



Hidden Valley Lake Community Services District

Regular Board Meeting

DATE: July 21, 2015
TIME: 7:00 p.m.
PLACE: Hidden Valley Lake CSD
Administration Office, Boardroom
19400 Hartmann Road
Hidden Valley Lake, CA

- 1) CALL TO ORDER
- 2) PLEDGE OF ALLEGIANCE
- 3) ROLL CALL
- 4) APPROVAL OF AGENDA
- 5) STAFF PRESENTATION: Proposed water rates
- 6) PUBLIC HEARING pursuant to Government Code Section 54954.6 to consider approval of Ordinance # 56 adopting amended water user fees
- 7) DISCUSSION AND POSSIBLE ACTION: approval of Ordinance # 56 adopting amended water user fees
- 8) CONSENT CALENDAR
 - (A) MINUTES: Approval of the Minutes of the Board of Directors regular meeting June 16, 2015, special meeting July 1, 2015 and special meeting July 13, 2015
 - (B) DISBURSEMENTS: check #032872 - #032945 for a total of \$175,701.91 including payroll and auto drafts
 - (C) AUTHORIZATION FOR BOARD MEMBER ATTENDANCE at September 10-11, 2015 ACWA Continuing Education Workshop in Oakland, California
- 9) BOARD COMMITTEE REPORTS (for information only, no action anticipated)
 - Personnel Committee
 - Finance Committee
 - Emergency Preparedness Committee
- 10) BOARD MEMBER ATTENDANCE AT OTHER MEETINGS (for information only, no action anticipated)
 - ACWA Region 1
 - ACWA State Legislative Committee
 - County OES
 - Other meetings attended
- 11) STAFF REPORTS (for information only, no action anticipated)
 - General Manager's Report

- 12) PUBLIC HEARING to consider placement of default balance liens on real property pursuant to Government Code Section 61115
- 13) DISCUSSION AND POSSIBLE ACTION: Adoption of Resolution 2015-12 confirming default balances and directing staff to file liens on real property
- 14) CLOSED SESSION: G.C. 54954.5 Consider the Appointment or Employment of a Public Employee – Interim General Manager Position
- 15) DISCUSSION AND POSSIBLE ACTION: Appointment of Interim General Manager
- 16) DISCUSSION AND POSSIBLE ACTION: Authorization for Board President to execute services agreement for permanent General Manager recruitment services
- 17) PUBLIC COMMENT
- 18) BOARD MEMBER COMMENT
- 19) ADJOURNMENT

Public records are available upon request. Board Packets are posted on our website at www.hiddenvalleylakecsd.com. Click on the "Board Packet" link on the Agenda tab.

In compliance to the Americans with Disabilities Act, if you need special accommodations to participate in or attend the meeting please contact the District Office at 987-9201 at least 48 hours prior to the scheduled meeting.

Public shall be given the opportunity to comment on each agenda item before the Governing Board acts on that item, G.C. 54953.3. All other comments will be taken under Public Comment.

**ACTION OF
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

DATE: July 21, 2015

AGENDA ITEM: Staff Presentation: Proposed water rates

RECOMMENDATIONS:

Hear staff presentation on proposed water rates.

FINANCIAL IMPACT:

See attached "Notice of Public Hearing on Proposed Water Rates".

BACKGROUND:

See attached "Notice of Public Hearing on Proposed Water Rates".

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Roland Sanford, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on July 21, 2015 by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

JUNE 2015

Hidden Valley Lake Community Services District



Proposition 218 Notification NOTICE OF PUBLIC HEARING ON PROPOSED WATER RATES

HEARING DATE: July 21, 2015

TIME: 7:00 p.m.

LOCATION: Hidden Valley Lake CSD
Administration Office
19400 Hartmann Road
Hidden Valley Lake, CA



Mark your calendar!

Monthly bill payments will be due on the 20th of each month unless the 20th falls on a weekend, in which case payments will be due the following Monday.

The Hidden Valley Lake Community Services District (District) is proposing to establish a new water rate structure to more equitably distribute the cost of providing water service among the various residential and commercial user classes, and to increase water rate charges to finance the maintenance and repair of aging water infrastructure, upgrade existing facilities to comply with new unfunded State and federal mandates, and restore reserve funds that have been drawn down and in some cases depleted during the recent economic recession. If adopted, the proposed rate change will become effective on or after September 1, 2015.

Why are you receiving this notice? You are receiving this notice because you are either a District water customer or you own property that is receiving District water service. The purpose of the public hearing is to consider all written protests against the proposed rate changes. As the owner or customer of record of a parcel subject to the imposition of the proposed rate changes, you may submit a written protest against the proposed rate changes.

Didn't the District recently hold a rate increase hearing? On April 21, 2015 the District held a public hearing and considered adoption of tiered water rates and sewer rate increases. The Board adopted sewer rate increases - which will take effect July 1, 2015 - but did not adopt the proposed tiered water rates in deference to a April 20, 2015 Appellate Court decision in Southern California, in which the Court concluded the community of San Juan Capistrano's tiered water rates were unconstitutional. The District's proposed tiered water rates were very similar to San Juan Capistrano's. Rather than expose the District to litigation, the Board directed staff to propose a new rate structure that was in compliance with the recent Appellate Court decision, for consideration at a future meeting - now scheduled for July 21, 2015.



Board of Directors

President of the Board
Jim Freeman

Vice President of the Board
Jim Lieberman

Director Judy Mirbegan

Director Linda Herndon

Director Carolyn Graham

Billing Changes

The District is switching from a bimonthly to monthly sewer and water billing cycle. The District is switching from the current bimonthly billing cycle (one bill every two months) to a monthly residential sewer and water billing cycle.

Shortening the billing cycle will provide more timely information for the customer, with regard to water usage and the detection of costly water leaks, and enhance the District's ability to comply with state mandated water conservation measures.

New Water Rates

What does the water rate fund? The District provides water utility services to residential and commercial customers. All revenue generated from customers' water bills is used to pay for the ongoing operation, maintenance, repair and replacement of the existing water system. The cost of system expansions, to serve new development, is recovered through connection or demand fees imposed on the developer requesting District service. By State law, the District may not collect more revenue than is necessary to recover the costs of providing services.

Capital projects a major reason for raising water rates: The District's water distribution system is aging, as demonstrated by the number of "mainline" breaks experienced in recent years. Furthermore, there are long-standing deficiencies within the water distribution system that need correction. More recently, the State of California passed the nation's first drinking water standard for hexavalent chromium. The District's raw water supply has naturally occurring hexavalent chromium at concentrations that occasionally exceed the new 10 parts per billion drinking water standard and therefore, the District must construct new facilities within the next five years

to remain in compliance. In addition to water treatment improvements, the District has initiated a multi-year project to secure water rights to the District's existing water supply – an expensive and time consuming project that involves a number of technical studies.

Proposed water rate changes: The current residential water rate schedule consists of a bimonthly base rate of \$74.26 for the first 3,000 cubic feet of water used and a flat rate of \$2.48 for every 100 cubic feet of water used in excess of 3,000 cubic feet. Similarly, the current commercial water rate schedule consists of a monthly base rate of \$37.13 for the first 1,500 cubic feet of water used and a flat rate of \$2.48 for every 100 cubic feet of water used in excess of 1,500 cubic feet.

The proposed water rates for residential and commercial customers consist of two components, a "fixed charge" and a "volumetric charge". All customers pay the same fixed charge, regardless of household size or commercial building square-footage, while the volumetric charge is determined by the amount of water used each month. The proposed water rate charges over the next five years are as follows:

Proposed Water Rates					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Fixed Service Charge					
Monthly Service Charge by Meter Size:					
5/8 - inch	\$27.54	\$30.57	\$33.93	\$36.65	\$39.58
3/4 - inch	\$40.37	\$44.81	\$49.74	\$53.72	\$58.02
1 - inch	\$66.04	\$73.30	\$81.37	\$87.88	\$94.91
1 1/2 - inch	\$130.20	\$144.52	\$160.42	\$173.25	\$187.11
2 - inch	\$207.19	\$229.99	\$255.28	\$275.71	\$297.75
Volumetric Charges					
Uniform Rate (\$/100 cubic feet)	\$1.86	\$2.07	\$2.30	\$2.48	\$2.68

The total amount of your water bill will depend on the amount of water used. In the first year, the average monthly water charge for a typical single family residential customer will be approximately \$43.91. Water bills will be noticeably higher in

the summer months, when water usage is highest. A summary of projected average monthly water charges for low, average and high single family residential water users in the first year is as follows:

Water User	Average Monthly Water Use	Projected Monthly Charges
Low	435 cubic feet	\$35.63
Medium	880 cubic feet	\$43.91
High	1,475 cubic feet	\$54.98

In view of recent State mandated water conservation requirements, the District is proposing "drought rates" to offset revenue shortfalls resulting from State imposed mandates. Drought rates would be implemented at the District Board of Directors discretion, and would remain in effect no longer than the corresponding State imposed mandate. The District is proposing four different drought rates or "stages". The first drought stage (Drought Stage 1) could be implemented when State imposed mandates are expected to result in at least a 10 percent reduction in potable water use. Similarly, the Drought

Stage 2 rate could be implemented when State imposed mandates are expected result in at least a 20 percent reduction in potable water use, the Drought Stage 3 rate could be implemented when State imposed mandates are expected to result in at least a 30 percent reduction in potable water use, and the Drought Stage 4 rate could be implemented when State imposed mandates are expected to result in at least a 40 percent reduction in potable water use. The proposed drought rates, by drought stages and year, are as follows:

Proposed Drought Water Rates					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Fixed Service Charge					
Monthly Service Charge by Meter Size:					
5/8 - inch	\$27.54	\$30.57	\$33.93	\$36.65	\$39.58
3/4 - inch	\$40.37	\$44.81	\$49.74	\$53.72	\$58.02
1 - inch	\$66.04	\$73.30	\$81.37	\$87.88	\$94.91
1 1/2 - inch	\$130.20	\$144.52	\$160.42	\$173.25	\$187.11
2 - inch	\$207.19	\$229.99	\$255.28	\$275.71	\$297.75
Volumetric Charges - Drought Rates (\$/100 cubic feet):					
Drought Stage 1 (10% use reduction)	\$2.33	\$2.59	\$2.87	\$3.10	\$3.35
Drought Stage 2 (20% use reduction)	\$2.61	\$2.90	\$3.22	\$3.47	\$3.75
Drought Stage 3 (30% use reduction)	\$2.80	\$3.10	\$3.45	\$3.72	\$4.02
Drought Stage 4 (40% use reduction)	\$3.11	\$3.45	\$3.83	\$4.14	\$4.47



A typical Hidden Valley Lake household uses 78,990 gallons of water per year and with the proposed fiscal year 2015-2016 water rates in effect, would pay approximately two-thirds of one cent for each gallon used.

Hidden Valley Lake Resident
Hidden Valley Lake, CA 95467

Hidden Valley Lake CSD
19400 Hartmann Road
Hidden Valley Lake, CA 95467

PRSRST STD
U.S. POSTAGE
PAID
HIDDEN VALLEY LAKE, CA
Permit NO. 12

How to Protest the Proposed Changes

As the owner or customer of record of a parcel subject to the imposition of the proposed rate changes, you may submit a written protest against the proposed rate changes. Provided, however, if the identified parcel has more than one owner and/or customer of record, only one written protest will be counted.

Each protest must (1) be in writing; (2) state the specific rate changes for which the protest is being submitted; (3) provide the location of the identified parcel (by assessor's parcel number or street address); and (4) include the original signature of the owner or customer of record

submitting the protest. Protests submitted by e-mail, facsimile or other electronic means will *not* be accepted. Written protests may be submitted by mail to **General Manager Roland Sanford, Hidden Valley Lake CSD, 19400 Hartmann Road, Hidden Valley Lake, CA 95467**, or in person at the public hearing, so long as they are received prior to the conclusion of the public hearing. Please identify on the front of the envelope for any protest, whether mailed or submitted in person to the General Manager, that the enclosed letter is in regards to the July 21, 2015 Public Hearing on the proposed water rate changes. If you would like more information about the proposed water rate increases visit www.hiddenvalleylakecsd.com and click on "Rate Study", or call 707-987-9201.



Sign up for e-statements and automated notifications at www.hiddenvalleylakecsd.com or contact our District Office at (707) 987-9201.

**ACTION OF
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

DATE: July 21, 2015

AGENDA ITEM: Public Hearing pursuant to Government Code Section 54954.6 to consider approval of Ordinance # 56 adopting amended water user fees

RECOMMENDATIONS:

Conduct public hearing in accordance with Government Code Section 54954.6 to provide the owner or customer of record of a parcel subject to the imposition of the proposed water rate changes the opportunity to speak to, in support or in protest of, the proposed water rate changes.

FINANCIAL IMPACT:

See attached "Notice of Public Hearing on Proposed Water Rates"

BACKGROUND:

See attached "Notice of Public Hearing on Proposed Water Rates"

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Roland Sanford, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on July 21, 2015 by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

JUNE 2015

Hidden Valley Lake Community Services District




Proposition 218 Notification NOTICE OF PUBLIC HEARING ON PROPOSED WATER RATES

HEARING DATE: July 21, 2015

TIME: 7:00 p.m.

LOCATION: Hidden Valley Lake CSD
Administration Office
19400 Hartmann Road
Hidden Valley Lake, CA

 **Mark your calendar!**
Monthly bill payments will be **due on the 20th** of each month unless the 20th falls on a weekend, in which case payments will be due the following Monday.

The Hidden Valley Lake Community Services District (District) is proposing to establish a new water rate structure to more equitably distribute the cost of providing water service among the various residential and commercial user classes, and to increase water rate charges to finance the maintenance and repair of aging water infrastructure, upgrade existing facilities to comply with new unfunded State and federal mandates, and restore reserve funds that have been drawn down and in some cases depleted during the recent economic recession. If adopted, the proposed rate change will become effective on or after September 1, 2015.

Why are you receiving this notice? You are receiving this notice because you are either a District water customer or you own property that is receiving District water service. The purpose of the public hearing is to consider all written protests against the proposed rate changes. As the owner or customer of record of a parcel subject to the imposition of the proposed rate changes, you may submit a written protest against the proposed rate changes.

Didn't the District recently hold a rate increase hearing? On April 21, 2015 the District held a public hearing and considered adoption of tiered water rates and sewer rate increases. The Board adopted sewer rate increases - which will take effect July 1, 2015 - but did not adopt the proposed tiered water rates in deference to a April 20, 2015 Appellate Court decision in Southern California, in which the Court concluded the community of San Juan Capistrano's tiered water rates were unconstitutional. The District's proposed tiered water rates were very similar to San Juan Capistrano's. Rather than expose the District to litigation, the Board directed staff to propose a new rate structure that was in compliance with the recent Appellate Court decision, for consideration at a future meeting - now scheduled for July 21, 2015.



Board of Directors

President of the Board
Jim Freeman

Vice President of the Board
Jim Lieberman

Director Judy Mirbegan

Director Linda Herndon

Director Carolyn Graham

Billing Changes

The District is switching from a bimonthly to monthly sewer and water billing cycle. The District is switching from the current bimonthly billing cycle (one bill every two months) to a monthly residential sewer and water billing cycle.

Shortening the billing cycle will provide more timely information for the customer, with regard to water usage and the detection of costly water leaks, and enhance the District's ability to comply with state mandated water conservation measures.

New Water Rates

What does the water rate fund? The District provides water utility services to residential and commercial customers. All revenue generated from customers' water bills is used to pay for the ongoing operation, maintenance, repair and replacement of the existing water system. The cost of system expansions, to serve new development, is recovered through connection or demand fees imposed on the developer requesting District service. By State law, the District may not collect more revenue than is necessary to recover the costs of providing services.

Capital projects a major reason for raising water rates: The District's water distribution system is aging, as demonstrated by the number of "mainline" breaks experienced in recent years. Furthermore, there are long-standing deficiencies within the water distribution system that need correction. More recently, the State of California passed the nation's first drinking water standard for hexavalent chromium. The District's raw water supply has naturally occurring hexavalent chromium at concentrations that occasionally exceed the new 10 parts per billion drinking water standard and therefore, the District must construct new facilities within the next five years

to remain in compliance. In addition to water treatment improvements, the District has initiated a multi-year project to secure water rights to the District's existing water supply – an expensive and time consuming project that involves a number of technical studies.

Proposed water rate changes: The current residential water rate schedule consists of a bimonthly base rate of \$74.26 for the first 3,000 cubic feet of water used and a flat rate of \$2.48 for every 100 cubic feet of water used in excess of 3,000 cubic feet. Similarly, the current commercial water rate schedule consists of a monthly base rate of \$37.13 for the first 1,500 cubic feet of water used and a flat rate of \$2.48 for every 100 cubic feet of water used in excess of 1,500 cubic feet.

The proposed water rates for residential and commercial customers consist of two components, a "fixed charge" and a "volumetric charge". All customers pay the same fixed charge, regardless of household size or commercial building square-footage, while the volumetric charge is determined by the amount of water used each month. The proposed water rate charges over the next five years are as follows:

Proposed Water Rates					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Fixed Service Charge					
Monthly Service Charge by Meter Size:					
5/8 - inch	\$27.54	\$30.57	\$33.93	\$36.65	\$39.58
3/4 - inch	\$40.37	\$44.81	\$49.74	\$53.72	\$58.02
1 - inch	\$66.04	\$73.30	\$81.37	\$87.88	\$94.91
1 1/2 - inch	\$130.20	\$144.52	\$160.42	\$173.25	\$187.11
2 - inch	\$207.19	\$229.99	\$255.28	\$275.71	\$297.75
Volumetric Charges					
Uniform Rate (\$/100 cubic feet)	\$1.86	\$2.07	\$2.30	\$2.48	\$2.68

The total amount of your water bill will depend on the amount of water used. In the first year, the average monthly water charge for a typical single family residential customer will be approximately \$43.91. Water bills will be noticeably higher in

the summer months, when water usage is highest. A summary of projected average monthly water charges for low, average and high single family residential water users in the first year is as follows:

Water User	Average Monthly Water Use	Projected Monthly Charges
Low	435 cubic feet	\$35.63
Medium	880 cubic feet	\$43.91
High	1,475 cubic feet	\$54.98

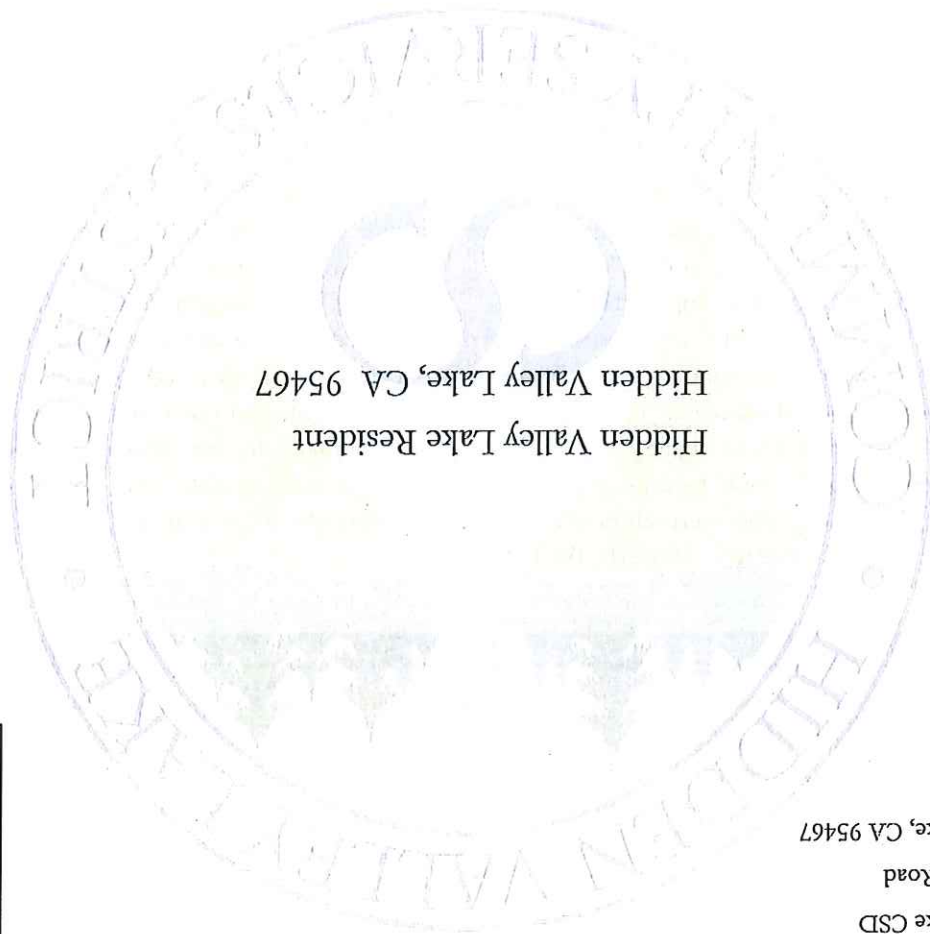
In view of recent State mandated water conservation requirements, the District is proposing “drought rates” to offset revenue shortfalls resulting from State imposed mandates. Drought rates would be implemented at the District Board of Directors discretion, and would remain in effect no longer than the corresponding State imposed mandate. The District is proposing four different drought rates or “stages”. The first drought stage (Drought Stage 1) could be implemented when State imposed mandates are expected to result in at least a 10 percent reduction in potable water use. Similarly, the Drought

Stage 2 rate could be implemented when State imposed mandates are expected result in at least a 20 percent reduction in potable water use, the Drought Stage 3 rate could be implemented when State imposed mandates are expected to result in at least a 30 percent reduction in potable water use, and the Drought Stage 4 rate could be implemented when State imposed mandates are expected to result in at least a 40 percent reduction in potable water use. The proposed drought rates, by drought stages and year, are as follows:

Proposed Drought Water Rates					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Fixed Service Charge					
Monthly Service Charge by Meter Size:					
5/8 - inch	\$27.54	\$30.57	\$33.93	\$36.65	\$39.58
3/4 - inch	\$40.37	\$44.81	\$49.74	\$53.72	\$58.02
1 - inch	\$66.04	\$73.30	\$81.37	\$87.88	\$94.91
1 1/2 - inch	\$130.20	\$144.52	\$160.42	\$173.25	\$187.11
2 - inch	\$207.19	\$229.99	\$255.28	\$275.71	\$297.75
Volumetric Charges - Drought Rates (\$/100 cubic feet):					
Drought Stage 1 (10% use reduction)	\$2.33	\$2.59	\$2.87	\$3.10	\$3.35
Drought Stage 2 (20% use reduction)	\$2.61	\$2.90	\$3.22	\$3.47	\$3.75
Drought Stage 3 (30% use reduction)	\$2.80	\$3.10	\$3.45	\$3.72	\$4.02
Drought Stage 4 (40% use reduction)	\$3.11	\$3.45	\$3.83	\$4.14	\$4.47



A typical Hidden Valley Lake household uses 78,990 gallons of water per year and with the proposed fiscal year 2015-2016 water rates in effect, would pay approximately two-thirds of one cent for each gallon used.



Hidden Valley Lake Resident
Hidden Valley Lake, CA 95467

Hidden Valley Lake CSD
19400 Hartmann Road
Hidden Valley Lake, CA 95467

PRSRRT STD
U.S. POSTAGE
PAID
HIDDEN VALLEY LAKE, CA
Permit NO. 12

How to Protest the Proposed Changes

As the owner or customer of record of a parcel subject to the imposition of the proposed rate changes, you may submit a written protest against the proposed rate changes. Provided, however, if the identified parcel has more than one owner and/or customer of record, only one written protest will be counted.

Each protest must (1) be in writing; (2) state the specific rate changes for which the protest is being submitted; (3) provide the location of the identified parcel (by assessor's parcel number or street address); and (4) include the original signature of the owner or customer of record

submitting the protest. Protests submitted by e-mail, facsimile or other electronic means will not be accepted. Written protests may be submitted by mail to **General Manager Roland Sanford, Hidden Valley Lake CSD, 19400 Hartmann Road, Hidden Valley Lake, CA 95467**, or in person at the public hearing, so long as they are received prior to the conclusion of the public hearing. Please identify on the front of the envelope for any protest, whether mailed or submitted in person to the General Manager, that the enclosed letter is in regards to the July 21, 2015 Public Hearing on the proposed water rate changes. If you would like more information about the proposed water rate increases visit www.hiddenvalleylakecsd.com and click on "Rate Study", or call 707-987-9201.



Sign up for e-statements and automated notifications at www.hiddenvalleylakecsd.com or contact our District Office at (707) 987-9201.

**ACTION OF
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

DATE: July 21, 2015

AGENDA ITEM: Discussion and Possible Action: Approval of Ordinance # 2015-56 adopting amended water user fees

RECOMMENDATIONS:

Adopt Ordinance # 2015-56 of the Board of Directors of the Hidden Valley Lake Community Services District

FINANCIAL IMPACT:

See attached "Notice of Public Hearing on Proposed Water Rates"

BACKGROUND:

See attached "Notice of Public Hearing on Proposed Water Rates"

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Roland Sanford, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on July 21, 2015 by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

AN ORDINANCE ADOPTING AMENDED WATER USE FEES FOR
EXTENDED OPERATIONS OF WATER SERVICES

BE IT ORDAINED by the Board of Directors of the Hidden Valley Lake Community Services District as follows:

Section 1: The owner of property receiving water service from the District shall pay a monthly user fee consisting of a "fixed" and "volumetric" charge as set forth in Exhibit A, attached hereto.

Section 2: The District's bill for water service shall be due and payable when issued to the property owner, and such other person as designed by the property owner as set forth below. A bill for water service is delinquent if not paid by 5:00 p.m. on the 20th of each month. If the 20th falls on the weekend, the due date will be on the following Monday. For any delinquent bill, the property owner shall be liable for a penalty of 10% for nonpayment of the monies due and an additional penalty of ½% per subsequent month for nonpayment of the charges and basic penalty.

Section 3: The District may, if so requested by the property owner in writing, send bills for water service to the person residing at the property receiving District service, if such person is other than the property owner. However, the District sending the bills to such person shall not relieve or otherwise limit in any way the obligation of the property owner to pay for such service in a timely manner and the availability and use of District procedures to collect any monies due from the property owner.

Section 4: The establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by this ordinance are for the purpose of meeting operating expenses, including employees' wage rates and fringe benefits; purchasing or leasing supplies, equipment or materials; meeting financial reserve needs and requirements; obtaining funds for capital projects necessary to maintain service within existing service areas.

Section 5: If any section or provision of this ordinance shall be found unenforceable, unlawful, or invalid, then the other sections and provisions of this ordinance shall be considered valid and enforceable, notwithstanding the partial invalidity of such portion(s) of the ordinance.

Section 6: Pursuant to California Government Code section 54954.6, the District has provided notice of the required public information meeting and of the public hearing to adopt this ordinance. Within ten days of adoption, this ordinance shall be published in a newspaper of general circulation within the Hidden Valley Lake areas. The ordinance shall take effect no earlier than the 30th day of its adoption. The charges imposed by this ordinance shall take effect September 1, 2015.

PASSED AND ADOPTED ON July 21, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jim Freeman, President of the Board of Directors
Hidden Valley Lake Community Services District

ATTEST:

Roland Sanford
Secretary to the Board of Directors

EXHIBIT A

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

WATER RATES BY FISCAL YEAR

The District's monthly water rates consist of two components, a "fixed" charge and a "volumetric charge". The fixed charge is determined by the size of the meter, while the volumetric charge is determined by the amount of water used. A fixed charge will be assessed on every installed meter, whether or not water is used. In order to avoid the fixed charge, the meter must be physically removed from the property by the District. Volumetric charges are determined by the amount of water used each month. The "standard" monthly fixed and volumetric water charges for fiscal years 2015-2016 through 2019-2020 are as follows:

Standard Water Rates					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Fixed Service Charge					
Monthly Service Charge by Meter Size:					
5/8 - inch	\$27.54	\$30.57	\$33.93	\$36.65	\$39.58
3/4 - inch	\$40.37	\$44.81	\$49.74	\$53.72	\$58.02
1 - inch	\$66.04	\$73.30	\$81.37	\$87.88	\$94.91
1 1/2 - inch	\$130.20	\$144.52	\$160.42	\$173.25	\$187.11
2 - inch	\$207.19	\$229.99	\$255.28	\$275.71	\$297.75
Volumetric Charges					
Uniform Rate (\$/100 Cubic Feet)	\$1.86	\$2.07	\$2.30	\$2.48	\$2.68

The District, at the Board of Director's discretion, may implement "drought" water rates to offset revenue shortfalls resulting from State imposed mandates – most notably, State imposed water conservation mandates. Drought water rates, when implemented, will remain in effect no longer than the corresponding State imposed mandate responsible for the revenue shortfall. The monthly fixed charges associated with the drought water rates are identical to those of the standard water rates. However, the volumetric charges differ from those of the standard water rates and vary, depending upon the projected severity of the revenue shortfall.

The volumetric charges associated with the drought water rates consists of four "stages". The first drought stage (Drought Stage 1) may be implemented when State imposed mandates are expected to result in at least a 10 percent reduction in potable water use. Similarly, the Drought Stage 2 rate may be implemented when State imposed mandates are expected to result in at least a 20 percent reduction in potable water use, the Drought Stage 3 rate may be implemented when State imposed mandates are expected to result in at least a 30 percent reduction in potable water use, and the Drought Stage 4 rate may be implemented when State imposed mandates are expected to result in at least a 40 percent reduction in potable water use. The drought monthly fixed and volumetric water charges for fiscal years 2015-2016 through 2019-2020 are as follows:

Drought Water Rates					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Fixed Service Charge					
Monthly Service Charge by Meter Size:					
5/8 - inch	\$27.54	\$30.57	\$33.93	\$36.65	\$39.58
3/4 - inch	\$40.37	\$44.81	\$49.74	\$53.72	\$58.02
1 - inch	\$66.04	\$73.30	\$81.37	\$87.88	\$94.91
1 1/2 - inch	\$130.20	\$144.52	\$160.42	\$173.25	\$187.11
2 - inch	\$207.19	\$229.99	\$255.28	\$275.71	\$297.75
Volumetric Charge—drought Rates (\$/100 Cubic Feet)					
Drought Stage 1 (10% use reduction)	\$2.33	\$2.59	\$2.87	\$3.10	\$3.35
Drought Stage 2 (20% use reduction)	\$2.61	\$2.90	\$3.22	\$3.47	\$3.75
Drought Stage 3 (30% use reduction)	\$2.80	\$3.10	\$3.45	\$3.72	\$4.02
Drought Stage 4 (40% use reduction)	\$3.11	\$3.45	\$3.83	\$4.14	\$4.47

JUNE 2015

Hidden Valley Lake Community Services District



Proposition 218 Notification NOTICE OF PUBLIC HEARING ON PROPOSED WATER RATES

HEARING DATE: July 21, 2015

TIME: 7:00 p.m.

LOCATION: Hidden Valley Lake CSD
Administration Office
19400 Hartmann Road
Hidden Valley Lake, CA



Mark your calendar!

Monthly bill payments will be due on the 20th of each month unless the 20th falls on a weekend, in which case payments will be due the following Monday.

The Hidden Valley Lake Community Services District (District) is proposing to establish a new water rate structure to more equitably distribute the cost of providing water service among the various residential and commercial user classes, and to increase water rate charges to finance the maintenance and repair of aging water infrastructure, upgrade existing facilities to comply with new unfunded State and federal mandates, and restore reserve funds that have been drawn down and in some cases depleted during the recent economic recession. If adopted, the proposed rate change will become effective on or after September 1, 2015.

Why are you receiving this notice? You are receiving this notice because you are either a District water customer or you own property that is receiving District water service. The purpose of the public hearing is to consider all written protests against the proposed rate changes. As the owner or customer of record of a parcel subject to the imposition of the proposed rate changes, you may submit a written protest against the proposed rate changes.

Didn't the District recently hold a rate increase hearing? On April 21, 2015 the District held a public hearing and considered adoption of tiered water rates and sewer rate increases. The Board adopted sewer rate increases - which will take effect July 1, 2015 - but did not adopt the proposed tiered water rates in deference to a April 20, 2015 Appellate Court decision in Southern California, in which the Court concluded the community of San Juan Capistrano's tiered water rates were unconstitutional. The District's proposed tiered water rates were very similar to San Juan Capistrano's. Rather than expose the District to litigation, the Board directed staff to propose a new rate structure that was in compliance with the recent Appellate Court decision, for consideration at a future meeting - now scheduled for July 21, 2015.

Board of Directors

President of the Board
Jim Freeman

Vice President of the Board
Jim Lieberman

Director Judy Mirbegan

Director Linda Herndon

Director Carolyn Graham

Billing Changes

The District is switching from a bimonthly to monthly sewer and water billing cycle. The District is switching from the current bimonthly billing cycle (one bill every two months) to a monthly residential sewer and water billing cycle.



Shortening the billing cycle will provide more timely information for the customer, with regard to water usage and the detection of costly water leaks, and enhance the District's ability to comply with state mandated water conservation measures.

New Water Rates

What does the water rate fund? The District provides water utility services to residential and commercial customers. All revenue generated from customers' water bills is used to pay for the ongoing operation, maintenance, repair and replacement of the existing water system. The cost of system expansions, to serve new development, is recovered through connection or demand fees imposed on the developer requesting District service. By State law, the District may not collect more revenue than is necessary to recover the costs of providing services.

Capital projects a major reason for raising water rates: The District's water distribution system is aging, as demonstrated by the number of "mainline" breaks experienced in recent years. Furthermore, there are long-standing deficiencies within the water distribution system that need correction. More recently, the State of California passed the nation's first drinking water standard for hexavalent chromium. The District's raw water supply has naturally occurring hexavalent chromium at concentrations that occasionally exceed the new 10 parts per billion drinking water standard and therefore, the District must construct new facilities within the next five years

to remain in compliance. In addition to water treatment improvements, the District has initiated a multi-year project to secure water rights to the District's existing water supply – an expensive and time consuming project that involves a number of technical studies.

Proposed water rate changes: The current residential water rate schedule consists of a bimonthly base rate of \$74.26 for the first 3,000 cubic feet of water used and a flat rate of \$2.48 for every 100 cubic feet of water used in excess of 3,000 cubic feet. Similarly, the current commercial water rate schedule consists of a monthly base rate of \$37.13 for the first 1,500 cubic feet of water used and a flat rate of \$2.48 for every 100 cubic feet of water used in excess of 1,500 cubic feet.

The proposed water rates for residential and commercial customers consist of two components, a "fixed charge" and a "volumetric charge". All customers pay the same fixed charge, regardless of household size or commercial building square-footage, while the volumetric charge is determined by the amount of water used each month. The proposed water rate charges over the next five years are as follows:

Proposed Water Rates					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Fixed Service Charge					
Monthly Service Charge by Meter Size:					
5/8 - inch	\$27.54	\$30.57	\$33.93	\$36.65	\$39.58
3/4 - inch	\$40.37	\$44.81	\$49.74	\$53.72	\$58.02
1 - inch	\$66.04	\$73.30	\$81.37	\$87.88	\$94.91
1 1/2 - inch	\$130.20	\$144.52	\$160.42	\$173.25	\$187.11
2 - inch	\$207.19	\$229.99	\$255.28	\$275.71	\$297.75
Volumetric Charges					
Uniform Rate (\$/100 cubic feet)	\$1.86	\$2.07	\$2.30	\$2.48	\$2.68

The total amount of your water bill will depend on the amount of water used. In the first year, the average monthly water charge for a typical single family residential customer will be approximately \$43.91. Water bills will be noticeably higher in

the summer months, when water usage is highest. A summary of projected average monthly water charges for low, average and high single family residential water users in the first year is as follows:

Water User	Average Monthly Water Use	Projected Monthly Charges
Low	435 cubic feet	\$35.63
Medium	880 cubic feet	\$43.91
High	1,475 cubic feet	\$54.98

In view of recent State mandated water conservation requirements, the District is proposing “drought rates” to offset revenue shortfalls resulting from State imposed mandates. Drought rates would be implemented at the District Board of Directors discretion, and would remain in effect no longer than the corresponding State imposed mandate. The District is proposing four different drought rates or “stages”. The first drought stage (Drought Stage 1) could be implemented when State imposed mandates are expected to result in at least a 10 percent reduction in potable water use. Similarly, the Drought

Stage 2 rate could be implemented when State imposed mandates are expected result in at least a 20 percent reduction in potable water use, the Drought Stage 3 rate could be implemented when State imposed mandates are expected to result in at least a 30 percent reduction in potable water use, and the Drought Stage 4 rate could be implemented when State imposed mandates are expected to result in at least a 40 percent reduction in potable water use. The proposed drought rates, by drought stages and year, are as follows:

Proposed Drought Water Rates					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Fixed Service Charge					
Monthly Service Charge by Meter Size:					
5/8 - inch	\$27.54	\$30.57	\$33.93	\$36.65	\$39.58
3/4 - inch	\$40.37	\$44.81	\$49.74	\$53.72	\$58.02
1 - inch	\$66.04	\$73.30	\$81.37	\$87.88	\$94.91
1 1/2 - inch	\$130.20	\$144.52	\$160.42	\$173.25	\$187.11
2 - inch	\$207.19	\$229.99	\$255.28	\$275.71	\$297.75
Volumetric Charges - Drought Rates (\$/100 cubic feet):					
Drought Stage 1 (10% use reduction)	\$2.33	\$2.59	\$2.87	\$3.10	\$3.35
Drought Stage 2 (20% use reduction)	\$2.61	\$2.90	\$3.22	\$3.47	\$3.75
Drought Stage 3 (30% use reduction)	\$2.80	\$3.10	\$3.45	\$3.72	\$4.02
Drought Stage 4 (40% use reduction)	\$3.11	\$3.45	\$3.83	\$4.14	\$4.47



A typical Hidden Valley Lake household uses 78,990 gallons of water per year and with the proposed fiscal year 2015-2016 water rates in effect, would pay approximately two-thirds of one cent for each gallon used.

Hidden Valley Lake Resident
Hidden Valley Lake, CA 95467

Hidden Valley Lake CSD
19400 Hartmann Road
Hidden Valley Lake, CA 95467

PRSRV STD
U.S. POSTAGE
PAID
HIDDEN VALLEY LAKE, CA
Permit NO. 12

How to Protest the Proposed Changes

As the owner or customer of record of a parcel subject to the imposition of the proposed rate changes, you may submit a written protest against the proposed rate changes. Provided, however, if the identified parcel has more than one owner and/or customer of record, only one written protest will be counted.

Each protest must (1) be in writing; (2) state the specific rate changes for which the protest is being submitted; (3) provide the location of the identified parcel (by assessor's parcel number or street address); and (4) include the original signature of the owner or customer of record

submitting the protest. Protests submitted by e-mail, facsimile or other electronic means will *not* be accepted. Written protests may be submitted by mail to **General Manager Roland Sanford, Hidden Valley Lake CSD, 19400 Hartmann Road, Hidden Valley Lake, CA 95467**, or in person at the public hearing, so long as they are received prior to the conclusion of the public hearing. Please identify on the front of the envelope for any protest, whether mailed or submitted in person to the General Manager, that the enclosed letter is in regards to the July 21, 2015 Public Hearing on the proposed water rate changes. If you would like more information about the proposed water rate increases visit www.hiddenvalleylakecsd.com and click on "Rate Study", or call 707-987-9201.



Sign up for e-statements and automated notifications at www.hiddenvalleylakecsd.com or contact our District Office at (707) 987-9201.



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
MEETING DATE: JUNE 16, 2015**

The Hidden Valley Lake Community Services District Board of Directors met this evening at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California. Present were:

Director Jim Freeman, President
Director Jim Lieberman, Vice President
Director Carolyn Graham - arrived at 7:15 p.m.
Director Linda Herndon
Director Judy Mirbegian
Tami Ipsen, Administrative Services Officer
Roland Sanford, General Manager

CALL TO ORDER

The meeting was called to order at 7:00 p.m. by President Freeman.

APPROVAL OF AGENDA

General Manager Roland Sanford stated he had forgotten to include the "General Manager's Report" in the Board meeting agenda and requested the Board amend the agenda to include the General Manager's Report. On a motion made by Director Mirbegian and second by Director Herndon the Board unanimously approved the agenda with the addition of the General Manager's report agenda item.

CONSENT CALENDAR

On a motion made by Director Mirbegian and second by Director Lieberman the Board unanimously approved the following Consent Calendar items:

- (A) Minutes: Approval of the Minutes of the Board of Directors meeting May 19, 2014
- (B) Distributions: check #032786-#032871 for a total of \$266,058.02
- (C) Authorization for Board Member Attendance at July 24, 2015 ACWA Region 1 Marin Water Forum in Tiburon, CA
- (D) Adoption of Resolution 2015-08 authorizing monthly billing of residential water and sewer, and residential water accounts
- (E) Approval of Revised Operator I Job Description deletion of Class "B" California drivers' license requirement
- (F) Approval of Revised Operator II Job Description deletion of Class "B" California drivers' license requirement

STAFF REPORTS

General Manager's Report: General Manager Roland Sanford gave a lengthy verbal report in which he summarized the status of drought, the moratorium on new water service connections, the Petition for Change/LAFCO EIR project, and the Crazy Creek land purchase.

DISCUSSION AND POSSIBLE ACTION: Adoption of FY 2015-2016 Budget and Investment Policy

A) Approval of Resolution 2015-09 approval of FY 2015-2016 Budget

On a motion made by Director Mirbegian and second by Director Graham the Board unanimously approved Resolution 2015-09, thereby adopting the FY 2015-2016 Budget

B) Approval of Resolution 2015-10 approval of Investment Policy for FY 2015-2016

On a motion made by Director Herndon and second by Director Lieberman the Board unanimously approved Resolution 2015-10, thereby adopting the Investment Policy for FY 2015-2016

DISCUSSION AND POSSIBLE ACTION: Approval of Resolution 2015-11 Special District Risk Management Authority (SDRMA) member election

On a motion made by Director Mirbegian and second by Director Herndon, the Board unanimously voted for Ed Gray, R. Michael Wugio, and Sandy Seifert-Raffelsun to represent the District on the Special District Risk Management Authority (SDRMA) Board of Directors:

DISCUSSION AND POSSIBLE ACTION: California Special District Association (CSDA) Board Member election

On motion made by Director Mirbegian and second by Director Herndon, the Board unanimously voted for Bobbi Palmer to represent the District on the California Special District Association Board of Directors.

PUBLIC COMMENT

A property owner requested additional information on the proposed water rates. A second property owner expressed appreciation for the work Coleen Blakey had done in support of the 2013-2014 District financial audit.

BOARD MEMBER COMMENT

Board members briefly discussed the process for hiring an Interim General Manager.

ADJOURNMENT

On a motion made by Director Herndon and second by Director Lieberman the Board voted unanimously to adjourn the meeting. The meeting was adjourned at 8:18 p.m.

Jim Freeman Date
President of the Board

Roland Sanford Date
General Manager/Secretary to
the Board



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS SPECIAL MEETING MINUTES
MEETING DATE: JULY 13, 2015**

The Hidden Valley Lake Community Services District Board of Directors met this evening at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California. Present were:

Director Jim Freeman, President
Director Jim Lieberman, Vice President
Director Carolyn Graham
Director Linda Herndon
Director Judy Mirbegian
Tami Ipsen, Administrative Services Officer
Roland Sanford, General Manager

CALL TO ORDER

The meeting was called to order at 5:00 p.m. by President Freeman.

APPROVAL OF AGENDA

On a motion made by Director Lieberman and second by Director Herndon the Board unanimously approved the agenda.

CLOSED SESSION: G.C. 54954.5 Consider the Appointment or Employment of a Public Employee – Interim General Manager Position

There was no reportable action.

PUBLIC COMMENT

There were no public comments.

BOARD MEMBER COMMENT

There were no Board member comments.

ADJOURNMENT

President Freeman adjourned the meeting at 7:05 p.m.

Jim Freeman Date
President of the Board

Roland Sanford Date
General Manager/Secretary to
the Board



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
SPECIAL MEETING
MEETING DATE: JULY 1, 2015**

The Hidden Valley Lake Community Services District Board of Directors met at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California.
Present were:

Director Graham
Director Herndon
Director Lieberman
Director Mirbegian
Director Freeman
General Manager Roland Sanford
Administrative Services Officer Tami Ipsen

CALL TO ORDER

The meeting was called to order at 5:00 p.m. by Board President Jim Freeman.

APPROVAL OF AGENDA

On a motion made by Director Mirbegian and second by Director Herndon the Board unanimously approved the agenda.

PRESENTATION BY DENNIS TIMONEY – BROWN ACT REFRESHER

Dennis Timoney of the Special District Risk Management Authority gave a Powerpoint presentation on the Brown Act, in which he reviewed various aspects of the Brown Act and summarized recent changes to the Act.

DISCUSSION AND POSSIBLE APPROVAL: 2013-2014 Audit

Norm Newell of Smith & Newell Certified Public Accountants briefly reviewed the findings of his audit of the District's FY 2013-2014 records. On a motion made by Director Mirbegian and second by Director Lieberman the Board unanimously approved the 2013-2014 audit report prepared by Smith & Newell Certified Public Accountants.

DISCUSSION AND POSSIBLE ACTION: Expansion of Crazy Creek land purchase

On a motion made by Director Mirbegian and second by Director Herndon the Board unanimously approved the expansion of the Crazy Creek land purchase by 2.51 acres, from 11.84 acres to 14.35 acres.

PUBLIC COMMENT

There was none.

PUBLIC COMMENT

There was none.

BOARD MEMBER COMMENT

Mr. Sanford requested the Board select a date and time for the forthcoming Interim General Manager interviews and recommended including a brief written exercise as part of the overall interview process.

ADJOURNMENT

On a motion made by Director Mirbegian and second by Director Lieberman the Board voted unanimously to adjourn the meeting. The meeting was adjourned at 7:55 p.m.

Jim Freeman Date
President of the Board

Roland Sanford Date
General Manager/Secretary to
the Board



HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

JUNE 2015

DISBURSEMENT SUMMARY REPORT

6/1/2015-6/30/2015

Disbursement Summary

Fund		
120 - Sewer	\$	72,327.27
130 - Water	\$	60,001.49
215 - USDA Sewer Bond	\$	-
217 - State Loan	\$	-
218 - CIEDB	\$	-
219 - USDA Solar Project	\$	-
375 - Sewer Reserve Improvement	\$	-
711 - Bond Administration	\$	-
SUB TOTAL	\$	132,328.76
*Payroll	\$	43,373.15
Total Warrants	\$	175,701.91

**Funds disbursed directly to employees and Directors. Pass-thru funds (collected from the employee and paid on their behalf by the District) are included in totals for funds 120 and 130.*



HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

MAY 2015

DISBURSEMENT SUMMARY REPORT

5/1/2015-5/31/2015

DRAFT DATE	TYPE	NUMBER	NAME	CHECK AMOUNT	STATUS
06/12/2015	D	BANK-DRAFT	US DEPARTMENT OF THE TREASURY	4,771.63	POSTED
06/12/2015	D	BANK-DRAFT	NATIONWIDE RETIREMENT SOLUTION	1,180.00	POSTED
06/26/2015	D	BANK-DRAFT	US DEPARTMENT OF THE TREASURY	4,678.25	POSTED
06/26/2015	D	BANK-DRAFT	NATIONWIDE RETIREMENT SOLUTION	1,180.00	POSTED
TOTAL				11,809.88	

CHECK DATE	TYPE	CHECK NUMBER	NAME	CHECK AMOUNT	STATUS
06/05/2015	CHECK	32872	ALPHA ANALYTICAL LABORATORIES	780.00	POSTED
06/05/2015	CHECK	32873	DENNIS WHITE	350.00	POSTED
06/05/2015	CHECK	32874	EEL RIVER FUELS, INC.	1,044.51	POSTED
06/05/2015	CHECK	32875	NORMAN ROGERS	180.00	POSTED
06/05/2015	CHECK	32876	USA BLUE BOOK	605.98	POSTED
06/05/2015	CHECK	32877	ACWA/JPIA	959.89	POSTED
06/05/2015	CHECK	32878	JANE VALERIUS ENVIRONMENTAL CO	958.65	POSTED
06/05/2015	CHECK	32879	KAREN JENSEN	84.00	POSTED
06/05/2015	CHECK	32880	MEDIACOM	358.93	POSTED
06/05/2015	CHECK	32881	PATRICIA WILKINSON	44.80	POSTED
06/05/2015	CHECK	32882	QSI 2011, INC.	4,800.70	POSTED
06/05/2015	CHECK	32883	RICOH USA, INC.	163.79	POSTED
06/05/2015	CHECK	32884	TAMI IPSEN	77.03	POSTED
06/05/2015	CHECK	32885	CLAICHE, BARBARA	81.48	POSTED
06/05/2015	CHECK	32886	DAVIS, BEVERLY A	627.24	POSTED
06/05/2015	CHECK	32887	DERENIA, ANTHONY	177.78	POSTED
06/05/2015	CHECK	32888	HALLER, JUERGEN T	181.28	OUTSTND
06/05/2015	CHECK	32889	BURNS, DICK & LOUISE	181.33	POSTED
06/05/2015	CHECK	32890	ZUECH, MICHAEL J	6.12	POSTED
06/05/2015	CHECK	32891	U S POSTMASTER	300.00	POSTED
06/12/2015	CHECK	32892	AT&T	654.25	POSTED
06/12/2015	CHECK	32893	CAROLYN BOLANAS	100.00	POSTED
06/12/2015	CHECK	32894	DATAPROSE	1,328.43	POSTED
06/12/2015	CHECK	32895	ENVIRONMENTAL SYSTEMS RESEARCH	415.00	POSTED
06/12/2015	CHECK	32896	GARDENS BY JILLIAN	200.00	POSTED
06/12/2015	CHECK	32897	JEROME & LINDA MUNDEL	100.00	POSTED
06/12/2015	CHECK	32898	LAKE COUNTY RECORDER	7.00	CLEARED
06/12/2015	CHECK	32899	MERRILL, ARNONE & JONES, LLP	1,111.25	POSTED
06/12/2015	CHECK	32900	MIRBEGIAN, JUDY	136.26	POSTED
06/12/2015	CHECK	32901	NBS GOVERNMENT FINANCE GROUP	2,300.00	POSTED
06/12/2015	CHECK	32902	SOUTH LAKE REFUSE COMPANY	167.97	POSTED
06/12/2015	CHECK	32903	SPECIAL DISTRICT RISK MANAGEME	55,318.44	POSTED
06/12/2015	CHECK	32904	SPECIALIZED UTILITY SERVICES	3,100.00	POSTED
				76,902.11	

CHECK DATE	CHECK TYPE	CHECK NUMBER	NAME	CHECK AMOUNT	CHECK STATUS
06/12/2015	CHECK	32905	U S POSTMASTER	225.00	POSTED
06/12/2015	CHECK	32906	ALPHA ANALYTICAL LABORATORIES	492.00	POSTED
06/12/2015	CHECK	32907	ARMED FORCE PEST CONTROL, INC.	195.00	POSTED
06/12/2015	CHECK	32908	COUNTY OF LAKE SOLID WASTE	10.08	POSTED
06/12/2015	CHECK	32909	HARDESTER'S MARKETS & HARDWARE	115.18	POSTED
06/12/2015	CHECK	32910	MENDO MILL CLEARLAKE	96.04	POSTED
06/12/2015	CHECK	32911	NAPA AUTO PARTS	134.77	POSTED
06/12/2015	CHECK	32912	RAINBOW AGRICULTURAL SERVICES	804.33	POSTED
06/12/2015	CHECK	32913	CALIFORNIA PUBLIC EMPLOYEES RE	7,539.03	POSTED
06/12/2015	CHECK	32914	STATE OF CALIFORNIA EDD	1,541.92	POSTED
06/12/2015	CHECK	32915	VARIABLE ANNUITY LIFE INSURANC	100.00	POSTED
06/12/2015	CHECK	32916	BROWN, JANE & BOB	66.94	POSTED
06/19/2015	CHECK	3217	CALIFORNIA PUBLIC EMPLOY	1,700.00	POSTED
06/19/2015	CHECK	32917	CALIFORNIA PUBLIC EMPLOY	(1,700.00)	VOIDED
06/19/2015	CHECK	32918	CARDMEMBER SERVICE	1,731.92	POSTED
06/19/2015	CHECK	32919	COASTLAND CIVIL ENGINEERING, I	6,525.00	POSTED
06/19/2015	CHECK	32920	CONSER LANDSURVEYING	2,136.25	POSTED
06/19/2015	CHECK	32921	JASON HENLEY	200.00	POSTED
06/19/2015	CHECK	32922	MICHELLE HAMILTON	625.00	POSTED
06/19/2015	CHECK	32923	OFFICE DEPOT	538.56	POSTED
06/19/2015	CHECK	32924	REDFORD SERVICES	950.00	POSTED
06/19/2015	CHECK	32925	STATE WATER RESOURCES CONTROL	300.00	POSTED
06/19/2015	CHECK	32926	TELSTAR INSTRUMENTS, INC	3,320.50	POSTED
06/19/2015	CHECK	32927	WAGNER & BONSIGNORE	1,746.25	POSTED
06/19/2015	CHECK	32928	ALPHA ANALYTICAL LABORATORIES	965.80	POSTED
06/19/2015	CHECK	32929	EEL RIVER FUELS, INC.	680.40	POSTED
06/19/2015	CHECK	32930	HACH COMPANY	374.92	POSTED
06/19/2015	CHECK	32931	PACE SUPPLY CORP	160.55	POSTED
06/19/2015	CHECK	32932	USA BLUE BOOK	444.28	POSTED
06/19/2015	CHECK	32933	VERIZON WIRELESS	664.17	POSTED
06/19/2015	CHECK	32934	DEBELL, DIONNE	100.47	CLEARED
06/26/2015	CHECK	32935	OFFICE DEPOT	32.24	POSTED
06/26/2015	CHECK	32936	RICOH USA, INC.	506.63	POSTED
06/26/2015	CHECK	32937	TAMI IPSEN	73.50	POSTED
06/26/2015	CHECK	32938	ALPHA ANALYTICAL LABORATORIES	492.00	CLEARED
06/26/2015	CHECK	32939	HACH COMPANY	193.70	POSTED
06/26/2015	CHECK	32940	STATE WATER RESOURCES CONTROL	230.00	CLEARED
06/26/2015	CHECK	32941	CALIFORNIA PUBLIC EMPLOYEES RE	7,545.68	CLEARED
06/26/2015	CHECK	32942	STATE OF CALIFORNIA EDD	1,459.84	POSTED
06/26/2015	CHECK	32943	VARIABLE ANNUITY LIFE INSURANC	100.00	POSTED
06/26/2015	CHECK	32944	MADSEN, ARCHIE	175.05	CLEARED
06/26/2015	CHECK	32945	WOODARD, JON M	23.77	POSTED

TOTAL **43,616.77**

PAYROLL:

DATE	TYPE	NUMBER	DESCRIPTION	AMOUNT	STATUS
06/12/2015	MISC.		PAYROLL DIRECT DEPOSIT	21,691.14	POSTED
06/26/2015	MISC.		PAYROLL DIRECT DEPOSIT	21,682.01	POSTED
				43,373.15	

CHECK TOTAL: 120,518.88
BANK-DRAFT TOTAL: 11,809.88
PAYROLL TOTAL: 43,373.15
175,701.91

**ACTION OF
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

DATE: July 21, 2015

AGENDA ITEM: Authorization for Board Member Attendance at September 10-11, 2015 ACWA Continuing Education Workshop in Oakland, California

RECOMMENDATIONS:

Authorize Director Herndon to attend the September 10-11 ACWA Continuing Education Workshop on behalf of the District.

FINANCIAL IMPACT:

Approximately \$750. Sufficient funding is available in the Director Training accounts (120-5176 and 130-5176).

BACKGROUND:

The Association of California Water Agencies (ACWA) is hosting a workshop on September 10-11, 2015 to discuss a variety of California water management topics (see attached ACWA brochure). Director Herndon is requesting Board authorization to attend the workshop on behalf of the District.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Roland Sanford, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on July 21, 2015 by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board



Waterfront Hotel, Oakland, CA

September 10–11, 2015

ACWA CLE 15

CONTINUING LEGAL EDUCATION FOR WATER PROFESSIONALS

Join us for the ACWA CLE, 2-day continuing legal education workshop for water professionals, on September 10–11 at the Waterfront Hotel near Jack London Square in Oakland.

The workshop will include programs on topics such as:

- State Board 101
- Reasonable Use & Streamflows
- Urban Conservation Regulations
- Substance Abuse
- Summary of Appellate Cases
- Legislative Activities
- CEQA Litigation
- Proposition 218/26
- Public Contracting

Full description of the sessions will be available soon at www.acwa.com.

Continental breakfast for both days, Thursday lunch and evening reception are included.

Questions? Please contact ACWA's Member Services & Events at events@acwa.com or 916.441.4545.

REGISTRATION

Online registration will open on June 15 at www.acwa.com
Regular registration and cancellation deadline is **September 1, 2015**, 4:30 p.m. (PST).

2-Day Registration

Advantage Regular/Onsite – \$480/\$510
Standard Regular/Onsite – \$720/\$750

1 Day Thursday Only

Advantage Regular/Onsite – \$290/\$310
Standard Regular/Onsite – \$435/\$465

1 Day Friday Only

Advantage Regular/Onsite – \$210/\$230
Standard Regular/Onsite – \$315/\$340

To be eligible for "Advantage" Pricing you **MUST** be an ACWA Public Agency member, Associate or Affiliate.



HOTEL

Waterfront Hotel
10 Washington Street
Oakland, CA 94607

Group Rate: **\$195/night**

The cut-off date to receive this special rate is **August 11, 2015**. For reservations, call the hotel directly at **510.836.3800** (ask for ACWA CLE rate).



SPEAKERS

We've invited an array of leading legal professionals from firms / agencies including:

Best Best & Krieger

Downey Brand

Lagerlof Senecal Gosney & Kruse

State Water Resources Control Board



You can earn up to 12.25 hours of general credit (of which 1 hour is specialty credit) by attending these workshops.



Association of California Water Agencies
Since 1910
Leadership • Advocacy • Information • Service



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
PERSONNEL COMMITTEE REPORT
MEETING DATE: JUNE 4, 2015**

The Hidden Valley Lake Community Services District Personnel Committee met at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California.
Present were:

Director Herndon
Director Mirbegian

CALL TO ORDER

The meeting was called to order at 10:00 a.m. by the committee.

APPROVAL OF AGENDA

On a motion made by Director Herndon and second by Director Mirbegian the Committee unanimously approved the agenda.

REVIEW OF DRAFT HVLCSD EMPLOYEE HANDBOOK

The Committee reviewed the draft HVLCSD Employee Handbook and identified text revisions for incorporation into a revised draft document.

PUBLIC COMMENT

There were none.

ADJOURNMENT

On a motion the committee voted unanimously to adjourn the meeting. The meeting was adjourned at 11:30 a.m.



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
PERSONNEL COMMITTEE REPORT
MEETING DATE: JUNE 24, 2015**

The Hidden Valley Lake Community Services District Personnel Committee met at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California. Present were:

Director Herndon
Director Mirbegian
General Manager Roland Sanford
Administrative Services Officer Tami Ipsen

CALL TO ORDER

The meeting was called to order at 2:01 p.m.

APPROVAL OF AGENDA

On a motion made by Director Herndon and second by Director Mirbegian the Committee unanimously approved the agenda.

REVIEW OF HVLCSD EMPLOYEE HANDBOOK

The Committee reviewed the draft HVLCSD Employee Handbook and requested various text revisions. Staff will make the requested text revisions and prepare a revised draft document for possible adoption by the Board, at the August Board of Directors meeting.

GENERAL MANAGER RECRUITMENT

The Committee discussed the timing and probable duration of the General Manager recruitment and reviewed a list of headhunter firms who could potentially provide recruitment services.

PUBLIC COMMENT

There were none.

ADJOURNMENT

On a motion the committee voted unanimously to adjourn the meeting. The meeting was adjourned at 3:40 p.m.



County of Lake Operational Area Disaster Committee

Office of Emergency Services
255 North Forbes Street, Lakeport, California 95453

Regular Meeting of the Lake Operational Area Disaster Committee

July 16, 2015, at 9:00 a.m.

Kelseyville Fire Protection District, Station 55
4020 Main Street, Kelseyville, CA 95451

Agenda

- 1) Welcome and Introductions:
- 2) Review and Approval of May 21, 2015, Meeting Minutes
- 3) Operations:
 - a) Drought
 - b) Winter Storms
 - c) Fire Season
- 4) Planning:
 - a) Emergency Operations Plan Updates
 - b) Training:
 - i) CERT Program
 - ii) County of Lake ICS and EOC Training
- 5) Logistics:
 - a) First Net Communications Update
 - b) Radio/Communications/Dispatch
 - c) County/Op Area EOC Project
- 6) Finance/Administration:
 - a) Grant Funding/Status Update
 - b) Disaster Council
- 7) Round Table Discussion/Updates
- 8) Adjourn



Lake County Operational Area Disaster Committee

Office of Emergency Services
255 North Forbes Street, Lakeport, California 95453

Minutes for the Regular Meeting of the Lake Operational Area Disaster Committee (“Op Area”)

May 21, 2015

**Kelseyville Fire Protection District
4020 Main Street, Kelseyville, CA 95451**

The regular meeting of the Op Area, was held on Thursday, May 21, 2015, at the Kelseyville Fire Protection District in Kelseyville, California. Marisa Chilafoe called the meeting to order at 9:00 a.m.

The following members were in attendance: Marisa Chilafoe, Lake County Office of Emergency Services (“Lake OES”); Zabdy Neria, Lake OES; Jen Jones, Lake OES; Jennifer DeHaan, Lake County Administrative Office; Greg Bertelli, California Department of Forestry & Fire (“Cal Fire”); Jim Lieberman, Hidden Valley Lake Community Services District (“CSD”); Rory McCarthy, Department of Public Health; Greg Scott, Lakeport Police Dept.; Debbie Yee, American Red Cross; Elizabeth Blair, American Red Cross; Rick Sanchez, St. Helena Clear Lake Hospital; Kimberly Miinch, North Coast EMS; Kimberly Baldwin, Department of Public Health; Jan Coppinger, Lake County Special Districts; Roger Sigtermans, Governor’s Office of Emergency Services (“Cal OES”).

1. Welcome – Marisa Chilafoe:

Marisa welcomed everyone in attendance to the regular meeting of the Lake Op Area and introduced Jennifer DeHaan, Deputy County Administrative Officer for County of Lake, and Kimberly Baldwin, Health Programs Coordinator for the Lake County Public Health Department. Both Jennifer and Kimberly gave a brief summary of their background and look forward to collaborating with the Op Area.

2. Review of March 19, 2015, Meeting Minutes – Marisa Chilafoe:

The Op Area reviewed the minutes of the March 19, 2015, meeting. On motion duly made, seconded and carried, the minutes were approved as proposed by those present.

3. Operations

a) Drought Task Force – Marisa Chilafoe:

The Drought Task Force met on April 28, 2015, and despite recent storms, managing drought conditions is still a priority. Jan Coppinger from Special Districts added that some wells have had zero recharge and it is predicted that by the end of the summer Lake County will be in a similar situation as last year.

Marisa reported that the lake was at approximately 3 ½ feet Rumsey.

Drought Task Force meetings will be held monthly, every third Thursday, in the Board Chambers at 2:00 p.m. Marisa invited Op Area officials to attend the Drought Task Force meetings.

b) Winter Storms – Marisa Chilafoe:

Marisa reported that Hill Road has reopened, allowing for access to Sutter Lakeside Hospital in both directions. Department of Public Works finished the emergency road opening in April; with permanent repair to Hill Road to begin in the coming months. The County of Lake CDAA application has been approved by the state with a kickoff meeting to occur sometime in July.

Hidden Valley Lake CSD received a letter of approval for \$38,889 for storm recovery and Jim Lieberman spoke regarding the CSDs involvement in the storm.

4. Planning

a) Emergency Operations Plan (“EOP”):

Interim Updates are on hold due to recent response activity. Marisa called for Op Area participation to review and make recommendations to the EOP, of which the following representatives volunteered:

Greg Scott
Debbie Yee
Jennifer Jones
Greg Bertelli
Kim Baldwin

b) Training:

i) Marisa reported that Lake OES hosted Community Emergency Response Team (“CERT”) training in Spring Valley. Marisa also reported that she is working with the CERT team in constructing proposals for two CERT team trailers. Hidden Valley Lake will be hosting CERT training in coming weeks.

ii) Marisa reported that County of Lake employees have completed the required Incident Command System training. The County will host position-specific EOC training courses in June. The trainings are open to Op Area agencies and are dated as follows:

June 8 - Planning
June 9 - Operation
June 11 - Logistics/Finance
June 22 – Management

All trainings will be held at 0900 at Konocti Vista Casino in Lakeport.

An elected officials training will be hosted on June 23 in the Board of Supervisors Chambers. The item will be timed and will appear on the agenda.

- iii) Marisa announced the availability of Hazardous Materials ("Hazmat") training to the Op Area. Op Area members who desire to acquire the training should contact Marisa.

5. Logistics

a) *First Net Communications Update:*

Marisa reported that First Net was in state consultation process and thanked those in attendance who completed the First Net Public Safety Survey.

b) *Central Dispatch:*

Nothing new to report.

c) *County/Op Area EOC Update:*

Marisa reported that OES has worked with the Office Space Committee and the County Administrative Office on reviewing potential Emergency Operations Center ("EOC") facilities. The County will continue to work through the process to address the need for an EOC.

6. Finance and Administration

a) *Grant Funding/Status Update:*

Marisa reported that the end of the FY 2013 Homeland Security Grant Program ("HSGP") performance period was approaching. The final purchase was for portable retreaters for which Sheriff Macedo provided additional information regarding function.

Marisa also encouraged those present to begin thinking of potential projects for the FY 2015 HSGP and to notify Lake OES or the Authorized Body of Five. Once a funding announcement has been made by the state, an application and instructions will be posted for the Op Area.

7. Upcoming events:

Jennifer Jones announced that the Heroes of Health and Safety Fair will be held on October 17, 2015, and is currently in planning.

St. Helena Clearlake will be hosting a drill at the hospital on June 16, 2015.

South Lake County Fire will host their Annual Dinner and Auction on June 19, 2015. Tickets sell for \$40 each.

8. Adjourn:

With no further business to come before the Op Area, the meeting was adjourned at 9:45 a.m.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

JUNE 2015

FINANCIAL REPORT





HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

JUNE 2015

Financial Report

REVENUE & EXPENSE SEWER REPORT

6/1/2015-6/30/2015

120-SEWER ENTERPRISE FUND FINANCIAL SUMMARY	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
TOTAL REVENUE	1,006,300.00	182,697.27	1,082,935.31	(76,635.31)	107.62%

EXPENDITURE SUMMARY					
NON-DEPARTMENTAL	350,606.00	39,507.50	462,544.55	(111,938.55)	131.93
ADMINISTRATION	312,539.00	26,878.43	350,006.19	(37,467.19)	111.99
FIELD	299,954.00	19,508.58	256,082.67	43,871.33	85.37
DIRECTORS	43,201.00	2,862.53	35,506.80	7,694.20	82.19
TOTAL	1,006,300.00	88,757.04	1,104,140.21	(97,840.21)	109.72%

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-4020 PERMIT & INSPECTION FEES	300.00	100.00	200.00	100.00	66.67
120-4045 AVAILABILITY FEES	10,200.00	-	8,337.24	1,862.76	81.74
120-4050 SALES OF RECLAIMED WATER	95,000.00	16,378.50	102,644.89	(7,644.89)	108.05
120-4111 COMM SEWER USE	18,400.00	1,677.02	20,124.24	(1,724.24)	109.37
120-4112 GOV'T SEWER USE	600.00	50.18	602.16	(2.16)	100.36
120-4116 SEWER USE CHARGES	862,000.00	145,379.99	876,027.83	(14,027.83)	101.63
120-4210 LATE FEE	15,500.00	2,869.32	17,726.77	(2,226.77)	114.37
120-4300 MISC INCOME	100.00	4.50	629.76	(529.76)	629.76
120-4505 LEASE INCOME	4,200.00	161.54	2,364.79	1,835.21	56.3
120-4550 INTEREST INCOME	-	3.23	195.66	(195.66)	0
120-4580 TRANSFERS IN	-	16,072.99	54,081.97	(54,081.97)	0
TOTAL	1,006,300.00	182,697.27	1,082,935.31	(76,635.31)	107.62%

NON-DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-00-5024 WORKERS' COMP INSURANCE	4,815.00	-	38,126.89	(33,311.89)	791.84%
120-5-00-5025 RETIREE HEALTH BENEFITS	5,027.00	569.33	5,492.98	(465.98)	109.27
120-5-00-5060 GASOLINE, OIL & FUEL	14,200.00	1,194.73	9,200.17	4,999.83	64.79
120-5-00-5061 VEHICLE MAINT	10,357.00	67.39	9,275.19	1,081.81	89.55
120-5-00-5062 TAXES & LIC	1,100.00	-	517.52	582.48	47.05
120-5-00-5074 INSURANCE	16,285.00	16,127.71	16,144.21	140.79	99.14
120-5-00-5075 BANK FEES	7,000.00	780.82	8,749.61	(1,749.61)	124.99
120-5-00-5080 MEMBERSHIP & SUBSCRIPTIONS	6,000.00	-	3,779.63	2,220.37	62.99
120-5-00-5092 POSTAGE & SHIPPING	1,500.00	361.00	1,342.15	157.85	89.48
120-5-00-5110 CONTRACTUAL SERVICES	36,210.00	3,708.91	55,767.76	(19,557.76)	154.01
120-5-00-5121 LEGAL SERVICES	12,500.00	555.62	11,533.18	966.82	92.27
120-5-00-5122 ENGINEERING SERVICES	15,000.00	(5,818.25)	36,185.64	(21,185.64)	241.24
120-5-00-5123 OTHER PROFESSIONAL SERVICE	27,750.00	7,378.75	59,326.14	(31,576.14)	213.79
120-5-00-5130 PRINTING & PUBLICATION	500.00	318.91	1,864.71	(1,364.71)	372.94
120-5-00-5135 NEWSLETTER	1,000.00	-	762.92	237.08	76.29
120-5-00-5145 EQUIPMENT RENTAL	-	253.31	1,081.17	(1,081.17)	0
120-5-00-5148 OPERATING SUPPLIES	12,000.00	1,587.31	13,114.97	(1,114.97)	109.29
120-5-00-5150 REPAIR & REPLACE	50,452.00	3,634.11	50,347.20	104.80	99.79
120-5-00-5155 MAINT BLDG & GROUNDS	5,300.00	436.29	7,950.04	(2,650.04)	150
120-5-00-5156 CUSTODIAL SERVICES	9,450.00	787.50	9,956.25	(506.25)	105.36
120-5-00-5157 SECURITY	2,000.00	-	405.00	1,595.00	20.25
120-5-00-5160 SLUDGE DISPOSAL	23,000.00	-	19,485.95	3,514.05	84.72
120-5-00-5191 TELEPHONE	9,000.00	659.20	7,132.79	1,867.21	79.25
120-5-00-5192 ELECTRICITY	18,400.00	1,793.28	17,785.89	614.11	96.66
120-5-00-5193 OTHER UTILITIES	1,800.00	526.91	2,987.77	(1,187.77)	165.99
120-5-00-5195 ENV/MONITORING	25,000.00	2,795.80	32,906.96	(7,906.96)	131.63
120-5-00-5196 RISK MANAGEMENT	17,800.00	(250.00)	-	17,800.00	0
120-5-00-5198 ANNUAL OPERATING FEES	3,000.00	760.00	1,632.00	1,368.00	54.4
120-5-00-5310 EQUIPMENT - FIELD	1,000.00	402.17	1,363.30	(363.30)	136.33
120-5-00-5311 EQUIPMENT - OFFICE	2,800.00	-	1,063.28	1,736.72	37.97
120-5-00-5312 TOOLS - FIELD	1,100.00	14.51	512.68	587.32	46.61
120-5-00-5315 SAFETY EQUIPMENT	4,100.00	458.69	2,406.60	1,693.40	58.7
120-5-00-5510 SEWER OUTREACH	5,000.00	-	-	5,000.00	0
120-5-00-5545 RECORDING FEES	160.00	3.50	269.00	(109.00)	168.13
120-5-00-5580 TRANSFERS OUT	-	400.00	400.00	(400.00)	0
120-5-00-5590 NON-OPERATING OTHER	-	-	33,675.00	(33,675.00)	0
TOTAL	350,606.00	39,507.50	462,544.55	(111,938.55)	131.93%

ADMINISTRATION EXPENDITURES	BUDGET	PERIOD	ACTUAL	BALANCE	BUDGET
120-5-10-5010 SALARIES & WAGES	205,456.00	18,260.68	243,539.13	(38,083.13)	118.54
120-5-10-5020 EMPLOYEE BENEFITS	55,100.00	4,205.93	54,448.73	651.27	98.82
120-5-10-5021 RETIREMENT BENEFITS	41,013.00	3,272.42	39,668.11	1,344.89	96.72
120-5-10-5063 CERTIFICATIONS	20.00	-	-	20.00	0
120-5-10-5090 OFFICE SUPPLIES	6,200.00	332.99	6,140.91	59.09	99.05
120-5-10-5170 TRAVEL MILEAGE	350.00	206.34	1,890.17	(1,540.17)	540.05
120-5-10-5175 EDUCATION / SEMINARS	3,900.00	537.88	3,999.54	(99.54)	102.55
120-5-10-5179 ADM MISC EXPENSES	500.00	62.19	319.60	180.40	63.92
TOTAL	312,539.00	26,878.43	350,006.19	(37,467.19)	111.99%

FIELD EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-30-5010 SALARIES & WAGES	213,757.00	11,823.04	165,889.65	47,867.35	77.61
120-5-30-5020 EMPLOYEE BENEFITS	44,068.00	4,439.38	53,598.67	(9,530.67)	121.63
120-5-30-5021 RETIREMENT BENEFITS	36,249.00	1,865.76	26,191.83	10,057.17	72.26
120-5-30-5022 CLOTHING ALLOWANCE	2,000.00	900.00	2,374.28	(374.28)	118.71
120-5-30-5063 CERTIFICATIONS	780.00	300.00	688.75	91.25	88.3
120-5-30-5090 OFFICE SUPPLIES	400.00	180.40	1,249.81	(849.81)	312.45
120-5-30-5170 TRAVEL MILEAGE	600.00	-	209.38	390.62	34.9
120-5-30-5175 EDUCATION / SEMINARS	2,100.00	-	5,880.30	(3,780.30)	280.01
TOTAL	299,954.00	19,508.58	256,082.67	43,871.33	85.37%

DIRECTORS EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-40-5010 DIRECTORS COMPENSATION	1,170.00	107.66	1,180.22	(10.22)	100.87
120-5-40-5020 DIRECTOR BENEFITS	230.00	2.10	13.24	216.76	5.76
120-5-40-5030 DIRECTOR HEALTH BENEFITS	40,851.00	2,684.64	33,950.56	6,900.44	83.11
120-5-40-5170 TRAVEL MILEAGE	150.00	68.13	248.36	(98.36)	165.57
120-5-40-5175 EDUCATION / SEMINARS	600.00	-	-	600.00	0
120-5-40-5176 DIRECTOR TRAINING	200.00	-	114.42	85.58	57.21
TOTAL	43,201.00	2,862.53	35,506.80	7,694.20	82.19%



HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

JUNE 2015

Financial Report

REVENUE & EXPENSE WATER REPORT

6/1/2015-6/30/2015

130-WATER ENTERPRISE FUND FINANCIAL SUMMARY	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
ALL REVENUE	1,134,100.00	164,664.77	1,075,810.92	58,289.08	94.86

EXPENDITURE SUMMARY					
NON-DEPARTMENTAL	641,637.00	70,673.13	595,281.39	46,355.61	92.78
ADMINISTRATION	335,979.00	26,878.36	351,142.36	(15,163.36)	104.51
FIELD	302,954.00	23,511.07	282,897.11	20,056.89	93.38
DIRECTORS	46,201.00	2,862.51	37,202.18	8,998.82	80.52
TOTAL	1,326,771.00	123,925.07	1,266,523.04	60,247.96	95.46%

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-4035 RECONNECT FEE	10,000.00	1,970.00	13,580.00	(3,580.00)	135.8
130-4039 WATER METER INST	300.00	100.00	600.00	(300.00)	200
130-4040 RECORDING FEE	100.00	20.00	130.00	(30.00)	130
130-4045 AVAILABILITY FEES	40,000.00	-	34,235.76	5,764.24	85.59
130-4110 COMM WATER USE	14,000.00	1,151.03	13,812.36	187.64	98.66
130-4112 GOV'T WATER USE	800.00	74.26	891.12	(91.12)	111.39
130-4115 WATER USE	863,000.00	140,578.58	843,887.35	19,112.65	97.79
130-4117 WATER OVERAGE FEE	167,000.00	14,497.56	109,755.63	57,244.37	65.72
130-4118 WATER OVERAGE COMM	11,000.00	2,172.69	19,407.12	(8,407.12)	176.43
130-4119 WATER OVERAGE GOV	-	7.19	144.33	(144.33)	0
130-4210 LATE FEE	22,000.00	3,574.33	23,342.92	(1,342.92)	106.1
130-4215 RETURNED CHECK FEE	800.00	-	600.00	200.00	75
130-4300 MISC INCOME	100.00	31.50	939.97	(839.97)	939.97
130-4505 LEASE INCOME	4,200.00	484.62	6,035.29	(1,835.29)	143.7
130-4550 INTEREST INCOME	800.00	3.01	462.09	337.91	57.76
130-4580 TRANSFER IN	-	-	7,986.98	(7,986.98)	0
TOTAL REVENUES	1,134,100.00	164,664.77	1,075,810.92	58,289.08	94.86%

NON-DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-00-5024 WORKERS' COMP INSURANCE	4,815.00	-	38,126.89	(33,311.89)	791.84%
130-5-00-5025 RETIREE HEALTH BENEFITS	5,027.00	569.33	5,800.68	(773.68)	115.39
130-5-00-5060 GASOLINE, OIL & FUEL	12,500.00	1,194.75	9,200.02	3,299.98	73.6
130-5-00-5061 VEHICLE MAINT	12,500.00	67.38	3,011.72	9,488.28	24.09
130-5-00-5062 TAXES & LIC	1,600.00	-	963.97	636.03	60.25
130-5-00-5074 INSURANCE	16,285.00	16,127.71	16,144.21	140.79	99.14
130-5-00-5075 BANK FEES	7,000.00	780.78	8,743.44	(1,743.44)	124.91
130-5-00-5080 MEMBERSHIP & SUBSCRIPTION	17,200.00	-	14,752.36	2,447.64	85.77
130-5-00-5092 POSTAGE & SHIPPING	1,500.00	361.00	1,342.17	157.83	89.48
130-5-00-5110 CONTRACTUAL SERVICES	49,650.00	3,708.92	50,966.83	(1,316.83)	102.65
130-5-00-5121 LEGAL SERVICES	12,500.00	555.63	11,372.20	1,127.80	90.98
130-5-00-5122 ENGINEERING SERVICES	15,000.00	-	19,024.04	(4,024.04)	126.83
130-5-00-5123 OTHER PROFESSIONAL SERVIC	144,750.00	20,066.75	127,646.60	17,103.40	88.18
130-5-00-5124 WATER RIGHTS	10,000.00	1,973.75	12,373.16	(2,373.16)	123.73
130-5-00-5130 PRINTING & PUBLICATION	500.00	318.92	1,770.22	(1,270.22)	354.04
130-5-00-5135 NEWSLETTER	1,000.00	-	762.92	237.08	76.29
130-5-00-5145 EQUIPMENT RENTAL	-	253.32	253.32	(253.32)	0
130-5-00-5148 OPERATING SUPPLIES	10,000.00	164.43	1,172.45	8,827.55	11.72
130-5-00-5150 REPAIR & REPLACE	52,000.00	834.21	55,020.72	(3,020.72)	105.81
130-5-00-5155 MAINT BLDG & GROUNDS	5,300.00	357.03	7,318.78	(2,018.78)	138.09
130-5-00-5156 CUSTODIAL SERVICES	9,450.00	787.50	10,518.75	(1,068.75)	111.31
130-5-00-5157 SECURITY	2,000.00	-	405.00	1,595.00	20.25
130-5-00-5191 TELEPHONE	9,000.00	659.22	7,132.78	1,867.22	79.25
130-5-00-5192 ELECTRICITY	165,000.00	14,391.02	138,303.28	26,696.72	83.82
130-5-00-5193 OTHER UTILITIES	1,800.00	526.95	2,987.83	(1,187.83)	165.99
130-5-00-5195 ENV/MONITORING	25,000.00	5,969.00	17,456.31	7,543.69	69.83
130-5-00-5196 RISK MANAGEMENT	-	(250.00)	-	-	0
130-5-00-5198 ANNUAL OPERATING FEES	27,000.00	-	18,587.04	8,412.96	68.84
130-5-00-5310 EQUIPMENT - FIELD	1,000.00	402.16	1,363.29	(363.29)	136.33
130-5-00-5311 EQUIPMENT - OFFICE	2,200.00	-	1,063.28	1,136.72	48.33
130-5-00-5312 TOOLS - FIELD	800.00	14.50	1,420.37	(620.37)	177.55
130-5-00-5315 SAFETY EQUIPMENT	4,100.00	265.14	1,588.34	2,511.66	38.74
130-5-00-5505 WATER CONSERVATION	15,000.00	570.23	8,419.42	6,580.58	56.13
130-5-00-5545 RECORDING FEES	160.00	3.50	269.00	(109.00)	168.13
TOTAL	641,637.00	70,673.13	595,281.39	46,355.61	92.78%

ADMINISTRATION EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-10-5010 SALARIES & WAGES	227,796.00	18,260.68	242,100.92	(14,304.92)	106.28
130-5-10-5020 EMPLOYEE BENEFITS	55,100.00	4,205.93	54,417.19	682.81	98.76
130-5-10-5021 RETIREMENT BENEFITS	41,013.00	3,272.27	39,614.36	1,398.64	96.59
130-5-10-5063 CERTIFICATIONS	20.00	-	-	20.00	0
130-5-10-5090 OFFICE SUPPLIES	6,200.00	333.05	6,140.74	59.26	99.04
130-5-10-5170 TRAVEL MILEAGE	550.00	206.35	2,460.71	(1,910.71)	447.4
130-5-10-5175 EDUCATION / SEMINARS	4,800.00	537.89	6,088.86	(1,288.86)	126.85
130-5-10-5179 ADM MISC EXPENSES	500.00	62.19	319.58	180.42	63.92
TOTAL	335,979.00	26,878.36	351,142.36	(15,163.36)	104.51%

FIELD EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-30-5010 SALARIES & WAGES	216,757.00	15,023.87	191,437.18	25,319.82	88.32
130-5-30-5020 EMPLOYEE BENEFITS	44,068.00	4,439.37	53,268.69	(9,200.69)	120.88
130-5-30-5021 RETIREMENT BENEFITS	36,249.00	2,967.40	32,174.41	4,074.59	88.76
130-5-30-5022 CLOTHING ALLOWANCE	2,000.00	900.00	2,374.25	(374.25)	118.71
130-5-30-5063 CERTIFICATIONS	780.00	-	343.75	436.25	44.07
130-5-30-5090 OFFICE SUPPLIES	400.00	180.43	1,249.85	(849.85)	312.46
130-5-30-5170 TRAVEL MILEAGE	600.00	-	60.35	539.65	10.06
130-5-30-5175 EDUCATION / SEMINARS	2,100.00	-	1,988.63	111.37	94.7
TOTAL	302,954.00	23,511.07	282,897.11	20,056.89	93.38%

DIRECTORS EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-40-5010 DIRECTORS COMPENSATION	3,000.00	107.64	1,418.68	1,581.32	47.29
130-5-40-5020 DIRECTOR BENEFITS	230.00	2.10	15.56	214.44	6.77
130-5-40-5030 DIRECTOR HEALTH BENEFITS	42,021.00	2,684.64	33,922.28	8,098.72	80.73
130-5-40-5170 TRAVEL MILEAGE	150.00	68.13	587.61	(437.61)	391.74
130-5-40-5175 EDUCATION / SEMINARS	600.00	-	-	600.00	0
130-5-40-5176 DIRECTOR TRAINING	200.00	-	1,258.05	(1,058.05)	629.03
TOTAL	46,201.00	2,862.51	37,202.18	8,998.82	0.80522456



HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

JUNE, 2015

**BOARD OF DIRECTOR
FINANCIAL REPORT**

TEMPORARY INVESTMENTS

AS OF JUNE 30, 2015

Fund		LAIF	Money Mkt	Total	G/L Bal
120	Sewer Operating Fund	66,988.74	37,141.63	104,130.37	104,130.37
130	Water Operating Fund	143,048.98	29,462.59	172,511.57	172,511.57
215	1995-2 Redemption	238,443.94	297,936.35	536,380.29	536,380.29
217	State Revolving Loan Sewer		10.22	10.22	10.22
218	CIEDB Redemption	11,461.36	(161,261.37)	(149,800.01)	(149,800.01)
219	USDARUS Solar Loan (Sewer)	815.70	76,793.50	77,609.20	77,609.20
313	Wastewater Cap Fac Reserved	432,155.95	41,140.77	473,296.72	473,296.72
314	Wastewater Cap Fac Unrestricted	62,544.36	408,362.18	470,906.54	470,906.54
319	Solar Reserve	-	35,282.92	35,282.92	35,282.92
320	Water Capital Fund	-	(22.50)	(22.50)	(22.50)
350	CIEDB Loan Reserve	170,433.60	-	170,433.60	170,433.60
711	Bond Administration	27,032.17	14,414.40	41,446.57	41,446.57
TOTAL		1,152,924.80	779,260.69	1,932,185.49	1,932,185.49



HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

**JUNE, 2015
FINANCIAL REPORT**

**CAPITAL EXPENDITURES
2014-2015 BUDGET**

Sewer	Budget	Yr to Date Actual
Video Inspections of Sewer Laterals	35,000	-
Repair Sewer Lateral Leaks	35,000	-
Prepare Sewer Capital Improvement Plan	20,000	4,300.00
Install Security Fencing at Lift Station 1 & 4	10,000	-
Field Laptop (non-budget)	-	1,522.23
SCADA Computer (non-budget)	-	33,001.75
New Pickup Truck	35,000	0.00
SCADA Hardware for Lift Stations	25,000	0.00
Preliminary Design-Chlorine Disinfection Facility	50,000	12,321.74
Crazy Creek Land Purchase	100,000	2,536.25
Total	310,000	53,681.97

Water	Budget	Yr to Date Actuals
Field Laptop (non-budget)		1,522.23
SCADA Computer (non-budget)		6,487.25
Total	-	8,009.48



Hidden Valley Lake Community Services District

19400 Hartmann Road
Hidden Valley Lake, CA 95467
707.987.9201
707.987.3237 fax
www.hiddenvalleylakecsd.com

MEMO

To: Board of Directors
From: Roland Sanford
Date: July 17, 2015
RE: General Manager's Monthly Report

Drought update

Groundwater elevations in the District's municipal wells remain on par with historic seasonal averages and in the absence of State imposed water conservation mandates, the District could easily satisfy pre-drought water demands (see attached chart). As I have stated many times in the past, the District's water supply – the Coyote Valley basin - is remarkably robust. Despite four successive years of drought, the available supply is more than sufficient to meet the District's water demands.

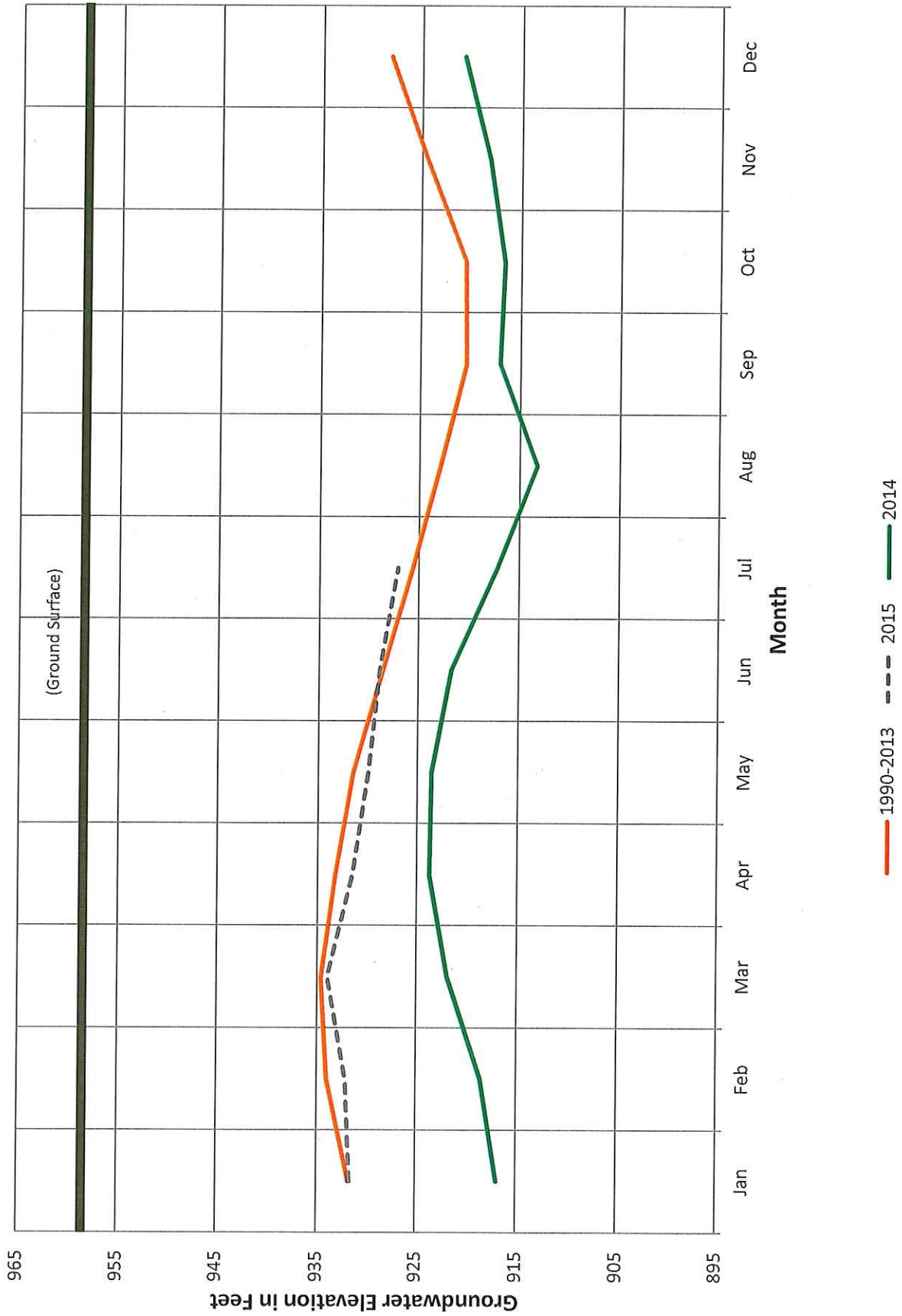
On Monday, July 20, I will be meeting with State Water Resources Control Board (SWRCB) staff to discuss the District's water supply situation vis-à-vis the State imposed moratorium on new water connections. Earlier this month the SWRCB formally acknowledged there is sufficient water within the Coyote Valley basin – available by way of Riparian water rights – for the District to serve the proposed Valley Oaks subdivision. The SWRCB's finding further supports the position that the District's water supply, which also comes from Coyote Valley basin and for the most part is diverted pursuant to Appropriative water rights, is a sufficient and reliable supply.

Residential water use during the last billing cycle (May/June) decreased by 30 percent in comparison to the prior year, and was 35 percent lower than the corresponding billing period in 2013 (see attached chart). While the decreased water use is good news from the State's perspective – compliance with the State's water conservation mandates – it is not without financial pain to the District. Overall, water revenues in the last fiscal year were approximately 5 percent lower than anticipated.

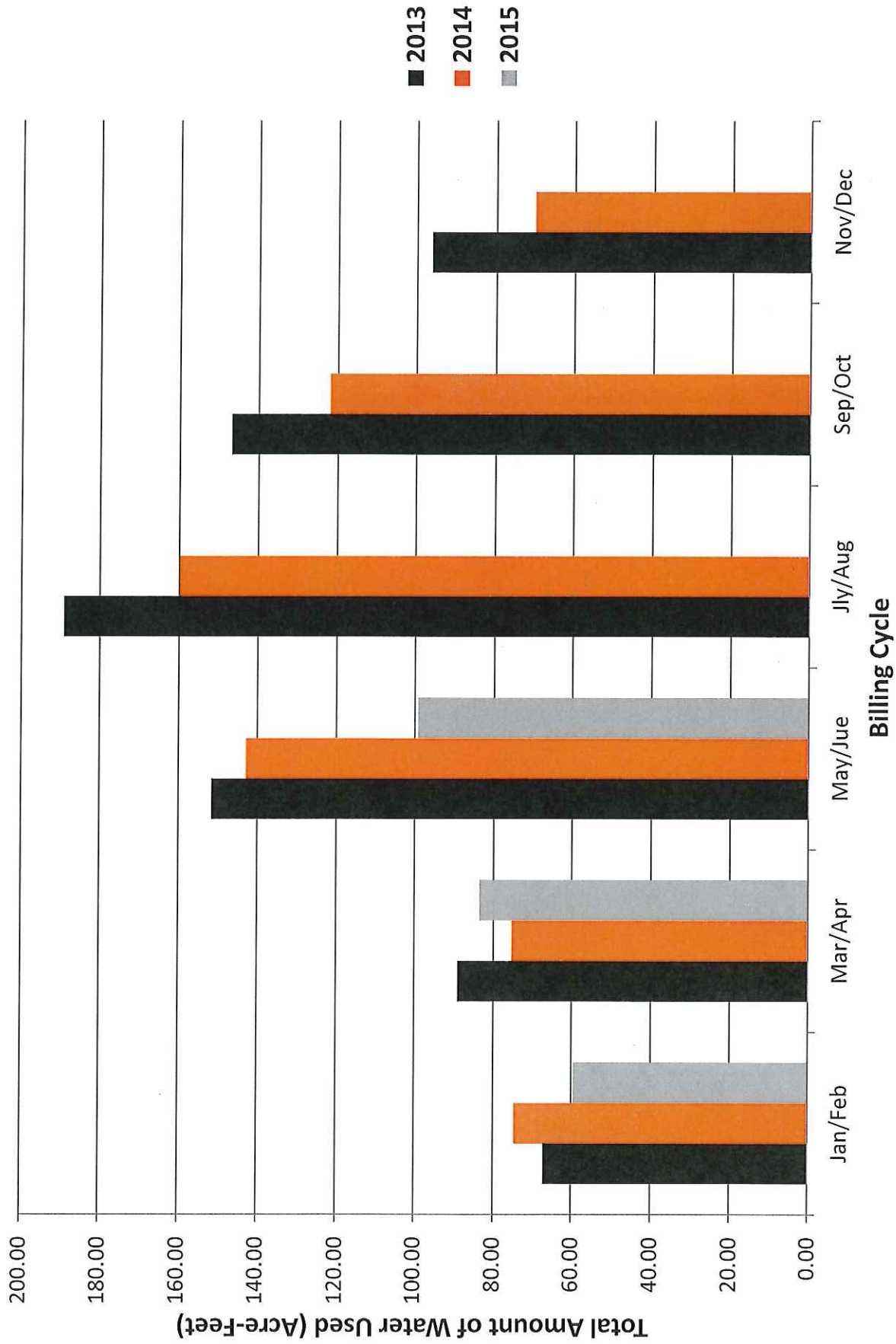
Fiscal Year 2014-2015 summary

Despite what I would characterize as a "wild" year – continued drought, issuance of a moratorium on new water hookups, brief but excessive sewer inflow and infiltration that nearly overwhelmed the District's treatment plant, the emergence of hexavalent chromium as a water quality concern, and delayed sewer and water rate increases, the District ended the 2014-2015 fiscal year essentially on

Average Groundwater Elevations at HVLCS D Wells



Hidden Valley Lake Residential Water Use





Hidden Valley Lake Community Services District

19400 Hartmann Road
Hidden Valley Lake, CA 95467
707.987.9201
707.987.3237 fax
www.hiddenvalleylakecsd.com

budget. The sewer operating budget ended the fiscal year with a \$21,000 deficit – which will be offset by the forthcoming \$30,000 Cal OES reimbursement for storm damage, while the water operating budget ended the fiscal year with a \$191,000 budget deficit – slightly under the \$193,000 structural deficit that out of necessity was incorporated into the budget, when it was adopted at the onset of the fiscal year.

Hexavalent Chromium

On June 9 the District conducted its second quarterly hexavalent chromium sampling event of the District's municipal supply and selected monitoring wells in the region. The observed hexavalent chromium concentrations in the District's water supply were lower than anticipated, but geographically consistent with previous sampling events – lowest concentrations observed in monitoring wells located north of the active Putah Creek stream channel. At the time of sampling, the hexavalent chromium concentration in the District's water supply, as measured at the water treatment plant, was 9.1 parts per billion – just below the 10 parts per billion drinking water standard.



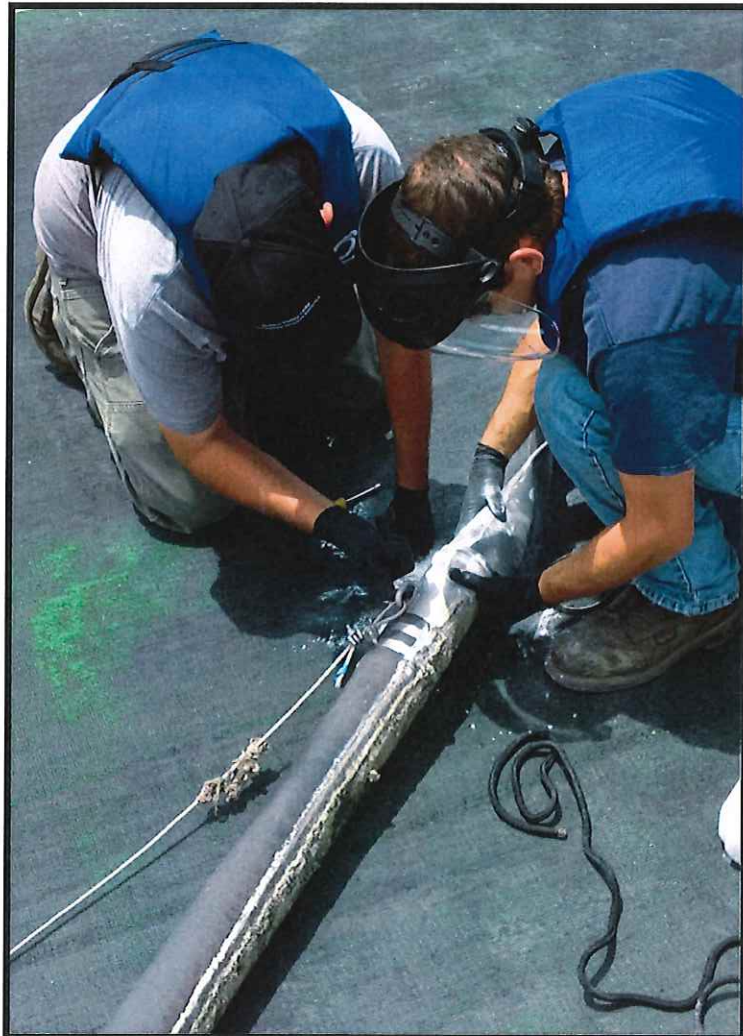
Hidden Valley Lake Community Services District

June 2015 Report

F
I
E
L
D

O
P
E
R
A
T
I
O
N
S

Equipment repair at the Wastewater Treatment Facility



June 2015 Field Report

Water Connections:		Sewer Connections:	
New (commercial)	1	New (commercial)	0
Residential	2426	Residential	1470
Commercial & Govt	35	Commercial & Govt	16
Total :	2462		1486

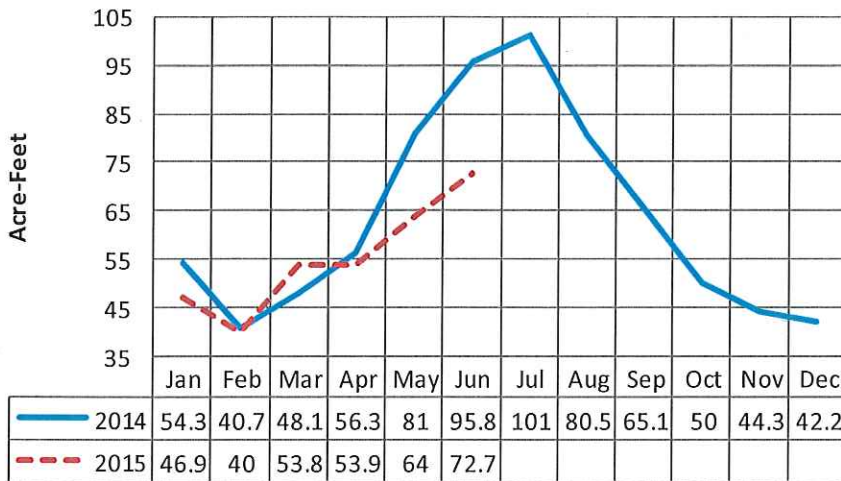
Rainfall		
<i>This month</i>	<i>Last year</i>	<i>Historical</i>
.01	0	0.3

Groundwater Elevation			
<i>Monitoring Wells</i>	<i>This month</i>	<i>Last year</i>	<i>Historical</i>
Prod Wells	928.87	921.74	927.79
AG	929.95	921.12	929.44
TP Wells	952.94	953.36	953.26
Grange Rd	935.76	937.17	936.33
American Rock	968.94	968.73	969.92
Spyglass	964.07	964.07	964.11
Luchetti	921.27	921.07	921.27
18th T	940.52	940.36	950.91

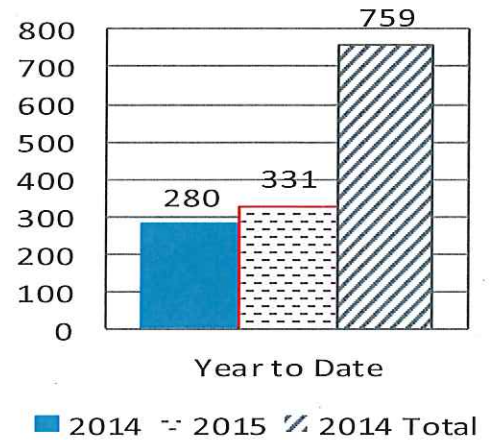
Completed Service Orders		
<i>This month</i>	<i>YTD</i>	<i>Last YTD</i>
120	554	487
Overtime Hours	43	\$1235.94

June 2015 Field Report

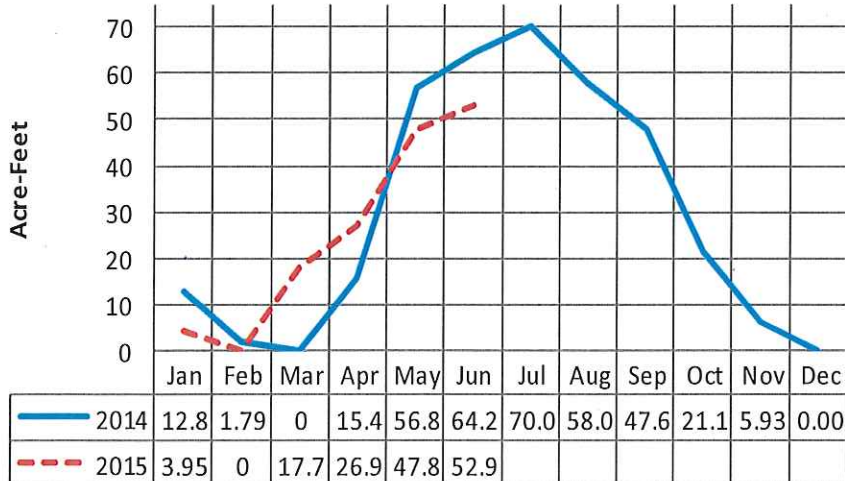
HVLCSD Municipal Well Production



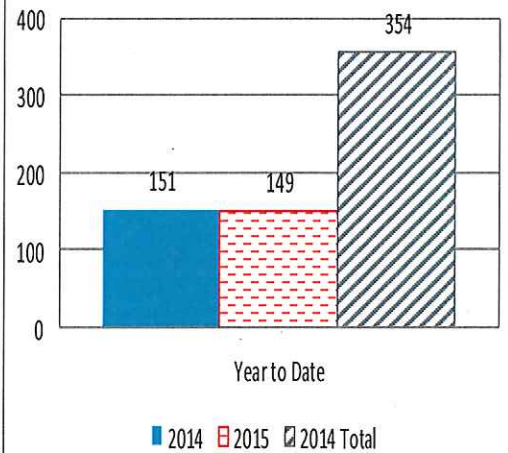
HVLCSD Municipal Well Production



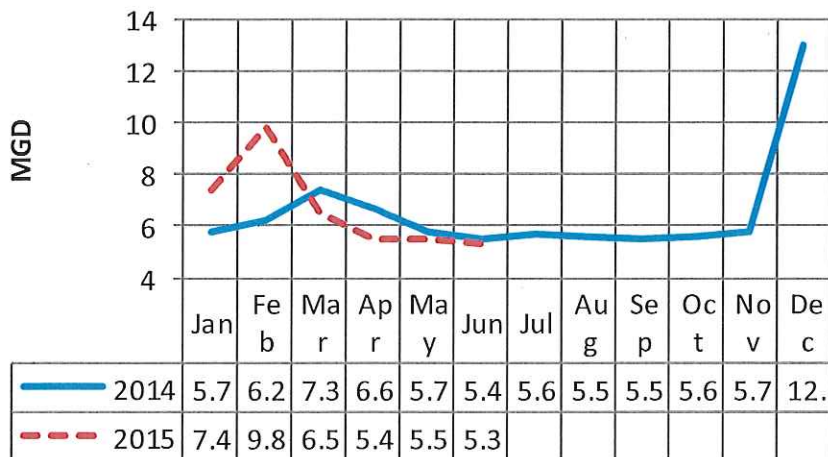
HVLCSD Municipal Reclaimed Water Use



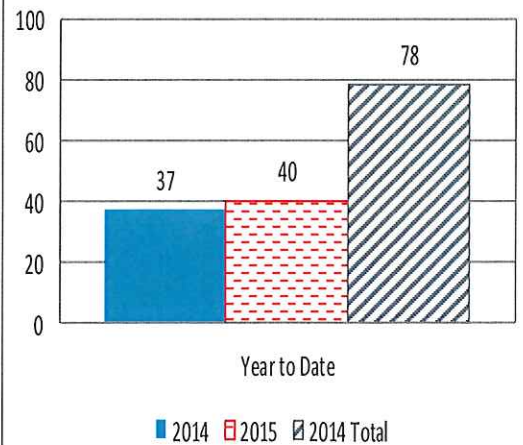
HVLCSD Municipal Reclaimed Water



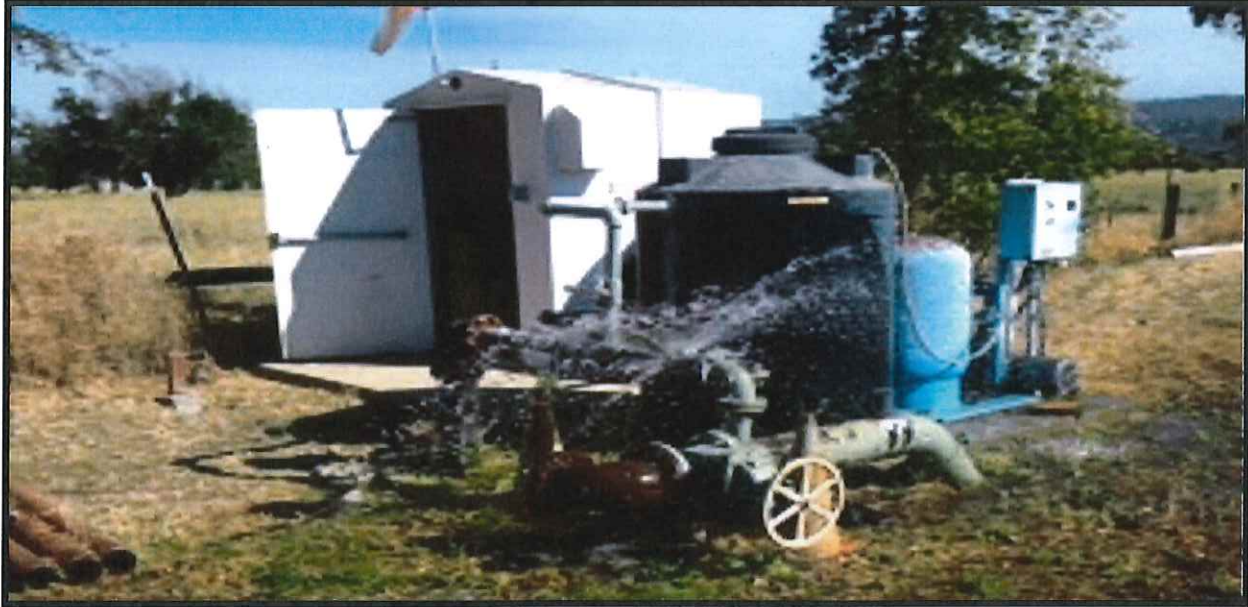
HVLCSD Municipal Wastewater Influent



HVLCSD Municipal Wastewater Influent



June 2015 Field Report



Water Operations and Maintenance Highlights

Water Operations and Maintenance Highlights

- Weed-eating to meet July 1 deadline
- 6/9 Sampling of all production & monitoring wells for hexavalent chromium
- 6/21-22 Stopped leak in well field, and replaced equipment
- Truck repairs
- Meter Reads
- Routine operations and maintenance

Wastewater Operations and Maintenance Highlights

Wastewater Operations and Maintenance Highlights

- 6/8-6/9 AB chain repair
- 6/8-6/9 Replace waste motor
- Swap out 500 motor, rebuild, swap back in
- Adjust chlorine, update sampling procedure, clean CL2 pipe
- Routine operations and maintenance

June 2015 Field Report

Vehicle Mileage	
<i>Vehicle</i>	<i>Mileage</i>
Truck 1	415
Truck 3	
Truck 4	497.6
Truck 6	259
Truck 7	567
Truck 8	
Dump Truck	
Backhoe	
Tractor	
New Holland	
Tractor	

Fuel Tank Use		
	<i>Gasoline</i>	<i>Diesel</i>
Tank Meter	396.1	59.9
Fuel Log	395.5	59.8
JuneLevel	271.74	445.65
May Tank Level	326.09	423.91



**ACTION OF
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

DATE: July 21, 2015

AGENDA ITEM: Public Hearing to consider placement of default balance liens on real property pursuant to Government Code Section 61115

RECOMMENDATIONS:

Conduct public hearing in accordance with Government Code Section 61115 to provide the landowners associated with the properties identified in Exhibit A, and/or the public, the opportunity to protest or otherwise dispute the default balances calculated by staff for each of the properties identified in Exhibit A. At the conclusion of the public hearing and in the absence of good cause, staff recommends that the Board uphold the charges and associated penalty fees as proposed in Exhibit A

FINANCIAL IMPACT:

Potential recovery of \$868.49 past due charges and associated penalty fees

BACKGROUND:

Default balance liens are typically placed on properties with District water and/or sewer accounts that are at least 45 days past due. A list of properties with past due accounts of 45 days or longer, and for which the District has not already placed a lien against, is presented in Exhibit A. Pursuant to Government Code Section 61115, the Board must hold a public hearing to allow landowners the opportunity to protest or otherwise dispute the charges and associated penalty fees being levied against their property by the District. At the conclusion of the public hearing the Board can uphold or modify the charges and associated penalty fees for any or all subject properties.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Roland Sanford, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on July 21, 2015 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Secretary to the Board

PROPERTY LIENS - JULY 2015
EXHIBIT A

NAME	ADDRESS	APN	AMOUNT
DALEEN WALDEN	18982 HIDDEN VALLEY ROAD	141-322-18	380.52
IGNACIS ACUNA	16909 GREENRIDGE ROAD	142-194-19	59.89
			<hr/> 440.41

**ACTION OF
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

DATE: July 21, 2015

AGENDA ITEM: Discussion and Possible Action: Adoption of Resolution 2015-12 confirming default balances and directing staff to file liens on real property

RECOMMENDATIONS:

Adopt Resolution 2015-12 of the Board of Directors of the Hidden Valley Lake Community Services District confirming the Default Balance associated with the Defaulting Bill Identified in Exhibit A and directing staff to file a lien on said properties.

FINANCIAL IMPACT:

Potential recovery of \$868.49 past due charges and associated penalty fees.

BACKGROUND:

Default balance liens are typically placed on properties with District water and/or sewer accounts that are at least 45 days past due. A list of properties with past due accounts of 45 days or longer, and for which the District has not already placed a lien against, is presented in Exhibit A. Pursuant to Government Code Section 6115, the Board must hold a public hearing to allow landowners the opportunity to protest or otherwise dispute the charges and associated penalty fees being levied against their property by the District. At the conclusion of the public hearing the Board can uphold or modify the charges and associated penalty fees for any or all subject properties. Assuming the Board chooses to uphold the charges and associated penalty fees, as recommended by staff, the Board would then adopt a resolution (copy attached) confirming the default balances and authorizing staff to proceed with the filing of property liens on subject properties.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Roland Sanford, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on July 21, 2015 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Secretary to the Board

RESOLUTION NO. 2015-12

RESOLUTION OF THE BOARD OF DIRECTORS OF THE HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT CONFIRMING THE DEFAULT BALANCE ASSOCIATED WITH THE DEFAULTING BILL LISTED IN EXHIBIT A AND DIRECTING STAFF TO FILE A LIEN ON SAID PROPERTY

WHEREAS, the Hidden Valley Lake Community Services District (the "District") previously cited the properties identified in Exhibit A for a Defaulting Bill (as defined in Resolution No. 2008-02); and

WHEREAS, notice of a public hearing to determine the amount of the Default Balance (as defined in Resolution No. 2008-02) under a Defaulting Bill was mailed to the property owners listed in Exhibit A; and

WHEREAS, notice of said public hearing was published in accordance with Section 6066 of the California Government Code; and

WHEREAS, in accordance with Resolution No. 2008-02, said public hearing was conducted on July 21, 2015, at 7:00 p.m. at 19400 Hartmann Road, Boardroom, Hidden Valley Lake, California; and

WHEREAS, it is necessary for the District to recover the Default Balance; and

WHEREAS, the District has satisfied all notice and hearing requirements under Section 61115 of the California Government Code; and

NOW, THEREFORE, BE IT RESOLVED, the District Board of Directors hereby adopts Resolution No. 2015-12 confirming the Default Balance in the amount of \$460.41; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, the District does direct the staff to file a lien for the unpaid Default Balances listed in exhibit A in the amount of \$460.41.

I HEREBY CERTIFY that the foregoing resolution was duly and regularly introduced and adopted by the Board of Directors of the Hidden Valley Lake Community Services District, County of Lake, State of California, on the 21st of July, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said District this 21st of July, 2015.

Roland Sanford
General Manager/Secretary to the Board of Directors

Jim Freeman
President of the Board of Directors

PROPERTY LIENS - JULY 2015
EXHIBIT A

NAME	ADDRESS	APN	AMOUNT
DALEEN WALDEN	18982 HIDDEN VALLEY ROAD	141-322-18	380.52
IGNACIS ACUNA	16909 GREENRIDGE ROAD	142-194-19	59.89
			<hr/> 440.41

**ACTION OF
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

DATE: July 21, 2015

AGENDA ITEM: Discussion and Possible Action: Appointment of Interim General Manager

RECOMMENDATIONS:

Hear General Manager’s report and provide direction to staff.

FINANCIAL IMPACT:

To be determined, based on the qualifications of the selected candidate.

BACKGROUND:

The District has interviewed several candidates for the Interim General Manager position. Staff is requesting Board direction – either expand and continue the recruitment effort, or assist the Board with the selection and retention of an existing candidate identified to date.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Roland Sanford, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on July 21, 2015 by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

**ACTION OF
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

DATE: July 21, 2015

AGENDA ITEM: Discussion and Possible Action: Authorization for Board President to execute services agreement for permanent General Manager recruitment services

RECOMMENDATIONS:

Authorize the Board President to execute a services agreement with a “to-be-determined” headhunter firm, for General Manager recruitment services, subject to the following limitations:

- 1) Review and approval of services agreement – as to form – by District Counsel, prior to execution by Board President

- 2) Total cost of recruitment services not to exceed \$25,000

FINANCIAL IMPACT:

Total cost of recruitment services not to exceed \$25,000 – may be less depending upon the headhunter firm selected.

BACKGROUND:

Staff believes it will take nearly six months to recruit and hire a permanent General Manager. Staff has identified five headhunter firms; Alliance Resource Consulting, Ralph Anderson & Associates, Bob Murray & Associates, Koff & Associates, and CPS HR Consulting who could potentially provide the desired recruitment services. A request for proposals (RFP) will be sent to each of the five firms. In an effort to expedite the recruitment process, staff is proposing the Board authorize staff and the Board President to review and rank the proposals received, and authorize the Board President, subject to the two caveats stated above, to execute a services agreement with the preferred firm.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Roland Sanford, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on July 21, 2015 by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board



EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

Division of Drinking Water

July 3, 2015

Hidden Valley Lake Community Services District
Attn: Roland Sanford, General Manager
19400 Hartmann Road
Hidden Valley Lake, CA 95467-8371

RE: **Hidden Valley Lake Community Services District Water System ID #1710015**

Dear Roland,

The State Water Resources Control Board, Division of Drinking Water, received your letter, dated May 1, 2015, requesting approval to provide water to the proposed Valley Oaks Subdivision Project. The Subdivision will be created on a 150 acre parcel and consist of approximately 380 single family homes. The developer, Ken Porter, provided a Water Supply Assessment, prepared by PMC Consultants, documenting that riparian water rights will be used to serve the Subdivision.

Notwithstanding Directives 1 and 3 of Compliance Order No. 02_03_14R_004, the Division of Drinking Water, in consultation with Division of Water Rights, approves Hidden Valley Lake Community Services District to serve the proposed Subdivision so long as the source of supply for the Subdivision is from the water source to which the Subdivision property has a riparian right.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "SKM".

Sheri K. Miller, P.E.
District Engineer
Mendocino District

c: County of Lake Environmental Health, Community Development
Bruce Burton, Stefan Cajina (via email)

1710015/Compliance-4
150703 Subdivision Appr/SKM

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

50 D Street, Suite 200, Santa Rosa, CA 95404 | www.waterboards.ca.gov

Marty Englander
18493 Park Point Ct.
Hidden Valley Lake, CA 95467
707-987-2763/510-368-1347

Roland Sanford
General Manager
Hidden Valley Lake CSD
Hidden Valley Lake, CA

June 29, 2015

Dear Mr. Sanford,

Thank you very much for allowing me to take Mr. Russo to the treatment plant for a tour. He is interested in a career in water/wastewater treatment.

Paul Silva gave us a great tour. He answered all the questions and was an excellent ambassador for the industry in general. It is really nice to have such professional people working at HVLSCD.

I appreciate the opportunity to introduce interested people to the wastewater field. Thank you for your support.

Sincerely,



Marty Englander

Cc: P. Silva

Marty Englander
18493 Park Point Ct.
Hidden Valley Lake, CA 95467
(707) 987-2763

Mr. Paul Silva
Plant Operator
Hidden Valley Lake Treatment Plant
Hidden Valley Lake, CA

June 29, 2015

Dear Paul,

Thank you so much for showing the treatment plant to Mr. Russo and me last Friday. It was really great seeing how everything works there. You guys are doing a fantastic job. The plant reflects the pride that those of you who work there have in your work and your workplace. It makes me feel secure, as a consumer and former wastewater operator, that you are really taking care of our community.

I appreciate the time you took to show us the plant and tell us about the various parts of the process. Mr. Russo is interested in pursuing a career in water/wastewater treatment and you did an excellent job in letting him know how the industry and this unique plant works.

Thank you very much.

Sincerely,



Marty Englander

Cc: R. Sanford

RECEIVED p.1
JUL 06 2015

Elizabeth Montgomery
16530 Crescent Ct.
Hidden Valley Lake, CA 95467
707-987-8860

FAX – 6 pages

Attn: Roland Sanford, CSD
Peggy Barthel, Lake County Community Development Department
Hidden Valley Lake Association (Homeowner's Association)
Brett Stevens, Central Valley Regional Water Quality Control Board
Pamela Creedon, Central Valley Regional Water Quality Control Board
Brent Vanderburgh, State Water Resources Control Board
Erik Ekdahl, State Water Resources Control Board
→ CSD Board Members

Elizabeth Montgomery
16530 Crescent Ct.
Hidden Valley Lake, CA 95467
707-987-8860

July 6, 2015

Roland Sanford, General Manager
Hidden Valley Lake Community Services District
19400 Hartmann Rd.
Hidden Valley Lake, CA 95467
Fax: 707-987-3237

Re: Wild Diamond Vineyard Grading Project, Initial Study IS 14-01
Wild Diamond Vineyard Moon Tears Winery Project, MUP 14-08, CE 14-23
Ta-Jard Middletown Vineyard Project, IS 00-46 (incomplete 68 acre project from 2001)

Dear Mr. Sanford,

I am writing to request comment from the Hidden Valley Lake Community Services District (CSD) to the Lake County Community Development Department (CDD) regarding potential impacts to water quality and quantity from projects proposed by Wild Diamond Vineyards, LLC (WDV). WDV has proposed to expand its vineyard to 108 acres and to build a winery. The operation appears to involve the watersheds of Coyote and Asbill Creeks.

I believe the most likely focus of interest for CSD is the portion of the vineyard that drains into Coyote Creek. Agricultural chemicals could potentially make their way into the Hidden Valley Lake (HVL) reservoir, Putah Creek, and the Coyote Valley Basin aquifer. Sediment is also an issue, particularly for the reservoir. The slopes of the hillside on which the vineyard blocks under review would be planted are very steep (30-50%) and the vine rows would run down slope rather than across the hillside, exacerbating any erosion.

I am less able to explicate issues involving groundwater and subsurface water flow. The aquifer(s) from which WDV would pump water have not been delineated or characterized and little seems to be known about the water movement below ground. The only hydrogeologic data provided by CDD are contained in one page of a 2002 report conducted for a Mulvaney Vineyards on a site distantly located and above an entirely different aquifer.

I am requesting that CSD consider any relationship between HVL water resources and the following: the aquifer(s) tapped by WDV wells, the aquifers receiving water from WDV irrigation or winery waste water discharge, and any groundwater flow paths, springs, or surface water potentially impacted by WDV operations. In particular the source of the water feeding the springs above the north shore of the reservoir may be of special interest to CSD. Is it known where that water originates?

Another issue involves residents surrounding the WDV property who are outside the CSD service area. Some are already experiencing problems with water supply to their wells and ponds. If proposed WDV projects were to exacerbate this shortage further would CSD be called upon to provide water to these people?

Finally, an application for a permit to drill a well on a WDV property, parcel 013-060-110, lists "HVL Association" as a water source. (See enclosed.) Is this simply an error? Has CSD provided water to this property or planned to do so?


I will also enclose both a comment letter written by Dr. David Adam, a geologist who lives in HVL, and an excerpt from a letter by attorney Rachel Mansfield-Howlett. Both went to CDD, are dated Feb. 24, 2015, and address many of the above issues.

Over 200 members of the public have signed a petition calling for an Environmental Impact Report (EIR) to be conducted for the WDV Grading Project, and specifically emphasizing the need for a hydrogeologic assessment. The HVL Board of Directors voted unanimously to request an EIR be conducted. During a time of severe drought, when HVL property owners are under a moratorium on new water service and unable to initiate construction, it is essential that CSD weigh in on potential impacts of this new land use on our border.

If CSD concludes that the vineyard and winery operations will have no impact on HVL water resources I would very much appreciate a written statement to that effect, including any data and analysis used to reach such a conclusion.

CDD documents do not indicate that CSD was given notice of the proposed projects. However, comment is still possible as part of the California Environmental Quality Act process. I hope that you will contact the planner, Peggy Barthel, as soon as possible, and let her know of your intention to consider and respond to my concerns. All relevant documents are available from her by e-mail. Her e-mail is peggy.barthel@lakecountyca.gov. Thank you very much for your attention to this matter.

Sincerely,



Elizabeth Montgomery

Encls.

cc: Peggy Barthel, Lake County Community Development Department
 Hidden Valley Lake Association (Homeowner's Association)
 Brett Stevens, Central Valley Regional Water Quality Control Board
 Pamela Creedon, Central Valley Regional Water Quality Control Board
 Brent Vanderburgh, State Water Resources Control Board
 Erik Ekdahl, State Water Resources Control Board
 CSD Board Members



LAKE COUNTY HEALTH SERVICES DEPARTMENT
 ENVIRONMENTAL HEALTH DIVISION
 922 BEVINS COURT, LAKEPORT, CA 95453
 PHONE: (707) 263-1164 *** FAX: (707) 263-1681
 16185 MAIN STREET, LOWER LAKE (No Mail)
 PHONE: (707) 934-2257 *** FAX: (707) 934-6950

ANY OMISSION OF INFORMATION MAY DELAY PROCESSING OF YOUR APPLICATION

MAIL TO ALSO
 OWNER: PHILLIP OWNBEY PHONE/FAX: N/A
 MAILING ADDRESS: 1320 HARBOR BAY PKWY #110 CITY/STATE: ALAMEDA CA 94502
MAIL TO ALSO
 APPLICANT: GARY BENSON PHONE/FAX: _____
 MAILING ADDRESS: P.O. Box 1707 CITY/STATE: LOWER LAKE 95457
MAIL TO ALSO
 CONTRIBUTOR: TOM CAMMARATA PHONE/FAX: 987-0155
~~CONTRIBUTOR:~~ _____
 MAILING ADDRESS: 22077 CALLAYOMI ROAD CITY/STATE: MIDDLETOWN 95461

JOB LOCATION	Site Address: <u>15807 SPRUCE GROVE RD</u>	City: <u>MIDDLETOWN</u>
	Nearest Cross Street: <u>EAGLE ROCK RD & JEROME BLVD</u>	Assessors Parcel Number: <u>013-060-110</u>
PROPOSED USE	Single Family Residence? <input checked="" type="radio"/> YES <input type="radio"/> NO	Number Of Bedrooms: <u>3</u>
	Commercial Facility? <input type="radio"/> YES <input checked="" type="radio"/> NO	Type Of Commercial Facility: <u>N/A</u>
WATER SUPPLY	Public Supply Name: <u>NA</u>	* Property and closest to HVL
	Private Supply Source: <u>HVL ASSOC</u>	

TC (INITIAL) I understand that no service will be performed until I notify E.H. that the holes have been dug and I am aware that a fee will be due if the parcel is not properly prepared. DATE HOLES READY 3-11-05

By my signature, I certify that I am the owner or authorized representative and that the information I have furnished is correct, and hereby grant Lake County and its authorized agent permission to enter into the above described property for the purpose of this application.

Tom Cammarata

Signature (APPLICANT/AUTHORIZED REP) Circle One Date 2-28-05

FOR OFFICE USE ONLY

	DATE RECEIVED	FEE	RECEIPT #
<input checked="" type="checkbox"/> SITE EVALUATION/SOILS ANALYSIS (\$236.00)	<u>2/28/05</u>	<u>236.00</u>	<u>22164</u>
<input type="checkbox"/> STANDARD SEPTIC PERMIT (350.00 + 50.00)			
<input type="checkbox"/> SAND FILTER/EXPERIMENTAL SEPTIC PERMIT (\$657.00 + 50.00)			
<input type="checkbox"/> CAPPING FILL SEPTIC SYSTEM PERMIT (\$400.00 + 50.00)			
<input type="checkbox"/> SEPTIC REPAIR PERMIT (\$200.00)			
<input type="checkbox"/> SEPTIC PERMIT RENEWAL (\$47.00 - BEFORE EXPIRATION) (\$57.00 - AFTER EXPIRATION)			
<input type="checkbox"/> FIELD CONSULTATION (\$75.00 PER HR)			
<input type="checkbox"/> AUTHORIZATION INSPECTION (\$59.00)			
WORK DESCRIPTION:			
<input type="checkbox"/> INSPECTION FOR LOAN APP. (CIRCLE ONE) SEPTIC(\$108.00) WATER(108.00 + \$25.00) BOTH(\$144.00 + 25.00)			
<input type="checkbox"/> REMSPECTION (SEPTIC/OVER 2 INSP.)(53.00)			
<input type="checkbox"/> OTHER			

APPOINTMENT (DATE & TIME): _____
 PLANNING APPROVED BY: _____ DATE: _____

David P. Adam, Ph.D.
 18522 Sentinel Court
 Hidden Valley Lake, CA 95467

February 24, 2015

Lake Co. Community Development Dept., Planning Division
 Courthouse --255 N. Forbes St.
 Lakeport, CA 95453
peggy.barthel@lakecountyca.gov

Re: **Wild Diamond Vineyard Grading Project, Initial Study IS 14-01**

Dear Members of the Lake County Planning Division:

I am writing as a concerned homeowner in Hidden Valley Lake and as a geologist with 25 years of service at the U.S. Geological Survey. I am currently teach geology at Mendocino College in Lakeport.

The Wild Diamond Vineyard is a new use of land within the watershed of the lake (reservoir) in Hidden Valley Lake, and appears to have further expansion planned. Even the project as now presented represents a significant potential alteration of our lake. It is essential that baseline data be available **before** any major developments proceed, so that any future changes may be properly evaluated. It seems essential to me that there be an Environmental Impact Report prepared for the Wild Diamond project before any further expansion is allowed. The following questions need to be answered:

Groundwater use:

- Why is the location of the well supplying the vineyard not indicated in the Initial Study?
- What other uses does this well supply, *e.g.*, the previously approved vineyard blocks?
- Will this well be monitored?

Surface runoff:

- Why are vineyard rows not oriented across the hillside rather than up and down it given that the latter will exacerbate erosion during times of heavy precipitation?

Are mitigation measures adequate to control:

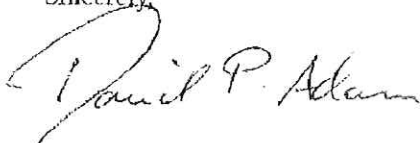
- Erosion and downstream sedimentation?
- Lowering of water table?
- Changes in water chemistry? (fertilizers and nutrients)
- Are the mitigation measures enforceable? If so, by whom?

Are baseline data available and recognized for:

- Spring discharge (especially the various springs that discharge into the lake)?
- Water chemistry (both for the lake and the springs)?
- Who is responsible for maintaining records of these?

Thank you for considering my input.

Sincerely,



David P. Adam, Ph.D.

Excerpt from Feb 24, 2015 letter from attorney Rachel Mansfield-Howlett to Lake County Community Development Dept.

Hydrology and Water

The Initial Study (IS) relies on a 2002 hydrogeological assessment for a different project, the Mulvaney Vineyards to support the conclusion that the Project will not result in water quality, water demand or other hydrological impacts. Aside from the fact that the Mulvaney Vineyards is located across the valley from the Project, the Mulvaney Vineyards utilize a different aquifer and drainage basin and therefore the study's conclusions are of little value in assessing the impacts of the Project's water and hydrological impacts. No hydrological or water study was prepared for this Project; no baseline measurements/mapping were made of the water table, aquifer, existing water quality or composition, and spring flow rates, or of the potentially significant impacts of water table drawdown under drought conditions. Therefore, the IS is inadequate and incomplete and does not provide substantial evidence the Project's impacts have been reduced to insignificance. The IS fails to provide sufficient information to properly adjudicate the degree to which the Project will deplete the aquifer, impact area wells, degrade the water supply and impact the watershed of Hidden Valley Lake. In light of current climate change concerns and scientific projections of long-term severe drought for California, substantive environmental review is especially warranted.

The Biological Assessment confirms that drainage of the site runs into Coyote Creek, which drains into Hidden Valley Lake and then on to Putah Creek. This triggers review of any pollutants that may be transmitted through these routes to area springs, wells and other fresh water sources that may impact the quality of drinking water.

Expert Dr. David P. Adam, a geologist with 25 years of service with the U.S. Geological Survey confirmed *via* today's letter to the County that the Wild Diamond Vineyard is a new use of land within the watershed of Hidden Valley Lake. Dr. Adam stated that the Project presents a significant potential alteration of Hidden Valley Lake and it is therefore essential that baseline hydrology and water data be available before any major development should proceed. Dr. Adam urged preparation of an EIR to analyze the Project's true environmental impacts. When a conflict in expert opinion over the significance of an environmental impact occurs, it normally requires preparation of an EIR. (CEQA Guideline § 15064(g); *Sierra Club v. CDF* (2007) 150 Cal.App.4th 370.)

The IS claims that the existing vineyards will use less water than the current native vegetation. However, "net" benefit analysis is not the proper standard. The Court in *Lighthouse Field Beach Rescue v. City of Santa Cruz* (2005) 131 Cal.App.4th 1170, ruled that the need for an EIR for amendments to a beach plan could not be evaluated on the basis of "net" environmental analysis; any potentially significant environmental effect must trigger an EIR even if the project provides a "net" or overall positive impact. (Public Resources Code § 21080 (c),(d).)

L.A. Now

California: This just in

Superior Court judge faults state's process of curtailing water rights

By **BETTINA BOXALL**

JULY 10, 2015, 5:12 PM

A Superior Court order issued Friday raises questions about the state's process of curtailing water rights during the drought.

The West Side Irrigation District, which has junior rights to some flows in the Sacramento-San Joaquin Delta, challenged notices in which state regulators ordered the agency to stop drawing supplies from the delta's Old River.

Sacramento County Superior Court Judge ShelleyAnne Chang issued a temporary restraining order, barring the state from enforcing the curtailment on the grounds that the state had violated the district's constitutional right of due process.

"The Curtailment Letters ... result in a taking of Petitioners' property rights without a pre-deprivation hearing, in violation of Petitioners' Due Process Rights," Chang wrote.

The State Water Resources Control Board has issued thousands of curtailment letters this year, telling junior and some senior rights holders that they had to stop diverting supplies from drought-starved rivers and streams because there wasn't enough water to meet all their demands.

Some irrigators have responded with lawsuits, contending, among other things, that before the state board can halt diversions, it must first hold hearings in which the rights holders can contest the need for curtailments.

The state board has argued that the curtailment letters are technically notices, not orders: Only if the districts continued to withdraw water would the board issue enforcement orders, subjecting violators to steep fines or possible court prosecution.

In a five-page order, Chang rejected the state board position, concluding that the curtailment letters amounted to a command. The board's "argument is not only misguided, it is also inaccurate," the judge wrote.

The ruling applies only to this particular case. But attorney Steve Herum, whose firm filed the lawsuit, said it could nonetheless have a ripple effect.

"I'm not suggesting that it has a binding effect on every other letter that was issued," Herum said. "But it should cause the state agency to pause at least. And I would not be surprised if one or more recipients may rely on this opinion to say that the letter has an unconstitutional impediment in it. "

In a statement, the state board noted that Chang's order was limited to the case. The board also cited language in which Chang said the board was free to exercise its authority to enforce the state Water Code.

On July 30, the judge will hear arguments on whether she should issue a preliminary injunction "requiring the board to issue a revised letter/notice that is informational in nature."

Twitter: [@boxall](#)

Copyright © 2015, Los Angeles Times

UPDATE

5:45 p.m.: This post was updated with additional editing.

This story was first posted at 5:12 p.m.

FROM AROUND THE WEB

Sponsored Links

What Donald Trump Thinks about Home Solar Panels
Solar America

US Senator: Go To An ATM...Draw Out Everything
Bonner & Partners

How Modern Cars Threaten Privacy And Security
Bankrate

Valley Oaks approved by commission

By Eli Nymeyer, Record-Bee staff

record-bee.com

Lakeport >> When it came time to vote, the three sitting members of the Lake County Planning Commission unhesitatingly approved the Final Environmental Impact Report (FEIR) for the Valley Oaks Development project.

The half-hour hearing largely revolved around questions from District 1 and commission chair Joseph Sullivan to Community Development Department (CDD) Director Rick Coel. Sullivan voiced a concern over the status other development projects in the Middletown area and the impact an approval of the Valley Oaks project would have on them. According to Coel, aside from a scant handful of projects that would require further revision before they could be considered, other projects have either expired or been abandoned by their developers and are no longer valid plans.

Sullivan also asked Coel's opinion of the project. Coel stated the project would "support activities that can't fit or are nonexistent in Middletown." He mentioned that there is intent by the developer, Ken Porter and KimCo, to pursue medical offices, a movie theater, and various shopping and restaurant options that might have trouble getting a foothold within Middletown proper. Coel added they do expect to see further development within Middletown as the economy continues to recover; however, any such development would also require work to be done on the Middletown sewer system to cope with the increased load. He stated Porter would still have to receive permits for business developments within the Valley Oaks project, which would be addressed by the CDD and the Planning Commission at a relevant future time.

Sullivan's final question addressed concerns over funding for emergency services, specifically fire-related. Porter volunteered he has had "multiple meetings with fire departments and CAL FIRE," and there is an agreement in place to provide an additional \$75,000-80,000 per year to the fire district to cover the cost of the development's emergency services needs.

It was also stated by Coel that the CDD had received confirmation that the development had the right to and could take advantage of riparian water rights and there were no water issues.

Only two members of the public, Larry and Lorene Chandler of Hidden Valley Lake, appeared at the hearing to voice concerns over the project.

The commission voted 3-0 in favor of the FEIR and associated plans, with commissioners Gladys Rosehill and Bob Malley absent.

The project next goes to board of supervisors for consideration and final approval.

Advertisement

Lake County Record-Bee

Thursday, June 25, 2015

75 CENTS

FACEBOOK.COM/RECORDBEE

TWITTER.COM/RECORDBEE

record-bee.com

STATE

Brown rejects funds for Clear Lake

Staff reports

SACRAMENTO » Funding approved earlier this month by the state legislature's Budget Conference Committee for the protection and restoration of Clear Lake didn't make Gov. Jerry Brown's final budget signed on Wednesday.

Brown has instead directed the California Department of Fish and Wildlife (CDFW) and the State Water Resources Control Board (SWRCB) to work with Sen. Mike McGuire (D-Healdsburg)

and Rep. Bill Dodd (D-Napa) to identify sources of state or other funding to help address the significant water quality problems plaguing Clear Lake.

The two legislators successfully secured \$1 million for Clear Lake in the state budget for the 2015-16 fiscal year during the legislative session, but Brown removed the appropriation from the budget.

The state departments have been tasked with providing technical assistance to the law-

makers and help Lake County residents develop grant applications for funding via Proposition 1 — the \$7.5 billion water bond — and other sources, according to Ezra Chaban, of Dodd's office.

"Clear Lake's problems of deteriorating drinking water quality, loss of wetlands and threats of invasive species have been exacerbated by the ongoing drought. Voters recently approved Proposition 1, which provides significant amounts of funding for im-

proving drinking water and ecosystem restoration," the SWRCB and CDFW stated in a joint release. "Furthermore, SWRCB and CDFW have identified other funding sources, such as low interest loans, that could be combined with possible Proposition 1 allocations to provide up to 100 percent of drinking water quality improvement project costs, in addition to funding for projects qualified under the ecosystem restoration program."

The funds, if secured, would be

utilized by Lake County to provide wetland restoration, water quality improvement and manage invasive species.

McGuire and Dodd have been collaborating since early this year to secure greater investment in environmental protection and restoration of Clear Lake. While they are disappointed the funds won't immediately be appropriated, Dodd and McGuire will continue to work for funds from another source.

FUNDS » PAGE 3

Funds

FROM PAGE 1

"Both Assemblymember Dodd and myself have been working with the governor's office as well as the State Water Resources Control Board and the Department of Fish and Wildlife to advance Proposition 1 funding which will benefit the lake's ecosystem and Lake County's drinking water supply. We are committed to securing these re-

see the governor approve the allocation the legislature approved for Clear Lake, we're encouraged by the governor's direction to the appropriate state agencies to work this upcoming budget year to help secure needed funding. We've worked closely with Lake County residents to elevate the issue of resorting Clear Lake to a level that the state cannot continue to ignore," Dodd said. "Senator McGuire and I will be working hard to hold the board and the department account-

fishing destinations in the country. However, over time, Clear Lake has developed a number of environmental problems that threaten the fish and wildlife of the lake, diminish drinking water quality and hinder recreational opportunities. If unabated, these issues are likely to persist.

"The SWRCB and CDFW along with Senator McGuire and Assemblymember Dodd fully expect and intend that work will take place in fiscal year 2015-16 to help the communi-

DROUGHT**Big difference in water use between wealthy communities and elsewhere****By Paul Rogers and Denis Cuff***Staff writers*

Only 24 miles separate the East Bay communities of San Lorenzo and Diablo. But when it comes to California's relentless drought, they are a world apart.

Both communities receive their water from the same source — the East Bay Municipal Utility District — and both are bound by the same conservation rules and rates. But the residents of San Lorenzo, a working-class Alameda County suburb along Interstate 880, use a mere 51 gallons of water per person a day. In Diablo, an affluent community just over the hills in Contra Costa County known for its country club and tree-lined private streets, residents use nearly seven times more water — 345 gallons per person per day.

The massive difference highlights an issue that has become more clear across California as the drought has worsened; Wealthy areas are using dramatically more water than lower-income areas.

The pattern shows up throughout the state. A study released last year of residential water use in Southern California found wealthier Los Angeles neighborhoods consumed three times more water than less affluent ones. Although local climate and landscape type also played a role, a homeowner's income was a primary factor in how much water he or she used, the study found.

"Wealthy communities are using more water because they can. They have bigger houses and bigger lots. They can pay for it," said Stephanie Pincetl, a UCLA professor who worked on the study. "It's a historic pattern. People change habits reluctantly."

While the disparity between communities has become clear in monthly water consumption reports that the State Water Resources Control Board now requires from more than 400 water providers across California, EBMUD reports its water use as one overall number for 1.3 million people in Alameda and Contra

Costa counties.

To be sure, weather plays an important role. The further inland an area is from San Francisco Bay and its fog, the warmer the temperatures. That explains some of the disparities, but not all of them.

Starting July 1, EBMUD will begin charging an "excessive use penalty" on homes using more than 984 gallons a day, or four times the district average.

Charging sky-high water rates for excessive use is now legally in question, however, after a recent Southern California court ruling that said government can only charge for water what it costs to provide it, under Proposition 218, a ballot measure voters approved in 1996.

Water districts also have the option of putting a flow restrictor on the meter of any home that is violating water-wasting rules, although few ever resort to that. Then there are fines. Last month, Beverly Hills imposed a \$1,000 fine for washing cars, filling pools or watering lawns more than two days a week.

Lake County staff to tackle Lucerne water issues

By J.W. Burch IV, jburch@record-bee.com, @JWBurchIV on Twitter

record-bee.com

LAKEPORT >> Lucerne residents will have the help of county staff in determining potential solutions to the city's water issues.

The Lake County Board of Supervisors board unanimously approved a request to "explore possible solutions to Lucerne's water system issues." at its Tuesday meeting.

"This is a disadvantaged community," District 3 Supervisor Jim Steele said. "All they really want is some representation."

Steele would like to team up with county counsel and Lake County Special Districts to discuss what can be done to help the community with its continuously increasing water rates.

California Water Service Company (Cal Water) first increased rates for Lucerne residents in 2008. January brought with it the most recent increase, which raised rates per 100 cubic foot of water from \$14.65 to \$16.06 while the smallest 5/8 by 3/4 inch meter monthly charge rose from \$50.26 to \$51.39.

"I've seen my water bill increase three or four times in the last seven years," Lucerne resident John Winslow told the board during public comment. "I don't foresee any good outcome with Cal Water."

The increases are the result of the Sales Reconciliation Mechanism (SRM), which is the second mechanism created to maintain the company's revenues when their consumers conserve water. The first, called The Water Revenue Adjustment Mechanism (WRAM), was created in 2008 and is a surcharge applied 12 to 36 months following the loss of revenue and allows Cal Water to recover the difference between actual revenues collected and the amount of revenue it was authorized to collect by the California Public Utilities Commission.

Winslow also said he hasn't "seen any positive work done on the facilities."

However, Cal Water entered into a loan agreement with the state's Department of Public Health for just over \$7 million upon completion of a new water treatment plant in the community, which has also resulted in an increase in repayment charges for residents.

Related issues to the water system such as potential costs or financing of purchasing the system, as well as the county's option to use eminent domain in order to procure the system, were not discussed at the behest of District 4 Supervisor Anthony Farrington.

As the county has 10 other struggling water systems, Farrington said he was uncertain how much time the county could commit to the issue.

"The board has spent quite a bit of time on this issue," Farrington said. "The question is: Are we able to acquire the system?"

District 5 Supervisor Rob Brown voiced concerns overburdening employees, as the county is already short-staffed.

The board unanimously approved the resolution.

“Hopefully in the future ... we will be able to come back to have a really good discussion about what we can do,” Steele said.

Advertisement

Lake County BOS to discuss Lucerne water rates

By J.W. Burch IV, jburch@record-bee.com, @JWBurchIV on Twitter

record-bee.com

LAKEPORT >> The Lake County Board of Supervisors is scheduled to discuss possible solutions to Lucerne's water system today.

"I would like to put together a small team consisting of special districts, myself and county counsel," District 3 Supervisor Jim Steele stated in a memorandum to the board.

The California Water Service Company, which oversees the Lucerne water system, will be invited to participate in the process.

Lucerne has had multiple rate increase from Cal Water since 2008, with the most recent being in January, when Lucerne residents' rates per 100 cubic foot of water rose from \$14.65 to \$16.06 while the smallest 5/8 by 3/4 inch meter monthly charge rose from \$50.26 to \$51.39.

The increase was the result of the Sales Reconciliation Mechanism (SRM), which is the second mechanism created to maintain the company's revenues when their consumers conserve water.

The first, called The Water Revenue Adjustment Mechanism (WRAM), was created in 2008 and is a surcharge applied 12 to 36 months following the loss of revenue and allows Cal Water to recover the difference between actual revenues collected and the amount of revenue it was authorized to collect by the CPUC.

Additionally, the company entered into a loan agreement with the state's Department of Public Health for just over \$7 million upon completion of a new water treatment plant in the community, which has resulted in an increase in repayment charges for residents.

Furthermore, some Lucerne residents could see reduced rates if the proposed Assembly Bill (AB) 401 is implemented.

Introduced in February by Assemblymember Bill Dodd AB 401 would require the Department of Community Services and Development and the Board of Equalization to develop a Low-Income Water Rate Assistance Program for household with less than 200 percent of the federal poverty level.

If implemented, the program would go into effect Jan. 1, 2017.

Contact J. W. Burch, IV at 900-2022.

Recycling system cuts home water use

Australia technology could save 72% of daily water use, proponents say

By [Roger Showley](#) (/staff/roger-showley/) 6:18 p.m. June 22, 2015

KB Home (http://www.kbhome.com/socal?utm_content=4256848095&utm_term=kb%20home&utm_campaign=SOUTHERN+CALIFORNIA&utm_source=Bing&utm_medium=cpc), one of the state's largest builders, showed off a new recycling system in San Diego Monday that eliminates the need for much of the drinking water now used to quench thirsty landscapes. It would drop overall water use by as much as 72 percent. Water officials say it is the first time such a system is being installed in a housing subdivision.

The \$10,000 system comes at a time when California is searching for ways to reduce water use because of severe drought. It is a standard feature in KB Home's 52-home [Sea Cliff](http://www.kbhome.com/new-homes-san-diego-county/sea-cliff) (<http://www.kbhome.com/new-homes-san-diego-county/sea-cliff>) project and routes so-called "gray water" from showers, bathtubs, washing machines and bathroom sinks through filters that remove most solids and impurities, and makes the water ready for use in each home's landscaping.

The project, which held its grand opening over the weekend, is located north of state Route 56 in the northern San Diego city neighborhood of Rancho Penasquitos. Homes range from \$890,000 to just over \$1 million on floor plans of 2,892 to 3,934 square feet. Sales agent Sandro Di Nunzio said the recycling system caught the buyers' attention.

"People just see it as a great innovation. It's setting the community apart from other builders," he said.

KB obtained the system from [Nexus eWater](http://www.nexusewater.com/) (<http://www.nexusewater.com/>), founded in Australia five years ago and recently relocated to California.

"We're the only certified system and this is the only place (it's been installed)," said Scott Isaksen, Nexus' director of engineering and technical services.

The [National Sanitary Foundation](http://www.nsf.org/) (<http://www.nsf.org/>), based in Ann Arbor, Mich., has certified the system as the only one currently available nationally for this sort of use. Its NSF350 standard was added to the California plumbing code in its most recent edition.

At a tour Monday, Nexus and KB officials showed how the system works.

Used water is routed from drains and pipes to a 50-gallon underground tank in the side yard. It then runs through a 10-gallon-per-hour filtering system that removes virtually all suspended solids, bacteria and impurities and ends up in a 200-gallon underground tank that feeds the home's landscaping irrigation system.

Ralph Petroff, founder and chairman of Nexus eWater stressed that the water does not meet state drinking standards and should not be consumed.

A monitoring system connected by cell phone alerts Nexus offices if there is a problem that technicians can be dispatched to fix.

Besides the recycling system, the home features the latest in water-saving fixtures and appliances that comply with the EPA's [WaterSense](http://www.epa.gov/watersense/) (<http://www.epa.gov/watersense/>) standards program.

Jeff Stephenson, representing the [San Diego County Water Authority](http://www.sdcwa.org/) (<http://www.sdcwa.org/>), said the typical water use of 161 gallons per person per day could be cut by 50 percent with the recycling and higher efficiency features. But Tom Wood, Nexus' chief technology officer, said use could drop as low as 45 gallons per person per day — a 72 percent reduction.

Nexus originally hoped to certify the use of recycled water for the KB homes' toilets as well, but city of San Diego building officials said required annual inspections are not presently available to certify that additional use would be safe.

Still Jose Salcedo, a department mechanical engineer and assistant manager, called it a "huge benefit" for homeowners, because it would be included during construction.

Nexus officials said they are ramping up production at new subdivisions and can supply existing homes as well, but at a cost of around \$15,000. They expect the costs to drop in coming years.

MENU



The Technology Behind Grey Water and Home Water Recycling

The Nexus eWater Recycler offers unprecedented home water and energy savings by reducing domestic water usage by 34%, slashing sewage flows by 70%, and producing hot water with 75% less energy than conventional technologies. The eWater Recycler performs two major functions:

- Recycling grey water to a quality which is safe to use on lawns and in toilets.
- Extracting the waste heat in grey water and concentrating it in a hot water tank.

The eWater Recycler has been designed as a combined system, but can be sold separately as either a Water-only or Energy-only recycler. It has a daily capacity up to 200 gallons.

Home Water Recycling

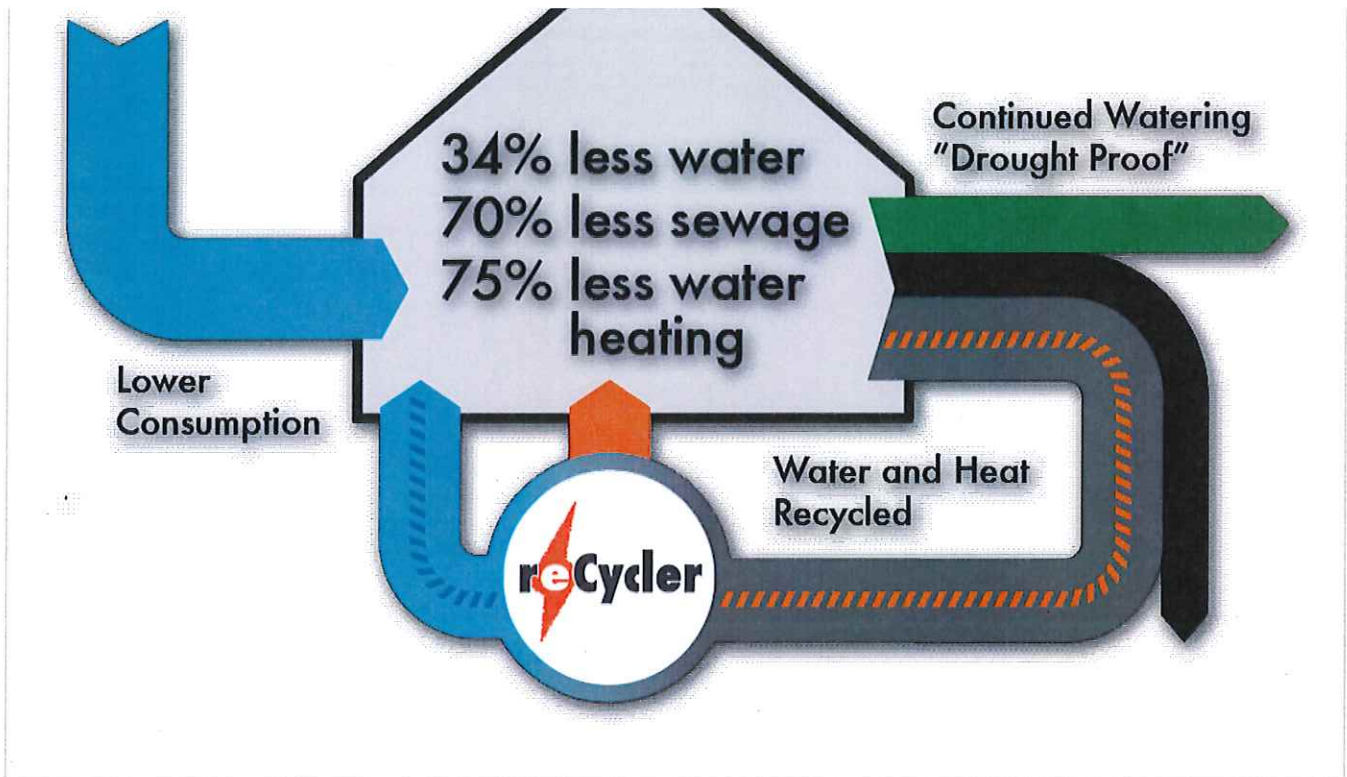
Nexus' advanced home water recycling features a treatment system called the NEXtreater that produces clean water using an innovative 3-stage hybrid process (patent-pending) that combines floatation, filtration and disinfection in an appliance-like package. Unlike chemical or biological alternatives, the eWater Recycler is inexpensive to maintain, produces recycled water which is completely safe, and does not require the homeowner to change their water usage habits. Recycler features:

- Pre-filtration and solids removal
- A novel bubbling process to concentrate and separate contaminants
- Polishing and disinfection to make water 'near potable'

Home Energy Recycling

The Nexus reCycler produces hot water with 75% less grid energy than conventional means using a novel heat pump process (patent-pending). This NEXheater is a system to recycle and reuse the energy embedded in the home's waste greywater. The NEXheater utilizes grey water as the heat source, and efficiently concentrates and transfers this heat to clean water stored in a storage tank and ready for use inside the house. This process is efficient enough to provide all the hot water needed by the entire household. Recycling the energy in greywater can be one of the most effective means of reducing the overall energy budget for the home.





Nexus News

- Join us at this year's PCBC in San Diego!
- Bob Hitchner Discusses Emergency CalGreen Regulations
- Our very own Bob Hitchner shares his thoughts with TechHome Builder
- Nexus eWater featured on CNBC
- Nexus eWater to partner with homebuilder as they release first publicly available homes with grey water technology

Connect with Nexus

LinkedIn:
Nexus eWater Inc.

Facebook:
Recommend Share 338

Twitter:
Follow @NexusEWater

Google+:
g+ Follow 13

WATER: Senior water rights curtailed in Delta, San Joaquin and Sacramento watersheds

SATURDAY, 13 JUNE 2015 02:43 LAKE COUNTY NEWS
REPORTS

NORTHERN CALIFORNIA – With drought conditions continuing into the summer months, the State Water Resources Control Board on Friday announce that there is insufficient water available for senior water right holders with a priority date of 1903 or later in the San Joaquin and Sacramento watersheds and the Delta.

The need for further curtailment of more senior rights and curtailments in other watersheds is being assessed weekly.

Notices are being sent to water right holders that direct recipients to stop diversions of water to protect more senior water rights and releases of previously stored water, as required by state law.

Diversion of water when water is not available under the right holder's date of priority is unauthorized and unlawful. Violations are subject to fines up to \$1,000 per day and \$2,500 per acre-foot of water unlawfully diverted, cease and desist orders, or prosecution in court.

Senior water right holders with priority dates earlier than 1903 in the affected watersheds can continue to divert water in accordance with their water right. In addition, those who have previously stored water under a valid right may continue to hold that water or release it for beneficial use.

While this is the first time during the current drought that senior water right holders have been given notice that water is not available to serve their water right priority, it is not unprecedented. Some senior water right holders were

curtailed during the drought of the late 1970s.

The water-curtailed actions taken Friday by the State Water Resources Control Board emphasize the importance of the California water-rights system, and the pressing need to improve supplies, according to California Farm Bureau Federation President Paul Wenger.

"The water-rights system was created to deal with unreliable, and often scarce, supplies, and we have scarcity that California hasn't seen in many, many years, if ever," Wenger said. "As the water-rights system responds to shortage in this extraordinary year, we must pursue long-term efforts to reduce the underlying scarcity that plagues us."

Wenger noted that the additional cuts in water for food and farm production will deepen the impact of the four-year drought on rural parts of California.

The solution for California water shortages must come ultimately from aggressive efforts to improve supplies, Wenger said.

Water rights affected by this notice

Friday's curtailment notices affect 276 pre-1914 appropriative water rights held by 114 right holders. The notices do not affect any riparian right holders.

The water rights affected include:

- On the Sacramento River, 127 water rights with a priority date of 1903 or later are curtailed, affecting water rights held by 86 right holders.
- On the San Joaquin River, 24 water rights with a priority date of 1903 or later are curtailed, affecting water rights held by 14 right holders.
- In the Delta, 125 water rights with a priority date of 1903 or later are curtailed, affecting water rights held by 14 right holders.

The following uses are listed for the pre-1914 water rights affected by Friday's notices:

- 135 water rights held by 53 right holders for irrigation, stockwatering, and/or livestock as the sole water use; and
- 208 water rights held by 80 right holders for irrigation, stockwatering, or livestock as at least one of the claimed water uses.

Among the districts impacted is the Yolo County Flood Control and Water Conservation District, which is curtailed in what it can take from Cache Creek in Lake County. The district also holds the main water rights for Clear Lake and for Indian Valley Reservoir.

Friday's action is based on reported diversion demands, estimates of natural flows and actual stream flows. Conditions in these and other watersheds continue to be monitored, and curtailment notices for other watersheds and for more senior water right holders in these watersheds may be imminent.

Some water right holders may have other, more senior rights to fall back on, or have water stored in reservoirs that they can still access. If that's not available they will have to find other sources of water, such as groundwater or purchased water, if available. Water right holders are cautioned that groundwater resources are significantly depleted in some areas.

An explanation of state water rights

California water rights law is based on seniority. In dry years, when there isn't enough water in the system to serve all water right holders, those with more junior rights are required to stop diverting water from rivers and streams before restrictions are imposed on more senior right holders.

The Water Commission Act of 1913, which took effect in 1914, created California's system of water rights and the distinction between junior and senior appropriative water rights.

Senior water right holders are those claiming appropriative water rights established prior to the Water Commission Act and riparian water rights. Riparian water rights are rights granted to owners of land abutting a stream or river.

In most instances, riparian rights share equal priority to the available natural flow and have seniority over appropriative water rights (both pre-1914 and post-1914). For appropriative rights, the priority system is based on the concept of "first in time, first in right."

The State Water Board administers California's system of water rights and is authorized to prevent illegal diversions of water. Illegal diversions include taking water at times when there is insufficient water available under the priority of right held by the diverter.

The State Water Board issued two letters earlier this year warning all water-right holders that their rights may be curtailed due to drought conditions.

Last year, the State Water Board issued curtailment notices to more than 5,000 diverters on five watersheds statewide. Among them was the Hidden Valley Lake Community Services District, as Lake County News has reported.

In April and early May of this year, the State Water Board issued curtailment notices for all post-1914 water rights in the Sacramento and San Joaquin River watersheds and the Delta. Curtailment notices were issued in the Scott River and Deer Creek watersheds as well.

In May, the Hidden Valley Lake Community Services District was hit with another curtailment notice – after having received one last year – which General Manager Roland Sanford said they are disputing.

In addition, the State Water Board approved a proposal from riparian water right holders in the Sacramento-San Joaquin River Delta on May 22 to voluntarily cut back water use in exchange for assurances that they would not face enforcement actions in the event that their riparian water rights are curtailed more severely later during the June-September growing season. Riparian water right holders had until June 1 to elect to participate in the voluntary program.

The senior water rights affected by Friday's notice add to the growing number of water rights restricted by the state's ongoing drought as demand far outstrips supply in key Northern California watersheds.

As of the Friday notice, a total of 8,721 junior water rights and 276 senior water rights in the Sacramento-San Joaquin River watersheds and Delta have been notified that there is insufficient water in the system to serve their rights.

To determine the need for curtailments, the State Water Board uses monthly diversion data and sorts that data by watershed, water right type and priority date. Water flow used for power generation that is diverted and returned back to the water course is removed from the analysis.

The demands for water use by type of right are summed and plotted graphically to display junior and senior water right needs.

To assess supply, monthly and daily natural flow data from the Department of Water Resources (DWR) are plotted with DWR estimates of return flows and additional minor tributary flows. The resulting Supply vs. Demand Curve indicates curtailment is needed when demand outstrips supply.

For this curtailment, several scenarios of delta and tributary demand were analyzed to produce conservative curtailment priority dates. As supplies continue to decline through the summer, it is expected that more senior rights will be subject to curtailment. As supply increases in the fall or winter, the State Water Board will lift the curtailment as soon as appropriate using the same procedure.

The State Water Board maintains a Web page to assist water right holders in several key watersheds to plan for possible limits on water supply availability. The Web page, titled "Watershed Analysis" (http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/analysis/), details projected water supply, demand and availability for the watersheds most likely to face restrictions during the drought as demand outstrips available water supply.

Information on the drought is available at the State Water Board's drought Web site,
http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/index.shtml .

DWR to hold public meetings to discuss draft model ordinance



SUNDAY, 14 JUNE 2015 22:05 EDITOR

New California yards and commercial landscaping would use far less water under the rules of a model landscape ordinance updated by the California Department of Water Resources (DWR) at the direction of Gov. Edmund G. Brown Jr.

The updated draft rules would prohibit installation of turf unless it is used for a specific function such as sports fields or gathering areas, require the installation of efficient sprinkler nozzles, ban turf in street medians and parkways with few exceptions and require use of compost to improve the water-holding capacity of soil.

"About half of California's urban water is used on landscaping," said DWR Director Mark Cowin. "We can gain a lot of water savings year after year with smart landscape design, installation and maintenance."

In all, DWR's draft revisions to the landscape ordinance are expected to reduce the water use of a new home by 16,000 gallons a year, or 30 percent.

Water use on new commercial landscapes would be cut by approximately 40 percent under the draft rules proposed by DWR.

California is expected to add 472,000 single- and multi-family housing units with an associated 20,000 acres of new landscape over the next three years.

The state's population is expected to grow by more than 11 million, reaching nearly 50 million people by 2050. New landscape standards are critical to ensure that new plantings are as efficient as possible.

In an April 1 executive order, the Gov. directed DWR to update its State Model Water Efficient Landscape Ordinance in order to help California cope with a fourth year of extreme drought and build resiliency for future droughts.

State law requires all land-use agencies, such as cities and counties, to adopt a water-efficient landscape ordinance that is at least as efficient as the model ordinance prepared by DWR. DWR's model ordinance takes effect in those cities and counties that fail to adopt their own.

The draft revisions to the model ordinance reduce the size threshold for landscapes subject to the ordinance to 500 square feet for both commercial and residential property. Land-use agencies also would be required to report on ordinance adoption and enforcement each year.

DWR seeks public comment on the draft revisions to the model ordinance at two public meetings to be held this week:

– June 16, 10 a.m. to noon, Metropolitan Water District of Southern California, 700 North Alameda St., Los Angeles; to join this meeting visit <https://resources.webex.com/resources/j.php?MTID=mf9ff1a0a6fcc7d4fedbfa57fa7bc3745> or call in toll-free to 877-952-3588, attendee access code 590 225 6.

– June 19, 10 a.m. to noon, Resources Building Auditorium, 1416 9th St., first floor, Sacramento; to join this meeting visit <https://resources.webex.com/resources/j.php?MTID=m6aa000d2b9905eda9f9dbae9d86dc2c1> or call in toll-free to 877-952-3588, attendee access code 590 225 6.

Stakeholders may attend the public meetings and/or submit comments by email.

Public comments are due by Friday June 26. Send comments to julie.saare-edmonds@water.ca.gov.

Revised MWELO can be read here: <http://www.water.ca.gov/wateruseefficiency/landscapeordinance/>.

Like Share

0

+1

0

Tweet

Share

submit



LAST UPDATED (SUNDAY, 14 JUNE 2015 18:54)

In historic step, senior water rights curtailed

By Lisa M. Krieger, San Jose Mercury News

record-bee.com

SACRAMENTO >> In a historic step, California is cutting water allotments to the state's most senior rights holders, who have depended upon essentially unlimited water from the state's rivers and streams for more than a century.

It is the latest toll taken by the state's punishing drought, now in its fourth year.

A total of 276 curtailed rights, long thought inviolable, are held by Californians with rights to the Sacramento River, San Joaquin River and Delta, representing 1.2 million acre feet of water.

The San Francisco Public Utility Commission, whose senior water rights on the Tuolumne River supply water to the San Francisco Bay Area, is not on the list.

"But as we continue this process," adding new curtailments in future weeks, "we anticipate they will," said Tom Howard of the State Water Resources Control Board, which made the announcement Friday afternoon. The East Contra Costa Water District is on the list.

"We have been waiting for the recent weather system to pass in hopes of adding water, said Caren Trgovcich, deputy director of State Water Board. "It did stretch the timing a couple days, but now we are at the point that demand exceeds supply."

As summer continues, more curtailments are likely, said Trgovcich. "We are continuing to evaluate the hydrology in watersheds. There could be additional action," starting next Friday, she said.

Senior water rights were curtailed in 1977 but the State Water Board had less legal authority then, so there was less rigorous enforcement. And those curtailments, while deep, affected a smaller geographic area, focusing on the Sacramento River basin.

A senior water right is called a "pre-1914" right, because that's the year California established an official permit process for its chaotic and litigious water rights landscape.

Last month the state for the first time ordered property owners to provide proof of these rights, triggering anger and a flood of historic and hastily retrieved documents from hundreds of farms, cities and irrigation districts.

Violators will be subject to fines of \$1,000 per day and \$2,500 per acre foot of water.

The drought has forced cities and towns to cut water use from 8 percent to 36 percent beginning in June, or face steep fines.

And 9,100 holders of "junior" rights — established after 1914 — already have been curtailed for the second consecutive year.

Stored "senior" water, such as that held by the massive Turlock and Modesto Irrigation Districts, is considered private property and will not be curtailed, the State Water Board said.

The impact on rights holders will vary, said Howard.

"Each water rights holder has a different situation, with different options available. When they run out of options, they'll have to abandon whatever crops are cultivated at the time ... Some will see what other options exist and take advantage of stored water, groundwater, exchange with neighbors, those kinds of things.

"There is no question that some land will end up being fallowed as a result of this," he said.

Lakeport City Council to discuss adopting budget, extending water emergency



MONDAY, 15 JUNE 2015 00:05 ELIZABETH LARSON

LAKEPORT, Calif. – This week the Lakeport City Council will consider approving its fiscal year 2015-16 budget and discuss additional water conservation measures as required by the state due to the drought.

The council will meet at 6 p.m. Tuesday, June 16, in the council chambers at Lakeport City Hall, 225 Park St.

The agenda packet for the meeting can be downloaded at <http://cityoflakeport.com/departments/home.aspx?deptid=88>.

Finance Director Dan Buffalo, who led the council through two budget workshops earlier this month, will present to the council the 2015-16 recommended budget and its component units, including the appropriations limit of \$10,872,913.

This year's budget, according to Buffalo, has revenues of \$18.19 million and expenditures of \$20.9 million, with one-time costs for major projects like revitalizing downtown Main Street accounting for the higher expenditures number.

Also on Tuesday, the council will consider adopting a proposed resolution continuing the declaration of a stage one water emergency and implementing further water conservation measures as mandated by the State Water Resources Control Board.

Under the latest rules, the city must approve a resolution setting forth which days of the week people can do outdoor watering, according to City Manager Margaret Silveira's report to the council.

Silveira said staff is recommending requiring that those homes and businesses with addresses ending in an even number irrigate outdoor ornamental landscapes or turf on Tuesdays and Saturdays, and those with addresses ending in an odd number irrigate on Wednesdays and Sundays.

In other business on Tuesday, the council will consider the appeal of Nancy Ruzicka, on behalf of the Ruzicka Family Trust, regarding the Lakeport Planning Commission's approval of a 72-foot high "monopine" cell phone tower at 1875 N. High St.

Public Works Superintendent Doug Grider will take to the council a proposal to purchase a card lock system from Petro Tech in the amount of \$30,875.

Community Development Director Kevin Ingram will present a resolution authorizing the submittal of an application to the California State Department of Housing and Community Development for funding under the HOME Investment Partnership Program.

Public Works Director Mark Brannigan will ask the council for approval for the city to execute a contract with Pavement Engineering Inc., to provide engineering services for design of the Bevins Street Pavement Rehabilitation Project.

On the meeting's consent agenda – items considered noncontroversial and usually accepted as a slate on one vote – are ordinances; warrant registers from June 8; minutes of the regular council meeting on June 2; and applications for the Main Street Association's Taste of Lakeport event on Friday, Aug. 28, and Trick or Treat Main Street on Friday, Oct. 30, and the Lakeport Yacht Club's application for the Cardboard and Duct Tape Regatta on July 4.

Email Elizabeth Larson at el Larson@lakeconews.com. Follow her on Twitter, @ERLarson, or Lake County News, @LakeCoNews.

[061615 Lakeport City Council - Recommended budget and water conservation resolution](#)

Like Share { 0 } { 1 }



LAST UPDATED (MONDAY, 15 JUNE 2015 00:20)

WATER & DROUGHT JUNE 29, 2015

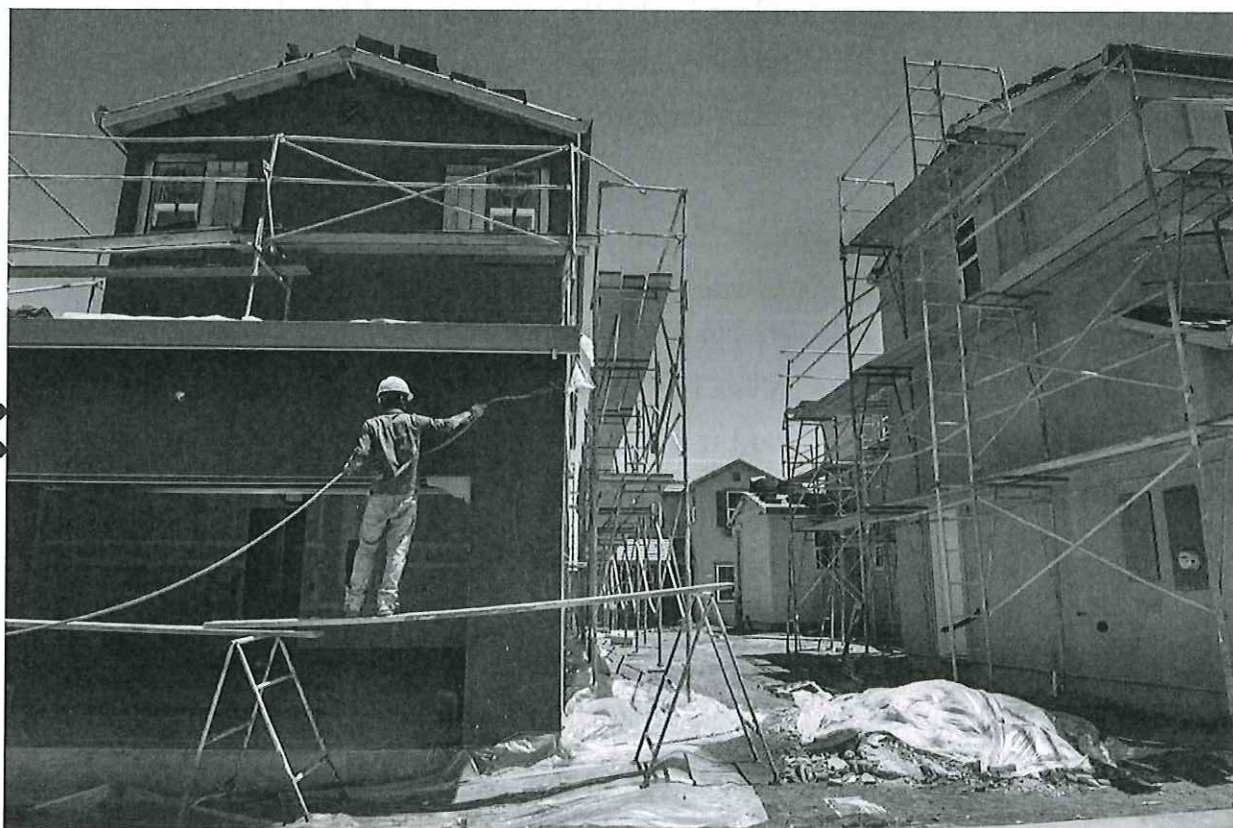
Drought trips up real estate development backed by CalPERS

HIGHLIGHTS

Pension fund has \$1.1 billion invested in community near Tracy

New housing could be curtailed by water shortage

CalPERS 'actively monitoring the situation'



A construction worker rinses down one of the Signature Homes houses under construction on Langford Drive in the community of Mountain House, near Tracy, earlier this month. | **Manny Crisostomo** - mcrisostomo@sacbee.com

BY DALE KASLER
dkasler@sacbee.com

MOUNTAIN HOUSE — It looked like the perfect real estate investment, a sparkling suburban development that would provide thousands of weary Bay Area refugees with a more affordable place to live.

But the quiet community of Mountain House, perched at the western gateway to the San Joaquin Valley, has provided nothing but torment for its chief investor, the California Public Employees' Retirement System.

First the housing market crash wiped out much of the pension fund's \$1.1 billion investment, at least temporarily. Now California's four-year drought has created another crisis for CalPERS and its prized real estate property west of Tracy.

In mid-June, the State Water Resources Control Board issued curtailment notices to dozens of senior water rights holders in the Sacramento and San Joaquin river watersheds, cutting off their ability to pull supplies from rivers and streams. Among those cut off was the Byron-Bethany Irrigation District, which is Mountain House's sole source of water.

Taps haven't gone dry in Mountain House. The unincorporated community had stored millions of extra gallons of water in case of emergency, and is working out a deal with a nearby water agency to keep it afloat for six months. But the arrangement only temporarily solves the problem. Until a more permanent solution is found, the state water board said it might restrict Mountain House's ability to hook up new customers to its water system.

Such a de facto building moratorium could prove disastrous to this community of more than 12,000 residents – and its financial backers. If Mountain House can't keep building homes and adding residents, it will have difficulty repaying its \$350 million in debt to bondholders who've financed the suburb's infrastructure.

Edwin Pattison, general manager of the Mountain House Community Services District, said shutting down growth could also depress home values and make it much harder for CalPERS to recoup its \$1.1 billion investment.

"If we're not growing, we're dying," said Pattison, whose district provides water and other services to the unincorporated community. A moratorium on new houses could bring on a "financial death spiral" that would be "more catastrophic than the 2007 crash," he said.

Housing market analysts agree the water shortage is problematic for CalPERS's investment. While the community of Mountain House is about one-third built, CalPERS still owns approximately 8,000 residential lots.

"How do you sell any more lots if you've got a pending issue with water?" said Stephen Smiley, a senior vice president with market analyst Meyers Research. "It's got to be an issue for CalPERS."

The nation's largest public pension fund is certainly paying attention. Although its Mountain House investment has lost much of its original value, it partially recovered in recent years and was listed at \$291 million as of last June, the latest figures available. Ten years after it began putting money into the project, CalPERS still hopes for a payoff some day.

"We are actively monitoring the situation in Mountain House and are working through options with our manager to best protect our investment." CalPERS said in a statement released by its public affairs office.

Mountain House's troubles raise fresh questions about California's long-term development prospects, especially in the fast-growing Central Valley, at a time when climate experts predict recurring droughts. Notably, 285,000 homes are expected to spring up in the six-county Sacramento area over the next 25 years.

"Am I concerned when I look to the future and see there will be more houses to serve? The answer is yes," said Tom Gohring of the Sacramento Water Forum, a consortium of area municipalities and environmentalists.

Even as demand for water grows, Gohring said he's encouraged by the steps many municipalities in greater Sacramento have taken to improve their groundwater management and secure backup supplies. A 12-year-old state law requires developers and city planners to take note of their water situation by demonstrating "substantial evidence" of adequate supplies before large-scale housing projects can be approved.

Yet the drought is creating nasty surprises for communities that figured their water was immune. Mountain House, which secured its planning approvals well before the state law took effect, thought it had plenty of water. Its supplier, Byron-Bethany, holds pre-1914 water rights, some of the most ancient claims in the state.

Its right to divert from rivers and streams pre-dates the creation of California's modern water-rights system – a status that had been considered fairly untouchable. Only once before, in 1977, had the state ever curtailed any pre-1914 rights.

“That was considered safe and reliable,” Pattison said.

When the state water board cut off Byron-Bethany's rights, Pattison dashed off a letter to Mountain House residents acknowledging the folly of relying on a single source: “The lesson is that this crisis has long-term implications: ‘do not put all your eggs in one basket.’” The Community Services District has urged residents to reduce outdoor watering to twice a week, a policy that is expected to become mandatory in mid-July.

Some residents say the water shortage is just another crisis to withstand. They emerged from the recession with their community intact and figure the drought won't crush them, either.

“I wouldn't say we're jinxed at all,” said Airika Payne-Smith, an elementary school teacher's aide and a Mountain House resident since 2009. “We're just fighting through something that's come up ... I've never lived in a community that's so close-knit.”

Payne-Smith moved from San Ramon, one of thousands of Bay Area residents who've emigrated to the Central Valley. Mountain House is an almost ideal setting: picturesque, breezy, in view of the famous Altamont Pass windmills, an oasis of relatively affordable housing.

Marketed as “The Town of Tomorrow,” Mountain House was a year old when CalPERS jumped into the project in 2005. The pension fund committed more than \$1.1 billion to the community, partnering with Shea Homes to buy up most of the land from original developer Trimark Communities.

The community was an immediate success. Homes sold quickly, and median sale prices peaked at \$679,500 in March 2006, according to market researcher CoreLogic.



IF WE'RE NOT GROWING, WE'RE DYING.

Ed Pattison, Mountain House Community Services District

Because Mountain House was so new, it was basically defenseless against the market crash. At one point in 2010, an astonishing 89 percent of its residents owed more on their mortgages than their homes were worth, making Mountain House the most “underwater” community in America. The median sales price didn’t hit bottom until April 2012, at \$283,000.

The downturn was a disaster for CalPERS. Its investment fell by more than 90 percent on paper, to just under \$90 million in 2010. The pension fund considered pulling out of Mountain House but decided instead to stay put and wait for the situation to improve.

The housing market in Mountain House has since staged a recovery. Median prices hit \$525,750 last month and CalPERS has seen its loss shrink. CalPERS has continued to spend money in Mountain House, including a \$52 million contribution to help build the community’s high school.

“Together we had to weather the worst downturn,” said CalPERS Chief Investment Officer Ted Eliopoulos as he spoke to hundreds of residents at the school’s ribbon-cutting ceremony last July.

Now the drought has created a new round of questions about the community’s future. The Byron-Bethany water district last week sued the state, arguing that the water board doesn’t have authority over pre-1914 water rights. At the same time, the Mountain House Community Services District has scrambled to line up a backup supply from the nearby South San Joaquin Irrigation District. The deal was expected to be wrapped up late Monday.

“That will get us through the end of the year,” Pattison said.

Beyond that, Pattison said Mountain House is mulling plans to diversify its water sources and “build a redundant water supply.” Those plans will take several years to bring to fruition, he said.

In the meantime, Mountain House remains in limbo. Tom Howard, executive director of the state water board, said he will have to examine the community's deal with the South San Joaquin district before deciding whether to allow the community to continue adding customers to its water system.

Such talk is chilling to the people who run Mountain House. Aside from its commitment to CalPERS, the community has to keep building in order to repay the \$350 million it owes on its water treatment plant and other infrastructure. The annual report to Mountain House bondholders says the community expects to build 800 new houses by mid-2018.

"Our financial model is a function of orderly development," Pattison said, adding that state officials are unfairly complicating Mountain House's attempts to straighten out its affairs: "I don't see how the state has jurisdiction when we are out there purchasing water to control our own destiny."

Dale Kasler: 916-321-1066, @dakasler

reprints

MORE WATER & DROUGHT

YOU MAY LIKE

Sponsored Links by Taboola

Her Dress Dropped Jaws At The 2015 Met Gala

StyleBistro

Pay 0% Interest To 2017 With These 4 Outrageous Cards

LendingTree

These Rarely Seen Historical Photos are Pretty Unnerving

Buzzlamp

A Lioness Captures A Baby Baboon And Does The LAST Thing You'd...

Little Budha