRUZ INTEGRATED REGIONAL WATER MANAGEMENT PLAN
Discussion and possible action by the Board regarding adoption of the IRWMP and authorization of plan representative from the District.
- c. DEPARTMENT OF WATER RESOURCES URBAN COMMUNITY DROUGHT RELIEF FUNDING GRANT
Discussion and possible action by the Board regarding the DWR Grant and authorization of representative from the District.

12. Consent Agenda:

The Consent Agenda contains items which are considered to be routine in nature and will be deemed adopted by unanimous consent if no Director states an objection. Any item on the consent agenda will be moved to the regular agenda upon request from an individual Director or a member of the public.

- a. BOARD OF DIRECTORS MINUTES 12.15.22

13. District Reports:

No action will be taken and discussion may be limited at the Chairperson's discretion. The District encourages that questions be submitted in writing (bod@slvwd.com) on items listed in the District Reports. Questions submitted, if any, will be posted in the next available District Reports, along with a reply.

- DISTRICT MANAGERS REPORT

No action will be taken and discussion may be limited at the Chairperson's discretion.

14. Written Communication:

- o Letter from LAFCO soliciting nominations - 12.14.22

15. Informational Material: None

16. Re-Adjourn to Closed Session (if needed)

17. Re-Convene to Open Session (if needed)

18. Report of Actions Taken in Closed Session (if needed)

19. Adjournment

The Next Board of Directors Meeting is Scheduled for January 19, 2023.

MEMO

TO: BOARD OF DIRECTORS

FROM: DISTRICT MANAGER

SUBJECT: BOARD OF DIRECTORS' COMMITTEE ASSIGNMENTS FOR 2023

DATE: JANUARY 5, 2022

RECOMMENDATION

It is recommended that the Board of Directors discuss and adopt the recommendations by the Board President for the appointments of Board Members to the Standing Committees, liaison to the Lompico Assessment District Oversight Committee (LADOC), and to the Santa Margarita Groundwater Management Agency (SMGWA) for 2023.

BACKGROUND

On January 20, 2022, the Board of Directors adopted the Board Policy Manual 2022. The Board Policy Manual states:

The President shall:

Make recommendations to the Board of Directors, as necessary, to establish or disband committees, or to appoint committee members, all subject to Board of Directors approval.

On January 24, 2019, the SMGWA amended their bylaws which state:

BOARD OF DIRECTORS. The Agency shall be governed by a Board of Directors (the "Board of Directors" or "Board") consisting of 11 Directors as set forth in Article 6 of the Agreement and as follows:

Two (2) representatives appointed by the governing body of each of the Members ("Member Representatives").

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

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

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

Two (2) representatives of private well owners or small public water systems within the boundaries of the Agency ("Well Owner Representatives").

Alternate Directors are appointed pursuant to Section 6.4 of the Agreement

The current appointments are:

Administration: Ackemann, Fultz
Budget & Finance: Mahood, Hill
Engineering & Enviro: Smolley, Fultz

LADOC Liaison: Fultz

SMGWA: Mahood, Ackemann (alternate: Smolley)

MEMO

To: Board of Directors

From: District Manager

Prepared by: Environmental Programs Manager

SUBJECT: Santa Cruz Integrated Regional Water Management (IRWM) Project
Funding Resolution and Adoption of the IRWM Plan (2019 addendum)

DATE: January 5, 2023

Recommendation

It is recommended that the Board of Directors review this memo and approve the attached resolution to authorize the Regional Water Management Group (RWMG) to apply for grant funding on behalf of the District, and adopt the IRWM Plan.

Background

The Santa Cruz Integrated Regional Water Management (IRWM) program provides a framework for local stakeholders to manage this region's water and water-related resources. The Santa Cruz IRWM Plan was developed in response to California's IRWM planning initiative to promote an informed, locally-driven, and consensus-based approach to water resources management.

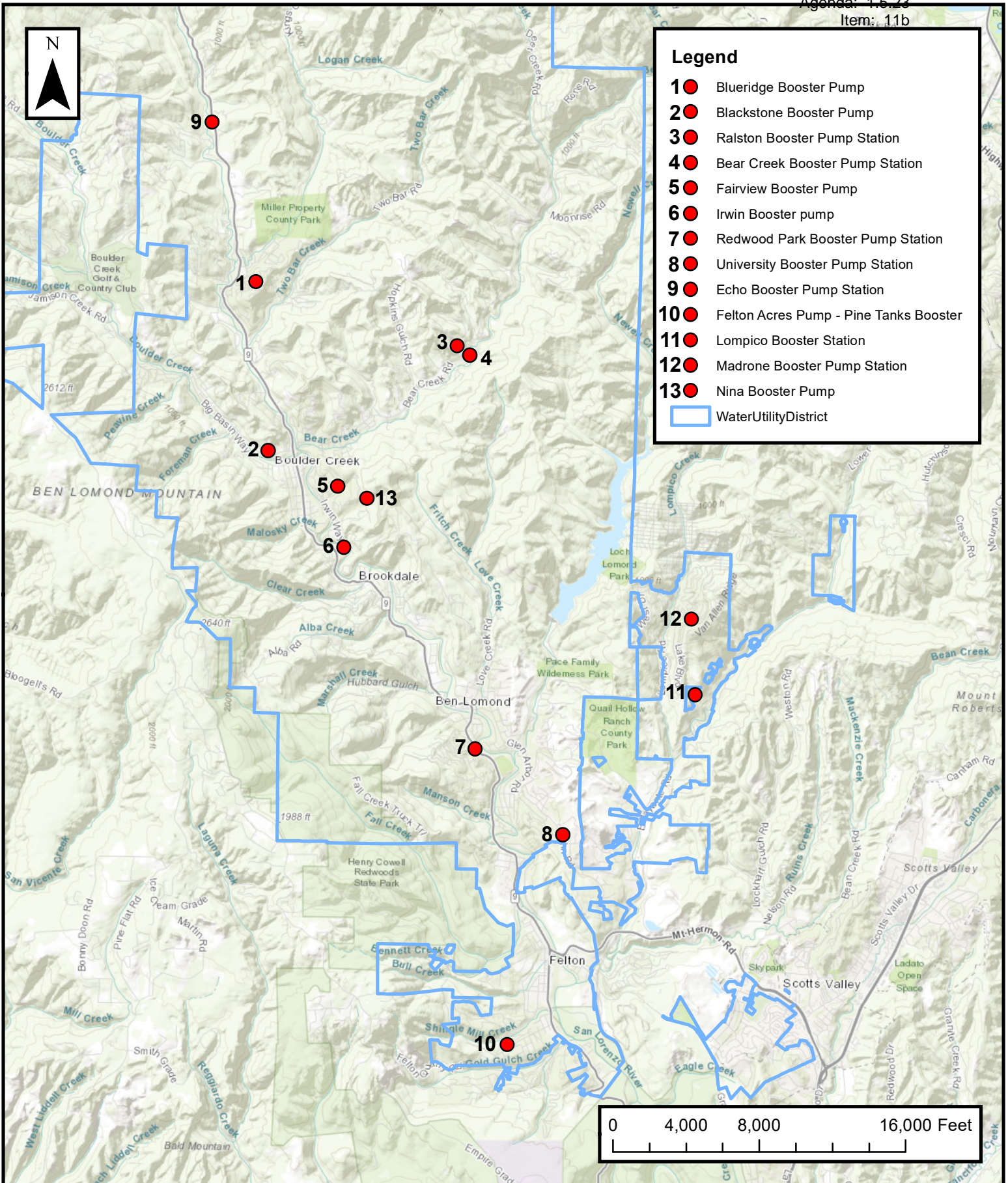
The IRWM Plan includes strategies for developing and implementing policies and projects to ensure sustainable water use, reliable water supply, better water quality, improved flood protection and storm water management, and environmental stewardship.

The District was invited to submit a full application for fire hardening 13 pump house structures through replacement of wooden structures with brick within its system as shown in exhibit A. The total cost of the funding request is \$305,000 with a 50% match of \$305,000.

In September 2016 the Board of Directors executed a Memorandum of Agreement (exhibit B) on behalf of the District to allow RWMG to apply for grant funding on the District's behalf. The IRWM plan (link below) also needs to be adopted for the District to be eligible to receive grant funding through the program.

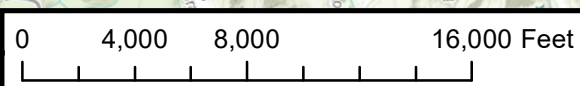
Implementing agencies, including agencies that will lead activities to be reimbursed by the grant, must adopt a resolution authorizing the RWMG to apply for funds on their behalf as well. As the SLVWD is expected to benefit from this proposed grant, staff is requesting adoption of the attached resolution (exhibit C) and IRWM Plan.


IRWM Plan 2019 Addendum: <https://www.santacruzirwmp.org/plan>



Legend

- 1 ● Blueridge Booster Pump
- 2 ● Blackstone Booster Pump
- 3 ● Ralston Booster Pump Station
- 4 ● Bear Creek Booster Pump Station
- 5 ● Fairview Booster Pump
- 6 ● Irwin Booster pump
- 7 ● Redwood Park Booster Pump Station
- 8 ● University Booster Pump Station
- 9 ● Echo Booster Pump Station
- 10 ● Felton Acres Pump - Pine Tanks Booster
- 11 ● Lompico Booster Station
- 12 ● Madrone Booster Pump Station
- 13 ● Nina Booster Pump
- WaterUtilityDistrict



| | | | | |
|--|------------------|---|---|--------------|
|  San Lorenzo Valley WATER DISTRICT | Date: 12/14/2022 | IRMW Grant: Targeted Pump House Locations 2 of 19 | 13060 Hwy 9 Boulder Creek, CA 95006 | 1 of 1 |
| | Scale: 1:82,000 | | | |
| | Drawn By: WWL | | | |
| | Approved By: JLW | | | |

MEMORANDUM OF AGREEMENT FOR THE SANTA CRUZ INTEGRATED REGIONAL WATER MANAGEMENT PLAN

1. PURPOSE

The purpose of this interagency cooperative memorandum of agreement (MOA) is to reaffirm the mutual agreements of the participating organizations with respect to their joint efforts in developing, implementing, and updating the Integrated Regional Water Management Plan (IRWMP) that will increase coordination, collaboration and communication in addressing the region's water resources issues. The signatories hereby join together for a common and specific purpose to develop and implement the Santa Cruz IRWMP. This MOA updates and continues the efforts initiated under the previous 2006 and 2011 MOAs.

2. IRWMP GOALS AND OBJECTIVES

The Santa Cruz IRWMP Plan goals are intended to be a general summary of the desired state that regional agencies are collectively working to achieve:

- Provide safe, reliable, and affordable water supply to meet current and expected regional demand without causing undesirable environmental impacts.
- Maintain and improve regional surface and groundwater quality to protect beneficial uses.
- Improve the condition of upland riparian and aquatic ecosystems to support the native species, watershed functions, and regional water needs.
- Reduce flood hazards and manage stormwater runoff through policies and projects that enhance natural hydrologic function and protect communities.

Objectives for the Santa Cruz Integrated Regional Water Management (IRWM) are listed below, according to the four functional areas. Each objective is measurable by indicators that are specific, quantifiable, time-limited enabling performance of the IRWMP to be evaluated over time.

Water Supply

- Ensure a reliable and sustainable water supply through strategies that diversify the supply portfolio, develop alternative/supplemental sources, protect and enhance surface water and groundwater, protect against seawater intrusion, and maximize efficient delivery and use.
- Reduce water demand as technically and economically feasible, particularly in relation to the cost of additional sources.

Water Quality

- Reduce the sources of harmful pollutants (e.g., sediment, bacteria, nitrate, persistent organics and other toxic constituents) and their impacts on aquatic resources.

Watershed Resources

- Improve and protect watershed ecosystems to support healthy watershed function.
- Increase the habitat quality and quantity of critical aquatic ecosystems (i.e., streams, tidal wetlands, and freshwater wetlands).

Flood/Stormwater

- Implement integrated flood management strategies that reduce hazards and impacts from floods and provide diverse benefits (e.g., improve stormwater quality, protect ecosystems, increase groundwater recharge).

3. DEFINITIONS

3.1. **Integrated Regional Water Management Plan (IRWMP).** The California Water Code defines IRWMP as "a comprehensive plan for a defined geographic area, the specific development, content, and adoption of which shall satisfy requirements developed pursuant to this part. At a minimum, an Integrated Regional Water Management Plan describes the major water-related objectives and conflicts within a region, considers a broad variety of resource management strategies, identifies the appropriate mix of water demand and supply management alternatives, water quality protection, and environmental stewardship actions to provide long-term, reliable, and high-quality water supply and protect the environment, and identifies disadvantaged communities in the region and takes the water-related needs of those communities into consideration." (CWC §10530 *et seq.*)

3.2. **IRWM Planning Region** also known as the IRWM Region. The geographic area in which consolidated planning and coordination efforts including stakeholders, agencies and projects are conducted. Regions are self-forming and organizing. Regions are to be geographically contiguous and determined with regard to shared water management issues, stakeholders, and water-related conflicts. In March 2009, the California Department of Water Resources' (DWR) established a Region Acceptance Process to evaluate and approve an IRWM region. Approval of an IRWM region by DWR is required before a region can submit an application for IRWM grant funds. There are 48 IRWM regions statewide, six IRWM regions in the Central Coast Funding Area. In September 2009, DWR formally approved the Santa Cruz IRWM region. The Santa Cruz region encompasses all of the watersheds of Santa Cruz County, excluding the Pajaro watershed, but including the Watsonville Sloughs watershed. The Pajaro watershed is within the adjacent Pajaro IRWM region.

3.3. **Central Coast Funding Area (CCFA).** The Central Coast Funding Area (CCFA) is one of 12 funding areas statewide allocated a specific amount of funding to support IRWM activities (Water Code section 79744 (a)). The CCFA includes six IRWM Regions and incorporates lands in portions of the counties of Santa Clara (south of Morgan Hill), San Mateo (southern portion), Santa Cruz, San Benito, Monterey, Kern (small portions), San Luis Obispo, Santa Barbara, Ventura (northern portion).

3.4. **Regional Water Management Group (RWMG).** State guidelines define the RWMG as a group of three or more agencies, at least two of which have a statutory authority over water

supply or water management, as well as those persons who may be necessary for the development and implementation of an IRWM Plan, pursuant to the requirements in CWC §10540 and §10541.

For the Santa Cruz IRWM program, the RWMG consists of local agencies with statutory authority over water management and related resources, and the Regional Water Management Foundation (RWMF) which serves as the administrative entity. The RWMG presently includes:

- Central Water District
- City of Capitola
- City of Santa Cruz
- City of Scotts Valley
- City of Watsonville
- County of Santa Cruz
- Santa Cruz County Sanitation District
- Davenport County Sanitation District
- Resource Conservation District of Santa Cruz County
- San Lorenzo Valley Water District
- Scotts Valley Water District
- Soquel Creek Water District
- Regional Water Management Foundation

3.5. **Steering Committee.** The Santa Cruz IRWM Steering Committee is an active, decision-making sub-group of the RWMG that is designed to be broad representative of the RWMG yet small enough to effectively make decisions in a timely manner. The Steering Committee meets on a regular basis to oversee IRWMP implementation and coordinate efforts as needed. The Steering Committee currently consists of the County Water Resources Division Director, the Executive Director of the Resource Conservation District, and the General Manager/Director of a water supply agency. These individuals continue to serve as the Steering Committee unless a majority vote of the Partner Agencies (based on one vote per agency) replaces all or some of the Steering Committee members or a replacement is necessary due to an individual's resignation. The Steering Committee is to provide representation for the four functional planning areas – water supply, water quality, watershed resources, and flood/stormwater management. Since 2014, a Director of a public works agency has participated in Steering Committee meetings. The RWMF program director participates as a non-voting member of the Steering Committee and provides staff support. All Steering Committee decisions with material financial implications shall be ratified by the RWMG.

The Steering Committee provides information and consults with the RWMG, and performs the following functions on behalf of the RWMG

- guides IRWM Plan development and implementation;
- acts as a liaison to the Regional Water Management Foundation (see below) and all

- stakeholders, including state agencies, elected officials, and the public;
- coordinates funding proposals;
- promotes project integration of multi-benefit projects;
- ensures stakeholder participation; and,
- tends to administrative matters concerning IRWM efforts.

3.6. Regional Water Management Foundation (RWMF). The RWMF was established in 2007 to provide an organizational structure to support the implementation of the Santa Cruz IRWMP. The RWMF is a subsidiary of the Community Foundation Santa Cruz County (CFSCC). The RWMF is a separate 501(c)(3) tax-exempt nonprofit organization. It has its own Board of Directors and staff, with an office located at the CFSCC. The seven member Board, includes four directors appointed by the Community Foundation and three Public Agency directors; currently, the Public Agency director seats are filled by the Steering Committee members. The primary objectives of the RWMF are to (1) protect communities in Santa Cruz County from water shortages and floods; (2) protect and improve water quality and the natural environment in Santa Cruz County; and, (3) improve water supply reliability in Santa Cruz County.

The RWMF served as the grantee on prior IRWM grants awarded to the Santa Cruz region, including: a 2007 IRWM Implementation grant, a 2011 IRWM Planning grant; a 2013 Disadvantaged Communities Engagement Pilot Project; a 2016 IRWM Implementation Grant. The RWMF provided management and administration of these grants and served as the central hub for reporting, invoicing, and inter-agency coordination. The RWMF has also assisted with the preparation of grant applications and provided administrative services to agencies awarded grants that are complementary to IRWM efforts.

3.7. IRWM Stakeholders. Stakeholder group includes a diverse range of resource agencies, municipalities, local districts, interest groups, and residents with an interest in water resources planning and management. Efforts to engage, inform and provide opportunities for stakeholders to actively participate in IRWM have occurred from the program's inception. The stakeholder engagement seeks to ensure that diverse interests and perspectives are considered in establishing the region's water management goals, objectives, strategies and priorities. Local agencies, organizations, and stakeholders have opportunities for input on the IRWM Plan development and specific projects through meetings and workshops and the broader community informed through boards, advisory groups, meetings and events.

3.8. IRWM Projects. The California Water Code (§10537) establishes that IRWM projects and programs are those that accomplish any of the following objectives;

- a) Reduce water demand through agricultural and urban water use efficiency.
- b) Increase water supplies for any beneficial use through the use of any of the following, or other, means:
 - 1. Groundwater storage and conjunctive water management
 - 2. Desalination

Attachment: Attachment 3: MOA - SC IRWM_2016 [Revision 1] (2748 : Integrated Regional Water Management – Northern Santa Cruz County)

3. Precipitation enhancement
4. Water recycling
5. Regional and local surface storage
6. Water use efficiency
7. Stormwater management

- c) Improve operational efficiency and water supply reliability, including conveyance facilities, system reoperation, and water transfers.
- d) Improve water quality, including drinking water treatment and distribution, groundwater and aquifer remediation, matching water quality to water use, wastewater treatment, water pollution prevention, and management of urban and agricultural runoff.
- e) Improve resource stewardship, including agricultural lands stewardship, ecosystem restoration, flood plain management; recharge area protection, urban land use management, groundwater management, water-dependent recreation, fishery restoration, including fish passage improvement, and watershed management.
- f) Improve flood management through structural and non-structural means, or by any other means.

4. SUMMARY OF SANTA CRUZ IRWM EFFORTS TO DATE

2005 – A Preliminary IRWMP was developed and a Proposition 50 IRWM grant proposal submitted to the Department of Water Resources and the State Water Resources Control Board, with the Community Foundation of Santa Cruz County (CFSCC) serving as applicant at the behest of the Partner Agencies.

2006 – The Partner Agencies (presently referred to as the Regional Water Management Group) entered into a Memorandum of Agreement (MOA) to establish an institutional framework to implement the IRWMP under the context of a single, regional grant agreement. The MOA describes the Partner Agencies' and CFSCC's responsibilities to fulfill the terms of the Prop 50 IRWM Implementation grant agreement. Signatories to the 2006 MOA include:

- o Soquel Creek Water District
- o Scotts Valley Water District
- o County of Santa Cruz
- o Resource Conservation District of Santa Cruz County
- o Santa Cruz County Sanitation District
- o Davenport County Sanitation District
- o City of Santa Cruz
- o City of Watsonville
- o Watsonville Wetlands Watch
- o Community Foundation of Santa Cruz County

2007 – The SWRCB awarded a \$12.5 million grant to the CFSCC to fund the implementation

of high priority IRMW projects in the region. In 2007, the CFSCC created a subsidiary organization, the RWMF, to support the IRWMP efforts and the Prop 50 administrative duties.

2008 – The RWMF and SWRCB executed a Proposition 50 IRWM Implementation Grant that awarded \$12.5m for local agencies to implement 15 high priority components addressing water supply, water quality, and watershed/habitat condition. Many of components feature multi-benefit projects with on-the ground improvements in multiple locations. In total, over 50 projects were completed at more than 80 sites in the County from 2008 - 2013. The total cost of the implementation, including local match contribution, was over \$30m. The RWMF served as grantee and provided the administration and coordination of this grant.

2009 – The Santa Cruz Region successfully completed the state's IRWM Regional Acceptance Process, through which the region was formally evaluated and approved by the Dept. of Water Resources. Approval is a requirement to be eligible for IRWM grant funding. This effort was coordinated by the Santa Cruz IRWM Steering Committee with the RWMF and consultant support.

2010 – The Santa Cruz Region conducted an open solicitation for partners, affiliates, and stakeholders to submit planning and implementation projects for inclusion in the IRWMP. Also, local agencies initiated the renewal and update of the 2006 IRWM Memorandum of Agreement. Central Water District joined as new signatory.

2011 – The RWMF and DWR executed a Proposition 84 IRWM Planning Grant that awarded approximately \$1m for IRWM planning efforts in the region. The grant funded an update of the 2005 IRWM Plan and key technical studies to inform water resources management. The technical studies included: Aromas and Purisima Groundwater Basin Management; Santa Margarita Groundwater Basin Model Update; Conjunctive Use and Water Transfers (Phase II); and Watsonville Sloughs hydrology study.

2013 – The Santa Cruz Region was one of seven regions selected statewide to participate in a pilot project to identify methods and strategies to enhance economically disadvantaged community participation in the IRWM planning process. The RWMF served as grantee and supported this work that targeted efforts in Watsonville and Davenport.

2014 – A comprehensive update of the Santa Cruz IRWM Plan was completed. The Plan was reviewed and approved by the Department of Water Resources. Each of the Santa Cruz RWMG agencies formally approved the Plan through a publicly noticed process.

2015 – The City of Capitola and the City of Scotts Valley formally join the RWMG. With these additions, all municipalities within the IRWM region are members of the RWMG and have approved the 2014 IRWM Plan.

2016 – The DWR recommended the Santa Cruz IRWM region receive a \$1.2m grant to implement three projects to enhance water supply reliability, improve drinking water quality, and provide recycled water.

5. PROPOSITION 1 FUNDING FOR IRWM AND CENTRAL COAST FUNDING AREA COOPERATIVE AGREEMENT

Proposition 1 (Water Code §79744) authorized \$510 million for projects that are included in and implemented in an adopted IRWM plan that is consistent with Water Code §10530, et seq., and respond to climate change and contribute to regional water security. Funding is administered by the Department of Water Resources (DWR) which awards funding through competitive grants for IRWM planning and projects. \$510 million is allocated across 12 hydrologic region-based Funding Areas; \$43 million is allocated to the Central Coast Funding Area.

Since 2005, the six CCFA IRWM regions have worked to improve the IRWM planning process, to coordinate planning across region boundaries, and to facilitate the distribution of funding for IRWM projects by DWR. In May 2016, the CCFA IRWM regions entered into a Memorandum of Agreement (CCFA MOA) (incorporated herein by this reference). The primary intent of the CCFA MOA is to share Proposition 1 IRWM funding allocated to the CCFA among the six IRWM regions in a fair and equitable manner. The CCFA MOA will enhance the potential to improve inter-regional cooperation and efficiency. The CCFA MOA is also intended to reduce the need for the regions to compete against each other for grant funds, which creates unnecessary economic inefficiencies in implementing each region's IRWM Plan. Each region will retain autonomous control over how funds are allocated within their respective IRWM regions. Each IRWM region will independently determine and prioritize projects to be funded within its IRWM region consistent with the IRWM program guidelines.

The CCFA is allocated \$43 million through Proposition 1 for the IRWM program. This funding allocation includes the following breakdown:

| | |
|--|---------------|
| IRWM Central Coast Funding Area allocation | \$ 43,000,000 |
| State Administration Fee ¹ - 7% of Funding Area Total | \$ 3,010,000 |
| DAC Specific Funding Allocations - 20% of Funding Area Total | |
| DAC involvement funding ² (10%) | \$ 4,300,000 |
| DAC project implementation ² (10%) | \$ 4,300,000 |
| Implementation and Planning Grants | \$ 31,390,000 |

Per the CCFA MOA, the formula for sharing funds is based on the following: one-half (50%) of funds are equally split among the six IRWM regions; one-quarter (25%) of funds are split based on population percentage of each region based on 2009-2013 American Census Data; and one-quarter (25%) of funds are split based on the percentage of area in square miles of each region. As mandated under Proposition 1 IRWM guidelines, not less than \$8.6M, or

¹ State of California administrative fees (7%) consisting of 5% for DWR program administration and 2% for statewide bond costs.

² Per Proposition 1, 20% of the Funding Area allocation is to be award for projects and planning efforts that directly benefit economically Disadvantaged Communities (DAC) with 10% directed towards Involvement and 10% towards project implementation.

20%, shall be allocated to projects that directly benefit Disadvantaged Communities (DAC); these funds may be awarded on a competitive or non-competitive basis. The CCFA regions will coordinate on grant funding requests by each of the regions to ensure that the sum of the total grant requests from the Funding Area does not exceed the amount allocated to the Funding Area. The division of funding shall be consistent terms of the CCFA MOA.

| | Santa Cruz | Pajaro | Greater Monterey | Monterey Peninsula | San Luis Obispo | Santa Barbara | Total CCFA |
|-----------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Description | ALLOCATIONS | | | | | | |
| DAC support | \$1,109,810 | \$1,340,107 | \$1,775,034 | \$931,966 | \$1,712,669 | \$1,730,414 | \$8,600,000 |
| Implementation | \$4,050,805 | \$4,891,390 | \$6,478,875 | \$3,401,677 | \$6,251,243 | \$6,316,010 | \$31,390,000 |
| Subtotal | \$5,160,615 | \$6,231,497 | \$8,253,910 | \$4,333,643 | \$7,963,912 | \$8,046,424 | \$39,990,000 |
| State Admin Fee | | | | | | | \$3,010,000 |
| Total | | | | | | | \$43,000,000 |

6. IRWM COLLABORATION

In implementing IRWM planning and projects, the participating agencies are committed to:

- 6.1 Establish and foster relationships with regional, state, and local governments, individuals, and other interested organizations to develop and implement management practices to preserve and protect Santa Cruz County water resources.
 - a. Undertake cooperative research and resource management initiatives that are regional in scope and disseminate information resulting from these activities.
 - b. Produce and share relevant informational materials among the RWMG.
 - c. Recommend to the respective governing boards actions necessary to successfully develop and implement the IRWMP.
- 6.2 All parties to this agreement wish to join in a common effort to develop and implement an IRWMP which shall include, but not be limited to establishing water quality, water supply, watershed stewardship, and stormwater and flood management objectives for the Santa Cruz IRWM Region.
- 6.3 As with IRWM efforts to date, the RWMG will contribute the personnel and financial resources necessary to develop and implement the IRWMP proportional to their potential benefit.
- 6.4 As new partners elect to participate, they shall approve and execute this Memorandum of Agreement which establishes the understanding among participating agencies with regard to the purposes, development, and implementation of the Santa Cruz IRWMP.
- 6.5 In the event of future IRWM-related grant awards, sub-grantee agreements are anticipated to be developed that establish the specific roles and responsibilities of the

Attachment: Attachment 3: MOA - SC IRWM_2016 [Revision 1] (2748 : Integrated Regional Water Management - Northern Santa Cruz County)

grantee and sub-grantee based upon the terms and conditions of the grant award.

7. IRWMP AMENDMENTS, FORMAL UPDATES, AND PROJECT LIST UPDATES

The Santa Cruz IRWMP is intended to be a dynamic document that changes over time in response to changing conditions and priorities in order to remain current in identifying strategies to address the region's water resource needs. The updates serve to keep the document up to date with the state's IRWM Plan Standards including amendments, formal updates, and updates to the IRWMP Project List.

- 7.1 **Amendments.** Amendments to the IRWMP may include informal changes that reflect minor process or organizational changes that occur relatively frequently and do not necessitate a decision by the governing bodies of the individual RWMG entities. Amendments may also include new content in response to state legislation (e.g., SB985, AB1249) to ensure the IRWMP meets the IRWM Plan Standards for state funding eligibility. The IRWM Steering Committee will provide guidance and coordination of amendments. A RWMG member agency may present an amendment for consideration to the Steering Committee. The RWMG will be informed of and provided opportunity for input on proposed interim amendments. The Steering Committee will ratify amendments by consensus. As necessary, amendments will be incorporated into the IRWMP during the next formal update.
- 7.2 **Formal updates.** Formal updates will reflect any significant changes to IRWMP including processes, organizational structure and governance, water management conditions, or goals and objectives. An IRWMP update is a time and resource intensive undertaking. DWR encourages IRWM regions to formally review, revise as needed, and adopt the IRWMP no less frequently than every five years. The Santa Cruz region will strive to adhere to this recommended review and update frequency. The Steering Committee will provide a leadership role in guiding and coordinating the formal updates to ensure an inclusive and transparent decision making process. Formal updates will include stakeholder outreach, including disadvantaged communities, to ensure that interested entities have the opportunity to participate. Following completion of the IRWMP update, it is expected that it will be approved and adopted in accordance with section 8.4 of this MOA.
- 7.3 **Project list updates.** The IRWMP includes a list of projects, submitted by proponents, such as a RWMG member agencies or stakeholder organizations, which were evaluated and included based upon each project's anticipated contribution towards meeting the goals and objectives of the IRWMP. The list of projects will be periodically updated as projects are completed and as new priorities arise. The Steering Committee is tasked with coordinating updates. The Steering Committee will conduct a review of the Project List no less frequently than every five years, and as needed, initiate and coordinate a publicly announced solicitation for projects. Projects may also be submitted for addition to the list during interim periods. Projects submitted will be vetted for eligibility by the Steering Committee; eligible projects will be added to the list of IRWMP Projects and incorporated

into future IRWMP updates

8. MUTUAL UNDERSTANDINGS



- 8.1 **Purpose of the MOA.** This MOA pertains to the joint efforts of the participating agencies in developing, implementing, and updating an IRWMP that will increase coordination, collaboration and communication in addressing the region's water resources issues. This MOA updates and continues the efforts initiated under the prior MOA executed in 2006 and renewed in 2011.
- 8.2 **Subject matter scope of the IRWMP.** The IRWMP will include, but may not necessarily be limited to, water supply, water quality, wastewater, recycled water, water conservation, stormwater and flood management, watershed planning and habitat protection and restoration.
- 8.3 **Decision-making.** Consensus will be sought in decision making. The Steering Committee will provide a lead role in the decision making process and coordinating input from the participating agencies. As needed, the Steering Committee will ratify decisions by majority vote. Amendments resulting in material financial implications shall also be ratified by a majority of the RWMG. Votes shall be recorded as one vote per signatory agency.
- 8.4 **Approval of the IRWMP.** IRWMP approval and adoption will occur by the RWMG entities by resolution adopted by each corresponding governing body.
- 8.5 **Relation to local planning efforts.** The Santa Cruz IRWMP is intended to be complementary to the participating agencies' individual plans and programs and does not supersede such plans and programs.
- 8.6 **Termination.** An agency may terminate their participation in the IRWMP effort by providing 90 calendar days written notice to the Regional Water Management Foundation.
- 8.7 **Personnel and financial resources.** It is expected that agencies and organizations will contribute the personnel and financial resources necessary to develop and implement the IRWMP.
- 8.8 **Reports and communications.** The Steering Committee will regularly report on IRWMP progress to the participating agencies and stakeholders.. The SantaCruzIRWMP.org website will be used for disseminating news, reports and updates to the participating agencies and the public.
- 8.9 **Future awards.** In the event of future grant awards, it is expected that agreement(s) will be entered into by the applicable participating agencies that establish the terms and conditions applicable to the specific grant award.
- 8.10 **Term.** This MOA shall commence as of October 1, 2016 and shall continue until

terminated by action of the Parties. This agreement shall be evaluated and reviewed no later than five years after its implementation, at which time, recommendations for improvements and modifications shall be considered by all parties. Any amendment or modification to this agreement shall be in writing, agreed upon by all signatories, executed by the duly authorized representatives of the parties hereto, and incorporated into this agreement by reference.

9. SIGNATORIES TO THE MEMORANDUM OF AGREEMENT


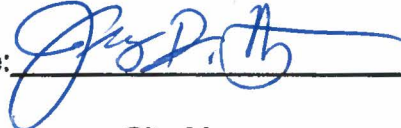
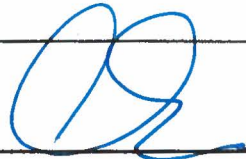
We, the undersigned representatives of our respective agencies, acknowledge the above as our understanding of how the Santa Cruz Integrated Regional Water Management Plan will be developed and implemented.

Each party has full power and authority to enter into and perform this MOA and the person signing this MOA on behalf of each party is authorized and empowered to enter into this MOA. Each party further acknowledges that it has read this MOA, understands it and agrees to it.

| MEMORANDUM OF AGREEMENT FOR THE SANTA CRUZ INTEGRATED REGIONAL WATER MANAGEMENT | |
|--|---|
| Central Water District | Signature:  Ralph Bracamonte, General Manager Date: <u>9/30/16</u> |
| City of Capitola | Signature:  Jamie Goldstein, City Manager Date: <u>6/30/17</u> |


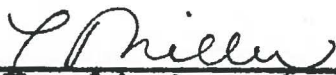


Attachment: Attachment 3: MOA - SC IRWM_2016 [Revision 1] (2748 : Integrated Regional Water Management - Northern Santa Cruz County)

**MEMORANDUM OF AGREEMENT
FOR THE SANTA CRUZ INTEGRATED REGIONAL WATER MANAGEMENT**

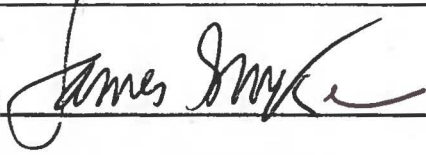


| | |
|------------------------------|---|
| <p>City of Santa Cruz</p> | <p>Signature:  Martín Bernal, City Manager Date: <u>1-20-17</u></p> |
| <p>City of Scotts Valley</p> | <p>Signature:  Jenny Haruyama, City Manager Date: <u>12/7/16</u></p> |
| <p>City of Watsonville</p> | <p>Signature:  Charles A. Montoya, City Manager Date: <u>2/6/17</u></p> |

Attachment: Attachment 3: MOA - SC IRWM_2016 [Revision 1] (2748 : Integrated Regional Water Management - Northern Santa Cruz County)

**MEMORANDUM OF AGREEMENT
FOR THE SANTA CRUZ INTEGRATED REGIONAL WATER MANAGEMENT**

| | |
|--|--|
| <p>County of Santa Cruz</p> | <p>Signature: <u></u> Susan A. Mauriello, County Administrative Officer Date: <u>10/20/16</u> APPROVED AS TO FORM: By: <u></u> Office of the County Council</p> |
| <p>County of Santa Cruz Sanitation District</p> | <p>Signature: <u></u> John J. Presleigh, Director of Public Works Date: <u>10/19/2016</u></p> |
| <p>Davenport County Sanitation District (County of Santa Cruz)</p> | <p>Signature: <u></u> John J. Presleigh, Director of Public Works Date: <u>10/19/2016</u></p> |

Attachment: Attachment 3: MOA - SC IRWM_2016 [Revision 1] (2748 : Integrated Regional Water Management -- Northern Santa Cruz County)

| MEMORANDUM OF AGREEMENT FOR THE SANTA CRUZ INTEGRATED REGIONAL WATER MANAGEMENT | |
|--|---|
| Resource Conservation District of Santa Cruz County | Signature: <u></u> James McKenna, Board President Date: <u>2-17-2017</u> |
| San Lorenzo Valley Water District | Signature: <u></u> Brian Lee, General Manager Date: <u>9/15/16</u> |
| Scotts Valley Water District | Signature: <u></u> Piret Harmon, General Manager Date: <u>Oct. 13, 2016</u> |

Attachment: Attachment 3: MOA - SC IRWM_2016 [Revision 1] (2748 : Integrated Regional Water Management - Northern Santa Cruz County)

**MEMORANDUM OF AGREEMENT
FOR THE SANTA CRUZ INTEGRATED REGIONAL WATER MANAGEMENT**

Soquel Creek Water District

Signature: 

Ron Duncan, General Manager

Date: Nov. 14, 2016

Regional Water Management
Foundation

Signature: 

Ralph Miljanich, Board President

Date: 9/30/2016

Attachment: Attachment 3: MOA - SC IRWM_2016 [Revision 1] (2748 : Integrated Regional Water Management – Northern Santa Cruz County)

RESOLUTION NO. XXXXX
RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN LORENZO VALLEY
WATER DISTRICT SUPPORTING ADOPTING THE SANTA CRUZ INTEGRATED
REGIONAL WATER MANAGEMENT PLAN

WHEREAS, since 2005, the Santa Cruz Integrated Regional Water Management (IRWM) Regional Water Management Group has collaborated extensively to develop a vision, principles, goals, and objectives to support the Santa Cruz IRWM Plan and has successfully obtained competitive grant awards to fund IRWM planning and project implementation; and

WHEREAS, the San Lorenzo Valley Water District is a member of the Santa Cruz IRWM Regional Water Management Group and signatory to the 2016 Santa Cruz IRWM Memorandum of Agreement; and

WHEREAS, the benefits of integrated regional planning for water resource management activities are intended to include multiple benefits, increased efficiency and effectiveness, enhanced collaboration across agencies and stakeholders, and improved responsiveness to regional needs and priorities; and

WHEREAS, the Santa Cruz IRWM Region is an approved region as determined by California Department of Water Resources (DWR) in 2009 under DWR's Region Acceptance Process; and

WHEREAS, the Santa Cruz Regional Water Management Group approved the 2014 Santa Cruz Region IRWM Plan on August 27, 2014, and the DWR determined the IRWM Plan successfully achieved the state's IRWM Plan standards in place at that time; and

WHEREAS, an addendum to 2014 Santa Cruz IRWM Plan was completed by the Regional Water Management Group in 2019 to add additional consideration of climate change and other required content; and the 2014 Plan with the 2019 addendum successfully achieved the state's updated 2016 IRWM Plan standards; and

WHEREAS, California's electorate approved Proposition 1 on November 4, 2014, which contains a total of \$7.5 billion for water and natural resource projects and programs, including \$510 million for Integrated Regional Water Management (IRWM) Program, with \$43 million of that amount allocated to the Central Coast Funding Area; and

WHEREAS, to be eligible to receive IRWM grant funding the County of Santa Cruz must approve the IRWM Plan that meets the state's 2016 IRWM plan standards to be eligible for IRWM grant funding; and

WHEREAS, the IRWM Plan includes a list of projects that are anticipated to contribute towards the goals and objectives of the IRWM Plan and this list is updated as needed

as projects are completed, as new priorities arise, and in response to future state IRWM funding solicitations; and

WHEREAS, the 2014 IRWM Plan and 2019 addendum, developed under the direction of the Regional Water Management Group Steering Committee and vetted through public workshops and meetings, is herewith presented for adoption by the County of Santa Cruz; and

WHEREAS, the Santa Cruz IRWM Plan is not a legally binding document on the agencies adopting the Plan, but rather serves as a framework for coordinated planning in the region; and

WHEREAS, adoption of the Santa Cruz IRWM Plan does not entail a direct commitment of resources, and implementation of each project listed in the Santa Cruz IRWM Plan will be the responsibility of individual project proponents; and

WHEREAS, the adoption of the updated Santa Cruz IRWM Plan is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines §15262 and §15306; and

WHEREAS, the Santa Cruz IRWM Plan is meant to be complimentary to participating agencies' individual plans and programs and does not supersede such plans and programs, and adoption of the Santa Cruz IRWM Plan does not proscribe the participating agencies' planning efforts separate from the Santa Cruz IRWM Plan.

NOW THEREFORE, BE IT RESOLVED that the San Lorenzo Valley Water District does hereby adopt the 2014 Santa Cruz Integrated Regional Water Management Plan and 2019 Addendum.

PASSED AND ADOPTED this 5th day of January, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

MEMO

To: Board of Directors

From: District Manager

Prepared by: Environmental Programs Manager

SUBJECT: The Department of Water Resources' (DWR) Urban Community Drought Relief Funding Solicitation Resolution and Representative Authorization

DATE: January 5, 2023

Recommendation

It is recommended that the Board of Directors review this memo and by motion of the Board adopt Resolution No. XX (22-23) and appoint a District representative to be the signatory and point of contact for the Urban Community Drought Relief Funding Solicitation.

Background

The Department of Water Resources' (DWR) 2022 Urban Community Drought Relief funding opened in December. Proposals are accepted on a rolling basis until January 31st, with priority given to early applicants. The program has a \$3 million minimum award per applicant and a 25% non-state cost share. All award funds must be spent by December 31, 2026.

The District is seeking to submit an application for replacement of five redwood tanks that are currently leaking and undersized with 120k gallon bolted steel tanks. The application will also include one polyethylene tank that is undersized and was damaged in the 2020 CZU fire. Tanks include:

- **Blue Ridge Tank:** Currently 40k gallon redwood tank, leaking, construction awarded, anticipated project start date in Fall 2023 (CEQA complete)
- **Redwood Park Tank:** Currently 2 x 10k gallon redwood tanks, leaking, design phase (CEQA complete)
- **Echo Tanks:** Currently 3 x 25k gallon redwood tanks, leaking, prelim planning phase
- **Highland Tank:** Currently 60k gallon redwood tank, leaking, preliminary planning phase
- **Felton Heights Tank:** Currently 10k gallon redwood tank, leaking, planning phase
- **South Tanks:** Currently 4 x 10k gallon temporary polyethylene tanks in place after CZU loss, preliminary planning phase

Each tank will cost approximately 1 million to replace, for a total project request of 6 million. Staff & the District's consultant grant writing are developing the project narrative and budget.

A District representative needs to be assigned by the Board to be the signatory and point of contact for the funding agreement if awarded. DWR needs documentation, in the form of a resolution, from the Board of Directors prior to submitting the application. The District Manager has been chosen as the District signatory and will direct communications with DWR to the District's Environmental Programs Manager

FISCAL IMPACT:

If awarded 25% cost share of total 1.5 million (Total grant request 4.5 million)

RESOLUTION NO. XX (22-23)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN LORENZO VALLEY WATER DISTRICT AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION FOR THE TANK REPLACEMENT FOR IMPROVED DROUGHT RESILIENCY

WHEREAS, the San Lorenzo Valley Water District proposes to implement Tank Replacement for Improved Drought Resiliency;

WHEREAS, San Lorenzo Valley Water District has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, San Lorenzo Valley Water District intends to apply for grant funding from the California Department of Water Resources for the Tank Replacement for Improved Drought Resiliency;

THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District as follows:

1. That pursuant and subject to all of the terms and provisions of Budget Act of 2021 (Stats. 2021, ch. 240, § 80) as amended (Stats. 2022, ch. 44, § 25), the San Lorenzo Valley Water District's District Manager, or designee is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources and take such other actions necessary or appropriate to obtain grant funding.
2. The San Lorenzo Valley Water District's District Manager, or designee is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
3. The San Lorenzo Valley Water District's District Manager, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

Page 2 - Resolution No. XX (22-23)

CERTIFICATION I hereby certify that the foregoing Resolution was duly and regularly adopted by the Board of Directors of the San Lorenzo Valley Water District at the meeting held on January 5, 2023, motion by [member name] and seconded by [member name], motion passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mark Smolley
President, San Lorenzo Valley Water District

Attest:

Holly B. Hossack
District Secretary



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER
DISTRICT
REGULAR MEETING
MINUTES
DECEMBER 15, 2022**

Thursday, December 15, 2022, at 5:30 p.m., via videoconference and teleconference.
Open Session begins at 6:30 p.m.

1. Special Order of the Day

- a. OATH OF OFFICE
G. Nicholls explained the reason that this item is first on the agenda.

J. Ackemann, B. Fultz, J. Hill, and M. Smolley repeated the Oath.

2. Convene Meeting 5:30 p.m.
Roll Call

Board Members Present:

Gail Mahood, President
Jayme Ackemann, Vice President
Bob Fultz, Director
Jeff Hill, Director
Mark Smolley, Director

Staff Present:

Rick Rogers, District Manager
Gina Nicholls, District Counsel
Holly Hossack, District Secretary

3. Additions and Deletions to Closed Session Agenda:

R. Rogers requested that item 5b be removed from the Closed Sessions agenda.
He requested that the item be moved to a January 2023 meeting.

4. Oral Communications Regarding Items in Closed Session: None

5. Adjournment to Closed Session: 5:35 p.m.

6. Re-Convene Meeting 6:31 p.m.
Roll Call

Board Members Present:

Gail Mahood, President
Jayme Ackemann, Vice President

Bob Fultz, Director
Jeff Hill, Director
Mark Smolley, Director

Staff Present:

Rick Rogers, District Manager
Gina Nicholls, District Counsel
Holly Hossack, District Secretary
Josh Wolff, District Engineer
Kendra Reed, Director of Finance & Business Services
Carly Blanchard, Enviro Programs Manager & Admin Analyst
James Furtado, Director of Operations

7. **Report of Actions Taken in Closed Session:** None

8. **Additions and Deletions:** None

9. **Oral Communications:**

J. Ackemann said that she would have to leave the meeting early.

10. **President's Report**

The Santa Margarita Groundwater Agency submitted a \$2.6 million grant proposal to the Department of Water Resources for implementing projects in the Groundwater Sustainability Plan.

She took this time to say that she has been honored to preside over these Board meetings for the last 2 years and she thanked staff, especially Gina Nicholls, for getting her up to speed and helping her understand her role. She expressed her optimism for the upcoming term.

11. **Unfinished Business:** None

12. **New Business:**

a. ELECTION OF OFFICERS

G. Mahood said that she will entertain nominations for President and Vice President.

J. Ackemann nominated M. Smolley for President. The nomination was seconded.

M. Smolley agreed to serve if elected.

A. Layng said that she agrees that M. Smolley is a wonderful leader.

President Smolley was elected by unanimous vote.

Pres. Smolley nominated J. Hill for Vice President. The nomination was seconded.

J. Hill accepted the nomination.

Vice President Smolley was elected by unanimous vote.

b. FY2021-22 ANNUAL COMPREHENSIVE FINANCIAL REPORT

K. Reed introduces and explained this item.

J. Abadesco presented the Audited Statement.

Discussion by the Board, presenter, and staff regarding:

- Net position increase
- Operating margins-adding a table
- Pension liability/outstanding liability
- Water sales went down 10%/very low water usage
- Volumetric v. fixed charge rates
- Financial highlights FEMA grant amounts

A motion was made and seconded to review, receive, and approve the report for Fiscal year 2021-2022.

G. Nicholls interjected instructions to the Board Pres. regarding public comment.

C. Dzenzel questioned water loses.

J. Furtado said that water loses are due to flushing and leaks.

B. Holloway questioned a Certificate of Participation percentages.

J. Abadesco explained the agreement.

R. Rogers thanked K. Reed for her work on this, her first audit as Director of Finance.

B. Fultz reminded the Board and the community that the top line number for operating revenue has the CZU surcharge bundled into it but it can only be used for CZU recovery. He questioned the operating expenses.

The motion passed unanimously.

c. COMMITTEE APPOINTMENTS FOR PUBLIC APPLICANTS 2023

R. Rogers introduced this item and read from the memo.

G. Nicholls explained that it is typical to allow the applicants that are present at the meeting to address the Board. Also, she suggested ways to vote on this item. It is important to clarify how many members will be on each committee.

M. Dolson introduced himself and described his history with the District.

A. Layng introduced herself and described her experience and the fact that she is a 3 year veteran on a committee.

A motion was made and seconded to appoint each applicant to their first choice for committee:

Amanda DeJesus & Mark Dolson to the Admin Committee with 4 members;
James Bahn, Monica Martinez & Jim Mosher to the B & F Committee with 5 members; and

Alina Layng, Michael Murphy & Kevin O'Connor to the E & E Committee with 5 members.

M.Lee supported the motion.

The Board thanked the committee members for their participation,.

The motion passed unanimously.

d. PEER REVIEW OF CROSS COUNTRY PIPELINE
CONSTRUCTABILITY STUDY

J. Wolff introduced this item.

Jayne Ackemann left the meeting at 7:49 p.m.

Discussion by the Board and staff regarding:

- The Committee forwarded this to the Board
- This is a Peer Review with augmentation but similar to the F & L study
- Previous report underestimated the amount of maintenance needed for the benches-slope stability
- The environmental damage and cost of burying pipe is prohibitive
- Proceed in steps and move forward
- Steep slopes and choke points and the need to get pipeline past those areas
- Other expert's input with probable costs
- Wait for RFQ on the EIR
- Goal to have Peavine online and above ground by this summer
- 5 Mile will be a much lengthier project
- Scope, outline, outreach, timeline is needed
- FEMA payments for different pipeline
- Possibility of burying Peavine pipe and not 5 Mile

A motion was made and seconded to accept the Haro Kasunich and Associates Peer Review report and approve the staff moving forward with 4 of the next steps listed in the memo; prepare the RFP for the survey of the pipe alignment, prepare the opinion of the probable cost options, review option 3b with Freyer & Laureta and Haro Kasunich with a revised opinion of

probable cost, and present the above information to the committee, but not the RFQ for the EIR at this point.

A. Layng, E & E Committee, said that she started out believing that the pipe should be buried but through everything that has been presented she has changed her opinion and now believes that we need to get our surface water back online and rest our wells. The environmental impact and the costs of burying the pipe is too great. Water to fight the fires is needed.

M. Lee would like to consider the hybrid approach. Base the decision on analysis of cost & engineering.

C. Dzendzel said that she appreciated Alina's statement and thanked everyone of all of the thought they are putting in to this.

Discussion with the Board and staff continued regarding the language in the report.

The motion passed with four in favor and J. Ackemann absent.

e. BLUE RIDGE TANK REPLACEMENT - INTITAL STUDY-MITIGATED NEGATIVE DECLARATION

C. Blanchard introduced and explained this item.

Discussion by the Board and staff regarding:

- Tank site (the diagram has been repaired)
- Comments in public review period
- Signer on the document
- 1 Biologist for the survey
- "Errors" on document have been corrected

A motion was made and seconded to adopt the IS-MND.

The motion passed with four in favor and J. Ackemann absent.

13. **Consent Agenda:**

b. ANNUAL DISCLOSURE REPORT OF CAPACITY CHARGES FY 2021-2022 - Approved

Pulled from the Consent Agenda

13. a. BOARD OF DIRECTORS MEETING MINUTES 12.1.22

B. Fultz requested addition to Leak Adjustment:

Staff stated they were changing the Leak Adjustment appeal process to include, owners not tenants.

The motion to add the sentence was made and seconded.

The motion passed with four in favor and J. Ackemann absent.

14. District Reports:

No action will be taken and discussion may be limited at the Chairperson's discretion. The District encourages that questions be submitted in writing (bod@slvwd.com) on items listed in the District Reports. Questions submitted, if any, will be posted in the next available District Reports, along with a reply.

- **DISTRICT MANAGERS REPORT**
R. Rogers reported that the District is 100% on surface water at this time.

- **DEPARTMENT STATUS REPORTS**
Discussion by Board and staff regarding:
 - Fall Creek Ladder Pre-bid meeting attendance
 - Lyon Slide Road replacement cost, FEMA
 - Quail Hollow - complete
 - Redwood Tank pipe RFP
 - Electronic form for report
 - Report to collection agency
 - Well elevation reports
 - Invoices for Bracken Brae & Forest Springs from Sandis

M. Lee commented on the Finance report. He suggested the District explore higher yields.

15. Written Communication:

- Letter to the Board - D. Loewen
 - B. Fultz commented on the letter
 - G. Mahood responded to the letter

16. Informational Material: None

17. Re-Adjourn to Closed Session: 9:10 p.m.

J. Ackemann rejoined the meeting at 9:19 p.m.

18. Re-Convene to Open Session: 10:01 p.m.

19. Report of Actions Taken in Closed Session: None

20. Adjournment: 10:01 p.m.



December 14, 2022

Rick Rogers, General Manager
San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006

SUBJECT: UPCOMING VACANCY FOR THE REGULAR MEMBER SEAT ON LAFCO

Dear Mr. Rogers:

The purpose of this letter is to solicit applications for the regular member seat on the Local Agency Formation Commission ("LAFCO"). The independent special districts in Santa Cruz County get three seats on LAFCO. The two regular member seats are currently held by Jim Anderson (Felton Fire Protection District) with a term ending in May 2025, and Rachél Lather (Soquel Creek Water District) with a term ending in May 2023. The alternate member seat is currently held by Ed Banks (Pajaro Valley Public Cemetery District) with a term ending in May 2025. The term limit for one of the two regular member seats is set to expire in the coming months, and as a result, the independent special districts in Santa Cruz County must address the vacancy through an election process before May 2023.

Nomination Process

LAFCO's Independent Special District Selection Committee Policy (refer to **Attachment 1**) indicates that the two regular members cannot be from the same type of district (fire, water, recreation, miscellaneous). Since the regular member currently in the middle of a term is from a fire district, the regular position being filled cannot be from another fire district. Therefore, the pool of people eligible to apply for the regular member seat in question is anyone who is on the board of an independent special district in Santa Cruz County, except for fire districts in accordance with the adopted policy. The term of office for the newly appointed regular member will begin May 3, 2023 and will end on May 3, 2027.

Nomination Deadline

Please share this letter with your board members. The deadline for returning completed applications is **Friday, February 3, 2023 at 4:00pm**. A complete overview of the selection process timeline is shown in **Attachment 2**. I have also attached a form by which any interested and eligible board member may apply for the regular member seat (refer to **Attachment 3**).

Feel free to contact me if you have any questions about the selection process. After February 3rd, each independent special district will be sent a subsequent letter with information about the proposed candidate(s) and an explanation on how each district will cast their vote to appoint the district representative on LAFCO.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Joe A. Serrano', is written over a blue line.

Joe A. Serrano
Executive Officer

Attachments:

- 1) Independent Special District Selection Committee Policy
- 2) Selection Process Timeline

37 3) Application Form



**LOCAL AGENCY FORMATION COMMISSION
OF SANTA CRUZ COUNTY**

INDEPENDENT SPECIAL DISTRICTS SELECTION POLICY

Adopted on September 7, 1994 (Resolution No. 801-B)
Last Revision on May 6, 2020 (Resolution No. 2020-11)

1. OVERVIEW

The purpose of the Independent Special District Selection Committee shall be to appoint the regular and alternate special district members of the Local Agency Formation Commission (LAFCO) and to fill unexpired terms when vacancies occur. It is important to note that nothing in these Rules of Procedure shall supersede Government Code Section 56332, which governs the establishment of the Independent Special District Selection Committee.

2. MEMBERSHIP

Membership of the Independent Special District Selection Committee shall be composed of the presiding officer or designated board member of the legislative body of each independent special district either located wholly within Santa Cruz County or containing territory within the county that represents 50% or more of the assessed value of taxable property of the district.

3. MEETINGS

3.1 Notification and Solicitation of Nominations

The Executive Officer of the Commission shall give written notice to all eligible independent special districts of any meeting of the Independent Special District Selection Committee, specifying the date, time, and place.

Any person qualified to serve as an Independent Special District representative to LAFCO shall be qualified to submit a nomination which shall be accompanied by a brief resume on the form provided by LAFCO. Each district shall be encouraged to submit nominations.

3.2 Registration

Each member of the Selection Committee shall be entitled to one vote for each independent special district of which he or she is the presiding officer.

In the event that the presiding officer is unable to attend a meeting of the Committee, the legislative body may appoint one of its members to attend in the presiding officer's place. Such a designated member shall submit written authorization at the time of registration.

Each voting member shall register and complete a declaration of qualification. The voting member will then be given the required number of ballots and other voting materials.

3.3 Quorum

Members representing a majority of the eligible districts shall constitute a quorum for the conduct of Committee business. No meeting shall be called to order earlier than the time specified in the notice and until a quorum has been declared to be present.

Before calling the meeting to order, the Executive Officer shall announce that a quorum is present and request that any voting member who has not yet registered do so at that time. Only those eligible members registered and present shall be allowed to vote.

3.4 Sequential Balloting

If there is more than one position to fill, sequential balloting will be held in the following order using a ballot with names of all eligible nominees: (1) Full term, regular member; (2) Partial term, regular member; and (3) Alternate member.

If a candidate is elected to a position, his or her name will be crossed out on the subsequent ballots.

3.5 Majority to Win

In order for a candidate to be elected, that candidate must receive a majority of the votes being cast.

If no candidate receives a majority, a subsequent round of voting shall be conducted with the eligible candidates limited to the two candidates who received the most votes in the previous round and any candidates who received the same number of votes as the second candidate.

4. COMPOSITION OF SPECIAL DISTRICT REPRESENTATION ON LAFCO

It is desirable that the special district members on LAFCO have a broad cross-section of duties and experience in district matters. Therefore, the following four classes of districts are established:

Class 1: Fire Protection Districts

- ~~Aptos/La Selva Fire Protection District¹~~
- Ben Lomond Fire Protection District
- Boulder Creek Fire Protection District
- Branciforte Fire Protection District
- Central Fire Protection District
- Felton Fire Protection District
- Pajaro Valley Fire Protection District²
- Scotts Valley FPD
- Zayante FPD

¹ Aptos/La Selva Fire Protection District and Central Fire Protection District were consolidated into the "Central Fire District"

² Freedom Fire Protection District and the Salsipuedes Fire Protection District were consolidated into the "Pajaro Valley Fire Protection District"

Class 2: Water Districts

- Central Water District
- San Lorenzo Valley Water District³
- Scotts Valley Water District
- Soquel Creek Water District

Class 3: Recreation and Park Districts

- Alba Recreation and Park District
- Boulder Creek Recreation and Park District
- La Selva Beach Recreation and Park District
- ~~Opal Cliffs Recreation and Park District⁴~~

Class 4: Miscellaneous Districts

- Pajaro Valley Cemetery District
- Pajaro Valley Water Management Agency
- Reclamation District No. 2049 (College Lake)
- Salsipuedes Sanitary District
- Santa Cruz County Resource Conservation District
- Santa Cruz Port District

4.1 Overlapping Classes

At no time shall the two regular special district members on LAFCO come from the same class of districts.

4.2 Class Diversity

Where feasible, nominations for vacancies on LAFCO may not come from the class that already has a regular member sitting on LAFCO.

4.3 Conflicting Classes

Any election that would result in the two regular special district members being from the same class of district shall be immediately deemed invalid, and a subsequent ballot will be prepared excluding the conflicting class of candidates and voted upon.

5. MAILED-BALLOT ELECTIONS

5.1 Authority

A mailed-ballot election may be conducted if the Executive Officer has determined that a meeting of the Special District Selection Committee is not feasible.

5.2 Notification and Solicitation of Nominations

The Executive Officer of the Commission shall give written notice to all eligible independent special districts of the intention to conduct a mailed-ballot election. Each district shall acknowledge receipt of the Executive Officer's notice.

Each district shall be encouraged to submit nominations, accompanied by a brief resume on the form provided by LAFCO. All nominations must be received by a specified date that shall be at least six weeks from the date of notification. Emailed

³ Lompico County Water District was dissolved and annexed into the San Lorenzo Valley Water District.

⁴ Opal Cliffs Recreation and Park District was dissolved and annexed into County Service Area 11

copies of nominations may be submitted, if necessary, to meet the established deadline; however, replacement originals must be submitted as soon thereafter as possible.

5.3 Distribution and Return of Ballots

All eligible districts shall be sent, by certified mail, return receipt requested, the following materials: (1) copies of all nominations received by the deadline, (2) ballot(s) as required to vote for Commission members, and (3) voting instructions.

The following outlines the necessary information and steps to submit a complete ballot:

1. The ballots shall include the names of all nominees.
2. Each ballot shall be accompanied by a certification sheet to be completed by the presiding officer or designated alternate who cast that district's vote.
3. A specified period of time, not less than six weeks, shall be allowed for the districts to cast their votes and return their ballots.
4. Ballots shall be sent by certified mail, return receipt requested.
5. Emailed copies of ballots may be submitted, if necessary, to meet the established deadline; however, replacement originals must be submitted as soon thereafter as possible.
6. All ballots received by the deadline shall be counted and the results announced within seven days.
7. Certified ballots representing a simple majority of the eligible districts must be returned for a valid election.

5.4 Appointment by Majority Vote

A candidate for a regular or alternate member of the Commission must receive at least a majority of the votes cast in order to be selected. Results of the election will be reviewed and adopted by the Commission during an open session of a regularly scheduled LAFCO Meeting.

In the event that no candidate receives the required number of votes, a run-off election shall be conducted, either by a second mailed ballot or a meeting of the Independent Special District Selection Committee, at the discretion of the Executive Officer.



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

LAFCO'S DISTRICT REGULAR MEMBER SEAT VACANCY
 (Independent Special District Selection Committee Election Process)

| Action | Deadline | Notes |
|---------------------------------|------------------------------|--|
| Request for Applications | Wednesday, December 14, 2022 | LAFCO will send out letters to the independent special districts to solicit applications from eligible board members |
| Application due back to LAFCO | Friday, February 3, 2023 | Applications are due no later than 4:00pm |
| Election Process Begins | Monday, February 6, 2023 | LAFCO will send out letters with ballots and information about the candidates |
| Election Process Ends | Friday, March 24, 2023 | Ballots due no later than 4:00pm |
| LAFCO Meeting (Certify Results) | Wednesday, April 5, 2023 | LAFCO will consider adopting a resolution certifying the election results |
| LAFCO Meeting (Oath of Office) | Wednesday, May 3, 2023 | LAFCO will officially introduce the newly elected district representative |



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

**APPLICATION FOR LAFCO'S DISTRICT REGULAR MEMBER SEAT
(TERM BEGINNING MAY 2023 AND ENDING IN MAY 2027)**

INSTRUCTIONS:

If you are interested in serving as a special district regular member on LAFCO, please complete and sign the following application. The complete application can be mailed, hand delivered, or emailed (as a PDF with signature) to: 701 Ocean Street, Room 318-D, Santa Cruz, CA 95060 (mailing address) or joe@santacruzlafco.org (email).

Applications must be submitted to LAFCO no later than
4:00 p.m. on February 3, 2023

*****Note that fire district board members are NOT eligible for the proposed regular member position because a fire district board member currently occupies the other regular seat.*****

NAME: _____

MAILING ADDRESS: _____

PHONE(s): Home: _____ Cell/Business: _____

EMAIL: _____

DISTRICT BOARD ON WHICH YOU CURRENTLY SERVE: _____

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED (Identify organization[s] and length of term[s]):

STATEMENT OF INTEREST:

You may attach a separate sheet to present additional qualifications or a statement of interest in serving on LAFCO.

CERTIFICATION:

I certify that the above information is true and correct and I authorize the verification of the information in the application.

Signature of Board Member Interested in Serving on LAFCO

Date