



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER
DISTRICT
REGULAR MEETING
AGENDA
AUGUST 4, 2022**

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, August 4, 2022, at 5:30 p.m.**, via videoconference and teleconference.

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. CONFERENCE WITH LEGAL COUNSEL– ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Gov. Code section 54956.9(d)(2):
Two cases

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. CONJUNCTIVE USE PROJECT DESCRIPTION

Discussion and possible action by the Board regarding the Conjunctive Use Project Description and Budget Authorization.

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. SANTA CRUZ COUNTY HAZARD MITIGATION GRANT PROGRAM

Discussion and possible action by the Board regarding the Santa Cruz County Hazard Mitigation Grant Program.

b. POLITICAL ACTIVITY DURING ELECTION SEASON

Educational information for discussion by the Board.

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 JULY 21, 2022

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:

- Email from J. M. Brown, Supervisor McPherson's Office - 7.27.22

15. Adjournment

The next Board of Directors meeting is scheduled for August 18, 2022

MEMO

TO: Board of Directors

FROM: District Manager

PREPARED BY: Environmental Programs Manager

SUBJECT: Conjunctive Use Plan Environmental Impact Report (EIR) Project Description

DATE: August 4, 2022

RECOMMENDATION:

It is recommended that the Board of Directors review this memorandum, and approve the updated project description, and the tentative schedule for the District's Conjunctive Use Plan Environmental Impact Report (EIR).

BACKGROUND

The San Lorenzo River Watershed Conjunctive Use Plan (CUP) was developed jointly by the SLVWD and the County of Santa Cruz (County) to identify opportunities for improving the reliability of the District's surface and groundwater supplies through conjunctively managing water resources while increasing stream baseflows for fish in the San Lorenzo River watershed. The CUP was developed under a State of California grant administered by the County (grant completed in June 2021). As part of the grant's deliverables two studies: (1) the Water Availability Assessment (WAA) and (2) the Fisheries Resource Considerations, the CUP, and CEQA analysis were completed. The CEQA Initial Study - Mitigated Negative Declaration (IS-MND) was released for public review from July 28 through August 31, 2021. Significant public concerns were raised during the public review period. Therefore, District staff and legal counsel recommended a more thorough CEQA analysis, through the completion of an Environmental Impact Report (EIR).

At the November 4th, 2021 Board of Directors meeting the Board approved moving ahead with the consultant Rincon Consultants, INC. under the District Managers purchasing authority of \$30,000 to complete an updated project description. The updated project description is shown as exhibit A. Within the project description there is bracketed information that needs additional review or further analysis. The remaining information cannot be updated until discussions with the City of Santa Cruz regarding the District's Loch Lomond allotment are had and further technical analysis and modeling are completed. These data values and missing information will be added as the project moves forward.

Exhibit B is a tentative schedule for moving the conjunctive use plan EIR forward. Next steps include coordinating with the City of Santa Cruz, working with regulatory agencies

to begin permitting the associated water diversions, and determining which studies the District will need to pursue to support the EIR.

Additional supporting documents can be found the District's website:

Conjunctive Use Plan -

https://www.slwvd.com/sites/g/files/vyhlif1176/f/uploads/slwvd_conjunctive_use_plan.pdf

IS-MND -

<https://www.slwvd.com/environmental/pages/conjunctive-use-planning-documents>

WAA -

https://www.slwvd.com/sites/g/files/vyhlif1176/f/uploads/water_availability_assessment_v3_with_tables_figures_0.pdf

Fisheries Resource Considerations -

https://www.slwvd.com/sites/g/files/vyhlif1176/f/uploads/slwvd_conjunctive_use_-_fisheries_revised_final.pdf

FISCAL IMPACT:

Cost: ~\$145,000 after final approval by BoD

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2 Project Description

2.1 Project Proponent/Lead Agency

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

2.2 Contact Person and Phone Number

Carly Blanchard
Environmental Programs Manager
831-338-2153 ext. 639

2.3 Project Purpose and Objectives

San Lorenzo Valley Water District (SLVWD or District) has developed the San Lorenzo River Watershed Conjunctive Use Plan (herein referred to as plan, project, or proposed project) to improve aquatic habitat and water supply reliability within the San Lorenzo River watershed. These benefits would be achieved by increasing the District's flexibility to move water from sources where it is available to where it is needed within the District. No new water demand by customers would be created.

2.4 Plan Area

Figure 2-1 shows the regional location of the Conjunctive Use Plan Area, and Figure 2-2 presents the precise location of the proposed project, including locations of SLVWD service areas, the San Lorenzo River and affected tributaries, points of diversion, existing infrastructure including the Kirby Water Treatment Plant and production wells. Figure 2-4 depicts the location of proposed infrastructure to utilize the District's water allotment from Loch Lomond Reservoir.

Existing water infrastructure that would be utilized to implement the Conjunctive Use Plan is located throughout the District's service area in Santa Cruz County. The physical improvements proposed to facilitate the utilization of water from Loch Lomond Reservoir would be located in the unincorporated community of Felton. The northern terminus of infrastructure improvements would occur immediately east of the San Lorenzo Way Bridge, located near 6660 Highway 9 in Felton. Infrastructure improvements would occur within the bridge development footprint and under Highway 9, Clearview Place, and Cooper Street within the public right-of-way, terminating at Farmer Street near 6560 Highway 9 in Felton. **[The precise tie-in location is currently under discussion with the City of Santa Cruz, and may be subject to change before the release of the EIR.]**

Additional infrastructure upgrades would occur at Kirby Water Treatment Plant, located at 195 Kirby Street in Felton (Assessor's Parcel Number 065-281-03).

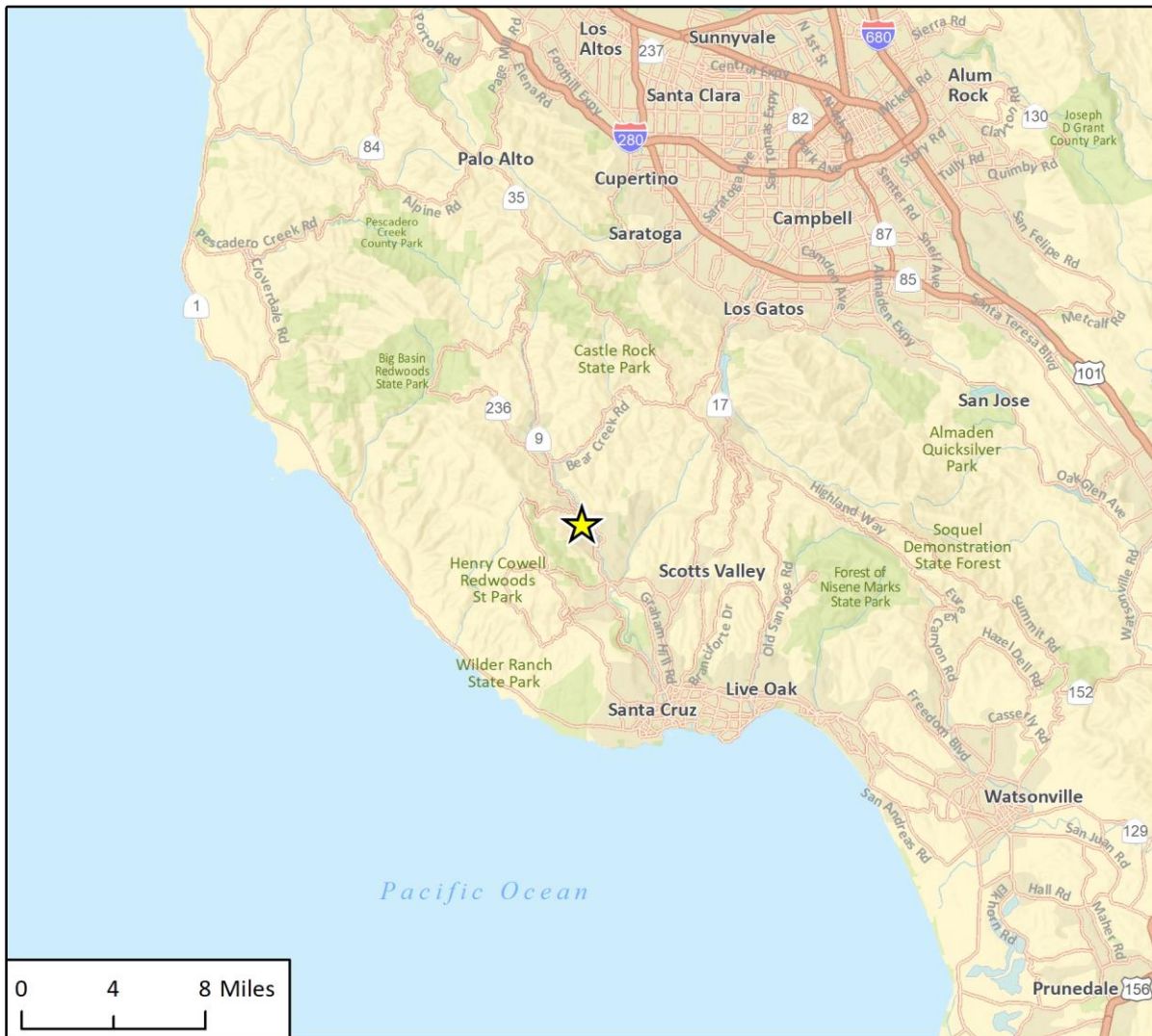
2.5 Surrounding Land Uses and Setting

The San Lorenzo River watershed contains rural, semi-rural, and urban land uses that predominately consist of upland and riparian redwood forest, developed redwood forest, landscaped areas, rural communities, and paved roadways.

Land uses surrounding the existing infrastructure that would be utilized for diverting water from the North System consist of forestland, residential, and paved roads. Land uses around the physical improvements proposed for utilizing water from Loch Lomond Reservoir are predominantly residential with paved roads. Additionally, areas where infrastructure improvements are proposed consist of developed roads and the existing Kirby Water Treatment Plant, with developed redwood forest occurring in the surrounding area.

DRAFT

Figure 2-1 Regional Project Location



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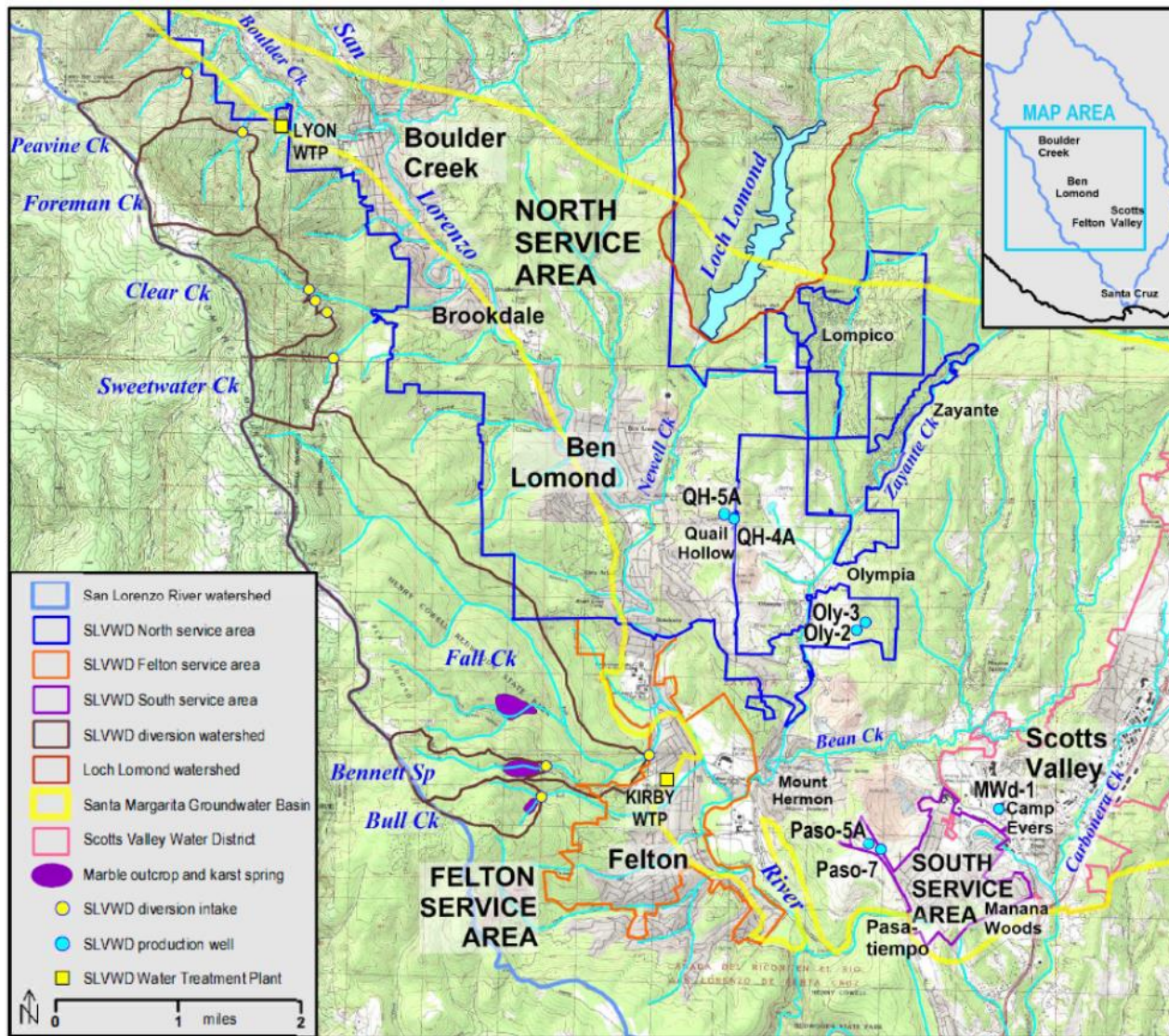
★ Project Location N



Fig 2 Regional Location

San Lorenzo Valley Water District
Conjunctive Use Plan for the San Lorenzo River Watershed

Figure 2-2 SLVWD Service Areas, Diversion Watersheds, Points of Diversion, Treatment Plant, and Production Wells



Source: SLVWD 2021

2.6 General Plan Designation

The physical improvements proposed to facilitate the utilization of water from Loch Lomond Reservoir would occur primarily within public right-of-way in the paved roadway in a neighborhood designated Suburban Residential (RS) in the Santa Cruz County General Plan. Upgrades would also occur at the Kirby Water Treatment Plant, which is designated Suburban Residential (RS) in the Santa Cruz County General Plan. A portion of the Conjunctive Use Plan area is also within the Felton Specific Plan area.

2.7 Zoning

The physical improvements proposed to facilitate the utilization of water from Loch Lomond Reservoir would occur primarily within public right-of-way in the paved roadway in a neighborhood zoned Single-Family Residential (SFR). Upgrades would also occur at the Kirby Water Treatment Plant, which is zoned Agricultural (A).

2.8 Project Background

San Lorenzo River Watershed and San Lorenzo Valley Water District Water Systems

The San Lorenzo River drains a 138-square-mile watershed located in northern Santa Cruz County. It consists of a 25-mile mainstem and nine principal tributaries, consisting of the Branciforte, Carbonera, Zayante, Bean, Fall, Newell, Bear, Boulder, and Kings creeks. The District serves approximately 26,000 customers in northern Santa Cruz County with water sourced from nine stream diversions on tributaries to the San Lorenzo River, one groundwater spring, and eight active groundwater wells within the Santa Margarita Groundwater Basin (SMGB).

The District's operations are comprised of three largely independent water systems (Figure 2-2):

1. North System located in the San Lorenzo Valley;
2. South System located in the Scotts Valley area; and
3. Felton System located in Felton.

Each system typically produces water independently from the others in response to immediate water demand within the particular system, because the three systems lack substantial surface storage infrastructure and interconnections usable for non-emergency transfers.

Conjunctive Use Planning

“Conjunctive” water use refers to the coordinated use of surface water and groundwater supplies to efficiently manage water consumption and natural storage through wet- and dry-climatic conditions. In 2019, SLVWD conducted technical evaluations to analyze a wide range of alternative scenarios for conjunctively managing its surface water and groundwater sources to improve the reliability of its water supplies while also maintaining or improving flows and habitat quality for steelhead (*Oncorhynchus mykiss*) and coho salmon (*O. kisutch*) in the San Lorenzo River watershed.

San Lorenzo Valley Water District
Conjunctive Use Plan for the San Lorenzo River Watershed

In January 2019, a Water Availability Assessment (WAA) was prepared, identifying options for increasing water supply reliability and dry season streamflows through the conjunctive use of available surface water and groundwater resources (Exponent 2019; Appendix A). The report presented and evaluated 22 scenarios for optimizing the conjunctive use of current and potential water sources using existing and potential infrastructure.

In November 2019, a Fisheries Resource Considerations report was prepared to evaluate and summarize the expected effects to fisheries resources of the prioritized conjunctive use scenarios from the WAA (Podlech 2019; Appendix B). The Fisheries Resource Considerations report recommended a combination of scenarios that, if implemented together over time, would promote watershed-wide improvements to instream flows.

The 2019 studies concluded that increasing the conjunctive use of groundwater and surface water supplies within the San Lorenzo River watershed has the potential to improve instream flows, groundwater levels and storage. Based on the 2019 studies, SLVWD prepared the proposed Conjunctive Use Plan with the support of the County of Santa Cruz. The plan has been developed concurrently with the Groundwater Sustainability Plan (GSP) submitted to the California Department of Water Resources (DWR) in November 2021 by the Santa Margarita Groundwater Agency. The proposed plan is identified in the GSP as a project or management action and would support the objectives of the GSP. SLVWD coordinated with both agencies in the process of developing the proposed Conjunctive Use Plan.

2.9 Description of Project

SLVWD has developed the proposed project as a framework for implementing the most beneficial surface and groundwater supply reliability projects within the San Lorenzo River watershed. The main purpose of the plan is to optimize the conjunctive use of surface and groundwater sources to improve aquatic habitat and water supply reliability. Implementation of the plan would allow more flexibility to move water from where it is available to where it is needed, in a manner that creates net benefits for instream flows in the watershed. The District would divert more surface flows when available during the winter and spring (peak flow season) in order to reduce pumping and/or provide in-lieu groundwater recharge, and thereby improve surface flows during the summer (low flow season). The plan also provides for the District to utilize the District's allotment of water from the Loch Lomond Reservoir to offset pumping and/or surface water diversions that otherwise would have been needed to meet existing demand, especially during the low flow season. No new water demand would be created within the District. A summary of the proposed plan activities is provided below.

Non-emergency Use of System Interties

Four emergency interties were constructed from about 2014 to 2016 to provide SLVWD with the ability to transfer water between its Felton and North Systems, between the North and South Systems, and between its own systems and those of Scotts Valley Water District and Mount Hermon Association. No direct intertie between the Felton and South systems exists, but transfers between the two systems are possible via the North System. Currently the use of these interties is limited to enabling the transfer of water in case of an emergency, such as mechanical or structural failure of facilities, aquifer contamination, bioterrorism, or natural disaster (e.g., earthquake, landslide, forest fire, large structural fire).

To implement the Conjunctive Use Plan, use of these interties by SLVWD for non-emergency operations (rather than use for emergencies only) would be necessary.

North System Diversions¹

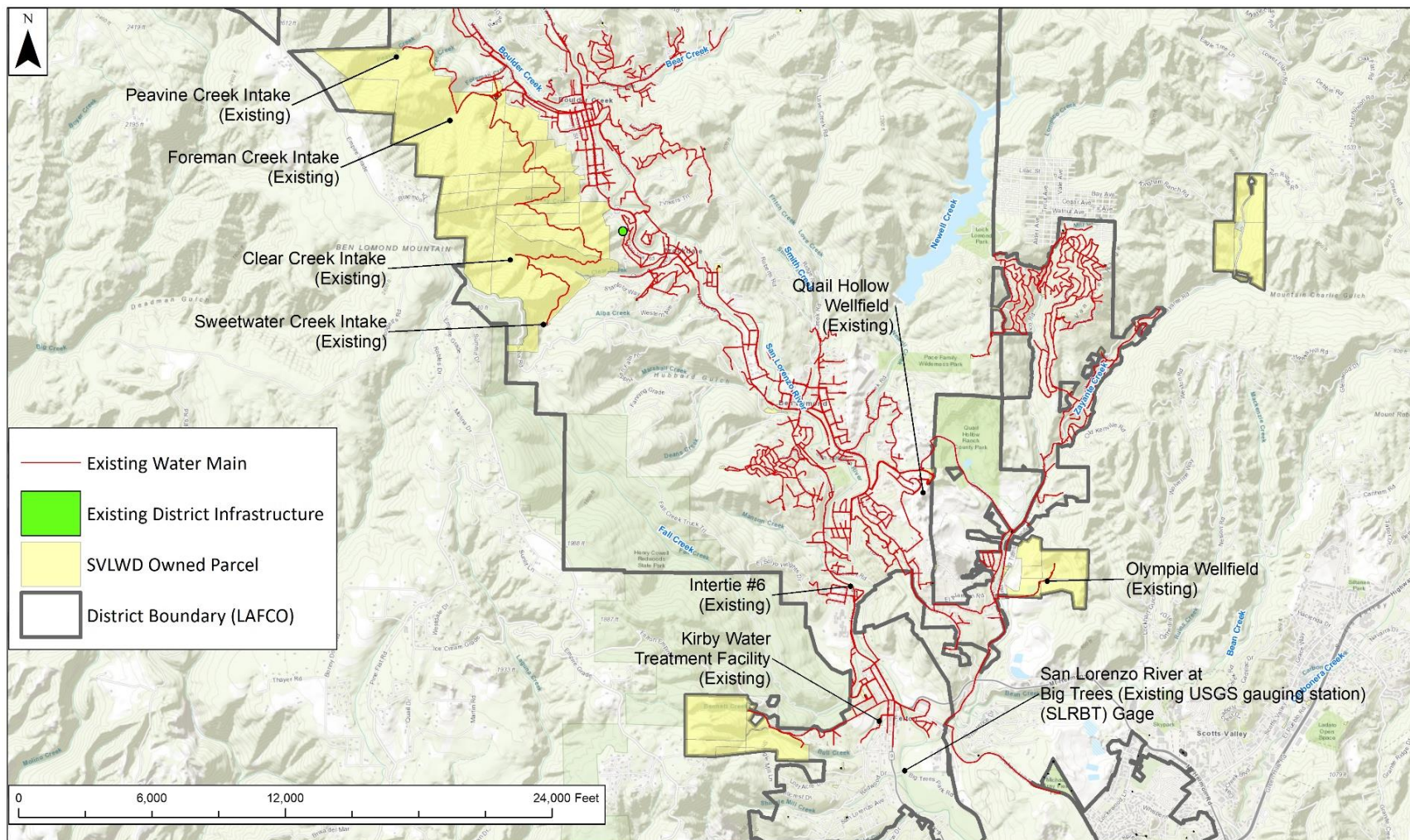
The plan would include transferring water diverted in the North System to meet demand and reduce groundwater pumping in the South System. Currently, the two systems are connected by an intertie that is only available for emergency operations, and water in these two systems remains separate except in the event of an emergency. The proposed plan calls for the movement of water from the North System to the South System via the existing intertie whenever water availability in the North System exceeds demands in the North System.

Transferring water from the North System would promote in-lieu groundwater recharge of the SMGB by supplying the South System with unused water available from diversions within the North System as a substitute for pumping groundwater from the Pasatiempo groundwater wells.² In-lieu recharge occurs when surface water is utilized “in-lieu” of pumping groundwater, resulting in an equal amount of additional water in storage in the groundwater basin. The increased groundwater storage is expected to increase minimum drought baseflows in streams overlying the SMGB. Figure 2-3 shows the diversion locations associated with water diverted in the North System that may be available for transfer to the South System.

¹ This plan activity is referred to as “Scenario 1f” in the WAA and Fisheries Resource Considerations documents.

² The WAA refers to the unused water available from diversions in the North System using the phrase “unused potential diversions,” which the WAA defines as potential diversions within existing water rights, available flows, and diversion capacities that exceed demand within the service area within which they are diverted, but which potentially could be transferred to another system within the District’s service area (Exponent 2019).

Figure 2-3 Existing Infrastructure for North System Diversions



Construction

No new infrastructure or associated construction activities would be required to transfer water from the North System.

Operation

Based on the results of the WAA, this component of the plan, if implemented alone, would result in average transfers of [115 acre-feet per year (AFY) and a maximum of 329 AFY] from the North System to the South System, as needed, to meet demand in the South System during peak flow months when diversions in the North System exceed demand that system and flows are available for diversion pursuant to the District’s existing water rights (Exponent 2019). These transfers would typically occur during December through May.

[According to the WAA, transferring water from the North System is estimated to result in an overall 32 percent reduction in South System groundwater pumping. This 32 percent reduction in groundwater pumping is estimated to increase the percentage of remaining drought baseflow (i.e., the amount of water seeping into streams from groundwater sources as compared to existing baseline conditions) by:]

- [Four percent] in Bean Creek at the Zayante Creek confluence,
- [Three percent] in Zayante Creek at the San Lorenzo River confluence, and
- [One percent] in the San Lorenzo River at the Big Trees gauge (SLRBT).

These estimated increases in drought baseflows might seem modest, approximately [0.1 cubic feet per second (cfs).] However, the estimated increases in baseflows are biologically important during the most critically low flow years in these tributaries because low summer stream flows are considered a primary factor limiting the presence of salmonid fish habitat in these tributaries, even in non-drought years (Podlech 2019).

The plan would create additional net benefits for instream flows in the watershed by combining this plan component with additional components discussed below (see additional discussion under *Felton System Diversions* and *Loch Lomond Reservoir*). **Error! Reference source not found.** provides additional information on the proposed transfers of North System diversions, including the diversion source, quantity, timing, circumstances, and infrastructure usage. Table 2-1 reflects the net transfers that are anticipated when the plan components are implemented together.

Table 2-1 Summary of North System Diversions for Transfer to South System³

| Diversion Source | Diversion Quantity | Timing | Demand Circumstances | Infrastructure Utilized for Diversion |
|------------------|--------------------|--------|----------------------|---------------------------------------|
| | | | | |
| | | | | |
| | | | | |

³ This table will be completed by SLVWD prior to release of the Draft EIR.

Felton System Diversions

Another plan component involves transferring water diverted in the Felton System in amounts allowed under State Water Resources Control Board (SWRCB) Permit 20123 only when water is available in excess of needs within the Felton area. The Felton System is connected to the North System, and the North System to the South System, by interties that currently are only available for emergency operations.

The proposed plan calls for the movement of water from the Felton System to the District's North System via the intertie, as needed, to meet demand and reduce groundwater pumping in the North System. The South System would receive any remaining water available from diversions in the Felton and North Systems to meet demand and reduce groundwater pumping in the South System. Transfers from the Felton System would occur only when Permit 20123 allows diversions in Felton in amounts that exceed demands in the Felton System.

Under SLVWD's existing water right licenses and permit, water diverted from Felton System sources can only be delivered to customers within the Felton service area, known as the authorized Place of Use. SLVWD intends to submit a Petition for Change to SWRCB for Permit 20123 seeking to expand the Place of Use from the Felton System to include the entirety of the SLVWD service area.⁴ The Petition for Change will request a corresponding extension of time to put more of the water available under the permit to beneficial use through conjunctive and/or consumptive uses.

Construction

No new infrastructure or associated construction activities would be required to transfer water from the Felton System.

Operation

Based on the results of the WAA, this component of the plan would result in transfers from the Felton System averaging [133 AFY and a maximum of 233 AFY] in order to reduce North System groundwater pumping. These Felton-to-North System transfers would occur in addition to the transfers of North-to-South System transfers discussed above.⁵ Transfers from the Felton System to the North System are estimated to result in an overall [17 percent] reduction in North System groundwater pumping (Exponent 2019).

Transfers from the Felton System to the South System (via the North System) are estimated to further reduce South System groundwater pumping, compared to transfers of North System diversions alone. As discussed above, transfers of North System diversions are estimated to reduce South System groundwater pumping by [32 percent. The WAA estimates that a 39 percent total reduction] in South System pumping can be achieved by allowing flexibility for the District to transfer both North and Felton System diversions to the South System (Exponent 2019).

[The WAA estimates that the 17 percent reduction in North System groundwater pumping resulting from Felton System transfers, combined with the 39 percent total reduction in South System

⁴ An expansion of the Place of Use to include the entirety of SLVWD's service area potentially would encompass the Big Basin Water Company's service area if its annexation into the SLVWD service area is completed. Big Basin Water Company has its own water supply that potentially could enhance conjunctive use in the San Lorenzo Valley watershed; however, this potential future enhancement is outside the scope of the proposed plan.

⁵ Collectively, Felton and North systems diversions and transfer activities are modelled as "Scenario 1k" in the WAA.

pumping resulting from North and Felton System transfers, would increase the percentage of remaining drought baseflow by 6 to 10 percent in lower Newell, Zayante, and Bean creeks compared to the base case (Exponent 2019). This 6 to 10 percent increase] in baseflow is achieved by allowing flexibility for the District to transfer both North and Felton System diversions via the interties in response to seasonal differences in each system’s supply and demand.

Table 2-2 provides additional information on the proposed transfers of Felton System diversions, including the diversion source, quantity, timing, circumstances, and infrastructure usage. Table 2-2 reflects the net transfers anticipated when the plan components are implemented together.

Table 2-2 Summary of Felton Diversions for Transfer to North or South Systems^{6,7}

| Diversion Source | Diversion Quantity | Timing | Demand Circumstances | Infrastructure Utilized for Diversion |
|------------------|--------------------|--------|----------------------|---------------------------------------|
| | | | | |
| | | | | |
| | | | | |

Loch Lomond Reservoir

Another plan component involves utilizing water from Loch Lomond Reservoir in accordance with SLVWD’s contract rights and supplying such water to the North, South, and Felton Systems, thereby meeting demand in these systems and reducing groundwater pumping in the North and South Systems. Pursuant to agreements between SLVWD and City of Santa Cruz including the Water Service Agreement dated September 26, 1962 and interpreted by the Judgment entered March 16, 1981 in *San Lorenzo Valley Water District v. City of Santa Cruz*, Case No. 62590, SLVWD holds contract rights to use 12.5 percent of the annual safe yield from the Loch Lomond Reservoir, not to exceed 500 AFY. The City of Santa Cruz estimates that 12.5 percent of the annual safe yield from the reservoir is 313.4 AFY. SLVWD may take its allotment of water from the Loch Lomond Reservoir at any rate and at any time (Water Supply Collaboration Agreement between the City of Santa Cruz and SLVWD, dated January 12, 2022);⁸ however, no infrastructure currently exists to allow SLVWD to access its allotment. Therefore, under the proposed Conjunctive Use Plan, putting the District’s allotment to use would help to offset surface water diversions and/or groundwater pumping that otherwise would be needed to meet existing water demand within the District, especially during the low flow season. Utilizing water from Loch Lomond Reservoir would promote in-lieu recharge of the SMGB by supplying the South and North systems with water from the Loch Lomond Reservoir, which would help meet demand in those systems and thereby reduce groundwater pumping from the Pasatiempo, Olympia, and Quail wells. Water from Loch Lomond Reservoir may also be transferred to the Felton System to help meet demand, especially during the low flow season when diversions may be curtailed.

⁶ Transfers from Felton to the South System, if any, would be made via the North System.

⁷ This table will be completed by SLVWD prior to release of the Draft EIR.

⁸ The Water Supply Collaboration Agreement provides for the District and the City to collaborate in developing the operational terms under which the District will take its allotment, in a manner consistent with the Water Service Agreement and the Judgment.

Construction

Utilizing water from Loch Lomond Reservoir would require the installation of new infrastructure in addition to the use of existing infrastructure. The proposed new infrastructure, shown in Figure 2-4, is described in further detail below.

CONNECTION BETWEEN NEWELL CREEK PIPELINE AND FELTON RAW WATER SYSTEM

A new connection would be installed between the Newell Creek pipeline (owned and operated by the City of Santa Cruz) and the Felton raw water system. The connection would be located on the west side of the San Lorenzo Way Bridge, approximately 0.4 mile north of the Highway 9 and Graham Hill Road intersection in Felton. Connection installation would entail approximately 3,375 square feet of excavation within the public roadway and would require approximately 20 days to complete. [The precise tie-in location is currently under discussion with the City of Santa Cruz, and may be subject to change before the release of the EIR.] No roadblocks are proposed. Standard one-way traffic controls would be implemented during normal daily construction. There would be no road closures during construction.

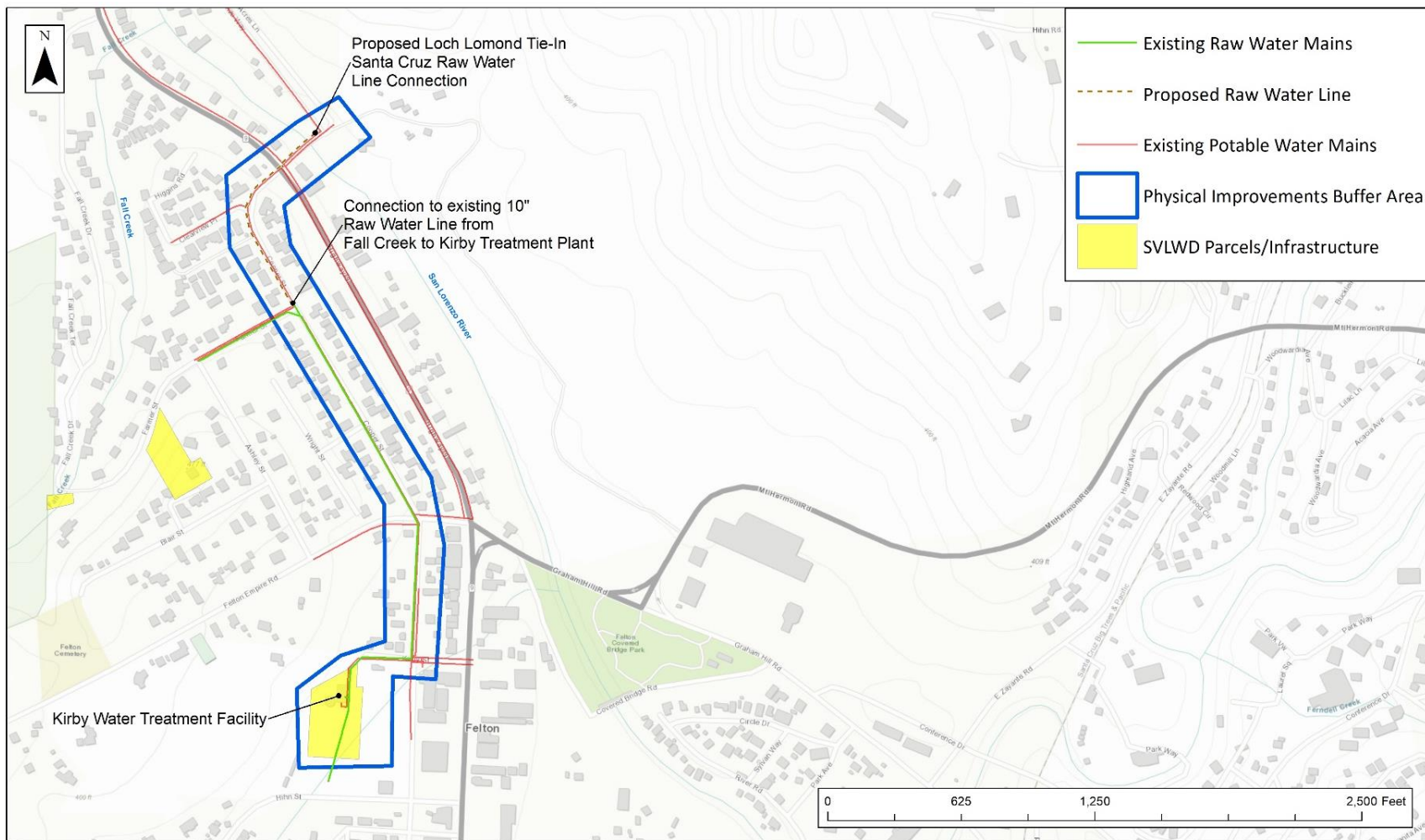
SUSPENDED PIPELINE UNDER SAN LORENZO WAY BRIDGE

Approximately 250 linear feet of new raw water pipeline would be installed across the San Lorenzo River and San Lorenzo Way. An existing one-lane bridge in this location is planned for replacement by the County of Santa Cruz under a separate project, the environmental effects of which were analyzed in the 2014 San Lorenzo Way Bridge Replacement Project IS-MND (County of Santa Cruz 2014) and the environmental permits for which were obtained. The District would suspend the new pipeline from the underside of the new bridge, within the bridge development footprint. Construction of the new suspended pipeline would require 15 days to complete and is planned to be constructed as part of the bridge replacement project. No roadblocks are proposed. Standard one-way traffic controls would be implemented during normal daily construction.

TRENCHED PIPELINE FROM SAN LORENZO WAY BRIDGE TO FARMER STREET

Approximately 1,350 linear feet of new raw water pipeline would be installed underground from the new San Lorenzo Way Bridge to an existing raw water pipeline on Cooper Street. [The precise tie-in location is currently under discussion with the City of Santa Cruz, and may be subject to change

Figure 2-4 New Infrastructure for Loch Lomond Reservoir Utilization



before the release of the EIR.] The proposed pipeline would run west from the San Lorenzo Way Bridge, under Highway 9, along Clearview Place and south along Cooper Street. The new waterline would then run south within the Cooper Street right-of-way to tie-in to the existing water line at Farmer Street.

Construction of the new pipeline would entail conventional, open trench construction within the existing paved roadway. Open-trench excavation is a construction method typically utilized to install pipelines and their appurtenant structures, which include blow-offs, service meters, valves, and vaults. In general, the process consists of site preparation, excavation and shoring, pipe installation and backfilling, and street restoration. Construction usually progresses along the alignment with the maximum length of open trench at one time being approximately 300 feet.

Construction of the new underground pipeline would require four weeks to complete. No roadblocks are proposed. Standard one-way traffic controls would be implemented during normal daily construction.

UPGRADES TO KIRBY WATER TREATMENT PLANT

Upgrades and improvements would be made to the existing Kirby Water Treatment Plant in Felton, including installation of the following equipment:

- A 90,000-gallon blending tank;
- A 3,000-gallon waste tank;
- Post-filtration granular activated carbon (GAC) absorption equipment; and
- Magnetic ion exchange (MIEX) filtration equipment.

All improvements would occur within the footprint of the existing treatment plant building. The proposed improvements would not increase the maximum capacity of the existing water treatment facility.

OVERALL CONSTRUCTION ACTIVITIES

Construction of the infrastructure improvements outlined above is anticipated to occur from approximately [April 2024 through December 2025]. Construction activities would occur during the working hours of 8:00 a.m. to 6:00 p.m., Monday through Friday. No construction activities would occur on weekends or federal holidays. Temporary staging of construction equipment and materials would occur at the Kirby Water Treatment Plant.

Construction activities would include excavation of up to a maximum depth of four feet to install the proposed infrastructure. Approximately 300 cubic yards (cy) of soil would be imported, and approximately 300 cy of excavated soil would be exported from the construction area. Construction and demolition debris would be disposed of at the Buena Vista Landfill, located approximately 21 miles from the improvements area.

Operation

Raw water would be withdrawn from Loch Lomond Reservoir and treated at the Kirby Water Treatment Plant for delivery to the North, South, and Felton Systems.⁹

⁹ This plan activity is named "Scenario 2c" in the WAA and Fisheries Resource Considerations documents.

This plan component, when implemented, would add up to 313.4 AFY of currently unavailable supply to the District’s operations, thereby reducing the North and Felton system diversions and transfers described above. As such, the following description of District operations would supersede and replace the operations described above for the North System Diversions and Felton System Diversions components upon implementation of the Loch Lomond plan component.

Implementation of the Loch Lomond component¹⁰ would result in the South System receiving an average of approximately [245 AFY from Loch Lomond Reservoir, ranging between approximately 120 and 290 AFY], as a substitute for pumping the Pasatiempo wells (Exponent 2019). In addition, an average of [4 AFY and maximum of approximately 65 AFY] of Loch Lomond water would be transferred to the North System to help meet demand, and an average of [50 AFY and maximum of approximately 185 AFY] of Loch Lomond water would be transferred to the Felton System to meet demand during periods when surface water supplies are limited by the existing Felton water right permit and licenses. Furthermore, an average of [20 AFY and approximate maximum of 75 AFY] of North System diversions would be transferred to the South System, and an average of [130 AFY and approximate maximum of 265 AFY] of Felton System diversions would be transferred to the North System in response to seasonal differences in each system’s supply and demand (Exponent 2019).

Implementation of this plan component would maximize net benefits for instream flows by matching supply to demand throughout the three systems. When plan components are combined to maximize the District’s ability to transfer water via the interties in response to seasonal differences in each system’s supply and demand, [the WAA estimates an overall 21 percent reduction in North System groundwater pumping and 73 percent reduction in South System groundwater pumping. Reduced pumping in the North and South Systems results in an estimated 5 to 11 percent increase in drought minimum baseflows remaining in lower Newell, Zayante, and Bean creeks compared to the base case (Exponent 2019). The mainstem San Lorenzo River at SLRBT would receive a 6 percent [(approximately 0.5 cfs)] increase in drought baseflow levels (Exponent 2019).]

In total, SLVWD’s withdrawals from Loch Lomond Reservoir would not exceed its allotment of 313.4 AFY. Table 2- provides additional information on the destination, quantity, timing, circumstances, and infrastructure usage for the proposed withdrawals.

Table 2-3 Summary of Loch Lomond Reservoir Utilization

| Water Supply Destination | Water Supply Quantity | Timing | Circumstances | Infrastructure Utilized for Diversion |
|--------------------------|-----------------------|-----------------------|---------------|---------------------------------------|
| North System | [4 AFY] | Low Streamflow months | As needed | Kirby WTP, IT6 |
| South System | [245 AFY] | Year round | As needed | Kirby WTP, IT3+6 |
| Felton System | [50 AFY] | Low Streamflow months | As needed | Kirby WTP |

Overall Operational Changes

Upon completion of construction of new infrastructure associated with utilizing water from Loch Lomond Reservoir, the Conjunctive Use Plan would rely on built infrastructure and existing staff resources. No new employees would be required, and the new infrastructure would not require additional operations and maintenance (O&M) vehicle trips as compared to existing conditions.

¹⁰ This plan activity is named “Scenario 2c” in the WAA and Fisheries Resource Considerations documents.

Operational activities under the proposed plan would require approximately [XX] megawatt-hours (MWh) of electricity annually due to increased pumping needs.

No net increase in the consumptive uses of water within the SLVWD service area would occur as a result of these changes because the changes would only alter when and where water is used from various sources (i.e., groundwater versus surface water) to maximize benefits to fisheries and other environmental values while also enhancing water supply reliability. The changes would facilitate the use of surface water sources rather than groundwater to meet existing system demand, in a manner that enhances the aquatic environment, and would not serve new demand.

2.10 Project Design Features

The following construction noise control measures have been incorporated into the plan as Project Design Features for implementation of the proposed physical infrastructure improvements related to utilizing water from Loch Lomond Reservoir:

- **Construction Staging Areas and Stationary Equipment Locations.** The contractor shall select equipment staging areas and stationary noise-generating construction equipment locations as far as practicable from sensitive receptors.
- **Equipment Maintenance.** All contractors, as a condition of contract, shall be required to maintain and tune-up all construction equipment to minimize noise emissions.
- **Idling Prohibition and Enforcement.** Unnecessary idling of internal combustion engines shall be prohibited. In practice, this would mean turning off equipment if it would not be used for five or more minutes.
- **Stationary Equipment Shielding.** Stationary equipment areas with appropriate acoustic shielding shall be designated on building and grading plans. Equipment and shielding shall be installed prior to construction and remain in designated locations throughout construction activities. Pneumatic impact tools and equipment used at the construction site shall have intake and exhaust mufflers recommended by the manufacturers. Impact noise producing equipment (i.e., jackhammers and pavement breaker[s]) shall be equipped with noise attenuating shields, shrouds, or portable barriers or enclosures to reduce operating noise.
- **Mufflers.** All diesel equipment shall be operated with closed engine doors and shall be equipped with properly operating and maintained residential grade mufflers.
- **Electrically-Powered Tools and Facilities.** Whenever feasible, electrical power shall be used to run air compressors and similar power tools rather than diesel equipment.
- **Pre-Construction Notification.** Prior to construction, written notification that identifies the type, duration, and frequency of construction activities shall be provided to residents within 100 feet of the raw water pipeline locations along Clearview Place and Cooper Street.

2.11 Other Public Agencies Whose Approval is Required

SLVWD is the lead agency under CEQA with responsibility for approving the project. Table 2-2 lists the other approvals potentially required for the project.

Table 2-2 Summary of Potentially Required Approvals

| Regulating Agency | Potential Permit/Approval | Reason for Permit/Approval |
|--|--|--|
| State Water Resources Control Board (SWRCB) | Petitions for Change | Change the place of use extension of time for SWRCB Permit 20123 |
| | Water Supply Permit Amendment | Addition of Loch Lomond as a supply source |
| California Department of Fish and Wildlife (CDFW) | Lake and Streambed Alteration Agreement (LSAA) | Changes in water diversion patterns |
| Central Coast Regional Quality Control Board | National Pollutant Discharge Elimination System (NPDES) Stormwater Construction General Permit | Construction activities resulting in ground disturbance exceeding one acre |
| County of Santa Cruz | Encroachment Permit | Project construction within County right-of-way |
| California Department of Transportation (Caltrans) | Encroachment Permit | Project construction within Caltrans right-of-way |

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References

Exponent. 2019. Water Availability Assessment for San Lorenzo River Watershed Conjunctive Use Plan. January 30, 2019.

Podlech, Mike. 2019. Fisheries Resource Considerations for the San Lorenzo River Watershed Conjunctive Use Plan.

San Lorenzo Valley County Water District v. City of Santa Cruz. 1981. No. 62590 Judgment. Superior Court of the State of California for the County of Santa Cruz. March 16, 1981.

San Lorenzo Valley Water District. (SLVWD). 2021. San Lorenzo River Watershed Conjunctive Use Plan (*January 2021 Draft*).

Santa Cruz, County of. 2014. San Lorenzo Way Bridge Replacement Project IS-MND. May 2014.

Santa Cruz, City of and San Lorenzo Valley Water District. 1962. Water Service Agreement – City of Santa Cruz with San Lorenzo Valley County Water District. September 26, 1962.

Water-Supply Collaboration Agreement between the City of Santa Cruz and San Lorenzo Valley Water District. January 12, 2022.

DRAFT

EXHIBIT B

| Conjunctive Use Plan EIR Schedule 2022/2023 | | | | | | | | | | | | | | | | | | | |
|--|------|------|--------|-----------|---------|----------|----------|---------|----------|-------|-------|-----|------|------|--------|-----------|---------|----------|----------|
| ACTIVITY | June | July | August | September | October | November | December | January | February | March | April | May | June | July | August | September | October | November | December |
| Draft Project Description | | | | | | | | | | | | | | | | | | | |
| City of Santa Cruz's Loch Lomond Discussions | | | | | | | | | | | | | | | | | | | |
| Update Conjunctive Use Plan | | | | | | | | | | | | | | | | | | | |
| Draft Focused EIR | | | | | | | | | | | | | | | | | | | |
| Finalize Focused EIR & Release for Public Review | | | | | | | | | | | | | | | | | | | |
| Focused EIR Adoption | | | | | | | | | | | | | | | | | | | |
| Permitting Diversions & Supporting Studies | | | | | | | | | | | | | | | | | | | |

**The District has not hired a consultant nor approved a budget yet for the EIR, so the ability to meet this timeline will depend on retaining a consultant with availability to meet the schedule*

** The District has not determined what technical studies may be needed, and hasn't retained consultants to conduct such studies – which might need to be completed before the EIR can be drafted/finalized and the CUP revision can be completed*

**The District's agreement with the City requires the parties to work toward finalizing an operational plan for the Loch Lomond water by 2025, and such discussions are not likely to be concluded by September 2022, but a tie-in location verified to complete the project description is feasible.*

MEMO

To: Board of Directors

From: District Manager

Prepared by: Environmental Programs Manager

SUBJECT: CAL OES's Hazard Mitigation Grant Program Approval & Signatory for the County of Santa Cruz's Subapplicant Memorandum of Understanding

DATE: August 4, 2022

Recommendation

It is recommended that the Board of Directors review this memo and authorize the District Manager to sign, on behalf of the District, the Hazard Mitigation Grant Program (HMGP) Memorandum of Understanding (MOU) with the County of Santa Cruz.

Background

The HMGP provides funding for communities to implement mitigation activities to reduce risk to life and property from natural hazards. In California, natural hazards are defined as wildfire, earthquake, drought, extreme weather, flooding, and impacts of climate change. In April 2022 the District submitted 3 subapplications for the CAL OES Hazard Mitigation Grant Program (HMGP); fire hardening of 3 redwood and 4 polyurethane tanks, fire hardening of 3,600 linear feet of HDPE pipeline, and the development of a Local Hazard Mitigation Plan (total funding request \$7,149,251.96)

To be eligible to apply for the HMGP an agency must have an adopted Local Hazard Mitigation Plan (LHMP). The County of Santa Cruz (County) completed an LHMP for 2021-2026 which the SLVWD falls within its jurisdiction. The LHMP's purpose is to implement and sustain actions that reduce vulnerability and risk from hazards or reduce the severity of the effects of hazards on people, property, and the environment throughout Santa Cruz County. The plan can be reviewed on the County's website here: <https://www.sccoplanning.com/PlanningHome/SustainabilityPlanning/LocalHazardMitigationPlan.aspx>

The County has agreed to act as the lead applicant for the District's 3 subapplications as the District does not have its own adopted Local Hazard Mitigation Plan. The San Lorenzo Valley Water District is applying as a sub-subapplicant under the County of Santa Cruz, and will be fully responsible for implementing all aspects of the project. As part of this round of HMGP funding, SLVWD will be submitting a subapplication for the development of its own LHMP.

Exhibit A is a Memorandum of Understanding (MOU) developed between SLVWD & the County. If awarded the District commits to completing the work and to fund 25 percent of eligible activity costs (Match of ~\$1,787,312.25).

**FEMA’s Hazard Mitigation Grant Program
Sub-Grantee Memorandum of Understanding (“MOU”) Between
County of Santa Cruz
(referred to herein as “Grantee”)
and San Lorenzo Valley Water District
(referred to herein as “Sub-Grantee”)**

Recitals

- A. Grantee has applied to receive grant funding with the California Governor’s Office of Emergency Services (“Cal OES”) and the Federal Emergency Management Agency (“FEMA”) (collectively referred to herein as “State and Federal Agencies”) on behalf of the San Lorenzo Valley Water District and anticipates entering into a Grant Agreement with said State and Federal Agencies (referred to herein as “Grant Agreement”).
- B. Grantee intends to contract with San Lorenzo Valley Water District (referred to herein as “Sub-Grantee”) for the Sub-Grantee to receive grant funding, provide required matching funds, and perform all work pursuant to said Grant Agreement, including all requirements under the Grant Agreement with State and Federal Agencies for grant implementation, grant management, and required infrastructure maintenance. All of the work to be completed by Sub-Grantee and its sub-contractors is referred to in this MOU as “Task(s).”
- C. The parties anticipate that Task(s) will include work pertaining to (1) Local Hazard Mitigation Plan development; (2) tank retrofits; and (3) supply line hardening.
- D. The parties acknowledge that Grantee will administer the distribution of grant funds to Sub-Grantee pursuant to the Grant Agreement and Sub-Grantee will be responsible for all other aspects of its assigned Task(s) in a manner to ensure Grantee’s compliance with the Grant Agreement.
- E. The parties desire to set forth in this MOU the general terms and conditions under which Sub-Grantee may receive grant funds from Grantee. Specific terms and conditions will be set forth in a comprehensive agreement to follow.

Terms and Conditions

- 1. The above recitals are incorporated herein by reference.
- 2. Sub-Grantee will perform the work and provide the documentation required of Grantee or Sub-Grantees pertinent to Sub-Grantee’s assigned Task(s) in a timely manner as set forth, without limitation, in any portions of the Grant Agreement attributed to Sub-Grantee.
- 3. Sub-Grantee will submit to Grantee quarterly invoices for eligible expenses in a form required by Grantee. The documentation required by this paragraph shall be sent to:

Dave Reid, Director
Santa Cruz County
Office of Response, Recovery and Resilience
Tel: (831) 454-3407

or such other address as Grantee may provide.

4. These grants as administered by the State and Federal Agencies are reimbursable in nature and therefore Sub-Grantee will not be permitted to request disbursement for any cost until such cost has been incurred and has been (i) paid by or (ii) is due and payable by Sub-Grantee.
5. Notwithstanding any other provision of this MOU, no disbursement will be required to be made by Grantee at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the Federal Government, or any loss of tax-free status on state bonds, pursuant to any Federal statute or regulation.
6. Sub-Grantee will not be entitled to, and Grantee will have no obligation to make any, disbursement of grant funds if Grantee does not receive grant funds from the State and Federal Agencies in connection with Sub-Grantee's request for disbursement. Further, if Grantee is required to refund any disbursement made to Sub-Grantee to the State and Federal Agencies due to a violation of the Grant Agreement by Sub-Grantee, Sub-Grantee will refund to Grantee such disbursement amount plus any interest or penalties required to be paid by Grantee to the State and Federal Agencies in connection with such refund.
7. Sub-Grantee acknowledges that it will be required to expend matching funds for its assigned Task(s), in an amount anticipated to be **\$1,787,312.25**, consistent with appropriate provisions of the Grant Agreement, and Sub-Grantee will agree to expend all such funds in a timely manner, and provide documentation of such expenditures.
8. Sub-Grantee will agree to provide all required reports as specified in the Grant Agreement, according to a format and schedule as specified by the Grantee.
9. Sub-Grantee will agree to be bound, perform and abide by all of the provisions applicable to Grantee or any Sub-Grantee set forth in the Grant Agreement as if Sub-Grantee had signed the Grant Agreement in the place and stead of Grantee.
10. Sub-Grantee acknowledges that Grantee will rely on Sub-Grantee's performance in entering into the Grant Agreement and undertaking its obligations as set forth in the Grant Agreement. Accordingly, in the event Sub-Grantee fails to perform any of its obligations, Sub-Grantee will indemnify, defend, and hold Grantee and Grantee's officers, directors, agents, and employees (each, an "Indemnified Person") harmless from and against any and all judgments, losses, claims, damages or liabilities, joint or several, to which any Indemnified Person may become subject which relate to or arise out of any such failure by Sub-Grantee.
11. Upon request by Grantee, Sub-Grantee will provide Grantee with: (i) any reasonably requested documentation; and (ii) reasonable access to any work sites or other areas associated with Sub-Grantee's assigned Task(s) for the purpose of making observations or conducting any necessary tests or studies.
12. The parties may, pursuant to mutual agreement, expand the scope of work to be performed by Sub-Grantee, but in any event modifications to the terms of this MOU shall be valid only if made in writing and executed by Grantee and Sub-Grantee.
13. Sub-Grantee shall not assign, delegate or otherwise transfer any duties, obligations, rights or interest under this MOU without prior written consent of Grantee, which consent may be given or withheld by Grantee in its reasonable discretion. Any attempted assignment or transfer without such consent shall be void.

14. Subject to the provisions of paragraph 13 above, all terms and conditions of this MOU shall be binding upon, inure to the benefit of, and be enforceable by, Grantee and Sub-Grantee and their respective legal representatives, successors and permitted assigns.
15. A waiver of any provision of this MOU in any given instance shall not constitute a waiver of (i) such provision in future instances or (ii) any other provision of this MOU.
16. This MOU constitutes the entire understanding of Grantee and Sub-Grantee concerning the subject matter hereof, as of the effective date of the MOU, and supersedes all prior and contemporaneous agreements, correspondence, representations or understandings between Grantee and Sub-Grantee relating to the subject matter hereof, whether written or oral.
17. This MOU may be executed in counterparts, each of which when taken together shall constitute the entire MOU.
18. This MOU shall be governed by and construed in accordance with the laws of the State of California. In the event any dispute arises between the parties to this MOU concerning the matters contained in this MOU, the parties agree to pursue mediation as a means to settle the dispute.
19. The grant term is anticipated to begin on the date upon which the authorized representative of the State and Federal Agencies signs the Grant Agreement and to end upon expiration of the Grant Agreement.
20. Whenever it is provided in this MOU that Grantee or Sub-Grantee shall give notice to the other, said notice shall be given by delivering a copy of said notice to the other party personally or by email with a copy sent by first class mail, postage prepaid, through the U.S. Postal Service, or by a nationally-recognized overnight courier, a copy of said notice at the following addresses:
 - A. Address for Sub-Grantee:
San Lorenzo Valley Water District
Attention: Carly Blanchard, Environmental Programs Manager
13060 Hwy 9
Boulder Creek, Ca, 95006
Email: cblanchard@slvwd.com
 - B. Address for Grantee:
County of Santa Cruz
Attention: Dave Reid, Director Office of Response, Recovery, and Resilience
701 Ocean Street, Room 312
Santa Cruz, CA 95060
Email: David.Reid@santacruzcounty.us

[Signatures on Following Page(s).]

IN WITNESS WHEREOF Grantee and Sub-Grantee have executed this MOU the day and year first written below by their duly authorized representatives, having full authority to so act for and on behalf of the parties hereto.

GRANTEE:

SUB-GRANTEE:

COUNTY OF SANTA CRUZ

SAN LORENZO VALLEY WATER DISTRICT

Dave Reid
Director, Office of Response, Recovery and
Resilience
County of Santa Cruz

Richard M. Rogers
District Manager
San Lorenzo Valley Water District

HMGP Projects

Tanks

Redwood Tanks

- Echo Tanks
- Highland Tank

Polyurethane Tanks

- Ralston Tank
- El Solyo Tank
- South Reservoir Tank
- Eckly Tank

Total project cost: \$4,954,544.00

Cost share (25%): \$1,238,636.00

Supply Lines

- Bennett Line (2,000 LF)
- Lompico line (1,600 LF)

Total project cost: \$2,037,106.96

Cost share (25%): \$509,276.74

Local Hazard Mitigation Plan

The Local Hazard Mitigation Plan (LHMP) assesses hazard vulnerabilities and identifies mitigation actions that jurisdictions will pursue in order to reduce the level of injury, property damage, and community disruption that might otherwise result from such events. Allows the District to apply for HMGP funding as its own applicant.

Total project cost: \$157,601.00

Cost share (25%): \$39,400.25

**not in District budget*



TO: Board of Directors,
San Lorenzo Valley Water District

CC: Rick Rogers, District Manager

FROM: Gina R. Nicholls, District Counsel

DATE: August 4, 2022

RE: Political Activity During 2022 Election Season

This memorandum provides general guidance in outline form for use during the upcoming 2022 election season. I am available to respond to specific questions that are not addressed by this memorandum. While I cannot provide legal advice for any election campaign, I can answer questions from directors and District staff about how to uphold the ethical responsibilities of public office during elections. If desired, this outline could be used to prepare a more detailed guidance or policy document for future use by the District.

1. Misuse of public funds. An important rule to keep in mind at all times is the prohibition against misuse of public funds. No one is permitted to use the resources of a California government entity (including District email addresses, email lists, phones, copier, bulletin board, office supplies, staff time, etc.) for personal purposes or to advocate regarding any election issue, including candidates as well as ballot measures, etc.¹ (See Government Code § 19990; Penal Code § 424.)
2. Misuse of office. The rule that prohibits misuse of public funds also extends more broadly to prohibit misuses of authority that may not involve any government “funds.” Public office holders should never use any symbols or indicia of office (such as official titles, email addresses, or agency logo) for personal or campaign purposes. For example, District email accounts should never be used to send campaign materials, regardless of whether there is any measurable cost to the District. Also, District employees and directors should clearly state that any use of an official title in connection with non-District activities is for identification purposes only.² (See Government Code § 19990.)

¹ Repayment of funds is not a defense to charges of misappropriation and misuse of public funds. (*People v. Bradley* (2012) 208 Cal. App.4th 64.)

² Government Code § 19990 provides that: “Activities and enterprises deemed to [be inconsistent with public office] shall include, but not be limited to, all of the following:

- (a) Using the prestige or influence of the state or the appointing authority for the officer’s or employee’s private gain or advantage or the private gain of another.

Memorandum
August 4, 2022
Page 2

3. District Functions and Communications. The following rules should be followed when participating in District functions including but not limited to Board meetings, and at all times when communicating in an official capacity as a director or staff member:
 - a. Do not refer to any director's candidacy, nor to an opponent's candidacy, especially in public settings such as Board meetings.
 - b. Do not refer to any director's position being an elected position, nor to this 2022 election cycle.
 - c. Do not refer to any candidate's election campaign (including slogans, wearing campaign buttons, etc.) or his/her qualifications.
 - d. Do not communicate in a manner that expressly advocates the election or defeat of any identified candidate.
 - e. Do not solicit any campaign or election-related contributions for any candidate including yourself.

4. Mass Mailings. The FPPC enforces detailed rules pertaining to mass mailings. Generally speaking, FPPC limitations on mass mailings apply when an elected official such as a director is featured in the mailing by name, photograph, or signature; however, depending on the facts and circumstances the rules could be applied more broadly. The FPPC rules limiting mass mailings become stricter during the sixty (60) days immediately preceding an election. To ensure compliance with these rules, please clear any District mass mailings (other than routine correspondence such as water bills) through legal counsel, especially during the 60 days preceding an election.

(b) Using state time, facilities, equipment, or supplies for private gain or advantage.

(c) Using, or having access to, confidential information available by virtue of state employment for private gain or advantage or providing confidential information to persons to whom issuance of this information has not been authorized. . . .



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER
DISTRICT
REGULAR MEETING
MINUTES
JULY 21, 2022**

Thursday, July 21, 2022, at 5:30 p.m., via videoconference and teleconference.

**1. Convene Meeting
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
Holly Hossack, District Secretary
Gina Nicholls, District Counsel

2. Additions and Deletions to Closed Session Agenda: None

3. Oral Communications Regarding Items in Closed Session: None

4. Adjournment to Closed Session: 5:30 p.m.

5. Re-Convene to Open Session at 6:30 p.m.

6. Report of Actions Taken in Closed Session: None

7. 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
Holly Hossack, District Secretary

Gina Nicholls, District Counsel
Carly Blanchard, Environmental Programs Manager & Admin Analyst
James Furtado, Director of Operations

8. **Additions and Deletions:** None

9. **Oral Communications:** None

10. **President's Report**

The vacancy on the Administrative Committee has been noticed and posted.

11. **Unfinished Business:**

- a. REMOTE MEETING AUTHORIZATION UNDER AB 361
G. Mahood introduced this item.

A motion was made and seconded to re-adopt the Remote Meeting Authorization, Resolution No. 4 (21-22).

The motion passed unanimously.

12. **New Business:**

- a. DELINQUENT WATER CHARGES TO BE PLACED ON TAX ROLL
R. Rogers introduced this item.

Discussion by the Board and staff regarding:

- Limitation of \$500 for delinquent accounts
- Send to collections and /or remove meters
- This process is handled annually

A motion was made and second to move the resolution to put the delinquent charges on the County Tax Rolls.

The motion passed unanimously.

- b. DRAFT RESPONSE TO THE GRAND JURY
G. Mahood introduced this item to the Board.

Discussion by the Board and staff regarding:

- Positive path to the Conjunctive Use Plan
- This was an opportunity get our information across
- Respectful of the Grand Jury's effort
- Re-cap of the process
- The procedure for response; approval and adoption, send response to the Grand Jury before August 22nd, the Grand Jury will post the responses on their website along with all of the other responses, it's common that there is no follow-up

- No-growth policy in the Valley set in the 1970's
- Use of Loch Lomond water right in the past
- Change to - the Ground Water Sustainability Plan submitted in January 2022 by SMGWA (page 66)
- Add "limited and narrow in scope" (page 67)

A motion was made and seconded to accept the Draft Grand Jury Report with the 2 editorial changes and direct staff to submit it to the Grand Jury.

The motion passed unanimously.

c. LETTER TO SUPERVISOR McPHERSON REGARDING BOULDER CREEK WASTEWATER SYSTEM

This item was introduced by R. Rogers. The District has been trying to work with Supervisor McPherson on the County takeover of the Bear Creek Estates Waste Water Treatment. We just learned that the Country has been granted \$2M to look into the re-designing of the Downtown Boulder Creek Septic System.

Discussion by the Board and staff regarding:

- Add to the letter the desire to be good neighbors
- Soliticit letters from BCEWW customers and the County
- Other technologies - think out of the box
- This issue is not going away
- Water quality is a long standing issue with BCEWW
- Conversation with the City asking for their support
- If there is a response it will be brought back to the Board

Consensus of the Board to move forward with the letter to Supervisor McPherson.

d. APPOINT BOARD MEMBER LIAISON TO THE LOMPICO ASSESSMENT DISTRICT OVERSIGHT COMMITTEE

R. Rogers introduced this item.

A motion was made and seconded to appoint Dir. Fultz as liaison to the LADOC.

The motion passed unanimously.

e. DRUG AND ALCOHOL POLICY

G. Nicholls introduced this item and explained that it is needed for compliance with State Grants. The District has a policy this is an update.

Discussion by the Board and staff regarding:

- Definition of *Controlled Substance* (State)
- This is for workplace issues only
- Notification requirement was removed because this was written in the 1990's and there were questions about legality

- Drug and/or alcohol testing after a District vehicle accident is not required but may be required by law enforcement if there is a suspicion
- An injury accident does require testing
- Policy would benefit by a check against federal law

A motion was made and seconded to adopt the resolution for the revised Drug and Alcohol Policy as presented by Counsel.

The motion passed unanimously.

J. Ackemann excused herself from the meeting at 7:28 p.m.

13. Consent Agenda: approved

- a. BOARD OF DIRECTORS MINUTES 6.16.22
- b. SPECIAL BOARD OF DIRECTORS MINUTES 6.29.22
- c. BOARD OF DIRECTORS MEETING MINUTES 7.7.22

14. District Reports:

- DISTRICT MANAGER'S REPORT
None
- DEPARTMENT STATUS REPORTS
 - Engineering
 - Fall Creek Fish Ladder was questioned. The construction work as not started and may not be able to be completed as required.
 - Redwood Park Tank supply chain issues stopping work progress
 - Environmental
 - Is Carly being over-worked? Environmental Planner position is in the works.
 - Finance
 - Operating Expenses are non-linear, staffing positions open/costs not yet committed
 - Operations
 - Lower water extraction from 2013 to 2022, supplemented surface sources to the South System

15. Written Communication: None

16. Adjournment 7:44 p.m.

Approved

Holly B. Hossack

DRAFT

From: JM Brown <JM.Brown@santacruzcounty.us>
Sent: Tuesday, July 26, 2022 2:44 PM
To: Rick Rogers <rrogers@slvwd.com>
Subject: RE: McPherson letter – Bear Creek Wastewater

Hi Rick,

Just wanted to acknowledge by email that our office is in receipt of this letter from Director Mahood on behalf of your Board, and we have asked our project team to provide more information about the cost and other factors related to the question of including Bear Creek Estates in the CSA 7 Expansion. We will provide a response as soon as we get that information.

Thanks,
JMB