



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

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Santa Cruz, CA 95060  
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**REGULAR MEETING AGENDA**

**Wednesday, March 6, 2024 at 9:00 a.m.**

(hybrid meeting may be attended remotely or in-person)

**Attend Meeting by Internet:** <https://us02web.zoom.us/j/85603836977>  
(Password 208678)

**Attend Meeting by Conference Call:** **Dial 1-669-900-6833 or 1-253-215-8782**  
(Webinar ID: 856 0383 6977)

**Attend Meeting In-Person:** **Board of Supervisors Chambers**  
(701 Ocean Street, Room 525, Santa Cruz CA 95060)

**HYBRID MEETING PROCESS**

Santa Cruz LAFCO has established a hybrid meeting process in accordance with Assembly Bill 2449:

- a) Commission Quorum: State law indicates that a quorum must consist of Commissioners in person pursuant to AB 2449.
- b) Public Comments: For those wishing to make public comments remotely, identified individuals will be given up to three (3) minutes to speak. Staff will inform the individual when one minute is left and when their time is up. For those attending the meeting remotely, please click on the “Raise Hand” button under the “Reactions Tab” to raise your hand. For those joining via conference call, pressing \*9 will raise your hand. The three (3) minute limit also applies to virtual public comments.
- c) Accommodations for Persons with Disabilities: Santa Cruz LAFCO does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs, or activities. If you are a person with a disability and wish to attend the meeting, but require special assistance in order to participate, please contact the staff at (831) 454-2055 at least 24 hours in advance of the meeting to make the appropriate arrangements. Persons with disabilities may also request a copy of the agenda in an alternative format.

## **1. ROLL CALL**

## **2. EXECUTIVE OFFICER'S MESSAGE**

The Executive Officer may make brief announcements in the form of a written report or verbal update, and may not require Commission action.

### **a. Hybrid Meeting Process**

The Commission will receive an update on the hybrid meeting process.

Recommended Action: No action required; Informational item only.

## **3. ADOPTION OF MINUTES**

The Commission will consider approving the minutes from the February 7, 2024 Regular LAFCO Meeting.

Recommended Action: Approve the minutes as presented with any desired changes.

## **4. ORAL COMMUNICATIONS**

This is an opportunity for members of the public to address the Commission on items not on the agenda, provided that the subject matter is within the jurisdiction of the Commission and that no action may be taken on an off-agenda item(s) unless authorized by law.

## **5. PUBLIC HEARINGS**

Public hearing items require expanded public notification per provisions in State law, directives of the Commission, or are those voluntarily placed by the Executive Officer to facilitate broader discussion.

### **a. “Old Coach Road / John Hall Extraterritorial Service Agreement”**

The Commission will consider the extraterritorial service request for a single parcel to receive sewer service from the City of Scotts Valley under Government Code Section 56133. If approved, a Notice of Exemption will be recorded to fulfill the requirements under the California Environmental Quality Act (CEQA).

Recommended Action: Adopt the draft resolution (No. 2024-06) approving the extraterritorial service agreement involving the City of Scotts Valley.

### **b. Policies & Procedures Handbook – Proposed Amendments**

The Commission will consider amendments to the comprehensive handbook detailing all the current policies and procedures.

Recommended Actions:

1) Adopt LAFCO Resolution (No. 2024-07) approving the Comprehensive Policies & Procedures Handbook with the following changes:

a. Amend the Employment Policy to include guidelines on how to consider salary adjustments and reflect the steps to be taken when working remotely;

- b. Amend the Independent Special Districts Selection Policy to reflect the recent changes to the list of public agencies in Santa Cruz County;
- c. Amend the City Selection Committee Policy to reflect the changes to the new term limits and rotation schedule;
- d. Amend the Processing Fees & Deposits to include guidelines on how to manage financial assistance requests; and
- e. Approve the proposed minor and non-substantial adjustments identified throughout the proposed handbook.

## **6. OTHER BUSINESS**

Other business items involve administrative, budgetary, legislative, or personnel matters and may or may not be subject to public hearings.

### **a. Big Basin Water Company – Governance Options**

The Commission will consider and discuss the proposed governance options for the Big Basin Water Company located in the San Lorenzo Valley region.

#### Recommended Actions:

- 1) Receive and file the Big Basin Water Company Governance Options Report; and
- 2) Direct staff to work with Moonshot Missions and the court-appointed receiver to further explore all possible governance options.

### **b. Public Member Selection Process**

The Commission will consider selecting two candidates to fill the vacancies for LAFCO's regular and alternate public member seats.

Recommended Action: Select the Regular and Alternate Public Members in accordance with Government Code Section 56331 and the Commission's policies.

### **c. City of Capitola Annexation Plan – Continued Item**

The Commission will consider the City's request for LAFCO to potentially provide financial assistance towards the completion of an annexation plan.

Recommended Action: Consider collaborating with the City of Capitola and provide financial assistance to hire an outside consultant and complete an annexation plan.

### **d. Legislative Update (New Legislative Session)**

The Commission will receive a status update on the new legislative session and activities involving legislation of LAFCO interest.

Recommended Action: It is recommended that the Commission take a "Support" position on Assembly Bill 3277 and direct the Executive Officer to submit a letter to the bill's author declaring the Commission's position.

## 7. WRITTEN CORRESPONDENCE

LAFCO staff receives written correspondence and other materials on occasion that may or may not be related to a specific agenda item. Any correspondence presented to the Commission will also be made available to the general public. Any written correspondence distributed to the Commission less than 72 hours prior to the meeting will be made available for inspection at the hearing and posted on LAFCO's website.

## 8. PRESS ARTICLES

LAFCO staff monitors newspapers, publications, and other media outlets for any news affecting local cities, districts, and communities in Santa Cruz County. Articles are presented to the Commission on a periodic basis.

### a. Press Articles during the Month of February

The Commission will receive an update on recent LAFCO-related news occurring around the county and throughout California.

Recommended Action: No action required; Informational item only.

## 9. COMMISSIONERS' BUSINESS

This is an opportunity for Commissioners to comment briefly on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No discussion or action may occur or be taken, except to place the item on a future agenda if approved by Commission majority. The public may address the Commission on these informational matters.

## 10. ADJOURNMENT

LAFCO's next regular meeting is scheduled for Wednesday, April 3, 2024 at 9:00 a.m.

### ADDITIONAL NOTICES:

#### Campaign Contributions

State law (Government Code Section 84308) requires that a LAFCO Commissioner disqualify themselves from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from an applicant, any financially interested person who actively supports or opposes an application, or an agency (such as an attorney, engineer, or planning consultant) representing an applicant or interested participant. The law also requires any applicant or other participant in a LAFCO proceeding to disclose the amount and name of the recipient Commissioner on the official record of the proceeding. The Commission prefers that the disclosure be made on a standard form that is filed with LAFCO staff at least 24 hours before the LAFCO hearing begins. If this is not possible, a written or oral disclosure can be made at the beginning of the hearing. The law also prohibits an applicant or other participant from making a contribution of \$250 or more to a LAFCO Commissioner while a proceeding is pending or for 3 months afterward. Disclosure forms and further information can be obtained from the LAFCO office at Room #318-D, 701 Ocean Street, Santa Cruz, CA 95060 (phone 831-454-2055).

#### Contributions and Expenditures Supporting and Opposing Proposals

Pursuant to Government Code Sections §56100.1, §56300(b), §56700.1, §59009, and §81000 et seq., and Santa Cruz LAFCO's Policies and Procedures for the Disclosures of Contributions and Expenditures in Support of and Opposition to proposals, any person or combination of persons who directly or indirectly contributes a total of \$1,000 or more or expends a total of \$1,000 or more in support of or opposition to a LAFCO Proposal must comply with the disclosure requirements of the Political Reform Act (Section 84250). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained at the Santa Cruz County Elections Department, 701 Ocean Street, Room 210, Santa Cruz, CA 95060 (phone 831-454-2060). More information on the scope of the required disclosures is available at the web site of the Fair Political Practices Commission: [www.fppc.ca.gov](http://www.fppc.ca.gov). Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC's advice line at 1-866-ASK-FPPC (1-866-275-3772).

#### Accommodating People with Disabilities

The Local Agency Formation Commission of Santa Cruz County does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs or activities. The Commission meetings are held in an accessible facility. If you wish to attend this meeting and will require special assistance in order to participate, please contact the LAFCO office at 831-454-2055 at least 24 hours in advance of the meeting to make arrangements. For TDD service, the California State Relay Service 1-800-735-2929 will provide a link between the caller and the LAFCO staff.

#### Late Agenda Materials

Pursuant to Government Code Section 54957.5 public records that relate to open session agenda items that are distributed to a majority of the Commission less than seventy-two (72) hours prior to the meeting will be available to the public at Santa Cruz LAFCO offices at 701 Ocean Street, #318-D, Santa Cruz, CA 95060 during regular business hours. These records, when possible, will also be made available on the LAFCO website at [www.santacruzlafco.org](http://www.santacruzlafco.org). To review written materials submitted after the agenda packet is published, contact staff at the LAFCO office or in the meeting room before or after the meeting.





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

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**DRAFT MINUTES**

**LAFCO REGULAR MEETING AGENDA**

**Wednesday, February 7, 2024  
Start Time - 9:00 a.m.**

**1. ROLL CALL**

**Chair John Hunt** called the meeting of the Local Agency Formation Commission of Santa Cruz County (LAFCO) to order at 9:14 a.m. and welcomed everyone in attendance. He asked the staff to conduct the roll call.

The following Commissioners were present:

- Chair John Hunt
- Commissioner Jim Anderson
- Commissioner Roger Anderson
- Commissioner Rachél Lather
- Commissioner Allan Timms

The following LAFCO staff members were present:

- LAFCO Analyst, Francisco Estrada
- Legal Counsel, Joshua Nelson
- Executive Officer, Joe Serrano

**2. EXECUTIVE OFFICER'S MESSAGE**

**2a. Virtual Meeting Process**

**Executive Officer Joe Serrano** had two announcements to make to the Commission. The first announcement was that the meeting was being conducted through a hybrid model with Commissioners and staff attending in-person (City of Watsonville) while members of the public have the option to attend virtually or in-person.

**2b. Welcome Recently Appointed Commissioners**

In his second announcement, **Executive Officer Joe Serrano** welcomed the newly appointed commissioners to LAFCO and provided an update on the recent changes made by the City Selection Committee regarding the city rotation schedule on LAFCO.

**Chair John Hunt** requested comments or clarifying questions from the Commission. **Commissioner Jim Anderson** asked a question regarding the annual appointment of County representatives from the Board of Supervisors. **Executive Officer Joe Serrano** confirmed that the Board of Supervisors appoint a regular and alternate County member on a yearly basis but also added that LAFCO law still requires a four-year term limit for those seats.

**Chair John Hunt** requested public comments on the item. **Executive Officer Joe Serrano** indicated that there was one request to address the Commission. **Becky Steinbruner**, a member of the public, commented on the low audio levels of the virtual meeting platform and inquired about the status of Commissioner Zach Friend's appointment considering his impending departure from the Board of Supervisors. Mr. Serrano clarified that the Board of Supervisors will determine his replacement on LAFCO sometime in January 2025.

**Chair John Hunt** closed public comments and moved on to the next agenda item.

### **3. ADOPTION OF MINUTES**

**Chair John Hunt** requested public comments on the draft minutes. **Executive Officer Joe Serrano** noted no public comments. **Chair John Hunt** closed public comments.

**Chair John Hunt** called for a motion. **Commissioner Allan Timms** motioned for approval of the January 10th Meeting Minutes and **Commissioner Roger Anderson** seconded the motion.

**Chair John Hunt** called for a voice vote on the approval of the draft minutes.

**MOTION:** Allan Timms  
**SECOND:** Roger Anderson  
**FOR:** Jim Anderson, Roger Anderson, Rachél Lather, and Allan Timms.  
**AGAINST:** None  
**ABSTAIN:** None

**MOTION PASSES: 4-0**

### **4. ORAL COMMUNICATIONS**

**Chair John Hunt** requested public comments on any non-agenda items. **Executive Officer Joe Serrano** noted that there were two requests to address the Commission.

**Lowell Hurst**, a member of the public, welcomed LAFCO to the City of Watsonville and expressed his appreciation for the Commission's proactive efforts. **Becky Steinbruner**, a member of the public, informed the Commission of her intent to bring legal action against the Scotts Valley Fire Protection District if the issue of district-based elections is not addressed.

**Chair John Hunt** closed public comments and moved on to the next agenda item.

## 5. SPECIAL PRESENTATIONS

**Chair John Hunt** requested staff to provide a verbal update on the Big Basin Water Company (“BBWC”) from the court-appointed receiver (Serviam by Wright LLP; formerly named Silver & Wright LLP)

**Executive Officer Joe Serrano** introduced **Nicolas L. Jaber** from Serviam by Wright LLP to present and discuss the status of BBWC under the court-appointed receivership. Mr. Jaber provided the Commission with an update on the following matters: (1) a timeline of the receivership; (2) the primary purpose and goals of the receivership, as well as identifying any potential and responsible suitors interested in purchasing the entity and crafting a transition plan; (3) revenue collection, grant funding, and current operations of water and sewer treatment services; and (4) how LAFCO can provide support for these ongoing efforts.

**Executive Officer Joe Serrano** further elaborated on LAFCO’s role in coordinating discussions with interested/affected parties and explained that in March 2024, a report will be presented to the Commission outlining governance options for the BBWC residents to consider and explore.

**Chair John Hunt** asked a clarifying question about the governance options for BBWC. Mr. Serrano indicated that the governance options will only focus on water provisions since the receiver and the County have already determined how to address sewer services under an existing county service area.

**Chair John Hunt** requested public comments on the item. **Executive Officer Joe Serrano** indicated that there were three requests to address the Commission. **Becky Steinbruner**, a member of the public, shared lessons her community took away from dealing with a private water company in Aptos during the 1990s. Ms. Steinbruner also mentioned she was looking forward to the governance options report in March, offered to lend her support on this issue, and encouraged the Commission to include residents throughout each step of this important process. **Patrick LaBruzzo**, a member of the public and BBWC customer, expressed his appreciation to the Commission for its support, shared about his community’s support towards public ownership and management of BBWC, explained the importance of the upcoming governance options report and looks forward to reviewing the document in March. **Julie Jennings**, a member of the public and BBWC customer, requested improved communications from the receiver and shared common concerns experienced by constituents of BBWC.

**Chair John Hunt** closed public comments and requested comments or questions from the Commission. **Commissioner Roger Anderson** asked a clarifying question regarding the timeline to transfer ownership of the sewer system. Mr. Jaber indicated that the management of wastewater treatment services would transition into a nearby CSA by the end of the year and noted the resiliency of the water and wastewater systems in providing critical services to constituents during the most recent rainstorms which experienced minimal interruption.

**Commissioner Roger Anderson** had a follow-up question regarding the transition of water services to a responsible owner. Mr. Jaber responded that he expected the

transition to occur in the next two years but could not provide specific details as these discussions are just getting under way.

**Commissioner Rachél Lather** asked about the number of connections within the BBWC area. In the absence of an official customer list, Mr. Jaber informed the Commission that there are between 450-600 connections for drinking water. Ms. Lather had a follow-up question regarding revenue collection under the previous ownership group. Mr. Jaber informed the Commission that record keeping under the previous owners was not a formalized process.

**Chair John Hunt** thanked Mr. Jaber and moved to the next item since no Commission action was required.

## **6. PUBLIC HEARINGS**

**Chair John Hunt** indicated that there were two public hearing items for Commission consideration today.

### **6a. “Service & Sphere Review for the City of Santa Cruz”**

**Chair John Hunt** requested staff to provide a presentation on the draft service and sphere review for the City of Santa Cruz.

**Executive Officer Joe Serrano** informed the Commission that the City was formed in 1876 and currently serves 27 square miles of territory within and outside the city limits. The City of Santa Cruz provides multiple municipal services to approximately 64,000 constituents, as well as water services beyond its city limits, and is considered to be financially sound, maintains a robust and transparent website, is exploring shared services opportunities with Central Fire District, and has six existing extraterritorial service agreements. Mr. Serrano recommended that the Commission find the report to be exempt from environmental review, determine the report fulfills under LAFCO law, and adopt the draft resolution approving the report with a minor amendment to condition 4(b) regarding the City’s coordination with LAFCO to consider annexations in the future.

**Chair John Hunt** requested comments or questions from the Commission. **Commissioner Jim Anderson** noted that the City serves more constituents residing outside its city limits than within it, which does not afford them the right to vote for proposed rate changes. Mr. Anderson also inquired about the financial health of the fire department. **Executive Officer Joe Serrano** clarified that although the City is financially stable overall, a recent countywide fire report produced by LAFCO indicated that the fire department was experiencing some financial constraints.

**Commissioner Rachél Lather** asked if the report included information regarding the City’s sewer services. **Executive Officer Joe Serrano** noted that the report does make mention of wastewater services and further analysis of the City’s sewer services was conducted in the 2019 countywide sanitation report.

**Commissioner Allan Timms** had a question regarding an isolated ESA from a map in the staff presentation. **Executive Officer Joe Serrano** explained that the territory is known as an “unincorporated island” and is comprised of two ESAs serving residential

parcels. Mr. Serrano added that the staff is coordinating with the City to consider options for future annexation of this area into city limits.

**Commissioner Jim Anderson** asked if different rates are charged to residents living inside and outside the City's limits. **Executive Officer Joe Serrano** said he would research that information and follow-up with the Commission.

**Chair John Hunt** requested public comments on the item. **Executive Officer Joe Serrano** indicated that there was one request to address the Commission. **Becky Steinbruner**, a member of the public, inquired about the City's history of annexations and reorganizations, especially regarding Sky Park. Ms. Steinbruner also made comments on the history of proposed Live Oak annexations, potential expansion of UCSC, fire protection matters, and Measure L.

**Chair John Hunt** closed public comments and requested additional comments from the Commission. **Commissioner Roger Anderson** expressed concerns about the City's future financial health and requested additional clarification on the report. **Executive Officer Joe Serrano** indicated that as part of the service and sphere review, LAFCO analyzed the City's identified sources of revenue, expenditures, assets, liabilities and reserves. Mr. Serrano also agreed to coordinate with City staff to add additional financial information in the future.

**Commissioner Rachél Lather** asked about analysis of the City's reserve and enterprise funds. **Executive Officer Joe Serrano** responded that the report contains a table with financial information detailing both the City's business and governmental activities, as well as their reserve balance. Ms. Lather also inquired about the City's sphere and the lack of representation for residents living outside the city limits. Mr. Serrano stated that the City has only one sphere and it primarily follows their water service area, and added that annexation would result in better representation of those residents.

**Chair John Hunt** called for a motion. **Commissioner Jim Anderson** motioned for approval of staff recommendation and **Commissioner Allan Timms** seconded the motion.

**Chair John Hunt** called for a voice vote on the motion based on the staff's recommendation: (1) Find the report to be exempt from CEQA, (2) Determine that the report fulfills the requirements under GCS 56425, (3) Determine that the report fulfills the requirements under GCS 56430, and (4) Adopt the LAFCO Resolution (No. 2024-03) approving the 2024 Service & Sphere Review for the City of Santa Cruz with the following conditions: (a) Reaffirm the City's current sphere boundary, (b) Santa Cruz should continue coordinating with LAFCO to discuss and monitor the existing extraterritorial service agreements currently being served by the City, (c) Santa Cruz should explore shared services opportunities and other strategic partnerships with neighboring agencies, including but not limited to the Central Fire District. If the two agencies move forward with a feasibility study, staff encourages them to include LAFCO in the process; and, (5) Direct the Executive Officer to distribute a copy of this adopted service and sphere review to the City of Santa Cruz and any other interested or affected agency identified in the service review.

**MOTION:** Jim Anderson  
**SECOND:** Allan Timms  
**FOR:** Jim Anderson, Roger Anderson, Rachél Lather, and Allan Timms.  
**AGAINST:** None  
**ABSTAIN:** None

**MOTION PASSES: 4-0**

**6b. “Reclamation District No. 2049 Dissolution” – Initiating Resolution**

**Chair John Hunt** requested staff to provide a presentation on the draft resolution to initiate the dissolution of the Reclamation District No. 2049.

**Executive Officer Joe Serrano** informed the Commission that Reclamation District No. 2049 has been in existence for over a century but has experienced several governance issues in the last few years. The board is down to one member and the District has no full-time staff. As a result, the application they submitted to formally dissolve the District in May 2023 cannot move forward. Mr. Serrano, in coordination and consultation with the Pajaro Valley Water Management Agency (PVWMA) and the Reclamation District’s legal counsel, is recommending that the Commission terminate the existing application and adopt a resolution to initiate the dissolution of the Reclamation District with LAFCO serving as the lead agency.

**Chair John Hunt** had a clarifying question about the type of application submitted by the District. **Executive Officer Joe Serrano** clarified that the application submitted by the Reclamation District Board of Directors was for formal dissolution following the adoption of a resolution.

**Chair John Hunt** requested public comments on the item. **Executive Officer Joe Serrano** indicated that there were two requests to address the Commission. **Becky Steinbruner**, a member of the public, had a clarifying question about the District’s remaining funds. **Executive Director Joe Serrano** indicated that the remaining funds may be transferred to the successor agency, however, alternative actions will also be considered when LAFCO develops the terms and conditions of the dissolution as the process unfolds.

**Executive Officer Joe Serrano** introduced **Brian Lockwood**, PVWMA General Manager, to share information regarding the Reclamation District and PVWMA activities. Mr. Lockwood updated the Commission on the various projects and activities related to the Reclamation District, spoke about the status and future of the District, and expressed his appreciation for LAFCO’s role in this collaborative effort.

**Chair John Hunt** requested comments or questions from the Commission. **Commissioner Rachél Lather** asked staff for more information regarding the history and purpose of the Reclamation District in the staff report.

**Commissioner Roger Anderson** had a question about College Lake’s capacity in a typical year. Mr. Lockwood explained that the capacity for the lake basin is between 1700–1800 acre feet and provided additional background and technical information regarding the lake. Mr. Anderson had a follow-up question regarding the area’s groundwater

demand. Mr. Lockwood provided information to the Commission on the District's distinct levels of groundwater use within the Pajaro Valley basin and throughout their service area.

**Commissioner Rachél Lather** had a question regarding water demand and usage for the basin during different parts of the year. Mr. Lockwood responded that although most water is used during the peak irrigation season, PVWMA also works to leverage and optimize the use of their water recycling facilities in benefit of the area. Ms. Lather also asked about future farming in the area. Mr. Lockwood informed the Commission that farming would likely cease in the lowest elevation areas but would persist on the edges of the basin.

**Chair John Hunt** closed public comments and called for a motion. **Commissioner Jim Anderson** motioned for approval of staff recommendation and **Commissioner Rachél Lather** seconded the motion.

**Chair John Hunt** called for a voice vote on the motion based on staff recommendation: **Terminate the District's application due to inactivity; and Adopt LAFCO Resolution No. 2024-04 to initiate dissolution.**

**MOTION:** Jim Anderson  
**SECOND:** Rachél Lather  
**FOR:** Jim Anderson, Roger Anderson, Rachél Lather, and Allan Timms.  
**AGAINST:** None  
**ABSTAIN:** None

**MOTION PASSES: 4-0**

## **7. OTHER BUSINESS**

**Chair John Hunt** indicated that there are three business items for Commission consideration today.

### **6a. Employee Performance Evaluation**

**Chair John Hunt** requested staff to provide a presentation on the proposed adjustment to staff's salary based on their annual performance evaluation.

**Executive Officer Joe Serrano** explained that staff coordinated with legal counsel regarding the Commission's evaluation of staff's performance in 2023. Staff recommended that the Commission adopt the draft resolution approving the proposed salary adjustments.

**Chair John Hunt** opened the floor for Commission discussion and noted no Commission discussion. **Chair John Hunt** requested public comments on the item. **Executive Officer Joe Serrano** noted no public comments.

**Chair John Hunt** closed public comments and called for a motion. **Commissioner Roger Anderson** motioned for approval of staff recommendation and **Commissioner Jim Anderson** seconded the motion.

**Chair John Hunt** called for a voice vote on the motion: **Adopt the draft resolution (No. 2024-05) approving the salary adjustment for LAFCO's Executive Officer and Analyst.**

**MOTION:** Roger Anderson

**SECOND:** Jim Anderson

**FOR:** Jim Anderson, Roger Anderson, Rachél Lather, and Allan Timms.

**AGAINST:** None

**ABSTAIN:** None

**MOTION PASSES: 4-0**

#### **6b. City of Capitola Annexation Plan**

**Chair John Hunt** requested staff to provide a presentation on the City of Capitola's request to LAFCO to potentially provide financial assistance towards the completion of an annexation plan.

**Executive Officer Joe Serrano** explained to the Commission that when LAFCO last analyzed the City of Capitola, it recommended creating an annexation plan based on their existing sphere boundary. The City is now complying with the recommendation and is set to hire an outside consultant to develop an annexation plan. The City is also requesting financial assistance from LAFCO to complete the annexation plan. Mr. Serrano added that if the Commission decides to approve the request, he recommends that no more than \$15,000 be allocated in order to ensure that other LAFCO-related consultant projects are not affected or interrupted.

**Chair John Hunt** requested comments or clarifying questions from the Commission. **Commissioner Jim Anderson** inquired about the precedence this may set for future requests. **Executive Director Joe Serrano** explained to the Commission how it has responded in the past to similar requests. Mr. Anderson also inquired about offering support in the form of offsetting other LAFCO-related fees. Mr. Serrano explained that he would further analyze that option, but for the purposes of this request, the City is seeking financial assistance from the Commission to complete the proposed annexation plan.

**Commissioner Allan Timms** asked for clarification on LAFCO's past support for similar projects. Mr. Serrano shared with the Commission past instances when LAFCO provided similar support, such as sharing the cost with Central and Aptos/La Selva Fire Protection Districts in 2018 to hire an outside consultant and produce a feasibility study regarding a potential consolidation.

**Chair John Hunt** requested public comments on the item. **Executive Officer Joe Serrano** noted one request to address the Commission. **Becky Steinbruner**, a member of the public, recommended that the Commission develop a written policy for future financial assistance requests. **Chair John Hunt** closed public comments.

**Commissioner Allan Timms** suggested that staff develop a draft policy to manage future financial assistance requests. **Executive Officer Joe Serrano** also recommended that the Commission defer action until staff brought back a draft policy for consideration.



**Commissioner Roger Anderson** further added that all types of staff contributions to projects should be taken into account and supported deferring action.

**Chair John Hunt** called for a motion. **Commissioner Allan Timms** motioned to defer action and directed staff to develop a draft policy to be considered at the next regular meeting. **Commissioner Jim Anderson** seconded the motion.

**Chair John Hunt** called for a voice vote on the motion: **To defer action and direct staff to develop a draft policy to be considered at the next LAFCO regular meeting.**

**MOTION:** Allan Timms  
**SECOND:** Jim Anderson  
**FOR:** Jim Anderson, Roger Anderson, Rachél Lather, and Allan Timms.  
**AGAINST:** None  
**ABSTAIN:** None

**MOTION PASSES: 4-0**

#### **6c. Comprehensive Quarterly Report – Second Quarter (FY 2023-24)**

**Chair John Hunt** requested staff to provide a presentation on the quarterly report.

**LAFCO Analyst Francisco Estrada** noted that this report is meant to keep the Commission apprised about all LAFCO-related activities, including the status of active proposals, the schedule of upcoming service reviews, the current financial performance of LAFCO's adopted budget, and other projects. Mr. Estrada covered these areas and indicated that the second quarter ended with approximately 42% of anticipated expenses spent and with approximately \$506,000 in reserves.

**Chair John Hunt** opened the floor for Commission discussion and noted no Commission discussion. **Chair John Hunt** requested public comments on the item. **Executive Officer Joe Serrano** noted no public comments. **Chair John Hunt** closed public comments.

**Chair John Hunt** moved to the next item since no Commission action was required.

### **8. WRITTEN CORRESPONDENCE**

**Chair John Hunt** inquired whether there was any written correspondence submitted to LAFCO. **Executive Officer Joe Serrano** informed the Commission that they received one correspondence from **Jason Fried**, Executive Director of Marin LAFCO. Mr. Serrano introduced Mr. Fried, who shared his appreciation to the Commission for the established shared services agreement between the two agencies and for Mr. Serrano's facilitation during Marin LAFCO's January 12th Workshop. Mr. Serrano assured the Commission that staff time was tracked and invoiced accordingly.

**Chair John Hunt** moved to the next item since no Commission action was required.

## 9. PRESS ARTICLES

**Chair John Hunt** requested staff to provide a presentation on the press articles. **Executive Officer Joe Serrano** indicated that this item highlights LAFCO-related articles recently circulated in local newspapers but made note of an article interview he conducted with California Special Districts magazine.

**Chair John Hunt** moved to the next item since no Commission action was required.

## 10. COMMISSIONERS' BUSINESS

**Chair John Hunt** inquired whether any Commissioner would like to share any information. **Commissioner Allan Timms** expressed his appreciation to LAFCO staff for their work and efforts.

**Chair John Hunt** moved to the next item since no Commission action was required.

## 11. CLOSED SESSION

**Chair John Hunt** indicated that a closed session will be held to cover the performance evaluation of LAFCO staff. **Executive Officer Joe Serrano** noted that LAFCO's legal counsel will host the closed session in a separate remote meeting room and requested that the Commission reconvene to the regular LAFCO meeting once the closed session concluded.

## 12. ANNOUNCEMENTS FROM CLOSED SESSION

**Legal Counsel Joshua Nelson** noted that there was no reportable action.

## 13. ADJOURNMENT

**Chair John Hunt** adjourned the Regular Commission Meeting at 11:18 a.m. to the next regular LAFCO meeting scheduled for Wednesday, March 6, 2024 at 9:00 a.m.

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JOHN HUNT, CHAIRPERSON

Attest:

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JOE A. SERRANO, EXECUTIVE OFFICER



Date: March 6, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **“Old Coach Road / John Hall Extraterritorial Service Agreement” with the City of Scotts Valley (LAFCO Project No. ESA 24-03)**

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### **SUMMARY OF RECOMMENDATION**

LAFCO has received an application from a landowner requesting an extraterritorial service agreement involving the City of Scotts Valley. The proposed agreement would allow the City to address a health and safety issue and provide sewer service to a single parcel with a failing septic system.

Staff is recommending that the Commission adopt the draft Resolution (No. 2024-06) approving the extraterritorial service agreement involving the City of Scotts Valley.

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### **EXECUTIVE OFFICER'S REPORT:**

A landowner submitted an application on January 5, 2024 requesting an extraterritorial service agreement (“ESA”) between the City of Scotts Valley and a single parcel (approximately one acre in size; APN: 056-102-07) in order for a single-family home to receive sewer service. The proposal area is currently located outside Scott Valley’s city limits but within its sphere of influence boundary. **Attachment 1** provides a map of the agency’s current boundaries in relation to the location of the proposal area.

The strong storms during the recent years have led to an increase in ESA requests. Based on staff’s analysis, there are four distinct benefits in approving this proposed ESA: (1) it discontinues the use of a failing septic system, (2) it allows the City of Scotts Valley to address an impending health threat by delivering adequate sewer service to the subject area; (3) it aligns with the State’s goal of transitioning septic systems to a more reliable wastewater infrastructure managed by a public agency; and (4) it supports the Commission’s sphere designation identifying the City as the most logical provider of public services. Approval of the proposed extraterritorial service agreement would also be a precursor to an annexation at a future date.

### **State Law**

#### California Water Code

In accordance with State law, the Regional Water Quality Control Board prohibits the discharge of wastewater from existing or new individual septic tank disposal systems if sewer service is available from a public agency (Water Code Section 13281). This law further states that for a sewer system to be deemed available, it is necessary for a sewer system to be within 200 feet of an existing or proposed dwelling unit. The distance of the proposed connection between the City and the subject property (APN: 056-102-07) is within 200 feet. Additionally, the proposed connection is subject to Government Code Section 56133 under the Cortese-Knox-Hertzberg Act.

### Cortese-Knox-Hertzberg Act

In accordance with State law, a city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the Commission (Government Code Section 56133). The Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory if both of the following requirements are met:

- The entity applying for approval has provided the Commission with documentation of a threat to the health and safety of the public or the affected residents; and
- The Commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the Commission.

### **Commission Policy**

In 2011, the Commission adopted the Extraterritorial Services Policy which outlined regulations for agencies to provide services outside their service and/or sphere boundaries. This policy is now available under one comprehensive handbook which contains all LAFCO policies and procedures<sup>1</sup>. Under this policy, the Commission typically limits its extraterritorial service authorizations to public health emergencies and three specific circumstances:

#### **a) Facilities are already in place.**

The City provides sewer services to properties directly adjacent to the proposal area. In fact, the City is providing sewer services to five other ESAs in the same neighborhood – four of them on the same street (Old Coach Road), as shown in the attached vicinity map (refer to **Attachment 1**).

#### **b) Annexation would not be practical.**

The application includes written correspondence from a licensed professional indicating that the current septic system is failing and may cause imminent health and safety issues to the residents within and adjacent to the subject area (refer to **Attachment 2**). The proposed ESA would address this issue immediately.

The LAFCO process for annexations, on average, takes at least six to eight months to complete under the Cortese-Knox-Hertzberg Act and requires the City to update its general plan to reflect the proposed annexation area, which may prolong the annexation timeline even further. Due to the impending health threat, the proposed ESA should be approved as a precursor to annexation in the foreseeable future.

#### **c) Cortese-Knox-Hertzberg Act Requirements.**

The proposed extraterritorial service agreement meets the statutory criteria outlined in LAFCO law, pursuant to Government Code Section 56133.

Pursuant to the Commission's policy, individual requests for ESAs shall be filed with the Executive Officer on a prescribed application form. The applicant is responsible for paying the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. An application and fee deposit of \$950 was submitted to LAFCO on January 16, 2024.

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<sup>1</sup> LAFCO Policy Handbook: <https://santacruzlafco.org/wp-content/uploads/2023/09/Santa-Cruz-LAFCO-Policy-Handbook-9-6-23.pdf>

## Application Packet

In accordance with LAFCO law and the Commission's adopted policy, this type of application requires several documents. The following section summarizes these items:

- 1) **Application Form** – Commission Policy requires a signed extraterritorial service agreement form. A signed application was submitted on January 5, 2024.
- 2) **Landowner Consent** – Commission Policy requires documentation showing consent from the affected property owner as part of the application. The property owner of APN: 056-102-07 was the applicant and signed the submitted application.
- 3) **City Support** – Government Code Section 56133 requires documentation from the affected agency indicating support and capacity to provide the requested service. The City of Scotts Valley adopted a resolution supporting the connection on February 7, 2024 (**Attachment 3**).
- 4) **Notification to Alternative Service Provider** – Government Code Section 56133(c) requires the Commission to notify any alternative service provider that has filed a map and a statement of its service capabilities with the Commission. LAFCO staff has determined that there are no nearby or alternative service providers for sewer service. However, a public notice was advertised in the Sentinel on February 13, 2024, as shown in **Attachment 4**.
- 5) **Environmental Document** – Commission Policy indicates that all matters that are reviewable pursuant to environmental regulations are subject to the applicable provisions of the California Environmental Quality Act. LAFCO, as the Lead Agency, will record a Notice of Exemption after Commission approval, pursuant to State CEQA Guidelines Section 15303(d), "New Construction or Conversion of Small Structures," because the project would discontinue the existing septic system and connect to a public agency's wastewater infrastructure (**Attachment 5**).
- 6) **Indemnification Agreement** – Commission Policy requires a signed indemnification agreement in the event a lawsuit is filed against LAFCO's action. A signed indemnification agreement was submitted with the application (**Attachment 6**).
- 7) **Fee Deposit** – Commission Policy requires a fee deposit of \$950 for any proposed extraterritorial service request. A deposit was included with the application packet. Following the completion of the LAFCO process, staff will conduct a cost analysis and refund any remaining funds, if available.

## Conclusion

LAFCO typically encourages boundary changes, such as annexations, when there is a request for municipal services. In some cases, annexations are not practical for various reasons. LAFCO staff evaluated this application and confirmed that the proposed extraterritorial service agreement meets all the requirements under State law and the Commission's adopted policy. Approval of the extraterritorial service agreement will discontinue the failing septic system and allow the City of Scotts Valley to deliver sewer service to the subject area. The terms and conditions outlined in the draft resolution ensure that the failing septic system is addressed accordingly (refer to **Attachment 7**). LAFCO's Legal Counsel has also reviewed the draft resolution with the proposed terms and conditions. Therefore, staff is recommending that the Commission approve the attached resolution.

Respectfully Submitted,



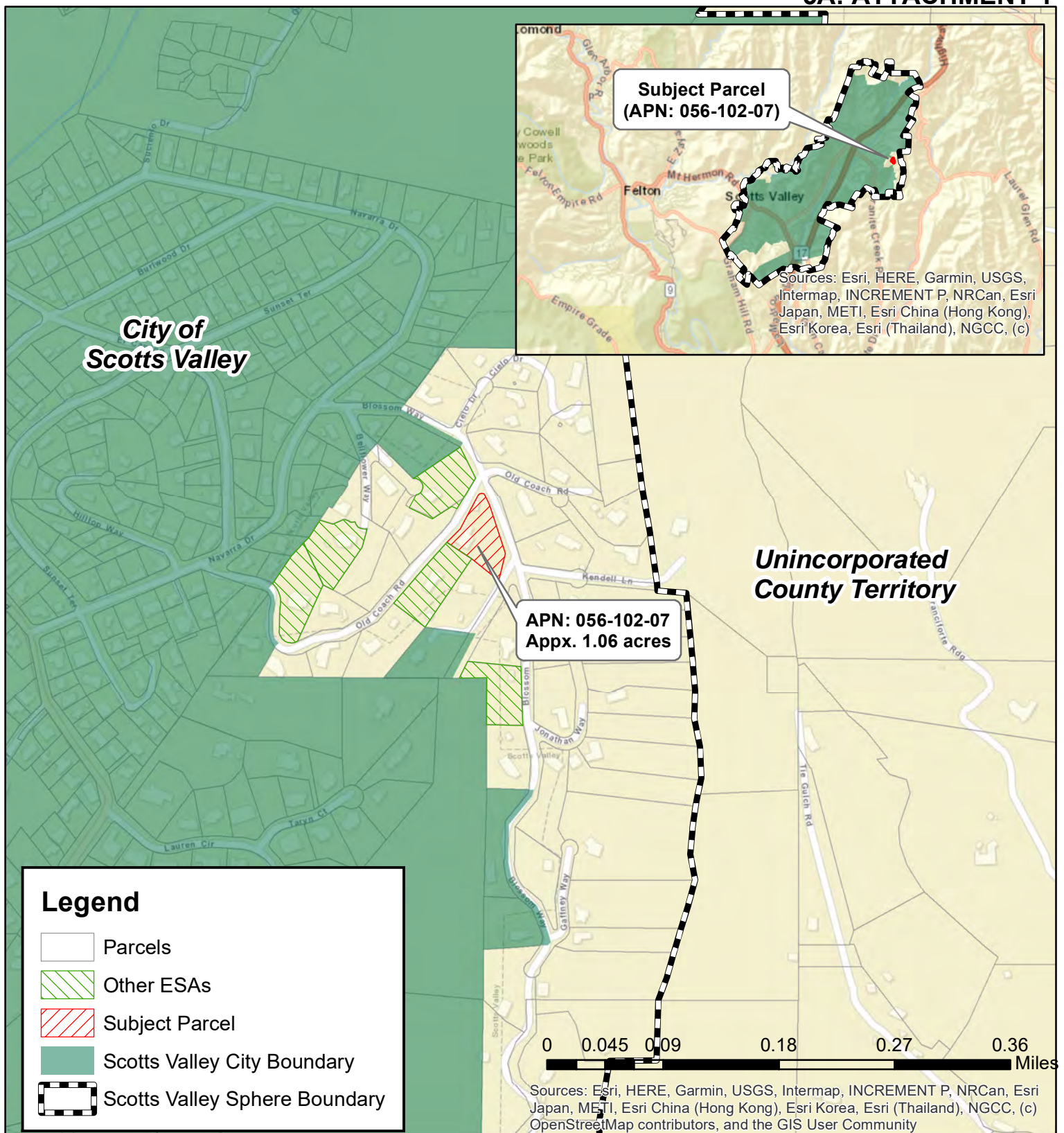
Joe A. Serrano  
Executive Officer

Attachments:

1. Proposal Area Map
2. Civil Engineer Health & Safety Issue Letter
3. City of Scotts Valley Resolution of Support
4. Notice of Public Hearing
5. Notice of Exemption (CEQA)
6. Indemnification Agreement
7. Draft Resolution No. 2024-06

cc: John Hall (Property Owner; APN: 056-102-07)  
Mali LaGoe, City of Scotts Valley  
Heather Reynolds, County Environmental Health Department





# City of Scotts Valley Jurisdictional and Sphere Boundaries (LAFCO Project No. ESA 24-03)

The subject parcel is currently outside the City limits but within the City's sphere of influence. Pursuant to GCS 56133(c), the parcel may receive sewer services to address a health issue (ex. septic tank failure).



RECEIVED

JAN 29 2024

Santa Cruz LAFCO



January 26, 2024

TO WHOM IT MAY CONCERN:

**RE: Sewer System Connection, 400 Old Coach Road, Scotts Valley**

I have been asked to comment on the operational condition of the septic system at 400 Old Coach Road since I have been working with the owner and prepared the septic system abandonment plan required by the County Environmental Health Services (EHS).

I am a California licensed professional engineer with 40+ years of experience specializing in the design, operation, and maintenance of septic systems. Most of my career was in San Luis Obispo and Monterey Counties, with the last six years devoted to septic system work in Santa Cruz County. As you may know, EHS has specific requirements for all septic system design professionals practicing in Santa Cruz County. This requires specialized training and licensing (Designer Level III, #2209).

In June 2023, I was requested to consult on the septic system at 400 Old Coach Road. Because of the septic system's poor operational condition and the physical property constraints (limited useable area, topography with the property bisected by a 6 ft drainage easement and a perennial watercourse), I was requested to design a connection to the nearby sanitary sewer.

The septic tank, distribution box and the leach lines are extremely old and in disrepair, nearing the end of their useful life. They were last repaired 35 years ago with the leach lines situated within a few feet of the watercourse. The current EHS watercourse setbacks (100 ft) make it nearly impossible for a compliant onsite septic system repair.

Based on the fact that the first septic system installed on this property failed (in 1989) and now that the replacement system is near the end of its expected life, I believe connection to the sanitary sewer is appropriate and the best long term sewage disposal option for this property. Though expensive, action to eliminate ongoing septic system failures is in the best interest of public health and environmental protection. I know EHS Officials agree as they have already approved the septic system abandonment plan. I also note that the existing sewer main to serve this property was designed specifically for extension to serve this and other nearby properties.

Should you have any questions, please contact me.

Respectfully,  
Eric Gobler, P.E.  
Civil Engineer, C30438  
SC County Qualified Professional #2209

Eric J. Gobler, PE, C30438 • PO Box 474, 7 Ridge Way, Mt Herman, CA 95041

Cell: 805-459-3268 ♦ egcivilpe@gmail.com





# County of Santa Cruz

## Health Services Agency - Environmental Health



701 Ocean Street, Room 312, Santa Cruz, CA 95060  
(831) 454-2022 TDD/TTY - Call 711 <http://www.scceh.org>  
[EnvironmentalHealth@santacruzcounty.us](mailto:EnvironmentalHealth@santacruzcounty.us)

### ONSITE WASTEWATER TREATMENT SYSTEM (OWTS) DESIGNERS

#### **ARCHER ENGINEERING**

Kelly Archer, CE #94792  
(510) 926-0462  
[Kellyarcherengineering@gmail.com](mailto:Kellyarcherengineering@gmail.com)

#### **BIOSPHERE CONSULTING**

Andrew Brownstone, G #7453  
1315 King St  
Santa Cruz, CA 95060  
(831) 430-9116  
[andrew@biosphere-consulting.com](mailto:andrew@biosphere-consulting.com)

#### **CHRISTOPHER DAY, REHS #6195**

150 Northumberland Ave.  
Redwood City, CA 94063  
(650) 293-1045  
[Chris5day1966@gmail.com](mailto:Chris5day1966@gmail.com)

#### **ERIC GOBLER, CE #30438**

PO Box 474  
MT. Hermon, CA 95041  
(805) 459-3268  
[egcivilpe@gmail.com](mailto:egcivilpe@gmail.com)

#### **FOX ONSITE SOLUTIONS**

Ryan Fox, REHS #8605  
3220 Yucca Ave, Unit 6  
San Jose, CA 95124  
(831) 531-7205  
[foxonsitesolutions@gmail.com](mailto:foxonsitesolutions@gmail.com)

#### **HOGAN LAND SERVICES**

Geoff Fleissner, CE #82889  
2601 41st Ave, Suite A  
Soquel, CA 95073  
(831) 425-1617  
[GFleissner@hoganls.com](mailto:GFleissner@hoganls.com)

#### **LEA & BRAZE ENGINEERING, INC**

John Halbom, CFM  
1723 Hamilton Ave, Suite 101  
San Jose, CA 95125  
(408) 318-7863  
[info@leabraze.com](mailto:info@leabraze.com)

#### **MYER ENGINEERING, INC.**

Paul Myer, CE #80522  
1796 Laurel Glen Rd  
Soquel, CA 95073  
(831) 800-2244  
[paul@myerengineering.com](mailto:paul@myerengineering.com)

#### **SHERWOOD DESIGN ENGINEERS**

Robyn Cooper, CE #73041  
Fred Yukic, CE #46369  
1525 Seabright Ave  
Santa Cruz, CA 95062  
(831) 426-9054  
[rcooper@sherwoodengineers.com](mailto:rcooper@sherwoodengineers.com)  
[fyukic@sherwoodengineers.com](mailto:fyukic@sherwoodengineers.com)

**RESOLUTION NO. 1660.6****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY  
AUTHORIZING THE CONNECTION OF APN 056-102-07 TO THE CITY'S SANITARY  
SEWER SYSTEM**

**WHEREAS**, on February 19, 2014 the City Council adopted Resolution No. 1660.3, allowing for the consideration of sewer hooks for properties located outside the City limits; and

**WHEREAS**, the adopted policy sets criteria to be reviewed on a case by case basis for approval by the City Council including:

- There must be adequate capacity in the sewer treatment system to accommodate the additional hook up.
- Property must be located within the City's sphere of influence.
- If hook ups are allowed, the applicable fair share assessment for sewer capacity and hook up fee shall be paid.
- Prior to sewer connection, written approval from the Santa Cruz County Local Agency Formation Commission (LAFCO) is received in accordance with Government Code Section 56133; and

**WHEREAS**, the property owner of APN 056-102-07 has requested to connect to the City's sanitary sewer system; and

**WHEREAS**, staff have reviewed the request and find it to meet the criteria established; and

**WHEREAS**, on March 5, 2024, the LAFCO will consider an extraterritorial service agreement involving the City of Scotts Valley for this connection.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Scotts Valley that the connection of APN 056-102-07 to the City's sanitary sewer system is hereby authorized through an extraterritorial service agreement.

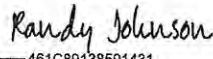
The above and foregoing Resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 7<sup>th</sup> day of February 2024 by the following vote:

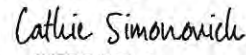
AYES: DILLES, JOHNSON, LIND, TIMM, TIMMS

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

DocuSigned by:  
  
461C89138591431...  
Approved: \_\_\_\_\_  
Randy Johnson, Mayor

DocuSigned by:  
  
393B715A5F7C4B3...  
Attest: \_\_\_\_\_  
Cathie Simonovich, City Clerk



## NOTICE OF PUBLIC HEARING LOCAL AGENCY FORMATION COMMISSION

NOTICE IS HEREBY GIVEN that at 9:00 a.m., Wednesday, March 6, 2024, the Local Agency Formation Commission of Santa Cruz County (LAFCO) will hold public hearings on the following:

- **“Old Coach Road / John Hall Extraterritorial Service Agreement” with the City of Scotts Valley (LAFCO Project No. ESA 24-03):** Consideration of an extraterritorial service agreement request for a single parcel to receive sewer services from the City of Scotts Valley. The proposal area is located north of Highgate Road, east of Highway 17, south of Navarra Drive, and west of Blossom Way. If approved, the ESA would address a health and safety issue under GCS 56133(c).
- **Policies & Procedures Handbook Update (LAFCO Project No. CPP 24-05):** Consideration of proposed modifications to LAFCO’s Policies & Procedures Handbook to include language with guidelines on how to process financial assistance requests, staff compensation, remote work, and recent changes involving the city selection committee.

In compliance with the California Environmental Quality Act (CEQA), LAFCO staff is scheduled to prepare a Categorical Exemption for the proposals listed above. Instructions for members of the public to participate in-person or remotely are available in the Agenda and Agenda Packet: <https://santacruzlafco.org/meetings/>. During the meeting, the Commission will consider oral or written comments from any interested person. Maps, written reports, environmental review documents and further information can be obtained by contacting LAFCO’s staff at (831) 454-2055 or from LAFCO’s website at [www.santacruzlafco.org](http://www.santacruzlafco.org). LAFCO does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs or activities. If you wish to attend this meeting and require special assistance in order to participate, please contact the LAFCO office at least 24 hours in advance of the meeting to make arrangements.

Joe A. Serrano  
Executive Officer

Date: February 13, 2024

## Notice of Exemption

To: ☐ Office of Planning and Research  
1400 Tenth Street, Room 121  
Sacramento CA 95814

From: (Public Agency)  
Santa Cruz Local Agency Formation Commission  
701 Ocean Street, Room 318-D  
Santa Cruz CA 95060

To: ☒ Clerk of the Board  
County of Santa Cruz  
701 Ocean Street, Room 500  
Santa Cruz CA 95060

Project Title: "Old Coach Road / John Hall **Extraterritorial Service Agreement**" (ESA 24-03)

Project Location: The subject area is within the City of Scotts Valley's sphere of influence boundary, outside the City's jurisdictional limits, and is located north of Highgate Road, east of Highway 17, south of Navarra Drive, and west of Blossom Way. Attached is a vicinity map of the subject area (refer to Attachment A).

Project Location City: Scotts Valley

Project Location County: Santa Cruz

Description of Nature, Purpose, and Beneficiaries of Project: The proposal was initiated by landowner petition. The subject area includes one parcel totaling one acre. The single parcel is owned by the Hall family. The purpose of the application is to refrain from installing a septic tank system and connect the parcel to the City, which is the adjacent public wastewater agency.

Name of Public Agency Approving Project: Local Agency Formation Commission of Santa Cruz County ("**Santa Cruz LAFCO**"). **A public hearing on this proposal is scheduled for 9:00 a.m. on March 6, 2024.** Additional information on the upcoming meeting is available on the LAFCO website (<https://www.santacruzlafco.org>).

Name of Person or Agency Carrying Out Project: Santa Cruz LAFCO

Exempt Status: (check one)

- ☐ Ministerial (Sec. 21080(b)(1); 15268);  
☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));  
☐ Emergency Project (Sec. 21080(b)(4); 15269 (b)(c));  
☒ Categorical Exemption: State type and section number  
☐ Statutory Exemptions: State code number  
☐ Other: The activity is not a project subject to CEQA.

Reason Why Project is Exempt: Pursuant to CEQA Guidelines Section 15303, New Construction or Conversion of Small Structures: Class 3 consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The number of structures described in this section are the maximum allowable on any legal parcel. Examples of this exemption include, but are not limited to: Water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction.

Lead Agency Contact Person: Joe A. Serrano

Area Code/Phone Extension: 831-454-2055.

Signature: \_\_\_\_\_  
Joe A. Serrano, Executive Officer

Date: March 7, 2024

☒ Signed by Lead Agency



Local Agency Formation Commission of Santa Cruz County  
 Governmental Center  
 701 Ocean St. #318 D  
 Santa Cruz CA 95060



PROJECT NUMBER: ESA 24-03

TITLE: \_\_\_\_\_

### INDEMNIFICATION AND DEFENSE

The undersigned applicant for the above-referenced application ("Applicant"), as a condition of submission of this application, approval of the application and any subsequent amendment of the approval which is requested by the Applicant, hereby agrees to defend, using counsel reasonably acceptable to the Local Agency Formation Commission of Santa Cruz County ("LAFCO"), indemnify, and hold harmless LAFCO, its officers, employees, and agents, from and against any claim, demand, damages, costs or liability of any kind (including attorneys' fees) against LAFCO arising from or relating to this application or any approval or subsequent amendment to the approval thereof, subject to the conditions set forth below.

A) Notification and Cooperation

LAFCO shall notify the Applicant of any claim, action, or proceeding against which LAFCO seeks to be defended, indemnified, or held harmless. LAFCO shall reasonably cooperate in such defense.

B) Fees and Costs:

Nothing contained herein shall prohibit LAFCO from participating in the defense of any claim, action, or proceeding if either of the following occur:

- 1) LAFCO bears its own attorneys' fees and costs; or
- 2) LAFCO and the Applicant agree in writing to the Applicant paying part or all of the Commission's attorneys' fees and costs.

C) Settlement:

When representing LAFCO, the Applicant shall not enter into any stipulation or settlement modifying or affecting the interpretation or validity of any of the terms or conditions of the approval without the prior written consent of LAFCO.

D) Successors Bound:

The obligations of the Applicant under this Indemnity and Defense agreement are specifically associated with and shall run with the land that is the subject of the application and/ or approval and shall be binding upon the applicant and the successor(s) in interest, transferee(s), and assign(s) of the applicant in the land.


E) Recordation:

At any time after submission of the application, LAFCO may, at its sole option, record in the office of the Santa Cruz County Recorder a memorandum of agreement which incorporates the provisions of this condition, or this approval shall become null and void.

  
 (Signature of LAFCO Executive Officer)

Joe A. Serrano  
 (Printed Name)

1/5/24  
 (Date)

  
 (Signature of Applicant)

John F. Hall  
 (Printed Name)

6/1/2023  
 (Date)

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
RESOLUTION NO. 2024-06

On the motion of Commissioner  
Duly seconded by Commissioner  
the following resolution is adopted:

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
APPROVING THE OLD COACH ROAD / JOHN HALL  
EXTRATERRITORIAL SERVICE AGREEMENT WITH THE CITY OF SCOTTS VALLEY  
(LAFCO PROJECT NO. ESA 24-03)

\*\*\*\*\*

WHEREAS, an application for an extraterritorial service agreement involving a single parcel (APN 056-102-07) (the “proposal”) was submitted and accepted for filing by the Executive Officer of this Local Agency Formation Commission (“LAFCO” or “Commission”); and

WHEREAS, the proposal area is outside the City of Scotts Valley’s (“City”) jurisdictional boundary, within the City’s sphere of influence, and located north of Highgate Road, east of Highway 17, south of Navarra Drive, and west of Blossom Way, as shown in Exhibit A; and

WHEREAS, in accordance with Government Code Section 56133, a city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the Commission; and

WHEREAS, in accordance to Government Code Section 56133(c), the Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met:

- The entity applying for approval has provided the Commission with documentation of a threat to the health and safety of the public or the affected residents, and
- The Commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the Commission.

WHEREAS, a civil engineer determined that the existing septic tank system was failing and may pose a serious concern to the lives and safety of the residents within and surrounding the proposal area, as shown in Exhibit B; and

WHEREAS, the City approved the connection request by adopting a resolution during a public meeting on February 7, 2024, as shown in Exhibit C; and

WHEREAS, the Executive Officer determined there are no alternate service providers of sewer services near the subject territory; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56133 and the Commission's Extraterritorial Services Policy, determined that the proposal met the statutory requirements and set March 6, 2024, as the hearing date on this proposal and provided public notice as required by law; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56665, has reviewed this proposal and prepared a report, including recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, this Commission, on March 6, 2024, heard from interested parties and considered the proposal and the report of the Executive Officer, and considered the factors determined by the Commission to be relevant to this proposal.

NOW, THEREFORE, the Local Agency Formation Commission of Santa Cruz County does HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. Compliance with the California Environmental Quality Act (CEQA) has been met by a categorical exemption pursuant to State CEQA Guidelines Section 15303, "New Construction or Conversion of Small Structures," because the project would discontinue the existing septic system and connect to a public agency's sewer infrastructure. The Commission, as a lead agency, shall file a Notice of Exemption.

Section 3. The Commission considered the requirements set forth for extraterritorial services in the Cortese-Knox-Hertzberg Act, Government Code Section 56133, and found the proposal to be consistent with those requirements as outlined below:

- a) Within Sphere Boundary: Government Code Section 56133(b) requires the subject area to be within the City's sphere of influence boundary. LAFCO has determined that the proposal meets the requirements under this code section.
- b) Later Change of Organization: Government Code Section 56133(b) also requires the subject area to be annexed at a future date. The City of Scotts Valley and LAFCO will coordinate to determine when annexation may occur. Such discussions may also result in updating the City's existing annexation policy.
- c) Health & Safety Issue: Government Code Section 56133(c) requires documentation of a threat to the health and safety of the public or the affected residents. The City of Scotts Valley indicated that the current septic system poses a serious health and safety issue.
- d) Notification to Alternative Service Provider: Government Code Section 56133(c) requires the Commission to notify any alternative service provider that has filed a map and a statement of its service capabilities with the Commission. LAFCO staff has determined that there are no nearby or alternative service providers for sewer service.

Section 4. The Commission determined that the proposal is consistent with the Policies and Procedures Relating to Extraterritorial Services as outlined below:

- a) Agency Endorsement: The Executive Officer shall not file the application unless the affected public agency has submitted a written endorsement indicating its willingness to provide the service if the Commission approves the request. The City of Scotts Valley adopted a resolution expressing support on February 7, 2024, as shown in Exhibit C.
- b) Fee Deposit: The applicant shall pay the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. The landowner, as the applicant, submitted a fee deposit of \$950 as part of the application packet.
- c) Commission Hearing: The Commission shall consider the request after it has been placed on an agenda of a Commission meeting. After deeming the proposal complete, the Executive Officer advertised the proposal in the Santa Cruz Sentinel newspaper on February 13, 2024, and scheduled the proposal for Commission consideration on March 6, 2024.

Section 5. The applicant shall agree, as a condition of the approval of the application for an extraterritorial service agreement, to be bound by the LAFCO Indemnification and Defense Form signed on January 5, 2024. The applicant, on behalf of itself and future owners and assigns, further agrees to annex the subject area to the City as determined by the City and LAFCO as set forth above.

Section 6. The City and LAFCO must coordinate to discuss annexation of existing extraterritorial service agreements in the foreseeable future.

Section 7. The Certificate of Completion for the extraterritorial service agreement shall not be issued until all terms and conditions are met.

Section 8. The proposed extraterritorial service agreement shall be effective as of the date of recordation of the Certificate of Completion.

Section 9. The Commission shall approve, disapprove, or approve with conditions the extended services. If the new or extended services are disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration. If the Commission denies a request, a similar application cannot be re-filed for one year unless the Commission grants an exception to this rule.

Section 10. The Commission may void this extraterritorial service agreement if it determines that the City no longer provides sewer service to the subject parcel.

Section 11. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner and as provided in Government Code Section 56882.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 6th day of March 2024.



AYES:

NOES:

ABSTAIN:

---

JOHN HUNT, CHAIRPERSON

Attest:

Approved as to form:

---

Joe A. Serrano  
Executive Officer

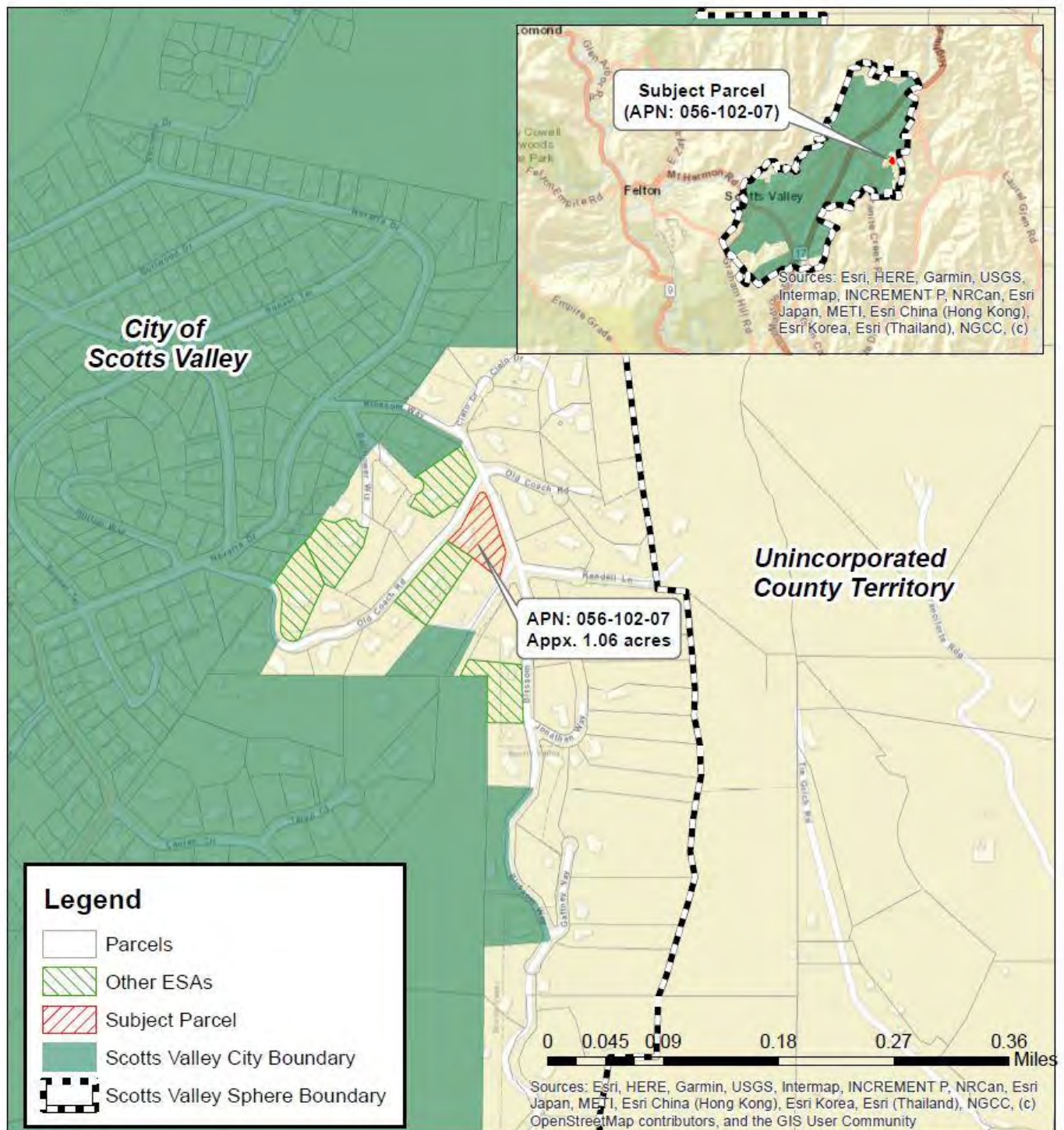
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Joshua Nelson  
LAFCO Counsel

# EXHIBIT A

## VICINITY MAP

DRAFT



## City of Scotts Valley Jurisdictional and Sphere Boundaries (LAFCO Project No. ESA 24-03)

The subject parcel is currently outside the City limits but within the City's sphere of influence. Pursuant to GCS 56133(c), the parcel may receive sewer services to address a health issue (ex. septic tank failure).



## **EXHIBIT B**

### **CIVIL ENGINEER'S LETTER DETERMINING A HEALTH AND SAFETY ISSUE WITH THE CURRENT SYSTEM**

DRAFT



RECEIVED

JAN 29 2024

Santa Cruz LAFCO



January 26, 2024

TO WHOM IT MAY CONCERN:

**RE: Sewer System Connection, 400 Old Coach Road, Scotts Valley**

I have been asked to comment on the operational condition of the septic system at 400 Old Coach Road since I have been working with the owner and prepared the septic system abandonment plan required by the County Environmental Health Services (EHS).

I am a California licensed professional engineer with 40+ years of experience specializing in the design, operation, and maintenance of septic systems. Most of my career was in San Luis Obispo and Monterey Counties, with the last six years devoted to septic system work in Santa Cruz County. As you may know, EHS has specific requirements for all septic system design professionals practicing in Santa Cruz County. This requires specialized training and licensing (Designer Level III, #2209).

In June 2023, I was requested to consult on the septic system at 400 Old Coach Road. Because of the septic system's poor operational condition and the physical property constraints (limited useable area, topography with the property bisected by a 6 ft drainage easement and a perennial watercourse), I was requested to design a connection to the nearby sanitary sewer.

The septic tank, distribution box and the leach lines are extremely old and in disrepair, nearing the end of their useful life. They were last repaired 35 years ago with the leach lines situated within a few feet of the watercourse. The current EHS watercourse setbacks (100 ft) make it nearly impossible for a compliant onsite septic system repair.

Based on the fact that the first septic system installed on this property failed (in 1989) and now that the replacement system is near the end of its expected life, I believe connection to the sanitary sewer is appropriate and the best long term sewage disposal option for this property. Though expensive, action to eliminate ongoing septic system failures is in the best interest of public health and environmental protection. I know EHS Officials agree as they have already approved the septic system abandonment plan. I also note that the existing sewer main to serve this property was designed specifically for extension to serve this and other nearby properties.

Should you have any questions, please contact me.

Respectfully,

Eric Gobler, P.E.

Civil Engineer, C30438

SC County Qualified Professional #2209

Eric J. Gobler, PE, C30438 • PO Box 474, 7 Ridge Way, Mt Herman, CA 95041

Cell: 805-459-3268 • egcivilpe@gmail.com

# **EXHIBIT C**

## **CITY OF SCOTTS VALLEY RESOLUTION SUPPORTING THE CONNECTION INTO THE CITY'S SEWER SYSTEM**

DRAFT

**RESOLUTION NO. 1660.6**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY  
AUTHORIZING THE CONNECTION OF APN 056-102-07 TO THE CITY'S SANITARY  
SEWER SYSTEM**

**WHEREAS**, on February 19, 2014 the City Council adopted Resolution No. 1660.3, allowing for the consideration of sewer hooks for properties located outside the City limits; and

**WHEREAS**, the adopted policy sets criteria to be reviewed on a case by case basis for approval by the City Council including:

- There must be adequate capacity in the sewer treatment system to accommodate the additional hook up.
- Property must be located within the City's sphere of influence.
- If hook ups are allowed, the applicable fair share assessment for sewer capacity and hook up fee shall be paid.
- Prior to sewer connection, written approval from the Santa Cruz County Local Agency Formation Commission (LAFCO) is received in accordance with Government Code Section 56133; and

**WHEREAS**, the property owner of APN 056-102-07 has requested to connect to the City's sanitary sewer system; and

**WHEREAS**, staff have reviewed the request and find it to meet the criteria established; and

**WHEREAS**, on March 5, 2024, the LAFCO will consider an extraterritorial service agreement involving the City of Scotts Valley for this connection.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Scotts Valley that the connection of APN 056-102-07 to the City's sanitary sewer system is hereby authorized through an extraterritorial service agreement.

The above and foregoing Resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 7<sup>th</sup> day of February 2024 by the following vote:

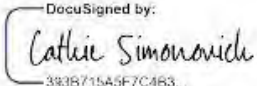
AYES: DILLES, JOHNSON, LIND, TIMM, TIMMS

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

Approved:   
461C89138591431  
Randy Johnson, Mayor

Attest:   
393B715A3F7C463  
Cathie Simonovich, City Clerk



Date: March 6, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Policies & Procedures Handbook – Proposed Amendments**

---

## SUMMARY OF RECOMMENDATION

This Commission established various policies to provide clear guidance on how to oversee internal operations, process applications, appoint board members, and efficiently operate Santa Cruz LAFCO as a governmental entity. Previous amendments to the existing policies were done separately and on an as-needed basis. LAFCO believes that an annual review should be taken and ultimately combined the policies into one comprehensive handbook in September 2023 in order to simplify the review process. The adopted handbook now ensures that all policies are considered by the Commission on a regular basis and kept up-to-date.

It is recommended that the Commission take the following actions:

- 1) Adopt LAFCO Resolution (No. 2024-07) approving the Comprehensive Policies & Procedures Handbook with the following changes:
    - a. Amend the Employment Policy to include guidelines on how to consider salary adjustments and reflect the steps to be taken when working remotely;
    - b. Amend the Independent Special Districts Selection Policy to reflect the recent changes to the list of public agencies in Santa Cruz County;
    - c. Amend the City Selection Committee Policy to reflect the changes to the new term limits and rotation schedule;
    - d. Amend the Processing Fees & Deposits to include guidelines on how to manage financial assistance requests; and
    - e. Approve the proposed minor and non-substantial adjustments identified throughout the proposed handbook.
- 

## EXECUTIVE OFFICER'S REPORT:

Since 1963, the Commission has adopted various policies to help staff be productive and efficient. Overall, the Commission has adopted 21 distinctive policies to address LAFCO's internal and external responsibilities. These policies are now available under one document - the *Comprehensive Policies & Procedures Handbook*<sup>1</sup>. This new approach allows the Commission to review and consider amendments on a regular basis.

---

<sup>1</sup> LAFCO Policy Handbook: <https://santacruzlafco.org/wp-content/uploads/2023/09/Santa-Cruz-LAFCO-Policy-Handbook-9-6-23.pdf>



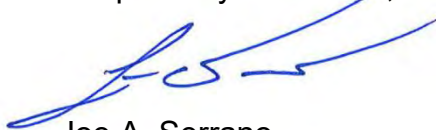
**Attachment 1** provides a draft copy of the current handbook with the following changes:

- **Employment Policy** – proposed language will provide guidelines on how the Commission may increase staff salaries based on the suggested step schedule. Staff is also proposing language to reflect current practices toward remote working, specifically how and when remote work may occur during regular business hours. These changes are shown on **pages 8-12** in the handbook under Attachment 1.
- **Independent Special Districts Selection Policy** – proposed language will update the current list of independent special districts. Specifically, the amendments will remove two dissolved districts (Branciforte Fire Protection District and Opal Cliffs Recreation District) and add a new district (Pajaro Valley Health Care District). These changes are shown on **pages 42-43** in the handbook under Attachment 1.
- **City Selection Committee Policy** – proposed language will reflect the new rotation schedule adopted by the City Selection Committee. Specifically, the policy will show the rotation for each city from 2024 to 2040. This change is shown on **pages 46** in the handbook under Attachment 1.
- **Processing Fees & Deposits Policy** – proposed language will provide guidelines on how the Commission may consider financial assistance requests from local agencies based on recommendations found in adopted service and sphere reviews. These changes are shown on **pages 64-65** in the handbook under Attachment 1.
- **Minor / Non-Substantial Edits** – proposed minor modifications throughout the entire handbook. When compiling the handbook, staff noticed minor errors in different policies, specifically typos and formatting issues. One edit to note is the clarification that all commissioners (regular and alternate) are allowed to participate in closed session. This change is shown on **page 37** in the handbook under Attachment 1.

### **STAFF RECOMMENDATION**

The primary reason for the proposed amendments is to clarify the practices that are already in place but not necessarily reflected in the current policies. Therefore, staff is recommending that the Commission adopt the attached resolution (see **Attachment 2**). The attached resolution includes a “clean” version of the updated handbook, without the tracked changes.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachments:

1. Policies & Procedures Handbook (proposed version with tracked changes)
2. Draft Resolution No. 2024-07 (with “clean version” of policy as Exhibit A)

2023  
2024

# Santa Cruz LAFCO Policies & Procedures Handbook

Local Agency Formation Commission of Santa Cruz County

701 Ocean Street, Room 318-D Santa Cruz, CA 95060

Website: [www.santacruzlafco.org](http://www.santacruzlafco.org)

Phone: (831) 454-2055



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# **CHAPTER I**

## **ADMINISTRATION & OPERATIONS**



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **EMPLOYMENT POLICY**

#### **1. OVERVIEW**

This policy applies to the employees of the Local Agency Formation Commission of Santa Cruz County ("LAFCO" or "Commission"). It is not intended to be comprehensive or address all aspects of the topics described below. This Policy supersedes all prior LAFCO employment policies and is intended to supplement, not supersede, current applicable state and federal statutes. Applicable state and federal statutes control if they conflict with any of the guidelines in this Policy.

Employees are expected to read this Policy carefully and know, understand and abide by its contents. LAFCO reserves the right to interpret the Policy's provisions and make changes to the Policy at any time. This Policy does not confer any contractual rights or guarantee any terms or conditions of employment.

#### **2. EQUAL EMPLOYMENT OPPORTUNITY**

LAFCO provides equal employment opportunity for all applicants and employees. LAFCO does not unlawfully discriminate on the basis of race, color, religion, religious creed (including religious dress and religious grooming), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity, gender expression, national origin, ancestry, citizenship, age, physical or mental disability, legally protected medical condition or information (including genetic information) family care or medical leave status, military caregiver status, military status, veteran status, marital status, domestic partner status, sexual orientation, or any other basis protected by local, state, or federal laws.

#### **3. DISABILITY ACCOMMODATION**

LAFCO is committed to complying fully with state and federal disability discrimination laws. As previously stated, no program or activity administered by the employer shall exclude from participation, deny benefits to or subject to discrimination any individual based on an employee's actual or perceived disability or based on an employee's association with someone who has an actual or perceived disability.

LAFCO is further committed to providing reasonable accommodation to the known physical or mental limitations of an otherwise qualified applicant or employee. If you believe you are a qualified individual with a disability and that you need a reasonable accommodation in order to perform the essential functions of your job, please notify the Executive Officer. The accommodation process is interactive and allows the applicant or employee to identify possible accommodations. However, LAFCO has the right to choose among effective accommodations.

#### **4. AT-WILL EMPLOYMENT**

The employment relationship between LAFCO and its employees is for an unspecified term and may be terminated by the employee, Executive Officer or the Commission at any time, with or without cause or advanced notice. Also, LAFCO reserves the right

to transfer, demote, suspend, or administer discipline with or without cause or advance notice. None of the policies, procedures, or contents of this policy is intended to create any contractual obligations which in any way conflict with LAFCO's policy of At-Will Employment. The at-will relationship can only be modified by a written agreement signed by the employee and the LAFCO Executive Officer.

## **5. POLICY AGAINST HARRASMENT**

LAFCO prohibits and will not tolerate harassment of employees, applicants, or persons providing services pursuant to a contract based on factors such as race, color, religion, national origin, ancestry, sex, gender, age, medical condition, sexual orientation, marital status, pregnancy, physical and mental disabilities, veteran or other protected status, including persons perceived to have any of these characteristics or associating with someone who has or is perceived to have any of these characteristics. LAFCO will also take all reasonable steps to prevent harassment based on protected status by third parties, such as customers, clients and suppliers. All such harassment is prohibited by LAFCO and is against the law.

### **5.1 Definition**

Harassment is unwelcomed, and inappropriate conduct directed at an employee, based upon one of the characteristics protected under the federal and state anti-discrimination laws, that substantially prevents an employee from performing their duties, serves to threaten or intimidate an employee, and/or produce a hostile work environment.

Prohibited unlawful harassment includes, but is not limited to, the following behavior: (1) Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments; (2) Visual conduct such as derogatory and/or sexually-oriented posters, photography, cartoons, drawing or gestures; (3) Physical conduct such as assault, unwanted touching, blocking normal movement or interfering with work because of sex, race or any other protected basis; and (4) Threats, demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors.

### **5.2 Reporting and Compliant Procedure**

An employee who believes that they have been subjected to any form of unlawful harassment should promptly make a complaint, preferably written, to the Executive Officer, or if it involves the Executive Officer, to the Chair of the Commission. Complaints should be specific and should include the names of individuals involved and the names of any witnesses. LAFCO will immediately undertake an effective, thorough, and objective investigation and attempt to resolve the situation. If LAFCO determines that unlawful harassment has occurred, effective remedial action will be taken commensurate with the severity of the offense, up to and including termination. Appropriate action will also be taken to deter any future unlawful harassment.

### **5.3 Retaliation**

Employees will not be retaliated against for bringing a complaint in good faith under the Equal Employment Opportunity Policy or the Policy Against Harassment, or for honestly assisting in investigating such a complaint, even if the investigation produces insufficient evidence that there has been a violation, or if the charges cannot be proven. However, disciplinary action may be taken if false or frivolous accusations are

made in bad faith. An employee who believes that they have been subjected to any form of unlawful retaliation should promptly make a complaint, preferably written, in the same manner as described above. Complaints of harassment will be investigated, and appropriate action will be taken to protect LAFCO employees from any form of unlawful retaliation.

## **6. PERFORMANCE MANAGEMENT**

The intent of the performance review process is to create a supportive, safe, professional performance review process and environment that optimizes the employee's ability to receive and actualize constructive performance feedback and that motivates the employee to pursue personal and professional growth/excellence authentically and actively. The Commission's Personnel Policy provides more information regarding staff's annual performance evaluation.

## **7. PERSONNEL RECORDS**

Employees have the right to inspect certain documents in their personnel file, as provided by law, in the presence of a LAFCO representative at a mutually convenient time. Employees may add written versions of any disputed item to their file.

LAFCO will attempt to restrict disclosure of an employee's personnel file to authorized individuals within the organization. Any request for information from the file must be made to the Executive Officer or specific designee. Only the Executive Officer or specific designee is authorized to release information regarding current or former employees. Disclosure of personnel information to outside sources will be limited to the extent allowed by law. However, LAFCO will cooperate with requests from authorized law enforcement or local, state or federal agencies conducting official investigations, with validly issued subpoenas and as otherwise required by law or legal proceeding to be released.

## **8. EMPLOYMENT CATEGORIES**

The intent of this section is to define employment categories so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and LAFCO.

### **8.1 Exempt/Non-Exempt**

Each employee is designated as either Exempt or Non-Exempt from federal and state wage and hours. An employee's Exempt or Non-Exempt classification may be changed only upon written notification by the Executive Officer. Generally, Exempt employees (as defined by the Fair Labor Standards of 1938) are not eligible for minimum wage or overtime pay, while Non-Exempt employees are eligible.

### **8.2 Employment Categories**

In addition to information above, each employee will belong to one of the following employment categories:

- Regular Full Time – Employees who are not in an extra help status and who are regularly scheduled to work LAFCO's full-time schedule. Generally, they are eligible for LAFCO's benefit package, subject to the terms, conditions, and limitations of each benefit program.

- Part Time – Employees who are not assigned to an extra help status and who are regularly scheduled to work less than 30 hours per week. While part time employees do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they may be ineligible for some of LAFCO's other benefit programs.
- Extra help – Employees who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Extra help employees retain that status unless and until notified of a change in writing signed by the Executive Officer. Extra help employees are ineligible for LAFCO's benefit programs unless otherwise required by law.
- Intern – LAFCO may utilize the services of paid student interns. Interns are used to supplement the LAFCO work force and provide opportunities for local students to gain local government work experience. Employment is for a specified period of time. Interns are ineligible for LAFCO's benefit programs.

## 9. JOB CLASSIFICATIONS

The intent of this section is to define job descriptions so that employees understand their employment duties and responsibilities. Job descriptions identified in the following section summarize typical tasks but may comprise further responsibilities not listed.

### 9.1 Executive Officer Classifications

- Position Responsibilities: Under general supervision of the Commission to conduct and perform the Commission's administrative and advisory services, to supervise the daily activities of the Commission staff, and to act as a liaison between the Commission and governmental agencies and the general public.
- Typical Duties: Analyze and evaluate information on administrative and policy matters and advise the Commission on recommended action; conduct studies on governmental reorganization; comply with all legal requirements relating to the Commission's hearings; staff advisory committees to the Commission; prepare correspondence; supervise the maintenance of the Commission's files; attend all Commission meetings; attend City Council, County Board of Supervisors, and Special District Board meetings as necessary; perform as liaison officer between the Commission and cities, special districts, the County, State institutions and the general public; prepare the annual budget for the Commission; supervise the Commission's staff; review proposed local and state legislation, and appear at legislative hearings to represent the position of the Commission.

### 9.2 LAFCO Analyst

- Position Responsibilities: Under the direction of the Executive Officer, the LAFCO Analyst provides a full range of administrative and analytical services to Santa Cruz LAFCO involving a variety of matters that are complex and technical. Other roles include planning, organizing, and managing office activities, and performing other related duties as required. This "at will" position is appointed by and serves at the pleasure of the LAFCO Executive Officer and the Commission.



- **Typical Duties:** Under the direction of the Executive Officer, the LAFCO Analyst completes various tasks and duties including but not limited to: (1) Assembling LAFCO meeting agenda packets and notices of meetings; recording LAFCO meetings and preparing resulting documents including minutes and resolutions; (2) Developing, maintaining and updating LAFCO files and records systems for tracking applications, project activities, contracts, and other records; (3) Ordering supplies and services and maintain records of expenditures; (4) Preparing and reviewing correspondence, memoranda and other written materials; (5) Tracking correspondence, filings, and materials with deadlines and expiration dates; (6) Handling a wide variety of correspondence which requires knowledge of policies and procedures and research skills; (7) Answering and screening telephone calls and visitors; (8) Maintaining the LAFCO Website; and (9) Serving as liaison between the Executive Officer, officials and staff, and the public and interacting with Commissioners.

### **9.3 Commission Clerk**

- **Position Responsibilities:** Under the direction of the Executive Officer, the Commission Clerk provides a full range of administrative and secretarial services to Santa Cruz LAFCO involving a variety of matters that are complex and technical. Other roles include planning, organizing, and managing office activities, and performing other related duties as required. This “at will” position is appointed by and serves at the pleasure of the LAFCO Executive Officer and the Commission.
- **Typical Duties:** Under the direction of the Executive Officer, the Commission Clerk completes various tasks and duties including but not limited to: (1) Assembling LAFCO meeting agenda packets and notices of meetings; recording LAFCO meetings and preparing resulting documents including minutes and resolutions; (2) Developing, maintaining and updating LAFCO files and records systems for tracking applications, project activities, contracts, and other records; (3) Ordering supplies and services and maintain records of expenditures; (4) Preparing and reviewing correspondence, memoranda and other written materials; (5) Tracking correspondence, filings, and materials with deadlines and expiration dates; (6) Handling a wide variety of correspondence which requires knowledge of policies and procedures and research skills; (7) Answering and screening telephone calls and visitors; (8) Maintaining the LAFCO Website; and (9) Serving as liaison between the Executive Officer, officials and staff, and the public and interacting with Commissioners.

### **9.3 Administrative Analyst**

- **Position Responsibilities:** Under the direction of the Executive Officer, the Administrative Analyst conducts analyses and special studies, and make recommendations on local agency boundary change proposals to the Commission; collect data relating to proposals; and process proposals in accordance with state law, the Commission’s procedures, and the Commission’s policies.
- **Typical Duties:** Under the direction of the Executive Officer, the Administrative Analyst performs a variety of routine to complex professional and analytical assignments. As experience is gained, assignments become more varied and are performed with greater independence. Positions at this entry level usually perform

most of the duties required of the positions at higher levels but are not expected to function at the same skill level and usually exercise less independent discretion and judgement. Work is usually supervised more closely while in progress and fits and established structure or pattern.

## **10. HIRING AND STAFFING**

To attract and retain qualified staff for LAFCO, it is the policy of LAFCO to use a criterion-based recruitment process and behavioral-based interview process to ensure the most qualified candidates are hired.

### **10.1 Recruiting**

Recruiting applicants will be aggressive enough to assure an adequate supply of qualified candidates. The recruitment process may include, but is not limited to, the use of professional recruitment firms, referrals from current or past employees, walk-in applicants, and/or web-based postings.

### **10.2 Interviews**

The employment interview is a major element in the selection process. It allows the applicant an opportunity to demonstrate their capabilities to perform the job and provides information to the candidate about the position. Interviews may be conducted by telephone or in face-to-face sessions. All interview questions must be job-related and have direct bearing on the tasks of the position. Interviews and questions are standardized so that all applicants are evaluated equally. Questions that express (directly or indirectly) any preference, limitation, or general reference to race, national origin, sex, age, physical handicap, or any other protected category are prohibited.

### **10.3 Probationary Period**

All LAFCO new hires will have a twelve-month probationary period beginning on the first day of employment. The LAFCO staff will provide job training during this time period and the employee will be evaluated every three months during the probationary period. LAFCO may terminate an employee during this twelve-month probationary period or at any point in time therein. Nothing in this provision shall alter the at-will status of any employee.

## **11. SALARIES**

The salaries of all employees shall be set by resolution adopted by the Commission. The salary resolutions for all employees except the Executive Officer shall include provisions for merit increases, if deemed appropriate by the Commission. The Executive Officer shall conduct annual performance reviews and determine if the merit increases are granted. The process for the Executive Officer's performance and compensation review is found in LAFCO's Personnel Policy.

### **11.1 Adoption of the Compensation Schedule**

The Board shall consider and adopt a Compensation Schedule showing the minimum and maximum rates of pay within and between salary ranges for each position in the District. This schedule will be reviewed annually, on or before June 30, by the Commission as part of the budget preparation. Thereafter, the Board may adopt, amend, or change the Compensation Schedule by resolution. Any resolution, which alters, amends, or changes the Compensation Schedule shall be incorporated in Appendix A (Employee Compensation Schedule) of these rules (see page 9).

## Appendix A: Compensation Schedule

	<u>2.8% COLA</u>	<u>Santa Cruz LAFCO Compensation Schedule (Effective 3/6/24)</u>								
-			<u>Step A</u>	<u>Step B</u>	<u>Step C</u>	<u>Step D</u>	<u>Step E</u>	<u>Step F</u>	<u>Step G</u>	<u>Step H</u>
	<u>Position</u>	<u>Range</u>	<u>Base Salary</u>	<u>1-3 years</u>	<u>4-6 year</u>	<u>7-9 year</u>	<u>10-12 year</u>	<u>13-15 years</u>	<u>15+ years</u>	<u>&gt;&gt;</u>
	<u>Executive Officer</u>	<u>N/A</u>	<u>Range = \$100,000 - \$190,000 (determined by contract)</u> <u>Current Salary = \$176,509 (\$84.86/hour)</u>							
	<u>Assistant EO</u>									
	<u>Salary Range</u>		<u>90,000</u>	<u>92,520</u>	<u>95,111</u>	<u>97,774</u>	<u>100,511</u>	<u>103,326</u>	<u>106,219</u>	<u>Commission Discretion</u>
	<u>Hourly Rate</u>		<u>\$43.27</u>	<u>\$44.48</u>	<u>\$45.73</u>	<u>\$47.01</u>	<u>\$48.32</u>	<u>\$49.68</u>	<u>\$51.07</u>	
	<u>LAFCO Analyst</u>									
	<u>Salary Range</u>		<u>80,000</u>	<u>82,240</u>	<u>84,543</u>	<u>86,910</u>	<u>89,343</u>	<u>91,845</u>	<u>94,417</u>	<u>Commission Discretion</u>
	<u>Hourly Rate</u>		<u>\$38.46</u>	<u>\$39.54</u>	<u>\$40.65</u>	<u>\$41.78</u>	<u>\$42.95</u>	<u>\$44.16</u>	<u>\$45.39</u>	
	<u>Commission Clerk</u>									
	<u>Salary Range</u>		<u>60,000</u>	<u>61,680</u>	<u>63,407</u>	<u>65,182</u>	<u>67,008</u>	<u>68,884</u>	<u>70,813</u>	<u>Commission Discretion</u>
	<u>Hourly Rate</u>		<u>\$28.85</u>	<u>\$29.65</u>	<u>\$30.48</u>	<u>\$31.34</u>	<u>\$32.22</u>	<u>\$33.12</u>	<u>\$34.04</u>	
	<u>Administrative Analyst</u>									
	<u>Salary Range</u>	-	<u>55,000</u>	<u>56,540</u>	<u>58,123</u>	<u>59,751</u>	<u>61,424</u>	<u>63,143</u>	<u>64,911</u>	<u>Commission Discretion</u>
	<u>Hourly Rate</u>	-	<u>\$26.44</u>	<u>\$27.18</u>	<u>\$27.94</u>	<u>\$28.73</u>	<u>\$29.53</u>	<u>\$30.36</u>	<u>\$31.21</u>	

### **11.2 Establishing Initial Salary Step and Range for Regular Employees**

Upon being hired, new full-time employees will generally be placed at step-A of the Compensation Schedule for the position being filled. In appropriate circumstances, the Executive Officer, at their discretion, may request that the Personnel Committee approve placement of an employee at step-B or above if the employee has extraordinary qualifications.

### **11.3 Cost of Living Adjustment**

Cost of living adjustments will normally be based on the annual Social Security and Supplemental Security Income (SSI) benefits and the Cost of Living Adjustment (COLA). On an annual basis, the Personnel Committee will evaluate whether wages should be adjusted for COLA. The recommendations of the Personnel Committee will be presented to the Commission, who will in the Board's sole discretion, determine whether or not funds are available to grant any COLA. The Commission has the sole discretion in the granting or denying of cost of living increases and the relative percentage of the proposed increase(s). No employee is guaranteed a COLA in any particular year.

### **11.4 Step Increase**

A step increase within the same salary range may be granted to an employee based on three years of continuous employment in steps-A through G of the range, and if the employee has received a satisfactory or better evaluations from their supervisor during the period(s) covered by the increase, refer to page 9 (Compensation Schedule). Employees are not guaranteed any step increases. Such increases are committed at the discretion of the Executive Officer.

### **11.5 Leave of Absence Without Pay**

For special reasons, an employee may be granted a leave of absence without pay for a total of thirty (30) days or more within a given calendar year. When this type of leave is granted (regardless of the underlying reason), the employee's scheduled step increase will be delayed by any time in excess of thirty (30) days. A leave of absence for a period totaling less than thirty (30) days in the given calendar year shall have no effect upon the employee's eligibility for a scheduled step increase. See further information about available leaves of absence in the Benefits section of these rules.

## **12. WORKING HOURS**

LAFCO offices shall be open on all days and the hours that Santa Cruz County offices are open to the public for business. Full-time employees shall work 40 hours per work week and part-time employees shall work at least 20 hours per week.

### **12.1 Overtime Hours**

"Overtime" means authorized time worked in excess of 40 hours in a one-week work period. Employees must obtain approval from the Executive Officer prior to working any overtime. Paid time off from work for any purpose shall not count as time worked for purposes of overtime. Overtime shall be paid at the rate of one and a half times the employee's regular rate of pay or as otherwise required by applicable federal or state law. The Executive Officer must approve regular and overtime work schedules. The Executive Officer is an exempt employee and is not eligible for overtime compensation.

## **12.2 Remote Work (Procedure)**

LAFCO provides employees with the privilege of voluntarily working remotely when appropriate. LAFCO considers remote work to be a viable alternative work arrangement in cases where the employee and the employee's position are well-suited to working remotely on either a full-time or hybrid basis. Remote work allows employees to work offsite for all or part of their regular workweek. Remote work is a voluntary work alternative that may be appropriate for some employees and some jobs. It is not a guarantee or an entitlement and it in no way changes the terms and conditions of employment with LAFCO. An employee is not required to work remotely. Work space and equipment is provided in LAFCO's offices for all employees. All remote work employees are expected to:~~"Overtime" means authorized time worked in excess of 40 hours in a one-week work period. The Executive Officer must authorize employees' overtime work. Paid time off from work for any purpose shall not count as time worked for purposes of overtime. Overtime shall be paid at the rate of one and a half times the employee's regular hourly salary or as otherwise required by applicable federal or state law. The Executive Officer must approve regular and overtime work schedules. The Executive Officer is an exempt employee and is not eligible for overtime compensation.~~

- Maintain consistent assigned work hours during LAFCO's hours of operation. Any changes to an employee's schedule or availability must be approved by the Executive Officer. Employees should follow the applicable process for requesting and obtaining time off.
- Establish a routine of periodic work plans and reports to their manager to establish goals and document results.
- Be readily available for impromptu video, email and phone conversations. Communicate effectively and be responsive to requests (whether by phone, e-mail, or video).
- Maintain a dedicated and safe home office environment free of distractions and background noise.
- Devote 100% of their attention to working remotely as if you were in the office.
- Store all work product(s) on the LAFCO network and do not store it on any internal storage of the home computer or laptop.
- Report to LAFCO's offices and/or other work locations in person for meetings or other activities as required by the employee's manager.
- Managers may require additional methods of communication and reporting to ensure employees are accessible and reliable.

## **12.2 Remote Work (Communication)**

Working from a remote location may add challenges to effective communication, teamwork, and collaboration. The remote employee is responsible for ensuring effective communication and participation while working remotely and for ensuring that

coworkers and the Executive Officer feel informed and confident about the work results being produced. If an employee seeks a remote work arrangement, the employee must make the request and obtain approval from the Executive Officer. Remote work can be requested on any of the following bases:

- Full-time (where an employee's primary work location is remote for their full work schedule);
- A regularly scheduled basis (where an employee works a hybrid schedule, with regularly recurring days worked remote); or
- Sporadic (where an employee works remotely on occasion).

Even if full-time or regularly scheduled remote work is approved, employees can be requested to report to LAFCO offices or other work locations as needed. Remote work arrangements can be changed (either reduced or eliminated) at the discretion of the Executive Officer. Remote work arrangements for the Executive Officer will be addressed and approved, and can be changed (either reduced or eliminated) at the discretion of the LAFCO Board Chair.

### **12.3 Remote Work (Home Office Requirements)**

Remote work arrangements require the employee to establish a fully functioning home office environment. LAFCO will decide on a case-by-case basis whether to provide the remote working employee with a computer or monitors for the home office. All other equipment and services are the responsibility of the employee to be paid at their expense including:

- Phone and voicemail with professional outgoing message;
- High speed Internet connection;
- If wireless network is used, a secure, password-protected connection; and
- Repairs or adjustments necessary to maintain a safe working environment

Remote work is for the personal convenience of the employee and is not required by LAFCO. LAFCO maintains work facilities and equipment in its offices. Therefore, if the employee uses their personal computer LAFCO will not:

- Provide support for personal systems;
- Provide maintenance, repairs, or adjustments of any kind;
- Provide upgrades for hardware;
- Provide upgrades for operating systems; and
- Reimburse for the purchase of any software programs

At the conclusion of employment, employees who use their own computer or other



personal equipment will be required to certify that there is no LAFCO information on their computer or equipment, and to certify that all LAFCO data, information, and property has been returned.

### **13. EXPENSES AND TRAVEL**

Employees shall be reimbursed for all actual and necessary expenses incurred in the transaction of LAFCO business in accordance with LAFCO's Financial Policy.

### **14. PAID LEAVES**

The following paid leaves shall be provided to LAFCO employees:

- Executive Officer: The Executive Officer shall receive the same paid leave benefits as those provided to appointed Santa Cruz County department heads including vacation, sick leave, administrative leave, bereavement leave, and holidays.
- Other LAFCO Employees: Employees, except the Executive Officer, shall receive the same paid leave benefits as those provided to Santa Cruz County employees in the General Representation Unit including annual leave, bereavement leave, and holidays.

### **15. RETIREMENT AND INSURANCE**

LAFCO employees will receive health insurance, dental insurance and other insurance depending on their particular classifications. These insurance benefits will generally be the same as provided to County of Santa Cruz employees. The Commission will review and establish the benefits annually at its discretion.

#### **15.1 Retirement**

LAFCO contracts with the California Public Employees' Retirement System ("CalPERS") to provide pension benefits to full-time and half-time employees. Employee retirement contributions to CalPERS shall be set by resolution adopted by the Commission.

#### **15.2 Insurance**

The following insurance benefits shall be provided to LAFCO employees:

- Executive Officer: Insurance benefits which are provided to appointed department heads of Santa Cruz County shall be provided to the Executive Officer. These benefits are health insurance, dental insurance, vision insurance, life insurance, and long-term disability insurance.
- Other LAFCO Employees: Insurance benefits which are provided to Santa Cruz County employees in the General Representation Unit shall be provided to LAFCO full-time employees other than the Executive Officer. These benefits are health insurance, dental insurance, vision insurance, life insurance, and long-term disability insurance.
- Annuitant Employees: LAFCO annuitants who retired through CalPERS may enroll in a CalPERS' health plan as provided under the Public Employee's Medical and Hospital Care Act and CalPERS regulations. Eligibility and annuitant contribution amounts are set by the Commission's health insurance contract.

### **15.3 Health Insurance**

Employees' health insurance contributions shall be the same as the contributions made by employees who hold comparable jobs with Santa Cruz County.

### **15.4 Deferred Compensation**

LAFCO shall provide a deferred compensation program for employees. LAFCO shall not make employer contributions to the deferred compensation program.

## **16. SAFETY**

Every employee is responsible for safety. To achieve our goal of providing a completely safe workplace, everyone must be safety conscious. Employees should report any unsafe or hazardous condition directly to their supervisor immediately. In case of an accident involving a personal injury, regardless of how serious, employees should notify the Executive Officer or LAFCO Chair immediately. Failure to report accidents can result in a violation of legal requirements and can lead to difficulties in processing insurance and benefit claims. If an employee is injured on the job, they will be entitled to benefits under the state workers' compensation law in most cases. LAFCO carries workers' compensation insurance and will assist employees to obtain all benefits to which they are legally entitled.

## **17. WORKPLACE VIOLENCE**

LAFCO is committed to providing a safe work environment that is free of violence and the threat of violence. LAFCO will not tolerate any violent or dangerous behavior of any kind, whether through physical abuse, threats of any kind, intimidation, coercion, stalking or otherwise, defacing LAFCO'S property or causing physical damage to the facilities, bringing weapons or firearms of any kind onto LAFCO'S premises, parking lots, or while conducting business, or any other behavior that suggests a propensity towards violence.

LAFCO strictly prohibits employees, consultants, customers, visitors, or anyone else on LAFCO premises or engaging in a LAFCO-related activity from behaving in a violent or threatening manner. Employees may report all incidents of direct or indirect violence or dangerous behavior to the Executive Officer or LAFCO Chair as soon as possible. Reporting incidents and concerns early can help prevent a situation from escalating and becoming even more dangerous. Employees should never attempt to handle a potentially dangerous situation by themselves. Any LAFCO employee that violates this policy will be subject to discipline, up to and including termination, as well as potential legal action.

## **18. OFFICE INSPECTION**

Although desks, cabinets and shelves are made available for the convenience of employees while at work, employees should remember that all desks, cabinets and shelves remain the sole property of LAFCO. Moreover, LAFCO reserves the right to open and inspect desks, cabinets, and shelves, as well as any contents, effects, or articles in desks, cabinets, and shelves. Such an inspection can occur at any time, with or without advance notice or consent. An inspection may be conducted before, during, or after working hours by the Executive Officer or designee.

Employees have no expectation of privacy in any of these items. Prohibited materials, including weapons, explosives, alcohol and non-prescribed drugs or medications, may not be placed in a desk, cabinet or shelf. Employees who, if requested, fail to

cooperate in any inspection will be subject to disciplinary action, up to and including termination. LAFCO is not responsible for any articles that are placed or left in a desk, cabinet, or shelf that are lost, damaged, stolen or destroyed.

#### **19. THEFT OR LOSS OF OFFICE EQUIPMENT**

The use of any LAFCO-related equipment (computers, cell phones, laptops, or other office-related equipment) outside of the LAFCO offices must be approved by the Executive Officer. LAFCO employees are fully responsible for the care and safekeeping of all office equipment offsite. Should an item be stolen or lost offsite while under the care of a LAFCO employee, the LAFCO employee is responsible to reimburse LAFCO for the replacement cost of all lost or stolen items. Any loss or theft of the LAFCO equipment must be reported immediately to the Executive Officer, and the employee is responsible to reimburse LAFCO for the replacement cost of the device.

#### **20. OFFICE PROBLEM RESOLUTION PROCEDURE**

LAFCO is committed to encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response. LAFCO strives to ensure fair and honest treatment of all employees. All employees are expected to treat each other with mutual respect. All employees are encouraged to offer positive and constructive criticism. If there is a disagreement concerning established rules of conduct, policies, or practices, employees may express their concern through the problem resolution procedure. No one will be penalized, formally or informally, for voicing a complaint with LAFCO in a reasonable, business-like manner, or for using the problem resolution procedure.

#### **21. TERMINATION OF EMPLOYMENT**

Any employee whose employment is terminated by LAFCO for any reason shall be entitled to two weeks' notice or two weeks' pay in lieu of notice.

*Adopted on June 4, 1986 (Resolution No.141-DD)*

*Amended on December 9, 2015 (Resolution No. 2015-12)*

*Previous Revision on August 3, 2016 (Resolution No. 2016-12)*

*Revision on June 3, 2020 (Resolution No. 2020-16)*

*Revision on September 6, 2023 (Resolution No. 2023-20)*

*Last Revision on September 6, 2023March 6, 2024 (Resolution No. 2023-202024-07)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **PERSONNEL POLICY**

#### **1. PERFORMANCE EVALUATION – LAFCO STAFF**

Evaluations of staff personnel other than the Executive Officer will be made by the Executive Officer on an annual basis. To assist in this process, staff will submit a report documenting their accomplishments from the prior year and their goals for the upcoming year to the Executive Officer for review and discussion. The Executive Officer's review of this report will be conducted by December of each year.

#### **2. PERFORMANCE EVALUATION – EXECUTIVE OFFICER**

Personnel evaluations of the Executive Officer will be made by the Commission on an annual basis. To assist in this process, the Executive Officer will submit a report documenting their accomplishments from the prior year and their goals for the upcoming year to the Personnel Committee for review and discussion. The Personnel Committee's review of this report will be conducted by January of each year.

#### **3. COMMISSION REVIEW**

All performance evaluations, and any other pertinent information, will be forwarded to the Commission for their review and consideration at the February meeting of each year. In accordance with Government Code Sections 54957 and 54957.6, staff's performance evaluations will be discussed in a closed session.

#### **4. SALARY ADJUSTMENTS**

Following the Commission's review and consideration of staff's performance evaluations, the Personnel Committee will provide an annual report on staff salaries and benefits at the March meeting of each year. At this time, the Commission may consider possible salary adjustments to bring staff salaries into alignment with other comparable positions or as compensation for their job performance. This review may include a report by a personnel consultant, when indicated.

#### **5. PERSONNEL COMMITTEE MEMBERSHIP**

The members of the Personnel Committee will have at least a two-year term but may continue if reaffirmed by the Commission. At least two Commissioners should be on the Personnel Committee. The current LAFCO Chair is encouraged to be part this committee.

*Adopted on June 7, 2000 (Resolution No. 2000-4)  
Revised on January 9, 2008 (Resolution No. 2008-3)  
Last Revision on February 5, 2020 (Resolution No. 2020-02)*



# LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

## FINANCIAL POLICY

### 1. OVERVIEW

It is the policy of Santa Cruz LAFCO to follow ethical, responsible, and reasonable procedures related to purchasing, claims, auditing, money management, and other financial matters. The following accounting discussion is intended to provide an overview of the accounting policies and procedures applicable to LAFCO. This policy documents the financial operations of the organization. Its primary purpose is to formalize accounting policies and selected procedures for the accounting staff and to document internal controls.

### 2. USE OF COUNTY FINANCIAL OFFICES, POLICIES AND PROCEDURES

It is the policy of Santa Cruz LAFCO to utilize the offices, policies, and procedures of the County of Santa Cruz in the conduct of LAFCO's financial matters.

#### 2.1 Santa Cruz County Policies and Procedures Manual

LAFCO shall follow "Title 1—Financing and Accounting Policies and Procedures" of the County of Santa Cruz Policies and Procedures Manual, except as specified in LAFCO's policies. LAFCO is an independent agency; therefore, neither the Board of Supervisors nor the County Administrative Officer has any authority over LAFCO's financial matters. The County Policies and Procedures shall be translated to LAFCO's Policies and Procedures by the following substitutions:

County of Santa Cruz	Santa Cruz LAFCO
Board of Supervisors	LAFCO Commission
County Administrative Officer	LAFCO Executive Officer
Department Head	LAFCO Executive Officer
Purchasing Agent	LAFCO Executive Officer

#### 2.2 Santa Cruz County Auditor-Controller

LAFCO shall use the Santa Cruz County Auditor-Controller for the following functions:

- Claims and warrants;
- Petty cash;
- Payroll and deductions;
- Collection of county, city, and independent district contributions to the LAFCO budget as required by Government Code Section 56381;
- Maintenance of the LAFCO trust fund; and
- Audits.

### **2.3 Santa Cruz County Purchasing Policy Manual**

For procuring goods and services, LAFCO may follow the most recent edition of the County of Santa Cruz, Purchasing Policy Manual.

LAFCO staff may choose to either use the purchasing services of the Santa Cruz County General Services Department, or may make direct purchases. In the case of direct purchases, LAFCO staff will follow to the extent possible the County's Purchasing Policy Manual, with the Executive Officer functioning as the Purchasing Agent.

## **3. AUTHORIZATIONS**

It shall be the responsibility of the Executive Officer to authorize expenditures of funds within the framework and limitations of the budget adopted by the Commission.

### **3.1 Payroll**

When payroll is due to be filed with the Auditor-Controller and the Executive Officer is absent from the office, the Secretary-Clerk shall attempt to contact the Executive Officer. The Secretary-Clerk may sign the payroll if either:

- The Executive Officer authorizes the payroll amounts verbally or by e-mail, and the Secretary-Clerk keeps a written record of the authorization; or
- The Executive Officer cannot be contacted, and the Secretary-Clerk presents the payroll to the Executive Officer as soon as possible after the Executive Officer becomes available in the office or electronically.

### **3.2 Claims**

When an urgent claim is due and the Executive Officer is absent from the office, the Secretary-Clerk may utilize LAFCO's designated County Administrative Office (CAO) representative to address the claim. If the Executive Officer and the CAO representative are unavailable, the Secretary-Clerk may sign the urgent claim if either:

- The Executive Officer authorizes the urgent claim amount verbally or by e-mail, and the Secretary-Clerk keeps a written record of the authorization, or
- The Executive Officer cannot be contacted, and the Secretary-Clerk presents the urgent claim to the Executive Officer as soon as possible after the Executive Officer becomes available in the office or electronically.

As used in this section, "urgent claim" means a valid claim for which LAFCO would incur a late payment penalty of \$25 or more if the claim were not submitted to the Auditor-Controller on that workday.

### **3.3 Executive Officer Follow-up Action(s)**

Upon returning to the office or becoming available electronically, the Executive Officer shall review any payroll or urgent claim that was authorized by the Secretary-Clerk, separately sign the payroll or claim, and take any necessary actions to correct any errors or oversights.



#### **4. EXPENSES AND TRAVEL**

Commissioners (regular and alternate members), employees, and staff shall be entitled to reimbursement for all actual and necessary expenses incurred in the transaction of Commission business, including participation on the CALAFCO board and CALAFCO committees, in accordance with the following provisions:

##### **4.1 Stipends**

Regular and Alternate Commissioners shall receive \$50.00 per meeting in order to help defray the costs of attending the meetings.

##### **4.2 Travel Expenses**

Regular and Alternate Commissioners, employees, and staff shall be reimbursed in conformance with current County policy for out-of-county travel, meals, and related expenses incurred while on Commission business.

##### **4.3 Mileage Reimbursement**

Regular and Alternate Commissioners, employees, and staff shall be reimbursed for authorized use of their private automobiles in conformance with current County policy.

##### **4.4 Lodging Expenses**

Travel reimbursements for lodging at rates higher than County policy shall be permitted when Commissioners (Regular and Alternate), employees, and staff stay at the host facility for CALAFCO events, including but not limited to, meetings, workshops, and conferences.

##### **4.5 Staff Definition**

As used in this section, “staff” means the LAFCO Counsel or the LAFCO Counsel’s back-up attorney when either is traveling on LAFCO business.

##### **4.6 Reimbursement Authorization**

No travel expenses shall be reimbursable unless authorized by the Executive Officer.

##### **4.7 Extended Meeting Expenses**

For day meetings of the Commission that are expected to last more than four hours, or for any night meetings, the Commission authorizes expenses not to exceed \$5 per attending Commissioners for light refreshments (coffee, bottled water, soft drinks, cookies, etc.)

#### **5. BUDGET**

Government Code Section 56381 indicates that LAFCO shall adopt a proposed budget no later than May 1 and a final budget no later than June 15. LAFCO shall prepare an annual budget in conformance with Government Code Section 56381.

##### **5.1 Performance Evaluations**

Completion of staff’s performance evaluation, as outlined in the Personnel Policy, should be completed by February of each year.

## **5.2 Salary & Benefit Adjustments**

Following the Commission's review and consideration of staff's performance evaluation, any adjustments to their salaries and benefits should occur by March of each year.

## **5.3 Proposed Budgets**

The Commission should consider adopting a draft budget by April of each year. Copies of the draft budget, with the proposed allocation breakdown, should be shared with the funding agencies for review and comments.

## **5.4 Final Budgets**

The Commission should consider adopting a final budget by May of each year. Copies of the final budget, with the final allocation breakdown, should be shared with the funding agencies for their records.

# **6. RESERVES**

As of July 1, 2024, Santa Cruz LAFCO has two reserve funds restricted to the agency's account with the Santa Cruz County. These funds are as follows: (1) Litigation and (2) Contingency. These accounts are considered "restricted" accounts and are only used for the specific purposes described below:

## **6.1 Litigation Reserves**

Restricted funds for cost related to agency legal challenges. The minimum balance in the Litigation Reserve Account shall be \$100,000.

## **6.2 Contingency Reserves**

Restricted funds to cover any unforeseen future agency loss and/or urgency which includes but is not limited to property or equipment damage, loss, or theft. These funds may also be used to balance annual LAFCO budgets. The minimum balance in the Contingency Reserve Account shall be \$100,000.

*Adopted on June 2, 2004 (Resolution No. 2004-10)  
Revision on February 5, 2020 (Resolution No. 2020-03)  
Last Revision on September 6, 2023 (Resolution No. 2023-20)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **RECORDS MANAGEMENT POLICY**

#### **1. OVERVIEW**

The purpose of this policy is to offer guidelines to staff regarding the retention of Santa Cruz LAFCO files; provide for the identification, maintenance, and safeguarding of Santa Cruz LAFCO records and the destruction of obsolete documents in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

#### **2. COMPLIANCE**

It is the policy of this Commission to retain Santa Cruz LAFCO documents and other records in accordance with the retention schedule established in the attached table (refer to **Figure 1**; page 3 of policy). The schedule is in compliance with the minimum retention periods mandated by the California Government Code, the California Code of Civil Procedure, the Code of Federal Regulations, the Secretary of State Local Government Records Management Guidelines, and other legal authorities cited.

#### **3. PROCEDURE**

Government Code Section 56382 allows LAFCO to authorize the destruction of any duplicate record which is older than two years as long as a copy is kept in some reliable format. This policy documents the records management of the organization. The following section outlines how LAFCO staff should determine if a document is obsolete and subject to potential destruction.

##### **3.1 Request for Destruction Form**

A LAFCO staff member must complete and sign a "Request for Destruction of Obsolete Records" form, listing the date and description of each document to be destroyed. A sample form is attached to this policy as **Figure 2**; page 4 of policy). The form must include the Executive Officer's signature.

##### **3.2 Approval of Form**

After receiving the signed form from the Executive Officer, the Commission Clerk will oversee the destruction of the obsolete documents.

##### **3.3 Records Log**

The Commission Clerk will permanently retain a master log of all destroyed obsolete documents which includes the titles or brief descriptions of the purged files that were destroyed, the method of destruction and the date of destruction.

#### **4. GENERAL GUIDELINES**

The Commission Clerk shall be responsible for the administration of this policy and shall follow the general guidelines outlined in this document. The following general guidelines apply to all Santa Cruz LAFCO records.

#### **4.1 Duplicate Records**

The Commission may authorize the destruction of any duplicate records at any time (Government Code Sections 26201; 60200).

#### **4.2 Two-Year Threshold**

Unless otherwise required by State or Federal law, the Commission may authorize the destruction of any original document which is more than two (2) years old without retaining a copy of the document as long as the retention and destruction of the document complies with the retention schedule as set forth in this policy (Government Code Sections 26202; 60201).

#### **4.3 Significant Project Documents**

In addition to the retention periods required under this policy, the Commission shall retain original administrative, legal, fiscal, and/or historical records with continued value (i.e., records for long-term transactions and/or special projects) until all matters pertaining to such records are completely resolved or the time for appeals has expired (Government Code Sections 14755; 34090).

#### **4.4 Indestructible Files**

Pursuant to Government Code Section 60201, the Commission shall not destroy any of the following records:

- a) Records relating to the formation change of organization or reorganization of the Commission;
- b) Ordinances and resolutions, unless they have been repealed or have become invalid or otherwise unenforceable for five years;
- c) Minutes of any meeting of the Commission;
- d) Records relating to any pending claim, litigation, any settlement or other disposition of litigation within the past two (2) years;
- e) Records that are the subject of any pending request for records under the California Public Records Act, whether or not the record is exempt from disclosure, until the request has been granted or two (2) years after the request has been denied by the Commission;
- f) Records relating to any non-discharged debt of the Commission;
- g) Records relating to the title to real property in which the Commission has an interest;
- h) Records relating to any nondischarged contract to which the Commission is a party;
- i) Records that have not fulfilled the administrative, fiscal, or legal purpose for which they were created or received;
- j) Records less than seven (7) years old that specify the amount of compensation or expense reimbursement paid to Commission employees, officers, retired annuitant, or independent contractors.

**Figure 1 – Records Retention Schedule**

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
1	Accident/Illness Reports (OSHA Reports)	<p>Not a public record;</p> <p>For Employee Medical Records &amp; Employee Exposure Records regarding exposure to toxic substances or harmful physical agents:</p> <p>*Includes Material Safety Data Sheets (MSDS)</p> <p>*Does NOT include records of health insurance claims maintained separate from employer's records; first aid records of one-time treatments for minor injuries; records of employees who worked less than one (1) year if records are given to employee upon termination.</p>	GCS 6254(c); CCR 32304(d)(1)(A)(B)	Duration of employment plus 30 years
2	Accidents/Damage to LAFCO Property	Risk Management Administration	GCS 340901 CCP 337.15	10 years
3	Accounting Records – General Ledger	General Ledger	GCS 34090; CCP 337; Sec. of State Local Govt Records Mgmt. Guidelines	<p>Until audited +4 years</p> <p>Published articles show 4-7 years retention</p> <p>Sec. of State Guidelines recommends permanent retention</p>
4	Accounting Records – Permanent Books of Accounts	Records showing items of gross income, receipts and disbursement (including inventories per IRS regulations)	CFR 31.6001-1(c)&(e)	Permanent

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
5	Accounts Payable	Journals, statements, asset inventories, account postings with supporting documents, vouchers, investments, invoices and back-up documents, purchase orders, petty cash, postage, OCERS reports, check requests, etc.  Expense reimbursements to employees & officers; travel expense reimbursements or travel compensation.	CCP 337; CFR 31.6001-1(e)(2); Secretary of State Local Gov't. Records Mgmt. Guidelines	Until audited + 4 years  7 years after date of payment
6	Accounts Receivable	Receipts for deposited checks, coins, currency; reports, investments, receipt books, receipts, cash register tapes, payments for fees, permits, etc.	CFR 31.6001-1(e)(2); Sec. of State Local Gov't Records Mgmt. Guidelines recommendation	Until audited +4 years
7	Affidavits of Publication / Posting	Legal notices for public hearings, publication of ordinances, etc.	GCS 34090	2 years
8	Agency Report of Public Official Appointments (FPPC Form 806)	Report of additional compensation received by LAFCO official when appointing themselves to committees, boards or commission of other public agencies, special districts, joint powers agencies or joint powers authorities. Current report must be posted on LAFCO's website.	CCR 18705.5; GCS 34090.5	Recommended retention; keep a copy of report for 2 years after removal from LAFCO's website
9	Agenda / Agenda Packets	Original agendas, agenda packets, staff reports and related attachments, supplemental items and documentation submitted by staff/public in relation to agenda items.  Paper copies of agenda packets should be maintained for 1 year as complete packets. Originals will later be imaged for permanent records retention; the imaged record may serve as the permanent record.	GCS 34090, 34090.5	Current + 2 years
10	Agreements (see also Contracts)	Original contracts and agreements and back-up materials, including leases, service/maintenance agreements, etc.	CCP 337; 337.2; 343	4 years after termination/ completion



#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
11	Annexations / Reorganizations	Notices, Resolutions, Certificates of Completion; documents may be imaged, but the originals can never be destroyed.	GCS 34090 GCS 60201(d)(1)	Permanent
12	Annual Financial Report	May include independent auditor analysis.	GCS 26201, 34090 GCS 34090, 60201 Sec of State Local Gov't Records Mgmt. Guidelines	Until audited + 7 years
13	Articles of Incorporation	Including but not limited to JPAs, mutual water companies, and changes of organization	GCS 34090(a)	Permanent
14	Audit Reports	Financial services; internal and/or external reports;	GCS 34090; CCP 337, 343; Sec. of State Local Gov't. Records Retention Guidelines	Minimum retention – Current + 4 years  Sec. of State Guidelines recommends permanent retention
15	Audit Hearing or Review	Documentation created and or received in connection with an audit hearing or review	GCS 26202, 34090	2 years
16	Ballots – Special District elections	Copies of ballots from elections of Special Districts (LAFCO members)	GCS 26202, 34090, 60201	2 years
17	Bank Account Reconciliations	Bank statements, receipts, certificates of deposit, etc.	CFR 31.6001-1(e)(2)	Until audited + 4 years; Secretary of State recommends until audited + 5 years
18	Brochures/Publications	Retain selected documents only for historic value	GCS 26202, 34090	2 years
19	Budget, Annual	Annual operating budget approved by LAFCO	GCS 26202, 34090; Sec. of State Local Gov't Records Mgmt. Guidelines	Until audited + 2 years; Sec. of State recommends permanent retention
20	Cal-OSHA	Personnel logs, supplementary records; annual summary (Federal and State-Cal-OSHA)	LAB 6410; CCR 14307	5 years
21	CalPERS - Employee Benefits	Retirement Plan	USC 1027	6 years

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
22	Checks (issued by LAFCO)	LAFCO checks paid – expense reimbursements; payments to independent contractors, etc. Includes check copies; canceled and voided checks; electronic versions of checks.  LAFCO check paid to vendors; other LAFCO payments - includes check copies; canceled or voided checks; electronic versions of checks.	GCS 60201(d)(12); CCP 337; Sec. of State Local Gov't Records Mgmt. Guidelines; CCP 31.6001-1(e)(2)	7 years  Until audited +4 years
23	Citizen Feedback	General correspondence	GCS 26202, 34090	2 years
24	Claims Against LAFCO	Paid/denied	GCS 60201(d)(4); GCS 25105.5	Until settled + 5 years
25	Complaints/Requests	Various files, not related to specific lawsuits involving the agency and not otherwise specifically covered by the retention schedule	GCS 26202, 34090	2 years
26	Contracts	Original contracts and agreements and back-up materials, including leases, service/maintenance contracts, etc.	CCP 337, 337.2, 343	4 years after termination/ completion
27	Correspondence	General correspondence, including letters and e-mail; various files, not otherwise specifically covered by the retention schedule	GCS 26202, 34090	2 years
28	Deferred Compensation Reports	Finance - pension/retirement funds	CFR 516.5; CFR 1627.3	3 years
29	Demographic/ Statistical Data	Including but not limited to special studies and boundary changes	GCS 26202, 34090	Current +2 years
30	Deposits, Receipts	Receipts for deposited checks, coins, currency	Sec. of State Local Gov't Records Mgmt. Guidelines; CCP 337	Until audited + 4 years
31	DMV Driver's Records, Reports (DMV Pull Notice System)	Part of personnel records – not a public record	GC 34090; GC 6254(c) VC 1808.1(c); Sec. of State Local Gov't Records Mgmt. Guidelines	Until superseded (should receive new report every 12 months)  Sec. of State recommends retention until termination + 7 years

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
32	Employee Files	Personnel - information - may include release authorizations, certifications, reassignments, outside employment, commendations, disciplinary actions, terminations, oaths of office, evaluations, pre- employee medicals, fingerprints, identification cards	GCS 12946 CFR 1627.3	While current + 3 years
33	Employee Information Applicant Identification Records	Personnel – data recording race, sex, national origin of applicants	CCR 7287(b)(c)(2)	2 years
34	Employee Information, General	Name, address, date of birth, occupation	GCS 12946 CFR 1627.3 LAB 1174	3 years
35	Employee Information, Payment	Rate of pay and weekly compensation earned	GCS 60201	7 years
36	Employee Programs	Includes EAP and Recognition	GCS 26202, 34090; GCS 12946	Current + 2 years
37	Employee, Recruitment	Alternate lists/logs, examination materials, examination answer sheets, job bulletins	GCS 12946; GCS 26202, 34090; CFR 1602 et.seq.; CFR 1627.3	Current + 2 years
38	Employee, Reports	Employee statistics, benefit activity, liability loss	GCS 26202, 34090	Current + 2 years
39	Employee Rights - General		GCS 12946; CFR 1602.31	Length of employment + 2 years
40	Employment Applications - Not Hired	Applications submitted for existing or anticipated job openings, including any records pertaining to failure or refusal to hire applicant	GCS 26202, 34090; GCS 12946; CFR 1627.3	2 years
41	Employment Eligibility Verification (I-9 Forms)	Federal Immigration and Nationality Act; Immigration Reform/Control Act 1986	USC 1324a(b)(3) Pub. Law 99-603	3 years after date of hire, or 1 year after date of termination, whichever is later
42	Employment - Surveys and Studies	Includes classification, wage rates	GCS 12946 GCS 26202, 34090 CFR 516.6	2 years
43	Employment - Training Records, Non-Safety	Volunteer program training - class training materials, internships	GCS 34090 GCS 12946	Length of employment + 2 years

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
44	Employment - Vehicle Mileage Reimbursement Rates	Annual mileage reimbursement rates	GCS 26202, 34090	Until superseded + 2 years
45	Environmental Quality California Environmental Quality Act (CEQA)	Exemptions, Environmental Impact Reports, mitigation monitoring, Negative Declarations, Notices of Completion and Determination, comments, Statements of Overriding Considerations	GCS 34090; 60201 CEQA Guidelines	Permanent
46	Environmental Quality Environmental Review	Correspondence, consultants, issues, conservation	GCS 26202, 34090	Completion + 2 years
47	ERISA Records	Employee Retirement Income Security Act of 1974 – plan reports, certified information filed, records of benefits due	USC 1027, 2059 <i>La Barbera v. A. Morrison Trucking, Inc.</i> 2011 US Dist. LEXIS 16343 (E.D.N.Y. Feb. 17, 2011)	6 years
48	Family and Medical Leave Act (FMLA) (Federal)	Records of leave taken, LAFCO policies relating to leave, notices, communications relating to taking leave	CFR 825.500; GCS 12946	While employed +3 years (Federal) or 2 years (State)
49	Fixed Assets Inventory	Reflects purchase date, cost, account number	GCS 26202, 34090	Until audited + 2 years
50	Fixed Assets Surplus Property	Auction, disposal, listing of property	GCS 26202, 34090; CCP 337	Until audited + 4 years
51	Forms	Including but not limited to administrative/project docs		Until Superseded
52	Fund Transfers	Internal; bank transfers & wires	GCS 26202, 34090	Until audited + 2 years
53	General Ledgers	All annual financial summaries	GCS 34090; CCP 337; Sec. of State Local Gov't. Records Retention Guidelines	Until audited +4 years  Sec. of State Guidelines recommends permanent retention
54	Gift to Agency Report (FPPC Form 801)	FPPC form showing payment or donation made to Santa Cruz LAFCO or to a Santa Cruz LAFCO official and which can be accepted as being made to LAFCO	FPPC Reg.18944(c)(3)(F)(G); FPPC Fact Sheet: "Gifts to an Agency – Part 2"	Must be posted on LAFCO website for 4 years (per FPPC Fact Sheet)

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
55	Gifts/Bequests	Receipts or other documentation	GCS 34090	Until completed + 2 years
56	Grants - Successful Federal, State, or other grants	Grants documents and all supporting documents: applications, reports, contracts, project files, proposals, statements, sub- recipient dockets, environmental review, grant documents, inventory, consolidated plan, etc.	GCS 34090; CFR 570.502; CFR 85.42	Until completed + 4 years
57	Grants – Unsuccessful	Applications not entitled	GCS 26202, 34090	2 years
58	Insurance	Personnel related	GCS 26202, 34090	Current + 2 years
59	Insurance, Joint Powers Agreement	Accreditation, MOU, agreements and agendas	GCS 26202, 34090	Current + 2 years
60	Insurance Certificates	Liability, performance bonds, employee bonds, property; insurance certificates filed separately from contracts, includes insurance filed by licensees	GCS 26202, 34090	Current + 2 years
61	Insurance, Liability/Property	May include liability, property, Certificates of Participation, deferred, use of facilities	GCS 26202, 34090	Current + 2 years
62	Insurance, Risk Management Reports	Federal and State OSHA forms; loss analysis report; safety reports; actuarial studies	CFR 1904.44; GCS 26202, 34090	5 years (Federal) 2 years (State)
63	Investment Reports, Transactions	Summary of transactions, inventory and earnings report	GCS 34090, 60201; CCP 337; Sec. of State Local Gov't. Records Retention Guidelines	Until audited +4 years  Sec. of State Guidelines recommends permanent retention
64	Invoices	Copies sent for fees owed, billing, related documents	GCS 26202, 34090	Until audited + 2 years
65	Legal Notices/ Affidavits of Publication	Notices of public hearings, proof of publication of notices	GCS 26202, 34090	2 years
66	Legal Opinions	Confidential - not for public disclosure (attorney-client privilege)	GCS 26202, 34090	Until superseded + 2 years
67	Litigation	Case files	GCS 26202, 34090	Until settled or addressed + 2 years

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
68	Maintenance Manuals	Equipment service/maintenance	GCS 26202, 34090	Current + 2 years
69	Maintenance/Repair Records	Equipment	GCS 26202, 34090	2 years
70	Marketing, Promotional	Brochures, announcements, etc.	GCS 26202, 34090	2 years
71	Minutes	Meeting minutes; paper records are to be maintained permanently by the agency.	GCS 34090, 60201(d)(3)	Permanent
72	Newsletters	May wish to retain permanently for historic reference	GCS 26202, 34090	2 years
73	Notices – Public Meetings	Including but not limited to regular and special meetings	GCS 26202, 34090	2 years
74	Oaths of Office	Elected and public officials – commissioners	GCS 26202, 34090; USC 1113; Secretary of State Guidelines	Current plus 6 years
75	Occupational Safety and Health Administration (OSHA)	OSHA Log 200, Supplementary Record, Annual Summary (Federal & State- Cal-OSHA); OSHA 300 Log, privacy case list, annual summary, OSHA 301 incident report forms	LC 6410; CCR 14307; CFR 1904.2 -1904.6, 1904.33	5 years
76	Payroll - Federal/State Reports	Annual W-2's, W-4's, Form 1099s, etc.; quarterly and year- end reports	GCS 60201	7 years
77	Payroll Deduction/Authorizations	Finance	CFR 516.6(c); GCS 60201	While Current + 7 years
78	Payroll, registers	Finance – payroll, registers, payroll reports	CFR 516.5(a); LAB 1174(d); GCS 60201	7 years from date of last entry
79	Payroll records terminated employees	Finance files	CFR 516.5; GCS 60201	7 years from date of last entry
80	Payroll, timecards/sheets	Employee	CFR 516.6; LAB 1174; Sec. of State Local Gov't Records Mgmt. Guidelines	3 years Sec. of State recommendation – Until audited + 6 years
81	Payroll - Wage Rates / Job Classifications	Employee records	GCS 60201	le current + 7 years
82	Personnel Records	Other records (not payroll) containing name, address, date of birth, occupation, etc., including records relating to promotion, demotion, transfer, lay-off, termination	CFR 1627.3	3 years



#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
83	Personnel Rules and Regulations	Including employee handbook, employee manuals, and other policies/procedures	CFR 516.6, 1627.3(a)	Current + 3 years
84	Petitions	Submitted to legislative bodies	GCS 26202, 34090	Current + 2 years
85	Policies & Procedures	All policies and procedures adopted by the Commission; directives rendered by the agency not assigned a resolution number; Commission Bylaws	GCS 26202, 34090	Current + 2 years
86	Political Support/Opposition, Requests & Responses	Related to legislation	GCS 26202, 34090	2 years
87	Press Releases	Related to LAFCO actions/activities	GCS 26202, 34090	2 years
88	Procedure Manuals	Administrative	GCS 26202, 34090	Current + 2 years
89	Public Records Request	Requests from the public to inspect or copy public documents	GCS 26202, 34090, 60201(d)(5)	2 years
90	Purchasing RFQs, RFPs	Requests for Qualifications; Requests for Proposals – regarding goods and services	GCS 26202, 34090	Current + 2 years
91	Purchasing, Requisitions, Purchase Orders	Original documents	GC 34090; CCP 337	Until audited + 4 years
92	Recordings - audio (e.g., for preparation of meeting minutes)	Audio recordings of Commission meetings	GCS 54953.5	Minimum 30 days
93	Recordings, video meetings of legislative bodies	Video recordings of public meetings made by or at the direction of the Commission	GCS 54953.5	Minimum 30 days
94	Recordings, video, other events	Other than video recordings of public meetings; considered duplicate records if another record of the same event is kept (i.e., written minutes or audio recording)	GCS 53161	Minimum 90 days after event is recorded; if no other record of the event exists, the recording must be kept 2 years
95	Records Management Disposition/ Destruction Certification	Documentation of final disposition/destruction of records	GCS 34090, 60201	Permanent



#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
96	Records Retention Schedules		GCS 26202, 34090	Current + 2 years
97	Recruitments and Selection	Records relating to hiring, promotion, selection for training	CFR 1627.3	3 years
98	Requests for Qualifications (RFQs); Requests for Proposals (RFPs)	Requests for Qualifications, Requests for Proposals, and related responses	GCS 26202; CCP 337	Current + 4 years
99	Resolutions	Vital records – may be imaged, but originals can never be destroyed	GCS 34090, 60201	Permanent
100	Returned Checks	Finance – Adjustments – NSF, etc. (not LAFCO checks)	GCS 26202, 34090; CCP 337	Until audited + 4 years
101	Salary/Compensation Studies, Surveys	Studies of agencies regarding wages, salaries and other compensation benefits	GCS 26202, 34090	While current + 2 years
102	State Controller	Annual reports	GCS 26202, 34090	2 years
103	Statement of Economic Interest (SEI) (FPPC Form 700) (originals – designated employees)	Original SEIs of officers and employees designated in LAFCO's Conflict of Interest Code	GCS 81009(e), (g)	7 years (can image after 2 years)
104	Stop Payments	Finance - bank statements	GCS 26202, 34090	2 years
105	Unemployment Insurance Records	Records relating to unemployment insurance – claims, payments, correspondence, etc.	USC 3301-3311; Calif. Unemployment Insurance Code; CCP 343	4 years
106	Vouchers - Payments	Account postings with supporting documents	GCS 26202, 34090; CCP 337	Until audited + 4 years
107	Wage Garnishment	Wage or salary garnishment	CCP 337	Active until garnishment is satisfied; then retain until audited + 4 years
108	Warrant Register/Check Register	Record of checks issued; approved by the Commission (copy is normally retained as part of agenda packet information)	GCS 26202, 34090	Until audited + 2 years
109	Workers Compensation Files	Work-injury claims (including denied claims); claim files, reports, etc.	CCR 10102; CCR 15400.2	Until settled + 5 years

Figure 2 – Request for Destruction Form



LOCAL AGENCY FORMATION COMMISSION  
OF SANTA CRUZ COUNTY

**“Request for Destruction of Obsolete Records”**

To: Joe A. Serrano, LAFCO Executive Officer

From: \_\_\_\_\_

Subject: Request for Destruction of Obsolete Records

I am requesting approval to destroy the obsolete records listed below.

DATE OF RECORD	TYPE OF RECORD	LEGAL AUTHORITY	RETENTION PERIOD

APPROVED:

\_\_\_\_\_  
Commission Clerk

\_\_\_\_\_  
Date

\_\_\_\_\_  
Executive Officer

\_\_\_\_\_  
Date

The obsolete records described above were destroyed under my supervision using the following method:

☐ Shredding      ☐ Recycling      ☐ Other (specify method)

I certify that such destruction meets the requirements of the Records Retention and Destruction Policy of LAFCO and all applicable requirements of State and federal law.

\_\_\_\_\_  
Commission Clerk

\_\_\_\_\_  
Date of Records Destruction

*Adopted on April 5, 2000 (Resolution No. 2000-2)  
Last Revision on March 4, 2020 (Resolution No. 2020-05)*

## **CHAPTER II**

# **COMMISSION MEETINGS & SELECTION PROCESS**



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **MEETING RULES POLICY**

#### **1. TIME AND PLACE OF MEETINGS**

The Local Agency Formation Commission of Santa Cruz County shall hold regular meetings on the first Wednesday of each month at the hour of 9:00 o'clock A. M. in the Board of Supervisors Chambers in the County Governmental Center, 701 Ocean Street, Santa Cruz, California. Meetings may be cancelled at the Chair's discretion.

#### **2. AGENDA**

The agenda packet shall be available for the Commissioners by Thursday evening, six days preceding the Wednesday meeting. The agenda packet will also be made available on the LAFCO website for the general public.

The Chairperson or the Chairperson's designee shall determine the appropriate content of the agenda, and arrange the order of the agenda, or may delegate the same to the Executive Officer. A majority of the Commission may direct the placement of any item on a future agenda by action taken in a noticed public meeting of the Commission.

The agenda may be organized in the following manner:

<b>Agenda Item</b>	<b>Description</b>
1) Roll Call	Identify Commissioners in attendance.
2) Adoption of Minutes	Consideration of previous meeting minutes.
3) Oral Communications	Opportunity for the public to address the Commission on items not on the agenda, provided that the subject matter is within the Commission's jurisdiction.
4) Public Hearing(s)	Items that require expanded public notification per provisions in state law, Commission direction, or voluntarily placed by the Executive Officer
5) Other Business	Items that involve administrative, budgetary, legislative, or personnel matters and may be subject to broader discussion
6) Written Correspondence	Any written correspondence distributed to the Commission less than 72 hours prior to the meeting will be made available for inspection at the hearing and posted on LAFCO's website
7) Press Articles	LAFCO staff monitors newspapers, publications, and other media outlets for any news affecting local cities, districts, and communities in Santa Cruz County
8) Commissioners' Business	Opportunity for Commissioners to comment briefly on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission
9) Adjournment	Conclusion of LAFCO's open and closed session items

In some cases, special items may be added to the agenda, including but not limited to Oath of Office, Closed Sessions, or other non-periodic items. The agenda outline above may include such special items, when applicable.

All reports, communications, resolutions, or other matters to be submitted to the Commission shall be submitted to the Executive Officer no later than noon on Monday, nine days preceding a regular Commission meeting. Correspondence presented to the Commission after that date but before the regular meeting will be made available on the LAFCO website and at the meeting for public review.

Items not on the agenda should not be considered at the scheduled meeting, but should be set for the next available meeting, unless the Commission grants its consent for urgent matters consistent with the Ralph M. Brown Act (Government Code Section 54950.5 *et seq.*).

### **3. ELECTION OF CHAIRPERSON**

The Commission shall, at its first regular meeting in January of each year, or as duly continued by action of the Commission, choose one of its members to serve as Chairperson and one of its members to serve as Vice-Chairperson, to serve the balance of the calendar year or until the election of their successors.

Should the office of Chairperson or Vice-Chairperson become vacant during the calendar year, the Commission shall, at the meeting at which the vacancy occurs, choose a successor to fill the vacancy for the balance of that calendar year, or until the election of a successor.

### **4. CHAIRPERSON TO PRESIDE**

The Chairperson shall preside at the meetings of the Commission. If the Chairperson is absent or unable to act, the Vice-Chairperson shall serve until the Chairperson returns or is able to act. The Vice-Chairperson has the same powers and duties of the Chairperson while acting as Chairperson.

### **5. QUORUM**

A majority of the regular members of the Commission shall constitute a quorum for the transaction of business. Alternate members, when seated in place of regular members, shall be considered a regular member for quorum determination. When there is no quorum, the Chairperson or Vice-Chairperson, or if no Commissioners are present, the Executive Officer shall adjourn the meeting.

### **6. MAJORITY VOTE**

An affirmative vote of at least four members of the Commission, including alternate members when seated in place of regular members, shall be required to approve any motion before the Commission.

### **7. READING OF MINUTES**

Unless a Commissioner requests a reading of the minutes, the Commission may approve minutes without formal reading if the Executive Officer has previously furnished each member with a draft of the minutes.

### **8. RULES OF DEBATE**

Sturgis Rules of Order shall be followed by the Commission to the fullest extent possible; provided, procedural failure shall not invalidate an otherwise legal act of the Commission. In addition, the Chairperson may second motions and enter into debate regarding all Commission items. Every member desiring to speak shall address the Chairperson, and, upon recognition by the Chairperson, shall speak to the question under debate.

## **9. MANNER OF ADDRESSING THE COMMISSION--TIME LIMIT**

All persons addressing the Commission shall step up to the podium, give their name, geographical area (or City) of residence, and interest in the area under consideration in an audible tone for the record, and unless further time is granted by the Commission, shall limit their time to three minutes. The Chairperson, unless otherwise changed by a motion and vote from the Commission, may set a different time limit.

All remarks shall be addressed to the Commission as a body and not to any member thereof. No person, other than the Chairperson and the person having the floor, shall be permitted to enter into any discussion, either directly or through a member of the Commission, without permission of the Chairperson. No question shall be asked of a Commissioner or staff member except through the Chairperson.

## **10. METHOD OF VOTING**

The Commission shall vote by voice, unless one Commissioner requests a roll call vote. Roll call voting shall be random with the Chairperson voting last. Unless a member of the Commission states that they are disqualified or abstaining from voting, the silence shall be recorded as an affirmative vote.

## **11. ABSTAINING FROM VOTING**

No Commissioner shall abstain from voting without first notifying the Chairperson of the Commissioner's intent to abstain from the vote.

## **12. DISQUALIFICATION FROM VOTING**

Whenever any Commissioner is disqualified from voting, that Commissioner shall announce their disqualification to the extent required by law, step from the dais, and may then participate to the extent permitted by the California Political Reform Act.

## **13. ALTERNATE COMMISSIONERS**

Whenever present at a Commission meeting, Alternate Commissioners shall take part in all of the proceedings of the Commission, but shall not vote on any matter before the Commission, ~~nor attend a closed session~~ unless seated in place of an absent or disqualified regular member of the Commission.

## **14. ORAL COMMUNICATIONS**

The Commission will hear presentations from the public not to exceed three minutes on subjects within the Commission's jurisdiction and not on the agenda that day. No action will be taken by the Commission on any matter presented at that time. The Chairperson, subject to a motion and direction from the Commission, may set a different time limit.

## **15. SUMMARY ADJOURNMENT**

The Chairperson is empowered to summarily, and without motion, second, or voting, declare a meeting of the Commission adjourned if the Chairperson is unable to enforce the proper decorum of a meeting.

## **16. RESOLUTION**

No resolution shall be adopted by the Commission unless it is presented before the Commission in writing and read aloud. When each Commissioner has received a copy of the resolution, the reading of the resolution is automatically waived unless a

Commissioner specifically requests that it is read. Prior to Commission consideration, draft resolutions will be reviewed by Legal Counsel. Resolutions will be signed by the Chair, Legal Counsel, and the Executive Officer after the Commission has approved them at a public meeting.

#### **17. SPECIAL COMMITTEES**

The Commission may appoint special committees at any time for any lawful purpose of the Commission. Unless otherwise directed by the Commission, all special committees shall be appointed by the Chairperson, subject to approval of the Commission.

#### **18. PROTESTS AND DISSENTS BY COMMISSIONERS**

Any Commissioner shall have the right to have the reasons for their dissent from, or protest against, any action of the Commission, entered in the minutes.

#### **19. POSTING NOTICES**

Posting of official notices, notices of public hearings, and any other official papers of the Commission where posting is required by law, shall be posted on the Official Bulletin Board of the Local Agency Formation Commission of Santa Cruz County at the County Governmental Center at 701 Ocean Street, Santa Cruz, California. These official postings shall also be posted on the Commission's website at [www.santacruzlafco.org](http://www.santacruzlafco.org).

Should the Commission hold a public hearing at any other location than its regular place of meeting, then, in addition to posting the notice on the Official Bulletin Board as listed above, posting shall be made upon or near the door to the stated place of meeting.

#### **20. DOCUMENTS SUBMITTED AFTER AGENDA PACKET IS DISTRIBUTED**

Materials related to an item on the agenda that are submitted to the Commission after the agenda packet is distributed, are available to the public at the LAFCO office and during the meeting at the meeting location. Each agenda shall include a statement that the public may review these materials at the Commission office or during the meeting at the meeting location.

#### **21. ATTENDANCE AT MEETINGS**

Should any Regular Commissioner be absent for three consecutive regular meetings of the Commission without valid excuse, the Chairperson shall, through the Executive Officer, notify the appointing authority of such unexcused absences.

#### **22. COMMISSION STIPENDS AND EXPENSE REIMBURSEMENT**

Commissioners receive a stipend payment of \$50 per posted meeting of the Commission and for attendance at any other Commission approved meetings (i.e. standing or special committee meeting). Commissioners may also receive reimbursement for expenses such as mileage or transportation costs, lodging, and food for approved travel associated with LAFCO business.

*Adopted on May 5, 1999 (Resolution No. 1999-4)*  
*Revised on October 2, 2019 (Resolution No. 2019-20)*  
*~~Latest~~ Revision on March 4, 2020 (Resolution No. 2020-04)*  
*Latest Revision on March 6, 2024 (Resolution No. 2024-07)*





## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **PUBLIC MEMBER SELECTION POLICY**

#### **1. OVERVIEW**

The Public Member Selection Policy establishes guidelines towards the appointment of LAFCO's regular and alternate public members. As stipulated in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, if the office of a regular public member becomes vacant, the alternate member may serve and vote in place of the former regular public member until the appointment and qualification of a regular public member to fill the vacancy. Pursuant to Government Code Section 56334, the term of office of each member shall be four years and until the appointment and qualification of his or her successor.

#### **2. PROCEDURAL GUIDELINES**

When the regular public member and/or alternate public member position becomes vacant during a term, or two months in advance of either of these terms ending, the Chairperson and Executive Officer shall place on the agenda a memo advising the Commission of the need to advertise for candidates to apply for the position(s).

At the meeting, the Commission shall direct staff to advertise the vacancy and receive applications. Unless the Commission gives alternate directions, the following steps will be completed:

- a. Vacancy Notification: Staff will advertise the vacancy as soon as possible on the LAFCO website and in at least two newspapers of general circulation which jointly have broad coverage throughout Santa Cruz County. The notice shall include a summary of the qualifications for the position as specified in Government Code Section 56331 (e.g. can't be an officer or employee of the county, city, or district). Pursuant to Government Code Section 56325(d), a copy of the notice will also be sent to all city clerks, to all independent special districts secretaries, and to the clerk of the Board of Supervisors.
- b. Deadline Establishment: The deadline for applications shall be at least 21 days following the meeting at which the Commission authorizes the solicitation.
- c. Candidate Application: Individuals interested in the position shall apply by completing a form provided by LAFCO staff and submitting the application before the deadline.

#### **3. CANDIDATE REVIEW**

The Executive Officer shall compile the applications and present them to the Commission as part of the meeting agenda following the application deadline. Candidates may withdraw an application before or after the application deadline. If a candidate withdraws an application after the deadline, the candidate shall not be considered for the appointment unless the Commission votes to reopen the process and the person reapplies.

#### **4. SELECTION PROCESS**

Final appointment for the regular public member and/or alternate public member shall be conducted during an open session at a regularly scheduled LAFCO Meeting. Upon receiving and reviewing the applications, the Commission by majority vote shall choose one of the following three courses of actions:

- a. Make an appointment from the list of candidates;
- b. Invite all candidates to make oral presentations at a subsequent LAFCO Meeting; or
- c. Reopen the application process.

In the event no candidate from the applicants submitted receives a majority vote and an affirmative vote of at least one county, city, and special district member, the Commission shall conduct a run-off vote of two candidates receiving the most votes. In the event that neither candidate receive a majority vote and an affirmative vote of at least one county, city, and special district member, the Chair shall direct the Executive Officer to re-advertise that a vacancy (ies) exist(s) in the manner set forth in these procedures.

*Adopted on April 7, 2004 (Resolution No. 2004-6)  
Last Revision on May 6, 2020 (Resolution No. 2020-10)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **INDEPENDENT SPECIAL DISTRICTS SELECTION POLICY**

#### **1. OVERVIEW**

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

#### **2. MEMBERSHIP**

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

#### **3. MEETINGS**

##### **3.1 Notification and Solicitation of Nominations**

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

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

##### **3.2 Registration**

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

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

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

### 3.3 Quorum

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

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

### 3.4 Sequential Balloting

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

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

### 3.5 Majority to Win

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

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

## 4. COMPOSITION OF SPECIAL DISTRICT REPRESENTATION ON LAFCO

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

### Class 1: Fire Protection Districts

- ~~Aptos/La Selva Fire Protection District~~
- Ben Lomond Fire Protection District
- Boulder Creek Fire Protection District
- ~~Branciforte Fire Protection District~~
- Central Fire ~~Protection~~ District<sup>1</sup>
- Felton Fire Protection District
- Pajaro Valley Fire Protection District<sup>2</sup>
- Scotts Valley ~~FPD~~Fire Protection District<sup>3</sup>
- Zayante ~~FPD~~Fire Protection District

<sup>1</sup> The original resolution listed the Aptos/La Selva Fire Protection District, which was subsequently consolidated with the Central Fire Protection District (named changed to Central Fire District) in 2021.

<sup>2</sup> The original resolution listed the Freedom Fire Protection District and the Salsipuedes Fire Protection District, which were subsequently consolidated into the Pajaro Valley Fire Protection District.

<sup>3</sup> The original resolution listed the Branciforte Fire Protection District, which was subsequently dissolved and annexed into the Scotts Valley Fire Protection District in 2023.

## **Class 2: Water Districts**

- Central Water District
- San Lorenzo Valley Water District<sup>4</sup>
- Scotts Valley Water District
- Soquel Creek Water District

## **Class 3: Recreation and Park Districts**

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

## **Class 4: Miscellaneous Districts<sup>5</sup>**

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

### **4.1 Overlapping Classes**

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

### **4.2 Class Diversity**

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

### **4.3 Conflicting Classes**

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

## **5. MAILED-BALLOT ELECTIONS**

### **5.1 Authority**

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

### **5.2 Notification and Solicitation of Nominations**

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

Each district shall be encouraged to submit nominations, accompanied by a brief resume on the form provided by LAFCO. All nominations must be received by a

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<sup>4</sup> The original resolution listed the Lompico County Water District which was subsequently dissolved and annexed into the San Lorenzo Valley Water District.

<sup>5</sup> The original resolution listed the Opal Cliffs Recreation District and the Reclamation District No. 2049, which were subsequently dissolved in 2022 and 2024 respectively. The list also excluded the Pajaro Valley Health Care District which was ultimately created through special legislation in 2022.

specified date that shall be at least six weeks from the date of notification. Emailed copies of nominations may be submitted, if necessary, to meet the established deadline; however, replacement originals must be submitted as soon thereafter as possible.

### **5.3 Distribution and Return of Ballots**

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

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

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

### **5.4 Appointment by Majority Vote**

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

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

*Adopted on September 7, 1994 (Resolution No. 801-B)*  
*~~Last~~ Revision on May 6, 2020 (Resolution No. 2020-11)*  
*Last Revision on March 6, 2024 (Resolution No. 2024-07)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **CITY SELECTION POLICY**

#### **1. PURPOSE**

The purpose of the City Selection Committee shall be to appoint the regular and alternate city members of the Local Agency Formation Commission (LAFCO) and to fill unexpired terms when vacancies occur (Government Code Section 56325[b]).

#### **2. MEMBERSHIP**

Membership of the City Selection Committee shall be composed of the presiding mayor or designated council member of the legislative body of each city located wholly within Santa Cruz County.

#### **3. CLERK OF THE CITY SELECTION COMMITTEE**

The County Administrative Officer, acting as the Clerk of the Board, shall function as the recording officer of the City Selection Committee. All meetings of a City Selection Committee shall be conducted in the presence of the clerk or designated personnel. All votes and action taken by a City Selection Committee shall be recorded in writing by the clerk of the committee. The written record of any vote or action taken by the selection committee shall include the name of each member voting and how they voted. Written records and minutes of a selection committee's clerk are public records (Government Code Section 50276).

#### **4. SELECTION/APPOINTMENT OF CITY COMMISSIONERS**

The City Selection Committee shall appoint two regular commissioners and one alternate commissioner to serve on LAFCO, each of whom shall be a mayor or city council member from one of the County's incorporated communities (Government Code Section 56325). Such appointments shall be made in accordance with the procedure established by the City Selection Committee and described in the rules and regulations of that body.

#### **5. TERMS OF OFFICE & VACANCIES**

The Cities of Capitola, Santa Cruz, Scotts Valley, and Watsonville alternate staggered, four-year terms on LAFCO. All terms end the first Monday in May. Prior to the expiration of a term limit, LAFCO staff will notify the County Administrative Officer to schedule a City Selection Committee meeting to address upcoming vacancies and appoint a new city member.



If a city council member is unable to finish their term on LAFCO, then the City Selection Committee may allow that city to nominate another council member to complete that city's term. In the case of all appointments, a city's nomination must be accepted by the City Selection Committee at a noticed meeting.

## 6. CITY ROTATION PROCEDURE

The City Selection Committee established a rotation protocol regarding the appointments to LAFCO on June 6, 2023. This procedure ensures that each of the four cities have equal representation on the Commission. The city rotation goes with the city and not with the person. The unanimous action reflects the following rotation schedule:

- The Cities of Santa Cruz and Watsonville will share and rotate between one regular seat and the alternate seats every two years; and
- The Cities of Capitola and Scotts Valley will share and rotate every two years with the other regular seat.

A comprehensive review of the next series of rotation, based on the procedure outlined above, is shown in the table below. The rotation schedule within the table indicates when a city will hold a regular or alternate seat between 2024 to ~~2030~~2040.

<u>YEAR</u>	<u>CAPITOLA</u>	<u>SCOTTS VALLEY</u>	<u>SANTA CRUZ</u>	<u>WATSONVILLE</u>
<u>2024*</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Alternate</u>	<u>Regular</u>
<u>2025</u>	<u>Regular</u>	<u>Ex Officio</u>	<u>Alternate</u>	<u>Regular</u>
<u>2026</u>	<u>Regular</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Alternate</u>
<u>2027</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Regular</u>	<u>Alternate</u>
<u>2028</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Alternate</u>	<u>Regular</u>
<u>2029</u>	<u>Regular</u>	<u>Ex Officio</u>	<u>Alternate</u>	<u>Regular</u>
<u>2030</u>	<u>Regular</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Alternate</u>
<u>2031</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Regular</u>	<u>Alternate</u>
<u>2032</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Alternate</u>	<u>Regular</u>
<u>2033</u>	<u>Regular</u>	<u>Ex Officio</u>	<u>Alternate</u>	<u>Regular</u>
<u>2034</u>	<u>Regular</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Alternate</u>
<u>2035</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Regular</u>	<u>Alternate</u>
<u>2036</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Alternate</u>	<u>Regular</u>
<u>2037</u>	<u>Regular</u>	<u>Ex Officio</u>	<u>Alternate</u>	<u>Regular</u>
<u>2038</u>	<u>Regular</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Alternate</u>
<u>2039</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Regular</u>	<u>Alternate</u>
<u>2040</u>	<u>Ex Officio</u>	<u>Regular</u>	<u>Alternate</u>	<u>Regular</u>

*Note: All terms end on the fourth Monday in January. See LAFCO Policy for more information.*

**\*\*Start of New Rotation Schedule -January 22, 2024\*\***

*Adopted on September 6, 2023 (Resolution No. 2023-20)  
Last revision on March 6, 2024 (Resolution No. 2024-07)*

# **CHAPTER III**

## **APPLICATIONS & PROPOSALS**



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **PROPOSAL EVALUATION POLICY**

#### **1. OVERVIEW**

Pursuant to Government Code Section 56375, Santa Cruz LAFCO has established standards for the evaluation of proposals. The Commission uses these standards when reviewing and acting upon proposals for annexations and other boundary changes. This policy concludes with a copy of the application form.

#### **2. CONSISTENCY WITH SPHERE OF INFLUENCE**

All changes of organization shall be consistent with adopted spheres of influence of affected agencies.

##### **2.1 Sphere Consistency**

Consistency shall be determined by a LAFCO finding of consistency with the sphere of influence maps and policies adopted by LAFCO for the affected agencies.

#### **3. INITIAL PROPOSAL EVALUATION**

Any proposal involving annexations, incorporations, and formations shall not be approved unless it demonstrates a need for the additional services to be provided to the area; while all proposals involving detachments, disincorporations, and dissolutions shall not be approved unless the proponent demonstrates that the subject services are not needed or can be provided as well by another agency or private organization.

##### **3.1 Rezoning & General Plan Updates**

For proposals concerning cities, need shall be established by (a) an adopted rezoning, consistent with the city general plan, that shows current or future development at a density that will require urban services such as sanitary sewer and water, and (b) a city growth rate and pattern that the subject area will be developed within 5 years.

The Commission shall require rezoning for all city annexations so that the potential effects of the proposals can be evaluated by the Commission and known to the affected citizens.

##### **3.2 Existing Land Use Designations**

For proposals concerning the extension of other services by annexation, incorporation, or district formation, need shall be established by the applicable general plan land use designations and the service levels specified for the subject area in the applicable general plan.

Generally, LAFCO will presume to favor a city's general plan inside the sphere of influence adopted for the city by LAFCO, and the county's general plan elsewhere. It is the proponent's responsibility to prove any exception by referring to the policies of the Local Government Reorganization Act.

### **3.3 Divestiture of Services**

For proposals involving the discontinuation of services, lack of need shall be established by (a) no serious effects on the current users of the service due to discontinuation, and (b) no projected serious effects on the uses that can be expected to occur in the next 5 years based upon the applicable general plan and projected growth rates and patterns.

### **3.4 Population Analysis**

In reviewing proposals, LAFCO shall consider: (1) the "population" in the proposal area to be the population recorded in the last biennial or special census unless the proponent or affected agency can present updated or more detailed information which LAFCO determines to be more accurate, (2) the "population density" to be the population divided by the acreage, and (3) the "per capita assessed valuation" to be the full cash value of all the property in a proposal area (as set by the last secured property tax roll) divided by the population.

### **3.5 Overlapping Plans**

In cases of overlapping plans, LAFCO shall make a determination of which general plan best carries out the policies of the Local Government Reorganization Act.

### **3.6 In-Fill Development**

In order to avoid further urban sprawl, LAFCO shall encourage in-fill development in urban areas and annexations of areas inside the city sphere of influence.

### **3.7 Provision of Services**

In order for LAFCO to approve a change of organization, the proponent shall demonstrate that the subject services can be provided in a timely manner and at a reasonable cost.

### **3.8 Proposals exceeding 50 acres**

For proposals involving the extension of general municipal services to proposal areas greater than 50 acres, the proponent shall either: (a) plan staged growth beginning closest to an existing urban area, or (b) demonstrate why such a plan does not promote urban sprawl and an inefficient pattern of services.

## **4. AFFECTED AGENCIES AND BOUNDARIES**

Proposals, where feasible, should minimize the number of local agencies and promote the use of multi-purpose agencies.

#### **4.1 Ranking Different Boundary Changes**

New or consolidated service shall be provided by one of the following agencies in the descending order of preference:

- a) Annexation to an existing city;
- b) Annexation to an existing district of which the Board of Supervisors is the governing body;
- c) Annexation to an existing multi-purpose district;
- d) Annexation to another existing district;
- e) Formation of a new county service area;
- f) Incorporation of a new city;
- g) Formation of a new multi-purpose district; or
- h) Formation of a new single-purpose district.

#### **4.2 Consolidation Proposals**

The Commission will promote and approve district consolidations, where feasible.

#### **4.3 Logical Boundaries**

LAFCO shall promote more logical agency boundaries.

#### **4.4 Political Boundaries**

To the greatest possible extent, boundaries shall follow existing political boundaries, natural features (such as ridges and watercourses), and constructed features (such as railroad tracks).

#### **4.5 Roads and Streets (Right-of-Way)**

Boundary lines shall be located so that entire rights-of-way are placed within the same jurisdiction as the properties fronting on the road.

#### **4.6 Community Boundaries**

Boundaries should avoid dividing an existing identifiable community, commercial district, or other area having social or economic homogeneity. Where such divisions are proposed, the proponents shall justify exceptions to this standard.

#### **4.7 Parcel Boundaries**

The creation of boundaries that divide assessment parcels shall be avoided whenever possible. If the proposed boundary divides assessment parcels, the proponents must justify to the Commission the necessity for such division. If the Commission approves the proposal, the Commission may condition the approval upon obtaining a boundary adjustment or lot split from a city or county.

#### **4.8 Prevention of “Islands”**

Boundaries should not be drawn so as to create an island or strip either within the proposed territory or immediately adjacent to it. Where such an island or strip is proposed, the proponent must justify reasons for nonconformance with this standard.

#### **4.9 Prevention of Irregular Boundaries**

Where feasible, city and related district boundary changes should occur concurrently to avoid an irregular pattern of boundaries.

#### **4.10 Social & Economic Interests**

The Commission shall consider the effects of a proposed action on adjacent areas, mutual social and economic interests, and on local governmental structure.

#### **4.11 Metes & Bounds**

A map of any proposed boundary change shall show the present and proposed boundaries of all affected agencies in the vicinity of the proposal site. The Commission shall assure that any approved boundary changes are definite and certain. The Commission may approve a proposal conditioned on the proponent preparing a new boundary map and description.

#### **4.12 Timely LAFCO Actions**

LAFCO will review each proposal and take actions needed to encourage timely annexations to discourage agencies from extending services by agreement without annexing to the agency.

#### **4.13 Financially Desirable Areas**

The sole inclusion of financially desirable areas in a jurisdiction shall be avoided. The Commission shall amend or reject any proposal that, in its estimation, appears to select principally revenue-producing properties for inclusion in a jurisdiction.

#### **4.14 City Jobs & Housing**

For city annexation proposals, if the city has more jobs than places for workers to live (jobs to employed residents ratio greater than 1.00) then a proposal which will directly result in urban development including new permanent employment may only be approved if sufficient land is designated for residential uses in the city's general plan to create a jobs/ housing balance.

The Commission will consider and may grant waivers to this standard in cases where all of the following situations exist:

- a) The territory being annexed is an island of incorporated territory and consistent with the definition of “island” in Government Code Section 56375;
- b) The proposal is consistent with the spheres of influence of all affected agencies; and
- c) The proposal has been initiated by resolution of the city which includes the subject property in its adopted sphere of influence.

## **5. AGRICULTURAL LANDS**

Urban growth shall be guided away from prime agricultural lands, unless such action would not promote planned, orderly, efficient development of an area.

### **5.1 Smart Growth**

A change of organization is considered to promote the planned, orderly, and efficient development of an area when:

- a) It is consistent with the spheres of influence boundaries and policies adopted by LAFCO for the affected agencies; and
- b) It conforms to all other policies and standards contained herein.

### **5.2 Infill Development**

LAFCO shall encourage the urbanization of vacant lands and non-prime agricultural lands within an agency's jurisdiction and within an agency's sphere of influence before the urbanization of lands outside the jurisdiction and outside the sphere of influence, and shall encourage detachments of prime agricultural lands and other open space lands from cities, water districts, and sewer districts if consistent with the affected agency's adopted sphere of influence.

### **5.3 Ranking Urban Development on Open Spaces and/or Farmlands**

The priorities for urbanization are:

- a) open-space lands within existing boundaries;
- b) open-space lands within an adopted sphere of influence;
- c) prime agricultural lands within existing boundaries; and
- d) prime agricultural lands within an adopted sphere of influence.

### **5.4 Urbanization of Prime Agricultural Lands**

Proposals involving urbanization of prime agricultural lands within adopted spheres of influence shall not be approved, unless it can be demonstrated that: (a) there is insufficient land in the market area for the type of land use proposed, and (b) there is no vacant land in the subject jurisdiction available for that type of use.

## **6. WATER AND SEWER RESOURCES**

LAFCO recognizes that the water resources of Santa Cruz County are limited, and the Commission's objective is to ensure that its decisions relating to water do not lead to adverse impacts on the natural resources of Santa Cruz County. In reviewing boundary change applications, LAFCO shall be guided by the potential impacts of the proposal on water resources and will consider the efforts of the water agencies and land use agencies to maintain stream and river flows, promote high water quality of surface waters and groundwater, and reduce groundwater overdraft.



## **6.1 Supply of Water**

In any proposal requiring water service, the Commission requires that the agency that will provide the water will need to demonstrate the availability of an adequate, reliable and sustainable supply of water.

- a) In cases where a basin is overdrafted or existing services are not sustainable, a boundary change proposal may be approved if there will be a net decrease in impacts on water resources;
- b) In cases where a phased development is proposed, the agency should demonstrate that adequate service capacity will be provided as needed for each phase;
- c) In cases where a proposed new service area will be served by an onsite water source, the proponent should demonstrate its adequacy (Government Code Section 56668(k)); and
- d) In cases where the proposal's new water demand on the agency does not exceed the typical amount of water used by a single-family dwelling in the agency's service area, the Commission will not require that an "adequate, reliable, and sustainable" supply be demonstrated if the agency has a water conservation program and the program will be implemented as part of any new water service.

## **6.2 Service Limitations**

It is the general policy of the Commission to disapprove annexations to water and sewer agencies (including cities that provide either service) while there is a connection moratorium or other similar service limitation involving the subject water or sewer service. The Commission will consider exceptions to this general policy on a case-by-case basis. The Commission may approve an annexation that meets one or more of the following criteria:

- a) To replace a private water source that has failed, such as a well that has gone dry. New service connections shall not be sized to accommodate more intensive development;
- b) To replace a septic system that has failed. New service connections shall not be sized to accommodate more intensive development;
- c) To implement a transfer of service between two existing agencies in a manner that is consistent with the adopted Spheres of Influence of those agencies; and/or
- d) To change a boundary, in a manner consistent with an adopted Sphere of Influence, so that an agency boundary does not divide a property that could only be conveyed under a single deed.

Between January 1, 1986, and the time the service limitation is totally lifted, the Commission shall limit the annexations so that the number of cumulative connections made under the above exemption criteria do not exceed 1% of the total agency's flow (as expressed in equivalent single family dwelling units) in service on January 1, 1986.

An additional criterion, not subject to the 1% cumulative impact limitation, is as follows:

- e) To provide facilities or funding that will allow the agency to lift its service limitation.

### **6.3 Urban Land uses**

For proposals concerning water and sewer district annexations, the need shall be established by lack of services to existing urban land uses, or a building permit application or the allocation for a single-family dwelling or, for a larger project, by: (a) a tentative or final land use entitlement (tentative subdivision map use permit, etc.) conditioned on obtaining water or sewer service, and (b) a growth rate and pattern that the subject area will be developed within 5 years.

### **6.4 Commission Approval**

The Commission will only approve boundary change applications when the Commission determines that it is unlikely that water resources will be degraded. The Commission will review each application to assure that, by implementing project-specific mitigations, participating in agency water conservation programs, or both if applicable, the project will not adversely affect sustainable yields in groundwater basins, flows in rivers and streams, water quality in surface water bodies and groundwater basins, and endangered species.

### **6.5 Multiple Service Providers**

When more than one agency could serve an area, the agencies' services capabilities, costs for providing services, and the desires of the affected community will be key factors in determining a sphere of influence.

*Adopted on September 21, 1966 (Resolution No. 97)*  
*Previous Revision on February 2, 2011 (Resolution No. 2011-1)*  
*Revision on August 5, 2020 (Resolution No. 2020-19)*  
*~~Last~~ Revision on September 6, 2023 (Resolution No. 2023-20)*  
*Last Revision on March 6, 2024 (Resolution No. 2024-07)*

# PROJECT APPLICATION FORM OF THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

Santa Cruz LAFCO  
701 Ocean Street, Room 318-D  
Santa Cruz, CA 95060  
(831) 454-2055

## **APPLICATION INSTRUCTIONS**

This application form is used to initiate the application process to the Local Agency Formation Commission of Santa Cruz County (LAFCO) for a city or district annexation, reorganization, detachment, or a sphere of influence amendment. LAFCO staff looks forward to assisting you with your project.

In addition to the information that you will provide us on this form, LAFCO staff is required to analyze additional data regarding your proposal from our Geographic Information System (GIS) and in-house data base, including, but not limited to: affected agencies, interested agencies, spheres of influence, school districts, land use/zoning, acres of prime agricultural land, and number of dwelling units. A Plan of Services may also be required demonstrating how municipal services will be provided to the affected territory.

**To assist staff in this effort, a mandatory pre-filing meeting is required of all applicants so we can fully understand your project. It is the applicant's responsibility to set up the pre-filing meeting by contacting the LAFCO offices at (831) 454-2055 and requesting an appointment. This application form must be completed prior to the pre-filing meeting.**

Please fill out this application as completely as possible. If you need assistance, please do not hesitate to contact a LAFCO staff member for guidance. If a question does not apply to your proposal, indicate "N/A". Santa Cruz LAFCO is transitioning into a "paperless" office and encourages digital copies, when applicable. It is important that you list all email addresses where indicated on the application. Correspondence, staff reports, resolutions and other LAFCO forms and mailings, whenever possible, will be distributed electronically.

**APPLICATION FOR:** (check all that apply)

- ☐ Annexation to: \_\_\_\_\_
- ☐ Detachment from: \_\_\_\_\_
- ☐ Reorganization (2 or more changes of organization) of: \_\_\_\_\_
- ☐ Service Review / Sphere Update / Sphere Amendment: \_\_\_\_\_
- ☐ Other (explain): \_\_\_\_\_
- ☐ \*Extraterritorial Service Agreement ("ESA"): \_\_\_\_\_

*If requesting an extraterritorial service agreement "only", please answer the following two questions:*

- a. Why is an ESA needed rather than annexation? Does it meet the criteria under Government Code Section 56133?
- b. How would an ESA affect the present and future need for services in the project area?

**GENERAL DESCRIPTION AND JUSTIFICATION OF PROPOSAL:**

1. What changes of organization are included? What agencies are involved? What parcels are involved? Please identify all affected assessed parcel numbers (APNs).
2. Explain the purpose of the requested change in organization.
3. Explain how the proposal provides more logical boundaries and/or improves the provision of service.
4. Does this proposal have 100% consent of all property owners? (If so, please complete *Attachment A on page 5*).

**WHO INITIATED THIS PROPOSAL?** *Generally, LAFCO proposals may be initiated by a resolution of an affected agency, a city council, special district or by the Board of Supervisors. In addition, a proposal may be initiated by a petition of the affected area's registered voters or landowners. **Attach one of the following to this application form:***

- ☐ Agency Resolution
- ☐ Landowner Petition
- ☐ Registered Voter Petition

**LOCATION AND ADDRESS OF PROPERTY:**

**MAP AND LEGAL DESCRIPTION:**

*A map and legal description of the proposal may be prepared by a private engineering firm. An application can be filed with LAFCO without a map and legal, but a proposal cannot be scheduled for LAFCO hearing prior to receipt map and legal description.*

*Additionally, the map and legal description must meet the State Board of Equalization's requirements. The BOE's "Change of Jurisdictional Boundary" requirements are available for download at <http://www.boe.ca.gov/proptaxes/sprdcnt.htm>. Please note, the BOE requires an additional vicinity map that shows the project area in relation to a larger geographic area.*

A map and legal description has been:

- ☐ Certified by a private engineering firm and is attached to this application.
- ☐ Currently being reviewed / developed.
- ☐ Other (please explain)

**DISCLOSURE OF POLITICAL EXPENDITURES:**

LAFCO requires applicants to report all expenditures for political purposes related to an application and proceedings to be reported to the Commission's Executive Officer in compliance with Government Code Sections 56700.1 and 57009. The following is attached to this application form:

- ☐ LAFCO Disclosure Form (please complete *LAFCO Disclosure of Political Expenditures*, see Attachment 2 on page 6); copy of Financial reports and disclosures submitted to FPPC (please attach)
- ☐ Please check here if you have no related financial reports or disclosures.

*(The information contained in this application may be subject to disclosure under the California Public Records Act Government Code Section 6250 et seq.)*

**ENVIRONMENTAL DOCUMENT:**

The California Environmental Quality Act (CEQA) requires LAFCO and other public agencies to consider the potential environmental impacts of all applications it reviews. An environmental document should accompany all applications and reference the proposed LAFCO action (e.g., annexation).

The following is included with this application form:

- ☐ Environmental Document (ex. Final EIR) produced by the lead agency.
- ☐ Other (explain why Environmental Document not included):

**INDEMNIFICATION AGREEMENT:**

LAFCO policy requires that all applicants sign an indemnification agreement (see *Attachment 3 on page 7*) which indemnifies LAFCO employees, agents and attorneys in the event of litigation is filed concerning the approval of an application.

The following is included with this application form:

- ☐ Signed Indemnification Agreement

**FILING FEES:**

*Applicants are required to pay fees in accordance with LAFCO's adopted fee schedule (see Fee Schedule Policy) to cover the administrative and staff costs required to evaluate proposals for hearing. Checks must be made payable to: "Santa Cruz LAFCO".*

The following is included with this application form:

- ☐ Check for Filing Fees
- ☐ Other (explain why Filing Fees not included):

**CERTIFICATION**

I certify, under penalty of perjury by the laws of the State of California, that the information contained in this application is true and correct. I acknowledge and agree that Santa Cruz LAFCO is relying on the accuracy of the information provided and my representations in order to process this application proposal.

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title**Date: \_\_\_\_\_

**Date**Phone Number / Email: \_\_\_\_\_

**ATTACHMENT 1*****Property Owner Consent Form***

(All legal owners must sign a consent form or submit a letter of signed consent.)

I, \_\_\_\_\_, consent to the annexation/reorganization of my property

located at \_\_\_\_\_

or Assessor Parcel Numbers \_\_\_\_\_

to the [agency(ies)] \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**City, State, Zip:** \_\_\_\_\_



**ATTACHMENT 2****INDEMNIFICATION AND DEFENSE**

The undersigned applicant for the above-referenced application ("Applicant"), as a condition of submission of this application, approval of the application and any subsequent amendment of the approval which is requested by the Applicant, hereby agrees to defend, using counsel reasonably acceptable to the Local Agency Formation Commission of Santa Cruz County ("LAFCO"), indemnify, and hold harmless LAFCO, its officers, employees, and agents, from and against any claim, demand, damages, costs or liability of any kind (including attorneys' fees) against LAFCO arising from or relating to this application or any approval or subsequent amendment to the approval thereof, subject to the conditions set forth below.

A) Notification and Cooperation

LAFCO shall notify the Applicant of any claim, action, or proceeding against which LAFCO seeks to be defended, indemnified, or held harmless. LAFCO shall reasonably cooperate in such defense.

B) Fees and Costs:

Nothing contained herein shall prohibit LAFCO from participating in the defense of any claim, action, or proceeding if either of the following occur:

- 1) LAFCO bears its own attorneys' fees and costs; or
- 2) LAFCO and the Applicant agree in writing to the Applicant paying part or all of the Commission's attorneys' fees and costs.

C) Settlement:

When representing LAFCO, the Applicant shall not enter into any stipulation or settlement modifying or affecting the interpretation or validity of any of the terms or conditions of the approval without the prior written consent of LAFCO.

D) Successors Bound:

The obligations of the Applicant under this Indemnity and Defense agreement are specifically associated with and shall run with the land that is the subject of the application and/ or approval and shall be binding upon the applicant and the successor(s) in interest, transferee(s), and assign(s) of the applicant in the land.

E) Recordation:

At any time after submission of the application, LAFCO may, at its sole option, record in the office of the Santa Cruz County Recorder a memorandum of agreement which incorporates the provisions of this condition, or this approval shall become null and void.

\_\_\_\_\_  
(Signature of LAFCO Executive Officer)

\_\_\_\_\_  
(Signature of Applicant)

\_\_\_\_\_  
Joe A. Serrano  
(Printed Name)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

**ATTACHMENT 3*****LAFCO Disclosure of Political Expenditures***

Effective January 1, 2008, political expenditures related to a proposal for a change of organization or reorganization that will be or has been submitted to LAFCO are subject to the reporting and disclosure requirements of the Political Reform Act of 1974 and the Cortese-Knox-Hertzberg Act of 2000.

***Please carefully read the following information to determine if reporting and disclosure provisions apply to you.***

1. Any person or combination of persons who, for political purposes, directly or indirectly contributes \$1,000 or more, or expends \$1,000 or more in support of, or in opposition to a proposal for a change of organization or reorganization that will be submitted to the Commission, shall disclose and report the contribution to the Commission pursuant to the requirements of the Political Reform Act of 1974 (Government Code Section 81000 *et seq.*) as provided for local initiative measures, and Section 56700.1 of the Cortese-Knox-Hertzberg Act of 2000.
2. Pursuant to Government Code Section 57009, any person or combination of persons who directly or indirectly contributes \$1,000 or more, or expends \$1,000 or more in support of, or in opposition to, the conducting authority proceedings for a change of organization or reorganization, must comply with the disclosure requirements of the Political Reform Act of 1974, (Government Code section 81000 *et seq.*). Applicable reports must be filed with the Secretary of the State and the appropriate city or county clerk. Copies of the report must also be filed with the LAFCO Executive Officer.

**Evaluation Checklist for Disclosure of Political Expenditures**

The following checklist is provided to assist you in determining if the requirements of Government Code Sections 81000 *et seq.* apply to you. For further assistance, contact the Fair Political Practices Commission at 428 J Street, Suite 450, Sacramento, CA 95814, (866) 275-3772 or at <http://www.fppc.ca.gov>.

1. Have you directly or indirectly made a contribution or expenditure of \$1,000 or more related to the support or opposition of a proposal that has been or will be submitted to LAFCO?

Yes ☐ No ☐

Date of contribution \_\_\_\_\_ Amount \$ \_\_\_\_\_ Name/ Ref. No of LAFCO Proposal \_\_\_\_\_

Date proposal was submitted to LAFCO \_\_\_\_\_

2. Have you, in combination with other person(s), directly or indirectly contributed or expended \$1,000 or more related to the support or opposition of a proposal that has been or will be submitted to LAFCO?

Yes ☐ No ☐

Date of contribution \_\_\_\_\_ Amount \$ \_\_\_\_\_ Name/ Ref. No of LAFCO Proposal \_\_\_\_\_

Date proposal was submitted to LAFCO \_\_\_\_\_

3. If you filed a report in accordance with FPPC requirements, has a copy of the report been filed with Santa Cruz LAFCO?

Yes ☐ No ☐



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **PROCESSING FEES AND DEPOSITS POLICY**

#### **1. OVERVIEW**

All deposits are initial payments toward the total cost of processing (“project cost”). Project cost is defined as staff time plus materials. Staff billing rates include personnel costs. Other application-related costs include, but are not limited to, charges for the advertisement of hearings, as well as any fees charged for project reviews by affected agencies. A cost breakdown will be completed at the end of each LAFCO application. If any funds are remaining at the end of the LAFCO process, then a refund will be provided to the applicant.

#### **2. PETITION CHECKING**

There is no charge for verification of the first 20 signatures on a petition. Beginning with the 21st signature, a fee of \$0.55 per signature shall be charged to the applicant.

#### **3. PROCESSING**

The following identifies the initial deposits for each boundary change request.

##### **a) District annexations, detachments, and reorganizations not changing city boundaries:**

Total Acreage	Fee Deposit
Less than 1	\$1,600
1 – 24.9	\$2,500
25 – 149.9	\$7,000
More than 150	\$8,000

##### **b) Municipal annexations, detachments, and reorganizations involving at least one change in a city boundary:**

Total Acreage	Fee Deposit
Less than 1	\$3,150
1 – 24.9	\$4,900
25 – 149.9	\$7,350
More than 150	\$14,600

##### **c) Consolidations, mergers, and establishments of a subsidiary district:**

Total Acreage	Fee Deposit
N/A	\$1,800

**d) Dissolutions of an independent special district and county service areas:**

Total Acreage	Fee Deposit
N/A	\$1,250

**e) Formation of a county service area:**

Total Acreage	Fee Deposit
N/A	\$5,000

*Footnote: includes petition filing fee and sphere adoption*

**f) Addition of a service to the list of services that a county service area may perform:**

Total Acreage	Fee Deposit
N/A	\$1,250

**g) Formation of a special district:**

Total Acreage	Fee Deposit
N/A	\$15,000

*Footnote: includes sphere adoption*

**h) City incorporations:**

Total Acreage	Fee Deposit
N/A	\$30,000

*Footnote: includes sphere adoption*

**i) Request for the State Controller's Review of a Comprehensive Fiscal Analysis on an incorporation proposal:**

Actual cost billed by the Controller. If the Controller has not set a cost at the time the deposit is due, the deposit shall be \$ 38,200.

If the costs will exceed the deposit in the opinion of the Executive Officer, the Executive Officer shall bill the party who requested the Controller's review for the estimated costs to complete Controller's review. Failure to pay an additional deposit may result in cessation of the Controller's report and other remedies as determined by the Controller's office and the Commission.

**j) Sphere of Influence revision or amendment:**

Total Acreage	Fee Deposit
N/A	\$5,150

**k) Provision of a new function or service by a district:**

Total Acreage	Fee Deposit
N/A	\$1,500

**l) Requests for extraterritorial service:**

Total Acreage	Fee Deposit
N/A	\$950

**m) Request for a service review outside the Commission's schedule in accordance with the adopted multi-year work program:**

Actual cost. Note: Initiation of a service review outside of LAFCO's work program is subject to LAFCO's discretion whether the service review can be conducted in a manner that doesn't prejudice the work program, and to LAFCO's discretion as to the appropriate geographic areas, agencies, and scope of the service review.

**n) Copies or other reproduction efforts:**

Requests	Fee Deposit
Copies	First 30 pages free; thereafter \$0.18 per page
Digital Audio Files	\$14.42 per 80-minute CD
Other Electronic Media	The fees as charged by the County of Santa Cruz on its Unified Fee Schedule

#### **4. BILLING RATES**

The Commission will review billing rates and the fee schedule on an annual basis and may adjust rates as necessary to assure the cost recovery with processing each type of application. Documentation regarding actual costs (salaries, benefits, etc.) is available in the LAFCO office.

As of August 5, 2020, staff's hourly rates are the following:

LAFCO Staff	Hourly Rate
Executive Officer	\$138.27
Commission Clerk	\$102.71
Legal Counsel	Same rate charged to LAFCO

#### **5. FINANCIAL ASSISTANCE**

LAFCO has established a fee schedule policy in accordance with the allowances provided by the State of California under California Government Code Sections 56383 and 66014. In some cases, a fee waiver or some type of financial assistance may be considered and approved by the Commission, if warranted. The following policies direct the setting and criteria when considering financial assistance.

##### **7.1 Fee Waivers**

The LAFCO filing fee for the following types of proposals may be waived provided, however, that a deposit is provided for the anticipated direct costs for environmental review and state board of equalization recordation fees. Compliance with these conditions is to be determined by the LAFCO Executive Officer.

a) City annexations of island areas that comply with Government Code Section 56375.3; and

b) The proposal corrects a boundary alignment problem (i.e. a divided assessor's parcel or inadvertent exclusion).

## **7.2 Proposals Based on Service & Sphere Review Findings/Recommendations**

An applicant may request a waiver/reduction of the LAFCO filing fee if the proposal stems from an adopted service and sphere review. A request must be submitted in writing, be initiated by the affected agency(ies), accompanied by the submission of an application, and within one (1) year from the most recently adopted service and sphere review for consideration. The Executive Officer shall present the waiver request at the next regular hearing for Commission consideration.

Example of fee waiver request under this policy:

a) LAFCO recommends that a city/district annex areas within its existing sphere boundaries.

Example of fee reduction request under this policy:

a) LAFCO recommends that two or more districts consolidate to maximize existing resources, optimize economies of scale, and/or improve the provision of services.

A city or special district may also request financial assistance in hiring an outside consultant to explore possible changes of organization based on recommendations found in LAFCO's adopted service and sphere reviews. Examples include but are not limited to the completion of an annexation plan. If the Commission chooses to provide financial assistance, the total amount towards this type of request shall not exceed \$15,000 during the current fiscal year.

*Adopted on December 4, 2002 (Resolution No. 2002-9)*

*Revision on August 3, 2011 (Resolution No. 2011-8)*

*Revision on February 4, 2014 (Resolution No. 2014-2)*

*Previous Revision on December 6, 2017 (Resolution No. 2017-12)*

*Revision on August 5, 2020 (Resolution No. 2020-19)*

*Last Revision on August 5, 2020March 6, 2024 (Resolution No. 2020-194-07)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **ENVIRONMENTAL REVIEW POLICY**

#### **1. OVERVIEW**

This policy outlines the specific procedures used by LAFCO to tailor the general provisions of the California Environmental Quality Act ("CEQA") Guidelines (California Code of Regulations, Title 14, sections 15000 et seq.) ("State CEQA Guidelines") to LAFCO's specific functions as both a "Responsible" and a "Lead" agency under CEQA. This version of LAFCO's environmental review guidelines incorporates changes in the State CEQA Guidelines through 2019.

These provisions and procedures incorporate by reference (and are to be utilized in conjunction with) the State CEQA Guidelines, a copy of which is available on LAFCO's website. These procedures will be revised as necessary to conform to amendments to the State CEQA Guidelines, within 120 days after the effective date of such amendments. However, LAFCO will implement any such statutory changes that the California Legislature makes to CEQA regulations as soon as those statutory changes become effective, even if not expressly stated herein.

#### **2. PUBLIC AGENCIES' RESPONSIBILITIES**

A public agency must meet its own responsibilities under CEQA and shall not rely on comments from other public agencies or private citizens as a substitute for work that CEQA requires the Lead Agency to accomplish. For example, a Lead Agency is responsible for the adequacy of its environmental documents. The Lead Agency shall not knowingly release a deficient document hoping that public comments will correct defects in the document. When making decisions that trigger some type of CEQA review, LAFCO's duty is to minimize the environmental damage that may result from those decisions and to balance the competing public objectives as outlined in the State CEQA Guidelines, section 15021.

#### **3. LAFCO'S ENVIRONMENTAL RESPONSIBILITIES**

LAFCO's role as a regulatory agency involves "the discouragement of urban sprawl, the encouragement of the orderly formation, and development of local agencies." A few of its duties require minimal environmental review, especially those involving the commissioning of studies, the hearing of protests, and consolidations, reorganizations and mergers of cities or districts. Most of these duties only constitute jurisdictional changes with no potential for land use changes or for significant effects on the physical environment.

LAFCO's more prominent roles include, but are not limited to, creation of spheres of influence, formation of new districts, incorporation of new cities, and annexations/reorganizations to cities or special districts. These types of LAFCO actions generally require more in-depth analysis, especially if they result in the direct or indirect physical change in the environment, like facilitation of growth and/or land use alterations. Factors that must be assessed in these cases involve land area and



use, all aspects of the physical and human environment, geographical features, population growth and density, social and economic changes, availability of infrastructure and government services, conformity with city or county land use plans, and creation of unincorporated “islands,” etc.

#### **4. LAFCO’S ROLE AS AN “INTERESTED” AGENCY**

In situations where LAFCO is not a “Responsible Agency” but has an interest in reviewing a project to ensure that LAFCO related information is correctly identified, LAFCO plays a more limited role in the CEQA process. In those instances, the Executive Officer will review, and, if necessary, comment on all environmental documents submitted by a Lead Agency involving projects/decisions relating to and/or affecting LAFCO projects or policies.

#### **5. LAFCO’S ROLE AS AN “RESPONSIBLE” AGENCY**

“Responsible” Agency status occurs when LAFCO is not the “Lead” Agency, but nevertheless has discretionary approval authority over a project or some aspect of a project, in tandem with, or separate from that of the Lead Agency in accordance with Section 15096 of the State CEQA Guidelines. Examples of situations where LAFCO may be a Responsible Agency include, but are not limited to:

- A city approving an annexation request to LAFCO, only after pre-zoning the area in question. When a city has pre-zoned an area, the city serves as the Lead Agency for any subsequent annexation of the area and should prepare the environmental documents at the time of pre-zoning or other land use decision; or
- When a special district has conducted an environmental review and prepared an environmental determination for a plan to serve an area proposed for annexation to the district.

LAFCO shall use the environmental document prepared by the Lead Agency for LAFCO’s environmental determinations if the Executive Officer deems it adequate for such use pursuant to State CEQA Guidelines, Section 15096. Procedures for determining the adequacy of the lead agency’s CEQA document are summarized in the following sub-sections.

##### **4.1 Consultation**

Pre-Application Discussion: Regardless of whether LAFCO is a Responsible Agency, each Lead Agency carrying out any project within LAFCO’s jurisdiction and function shall inform LAFCO in writing of its intent and process for that project at the beginning of the Lead Agency’s CEQA review process, and the Lead Agency shall provide LAFCO with copies of any project applications.

CEQA Determination: The Lead Agency shall consult with LAFCO regarding the preparation of its environmental documents/determinations (Statutory Exemptions, Categorical Exemptions, Initial Studies/Negative Declarations, Environmental Impact Reports (“EIR”), etc.), which must also be used by LAFCO in its role as a Responsible Agency; consultation can be written or verbal and LAFCO’s input shall be incorporated/addressed in the Lead Agency’s analysis, documentation and determinations.

LAFCO Initial Comments: The Executive Officer shall, as soon as practical but within 30 days of notification, comment as to the appropriate environmental determination from LAFCO's perspective as well as issues of concern to be addressed in any environmental document. The requirement for written notification from the Lead Agency can be waived at the Executive Officer's discretion.

Where LAFCO disagrees with the Lead Agency's proposed environmental determination (such as a Negative Declaration), LAFCO will identify the specific environmental effects which it believes could result from the project and recommend the project be mitigated with measures to reduce the potential impacts to less than "significant" (when feasible) or that an EIR be prepared to properly characterize potentially significant impacts.

Notice of Preparation: When it intends to prepare an EIR, the Lead Agency shall send a Notice of Preparation by certified mail to LAFCO to solicit input in accordance with Section 15082 of the State CEQA Guidelines.

LAFCO shall respond to any Notice of Preparation submitted to LAFCO in accordance with subsection (A)(5) above in writing within 30 days, specifying the scope and content of the environmental data and analysis germane to LAFCO's statutory responsibilities for the proposed project. LAFCO shall also provide the Lead Agency with input regarding environmental issues and the minimum content of the analysis needed to meet a standard of adequacy for use of the environmental document/determination by LAFCO as a CEQA Responsible Agency.

#### **4.2 Preparation of Environmental Documents by a Lead Agency**

The Lead Agency shall include information in the Statutory Exemption, Categorical Exemption, Initial Study/Negative Declaration/EIR to allow its subsequent use by LAFCO for its considerations; referencing on the title page and in the project description any boundary changes, changes of organization or reorganization, or other proposed actions requiring subsequent discretionary action by LAFCO to fully implement the project.

The Lead Agency shall send the draft document to LAFCO as part of the public review process required by the CEQA and applicable guidelines (sections 15072 and 15082 of the State CEQA Guidelines). The Executive Officer will, within the established review period, send comments to the Lead Agency in writing (which can be transmitted either via U.S. mail or overnight delivery, or electronically by email or other messaging system), all of which LAFCO expects to be incorporated and assessed in the final document. LAFCO's comments on a draft CEQA document submitted to LAFCO by a lead agency should focus on the appropriateness of the CEQA document chosen, the adequacy of the environmental document's content, in the case of an EIR -- additional alternatives or mitigation measures, etc., that are germane to environmental impacts that could result from LAFCO's subsequent discretionary action or to the adequacy of the document for use by LAFCO as a CEQA Responsible Agency.

A final EIR prepared by a Lead Agency or a Negative Declaration adopted by a Lead Agency shall be conclusively presumed to comply with CEQA for purposes of use by Responsible Agencies which were consulted pursuant to Sections 15072 or 15082, unless one of the following conditions occurs:

- The EIR or Negative Declaration is finally adjudged in a legal proceeding not to comply with the requirements of CEQA; or
- A subsequent EIR is made necessary by Section 15162 of the State CEQA Guidelines.

#### **4.3 LAFCO Requirement of Environmental Documents/Determinations**

Applications filed by Lead Agencies with LAFCO shall include copies of one of the following environmental documents as specified in LAFCO's filing requirements and all applicable findings for an EIR per Sections 15091, 15092 and 15093 of the State CEQA Guidelines.

- Exemptions: Certification of Categorical or Statutory Exemption;
- Negative Declaration: Notice of Intent to Adopt a Negative Declaration and a Final Negative Declaration (including copy of Initial Study) or a Final Negative Declaration with mitigation measures (including copy of Initial Study), all technical appendices, and Mitigation Monitoring/Reporting Plan;
- Environmental Impact Report: Notice of Subsequent Use of an Existing EIR (which was previously available or has been made available to LAFCO), Notice of Preparation of a Draft EIR, Notice of Availability/Notice of Completion of Draft EIR (including copy of Draft EIR), Final EIR, Statements of Findings/Overriding Considerations, and Mitigation Monitoring/Reporting Plan;
- California Department of Fish and Wildlife: copy of environmental filing fee receipt including, if applicable, a CEQA Filing Fee No Effect Determination Form; and/or
- Other Appropriate CEQA Documents: copy of any other environmental document/determination not listed in this policy.

#### **4.4 LAFCO's Use of Lead Agency's Environmental Documents**

In making its determinations on boundary change proposals, changes of organization or reorganization, or other proposed actions requiring discretionary action by LAFCO, LAFCO will generally use the environmental document prepared by the Lead Agency if the procedures regarding consultation and preparation of environmental documents by a Lead Agency outlined above have been followed.

Prior to project approval, the Commission will certify that it has reviewed and considered the information contained in the Lead Agency's document. LAFCO may request the Lead Agency furnish additional information or findings as required to support a legally adequate Responsible Agency environmental determination in accordance with Section 15096 of the State CEQA Guidelines.

When a Lead Agency's EIR identifies significant environmental effects, LAFCO will incorporate the Lead Agency's findings or formulate its own, for each significant effect, or otherwise make findings in accordance with State CEQA Guidelines, Section 15091 for each significant environmental effect that is identified in a Lead Agency's EIR.

LAFCO may take any of the following actions to conform to CEQA requirements when rendering a decision on an application:

- LAFCO will not approve a proposed project with significant impacts if it can adopt feasible alternatives or mitigation measures within its powers that would substantially lessen the magnitude of such effects, unless it adopts a Statement of Overriding Considerations (State CEQA Guidelines, section 15093);
- If LAFCO mitigates impacts listed in the EIR to a less than significant level via the adoption of boundary alternatives or conditions of approval (negotiated with the local agency), such findings shall be reinforced by adequate rationale and inserted in the record; or
- If the environmental impacts of the LAFCO decision cannot be mitigated to a less than significant level, LAFCO will adopt a Statement of Overriding Considerations per State CEQA Guidelines, Sections 15093 and 15096.

Upon project approval, LAFCO shall file a Notice of Determination in a like manner as a Responsible Agency in accordance with Section 15096(i) of the State CEQA Guidelines. The Notice of Determination shall be filed with the Santa Cruz County Clerk of the Board.

## **6. LAFCO'S ROLE AS AN "LEAD" AGENCY**

LAFCO will be the Lead Agency responsible for performing CEQA mandated environmental review when its discretion for approval or denying a project involves general governmental powers. This is in contrast with a Responsible Agency role which only has single, limited powers over the project, normally subsequent and secondary to LAFCO's function, such as pre-zoning for the property of interest. Examples of projects requiring LAFCO to act as a Lead Agency include but are not limited to the following:

- Establishment of spheres of influence for cities and special districts;
- Adoption of studies or municipal service reviews; and
- Special District activation or divestiture of a function or class of service.

### **6.1 Delegation of Responsibilities by the Commission to the Executive Officer**

The following quotations from Section 15025 of the State CEQA Guidelines indicate those functions that can and cannot be delegated to the Executive Officer by the Commission:

A public agency (the Commission) may assign specific functions to its staff (Executive Officer) to assist in administering CEQA. Functions which may be delegated include but are not limited to:

- Determining whether a project is exempt;
- Conducting an Initial Study and deciding whether to prepare a draft EIR or Negative Declaration (refer to Section IV, F. 2. of these guidelines for a discussion of the appeal process when an EIR is required.);

- Preparing a Negative Declaration or EIR;
- Determining that a Negative Declaration has been completed within a period of 180 days (see Section 21100.2 of CEQA);
- Preparing responses to comments on environmental documents; and
- Filing of notices.

The decision-making body of a public agency (the Commission) shall not delegate the following functions:

- Reviewing and considering a final EIR or approving a Negative Declaration prior to approving a project before the Commission; and
- The making of findings as required by Sections 15091 and 15093.

## **7. LAFCO'S LEAD AGENCY PROCEDURES**

The following process and procedures, specific to LAFCO's function, summarize or supplement the State CEQA Guidelines and are to be used to process all accepted applications.

### **7.1 Statutory Exemptions (CEQA Guidelines, Sections 15260-15285)**

Statutorily exempt projects defined by the Legislature that could apply to a LAFCO project include the following:

- Disapproved Projects: CEQA does not apply to projects that LAFCO rejects or disapproves. This statutory exemption is intended to allow an initial screening of projects on the merits for quick disapprovals prior to the initiation of the CEQA process where LAFCO can determine that the project cannot be approved. This statutory exemption shall not relieve an applicant from paying the costs for an EIR or negative declaration prepared for the project prior to the lead agency's disapproval of the project after normal evaluation and processing.
- Feasibility and Planning Studies: A project involving only feasibility or planning studies for possible future actions which the agency, board, or commission has not approved, adopted, or funded does not require the preparation of an EIR or Negative Declaration but does require consideration of environmental factors. This section does not apply to the adoption of a plan that will have a legally binding effect on later activities.
- Ministerial Projects: Actions or Ministerial Projects involve the application of fixed standards without the option of exercising personal or subjective judgment (discretion) by the Executive Officer or the Commission. Examples include but are not limited to the following: (1) Consolidation/reorganization of special districts where the district boards adopt similar resolutions of applications for said consolidation/reorganization into a single agency (pursuant to Government Code Section 56853), and (2) Certain island annexations (pursuant to Government Code Section 56375) where approval is mandated if the annexation meets certain specific findings.

## **7.2 Categorical Exemptions (CEQA Guidelines, Section 15300)**

The following classes of projects, specifically pertaining to LAFCO's activities, have been identified in the State CEQA Guidelines as not having the potential to cause significant environmental effects, and may be categorically exempt from the requirements of CEQA if certain specified criteria are satisfied (Note: A categorical exemption shall not be used for these activities where there is substantial evidence to support that one of the exceptions to the categorical exemptions in State CEQA Guidelines, section 15300.2 is present.):

- Construction or Conversion of New, Small Structures (Class 3): Included within this category are extraterritorial or out-of-agency service contracts/agreements involving the extension of water, sewer, and/or other utility services by a city or district outside its boundaries but lying within its respective sphere of influence.
- Annexations of Existing Facilities and Lots for Exempt Facilities (Class 19): Included within this category are: (1) Annexations to special districts where the district's services would be provided even without annexation and construction has been initiated prior to the issuance of a Certificate of Filing, (2) Annexations of areas containing existing public or private structures developed to the density allowed by current zoning or pre-zoning, whichever is more restrictive, (provided, however, that the extension of utility services within the annexed area would have a capacity to serve only those existing facilities), (3) Detachments from cities where the land being detached is committed, by virtue of an adopted land-use plan, to remain in agricultural use or open space; or where the land is presently developed and no change in land-use can be reasonably anticipated, and (4) Detachments from special districts which will not result in any change in zoning or land use.
- Changes in Organization of Local Agencies (Class 20): Included within this category are changes in the organization or reorganization of local agencies where the changes do not modify the geographic area in which previously existing powers are exercised. Examples include but are not limited to: (1) Establishment of a subsidiary district, (2) Consolidation of two or more districts having identical boundaries, (3) Merger with a city of a district lying entirely within the boundaries of the city, or (4) Reorganization of agencies consisting of annexations or detachments providing similar services.

## **7.3 Recordation of Notice of Exemptions**

When a LAFCO project qualifies for an exemption, LAFCO staff may develop and record with the Santa Cruz County Clerk of the Board a "Notice of Exemption" form, to include: (1) A brief project description, (2) The project location with supporting map, (3) The specific exemption including the finding and citation of the CEQA Guidelines section or statute under which it is found to be exempt, and (4) The rationale for its selection, including a brief statement of reasons to support the findings.

## **7.4 Initial Studies**

A project for which LAFCO is the Lead Agency and which is not exempt will require the preparation of an Initial Study to determine if the project has the potential for causing a significant environmental effect. The Initial Study assessment shall consider all phases of the project; the purposes, policies, rules, regulations and standards set

forth in CEQA and its State CEQA Guidelines; these procedures and the adopted plans and policies of cities, the County, and LAFCO. An Initial Study need not be prepared if the Executive Officer determines at the beginning stages of review that a full-scope EIR will be required, but will be used to document the significance of specific impacts requiring a focused EIR, i.e. the Initial Study shall document the rationale for narrowing the scope of issues to be addressed in an EIR.

- Process: The Initial Study will be prepared on a State CEQA Guidelines Standard Initial Study Environmental Checklist Form using the project application, environmental description forms, appropriate literature, etc. A site visit may be necessary. Individual findings for environmental issues will be documented with sufficient technical data to substantiate conclusions regarding the potential for significant adverse impact. Insufficiency of available information will be noted on the form if it affects the ability to reach a conclusion.

The preparer shall consult with all Responsible Agencies and other public agencies/persons/organizations affected by or knowledgeable of the project and its issues. Under appropriate circumstances such review could also involve use of the County's or a city's Environmental Review Committee and its public forum to more fully assess the physical, social and infrastructural implications of complex projects. The Initial Study will be the supporting document for findings of "significance" and "non-significance" (whether to prepare a Negative Declaration or EIR). It is a tool for modifying projects and/or identifying mitigation measures to allow a finding of "non-significance." It can also be used to focus the EIR on effects determined to be potentially significant or to determine whether a previously prepared EIR could be used/modified for the project, etc.

The Initial Study shall contain: (1) A project description and location; (2) Environmental setting; (3) Identification of all environmental impacts using the most recent version of the State CEQA Guidelines environmental checklist form (Appendix G) and substantial evidence to support environmental impact findings, including ways to mitigate (avoid, minimize, compensate or otherwise reduce) a significant impact to a less than significant level; and (4) Examination of project consistency with zoning and land-use plans, etc. Section 15063 of the State CEQA Guidelines contains a detailed description of the content of and uses for the Initial Study and it is hereby incorporated by reference. Funding for the preparation of an Initial Study shall be borne by the applicant for the LAFCO action pursuant to Commission policy.

- Executive Officer's Determinations/Findings: After review of the Initial Study and all supporting information, the Executive Officer shall determine the appropriate environmental determination based on one of the following findings:
  - 1) The project will not have a significant environmental effect. Prepare a Negative Declaration and a Notice of Determination and publish a Notice of Intent to Adopt a Negative Declaration. After an appropriate public review period consistent with the applicable State CEQA Guideline's requirements, the documentation will be finalized and forwarded to the Commission with a recommendation for adoption;



- 2) The project, as proposed, would have a significant environmental effect, but with alterations, stipulations, or mitigation measures, all adverse impacts can be mitigated to a less than significant level. Prepare a Mitigated Negative Declaration and a Notice of Determination and publish a Notice of Intent to Adopt a Negative Declaration. After appropriate public review period consistent with State CEQA Guideline's requirements, the documentation will be forwarded to the Commission with a recommendation for adoption;
- 3) The project will have a significant environmental effect, but all such impacts have been adequately assessed in a final EIR previously reviewed by LAFCO and mitigated to the extent feasible. Submit the EIR to the Commission with appropriate findings for certification;
- 4) The project will have a significant environmental effect. An EIR will be prepared and submitted to the Commission with appropriate findings; or
- 5) The project will have a significant environmental effect and an EIR has been prepared. However, new information or changed conditions affecting the project or the site warrant additional analysis. Prepare a supplemental EIR or addendum to the original EIR focusing on these changes. Submit to the Commission with appropriate findings for certification.

### **7.5 Negative Declaration or Mitigated Negative Declaration**

A Negative Declaration (finding of non-significant effect) or a Mitigated Negative Declaration (finding of non-significant effect with project changes/mitigation measures/conditions of approval) will be prepared on the State CEQA Guidelines Initial Study Environmental Checklist Form by staff per the findings of the Initial Study based on substantiating evidence.

The Negative Declaration or Mitigated Negative Declaration's contents will include a brief project description, location (i.e., vicinity map), name of applicant, the finding of non-significance, attached Initial Study with any applicable technical reports, data or other information constituting the substantial evidence supporting the environmental analysis, and a list of mitigation measures (if any, in the context of a Mitigated Negative Declaration). A determination of the Initial Study's adequacy and the preparation of the accompanying Negative Declaration or Mitigated Negative Declaration initially rests with the Executive Officer. The formal adoption of the Negative Declaration or Mitigated Negative Declaration rests ultimately with the Commission.

- **Notice Requirements:** The document will be available at the LAFCO office for public review and comment for a minimum of 21 days prior to LAFCO action on the project. Recommended Negative Declarations and Mitigated Negative Declaration (in the form of a Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration) will be noticed at least once in a newspaper of general circulation in the project area; noticed in the "local" newspaper of the affected area (if any); mailed to all Responsible Agencies and public agencies with jurisdiction within the project area; mailed to those individuals and organizations who have requested such notices.

Where one or more state agencies will be a Responsible or Trustee Agency or will exercise jurisdiction over natural resources affected by the project, LAFCO shall send copies of the Negative Declaration or Mitigated Negative Declaration to the State Clearinghouse for distribution to these state agencies. Review by state agency(ies) will require a 30-day period unless reduced by prior approval of the State Clearinghouse. Pursuant to adopted Commission policy, costs associated with the Notice and distribution requirements shall be funded by the applicant for the LAFCO action.

- LAFCO Consideration: The Commission will consider the proposed Negative Declaration or Mitigated Negative Declaration and any public and agency comments prior to approving a project, and will approve the Negative Declaration or Mitigated Negative Declaration if it finds there is no substantial evidence in the whole of the administrative record that the project will have a significant environmental effect. Where mitigation is included as a condition of the Mitigated Negative Declaration, the mitigation monitoring and reporting program (MMRP) shall assign responsibility for implementing the mitigation measure(s) when the Mitigated Negative Declaration is approved by the Commission.
- Notice of Determination: After the Commission's approval of a project for which a Negative Declaration or Mitigated Negative Declaration has been adopted, the Executive Officer shall file a Notice of Determination. The Notice of Determination's content shall include: (1) Project description, identification and location; (2) Date project approved by LAFCO; (3) Determination of "non-significant" effect, or determination that mitigation measures were imposed and made conditions of approval for the project to reduce impacts to less than significant levels; (4) Statement that a Negative Declaration or Mitigated Negative Declaration has been prepared and approved; and (5) Address of LAFCO office where a copy of Negative Declaration or Mitigated Negative Declaration is filed.

The Notice shall be filed with the Santa Cruz County Clerk of the Board. If the project requires a discretionary approval from any state agency, the Notice shall also be filed with the State Office of Planning and Research, State Clearinghouse. Fees for filing a Notice of Determination for a Negative Declaration or Mitigated Negative Declaration shall be funded by the applicant for the LAFCO action.

## **7.6 Environmental Impact Report**

If the Executive Officer or the Commission finds, based on substantial evidence in the record or contained in the Initial Study and public comments, that a project may have a significant environmental effect, the Executive Officer will initiate the preparation of an Environmental Impact Report ("EIR").

- Purpose: An EIR is an informational document; a major tool in the decision-making process, informing Commissioners and all parties involved of the environmental consequences of project decisions before they are made. An EIR's primary functions are to identify and mitigate significant adverse impacts and to provide alternative project and boundary options that may reduce potentially significant impacts of the proposed project.

- An EIR is not an instrument to rationalize approval or denial of a project; nor do indications of adverse impacts require automatic denial. LAFCO has the authority to balance environmental, economic, social or other objectives as part of its mandate to develop orderly governmental boundaries (Sections 15091, 15092 and 15093, State CEQA Guidelines). An EIR should be prepared early in the application process to facilitate the integration of environmental considerations in project or boundary design. The applicant is responsible for submitting all necessary project data for the EIR per the Executive Officer's request or funding the preparation of required project data for the EIR.
- Appeals: The Executive Officer's determination to require an EIR is appealable to the Commission within 10 working days of the issuance of the decision to prepare an EIR. Such an appeal must be filed, on LAFCO forms, with the Executive Officer and must include specific substantiation for the appeal, directly related to environmental issues. The appeal shall be heard on the next regularly scheduled Commission agenda that permits adequate public notification. The Commission's decision shall be final. The only legal remedy available to appeal the Commission's final action is to file a petition for writ of mandate in the superior court under California Code of Civil Procedure Section 1085.
- Notice of Preparation: At the earliest feasible date following the Executive Officer's/Commission's formal decision to prepare an EIR (based on the administrative record or an Initial Study), a Notice of Preparation ("NOP") will be mailed to all responsible and affected agencies (including the State Clearinghouse and affected state agencies, if any) and any parties requesting notification. State review of an EIR will result in the issuance of an identification number (State Clearinghouse Number) which shall be used on all subsequent documentation and correspondence.

The NOP shall include sufficient information on the project and its anticipated impacts to facilitate meaningful responses on the environmental issues that may cause significant adverse impacts. Such content to include: (1) Project description; (2) Mapped location; (3) Probable environmental effects; and (4) A copy of the Initial Study or substantial evidence in the record justifying the preparation of an EIR, etc. The NOP shall be sent to all responsible/trustee agencies or interested parties via certified mail or other method to document its receipt.

Within 30 days after LAFCO's release of the NOP, each Responsible Agency/interested party shall submit to LAFCO specific information directly related to that agency's/party's statutory responsibility for the project; the environmental issues, alternatives, and mitigation measures to be explored; and the agency's/party's role in the project's review, etc. If LAFCO does not receive a response or request to extend the public comment period on the NOP by the end of the 30-day NOP review period, LAFCO may presume that no response will be made from an agency or party that received the NOP.

- Scope of EIR: LAFCO may also convene meetings involving all parties (especially at the request of a Responsible Agency) to further assist in the determination of the EIR's scope and content, no later than 30 days after such request. Early and complete scoping, consultation and negotiation are critical to the preparation of an adequate EIR. LAFCO may request use of the County's or a local agency's

Environmental Review Committee in a public meeting forum to aid in the identification and resolution of any technical issues. LAFCO will compile all comments and identify in writing the focus for the EIR. An EIR can be prepared by staff or consultants under contract to LAFCO, coordinated by the Executive Officer or designee. LAFCO may accept data for an EIR from any source subject to independent validation by LAFCO staff. Also, LAFCO may charge an applicant appropriate fee to cover all costs for preparing and processing an EIR.

- EIR Content: Article 9 of the State CEQA Guidelines describes the complete content of all required sections of an EIR, as modified from time to time. However, LAFCO has discretion to narrow the scope of an EIR's content during the scoping process (State CEQA Guidelines, section 15063).
- Consultant EIRs: The Executive Officer shall use a Request for Proposals bidding process to select a consultant to write the EIR. The Executive Officer shall maintain and update as necessary a list of consultants, a minimum of three from which proposals shall be solicited for each consultant prepared EIR. The Executive Officer and the applicant will screen the proposals in an attempt to gain a consensus on choosing the consultant. However, the Executive Officer is ultimately responsible for final selection of the consultant. The Commission will review the scope of work, consultant qualifications, contract cost, and all other aspects before authorizing a contract.

The applicant will be charged a fee to cover all contract and staff costs, to be deposited into a LAFCO trust fund. (Note: The contract will be between LAFCO and the consultant which will work solely at the Executive Officer's, not the applicant's, direction.) The Executive Officer will disburse the funds to the consultant at stages specified in the contract based on completion and performance. In addition to the contract costs, the fees charged will be based on actual staff time involved in, but not limited to: (1) Consultant selection including bid solicitation and review, submission of information to consultants, etc.; (2) Review of Draft EIR, corrections, additions, legal review by the Commission's legal counsel, etc.; (3) Compiling comments and reviewing responses to comments for preparation of Final EIR; and (4) Meetings with applicant, consultant and public regarding EIR preparation.

- Public Participation (CEQA Guidelines, Section 15201): Public participation is an essential part of the CEQA process. LAFCO includes provisions in its CEQA procedures for wide public involvement, formal and informal, consistent with its existing activities and procedures, in order to receive and evaluate public reactions to environmental issues related to the agency's activities. Such procedures include, whenever possible, making environmental information available in electronic format and on LAFCO's web-site.

Interacting with the public is an important CEQA process that allows the public to voice its concerns about environmental issues and the potential effect of a project on the physical environment. Therefore, in order to ensure public involvement in LAFCO's CEQA process, the Commission—in addition to the requirements for public notification on the NOP and/or the Notice of Completion—will provide the public with the opportunity to participate in any meetings related to the EIR, whether through a scoping meeting (optional) to provide verbal or written

comments on the content of the EIR and/or through the public hearing (required) on the certification of the Final EIR.

- Completion Notice (CEQA Guidelines, Section 15085): Because most LAFCO EIRs will require circulation through the State Clearinghouse, the default procedure is that as soon as the draft EIR is completed, a Notice of Completion (“NOC”) must be filed with the California Governor's Office of Planning and Research, denoting the project's description and location, address where EIR copies are available, and the period which comments can be submitted.
- Agency/Public Review: At the time the NOC is sent, the Executive Officer shall provide public notice of the draft EIR's availability to all organizations, agencies and individuals who previously requested such notice; as well as publication in The Santa Cruz Sentinel (newspaper of general circulation) and/or local newspapers. The Executive Officer shall also distribute copies of the draft EIRs and requests for comments to all public agencies with jurisdiction within the project area; to persons or organizations previously requesting such copies; to public libraries in the affected areas; as well as maintaining copies in the LAFCO and any Responsible Agency's offices (upon request). The Executive Officer may consult with any person who has special expertise in any environmental issue involved.

Review periods are not to be less than 30 days nor longer than 60 days from the date of the NOC except in unusual situations, per the Executive Officer's discretion. The review period for draft EIRs submitted to state agencies via the State Clearinghouse will be a minimum of 45 days. The last date for comment submittal shall be specified in the request for comments. A lack of response by that date constitutes a non-objection or “no-comment” by that particular party.

The sufficiency of the EIR per State CEQA Guidelines is the only issue to be addressed during this review. Questions/issues regarding the feasibility or desirability of the project itself shall only be considered by the Commission at the appropriate hearing, not integrated into the environmental review process. In instances where complex technical issues or disagreements among experts arise in the context of an EIR, the Executive Officer can convene a meeting of the County's or a local agency's Environmental Review Committee to provide a forum for a more thorough review of the EIR's adequacy.

- Adequacy: The Executive Officer will make preliminary (not appealable) determinations of the EIR's adequacy, utilizing all aspects of the public record; in turn making specific recommendations on adequacy to the Commission, for its findings, at the time the project is heard.
- Response to Comments on an EIR (CEQA Guidelines, Section 15088): The Executive Officer shall prepare a written response to all comments received during the comment period (and MAY respond to those received after the period): describing the disposition of issues, opinions or facts raised, project revisions or mitigation measures resulting from these comments, reasons for not accepting recommendations, all substantiated by factual information. The response to comments may be in the form of revisions to the EIR text, a separate section in the final EIR or as notes typed in the margins of the comment letters, depending on the event of the resulting revisions.

- Preparation of Final EIR (CEQA Guidelines, Sections 15089 and 15132): The Executive Officer/consultant will prepare a final EIR before the Commission makes a decision on the project. Project denial does not require certification of the Final EIR. Final EIR contents include: (1) The draft EIR and any revisions made to it in response to comments; (2) Comments and recommendations received on the draft EIR verbatim; (3) A list of persons, organizations and agencies commenting on the draft EIR; (4) LAFCO's responses to significant points raised during review and consultation; (5) Plus any other pertinent information. Final EIRs shall be available a minimum of 10 days prior to the Commission hearing on a project and shall be provided to any commenting parties 10 days prior to a Commission hearing on a project. The final EIR shall be submitted to the Commission with the project application and a mitigation measure monitoring plan/program (if necessary) for certification prior to the decision.
- Certification of Final EIR (CEQA Guidelines, Section 15090): Prior to approving a project for which an EIR has been prepared, the Commission shall certify that: (1) The final EIR has been completed in compliance with CEQA; (2) The final EIR was presented to the Commission which reviewed and considered it prior to approving the project; and, (3) The final EIR reflects the lead agency's independent judgment and analysis. If the Commission, through testimony or its own review of the data, finds that the environmental review is incomplete or the EIR does not adequately assess the full range of project impacts, it can refer it back to staff for revisions; deferring approval of the project until it can certify the amended final EIR. Under such circumstances, the Commission shall instruct staff to recirculate/not recirculate the amended EIR in accordance with the extent of requested revisions and as required by CEQA Guidelines, section 15088.5.
- Findings (CEQA Guidelines, Section 15091): The Commission cannot approve or carry out a project for which an EIR identifies one or more significant environmental effects, unless it makes one or more written findings for each significant effect, each reinforced by substantial evidence in the record. Such findings include: (1) Changes have been incorporated into the project which avoid or substantially reduce the significant environmental effect(s) identified in the final EIR, (2) Such changes are not within LAFCO's jurisdiction, but are within the responsibility and jurisdiction of another agency which has adopted such changes, or which can and should adopt such changes, or (3) Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the final EIR.
- Approval (CEQA Guidelines, Section 15092): LAFCO shall not approve or carry out a project for which an EIR was prepared unless either: (1) The project, as approved, will not have a significant environmental effect, or (2) LAFCO has eliminated or substantially reduced all significant effects where feasible per State CEQA Guidelines, section 15091, and determined that any remaining significant effects found to be unavoidable per State CEQA Guidelines, section 15091, are acceptable due to overriding concerns described in CEQA Guidelines, section 15093.

- Statement of Overriding Considerations (CEQA Guidelines, Section 15093): When LAFCO approves a project that will have a significant effect on the environment that cannot be avoided or mitigated to a less than significant level, LAFCO shall state in writing the specific reasons to support its action based on the final EIR and/or other information in the record. The Commission shall balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable”. The statement of overriding considerations shall be supported by substantial evidence in the record. The Commission’s statement of overriding considerations should be included in the record of the project approval and so stated in the Notice of Determination.
- Notice of Determination (CEQA Guidelines, Section 15094): The Executive Officer shall file a Notice of Determination following each project approval for which an EIR was certified. The notice shall include: (1) The final EIR has been completed in compliance with CEQA; (2) The final EIR was presented to the Commission which reviewed and considered it prior to approving the project; (3) The final EIR reflects the lead agency’s independent judgment and analysis; (4) Determination of any significant environmental effects; (5) Statement that an EIR was prepared and certified pursuant to CEQA; (6) Whether mitigation measures were made conditions of the project; (7) Whether findings were made per State CEQA Guidelines, section 15091; (8) Whether a statement of overriding considerations was adopted; (9) The address of the location of a copy of the final EIR and the project record; and (10) If different from the applicant, the identity of the person undertaking the project which is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies or the identity of the person receiving a lease, permit, licenser, certificate, and other entitlement for use from one or more public agencies. The notice shall be filed with the Clerk of the County Board. If the project requires discretionary approval from a state agency, the notice shall also be filed with OPR State Clearinghouse.
- Disposition of Final EIR (CEQA Guidelines, Section 15095): The Executive Officer shall: (1) File a copy of the Final EIR with the Santa Cruz County Planning Department and the city, if applicable, where significant environmental effects may occur; (2) Include the Final EIR in all subsequent project administration; (3) Maintain a copy of the Final EIR as a permanent public record for the project; and (4) Require the applicant to provide a copy of the certified, final EIR to each Responsible Agency. Pursuant to adopted Commission policy, funding for the preparation of an EIR, fees for filing a Notice of Determination, and other related fees (i.e. notice and distribution requirements), are the responsibility of the applicant for the LAFCO action.

*Adopted on September 6, 2000 (Resolution No.2000-5)*  
~~*Last Revision on August 5, 2020 (Resolution No. 2020-19)*~~  
*Last Revision on March 6, 2024 (Resolution No. 2024-07)*





## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **INDEMNIFICATION AGREEMENT POLICY**

#### **1. OVERVIEW**

The purpose of this policy is to establish guidelines that require all applicants to indemnify the Commission, its agents, officers, attorneys, and employees from any action brought to challenge the discretionary approvals of proposals by the Commission.

#### **2. BACKGROUND**

Applicants to the Commission for discretionary approvals of proposals for changes of organization are typically the real parties in interest and therefore have financial interest in the Commission's decisions on their applications. Applicants who are not the real parties in interest also have interest in the outcome of their applications. Therefore, LAFCO believes that it is fair and equitable for all applicants to indemnify LAFCO from suits brought to challenge the discretionary approvals of their applications by the Commission. LAFCO also believes that indemnifying LAFCO furthers good government practices and public policy by providing applicants with an incentive to assist the Commission in complying with all laws, including those intended to ensure public rights.

#### **3. PROCESS**

In order to fulfill this practice, and to protect the integrity of the Commission's ability to make good government decisions, it is the policy of this Commission that:

- a) As part of any application submitted to the Commission, the applicant(s) shall be required to submit a signed agreement to indemnify the Commission, its agents, officers, attorneys, and employees from any action brought to challenge the Commission's discretionary approvals related to the application in the form provided in Exhibit "A";
- b) In the event that an action is brought to challenge the discretionary approval of a proposal by the Commission, the Commission shall promptly notify the applicant(s) and real party(ies) in interest of the existence of the legal challenge; and
- c) The Executive Officer shall not issue a Certificate of Filing for an application if an indemnification agreement in the form provided on the following page has not been executed and submitted to the Executive Officer by the applicant(s).

*Adopted on September 6, 1995 (Resolution No. 141-QQQ)  
Previous Revision on April 1, 2015 (Resolution No. 2015-6)  
Last Revision on September 2, 2020 (Resolution No. 2020-23)*

**ATTACHMENT 2****INDEMNIFICATION AND DEFENSE**

The undersigned applicant for the above-referenced application ("Applicant"), as a condition of submission of this application, approval of the application and any subsequent amendment of the approval which is requested by the Applicant, hereby agrees to defend, using counsel reasonably acceptable to the Local Agency Formation Commission of Santa Cruz County ("LAFCO"), indemnify, and hold harmless LAFCO, its officers, employees, and agents, from and against any claim, demand, damages, costs or liability of any kind (including attorneys' fees) against LAFCO arising from or relating to this application or any approval or subsequent amendment to the approval thereof, subject to the conditions set forth below.

A) Notification and Cooperation

LAFCO shall notify the Applicant of any claim, action, or proceeding against which LAFCO seeks to be defended, indemnified, or held harmless. LAFCO shall reasonably cooperate in such defense.

B) Fees and Costs:

Nothing contained herein shall prohibit LAFCO from participating in the defense of any claim, action, or proceeding if either of the following occur:

3) LAFCO bears its own attorneys' fees and costs; or

4) LAFCO and the Applicant agree in writing to the Applicant paying part or all of the Commission's attorneys' fees and costs.

C) Settlement:

When representing LAFCO, the Applicant shall not enter into any stipulation or settlement modifying or affecting the interpretation or validity of any of the terms or conditions of the approval without the prior written consent of LAFCO.

D) Successors Bound:

The obligations of the Applicant under this Indemnity and Defense agreement are specifically associated with and shall run with the land that is the subject of the application and/ or approval and shall be binding upon the applicant and the successor(s) in interest, transferee(s), and assign(s) of the applicant in the land.

E) Recordation:

At any time after submission of the application, LAFCO may, at its sole option, record in the office of the Santa Cruz County Recorder a memorandum of agreement which incorporates the provisions of this condition, or this approval shall become null and void.

\_\_\_\_\_  
(Signature of LAFCO Executive Officer)

\_\_\_\_\_  
(Signature of Applicant)

\_\_\_\_\_  
Joe A. Serrano

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **CERTIFICATE OF FILING POLICY**

#### **1. OVERVIEW**

Pursuant to Government Code Section 56020.6, a Certificate of Filing is a document issued by the Executive Officer that confirms an application for a change of organization has met submission requirements and is ready for Commission consideration.

#### **2. INACTIVE APPLICATIONS**

Applicants for a change of organization or reorganization must meet submission requirements established in the Cortese-Knox-Hertzberg Act as well as Commission policies and procedures. Once these requirements are met, a Certificate of Filing will be issued by the Executive Officer deeming the application complete. Any application not deemed complete will be found incomplete and the applicant notified of missing requirements. If the application remains incomplete for a period of twelve (12) months without substantial progress being made towards its completion, the Executive Officer will notify the applicant and affected agencies that the application is deemed inactive will be closed without prejudice, and may be subject to a refund if any portion of the application fee has not already been used to cover staff time and other processing costs. If the applicant chooses to refile at a later date, a new application and filing fees will be required.

#### **3. COMPLETE APPLICATIONS**

Once a Certificate of Filing has been issued, the application officially becomes a proposal (Government Code Section 56069) and is scheduled for consideration by the Commission. When a proposal has been scheduled for hearing, no additional modification or amendment may be made to the proposal unless requested by Commission staff or the Commission's board by majority vote. However, an applicant may withdraw its application prior to the closing of the scheduled hearing. Withdrawal of an application must be submitted in writing to the Executive Officer. If an application is withdrawn and resubmitted, the applicant must file a completely new application and associated fee.

*Adopted on December 2, 1981 (Resolution No. 97-M)  
Last Revision on September 2, 2020 (Resolution No. 2020-24)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **PROTEST PROCEEDINGS POLICY**

#### **1. OVERVIEW**

Prior to January 1, 2000, LAFCO would designate an affected agency as the “conducting authority” to approve a change of organization or reorganization and direct that agency to conduct protest proceedings pursuant to Government Code Section 57000 et seq. With the passage of AB 2838 (Hertzberg – Chapter 761, Statutes of 2000), the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code § 56000 et seq.) established LAFCO as the “conducting authority” for protest proceedings.

The purpose of this policy is to carry out LAFCO’s functions and responsibilities as a conducting authority pursuant to Government Code Section 57000 et seq. Protest proceedings for changes of organization and reorganization shall be conducted by the Commission in accordance with the following guidelines.

#### **2. PROTEST PROCEEDING GUIDELINES**

The Commission will adopt a resolution that makes findings and determinations when approving a change of organization or reorganization. The resolution will contain terms and conditions, which include a condition that addresses the protest proceedings.

**2.1 Protest Proceeding Timeframe:** The Commission shall specify a timeframe between twenty-one (21) and sixty (60) days for the collection and filing of written protests pursuant to Government Code Section 56886(o), and that timeframe shall be included in the terms and conditions of an approval for a change of organization or reorganization for which protest proceedings are not waived pursuant to Government Code Section 56663.

**2.2 Public Noticing:** Within thirty (35) days of the adoption of the Commission’s resolution making determinations and approving a change of organization or reorganization, the Executive Officer shall notice a protest hearing and, in the notice, set the hearing date as prescribed by the Commission in its terms and conditions.

**2.3 Types of Public Noticing:** Notice of the hearing shall be provided pursuant to Government Code Section 56150 et seq., and as follows:

- a) Notice must be published, posted, and mailed to affected agencies, proponents, and any persons requesting special notice;
- b) Mailed notice must be provided to all landowners affected by the proposal;
- c) The time, date, and location of the hearing shall be specified in the notice as determined by the Executive Officer; and

- d) The protest hearing must be held in the affected territory if the hearing is a proposal initiated by the Commission pursuant to Government Code Section 56375(a) for a district consolidation, dissolution, or merger, or the establishment of a subsidiary district.

**2.4 Protest Hearing:** At the protest hearing, the Executive Officer, or designee, shall (1) summarize the Commission's resolution, and (2) hear and receive any oral or written protests, objections, or evidence. Written protests may be filed by any affected landowner or registered voter. The Executive Officer, or designee, may continue the protest, but for no more than sixty (60) days from the date specified in the notice.

**2.5 Protest Hearing Results:** At the conclusion of the protest hearing:

- a) If no written protests have been filed, the Executive Officer, or designee, shall adopt a form of resolution ordering the change of organization or reorganization without an election; or
- b) If written protests have been filed, the Executive Officer, or designee, shall within thirty (30) days after the conclusion of the hearing, make determinations on the value of written protests filed and not withdrawn; and
- c) To determine the value of written protests filed and not withdrawn, the Executive Officer, or designee, shall cause the names of the signers on the protests to be compared with the voters' register in the County Elections Department pursuant to Government Code Section 56707 and/or the names of the owners of land on the most recent assessment roll pursuant to Government Code Sections 56708 and 56710.

**2.6 LAFCO Actions after Protest Proceedings:** Upon determination of the value of written protests filed and not withdrawn, the Executive Officer, or designee, shall take one of the following actions, depending on the nature of the change of organization or reorganization:

- a) If less than 25% of the affected registered voters or landowners oppose the proposal, then a form of resolution making determinations and ordering the change of organization or reorganization will be adopted without an election;
- b) If 25% to 50% of the affected registered voters or landowners oppose the proposal, then a form of resolution making determinations and ordering the change of organization or reorganization will be adopted subject to confirmation by the voters; or
- c) If more than 50% of the affected registered voters or landowners oppose the proposal, then a Certificate of Termination will be issued, which ends the LAFCO proceedings.

**2.7 Election Process:** If an election is required, the Executive Officer or designee, pursuant to Government Code Section 57000(d), shall inform the legislative body of the affected agency of LAFCO's determination and request the legislative body to direct the elections official to conduct the election.

### **3. LAFCO AS A CONDUCTING AUTHORITY**

Pursuant to Government Code Section 57000(c), the Commission has the option of delegating any or all of the functions and responsibilities of the conducting authority to the Executive Officer. Any references made to the “Commission” or “LAFCO” in the following discussion also pertains to the Executive Officer for any functions they will perform on behalf of the Commission. It should also be noted that, pursuant to Government Code Section 57008, the Commission or Executive Officer is required to hold the protest hearing in the affected territory if the proposal was initiated by the Commission pursuant to Government Code Section 56375(a) (district consolidation, dissolution, merger, establishment of a subsidiary district, or a reorganization that includes any of the previous).

Following summarization of the Commission’s resolution at the protest hearing, the Commission hears and receives any oral or written protests, objections, or evidence. Anyone who has filed a written protest can withdraw that protest prior to the conclusion of the hearing. Within thirty (30) days after the hearing, LAFCO makes a finding on the value of written protests filed and not withdrawn. The percentage thresholds for LAFCO to terminate or order the change of organization or reorganization with or without an election is consistent with existing law. LAFCO, however, does not have statutory authority to conduct an election if one is required. Therefore, if LAFCO’s determination on a proposal is subject to confirmation by the voters and an election must be conducted, LAFCO, pursuant to Government Code Section 57000(d), is required to inform the board of supervisors or city council of the affected city of the Commission’s determination and request the board or council to direct the elections official to conduct the election.

### **4. PROTEST THRESHOLD FOR OTHER BOUNDARY CHANGES**

The percentage protest thresholds for a dissolution, consolidation, merger, or the establishment of a subsidiary district differ from the previous changes of organization discussed in the previous sections. While Government Code Section 57077 addresses the requirements for these changes of organization, Government Code Section 56854 supersedes those provisions.

The provisions of Government Code Section 56854 (previously Government Code Section 56839.1) was the product of legislation passed in 1997. Pursuant to Government Code Section 56854(a), LAFCO is required to order a dissolution, consolidation, merger, or the establishment of a subsidiary district without an election unless certain protest requirements are met. Those requirements are enumerated in the outline below. However, pursuant to Government Code Section 56854(b), the Commission is prohibited from ordering a merger or the establishment of a subsidiary district without the consent of the affected city.

The Commission is required to order a dissolution, consolidation, merger, or the establishment of a subsidiary district subject to confirmation of the voters, only if the following written protest thresholds are reached.

**4.1 Not Initiated by the Commission:** Where the proposal was not initiated by the Commission, and where an affected city or district has not objected by resolution to the proposal:

- a) In the case of inhabited territory, a petition signed by:
  - i. At least 25% of the registered voters residing, or owning land, within the affected territory; or
  - ii. At least 25% of the number of landowners who own at least 25% of the assessed value of land within the affected territory.
- b) In the case of a landowner-voter district, and the territory is uninhabited, a petition signed by:
  - i. At least 25% of the number of landowners owning at least 25% of the assessed value of the land within the affected territory.

Note: In the case of a proposal for the dissolution of one or more districts and the annexation of all or substantially all of their territory to another district, the voter requirements outlined above do not apply if each affected district has consented to the proposal by a resolution adopted by a majority of its board of directors (Government Code Section 57114b).

**4.2 Initiated by the Commission:** Where the proposal was initiated by the Commission, and regardless of whether an affected city or district has objected to the proposal by resolution:

- a) In the case of inhabited territory where there are 300 or more landowners or registered voters within the affected territory, a petition signed by:
  - i. At least 10% of the number of landowners who own at least 10% of the assessed value of land within the affected territory; or
  - ii. At least 10% of the registered voters residing, or owning land, within the affected territory.
- b) In the case of inhabited territory where there are less than 300 landowners or registered voters within the affected territory, a petition signed by:
  - i. At least 25% of the number of landowners who own at least 25% of the assessed value of land within the affected territory; or
  - ii. At least 25% of the registered voters residing, or owning land, within the affected territory.
- c) In the case of a landowner-voter district where the territory is uninhabited and there are 300 or more landowner voters entitled to vote, a petition signed by:
  - i. At least 10% of the number of landowners who own at least 10% of the assessed value of land within the affected territory.
- d) In the case of a landowner-voter district where the territory is uninhabited and there are less than 300 or more landowner voters entitled to vote, a petition signed by:
  - i. At least 25% of the landowner voters entitled to vote.

*Adopted on March 7, 2001 (Resolution No. 2001-6)  
Last Revision on September 2, 2020 (Resolution No. 2020-25)*

## **CHAPTER IV**

# **TYPE OF APPLICATIONS**





## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **EXTRATERRITORIAL SERVICES POLICY**

#### **1. OVERVIEW**

The purpose of this policy is to explain to the public, cities, and districts the procedures by which the Commission will review requests to authorize a city or district in Santa Cruz County to provide one or more services outside its jurisdictional limits pursuant to Government Code Section 56133.

#### **2. COMMISSION APPROVAL REQUIRED FOR NEW OR EXTENDED SERVICES**

Except for the specific situations exempted by Government Code Section 56133, a city or district shall not provide new or extended services to any party outside its jurisdictional boundaries unless it has obtained written approval from the Local Agency Formation Commission of Santa Cruz County ("LAFCO").

#### **3. LIST OF PRE-EXISTING SERVICES**

In 1994, the Executive Officer originally asked each city and district to provide a list or map of parcels receiving extraterritorial service under Government Code Section 56133. The Executive Officer subsequently presented a report on these extraterritorial services with the Commission. As a regular practice, a list of all approved extraterritorial service agreements are presented to the Commission on an annual basis.

#### **4. AREAWIDE APPROVALS**

Upon the initiative of either a public agency or the Commission, the Commission shall consider an areawide approval as a regularly agendaized item and may grant approval for subsequent services to be provided by a city or district within a mapped area as specified by the Commission. The approval may include conditions. The Commission shall specify a time period not greater than ten years for which the areawide approval shall be valid. The Commission may, upon its own initiative or at the request of a public agency, renew with or without amendments, an areawide approval for a period not to exceed ten years.

Before granting an areawide approval, the Commission shall determine that the city or district is able to provide the service in a manner that does not negatively affect the services provided within the agency's boundaries and sphere of influence, and in a manner that does not negatively affect the resources in the area. Also, before granting an areawide approval, the Commission shall determine that the approval is consistent with the requirements of law and LAFCO policies.

#### **5. INDIVIDUAL REQUESTS**

Individual requests for extraterritorial service shall be filed with the Executive Officer on a prescribed application form. The applicant shall pay the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. The application deposit regarding the request for extraterritorial service is \$950. Deposit amount may be subsequently changed in future revisions of the Schedule of Fees and Deposits.

The Executive Officer shall not file the application unless the affected public agency has submitted a written endorsement indicating its willingness to provide the service if the Commission approves the request. The Commission shall consider the request after it has been placed on an agenda of a Commission meeting.

## **6. ENVIRONMENTAL REVIEW**

All matters that are reviewable pursuant to these regulations are subject to the applicable provisions of the California Environmental Quality Act.

## **7. COMMISSION ACTION**

The Executive Officer shall prepare a report and place the request for extraterritorial service on the Commission's agenda. The Commission shall provide an opportunity for any interested individual or party to address it. The Commission may call a subsequent public hearing in order to receive additional public testimony before acting upon a request. The Commission acts on the request by majority vote. Subsequently, the Executive Officer shall notify the applicant in writing of the Commission's action. If the Commission denies a request, a similar application cannot be re-filed for one year unless the Commission grants an exception to this rule.

## **8. DELIVERY OF MUNICIPAL SERVICES**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and this Commission's adopted policies encourage smart growth and relies on the appropriate governance options to ensure the effective and efficient delivery of municipal services. Therefore, the Commission intends to reinforce that the standard manner in which services will be extended is by annexation (and sphere of influence amendment, if necessary). The Commission shall limit its extraterritorial service authorizations to public health emergencies and circumstances where:

- a) Facilities are already in place, and
- b) Annexation would not be practical, and
- c) Extraterritorial service is determined by the Commission to be consistent with the policies adopted in and pursuant to the Cortese-Knox-Hertzberg Act.

When the Commission authorizes the emergency provision of municipal services via extraterritorial service outside an agency's boundaries, and annexation is practical, the Commission will require annexation to be completed within two years.

## **9. WATER PROVISIONS**

LAFCO recognizes that the water resources of Santa Cruz County are limited, and the Commission's objective is to ensure that its decisions relating to water do not lead to adverse impacts on the natural resources of Santa Cruz County. In reviewing extraterritorial service applications, LAFCO shall be guided by the potential impacts of the proposal on water resources and will consider the efforts of the water agencies and land use agencies to maintain stream and river flows, promote high water quality of surface waters and groundwater, and reduce groundwater overdraft. A water policy has also been adopted by this Commission and should be reviewed before submitting any application for potential service delivery, including annexations or requests for extraterritorial services.

*Adopted on June 9, 1994 (Resolution No.97-W)  
Last Revision on June 3, 2020 (Resolution No. 2020-15)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **SPHERES OF INFLUENCE POLICY**

#### **1. OVERVIEW**

The Knox-Nisbet Act of 1963 (former Government Code Section 54773 et seq.) established the Local Agency Formation Commission to promote the orderly development of local government agencies in the County and discourage urban sprawl. The law was subsequently combined with other laws regarding boundary changes and recodified as the Cortese-Knox- Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000-57550).

Among its objectives, LAFCO is authorized to perform studies which will contribute to the logical and reasonable development of local governments to provide for the present and future needs of each county and its communities. (Government Code Section 56301). State law further provides that, in order to carry out its responsibilities for planning and shaping the logical and orderly development of local government agencies, the Local Agency Formation Commission shall develop and determine the sphere of influence of each local governmental agency within the county. (Government Code Section 56425). 'Sphere of Influence' means a plan for the probable physical boundaries and service area of a local government agency. (Government Code Section 56076).

#### **2. TYPES OF SPHERES**

There are several types of sphere boundaries that the Commission may adopt:

- a) Coterminous Sphere: A sphere of influence may be coterminous, or identical, with the agency's current jurisdictional boundary.
- b) Larger-than-jurisdiction Sphere: A sphere of influence may be larger than the agency's current jurisdictional boundary. This designation identifies areas that should be annexed into the agency in the foreseeable future.
- c) Smaller-than-jurisdiction Sphere: A sphere of influence may be smaller than the agency's current jurisdictional boundary. This designation identifies areas that should be detached from the agency in the foreseeable future.
- d) Zero Sphere: A sphere of influence may be removed entirely if the Commission determines that the service responsibilities and functions of the agency should be reassigned to another local government, and that the agency assigned a "zero sphere of influence" should be dissolved.

### **3. SPHERE DETERMINATIONS**

In accordance with Government Code Section 56425, the Commission is required to consider and prepare a written statement of its determination with respect to each of the following:

- a) The present and planned land uses in the area, including agricultural and open-space lands;
- b) The present and probable need for public facilities and services in the area;
- c) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide, including the funding of capital, debt, service, and operations;
- d) The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency; and
- e) For an update of a sphere of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

None of the individual factors listed above will be deemed to be a determining factor but will be reviewed collectively when considering the establishment or revision to a sphere of influence for a city or special district.

### **4. SPHERE UPDATES**

Spheres of influence are to be adopted by the Commission following a public hearing and are to be reviewed and updated every five years. After adoption, the sphere of influence "shall be used by the Commission as a factor in making regular decisions on proposals over which it has jurisdiction. The Commission may recommend governmental reorganizations to particular agencies in the county, using the sphere of influence as a basis for such recommendations... (Government Code Section 56425)." The purpose of a sphere of influence study is to provide the Commission information needed to determine an agency's potential growth and to make recommendations towards future service provisions within areas the county.

### **5. POLICY GUIDELINES**

The Commission will use spheres of influence to discourage inefficient development patterns and to encourage the orderly expansion of local government agencies. Spheres of influence will be used to:

- a) Provide long-range guidelines for the efficient provision of services and timely changes of governmental organization;
- b) Discourage duplication of services by two or more local government agencies;
- c) Guide the Commission in considering individual proposals for changes of organization; and
- d) Identify the need for specific reorganization studies.

**5.1 Municipal Service Reviews:** Pursuant to Government Code Section 56425, spheres of influence shall be reviewed and/or updated every five years. Additionally, state law mandates that spheres be prepared or updated in conjunction with or after completion of a related Municipal Service Review (Government Code Section 56430).

**5.2 Overlapping Spheres:** To promote efficient and coordinated planning among the county's various agencies, city spheres shall not overlap, and districts that provide the same type of service should not have overlapping sphere boundaries.

**5.3 Logical Service Provider:** When more than one agency could serve an area, the agencies' services capabilities, costs for providing services, and the desires of the affected community will be key factors in determining a sphere of influence.

**5.4 Service Efficiencies:** The Commission will encourage the elimination or consolidation of small, single-purpose special districts when a more efficient alternative exists for providing the necessary services. Whenever a combination of urban services is required, general purpose governments or multi-services districts will be preferred to single-purpose districts.

**5.5 Sphere Designations and Annexation:** Before territory can be annexed to a city or special district, it must be within the agency's sphere (Government Code Section 56375.5). However, a sphere is only one of several factors the Commission considers when evaluating changes of organization.

**5.6 Long-Range Planning:** LAFCO recognizes the planning accomplishments of local agencies in the County. In developing spheres of influence, the Commission will consider those adopted plans, and policies of local governments which encourage staged, cost-effective development patterns and the efficient provision of services. Sphere boundaries will identify probable boundaries for an agency's expansion and will be periodically reviewed to reflect changing conditions and circumstances.

Once established, an agency's sphere of influence will be a primary guide to the Commission in its decisions on individual proposals affecting that agency. Before the Commission may approve a change of organization inconsistent with the adopted sphere of influence, the Commission shall amend the sphere of influence.

**5.7 Consistency with General Plans and Pre-Zoning:** The Commission will review the existing and future land uses of territory prior to including it within a city's sphere in order to determine the logical extension of municipal services and the probable future boundary of a city or district. The Commission strongly encourages each city to include all territory within its sphere of influence within the city's General Plan and each special district to address in its infrastructure, facilities and operational planning documents.

**5.8 Land Use Inconsistencies:** City and County general plans will be a significant factor in determining spheres of influence. Where a city's and the County's general plan for the same area are inconsistent, the Commission should encourage the affected agencies to resolve any inconsistencies. In the event the inconsistency cannot be resolved, by law the final decision for the Sphere of Influence must remain with LAFCO.

**5.9 Encourage Annexation of Unincorporated Islands:** The Commission acknowledges that unincorporated islands are generally costly for County government to serve and often have impacts on the surrounding city or district. Cities and special districts (where applicable), will be encouraged to annex unincorporated islands within their sphere of influence.

**5.10 Urban Development:** Proposals for urban development within a city's sphere of influence should first be considered for annexation to that city, unless such annexation would create a "leapfrog" pattern of expansion with respect to existing city boundaries.

**5.11 Water Supply:** LAFCO recognizes that the water resources of Santa Cruz County are limited, and the Commission's objective is to ensure that its decisions relating to water do not lead to adverse impacts on the natural resources of Santa Cruz County. In reviewing sphere of influence adoptions and amendments, LAFCO shall be guided by the potential impacts of the proposal on water resources and will consider the efforts of the water agencies and land use agencies to maintain stream and river flows, promote high water quality of surface waters and groundwater, and reduce groundwater overdraft.

To assist in the review of Spheres of Influence and other LAFCO reports, the Commission will utilize the following data sources to maintain an ongoing data base of the supply, demand, and related water data of the local water agencies subject to LAFCO's boundary regulation:

- a) The Public Water System Annual Reports filed by each public water agency with the California Department of Public Health;
- b) The Urban Water Management Plans prepared by water suppliers with 3000 or more customers as required by the California Water Code Sections 10610 et seq.; and
- c) The annual Water Resources Report prepared for consideration by the Santa Cruz County Board of Supervisors.

It is preferable that the residents who use water also participate in the governance of the system that provides the water. Therefore, in making decisions on spheres of influence and boundary changes, the Commission will favor water supply entities for which the users of the system participate in the governance of the system.

**5.12 Coastal Zone:** In an effort to promote cooperation among the land use agencies with jurisdiction over lands in the Coastal Zone, any application to LAFCO for a sphere of influence amendment regarding land in the Coastal Zone shall contain the following information:

- a) A statement that the staffs of the Coastal Commission and other land use agencies with jurisdiction over the land which is the subject of the application have reviewed and jointly discussed the sphere of influence amendment application with respect to consistency with applicable general plans, the Coastal Act, and local coastal programs. The statement should also memorialize the results of the review;

- b) Preliminary review and comments from the Coastal Commission staff as to potential issues of Coastal Act consistency; and
- c) Review and comments from any other land use agency with jurisdiction, through a Local Coastal Program or otherwise, over the land which is the subject of the application, including an analysis of consistency of the proposed amendment with its general plan.

LAFCO will consider consistency with the Coastal Act and the relevant general plans in making its Sphere of Influence determination.

*Adopted on June 1, 1977 (Resolution No. 97-F)*  
*Previous Revision on February 2, 2010 (Resolution No. 2011-1)*  
*Last Revision on November 4, 2020 (Resolution No. 2020-32)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **CITY INCORPORATION POLICY**

#### **1. OVERVIEW**

In each county, a Local Agency Formation Commission (LAFCO) has been set up by the State of California to regulate city incorporations and other boundary changes to cities and districts. LAFCO's mission is to promote the orderly formation and development of local governments through its enforcement of state-mandated procedures, State policies, and local LAFCO policies.

The purpose of these guidelines is to provide guidance to citizens who are considering and proposing the incorporations of a new city within the County of Santa Cruz ("County"). These guidelines do not supersede State law or local policies. Local policies include "Spheres of Influence Policies and Guidelines" and "Standards for Evaluating Proposals." In order to make a final decision on a particular proposal, LAFCO may need additional information not specified in these guidelines. While LAFCO will assist in obtaining any additional information that is needed, the proponents may also have to prepare additional information.

#### **2. PURPOSE OF FEASIBILITY STUDY**

The preparation of an incorporation feasibility study is the responsibility of the proponents of a city incorporation. It is an important step in the process. It allows the proponents to understand and, in turn, explain to the citizenry how the new city would operate. Major topics include boundaries, functions, revenues, and expenditures. The feasibility study allows LAFCO to review the effects of the proposal on the entire structure of governmental services. Two of LAFCO's major duties are to make sure that the new city would have sufficient funds with which to operate and would not negatively impact the provision of services by other governmental agencies.

#### **3. STATUTORY BASIS**

Incorporation proceedings are set up by the Cortese-Knox Local Government Reorganization Act of 1985 (Government Code Sections §56000-57550)(the "Act"). Under the Act, LAFCO has the responsibility to review applications and to approve; approve subject to amendments, conditions or modifications; or deny applications. If LAFCO denies the proposal, the Act specifies a one-year waiting period before the proponents may initiate another incorporation proposal. If a proposal is approved, LAFCO will forward it to the County Board of Supervisors, which is responsible for calling an election within the authorized incorporation boundaries. If a majority of registered voters in the proposed city petition the Board of Supervisors to terminate the incorporation process, it is terminated and cannot be resubmitted for two years. If a majority of registered voters in the incorporation area vote for the incorporation, then the new city ~~in-is~~ incorporated. If the proposal is defeated at the election, then there is a two-year waiting period.



#### **4. CONTENTS OF FEASIBILITY STUDY**

For LAFCO to make its decision, sufficient information needs to be put on record and analyzed by the registered voters, the affected governmental agencies, and LAFCO staff. The basic elements of a feasibility study are:

- 1) Reason for proposal.
- 2) Proposed boundary map at a scale that allows the identification of individual assessor's parcels.
- 3) The population and number of registered voters in the incorporation area. Projection of population growth for the next ten years.
- 4) The assessed value of the property in incorporation area.
- 5) A description of the local agencies which presently serve the community, with a discussion of the range and level of services currently provided.
- 6) A list and discussion of the functions that the new city would assume.
- 7) A discussion and supporting data on the financial and service efficiency impacts that the proposal would have on all governmental agencies that would give up service responsibility as a result of this proposal. This discussion should include the effects of the incorporation on adjacent communities, special districts, and the County.
- 8) A list and descriptions of the County and special district functions that the new city is not proposed to assume, a list of the special districts that are proposed to continue services to the new city, and a discussion of the foreseeable level of services in the community after incorporation. If the new city would have any impacts on these districts (including economic or level of service impacts), the feasibility study should discuss the impacts and quantify them, where possible.

A clear and compelling rationale must be provided if the continued overlap of any special district (e.g., water, fire, parks, sanitation, or storm drainage) is proposed. There should be a special emphasis on the impact of incorporation on the County or any special districts which are currently providing services to the area immediately surrounding the proposed city.

- 9) A map showing a proposed sphere of influence of the new city, including the existing sphere of influence of any city that overlaps or comes within two miles of the proposed city sphere.
- 10) A ten-year forecast of revenues and expenditures for the new city broken out by revenue and expenditure categories. The forecast should include the applicable categories in the same order. Where fees will be set by municipality, include projection of fee levels and anticipated volume. Table A depicts the required financial information as part of the ten-year projections.

**Table A: Ten-Year Forecast (Revenue & Expenditure)**

<b>Revenue</b>		<b>Expenditure</b>	
1. Property Tax		1. Legislative	
2. Sales and Use Taxes		2. Management and Support	
3. Transportation Taxes		3. Capital Improvements (Municipal Buildings, etc.)	
4. Transient Lodging Taxes		4. Police	
5. Franchise		5. Fire	
6. Business License Taxes		6. Animal Regulation	
7. Real Property Transfer Taxes		7. Weed Abatement	
8. Utility Users Tax		8. Street Lighting	
9. Construction Permits		9. Disaster Preparedness	
10. Vehicle Code Fines and Forfeitures		10. Streets, Highways, and Storm Drains	
11. Investment Earnings		11. Street Trees and Landscaping	
12. State Motor Vehicle In-Lieu Tax		12. Public Transit	
13. State Cigarette Tax		13. Planning	
14. State Homeowners Relief Tax		14. Construction and Engineering Regulations Enforcement	
15. State Gasoline Tax and SB 325 Funds		15. Housing and Community Development	
16. Federal Aid for Urban Streets		16. Community Promotion	
17. Zoning and Subdivision Fees		17. Physical and Mental Health	
18. Plan Checking Fees		18. Solid Waste	
19. Animal Shelter Fees		19. Sewers	
20. Engineering Fees		20. Parks and Recreation	
21. Weed and Lot Cleaning		21. Libraries	
22. Sewer Service Charges and Connection Fees		22. Water	
23. Solid Waste Revenues		23. Child Care	
24. Library Fines and Fees		24. Senior Services	
25. Park and Recreation Fees		25. Other Expenses	
26. Water Service Charges and Connection Fees			
27. Other Revenues			

The above list is not meant to be all-inclusive. Additional items may be added. When appropriate, any additions should be included in the same category as outlined in the State Controller's Annual Report of the Financial Transactions Concerning Cities of California. The expenditure chart should summarize the level of service and basis for each expenditure. Projected staffing levels should be included. The background information should be included in the report and based on prevailing staffing patterns and wage rates in comparable communities.

- 11) A map of any agricultural or other open space lands in the incorporation boundaries, or the proposed sphere of influence. A discussion of the effect of the proposal on maintaining or converting these lands to other uses.
- 12) A justification of the proposed boundaries explaining why certain sub-areas were included and why adjoining sub-areas were excluded.
- 13) Based upon existing master plans and capital improvement programs of the County and affected districts, the feasibility study shall include a list of planned capital improvements related to city responsibilities, their costs, an indication of which projects would likely be funded, and the source of the funds.

**5. EARLY DISTRIBUTION OF FORECAST OF LOCAL REVENUES**

Upon learning that a community group has been formed to sponsor an incorporation effort and after receiving an appropriate street map of the proposed city from the proponents, LAFCO staff will request a "Forecast of Local Revenues" from the proper State and/or County agencies to determine what funds would be available to the proposed new city.

**6. FURTHER ASSISTANCE**

LAFCO staff is available to incorporation proponents, opponents, affected public agencies, and the general citizenry to provide further assistance. This assistance includes explanations of the incorporation process, copies of the incorporation laws and LAFCO policies, and notices of LAFCO's hearing on the incorporation proposal.

*Adopted on April 5, 1989 (Resolution No. 97-S)  
Last Revision on October 7, 2020 (Resolution No. 2020-29)*

# **CHAPTER V**

## **OTHER POLICIES**



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **CONFLICT OF INTEREST POLICY**

#### **1. OVERVIEW**

LAFCO's Conflict of Interest Policy outlines conflicts of interest rules and the role of LAFCO's legal counsel. The goal of this policy is to provide consistency and fairness to the Commission's decision-making process. Commissioners have a personal responsibility to comply with conflict of interest regulations as promulgated by the California Fair Political Practices Commission ("FPPC"), but they may consult with LAFCO's legal counsel to assist in making decisions in the event of a potential conflict of interest.

#### **2. THE CALIFORNIA POLITICAL REFORM ACT**

The California Political Reform Act (Government Code section 81000, *et seq.*) (the "Act") requires state and local government agencies to establish a conflict of interest code. The FPPC, as the state agency responsible for administering and enforcing the Act, enacted regulations to implement the law. FPPC Regulation section 18730 (Tit. 2, Div. 6, Cal. Code of Regs.) states that an agency can incorporate by reference its model conflict of interest code, which the FPPC amends from time to time. LAFCO adopted and incorporated this model code along with the designation of positions and formulation of disclosure categories in section 18730.

The Act prohibits a Commissioner from using their official position to influence a governmental decision in which they have a financial interest. To help identify potential conflicts of interest, the Act and the FPPC Regulations require Commissioners to report their financial interests (i.e., reportable investments, real property interests, business positions, income and its sources, and other financial interests that may give rise to a conflict of interest) on a form called Statement of Economic Interests ("Form 700"). The conflict of interest code and the Form 700s provide transparency in local government and are fundamental tools in ensuring that officials are acting in the public's best interest and not their own.

#### **3. CONFLICTS OF INTEREST RULES**

Under the Act, a Commissioner has a disqualifying conflict of interest in a LAFCO decision if it is foreseeable that the decision will have a financial impact on their personal finances or other financial interests. A Commissioner with a disqualifying conflict of interest must not make, participate in making, or use their position to influence a LAFCO decision. Commissioners must publicly identify the presence of a conflict of interest and recuse themselves from participating in the affected decision. Recusal allows Commissioners to avoid actual biased decision-making or any appearance of improprieties in favor of the public's interest over their own.

There are five types of interests that might result in disqualification:

- *Business Entity.* A business entity in which a Commissioner has an investment of \$2,000 or more and is a director, officer, partner, trustee, employee, or manager.
- *Real Property.* Real property in which a Commissioner has an interest of \$2,000 or more, including leaseholds.
- *Income.* An individual or an entity from whom a Commissioner has received income or promised income aggregating to \$500 or more in the previous 12 months, including the Commissioner's community property interest in the income of their spouse or registered domestic partner.
- *Gifts.* An individual or an entity from whom a Commissioner has received gifts aggregating to \$500 or more in the previous 12 months.
- *Personal Finances.* A Commissioner's personal finances, including their expenses, income, assets, or liabilities, as well as those of their immediate family.

The financial impact or effect on any of the above interests disqualifies a Commissioner from a LAFCO decision if: (1) the financial impact or effect is foreseeable, and (2) the financial impact or effect is significant enough to be considered material. The FPPC has rules called "materiality standards" to inform which financial effects are important enough to trigger a conflict of interest.

There are two limited exceptions to the conflict of interest rules:

- *The Public Generally Exception.* A Commissioner is not disqualified from a decision if the effect on the Commissioner's interests is indistinguishable from the effect on the public.
- *Legally Required to Participate.* In certain rare circumstances, a Commissioner may be randomly selected to take part in a decision if a quorum cannot be reached because too many Commissioners are disqualified under the Act.

#### **4. ROLE OF LEGAL COUNSEL**

**A.** Commissioners are individually responsible for understanding and following the duties and responsibilities of their office, including making determinations on whether they have disqualifying conflicts of interest in LAFCO decisions. Commissioners are encouraged to consult with legal counsel regarding potential conflicts, exceptions, and recusal. However, counsel's advice cannot provide a Commissioner with any immunities from criminal or civil prosecutions. Only good faith reliance upon written advice from the FPPC on a specific situation can protect a Commissioner. Legal counsel will provide assistance in obtaining an advice letter from the FPPC. Legal counsel is authorized to engage experts, such as appraisers or business consultants in an amount not to exceed \$5,000 if counsel deems such experts are necessary to provide this assistance.

- B. Legal counsel represents LAFCO as an agency governed by the Commission as a corporate body. Therefore, individual consultations with legal counsel are not separately protected by the attorney-client privilege.
- C. Upon consultation, legal counsel will respond directly to the individual Commissioner seeking advice and shall not share the advice with the entire Commission, unless the advice provided involves a Commissioner with a disqualifying interest who intends to participate in a LAFCO decision notwithstanding that advice.
- D. Legal Counsel is not available to provide advice relating to past conduct, to investigate conflicts of interest, or to enforce conflict of interest laws.
- E. Legal Counsel is not available to provide advice to one Commissioner about the implications of another Commissioner's financial interest. However, at the request of the Commission, legal counsel may provide the Commission advice about the validity of its decisions under Government Code section 1090, which restricts Commissioners and designated employees from making a contract in which they are financially interested.
- F. When a member of the public or government agency submits an inquiry about whether a Commissioner has a disqualifying interest under the Act or a financial interest in a contract under Government Code section 1090, that inquiry will be forwarded to the entire Commission, with a copy to legal counsel. It shall be the responsibility of the individual Commissioner, who is the subject of the inquiry, to determine whether they will seek advice from legal counsel, the FPPC, or their own counsel in addressing these inquiries.

*Adopted on September 5, 1979 (Resolution No. 141-H)*  
*Previous Revision on June 2, 2004 (Resolution No. 2004-9)*  
*Last Revision on May 6, 2020 (Resolution No. 2020-08)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **DISCLOSURE OF POLITICAL CONTRIBUTIONS POLICY**

#### **1. OVERVIEW**

The Commission finds that the public interest would be served by adoption of procedures for the public disclosure of contributions and expenditures relating to Commission proposals, and further finds that adopting the process is consistent with State law, including the Political Reform Act of 1974, as amended.

#### **2. DEFINITIONS**

Unless otherwise provided, definitions of the terms used herein shall be those contained in the Political Reform Act of 1974, as amended.

“Contribution” as used herein shall have the same definition as provided in Government Code Section 82015, as amended.

“Expenditure” as used herein shall have the same definition as provided in Government Code Section 82025, as amended.

“Independent expenditure” as used herein shall have the same definition as provided in Government Code Section 82031, as amended, except that the term “measure” as used in Section 82031 shall be replaced with the term “LAFCO Proposal.”

“Political purposes” as used herein shall mean for the purpose(s) of: (i) influencing public opinion and/or actions of voters; (ii) lobbying public officials including LAFCO Commissioners; and/or, (iii) influencing legislative or administrative action as defined in Government Code § 82032.

It shall not include for the purpose(s) of complying with legal requirements and LAFCO rules for the processing of a proposal, including, but not limited to and by way of example only, preparation of a comprehensive fiscal analysis for an incorporation (Government Code Section 56800) or documents necessary to comply with the California Environmental Quality Act, Public Resources Code Section 21000 et seq., such as a mitigated negative declaration or environmental impact report.

#### **3. APPLICABILITY**

These policies and procedures are applicable to LAFCO Proposals, as defined in Government Code § 82035.5 and sphere of influence adoption, amendment or review, when applications for same are submitted for filing with Executive Officer. LAFCO proposals include but are not limited to annexation to a city or district, incorporation, or formation or dissolution of a special district.



#### **4. GENERAL REQUIREMENTS OF DISCLOSURE**

Any person or combination of persons who directly or indirectly makes an expenditure or independent expenditure for political purposes of \$1,000 or more in support of, or in opposition to, a change of organization, reorganization, or sphere of influence adoption or amendment proposal submitted to the commission shall comply with the reporting and disclosure requirements of Article 2.5 (commencing with Section 84250) of Chapter 4 of the Political Reform Act (Government Code §§ 81000 et seq.). Such reporting and disclosure requirements, except as otherwise excluded herein, extend to those required by the Fair Political Practices Commission Regulations regarding such disclosures and shall include disclosure of contributions, expenditures and independent expenditures.

A committee primarily formed to support or oppose a LAFCO proposal shall file all statements required under Chapter 4 of the Political Reform Act except that, in lieu of the statements required by Sections 84200 and 84202.3, the committee shall file monthly campaign statements from the time circulation of a petition begins until a measure is placed on the ballot or, if a measure is not placed on the ballot, until the committee is terminated pursuant to Section 84214.

The committee shall file an original and one copy of each statement on the 15th day of each calendar month, covering the prior calendar month, with the clerk of the county in which the measure may be voted on. If the petition results in a measure that is placed on the ballot, the committee thereafter shall file campaign statements required by Chapter 4. In addition to any other statements required by Chapter 4, a committee that makes independent expenditures in connection with a LAFCO proposal shall file statements pursuant to Section 84203.5.

#### **5. CERTAIN REPORTS AND DISCLOSURES**

This policy also requires that the persons subject to it comply with the regulations regarding the names of campaign committees, disclosures of the sources of mass mailings, and disclosures of the source of automated telephone calls under Government Code Sections 84501 et seq. and the regulations of the Fair Political Practices Commission implementing those sections.

#### **6. FILING OFFICE**

All reports and disclosures required hereunder shall be filed with the Santa Cruz County elections official, who the Santa Cruz LAFCO hereby designates as a deputy of LAFCO for purposes of receiving and filing such reports. LAFCO Commissioners (Regular and Alternate) and staff (Executive Officer, Legal Counsel, Commission Clerk, and Analysts) submit their annual Statement of Economic Interests (Form 700) by using the County's e-filing system. This online platform is managed and operated by the County Clerk/Elections Department.

For this purpose, forms developed by the Fair Political Practices Commission for disclosures relating to ballot measures shall be used as specified by the Santa Cruz County Elections Office. Acceptable methods of filing or delivery shall conform to those applicable to elections relating to ballot measures. Copies of filed statements will be available to any person upon payment of 10¢ per page.

## **7. FILING SCHEDULE**

Prior to a LAFCO decision by resolution on an application, any required disclosures shall be filed with the Santa Cruz County Elections Department no later than twelve days before the noticed date of the public hearing or continued deliberation or discussion on the proposal at LAFCO. The period covered by this report shall be from any prior filing period to seventeen days preceding the LAFCO hearing date.

Additionally, contributions and expenditures for the period commencing sixteen days before the LAFCO meeting and ending one day before the LAFCO meeting shall also be filed with the Santa Cruz County Elections Department within 24 hours of receipt or expenditure but in no event later than 24 hours before the LAFCO meeting begins. Should the LAFCO hearing or deliberation or discussion be continued to additional dates, or be accepted for reconsideration, the foregoing periods apply for expenditures or contributions received after the initial date and prior to the subsequent dates. Additionally, contributions and expenditures from any prior filing period to seven days after a decision has been made, shall be filed with the Elections Department no later than fourteen days after a decision has been made.

After a final LAFCO decision by resolution and until the completion of protest and election proceedings, disclosures shall conform to all requirements for campaign committees pursuant to the Political Reform Act. For purposes of determining the deadlines by which such reports and disclosures must be filed, the term "election" as used in the Political Reform Act for determining such deadlines shall mean the date of the originally scheduled commission hearing on a proposal for organization, reorganization, or sphere of influence adoption or amendment. If no hearing date has been scheduled at the time a person becomes subject to disclosure under this policy, he or she shall request that the executive officer establish a date to serve as the "election" date for this purpose. The executive officer shall establish a date, such as, but not limited to, the date which is 6 months after the first filing with the commission regarding the proposal, and inform the requestor of that date in writing.

## **8. NOTICE**

The following notice shall be printed on the Commission's application forms, the resulting notices of public hearing, the agenda of each meeting, and the Commission's website:

"Pursuant to Government Code Sections §56100.1, §56300(b), §56700.1, §59009, and §81000 et seq., and Santa Cruz LAFCO's Policies and Procedures for the Disclosures of Contributions and Expenditures in Support of and Opposition to proposals, any person or combination of persons who directly or indirectly contributes a total of \$1,000 or more or expends a total of \$1,000 or more in support of or opposition to a LAFCO Proposal must comply with the disclosure requirements of the Political Reform Act (Section 84250). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained at the Santa Cruz County Elections Department, 701 Ocean Street, Room 210, Santa Cruz CA 95060 (phone 831-454-2060)."

**9. AMENDMENT**

These policies and procedures may be further amended from time to time by Santa Cruz LAFCO following a noticed public hearing pursuant to State law.

**10. REPORTING REQUIREMENTS ARE NON-EXCLUSIVE**

The disclosure and reporting requirements herein are in addition to any other requirements that may be otherwise applicable under provisions of the Political Reform Act or by local ordinance.

**11. ENFORCEMENT**

Enforcement and penalties for violation of these policies and procedures shall be pursuant to the Political Reform Act of 1974 and its corresponding regulations, to the extent permitted by law.

*Adopted on March 3, 2010 (Resolution No. 2010-1)  
Last Revision on May 6, 2020 (Resolution No. 2020-09)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **SPECIAL DISTRICTS GOVERNANCE POLICY**

#### **1. OVERVIEW**

The Special Districts Governance Policy was first introduced in December 1981. The intent was to set rules and regulations that will govern the functions and services of independent special districts. The purpose was to clarify the legal requirements under Government Code Section 56450 et seq. These particular sections were eventually repealed and replaced with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("Cortese-Knox-Hertzberg Act" or "CKH Act"). The Cortese-Knox-Hertzberg Act establishes procedures for local government changes or organization, including city incorporations, annexations to a city or special district, and city and special district consolidations.

#### **2. GOVERNANCE**

There are three primary sources of authority for forming and reorganizing special districts. The first is the special district's enabling act. Most types of districts have a series of statutes specific to that type of special district. These statutes often contain the procedures for creating that type of special district. The second is the Cortese-Knox-Hertzberg Act, which governs the establishment and reorganizations of local governments. Finally, there is the District Organization Law, which provides standardized special district organization and governance procedures for certain types of special districts<sup>6</sup>.

For purposes of this policy, the following sections will focus on the special districts under LAFCO's purview in accordance with Government Code Section 56036:

- a) "District" or "special district" are synonymous and mean an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries and in areas outside district boundaries when authorized by the commission pursuant to Government Code Section 56133.
- b) "District" or "special district" includes a county service area, but excludes all of the following: (1) The state, (2) A county, (3) A city, (4) A school district or a community college district, (5) An assessment district or special assessment district, (6) An improvement district, (7) A community facilities district formed pursuant to the Mello-Roos Community Facilities Act of 1982 (California Government Code section 53311 et seq.), (8) A permanent road division (formed pursuant to California Government Code 1160), (9) An air pollution control district or an air quality maintenance district, and (10) A zone of any special district.

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<sup>6</sup> California Special Districts Association – Laws Governing Special Districts (December 23, 2015)

**3. PRINCIPAL ACTS**

Principal Acts are statutes established for an entire category of special districts. The Commission creates and governs independent special districts under the authority of these acts. Each special district type has its own principal act. Exhibit A is a list of independent special district types, the location of the associated principal act, and other relevant information about the district types.

**4. SPECIAL ACTS**

Special Acts are statutes that address the specific needs of a community and establish a specific special district to address those needs. These districts (rather than district types) are uniquely created by the Legislature. Below is a list of special acts affecting Santa Cruz County:

Type	Code Section
<b>Flood Control</b>	
Santa Cruz County Flood Control and Water Conservation District Act (1955; Chapter 1489)	Water Code (77-1)
<b>Transit</b>	
Santa Cruz Metropolitan Transit District Act of 1967	Public Utilities Code (§98000 et seq.)
<b>Water Agency or Authority</b>	
County Water Authority Act (1943; Chapter 545)	Water Code (45-1)
Pajaro Valley Water Management Agency Act (1984)	Water Code (124-1)

## Special District Principal Acts

Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>Airport Districts</b>  Public Utilities Code (§22001 et seq.)	Assist in the development of airports, spaceports, and air navigation facilities	Any territories of one or more counties and one or more cities, all or any part of any city and any part of the unincorporated territory of any county; the boundaries of a district may be altered and outlying contiguous territory in the same or an adjoining county annexed to the district.	Elected by resident voters to 4-year terms	5 Directors
<b>California Water Districts</b>  Water Code (§34000 et seq.)	Maintain the necessary works for the production, storage, and distribution of water for irrigation, domestic, industrial, and municipal purposes, and any drainage or reclamation works	Any area of land which is capable of using water beneficially for irrigation, domestic, industrial or municipal purposes and which can be serviced from common sources of supply and by the same system of works; area need not be contiguous	Elected by landowner voters to 4-year terms	At least 5 Directors (may be increased to 7, 9, or 11)
<b>California Water Storage Districts</b>  Water Code (§39000 et seq.)	Maintain the necessary works for the storage and distribution of water and drainage or reclamation works	Any land irrigated or capable of irrigation from a common source; under specific conditions the district need not be contiguous	Elected by landowner voters to 4-year terms	At least 5 Directors
<b>Citrus Pest Districts</b>  Food & Agri. Code (§8401 et seq.)	Control and eradicate citrus pests	Any county devoted exclusively to the growing of citrus fruits	Appointed by the Board of Supervisors to fixed 4-year terms	5 Directors
<b>Community Services Districts</b>  Government Code (§61000 et seq.)	Provide up to 32 different services such as, water, garbage collection, wastewater management, security, fire protection, public recreation, street lighting, mosquito abatement services, etc.	Any county or counties of an unincorporated territory or incorporated territory of a contiguous or noncontiguous area	Elected by resident voters to 4-year terms	5 Directors
<b>Cotton Pest Abatement Districts</b>  Food & Agri. Code (§6051 et seq.)	Control and prevent introduction of pests, and oversee cotton plants in areas that are at risk of pests	Any land in more than one of the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura with the consent of the Board of Supervisors of the counties affected	Appointed by the Board of Supervisors to fixed 4-year terms	5 Directors

Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>County Sanitation Districts</b>  Health & Safety Code (§4700 et seq.)	Maintain and operate sewage systems and sewage disposal or treatment plants	Any unincorporated or incorporated territory or both; the incorporated territory included in the district may include the whole or part of one or more cities with the permission of that city	Elected by resident voters to 4-year terms or may choose to have a mixed board	3 Directors
<b>County Water Districts</b>  Water Code (§30000 et seq.)	Develop regulations for the distribution and consumption of water; sell water; collect and dispose sewage, garbage, waste, trash and storm water; store water for future needs; may generate hydroelectric power; and provide fire protection under specified conditions	Any county or two or more contiguous counties or of a portion of such county or counties, whether the portion includes unincorporated territory or not	Elected by resident voters to 4-year terms	At least 5 Directors (may be increased to 7, 9, or 11)
<b>Fire Protection Districts</b>  Health & Safety Code (§13800 et seq.)	Provide fire protection and other emergency services	Any territory, whether incorporated or unincorporated, whether contiguous or noncontiguous, may be included	Elected by resident voters to 4-year terms or appointed by the Board of Supervisors (and City Council where applicable) to fixed 4-year terms	May be 3, 5, 7, 9, or 11 Directors (not to exceed 11)
<b>Harbor Districts</b>  Harbors & Navigation Code (§6000 et seq.)	Manage any bay, harbor, inlet, river, channel, etc. in which tides are affected by the Pacific Ocean	Any portion or whole part of a county, city, or cities, the exterior boundary of which includes a harbor	Elected by resident voters to 4-year terms	5 Commissioners
<b>Health Care / Hospital Districts</b>  Health & Safety Code (§32000 et seq.)	Establish, maintain, and operate, or provide assistance in the operation of, one or more health facilities or health services, including, but not limited to: outpatient programs, services, and facilities; retirement programs, services, and facilities; chemical dependency programs, services, and facilities	Any incorporated or unincorporated territory, or both, or territory in any one or more counties; the territory comprising this district need not be contiguous but the territory of a municipal corporation shall not be divided	Elected by resident voters to 4-year terms	5 Directors

Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>Irrigation Districts</b>  Water Code (§20500 et seq.)	Sell and lease water; operate sewage collection and disposal system; deliver water for fire protection; dispose and salvage sewage water; protect against damage from flood or overflow; provide drainage made necessary by the irrigation provided; maintain recreational facilities in connection with any dams, reservoirs, etc.; and operate and sell electrical power	Any land capable of irrigation; includes land used for residential or business purposes susceptible of receiving water for domestic or agriculture purposes; need not be contiguous	Elected by resident voters to 4-year terms	3 or 5 Directors
<b>Levee Districts</b>  Water Code (§70000 et seq.)	Protect the district's land from overflow by constructing and maintaining the necessary infrastructure	Any county or counties or any portion thereof of an unincorporated territory or incorporated territory in need of protection of the lands of the district from overflow and for the purpose of conserving or adding water to the sloughs and drains	Elected by landowner voters to 4-year terms	3 Directors
<b>Library Districts</b>  Education Code (§19400 et seq.)	Equip and maintain a public library in order to exhibit knowledge in a variety of areas	Any incorporated or unincorporated territory, or both, in any one or more counties, so long as the territory of the district consists of contiguous parcels and the territory of no city is divided	Appointed by the Board of Supervisors to fixed 4-year terms	3 or 5 Trustees
<b>Memorial Districts</b>  Military & Veterans Code (§1170 et seq.)	Operate and maintain memorial halls, meeting places, etc. for veterans	Any incorporated territory of the county together with any contiguous unincorporated territory thereof; or may be formed entirely of contiguous incorporated territory; or entirely of contiguous unincorporated territory	Elected by resident voters to 4-year terms	5 Directors
<b>Mosquito Abatement &amp; Vector Control Districts</b>  Health & Safety Code (§2000 et seq.)	Conduct effective programs for the surveillance, prevention, abatement and control of mosquitos and other vectors	Any territory, whether incorporated or unincorporated, whether contiguous or noncontiguous and districts may not overlap	Appointed by the Board of Supervisors or the City Council to fixed 2–4-year terms	5 Trustees



Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>Municipal Utility Districts</b>  Public Utilities Code (§11501 et seq.)	Manage and supply light, water, power, heat, transportation, telephone service, or other means of communication, or means for the collection, treatment, or disposition of garbage, sewage or refuse matter	Any public agency together with unincorporated territory, or two or more public agencies, with or without unincorporated territory; public agencies and unincorporated territory included within a district may be in the same or separate counties and need not be contiguous; no public agency shall be divided in the formation of a district	Elected by resident voters to 2-4 year terms	5 Directors
<b>Municipal Water Districts</b>  Water Code (§71000 et seq.)	Develop and sell water; promote water use efficiency; operate public recreational facilities; provide fire protection; collect and dispose trash, garbage, sewage, storm water and waste; and generate, sell and deliver hydroelectric power	Any county or counties, or of any portions thereof, whether such portions include unincorporated territory only or incorporated territory of any city or cities; cities and unincorporated territory does not need to be contiguous	Elected by resident voters to 4-year terms	5 Directors
<b>Police Protection Districts</b>  Health & Safety Code (§20000 et seq.)	Provide police service to a community	May be formed in unincorporated towns	Elected by resident voters to 2-4 year terms	3 Commissioners
<b>Port Districts</b>  Harbors & Navigation Code (§6200 et seq.)	Maintain and secure the ports	Shall include one municipal corporation and any contiguous unincorporated territory in any one county, but a municipal corporation shall not be divided	Appointed by the Board of Supervisors and City Council to fixed 4-year terms, and approved by resident voters	5 Commissioners
<b>Public Cemetery Districts</b>  Health & Safety Code (§9000 et seq.)	Maintain public cemeteries in communities as necessary	Any territory, whether incorporated or unincorporated, whether contiguous or noncontiguous; districts may not overlap	Appointed by the Board of Supervisors to fixed 4-year terms	3 or 5 Trustees

Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>Public Utility Districts</b>  Public Utilities Code (§15501 et seq.)	Maintain the infrastructure to provide electricity, natural gas, water, power, heat, transportation, telephone service, or other means of communication, or the disposition of garbage, sewage, or refuse matter	May be incorporated and managed in unincorporated territory	Elected by resident voters to 2-4 Year terms	At least 3 Directors
<b>Reclamation Districts</b>  Water Code (§50000 et seq.)	Reclaim and maintain land that is at risk of flooding for a variety of purposes	Any land within any city in which land is subject to overflow or incursions from the tide or inland waters of the state	Elected by landowner voters to 4-year terms	3, 5 or 7 Trustees
<b>Recreation &amp; Park Districts</b>  Public Resource Code (§5780 et seq.)	Organize and promote programs of community recreation, parks and open space, parking, transportation and other related services that improve the community's quality of life	Any territory, whether incorporated or unincorporated, whether contiguous or noncontiguous	Elected by resident voters to 4-year terms or appointed by the Board of Supervisors to fixed 4-year terms	5 Directors
<b>Resource Conservation Districts</b>  Public Resource Code (§9151 et seq.)	Manage a diversity of resource conservation projects, including soil and water conservation projects, wildlife habitat enhancement and restoration, control of exotic plant species, watershed restoration, conservation planning, education, and many others	Any land shall be those generally of value for agricultural purposes, but other lands may be included in a district if necessary to conserve resources	Elected by resident voters to 4-year terms	5 ,7, or 9 Directors
<b>Sanitary Districts</b>  Health & Safety Code (§6400 et seq.)	Maintain and operate garbage dumpsites, garbage collection and disposal systems, sewers, storm water drains and storm water collection, recycling and distribution systems	Any county, or in two or more counties within the same natural watershed area	Elected by resident voters to 4-year terms	5 Directors

Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>Transit Districts</b>  Public Utilities Code (§24501 et seq.)	Construct and operate rail lines, bus lines, stations, platforms, terminals and any other facilities necessary or convenient for transit service	Any city together with unincorporated territory, or two or more cities, with or without unincorporated territory may organize and incorporate as a transit district; cities and unincorporated territory included within a district may be in the same or separate counties and need not be contiguous; no city shall be divided in the formation of a district	Elected by resident voters to 2-4 year terms	7 Directors
<b>Water Conservation Districts</b>  Water Code (§74000 et seq.)	Maintain, survey, and research water supplies	Unincorporated territory or partly within unincorporated and partly within incorporated territory, and may be within one or more counties that need water conservation services; territory does not need to be contiguous	Elected by resident voters to 4-year terms	3, 5 or 7 Directors
<b>Water Replenishment Districts</b>  Water Code (§60000 et seq.)	Replenish the water and protect and preserve the groundwater supplies	Any land entirely within unincorporated territory, or partly within unincorporated territory and partly within incorporated territory, and within one or more counties in this state	Elected by resident voters to 4-year terms	5 Directors

*Adopted on December 7, 1994 (Resolution No. 801-D)*  
*Last Revision on October 7, 2020 (Resolution No. 2020-28)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **WATER POLICY**

#### **1. OVERVIEW**

Government Code Section 56300 requires each Local Agency Formation Commission to establish written policies and to exercise its powers in a manner pursuant to the Cortese-Knox-Hertzberg Local Government Act of 2000 and consistent with the written policies of each Commission. In 1964, the Commission adopted the first water policy to align the limited water supply with existing service providers and smart growth as population continues to increase in Santa Cruz County. The purpose of this policy is to clarify LAFCO's role when considering boundary changes involving cities and special districts.

#### **2. SPHERES OF INFLUENCE**

LAFCO recognizes that the water resources of Santa Cruz County are limited, and the Commission's objective is to ensure that its decisions relating to water do not lead to adverse impacts on the natural resources of Santa Cruz County. In reviewing sphere adoptions and amendments, LAFCO will be guided by the potential impacts of the proposal on water resources and will consider the efforts of the water agencies and land use agencies to maintain stream and river flows, promote high water quality of surface waters and groundwater, and reduce groundwater overdraft.

To assist in the review of sphere boundaries and other LAFCO reports, the Commission will utilize the following data sources to maintain an ongoing data base of the supply, demand, and related water data of the local water agencies subject to LAFCO's boundary regulation:

- a) The Public Water System Annual Reports filed by each public water agency with the State Water Resources Control Board;
- b) The Urban Water Management Plans prepared by water suppliers with 3000 or more customers as required by the California Water Code Sections 10610 et.seq; and
- c) The annual Water Resources Report prepared for consideration by the Santa Cruz County Board of Supervisors.

#### **3. BOUNDARY CHANGES**

In any proposal requiring water service, the Commission requires that the affected agency identified as the potential water provider to demonstrate the availability of an adequate, reliable and sustainable supply of water. The following factors may be considered:

- a) In cases where a basin is overdrafted or existing services are not sustainable, a boundary change proposal may be approved if there will be a net decrease in impacts on water resources;
- b) In cases where a phased development is proposed, the agency should demonstrate that adequate service capacity will be provided as needed for each phase;
- c) In cases where a proposed new service area will be served by an onsite water source, the proponent should demonstrate its adequacy (Government Code Section 56668[k]); and
- d) In cases where the proposal's new water demand on the agency does not exceed the typical amount of water used by a single-family dwelling in the agency's service area, the Commission will not require that an "adequate, reliable, and sustainable" supply be demonstrated if the agency has a water conservation program and the program will be implemented as part of any new water service.

#### **4. SERVICE REQUEST**

Proposals requesting water service from a city of special district will need to provide proof of lack of services to existing urban land uses, a building permit application, allocation for a single-family dwelling, or for a larger project by: (1) a tentative or final land use entitlement (tentative subdivision map use permit, etc.) conditioned on obtaining water service and (2) a growth rate and pattern that the subject area will be developed within 5 years.

The Commission will only approve boundary change applications when the Commission determines that it is unlikely that water resources will be degraded. The Commission will review each application to assure that, by implementing project-specific mitigations, participating in agency water conservation programs, or both if applicable, the project will not adversely affect sustainable yields in groundwater basins, flows in rivers and streams, water quality in surface water bodies and groundwater basins, and endangered species.

#### **5. EXTRATERRITORIAL SERVICE AGREEMENTS**

When the Commission authorizes the emergency provision of water services via extraterritorial service outside an agency's boundaries, and annexation is practical, the Commission will require annexation to be completed within two years.

#### **6. CONNECTION MORATORIUM**

It is the general policy of the Commission to disapprove annexations to water and sewer agencies (including cities that provide either service) while there is a connection moratorium or other similar service limitation involving the subject water or sewer service. The Commission will consider exceptions to this general policy on a case-by-case basis. The Commission may approve an annexation that meets one or more of the following criteria:

- a) To replace a private water source that has failed, such as a well that has gone dry, new service connections shall not be sized to accommodate more intensive development;
- b) To replace a septic system that has failed, new service connections shall not be sized to accommodate more intensive development;
- c) To implement a transfer of service between two existing agencies such transfer shall be in a manner that is consistent with the adopted Spheres of Influence of those agencies; and
- d) To change a boundary, in a manner consistent with an adopted Sphere of Influence, an agency boundary shall not divide a property that could only be conveyed under a single deed.

Between January 1, 1986 and the time the service limitation is totally lifted, the Commission shall limit the annexations so that the number of cumulative connections made under the above exemption criteria do not exceed 1% of the total agency's flow (as expressed in equivalent single family dwelling units) in service on January 1, 1986. In this case, an additional criteria not subject to the 1% cumulative impact limitation would be to provide facilities or funding that will allow the agency to lift its service limitation.

## 7. PUBLIC PARTICIPATION

Water resources and supplies are critical issues for many spheres of influence and application decisions made by LAFCO. Public information and participation are important components in the decisions made by the Commission, the land use agencies, and the water agencies. To promote public education, at least every two years, the Local Agency Formation Commission will sponsor, or co-sponsor with the Regional Water Management Foundation, the County of Santa Cruz, and local water agencies, a public forum that provides the public with an overview of the state of the water supplies in Santa Cruz County.

It is preferable that the residents who use water also participate in the governance of the system that provides the water. Therefore, in making decisions on spheres of influence and boundary changes, the Commission will favor water supply entities for which the users of the system participate in the governance of the system.

*Adopted on March 17, 1964 (Resolution No. 14)  
Previous Revision on February 2, 2010 (Resolution No. 2011-1)  
Last Revision on November 4, 2020 (Resolution No. 2020-33)*

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
RESOLUTION NO. 2024-07

On the motion of Commissioner  
duly seconded by Commissioner  
the following resolution is adopted:

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
APPROVING THE AMENDMENTS TO THE  
COMPREHENSIVE POLICIES AND PROCEDURES HANDBOOK

\*\*\*\*\*

WHEREAS, the Local Agency Formation Commission of Santa Cruz County (“LAFCO” or “Commission”) adopted a series of policies and procedures since its creation in 1963; and

WHEREAS, the first policy was adopted on March 17, 1964 (Water Policy) and the latest policy was adopted on September 6, 2023 (City Selection Committee Policy). In total, the Commission now has 21 distinct policies in place; and

WHEREAS, the Commission previously reviewed and updated each individual policy on a “as-needed” basis; and

WHEREAS, the Commission conducted an extensive review and update of each of the existing policies and procedures during the 2020 calendar year; and

WHEREAS, on September 6, 2023, the Commission determined that the existing policies and procedures should be combined into a single handbook for a more efficient annual review process; and

WHEREAS, the comprehensive policies and procedures handbook was reviewed on March 6, 2024 and the Commission determined that amendments were needed to reflect current practices; and

NOW, THEREFORE, BE IT RESOLVED, the Commission hereby updates the comprehensive policies and procedures handbook, as shown in Exhibit A, to address outdated language, incorporate recent changes, and reflect current practices.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 6th day of March 2024.

AYES:

NOES:

ABSTAIN:

\_\_\_\_\_  
JOHN HUNT, CHAIRPERSON

Attest:

Approved as to form:

\_\_\_\_\_  
Joe A. Serrano  
Executive Officer

\_\_\_\_\_  
Joshua Nelson  
LAFCO Counsel

# **Santa Cruz LAFCO Policies & Procedures Handbook**

**Local Agency Formation Commission of Santa Cruz County**

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# **CHAPTER I**

## **ADMINISTRATION & OPERATIONS**



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **EMPLOYMENT POLICY**

#### **1. OVERVIEW**

This policy applies to the employees of the Local Agency Formation Commission of Santa Cruz County ("LAFCO" or "Commission"). It is not intended to be comprehensive or address all aspects of the topics described below. This Policy supersedes all prior LAFCO employment policies and is intended to supplement, not supersede, current applicable state and federal statutes. Applicable state and federal statutes control if they conflict with any of the guidelines in this Policy.

Employees are expected to read this Policy carefully and know, understand and abide by its contents. LAFCO reserves the right to interpret the Policy's provisions and make changes to the Policy at any time. This Policy does not confer any contractual rights or guarantee any terms or conditions of employment.

#### **2. EQUAL EMPLOYMENT OPPORTUNITY**

LAFCO provides equal employment opportunity for all applicants and employees. LAFCO does not unlawfully discriminate on the basis of race, color, religion, religious creed (including religious dress and religious grooming), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity, gender expression, national origin, ancestry, citizenship, age, physical or mental disability, legally protected medical condition or information (including genetic information) family care or medical leave status, military caregiver status, military status, veteran status, marital status, domestic partner status, sexual orientation, or any other basis protected by local, state, or federal laws.

#### **3. DISABILITY ACCOMMODATION**

LAFCO is committed to complying fully with state and federal disability discrimination laws. As previously stated, no program or activity administered by the employer shall exclude from participation, deny benefits to or subject to discrimination any individual based on an employee's actual or perceived disability or based on an employee's association with someone who has an actual or perceived disability.

LAFCO is further committed to providing reasonable accommodation to the known physical or mental limitations of an otherwise qualified applicant or employee. If you believe you are a qualified individual with a disability and that you need a reasonable accommodation in order to perform the essential functions of your job, please notify the Executive Officer. The accommodation process is interactive and allows the applicant or employee to identify possible accommodations. However, LAFCO has the right to choose among effective accommodations.

#### **4. AT-WILL EMPLOYMENT**

The employment relationship between LAFCO and its employees is for an unspecified term and may be terminated by the employee, Executive Officer or the Commission at any time, with or without cause or advanced notice. Also, LAFCO reserves the right

to transfer, demote, suspend, or administer discipline with or without cause or advance notice. None of the policies, procedures, or contents of this policy is intended to create any contractual obligations which in any way conflict with LAFCO's policy of At-Will Employment. The at-will relationship can only be modified by a written agreement signed by the employee and the LAFCO Executive Officer.

## **5. POLICY AGAINST HARRASMENT**

LAFCO prohibits and will not tolerate harassment of employees, applicants, or persons providing services pursuant to a contract based on factors such as race, color, religion, national origin, ancestry, sex, gender, age, medical condition, sexual orientation, marital status, pregnancy, physical and mental disabilities, veteran or other protected status, including persons perceived to have any of these characteristics or associating with someone who has or is perceived to have any of these characteristics. LAFCO will also take all reasonable steps to prevent harassment based on protected status by third parties, such as customers, clients and suppliers. All such harassment is prohibited by LAFCO and is against the law.

### **5.1 Definition**

Harassment is unwelcomed, and inappropriate conduct directed at an employee, based upon one of the characteristics protected under the federal and state anti-discrimination laws, that substantially prevents an employee from performing their duties, serves to threaten or intimidate an employee, and/or produce a hostile work environment.

Prohibited unlawful harassment includes, but is not limited to, the following behavior: (1) Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments; (2) Visual conduct such as derogatory and/or sexually-oriented posters, photography, cartoons, drawing or gestures; (3) Physical conduct such as assault, unwanted touching, blocking normal movement or interfering with work because of sex, race or any other protected basis; and (4) Threats, demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors.

### **5.2 Reporting and Compliant Procedure**

An employee who believes that they have been subjected to any form of unlawful harassment should promptly make a complaint, preferably written, to the Executive Officer, or if it involves the Executive Officer, to the Chair of the Commission. Complaints should be specific and should include the names of individuals involved and the names of any witnesses. LAFCO will immediately undertake an effective, thorough, and objective investigation and attempt to resolve the situation. If LAFCO determines that unlawful harassment has occurred, effective remedial action will be taken commensurate with the severity of the offense, up to and including termination. Appropriate action will also be taken to deter any future unlawful harassment.

### **5.3 Retaliation**

Employees will not be retaliated against for bringing a complaint in good faith under the Equal Employment Opportunity Policy or the Policy Against Harassment, or for honestly assisting in investigating such a complaint, even if the investigation produces insufficient evidence that there has been a violation, or if the charges cannot be proven. However, disciplinary action may be taken if false or frivolous accusations are

made in bad faith. An employee who believes that they have been subjected to any form of unlawful retaliation should promptly make a complaint, preferably written, in the same manner as described above. Complaints of harassment will be investigated, and appropriate action will be taken to protect LAFCO employees from any form of unlawful retaliation.

## **6. PERFORMANCE MANAGEMENT**

The intent of the performance review process is to create a supportive, safe, professional performance review process and environment that optimizes the employee's ability to receive and actualize constructive performance feedback and that motivates the employee to pursue personal and professional growth/excellence authentically and actively. The Commission's Personnel Policy provides more information regarding staff's annual performance evaluation.

## **7. PERSONNEL RECORDS**

Employees have the right to inspect certain documents in their personnel file, as provided by law, in the presence of a LAFCO representative at a mutually convenient time. Employees may add written versions of any disputed item to their file.

LAFCO will attempt to restrict disclosure of an employee's personnel file to authorized individuals within the organization. Any request for information from the file must be made to the Executive Officer or specific designee. Only the Executive Officer or specific designee is authorized to release information regarding current or former employees. Disclosure of personnel information to outside sources will be limited to the extent allowed by law. However, LAFCO will cooperate with requests from authorized law enforcement or local, state or federal agencies conducting official investigations, with validly issued subpoenas and as otherwise required by law or legal proceeding to be released.

## **8. EMPLOYMENT CATEGORIES**

The intent of this section is to define employment categories so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and LAFCO.

### **8.1 Exempt/Non-Exempt**

Each employee is designated as either Exempt or Non-Exempt from federal and state wage and hours. An employee's Exempt or Non-Exempt classification may be changed only upon written notification by the Executive Officer. Generally, Exempt employees (as defined by the Fair Labor Standards of 1938) are not eligible for minimum wage or overtime pay, while Non-Exempt employees are eligible.

### **8.2 Employment Categories**

In addition to information above, each employee will belong to one of the following employment categories:

- **Regular Full Time** – Employees who are not in an extra help status and who are regularly scheduled to work LAFCO's full-time schedule. Generally, they are eligible for LAFCO's benefit package, subject to the terms, conditions, and limitations of each benefit program.

- Part Time – Employees who are not assigned to an extra help status and who are regularly scheduled to work less than 30 hours per week. While part time employees do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they may be ineligible for some of LAFCO's other benefit programs.
- Extra help – Employees who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Extra help employees retain that status unless and until notified of a change in writing signed by the Executive Officer. Extra help employees are ineligible for LAFCO's benefit programs unless otherwise required by law.
- Intern – LAFCO may utilize the services of paid student interns. Interns are used to supplement the LAFCO work force and provide opportunities for local students to gain local government work experience. Employment is for a specified period of time. Interns are ineligible for LAFCO's benefit programs.

## 9. JOB CLASSIFICATIONS

The intent of this section is to define job descriptions so that employees understand their employment duties and responsibilities. Job descriptions identified in the following section summarize typical tasks but may comprise further responsibilities not listed.

### 9.1 Executive Officer Classifications

- Position Responsibilities: Under general supervision of the Commission to conduct and perform the Commission's administrative and advisory services, to supervise the daily activities of the Commission staff, and to act as a liaison between the Commission and governmental agencies and the general public.
- Typical Duties: Analyze and evaluate information on administrative and policy matters and advise the Commission on recommended action; conduct studies on governmental reorganization; comply with all legal requirements relating to the Commission's hearings; staff advisory committees to the Commission; prepare correspondence; supervise the maintenance of the Commission's files; attend all Commission meetings; attend City Council, County Board of Supervisors, and Special District Board meetings as necessary; perform as liaison officer between the Commission and cities, special districts, the County, State institutions and the general public; prepare the annual budget for the Commission; supervise the Commission's staff; review proposed local and state legislation, and appear at legislative hearings to represent the position of the Commission.

### 9.2 LAFCO Analyst

- Position Responsibilities: Under the direction of the Executive Officer, the LAFCO Analyst provides a full range of administrative and analytical services to Santa Cruz LAFCO involving a variety of matters that are complex and technical. Other roles include planning, organizing, and managing office activities, and performing other related duties as required. This "at will" position is appointed by and serves at the pleasure of the LAFCO Executive Officer and the Commission.

- **Typical Duties:** Under the direction of the Executive Officer, the LAFCO Analyst completes various tasks and duties including but not limited to: (1) Assembling LAFCO meeting agenda packets and notices of meetings; recording LAFCO meetings and preparing resulting documents including minutes and resolutions; (2) Developing, maintaining and updating LAFCO files and records systems for tracking applications, project activities, contracts, and other records; (3) Ordering supplies and services and maintain records of expenditures; (4) Preparing and reviewing correspondence, memoranda and other written materials; (5) Tracking correspondence, filings, and materials with deadlines and expiration dates; (6) Handling a wide variety of correspondence which requires knowledge of policies and procedures and research skills; (7) Answering and screening telephone calls and visitors; (8) Maintaining the LAFCO Website; and (9) Serving as liaison between the Executive Officer, officials and staff, and the public and interacting with Commissioners.

### **9.3 Commission Clerk**

- **Position Responsibilities:** Under the direction of the Executive Officer, the Commission Clerk provides a full range of administrative and secretarial services to Santa Cruz LAFCO involving a variety of matters that are complex and technical. Other roles include planning, organizing, and managing office activities, and performing other related duties as required. This “at will” position is appointed by and serves at the pleasure of the LAFCO Executive Officer and the Commission.
- **Typical Duties:** Under the direction of the Executive Officer, the Commission Clerk completes various tasks and duties including but not limited to: (1) Assembling LAFCO meeting agenda packets and notices of meetings; recording LAFCO meetings and preparing resulting documents including minutes and resolutions; (2) Developing, maintaining and updating LAFCO files and records systems for tracking applications, project activities, contracts, and other records; (3) Ordering supplies and services and maintain records of expenditures; (4) Preparing and reviewing correspondence, memoranda and other written materials; (5) Tracking correspondence, filings, and materials with deadlines and expiration dates; (6) Handling a wide variety of correspondence which requires knowledge of policies and procedures and research skills; (7) Answering and screening telephone calls and visitors; (8) Maintaining the LAFCO Website; and (9) Serving as liaison between the Executive Officer, officials and staff, and the public and interacting with Commissioners.

### **9.3 Administrative Analyst**

- **Position Responsibilities:** Under the direction of the Executive Officer, the Administrative Analyst conducts analyses and special studies, and make recommendations on local agency boundary change proposals to the Commission; collect data relating to proposals; and process proposals in accordance with state law, the Commission’s procedures, and the Commission’s policies.
- **Typical Duties:** Under the direction of the Executive Officer, the Administrative Analyst performs a variety of routine to complex professional and analytical assignments. As experience is gained, assignments become more varied and are performed with greater independence. Positions at this entry level usually perform

most of the duties required of the positions at higher levels but are not expected to function at the same skill level and usually exercise less independent discretion and judgement. Work is usually supervised more closely while in progress and fits and established structure or pattern.

## **10. HIRING AND STAFFING**

To attract and retain qualified staff for LAFCO, it is the policy of LAFCO to use a criterion-based recruitment process and behavioral-based interview process to ensure the most qualified candidates are hired.

### **10.1 Recruiting**

Recruiting applicants will be aggressive enough to assure an adequate supply of qualified candidates. The recruitment process may include, but is not limited to, the use of professional recruitment firms, referrals from current or past employees, walk-in applicants, and/or web-based postings.

### **10.2 Interviews**

The employment interview is a major element in the selection process. It allows the applicant an opportunity to demonstrate their capabilities to perform the job and provides information to the candidate about the position. Interviews may be conducted by telephone or in face-to-face sessions. All interview questions must be job-related and have direct bearing on the tasks of the position. Interviews and questions are standardized so that all applicants are evaluated equally. Questions that express (directly or indirectly) any preference, limitation, or general reference to race, national origin, sex, age, physical handicap, or any other protected category are prohibited.

### **10.3 Probationary Period**

All LAFCO new hires will have a twelve-month probationary period beginning on the first day of employment. The LAFCO staff will provide job training during this time period and the employee will be evaluated every three months during the probationary period. LAFCO may terminate an employee during this twelve-month probationary period or at any point in time therein. Nothing in this provision shall alter the at-will status of any employee.

## **11. SALARIES**

The salaries of all employees shall be set by resolution adopted by the Commission. The salary resolutions for all employees except the Executive Officer shall include provisions for merit increases, if deemed appropriate by the Commission. The Executive Officer shall conduct annual performance reviews and determine if the merit increases are granted. The process for the Executive Officer's performance and compensation review is found in LAFCO's Personnel Policy.

### **11.1 Adoption of the Compensation Schedule**

The Board shall consider and adopt a Compensation Schedule showing the minimum and maximum rates of pay within and between salary ranges for each position in the District. This schedule will be reviewed annually, on or before June 30, by the Commission as part of the budget preparation. Thereafter, the Board may adopt, amend, or change the Compensation Schedule by resolution. Any resolution, which alters, amends, or changes the Compensation Schedule shall be incorporated in Appendix A (Employee Compensation Schedule) of these rules (see page 9).



## Appendix A: Compensation Schedule

2.8% COLA		Santa Cruz LAFCO Compensation Schedule (Effective 3/6/24)							
		Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H
Position	Range	Base Salary	1-3 years	4-6 year	7-9 year	10-12 year	13-15 years	15+ years	>>
<b>Executive Officer</b>	N/A	Range = \$100,000 - \$190,000 (determined by contract) Current Salary = \$176,509 (\$84.86/hour)							
<b>Assistant EO</b>									Commission Discretion
Salary Range		90,000	92,520	95,111	97,774	100,511	103,326	106,219	
Hourly Rate		<b>\$43.27</b>	<b>\$44.48</b>	<b>\$45.73</b>	<b>\$47.01</b>	<b>\$48.32</b>	<b>\$49.68</b>	<b>\$51.07</b>	
<b>LAFCO Analyst</b>									Commission Discretion
Salary Range		80,000	82,240	84,543	86,910	89,343	91,845	94,417	
Hourly Rate		<b>\$38.46</b>	<b>\$39.54</b>	<b>\$40.65</b>	<b>\$41.78</b>	<b>\$42.95</b>	<b>\$44.16</b>	<b>\$45.39</b>	
<b>Commission Clerk</b>									Commission Discretion
Salary Range		60,000	61,680	63,407	65,182	67,008	68,884	70,813	
Hourly Rate		<b>\$28.85</b>	<b>\$29.65</b>	<b>\$30.48</b>	<b>\$31.34</b>	<b>\$32.22</b>	<b>\$33.12</b>	<b>\$34.04</b>	
<b>Administrative Analyst</b>									Commission Discretion
Salary Range		55,000	56,540	58,123	59,751	61,424	63,143	64,911	
Hourly Rate		<b>\$26.44</b>	<b>\$27.18</b>	<b>\$27.94</b>	<b>\$28.73</b>	<b>\$29.53</b>	<b>\$30.36</b>	<b>\$31.21</b>	

### **11.2 Establishing Initial Salary Step and Range for Regular Employees**

Upon being hired, new full-time employees will generally be placed at step-A of the Compensation Schedule for the position being filled. In appropriate circumstances, the Executive Officer, at their discretion, may request that the Personnel Committee approve placement of an employee at step-B or above if the employee has extraordinary qualifications.

### **11.3 Cost of Living Adjustment**

Cost of living adjustments will normally be based on the annual Social Security and Supplemental Security Income (SSI) benefits and the Cost of Living Adjustment (COLA). On an annual basis, the Personnel Committee will evaluate whether wages should be adjusted for COLA. The recommendations of the Personnel Committee will be presented to the Commission, who will in the Board's sole discretion, determine whether or not funds are available to grant any COLA. The Commission has the sole discretion in the granting or denying of cost of living increases and the relative percentage of the proposed increase(s). No employee is guaranteed a COLA in any particular year.

### **11.4 Step Increase**

A step increase within the same salary range may be granted to an employee based on three years of continuous employment in steps-A through G of the range, and if the employee has received a satisfactory or better evaluations from their supervisor during the period(s) covered by the increase, refer to page 9 (Compensation Schedule). Employees are not guaranteed any step increases. Such increases are committed at the discretion of the Executive Officer.

### **11.5 Leave of Absence Without Pay**

For special reasons, an employee may be a granted leave of absence without pay for a total of thirty (30) days or more within a given calendar year. When this type of leave is granted (regardless of the underlying reason), the employee's scheduled step increase will be delayed by any time in excess of thirty (30) days. A leave of absence for a period totaling less than thirty (30) days in the given calendar year shall have no effect upon the employee's eligibility for a scheduled step increase. See further information about available leaves of absence in the Benefits section of these rules.

## **12. WORKING HOURS**

LAFCO offices shall be open on all days and the hours that Santa Cruz County offices are open to the public for business. Full-time employees shall work 40 hours per work week and part-time employees shall work at least 20 hours per week.

### **12.1 Overtime Hours**

"Overtime" means authorized time worked in excess of 40 hours in a one-week work period. Employees must obtain approval from the Executive Officer prior to working any overtime. Paid time off from work for any purpose shall not count as time worked for purposes of overtime. Overtime shall be paid at the rate of one and a half times the employee's regular rate of pay or as otherwise required by applicable federal or state law. The Executive Officer must approve regular and overtime work schedules. The Executive Officer is an exempt employee and is not eligible for overtime compensation.

## **12.2 Remote Work (Procedure)**

LAFCO provides employees the privilege of voluntarily working remotely when appropriate. LAFCO considers remote work to be a viable alternative work arrangement in cases where the employee and the employee's position are well-suited to working remotely on either a full-time or hybrid basis. Remote work allows employees to work offsite for all or part of their regular workweek. Remote work is a voluntary work alternative that may be appropriate for some employees and some jobs. It is not a guarantee or an entitlement and it in no way changes the terms and conditions of employment with LAFCO. An employee is not required to work remotely. Work space and equipment is provided in LAFCO's offices for all employees. All remote work employees are expected to:

- Maintain consistent assigned work hours during LAFCO's hours of operation. Any changes to an employee's schedule or availability must be approved by the Executive Officer. Employees should follow the applicable process for requesting and obtaining time off.
- Establish a routine of periodic work plans and reports to their manager to establish goals and document results.
- Be readily available for impromptu video, email and phone conversations. Communicate effectively and be responsive to requests (whether by phone, e-mail, or video).
- Maintain a dedicated and safe home office environment free of distractions and background noise.
- Devote 100% of their attention to working remotely as if you were in the office.
- Store all work product(s) on the LAFCO network and do not store it on any internal storage of the home computer or laptop.
- Report to LAFCO's offices and/or other work locations in person for meetings or other activities as required by the employee's manager.
- Managers may require additional methods of communication and reporting to ensure employees are accessible and reliable.

## **12.2 Remote Work (Communication)**

Working from a remote location may add challenges to effective communication, teamwork, and collaboration. The remote employee is responsible for ensuring effective communication and participation while working remotely and for ensuring that coworkers and the Executive Officer feel informed and confident about the work results being produced. If an employee seeks a remote work arrangement, the employee must make the request and obtain approval from the Executive Officer. Remote work can be requested on any of the following bases:

- Full-time (where an employee's primary work location is remote for their full work schedule);
- A regularly scheduled basis (where an employee works a hybrid schedule, with regularly recurring days worked remote); or

- Sporadic (where an employee works remotely on occasion).

Even if full-time or regularly scheduled remote work is approved, employees can be requested to report to LAFCO offices or other work locations as needed. Remote work arrangements can be changed (either reduced or eliminated) at the discretion of the Executive Officer. Remote work arrangements for the Executive Officer will be addressed and approved, and can be changed (either reduced or eliminated) at the discretion of the LAFCO Board Chair.

### **12.3 Remote Work (Home Office Requirements)**

Remote work arrangements require the employee to establish a fully functioning home office environment. LAFCO will decide on a case-by-case basis whether to provide the remote working employee with a computer or monitors for the home office. All other equipment and services are the responsibility of the employee to be paid at their expense including:

- Phone and voicemail with professional outgoing message;
- High speed Internet connection;
- If wireless network is used, a secure, password-protected connection; and
- Repairs or adjustments necessary to maintain a safe working environment

Remote work is for the personal convenience of the employee and is not required by LAFCO. LAFCO maintains work facilities and equipment in its offices. Therefore, if the employee uses their personal computer LAFCO will not:

- Provide support for personal systems;
- Provide maintenance, repairs, or adjustments of any kind;
- Provide upgrades for hardware;
- Provide upgrades for operating systems; and
- Reimburse for the purchase of any software programs

At the conclusion of employment, employees who use their own computer or other personal equipment will be required to certify that there is no LAFCO information on their computer or equipment, and to certify that all LAFCO data, information, and property has been returned.

## **13. EXPENSES AND TRAVEL**

Employees shall be reimbursed for all actual and necessary expenses incurred in the transaction of LAFCO business in accordance with LAFCO's Financial Policy.

## **14. PAID LEAVES**

The following paid leaves shall be provided to LAFCO employees:

- Executive Officer: The Executive Officer shall receive the same paid leave benefits as those provided to appointed Santa Cruz County department heads including vacation, sick leave, administrative leave, bereavement leave, and holidays.
- Other LAFCO Employees: Employees, except the Executive Officer, shall receive the same paid leave benefits as those provided to Santa Cruz County employees in the General Representation Unit including annual leave, bereavement leave, and holidays.

## **15. RETIREMENT AND INSURANCE**

LAFCO employees will receive health insurance, dental insurance and other insurance depending on their particular classifications. These insurance benefits will generally be the same as provided to County of Santa Cruz employees. The Commission will review and establish the benefits annually at its discretion.

### **15.1 Retirement**

LAFCO contracts with the California Public Employees' Retirement System ("CalPERS") to provide pension benefits to full-time and half-time employees. Employee retirement contributions to CalPERS shall be set by resolution adopted by the Commission.

### **15.2 Insurance**

The following insurance benefits shall be provided to LAFCO employees:

- Executive Officer: Insurance benefits which are provided to appointed department heads of Santa Cruz County shall be provided to the Executive Officer. These benefits are health insurance, dental insurance, vision insurance, life insurance, and long-term disability insurance.
- Other LAFCO Employees: Insurance benefits which are provided to Santa Cruz County employees in the General Representation Unit shall be provided to LAFCO full-time employees other than the Executive Officer. These benefits are health insurance, dental insurance, vision insurance, life insurance, and long-term disability insurance.
- Annuitant Employees: LAFCO annuitants who retired through CalPERS may enroll in a CalPERS' health plan as provided under the Public Employee's Medical and Hospital Care Act and CalPERS regulations. Eligibility and annuitant contribution amounts are set by the Commission's health insurance contract.

### **15.3 Health Insurance**

Employees' health insurance contributions shall be the same as the contributions made by employees who hold comparable jobs with Santa Cruz County.

### **15.4 Deferred Compensation**

LAFCO shall provide a deferred compensation program for employees. LAFCO shall not make employer contributions to the deferred compensation program.

## **16. SAFETY**

Every employee is responsible for safety. To achieve our goal of providing a completely safe workplace, everyone must be safety conscious. Employees should report any unsafe or hazardous condition directly to their supervisor immediately. In case of an accident involving a personal injury, regardless of how serious, employees should notify the Executive Officer or LAFCO Chair immediately. Failure to report accidents can result in a violation of legal requirements and can lead to difficulties in processing insurance and benefit claims. If an employee is injured on the job, they will be entitled to benefits under the state workers' compensation law in most cases. LAFCO carries workers' compensation insurance and will assist employees to obtain all benefits to which they are legally entitled.

## **17. WORKPLACE VIOLENCE**

LAFCO is committed to providing a safe work environment that is free of violence and the threat of violence. LAFCO will not tolerate any violent or dangerous behavior of any kind, whether through physical abuse, threats of any kind, intimidation, coercion, stalking or otherwise, defacing LAFCO'S property or causing physical damage to the facilities, bringing weapons or firearms of any kind onto LAFCO'S premises, parking lots, or while conducting business, or any other behavior that suggests a propensity towards violence.

LAFCO strictly prohibits employees, consultants, customers, visitors, or anyone else on LAFCO premises or engaging in a LAFCO-related activity from behaving in a violent or threatening manner. Employees may report all incidents of direct or indirect violence or dangerous behavior to the Executive Officer or LAFCO Chair as soon as possible. Reporting incidents and concerns early can help prevent a situation from escalating and becoming even more dangerous. Employees should never attempt to handle a potentially dangerous situation by themselves. Any LAFCO employee that violates this policy will be subject to discipline, up to and including termination, as well as potential legal action.

## **18. OFFICE INSPECTION**

Although desks, cabinets and shelves are made available for the convenience of employees while at work, employees should remember that all desks, cabinets and shelves remain the sole property of LAFCO. Moreover, LAFCO reserves the right to open and inspect desks, cabinets, and shelves, as well as any contents, effects, or articles in desks, cabinets, and shelves. Such an inspection can occur at any time, with or without advance notice or consent. An inspection may be conducted before, during, or after working hours by the Executive Officer or designee.

Employees have no expectation of privacy in any of these items. Prohibited materials, including weapons, explosives, alcohol and non-prescribed drugs or medications, may not be placed in a desk, cabinet or shelf. Employees who, if requested, fail to cooperate in any inspection will be subject to disciplinary action, up to and including termination. LAFCO is not responsible for any articles that are placed or left in a desk, cabinet, or shelf that are lost, damaged, stolen or destroyed.

## **19. THEFT OR LOSS OF OFFICE EQUIPMENT**

The use of any LAFCO-related equipment (computers, cell phones, laptops, or other office-related equipment) outside of the LAFCO offices must be approved by the Executive Officer. LAFCO employees are fully responsible for the care and safekeeping of all office equipment offsite. Should an item be stolen or lost offsite while under the care of a LAFCO employee, the LAFCO employee is responsible to reimburse LAFCO for the replacement cost of all lost or stolen items. Any loss or theft of the LAFCO equipment must be reported immediately to the Executive Officer, and the employee is responsible to reimburse LAFCO for the replacement cost of the device.

## **20. OFFICE PROBLEM RESOLUTION PROCEDURE**

LAFCO is committed to encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response. LAFCO strives to ensure fair and honest treatment of all employees. All employees are expected to treat each other with mutual respect. All employees are encouraged to offer positive and constructive criticism. If there is a disagreement concerning established rules of conduct, policies, or practices, employees may express their concern through the problem resolution procedure. No one will be penalized, formally or informally, for voicing a complaint with LAFCO in a reasonable, business-like manner, or for using the problem resolution procedure.

## **21. TERMINATION OF EMPLOYMENT**

Any employee whose employment is terminated by LAFCO for any reason shall be entitled to two weeks' notice or two weeks' pay in lieu of notice.

*Adopted on June 4, 1986 (Resolution No. 141-DD)*  
*Amended on December 9, 2015 (Resolution No. 2015-12)*  
*Previous Revision on August 3, 2016 (Resolution No. 2016-12)*  
*Revision on June 3, 2020 (Resolution No. 2020-16)*  
*Revision on September 6, 2023 (Resolution No. 2023-20)*  
*Last Revision on March 6, 2024 (Resolution No. 2024-07)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **PERSONNEL POLICY**

#### **1. PERFORMANCE EVALUATION – LAFCO STAFF**

Evaluations of staff personnel other than the Executive Officer will be made by the Executive Officer on an annual basis. To assist in this process, staff will submit a report documenting their accomplishments from the prior year and their goals for the upcoming year to the Executive Officer for review and discussion. The Executive Officer's review of this report will be conducted by December of each year.

#### **2. PERFORMANCE EVALUATION – EXECUTIVE OFFICER**

Personnel evaluations of the Executive Officer will be made by the Commission on an annual basis. To assist in this process, the Executive Officer will submit a report documenting their accomplishments from the prior year and their goals for the upcoming year to the Personnel Committee for review and discussion. The Personnel Committee's review of this report will be conducted by January of each year.

#### **3. COMMISSION REVIEW**

All performance evaluations, and any other pertinent information, will be forwarded to the Commission for their review and consideration at the February meeting of each year. In accordance with Government Code Sections 54957 and 54957.6, staff's performance evaluations will be discussed in a closed session.

#### **4. SALARY ADJUSTMENTS**

Following the Commission's review and consideration of staff's performance evaluations, the Personnel Committee will provide an annual report on staff salaries and benefits at the March meeting of each year. At this time, the Commission may consider possible salary adjustments to bring staff salaries into alignment with other comparable positions or as compensation for their job performance. This review may include a report by a personnel consultant, when indicated.

#### **5. PERSONNEL COMMITTEE MEMBERSHIP**

The members of the Personnel Committee will have at least a two-year term but may continue if reaffirmed by the Commission. At least two Commissioners should be on the Personnel Committee. The current LAFCO Chair is encouraged to be part this committee.

*Adopted on June 7, 2000 (Resolution No. 2000-4)  
Revised on January 9, 2008 (Resolution No. 2008-3)  
Last Revision on February 5, 2020 (Resolution No. 2020-02)*





# LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

## FINANCIAL POLICY

### 1. OVERVIEW

It is the policy of Santa Cruz LAFCO to follow ethical, responsible, and reasonable procedures related to purchasing, claims, auditing, money management, and other financial matters. The following accounting discussion is intended to provide an overview of the accounting policies and procedures applicable to LAFCO. This policy documents the financial operations of the organization. Its primary purpose is to formalize accounting policies and selected procedures for the accounting staff and to document internal controls.

### 2. USE OF COUNTY FINANCIAL OFFICES, POLICIES AND PROCEDURES

It is the policy of Santa Cruz LAFCO to utilize the offices, policies, and procedures of the County of Santa Cruz in the conduct of LAFCO's financial matters.

#### 2.1 Santa Cruz County Policies and Procedures Manual

LAFCO shall follow "Title 1—Financing and Accounting Policies and Procedures" of the County of Santa Cruz Policies and Procedures Manual, except as specified in LAFCO's policies. LAFCO is an independent agency; therefore, neither the Board of Supervisors nor the County Administrative Officer has any authority over LAFCO's financial matters. The County Policies and Procedures shall be translated to LAFCO's Policies and Procedures by the following substitutions:

County of Santa Cruz	Santa Cruz LAFCO
Board of Supervisors	LAFCO Commission
County Administrative Officer	LAFCO Executive Officer
Department Head	LAFCO Executive Officer
Purchasing Agent	LAFCO Executive Officer

#### 2.2 Santa Cruz County Auditor-Controller

LAFCO shall use the Santa Cruz County Auditor-Controller for the following functions:

- Claims and warrants;
- Petty cash;
- Payroll and deductions;
- Collection of county, city, and independent district contributions to the LAFCO budget as required by Government Code Section 56381;
- Maintenance of the LAFCO trust fund; and
- Audits.

### **2.3 Santa Cruz County Purchasing Policy Manual**

For procuring goods and services, LAFCO may follow the most recent edition of the County of Santa Cruz, Purchasing Policy Manual.

LAFCO staff may choose to either use the purchasing services of the Santa Cruz County General Services Department, or may make direct purchases. In the case of direct purchases, LAFCO staff will follow to the extent possible the County's Purchasing Policy Manual, with the Executive Officer functioning as the Purchasing Agent.

## **3. AUTHORIZATIONS**

It shall be the responsibility of the Executive Officer to authorize expenditures of funds within the framework and limitations of the budget adopted by the Commission.

### **3.1 Payroll**

When payroll is due to be filed with the Auditor-Controller and the Executive Officer is absent from the office, the Secretary-Clerk shall attempt to contact the Executive Officer. The Secretary-Clerk may sign the payroll if either:

- The Executive Officer authorizes the payroll amounts verbally or by e-mail, and the Secretary-Clerk keeps a written record of the authorization; or
- The Executive Officer cannot be contacted, and the Secretary-Clerk presents the payroll to the Executive Officer as soon as possible after the Executive Officer becomes available in the office or electronically.

### **3.2 Claims**

When an urgent claim is due and the Executive Officer is absent from the office, the Secretary-Clerk may utilize LAFCO's designated County Administrative Office (CAO) representative to address the claim. If the Executive Officer and the CAO representative are unavailable, the Secretary-Clerk may sign the urgent claim if either:

- The Executive Officer authorizes the urgent claim amount verbally or by e-mail, and the Secretary-Clerk keeps a written record of the authorization, or
- The Executive Officer cannot be contacted, and the Secretary-Clerk presents the urgent claim to the Executive Officer as soon as possible after the Executive Officer becomes available in the office or electronically.

As used in this section, "urgent claim" means a valid claim for which LAFCO would incur a late payment penalty of \$25 or more if the claim were not submitted to the Auditor-Controller on that workday.

### **3.3 Executive Officer Follow-up Action(s)**

Upon returning to the office or becoming available electronically, the Executive Officer shall review any payroll or urgent claim that was authorized by the Secretary-Clerk, separately sign the payroll or claim, and take any necessary actions to correct any errors or oversights.

#### **4. EXPENSES AND TRAVEL**

Commissioners (regular and alternate members), employees, and staff shall be entitled to reimbursement for all actual and necessary expenses incurred in the transaction of Commission business, including participation on the CALAFCO board and CALAFCO committees, in accordance with the following provisions:

##### **4.1 Stipends**

Regular and Alternate Commissioners shall receive \$50.00 per meeting in order to help defray the costs of attending the meetings.

##### **4.2 Travel Expenses**

Regular and Alternate Commissioners, employees, and staff shall be reimbursed in conformance with current County policy for out-of-county travel, meals, and related expenses incurred while on Commission business.

##### **4.3 Mileage Reimbursement**

Regular and Alternate Commissioners, employees, and staff shall be reimbursed for authorized use of their private automobiles in conformance with current County policy.

##### **4.4 Lodging Expenses**

Travel reimbursements for lodging at rates higher than County policy shall be permitted when Commissioners (Regular and Alternate), employees, and staff stay at the host facility for CALAFCO events, including but not limited to, meetings, workshops, and conferences.

##### **4.5 Staff Definition**

As used in this section, "staff" means the LAFCO Counsel or the LAFCO Counsel's back-up attorney when either is traveling on LAFCO business.

##### **4.6 Reimbursement Authorization**

No travel expenses shall be reimbursable unless authorized by the Executive Officer.

##### **4.7 Extended Meeting Expenses**

For day meetings of the Commission that are expected to last more than four hours, or for any night meetings, the Commission authorizes expenses not to exceed \$5 per attending Commissioners for light refreshments (coffee, bottled water, soft drinks, cookies, etc.)

#### **5. BUDGET**

Government Code Section 56381 indicates that LAFCO shall adopt a proposed budget no later than May 1 and a final budget no later than June 15. LAFCO shall prepare an annual budget in conformance with Government Code Section 56381.

##### **5.1 Performance Evaluations**

Completion of staff's performance evaluation, as outlined in the Personnel Policy, should be completed by February of each year.

## **5.2 Salary & Benefit Adjustments**

Following the Commission's review and consideration of staff's performance evaluation, any adjustments to their salaries and benefits should occur by March of each year.

## **5.3 Proposed Budgets**

The Commission should consider adopting a draft budget by April of each year. Copies of the draft budget, with the proposed allocation breakdown, should be shared with the funding agencies for review and comments.

## **5.4 Final Budgets**

The Commission should consider adopting a final budget by May of each year. Copies of the final budget, with the final allocation breakdown, should be shared with the funding agencies for their records.

# **6. RESERVES**

As of July 1, 2024, Santa Cruz LAFCO has two reserve funds restricted to the agency's account with the Santa Cruz County. These funds are as follows: (1) Litigation and (2) Contingency. These accounts are considered "restricted" accounts and are only used for the specific purposes described below:

## **6.1 Litigation Reserves**

Restricted funds for cost related to agency legal challenges. The minimum balance in the Litigation Reserve Account shall be \$100,000.

## **6.2 Contingency Reserves**

Restricted funds to cover any unforeseen future agency loss and/or urgency which includes but is not limited to property or equipment damage, loss, or theft. These funds may also be used to balance annual LAFCO budgets. The minimum balance in the Contingency Reserve Account shall be \$100,000.

*Adopted on June 2, 2004 (Resolution No. 2004-10)  
Revision on February 5, 2020 (Resolution No. 2020-03)  
Last Revision on September 6, 2023 (Resolution No. 2023-20)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **RECORDS MANAGEMENT POLICY**

#### **1. OVERVIEW**

The purpose of this policy is to offer guidelines to staff regarding the retention of Santa Cruz LAFCO files; provide for the identification, maintenance, and safeguarding of Santa Cruz LAFCO records and the destruction of obsolete documents in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

#### **2. COMPLIANCE**

It is the policy of this Commission to retain Santa Cruz LAFCO documents and other records in accordance with the retention schedule established in the attached table (refer to **Figure 1**; page 3 of policy). The schedule is in compliance with the minimum retention periods mandated by the California Government Code, the California Code of Civil Procedure, the Code of Federal Regulations, the Secretary of State Local Government Records Management Guidelines, and other legal authorities cited.

#### **3. PROCEDURE**

Government Code Section 56382 allows LAFCO to authorize the destruction of any duplicate record which is older than two years as long as a copy is kept in some reliable format. This policy documents the records management of the organization. The following section outlines how LAFCO staff should determine if a document is obsolete and subject to potential destruction.

##### **3.1 Request for Destruction Form**

A LAFCO staff member must complete and sign a "Request for Destruction of Obsolete Records" form, listing the date and description of each document to be destroyed. A sample form is attached to this policy as **Figure 2**; page 4 of policy). The form must include the Executive Officer's signature.

##### **3.2 Approval of Form**

After receiving the signed form from the Executive Officer, the Commission Clerk will oversee the destruction of the obsolete documents.

##### **3.3 Records Log**

The Commission Clerk will permanently retain a master log of all destroyed obsolete documents which includes the titles or brief descriptions of the purged files that were destroyed, the method of destruction and the date of destruction.

#### **4. GENERAL GUIDELINES**

The Commission Clerk shall be responsible for the administration of this policy and shall follow the general guidelines outlined in this document. The following general guidelines apply to all Santa Cruz LAFCO records.

#### **4.1 Duplicate Records**

The Commission may authorize the destruction of any duplicate records at any time (Government Code Sections 26201; 60200).

#### **4.2 Two-Year Threshold**

Unless otherwise required by State or Federal law, the Commission may authorize the destruction of any original document which is more than two (2) years old without retaining a copy of the document as long as the retention and destruction of the document complies with the retention schedule as set forth in this policy (Government Code Sections 26202; 60201).

#### **4.3 Significant Project Documents**

In addition to the retention periods required under this policy, the Commission shall retain original administrative, legal, fiscal, and/or historical records with continued value (i.e., records for long-term transactions and/or special projects) until all matters pertaining to such records are completely resolved or the time for appeals has expired (Government Code Sections 14755; 34090).

#### **4.4 Indestructible Files**

Pursuant to Government Code Section 60201, the Commission shall not destroy any of the following records:

- a) Records relating to the formation change of organization or reorganization of the Commission;
- b) Ordinances and resolutions, unless they have been repealed or have become invalid or otherwise unenforceable for five years;
- c) Minutes of any meeting of the Commission;
- d) Records relating to any pending claim, litigation, any settlement or other disposition of litigation within the past two (2) years;
- e) Records that are the subject of any pending request for records under the California Public Records Act, whether or not the record is exempt from disclosure, until the request has been granted or two (2) years after the request has been denied by the Commission;
- f) Records relating to any non-discharged debt of the Commission;
- g) Records relating to the title to real property in which the Commission has an interest;
- h) Records relating to any nondischarged contract to which the Commission is a party;
- i) Records that have not fulfilled the administrative, fiscal, or legal purpose for which they were created or received;
- j) Records less than seven (7) years old that specify the amount of compensation or expense reimbursement paid to Commission employees, officers, retired annuitant, or independent contractors.

**Figure 1 – Records Retention Schedule**

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
1	Accident/Illness Reports (OSHA Reports)	<p>Not a public record;</p> <p>For Employee Medical Records &amp; Employee Exposure Records regarding exposure to toxic substances or harmful physical agents:</p> <p>*Includes Material Safety Data Sheets (MSDS)</p> <p>*Does NOT include records of health insurance claims maintained separate from employer's records; first aid records of one-time treatments for minor injuries; records of employees who worked less than one (1) year if records are given to employee upon termination.</p>	GCS 6254(c); CCR 32304(d)(1)(A)(B)	Duration of employment plus 30 years
2	Accidents/Damage to LAFCO Property	Risk Management Administration	GCS 340901 CCP 337.15	10 years
3	Accounting Records – General Ledger	General Ledger	GCS 34090; CCP 337; Sec. of State Local Govt Records Mgmt. Guidelines	<p>Until audited +4 years</p> <p>Published articles show 4-7 years retention</p> <p>Sec. of State Guidelines recommends permanent retention</p>
4	Accounting Records – Permanent Books of Accounts	Records showing items of gross income, receipts and disbursement (including inventories per IRS regulations)	CFR 31.6001-1(c)&(e)	Permanent

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
5	Accounts Payable	Journals, statements, asset inventories, account postings with supporting documents, vouchers, investments, invoices and back-up documents, purchase orders, petty cash, postage, OCERS reports, check requests, etc.  Expense reimbursements to employees & officers; travel expense reimbursements or travel compensation.	CCP 337; CFR 31.6001-1(e)(2); Secretary of State Local Gov't. Records Mgmt. Guidelines	Until audited + 4 years  7 years after date of payment
6	Accounts Receivable	Receipts for deposited checks, coins, currency; reports, investments, receipt books, receipts, cash register tapes, payments for fees, permits, etc.	CFR 31.6001-1(e)(2); Sec. of State Local Gov't Records Mgmt. Guidelines recommendation	Until audited +4 years
7	Affidavits of Publication / Posting	Legal notices for public hearings, publication of ordinances, etc.	GCS 34090	2 years
8	Agency Report of Public Official Appointments (FPPC Form 806)	Report of additional compensation received by LAFCO official when appointing themselves to committees, boards or commission of other public agencies, special districts, joint powers agencies or joint powers authorities. Current report must be posted on LAFCO's website.	CCR 18705.5; GCS 34090.5	Recommended retention; keep a copy of report for 2 years after removal from LAFCO's website
9	Agenda / Agenda Packets	Original agendas, agenda packets, staff reports and related attachments, supplemental items and documentation submitted by staff/public in relation to agenda items.  Paper copies of agenda packets should be maintained for 1 year as complete packets. Originals will later be imaged for permanent records retention; the imaged record may serve as the permanent record.	GCS 34090, 34090.5	Current + 2 years
10	Agreements (see also Contracts)	Original contracts and agreements and back-up materials, including leases, service/maintenance agreements, etc.	CCP 337; 337.2; 343	4 years after termination/ completion



#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
11	Annexations / Reorganizations	Notices, Resolutions, Certificates of Completion; documents may be imaged, but the originals can never be destroyed.	GCS 34090 GCS 60201(d)(1)	Permanent
12	Annual Financial Report	May include independent auditor analysis.	GCS 26201, 34090 GCS 34090, 60201 Sec of State Local Gov't Records Mgmt. Guidelines	Until audited + 7 years
13	Articles of Incorporation	Including but not limited to JPAs, mutual water companies, and changes of organization	GCS 34090(a)	Permanent
14	Audit Reports	Financial services; internal and/or external reports;	GCS 34090; CCP 337, 343; Sec. of State Local Gov't. Records Retention Guidelines	Minimum retention – Current + 4 years  Sec. of State Guidelines recommends permanent retention
15	Audit Hearing or Review	Documentation created and or received in connection with an audit hearing or review	GCS 26202, 34090	2 years
16	Ballots – Special District elections	Copies of ballots from elections of Special Districts (LAFCO members)	GCS 26202, 34090, 60201	2 years
17	Bank Account Reconciliations	Bank statements, receipts, certificates of deposit, etc.	CFR 31.6001-1(e)(2)	Until audited + 4 years; Secretary of State recommends until audited + 5 years
18	Brochures/Publications	Retain selected documents only for historic value	GCS 26202, 34090	2 years
19	Budget, Annual	Annual operating budget approved by LAFCO	GCS 26202, 34090; Sec. of State Local Gov't Records Mgmt. Guidelines	Until audited + 2 years; Sec. of State recommends permanent retention
20	Cal-OSHA	Personnel logs, supplementary records; annual summary (Federal and State-Cal-OSHA)	LAB 6410; CCR 14307	5 years
21	CalPERS - Employee Benefits	Retirement Plan	USC 1027	6 years

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
22	Checks (issued by LAFCO)	LAFCO checks paid – expense reimbursements; payments to independent contractors, etc. Includes check copies; canceled and voided checks; electronic versions of checks.  LAFCO check paid to vendors; other LAFCO payments - includes check copies; canceled or voided checks; electronic versions of checks.	GCS 60201(d)(12); CCP 337; Sec. of State Local Gov't Records Mgmt. Guidelines; CCP 31.6001-1(e)(2)	7 years  Until audited +4 years
23	Citizen Feedback	General correspondence	GCS 26202, 34090	2 years
24	Claims Against LAFCO	Paid/denied	GCS 60201(d)(4); GCS 25105.5	Until settled + 5 years
25	Complaints/Requests	Various files, not related to specific lawsuits involving the agency and not otherwise specifically covered by the retention schedule	GCS 26202, 34090	2 years
26	Contracts	Original contracts and agreements and back-up materials, including leases, service/maintenance contracts, etc.	CCP 337, 337.2, 343	4 years after termination/ completion
27	Correspondence	General correspondence, including letters and e-mail; various files, not otherwise specifically covered by the retention schedule	GCS 26202, 34090	2 years
28	Deferred Compensation Reports	Finance - pension/retirement funds	CFR 516.5; CFR 1627.3	3 years
29	Demographic/ Statistical Data	Including but not limited to special studies and boundary changes	GCS 26202, 34090	Current +2 years
30	Deposits, Receipts	Receipts for deposited checks, coins, currency	Sec. of State Local Gov't Records Mgmt. Guidelines; CCP 337	Until audited + 4 years
31	DMV Driver's Records, Reports (DMV Pull Notice System)	Part of personnel records – not a public record	GC 34090; GC 6254(c) VC 1808.1(c); Sec. of State Local Gov't Records Mgmt. Guidelines	Until superseded (should receive new report every 12 months)  Sec. of State recommends retention until termination + 7 years

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
32	Employee Files	Personnel - information - may include release authorizations, certifications, reassignments, outside employment, commendations, disciplinary actions, terminations, oaths of office, evaluations, pre- employee medicals, fingerprints, identification cards	GCS 12946 CFR 1627.3	While current + 3 years
33	Employee Information Applicant Identification Records	Personnel – data recording race, sex, national origin of applicants	CCR 7287(b)(c)(2)	2 years
34	Employee Information, General	Name, address, date of birth, occupation	GCS 12946 CFR 1627.3 LAB 1174	3 years
35	Employee Information, Payment	Rate of pay and weekly compensation earned	GCS 60201	7 years
36	Employee Programs	Includes EAP and Recognition	GCS 26202, 34090; GCS 12946	Current + 2 years
37	Employee, Recruitment	Alternate lists/logs, examination materials, examination answer sheets, job bulletins	GCS 12946; GCS 26202, 34090; CFR 1602 et.seq.; CFR 1627.3	Current + 2 years
38	Employee, Reports	Employee statistics, benefit activity, liability loss	GCS 26202, 34090	Current + 2 years
39	Employee Rights - General		GCS 12946; CFR 1602.31	Length of employment + 2 years
40	Employment Applications - Not Hired	Applications submitted for existing or anticipated job openings, including any records pertaining to failure or refusal to hire applicant	GCS 26202, 34090; GCS 12946; CFR 1627.3	2 years
41	Employment Eligibility Verification (I-9 Forms)	Federal Immigration and Nationality Act; Immigration Reform/Control Act 1986	USC 1324a(b)(3) Pub. Law 99-603	3 years after date of hire, or 1 year after date of termination, whichever is later
42	Employment - Surveys and Studies	Includes classification, wage rates	GCS 12946 GCS 26202, 34090 CFR 516.6	2 years
43	Employment - Training Records, Non-Safety	Volunteer program training - class training materials, internships	GCS 34090 GCS 12946	Length of employment + 2 years

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
44	Employment - Vehicle Mileage Reimbursement Rates	Annual mileage reimbursement rates	GCS 26202, 34090	Until superseded + 2 years
45	Environmental Quality California Environmental Quality Act (CEQA)	Exemptions, Environmental Impact Reports, mitigation monitoring, Negative Declarations, Notices of Completion and Determination, comments, Statements of Overriding Considerations	GCS 34090; 60201 CEQA Guidelines	Permanent
46	Environmental Quality Environmental Review	Correspondence, consultants, issues, conservation	GCS 26202, 34090	Completion + 2 years
47	ERISA Records	Employee Retirement Income Security Act of 1974 – plan reports, certified information filed, records of benefits due	USC 1027, 2059 <i>La Barbera v. A. Morrison Trucking, Inc.</i> 2011 US Dist. LEXIS 16343 (E.D.N.Y. Feb. 17, 2011)	6 years
48	Family and Medical Leave Act (FMLA) (Federal)	Records of leave taken, LAFCO policies relating to leave, notices, communications relating to taking leave	CFR 825.500; GCS 12946	While employed +3 years (Federal) or 2 years (State)
49	Fixed Assets Inventory	Reflects purchase date, cost, account number	GCS 26202, 34090	Until audited + 2 years
50	Fixed Assets Surplus Property	Auction, disposal, listing of property	GCS 26202, 34090; CCP 337	Until audited + 4 years
51	Forms	Including but not limited to administrative/project docs		Until Superseded
52	Fund Transfers	Internal; bank transfers & wires	GCS 26202, 34090	Until audited + 2 years
53	General Ledgers	All annual financial summaries	GCS 34090; CCP 337; Sec. of State Local Gov't. Records Retention Guidelines	Until audited +4 years  Sec. of State Guidelines recommends permanent retention
54	Gift to Agency Report (FPPC Form 801)	FPPC form showing payment or donation made to Santa Cruz LAFCO or to a Santa Cruz LAFCO official and which can be accepted as being made to LAFCO	FPPC Reg.18944(c)(3)(F)(G); FPPC Fact Sheet: "Gifts to an Agency – Part 2"	Must be posted on LAFCO website for 4 years (per FPPC Fact Sheet)

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
55	Gifts/Bequests	Receipts or other documentation	GCS 34090	Until completed + 2 years
56	Grants - Successful Federal, State, or other grants	Grants documents and all supporting documents: applications, reports, contracts, project files, proposals, statements, sub- recipient dockets, environmental review, grant documents, inventory, consolidated plan, etc.	GCS 34090; CFR 570.502; CFR 85.42	Until completed + 4 years
57	Grants – Unsuccessful	Applications not entitled	GCS 26202, 34090	2 years
58	Insurance	Personnel related	GCS 26202, 34090	Current + 2 years
59	Insurance, Joint Powers Agreement	Accreditation, MOU, agreements and agendas	GCS 26202, 34090	Current + 2 years
60	Insurance Certificates	Liability, performance bonds, employee bonds, property; insurance certificates filed separately from contracts, includes insurance filed by licensees	GCS 26202, 34090	Current + 2 years
61	Insurance, Liability/Property	May include liability, property, Certificates of Participation, deferred, use of facilities	GCS 26202, 34090	Current + 2 years
62	Insurance, Risk Management Reports	Federal and State OSHA forms; loss analysis report; safety reports; actuarial studies	CFR 1904.44; GCS 26202, 34090	5 years (Federal) 2 years (State)
63	Investment Reports, Transactions	Summary of transactions, inventory and earnings report	GCS 34090, 60201; CCP 337; Sec. of State Local Gov't. Records Retention Guidelines	Until audited +4 years  Sec. of State Guidelines recommends permanent retention
64	Invoices	Copies sent for fees owed, billing, related documents	GCS 26202, 34090	Until audited + 2 years
65	Legal Notices/ Affidavits of Publication	Notices of public hearings, proof of publication of notices	GCS 26202, 34090	2 years
66	Legal Opinions	Confidential - not for public disclosure (attorney-client privilege)	GCS 26202, 34090	Until superseded + 2 years
67	Litigation	Case files	GCS 26202, 34090	Until settled or addressed + 2 years

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
68	Maintenance Manuals	Equipment service/maintenance	GCS 26202, 34090	Current + 2 years
69	Maintenance/Repair Records	Equipment	GCS 26202, 34090	2 years
70	Marketing, Promotional	Brochures, announcements, etc.	GCS 26202, 34090	2 years
71	Minutes	Meeting minutes; paper records are to be maintained permanently by the agency.	GCS 34090, 60201(d)(3)	Permanent
72	Newsletters	May wish to retain permanently for historic reference	GCS 26202, 34090	2 years
73	Notices – Public Meetings	Including but not limited to regular and special meetings	GCS 26202, 34090	2 years
74	Oaths of Office	Elected and public officials – commissioners	GCS 26202, 34090; USC 1113; Secretary of State Guidelines	Current plus 6 years
75	Occupational Safety and Health Administration (OSHA)	OSHA Log 200, Supplementary Record, Annual Summary (Federal & State- Cal-OSHA); OSHA 300 Log, privacy case list, annual summary, OSHA 301 incident report forms	LC 6410; CCR 14307; CFR 1904.2 -1904.6, 1904.33	5 years
76	Payroll - Federal/State Reports	Annual W-2's, W-4's, Form 1099s, etc.; quarterly and year- end reports	GCS 60201	7 years
77	Payroll Deduction/Authorizations	Finance	CFR 516.6(c); GCS 60201	While Current + 7 years
78	Payroll, registers	Finance – payroll, registers, payroll reports	CFR 516.5(a); LAB 1174(d); GCS 60201	7 years from date of last entry
79	Payroll records terminated employees	Finance files	CFR 516.5; GCS 60201	7 years from date of last entry
80	Payroll, timecards/sheets	Employee	CFR 516.6; LAB 1174; Sec. of State Local Gov't Records Mgmt. Guidelines	3 years Sec. of State recommendation – Until audited + 6 years
81	Payroll - Wage Rates / Job Classifications	Employee records	GCS 60201	le current + 7 years
82	Personnel Records	Other records (not payroll) containing name, address, date of birth, occupation, etc., including records relating to promotion, demotion, transfer, lay-off, termination	CFR 1627.3	3 years



#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
83	Personnel Rules and Regulations	Including employee handbook, employee manuals, and other policies/procedures	CFR 516.6, 1627.3(a)	Current + 3 years
84	Petitions	Submitted to legislative bodies	GCS 26202, 34090	Current + 2 years
85	Policies & Procedures	All policies and procedures adopted by the Commission; directives rendered by the agency not assigned a resolution number; Commission Bylaws	GCS 26202, 34090	Current + 2 years
86	Political Support/Opposition, Requests & Responses	Related to legislation	GCS 26202, 34090	2 years
87	Press Releases	Related to LAFCO actions/activities	GCS 26202, 34090	2 years
88	Procedure Manuals	Administrative	GCS 26202, 34090	Current + 2 years
89	Public Records Request	Requests from the public to inspect or copy public documents	GCS 26202, 34090, 60201(d)(5)	2 years
90	Purchasing RFQs, RFPs	Requests for Qualifications; Requests for Proposals – regarding goods and services	GCS 26202, 34090	Current + 2 years
91	Purchasing, Requisitions, Purchase Orders	Original documents	GC 34090; CCP 337	Until audited + 4 years
92	Recordings - audio (e.g., for preparation of meeting minutes)	Audio recordings of Commission meetings	GCS 54953.5	Minimum 30 days
93	Recordings, video meetings of legislative bodies	Video recordings of public meetings made by or at the direction of the Commission	GCS 54953.5	Minimum 30 days
94	Recordings, video, other events	Other than video recordings of public meetings; considered duplicate records if another record of the same event is kept (i.e., written minutes or audio recording)	GCS 53161	Minimum 90 days after event is recorded; if no other record of the event exists, the recording must be kept 2 years
95	Records Management Disposition/ Destruction Certification	Documentation of final disposition/destruction of records	GCS 34090, 60201	Permanent

#	Type of Record	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
96	Records Retention Schedules		GCS 26202, 34090	Current + 2 years
97	Recruitments and Selection	Records relating to hiring, promotion, selection for training	CFR 1627.3	3 years
98	Requests for Qualifications (RFQs); Requests for Proposals (RFPs)	Requests for Qualifications, Requests for Proposals, and related responses	GCS 26202; CCP 337	Current + 4 years
99	Resolutions	Vital records – may be imaged, but originals can never be destroyed	GCS 34090, 60201	Permanent
100	Returned Checks	Finance – Adjustments – NSF, etc. (not LAFCO checks)	GCS 26202, 34090; CCP 337	Until audited + 4 years
101	Salary/Compensation Studies, Surveys	Studies of agencies regarding wages, salaries and other compensation benefits	GCS 26202, 34090	While current + 2 years
102	State Controller	Annual reports	GCS 26202, 34090	2 years
103	Statement of Economic Interest (SEI) (FPPC Form 700) (originals – designated employees)	Original SEIs of officers and employees designated in LAFCO's Conflict of Interest Code	GCS 81009(e), (g)	7 years (can image after 2 years)
104	Stop Payments	Finance - bank statements	GCS 26202, 34090	2 years
105	Unemployment Insurance Records	Records relating to unemployment insurance – claims, payments, correspondence, etc.	USC 3301-3311; Calif. Unemployment Insurance Code; CCP 343	4 years
106	Vouchers - Payments	Account postings with supporting documents	GCS 26202, 34090; CCP 337	Until audited + 4 years
107	Wage Garnishment	Wage or salary garnishment	CCP 337	Active until garnishment is satisfied; then retain until audited + 4 years
108	Warrant Register/Check Register	Record of checks issued; approved by the Commission (copy is normally retained as part of agenda packet information)	GCS 26202, 34090	Until audited + 2 years
109	Workers Compensation Files	Work-injury claims (including denied claims); claim files, reports, etc.	CCR 10102; CCR 15400.2	Until settled + 5 years



Figure 2 – Request for Destruction Form



LOCAL AGENCY FORMATION COMMISSION  
OF SANTA CRUZ COUNTY

**“Request for Destruction of Obsolete Records”**

To: Joe A. Serrano, LAFCO Executive Officer

From: \_\_\_\_\_

Subject: Request for Destruction of Obsolete Records

I am requesting approval to destroy the obsolete records listed below.

DATE OF RECORD	TYPE OF RECORD	LEGAL AUTHORITY	RETENTION PERIOD

APPROVED:

\_\_\_\_\_  
Commission Clerk

\_\_\_\_\_  
Date

\_\_\_\_\_  
Executive Officer

\_\_\_\_\_  
Date

The obsolete records described above were destroyed under my supervision using the following method:

☐ Shredding      ☐ Recycling      ☐ Other (specify method)

I certify that such destruction meets the requirements of the Records Retention and Destruction Policy of LAFCO and all applicable requirements of State and federal law.

\_\_\_\_\_  
Commission Clerk

\_\_\_\_\_  
Date of Records Destruction

*Adopted on April 5, 2000 (Resolution No. 2000-2)  
Last Revision on March 4, 2020 (Resolution No. 2020-05)*

## **CHAPTER II**

# **COMMISSION MEETINGS & SELECTION PROCESS**



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **MEETING RULES POLICY**

#### **1. TIME AND PLACE OF MEETINGS**

The Local Agency Formation Commission of Santa Cruz County shall hold regular meetings on the first Wednesday of each month at the hour of 9:00 o'clock A. M. in the Board of Supervisors Chambers in the County Governmental Center, 701 Ocean Street, Santa Cruz, California. Meetings may be cancelled at the Chair's discretion.

#### **2. AGENDA**

The agenda packet shall be available for the Commissioners by Thursday evening, six days preceding the Wednesday meeting. The agenda packet will also be made available on the LAFCO website for the general public.

The Chairperson or the Chairperson's designee shall determine the appropriate content of the agenda, and arrange the order of the agenda, or may delegate the same to the Executive Officer. A majority of the Commission may direct the placement of any item on a future agenda by action taken in a noticed public meeting of the Commission.

The agenda may be organized in the following manner:

<b>Agenda Item</b>	<b>Description</b>
1) Roll Call	Identify Commissioners in attendance.
2) Adoption of Minutes	Consideration of previous meeting minutes.
3) Oral Communications	Opportunity for the public to address the Commission on items not on the agenda, provided that the subject matter is within the Commission's jurisdiction.
4) Public Hearing(s)	Items that require expanded public notification per provisions in state law, Commission direction, or voluntarily placed by the Executive Officer
5) Other Business	Items that involve administrative, budgetary, legislative, or personnel matters and may be subject to broader discussion
6) Written Correspondence	Any written correspondence distributed to the Commission less than 72 hours prior to the meeting will be made available for inspection at the hearing and posted on LAFCO's website
7) Press Articles	LAFCO staff monitors newspapers, publications, and other media outlets for any news affecting local cities, districts, and communities in Santa Cruz County
8) Commissioners' Business	Opportunity for Commissioners to comment briefly on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission
9) Adjournment	Conclusion of LAFCO's open and closed session items

In some cases, special items may be added to the agenda, including but not limited to Oath of Office, Closed Sessions, or other non-periodic items. The agenda outline above may include such special items, when applicable.

All reports, communications, resolutions, or other matters to be submitted to the Commission shall be submitted to the Executive Officer no later than noon on Monday, nine days preceding a regular Commission meeting. Correspondence presented to the Commission after that date but before the regular meeting will be made available on the LAFCO website and at the meeting for public review.

Items not on the agenda should not be considered at the scheduled meeting, but should be set for the next available meeting, unless the Commission grants its consent for urgent matters consistent with the Ralph M. Brown Act (Government Code Section 54950.5 *et seq.*).

### **3. ELECTION OF CHAIRPERSON**

The Commission shall, at its first regular meeting in January of each year, or as duly continued by action of the Commission, choose one of its members to serve as Chairperson and one of its members to serve as Vice-Chairperson, to serve the balance of the calendar year or until the election of their successors.

Should the office of Chairperson or Vice-Chairperson become vacant during the calendar year, the Commission shall, at the meeting at which the vacancy occurs, choose a successor to fill the vacancy for the balance of that calendar year, or until the election of a successor.

### **4. CHAIRPERSON TO PRESIDE**

The Chairperson shall preside at the meetings of the Commission. If the Chairperson is absent or unable to act, the Vice-Chairperson shall serve until the Chairperson returns or is able to act. The Vice-Chairperson has the same powers and duties of the Chairperson while acting as Chairperson.

### **5. QUORUM**

A majority of the regular members of the Commission shall constitute a quorum for the transaction of business. Alternate members, when seated in place of regular members, shall be considered a regular member for quorum determination. When there is no quorum, the Chairperson or Vice-Chairperson, or if no Commissioners are present, the Executive Officer shall adjourn the meeting.

### **6. MAJORITY VOTE**

An affirmative vote of at least four members of the Commission, including alternate members when seated in place of regular members, shall be required to approve any motion before the Commission.

### **7. READING OF MINUTES**

Unless a Commissioner requests a reading of the minutes, the Commission may approve minutes without formal reading if the Executive Officer has previously furnished each member with a draft of the minutes.

### **8. RULES OF DEBATE**

Sturgis Rules of Order shall be followed by the Commission to the fullest extent possible; provided, procedural failure shall not invalidate an otherwise legal act of the Commission. In addition, the Chairperson may second motions and enter into debate regarding all Commission items. Every member desiring to speak shall address the Chairperson, and, upon recognition by the Chairperson, shall speak to the question under debate.

## **9. MANNER OF ADDRESSING THE COMMISSION--TIME LIMIT**

All persons addressing the Commission shall step up to the podium, give their name, geographical area (or City) of residence, and interest in the area under consideration in an audible tone for the record, and unless further time is granted by the Commission, shall limit their time to three minutes. The Chairperson, unless otherwise changed by a motion and vote from the Commission, may set a different time limit.

All remarks shall be addressed to the Commission as a body and not to any member thereof. No person, other than the Chairperson and the person having the floor, shall be permitted to enter into any discussion, either directly or through a member of the Commission, without permission of the Chairperson. No question shall be asked of a Commissioner or staff member except through the Chairperson.

## **10. METHOD OF VOTING**

The Commission shall vote by voice, unless one Commissioner requests a roll call vote. Roll call voting shall be random with the Chairperson voting last. Unless a member of the Commission states that they are disqualified or abstaining from voting, the silence shall be recorded as an affirmative vote.

## **11. ABSTAINING FROM VOTING**

No Commissioner shall abstain from voting without first notifying the Chairperson of the Commissioner's intent to abstain from the vote.

## **12. DISQUALIFICATION FROM VOTING**

Whenever any Commissioner is disqualified from voting, that Commissioner shall announce their disqualification to the extent required by law, step from the dais, and may then participate to the extent permitted by the California Political Reform Act.

## **13. ALTERNATE COMMISSIONERS**

Whenever present at a Commission meeting, Alternate Commissioners shall take part in all of the proceedings of the Commission, but shall not vote on any matter before the Commission unless seated in place of an absent or disqualified regular member of the Commission.

## **14. ORAL COMMUNICATIONS**

The Commission will hear presentations from the public not to exceed three minutes on subjects within the Commission's jurisdiction and not on the agenda that day. No action will be taken by the Commission on any matter presented at that time. The Chairperson, subject to a motion and direction from the Commission, may set a different time limit.

## **15. SUMMARY ADJOURNMENT**

The Chairperson is empowered to summarily, and without motion, second, or voting, declare a meeting of the Commission adjourned if the Chairperson is unable to enforce the proper decorum of a meeting.

## **16. RESOLUTION**

No resolution shall be adopted by the Commission unless it is presented before the Commission in writing and read aloud. When each Commissioner has received a copy of the resolution, the reading of the resolution is automatically waived unless a

Commissioner specifically requests that it is read. Prior to Commission consideration, draft resolutions will be reviewed by Legal Counsel. Resolutions will be signed by the Chair, Legal Counsel, and the Executive Officer after the Commission has approved them at a public meeting.

#### **17. SPECIAL COMMITTEES**

The Commission may appoint special committees at any time for any lawful purpose of the Commission. Unless otherwise directed by the Commission, all special committees shall be appointed by the Chairperson, subject to approval of the Commission.

#### **18. PROTESTS AND DISSENTS BY COMMISSIONERS**

Any Commissioner shall have the right to have the reasons for their dissent from, or protest against, any action of the Commission, entered in the minutes.

#### **19. POSTING NOTICES**

Posting of official notices, notices of public hearings, and any other official papers of the Commission where posting is required by law, shall be posted on the Official Bulletin Board of the Local Agency Formation Commission of Santa Cruz County at the County Governmental Center at 701 Ocean Street, Santa Cruz, California. These official postings shall also be posted on the Commission's website at [www.santacruzlafco.org](http://www.santacruzlafco.org).

Should the Commission hold a public hearing at any other location than its regular place of meeting, then, in addition to posting the notice on the Official Bulletin Board as listed above, posting shall be made upon or near the door to the stated place of meeting.

#### **20. DOCUMENTS SUBMITTED AFTER AGENDA PACKET IS DISTRIBUTED**

Materials related to an item on the agenda that are submitted to the Commission after the agenda packet is distributed, are available to the public at the LAFCO office and during the meeting at the meeting location. Each agenda shall include a statement that the public may review these materials at the Commission office or during the meeting at the meeting location.

#### **21. ATTENDANCE AT MEETINGS**

Should any Regular Commissioner be absent for three consecutive regular meetings of the Commission without valid excuse, the Chairperson shall, through the Executive Officer, notify the appointing authority of such unexcused absences.

#### **22. COMMISSION STIPENDS AND EXPENSE REIMBURSEMENT**

Commissioners receive a stipend payment of \$50 per posted meeting of the Commission and for attendance at any other Commission approved meetings (i.e. standing or special committee meeting). Commissioners may also receive reimbursement for expenses such as mileage or transportation costs, lodging, and food for approved travel associated with LAFCO business.

*Adopted on May 5, 1999 (Resolution No. 1999-4)  
Revised on October 2, 2019 (Resolution No. 2019-20)  
Revision on March 4, 2020 (Resolution No. 2020-04)  
Latest Revision on March 6, 2024 (Resolution No. 2024-07)*  
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## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **PUBLIC MEMBER SELECTION POLICY**

#### **1. OVERVIEW**

The Public Member Selection Policy establishes guidelines towards the appointment of LAFCO's regular and alternate public members. As stipulated in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, if the office of a regular public member becomes vacant, the alternate member may serve and vote in place of the former regular public member until the appointment and qualification of a regular public member to fill the vacancy. Pursuant to Government Code Section 56334, the term of office of each member shall be four years and until the appointment and qualification of his or her successor.

#### **2. PROCEDURAL GUIDELINES**

When the regular public member and/or alternate public member position becomes vacant during a term, or two months in advance of either of these terms ending, the Chairperson and Executive Officer shall place on the agenda a memo advising the Commission of the need to advertise for candidates to apply for the position(s).

At the meeting, the Commission shall direct staff to advertise the vacancy and receive applications. Unless the Commission gives alternate directions, the following steps will be completed:

- a. Vacancy Notification: Staff will advertise the vacancy as soon as possible on the LAFCO website and in at least two newspapers of general circulation which jointly have broad coverage throughout Santa Cruz County. The notice shall include a summary of the qualifications for the position as specified in Government Code Section 56331 (e.g. can't be an officer or employee of the county, city, or district). Pursuant to Government Code Section 56325(d), a copy of the notice will also be sent to all city clerks, to all independent special districts secretaries, and to the clerk of the Board of Supervisors.
- b. Deadline Establishment: The deadline for applications shall be at least 21 days following the meeting at which the Commission authorizes the solicitation.
- c. Candidate Application: Individuals interested in the position shall apply by completing a form provided by LAFCO staff and submitting the application before the deadline.

#### **3. CANDIDATE REVIEW**

The Executive Officer shall compile the applications and present them to the Commission as part of the meeting agenda following the application deadline. Candidates may withdraw an application before or after the application deadline. If a candidate withdraws an application after the deadline, the candidate shall not be considered for the appointment unless the Commission votes to reopen the process and the person reapplies.

#### **4. SELECTION PROCESS**

Final appointment for the regular public member and/or alternate public member shall be conducted during an open session at a regularly scheduled LAFCO Meeting. Upon receiving and reviewing the applications, the Commission by majority vote shall choose one of the following three courses of actions:

- a. Make an appointment from the list of candidates;
- b. Invite all candidates to make oral presentations at a subsequent LAFCO Meeting; or
- c. Reopen the application process.

In the event no candidate from the applicants submitted receives a majority vote and an affirmative vote of at least one county, city, and special district member, the Commission shall conduct a run-off vote of two candidates receiving the most votes. In the event that neither candidate receive a majority vote and an affirmative vote of at least one county, city, and special district member, the Chair shall direct the Executive Officer to re-advertise that a vacancy (ies) exist(s) in the manner set forth in these procedures.

*Adopted on April 7, 2004 (Resolution No. 2004-6)  
Last Revision on May 6, 2020 (Resolution No. 2020-10)*





## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **INDEPENDENT SPECIAL DISTRICTS SELECTION POLICY**

#### **1. OVERVIEW**

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

#### **2. MEMBERSHIP**

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

#### **3. MEETINGS**

##### **3.1 Notification and Solicitation of Nominations**

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

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

##### **3.2 Registration**

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

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

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

### **3.3 Quorum**

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

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

### **3.4 Sequential Balloting**

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

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

### **3.5 Majority to Win**

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

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

## **4. COMPOSITION OF SPECIAL DISTRICT REPRESENTATION ON LAFCO**

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

### **Class 1: Fire Protection Districts**

- Ben Lomond Fire Protection District
- Boulder Creek Fire Protection District
- Central Fire District<sup>1</sup>
- Felton Fire Protection District
- Pajaro Valley Fire Protection District<sup>2</sup>
- Scotts Valley Fire Protection District<sup>3</sup>
- Zayante Fire Protection District

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<sup>1</sup> The original resolution listed the Aptos/La Selva Fire Protection District, which was subsequently consolidated with the Central Fire Protection District (named changed to Central Fire District) in 2021.

<sup>2</sup> The original resolution listed the Freedom Fire Protection District and the Salsipuedes Fire Protection District, which were subsequently consolidated into the Pajaro Valley Fire Protection District.

<sup>3</sup> The original resolution listed the Branciforte Fire Protection District, which was subsequently dissolved and annexed into the Scotts Valley Fire Protection District in 2023.

### **Class 2: Water Districts**

- Central Water District
- San Lorenzo Valley Water District<sup>4</sup>
- Scotts Valley Water District
- Soquel Creek Water District

### **Class 3: Recreation and Park Districts**

- Alba Recreation and Park District
- Boulder Creek Recreation and Park District
- La Selva Beach Recreation and Park District

### **Class 4: Miscellaneous Districts<sup>5</sup>**

- Pajaro Valley Heath Care District
- Pajaro Valley Public Cemetery District
- Pajaro Valley Water Management Agency
- Salsipuedes Sanitary District
- Santa Cruz County Resource Conservation District
- Santa Cruz Port District

#### **4.1 Overlapping Classes**

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

#### **4.2 Class Diversity**

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

#### **4.3 Conflicting Classes**

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

## **5. MAILED-BALLOT ELECTIONS**

### **5.1 Authority**

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

### **5.2 Notification and Solicitation of Nominations**

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

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<sup>4</sup> The original resolution listed the Lompico County Water District which was subsequently dissolved and annexed into the San Lorenzo Valley Water District.

<sup>5</sup> The original resolution listed the Opal Cliffs Recreation District and the Reclamation District No. 2049, which were subsequently dissolved in 2022 and 2024 respectively. The list also excluded the Pajaro Valley Health Care District which was ultimately created through special legislation in 2022.

Each district shall be encouraged to submit nominations, accompanied by a brief resume on the form provided by LAFCO. All nominations must be received by a specified date that shall be at least six weeks from the date of notification. Emailed copies of nominations may be submitted, if necessary, to meet the established deadline; however, replacement originals must be submitted as soon thereafter as possible.

### **5.3 Distribution and Return of Ballots**

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

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

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

### **5.4 Appointment by Majority Vote**

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

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

*Adopted on September 7, 1994 (Resolution No. 801-B)  
Revision on May 6, 2020 (Resolution No. 2020-11)  
Last Revision on March 6, 2024 (Resolution No. 2024-07)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **CITY SELECTION POLICY**

#### **1. PURPOSE**

The purpose of the City Selection Committee shall be to appoint the regular and alternate city members of the Local Agency Formation Commission (LAFCO) and to fill unexpired terms when vacancies occur (Government Code Section 56325[b]).

#### **2. MEMBERSHIP**

Membership of the City Selection Committee shall be composed of the presiding mayor or designated council member of the legislative body of each city located wholly within Santa Cruz County.

#### **3. CLERK OF THE CITY SELECTION COMMITTEE**

The County Administrative Officer, acting as the Clerk of the Board, shall function as the recording officer of the City Selection Committee. All meetings of a City Selection Committee shall be conducted in the presence of the clerk or designated personnel. All votes and action taken by a City Selection Committee shall be recorded in writing by the clerk of the committee. The written record of any vote or action taken by the selection committee shall include the name of each member voting and how they voted. Written records and minutes of a selection committee's clerk are public records (Government Code Section 50276).

#### **4. SELECTION/APPOINTMENT OF CITY COMMISSIONERS**

The City Selection Committee shall appoint two regular commissioners and one alternate commissioner to serve on LAFCO, each of whom shall be a mayor or city council member from one of the County's incorporated communities (Government Code Section 56325). Such appointments shall be made in accordance with the procedure established by the City Selection Committee and described in the rules and regulations of that body.

#### **5. TERMS OF OFFICE & VACANCIES**

The Cities of Capitola, Santa Cruz, Scotts Valley, and Watsonville alternate staggered, four-year terms on LAFCO. All terms end the first Monday in May. Prior to the expiration of a term limit, LAFCO staff will notify the County Administrative Officer to schedule a City Selection Committee meeting to address upcoming vacancies and appoint a new city member.

If a city council member is unable to finish their term on LAFCO, then the City Selection Committee may allow that city to nominate another council member to complete that city's term. In the case of all appointments, a city's nomination must be accepted by the City Selection Committee at a noticed meeting.

## 6. CITY ROTATION PROCEDURE

The City Selection Committee established a rotation protocol regarding the appointments to LAFCO on June 6, 2023. This procedure ensures that each of the four cities have equal representation on the Commission. The city rotation goes with the city and not with the person. The unanimous action reflects the following rotation schedule:

- The Cities of Santa Cruz and Watsonville will share and rotate between one regular seat and the alternate seats every two years; and
- The Cities of Capitola and Scotts Valley will share and rotate every two years with the other regular seat.

A comprehensive review of the next series of rotation, based on the procedure outlined above, is shown in the table below. The rotation schedule within the table indicates when a city will hold a regular or alternate seat between 2024 to 2040.

YEAR	CAPITOLA	SCOTTS VALLEY	SANTA CRUZ	WATSONVILLE
<b>2024*</b>	<b>Ex Officio</b>	<b>Regular</b>	<b>Alternate</b>	<b>Regular</b>
2025	Regular	Ex Officio	Alternate	Regular
2026	Regular	Ex Officio	Regular	Alternate
2027	Ex Officio	Regular	Regular	Alternate
2028	Ex Officio	Regular	Alternate	Regular
2029	Regular	Ex Officio	Alternate	Regular
2030	Regular	Ex Officio	Regular	Alternate
2031	Ex Officio	Regular	Regular	Alternate
2032	Ex Officio	Regular	Alternate	Regular
2033	Regular	Ex Officio	Alternate	Regular
2034	Regular	Ex Officio	Regular	Alternate
2035	Ex Officio	Regular	Regular	Alternate
2036	Ex Officio	Regular	Alternate	Regular
2037	Regular	Ex Officio	Alternate	Regular
2038	Regular	Ex Officio	Regular	Alternate
2039	Ex Officio	Regular	Regular	Alternate
2040	Ex Officio	Regular	Alternate	Regular

*Note: All terms end on the fourth Monday in January. See LAFCO Policy for more information.*

**\*\*Start of New Rotation Schedule -January 22, 2024\*\***

*Adopted on September 6, 2023 (Resolution No. 2023-20)  
Last revision on March 6, 2024 (Resolution No. 2024-07)*

# **CHAPTER III**

## **APPLICATIONS & PROPOSALS**



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **PROPOSAL EVALUATION POLICY**

#### **1. OVERVIEW**

Pursuant to Government Code Section 56375, Santa Cruz LAFCO has established standards for the evaluation of proposals. The Commission uses these standards when reviewing and acting upon proposals for annexations and other boundary changes. This policy concludes with a copy of the application form.

#### **2. CONSISTENCY WITH SPHERE OF INFLUENCE**

All changes of organization shall be consistent with adopted spheres of influence of affected agencies.

##### **2.1 Sphere Consistency**

Consistency shall be determined by a LAFCO finding of consistency with the sphere of influence maps and policies adopted by LAFCO for the affected agencies.

#### **3. INITIAL PROPOSAL EVALUATION**

Any proposal involving annexations, incorporations, and formations shall not be approved unless it demonstrates a need for the additional services to be provided to the area; while all proposals involving detachments, disincorporations, and dissolutions shall not be approved unless the proponent demonstrates that the subject services are not needed or can be provided as well by another agency or private organization.

##### **3.1 Rezoning & General Plan Updates**

For proposals concerning cities, need shall be established by (a) an adopted rezoning, consistent with the city general plan, that shows current or future development at a density that will require urban services such as sanitary sewer and water, and (b) a city growth rate and pattern that the subject area will be developed within 5 years.

The Commission shall require rezoning for all city annexations so that the potential effects of the proposals can be evaluated by the Commission and known to the affected citizens.

##### **3.2 Existing Land Use Designations**

For proposals concerning the extension of other services by annexation, incorporation, or district formation, need shall be established by the applicable general plan land use designations and the service levels specified for the subject area in the applicable general plan.



Generally, LAFCO will presume to favor a city's general plan inside the sphere of influence adopted for the city by LAFCO, and the county's general plan elsewhere. It is the proponent's responsibility to prove any exception by referring to the policies of the Local Government Reorganization Act.

### **3.3 Divestiture of Services**

For proposals involving the discontinuation of services, lack of need shall be established by (a) no serious effects on the current users of the service due to discontinuation, and (b) no projected serious effects on the uses that can be expected to occur in the next 5 years based upon the applicable general plan and projected growth rates and patterns.

### **3.4 Population Analysis**

In reviewing proposals, LAFCO shall consider: (1) the "population" in the proposal area to be the population recorded in the last biennial or special census unless the proponent or affected agency can present updated or more detailed information which LAFCO determines to be more accurate, (2) the "population density" to be the population divided by the acreage, and (3) the "per capita assessed valuation" to be the full cash value of all the property in a proposal area (as set by the last secured property tax roll) divided by the population.

### **3.5 Overlapping Plans**

In cases of overlapping plans, LAFCO shall make a determination of which general plan best carries out the policies of the Local Government Reorganization Act.

### **3.6 In-Fill Development**

In order to avoid further urban sprawl, LAFCO shall encourage in-fill development in urban areas and annexations of areas inside the city sphere of influence.

### **3.7 Provision of Services**

In order for LAFCO to approve a change of organization, the proponent shall demonstrate that the subject services can be provided in a timely manner and at a reasonable cost.

### **3.8 Proposals exceeding 50 acres**

For proposals involving the extension of general municipal services to proposal areas greater than 50 acres, the proponent shall either: (a) plan staged growth beginning closest to an existing urban area, or (b) demonstrate why such a plan does not promote urban sprawl and an inefficient pattern of services.

## **4. AFFECTED AGENCIES AND BOUNDARIES**

Proposals, where feasible, should minimize the number of local agencies and promote the use of multi-purpose agencies.

#### **4.1 Ranking Different Boundary Changes**

New or consolidated service shall be provided by one of the following agencies in the descending order of preference:

- a) Annexation to an existing city;
- b) Annexation to an existing district of which the Board of Supervisors is the governing body;
- c) Annexation to an existing multi-purpose district;
- d) Annexation to another existing district;
- e) Formation of a new county service area;
- f) Incorporation of a new city;
- g) Formation of a new multi-purpose district; or
- h) Formation of a new single-purpose district.

#### **4.2 Consolidation Proposals**

The Commission will promote and approve district consolidations, where feasible.

#### **4.3 Logical Boundaries**

LAFCO shall promote more logical agency boundaries.

#### **4.4 Political Boundaries**

To the greatest possible extent, boundaries shall follow existing political boundaries, natural features (such as ridges and watercourses), and constructed features (such as railroad tracks).

#### **4.5 Roads and Streets (Right-of-Way)**

Boundary lines shall be located so that entire rights-of-way are placed within the same jurisdiction as the properties fronting on the road.

#### **4.6 Community Boundaries**

Boundaries should avoid dividing an existing identifiable community, commercial district, or other area having social or economic homogeneity. Where such divisions are proposed, the proponents shall justify exceptions to this standard.

#### **4.7 Parcel Boundaries**

The creation of boundaries that divide assessment parcels shall be avoided whenever possible. If the proposed boundary divides assessment parcels, the proponents must justify to the Commission the necessity for such division. If the Commission approves the proposal, the Commission may condition the approval upon obtaining a boundary adjustment or lot split from a city or county.

#### **4.8 Prevention of “Islands”**

Boundaries should not be drawn so as to create an island or strip either within the proposed territory or immediately adjacent to it. Where such an island or strip is proposed, the proponent must justify reasons for nonconformance with this standard.

#### **4.9 Prevention of Irregular Boundaries**

Where feasible, city and related district boundary changes should occur concurrently to avoid an irregular pattern of boundaries.

#### **4.10 Social & Economic Interests**

The Commission shall consider the effects of a proposed action on adjacent areas, mutual social and economic interests, and on local governmental structure.

#### **4.11 Metes & Bounds**

A map of any proposed boundary change shall show the present and proposed boundaries of all affected agencies in the vicinity of the proposal site. The Commission shall assure that any approved boundary changes are definite and certain. The Commission may approve a proposal conditioned on the proponent preparing a new boundary map and description.

#### **4.12 Timely LAFCO Actions**

LAFCO will review each proposal and take actions needed to encourage timely annexations to discourage agencies from extending services by agreement without annexing to the agency.

#### **4.13 Financially Desirable Areas**

The sole inclusion of financially desirable areas in a jurisdiction shall be avoided. The Commission shall amend or reject any proposal that, in its estimation, appears to select principally revenue-producing properties for inclusion in a jurisdiction.

#### **4.14 City Jobs & Housing**

For city annexation proposals, if the city has more jobs than places for workers to live (jobs to employed residents ratio greater than 1.00) then a proposal which will directly result in urban development including new permanent employment may only be approved if sufficient land is designated for residential uses in the city's general plan to create a jobs/ housing balance.

The Commission will consider and may grant waivers to this standard in cases where all of the following situations exist:

- a) The territory being annexed is an island of incorporated territory and consistent with the definition of “island” in Government Code Section 56375;
- b) The proposal is consistent with the spheres of influence of all affected agencies; and
- c) The proposal has been initiated by resolution of the city which includes the subject property in its adopted sphere of influence.

## **5. AGRICULTURAL LANDS**

Urban growth shall be guided away from prime agricultural lands, unless such action would not promote planned, orderly, efficient development of an area.

### **5.1 Smart Growth**

A change of organization is considered to promote the planned, orderly, and efficient development of an area when:

- a) It is consistent with the spheres of influence boundaries and policies adopted by LAFCO for the affected agencies; and
- b) It conforms to all other policies and standards contained herein.

### **5.2 Infill Development**

LAFCO shall encourage the urbanization of vacant lands and non-prime agricultural lands within an agency's jurisdiction and within an agency's sphere of influence before the urbanization of lands outside the jurisdiction and outside the sphere of influence, and shall encourage detachments of prime agricultural lands and other open space lands from cities, water districts, and sewer districts if consistent with the affected agency's adopted sphere of influence.

### **5.3 Ranking Urban Development on Open Spaces and/or Farmlands**

The priorities for urbanization are:

- a) open-space lands within existing boundaries;
- b) open-space lands within an adopted sphere of influence;
- c) prime agricultural lands within existing boundaries; and
- d) prime agricultural lands within an adopted sphere of influence.

### **5.4 Urbanization of Prime Agricultural Lands**

Proposals involving urbanization of prime agricultural lands within adopted spheres of influence shall not be approved, unless it can be demonstrated that: (a) there is insufficient land in the market area for the type of land use proposed, and (b) there is no vacant land in the subject jurisdiction available for that type of use.

## **6. WATER AND SEWER RESOURCES**

LAFCO recognizes that the water resources of Santa Cruz County are limited, and the Commission's objective is to ensure that its decisions relating to water do not lead to adverse impacts on the natural resources of Santa Cruz County. In reviewing boundary change applications, LAFCO shall be guided by the potential impacts of the proposal on water resources and will consider the efforts of the water agencies and land use agencies to maintain stream and river flows, promote high water quality of surface waters and groundwater, and reduce groundwater overdraft.

## **6.1 Supply of Water**

In any proposal requiring water service, the Commission requires that the agency that will provide the water will need to demonstrate the availability of an adequate, reliable and sustainable supply of water.

- a) In cases where a basin is overdrafted or existing services are not sustainable, a boundary change proposal may be approved if there will be a net decrease in impacts on water resources;
- b) In cases where a phased development is proposed, the agency should demonstrate that adequate service capacity will be provided as needed for each phase;
- c) In cases where a proposed new service area will be served by an onsite water source, the proponent should demonstrate its adequacy (Government Code Section 56668(k)); and
- d) In cases where the proposal's new water demand on the agency does not exceed the typical amount of water used by a single-family dwelling in the agency's service area, the Commission will not require that an "adequate, reliable, and sustainable" supply be demonstrated if the agency has a water conservation program and the program will be implemented as part of any new water service.

## **6.2 Service Limitations**

It is the general policy of the Commission to disapprove annexations to water and sewer agencies (including cities that provide either service) while there is a connection moratorium or other similar service limitation involving the subject water or sewer service. The Commission will consider exceptions to this general policy on a case-by-case basis. The Commission may approve an annexation that meets one or more of the following criteria:

- a) To replace a private water source that has failed, such as a well that has gone dry. New service connections shall not be sized to accommodate more intensive development;
- b) To replace a septic system that has failed. New service connections shall not be sized to accommodate more intensive development;
- c) To implement a transfer of service between two existing agencies in a manner that is consistent with the adopted Spheres of Influence of those agencies; and/or
- d) To change a boundary, in a manner consistent with an adopted Sphere of Influence, so that an agency boundary does not divide a property that could only be conveyed under a single deed.

Between January 1, 1986, and the time the service limitation is totally lifted, the Commission shall limit the annexations so that the number of cumulative connections made under the above exemption criteria do not exceed 1% of the total agency's flow (as expressed in equivalent single family dwelling units) in service on January 1, 1986.

An additional criterion, not subject to the 1% cumulative impact limitation, is as follows:

- e) To provide facilities or funding that will allow the agency to lift its service limitation.

### **6.3 Urban Land uses**

For proposals concerning water and sewer district annexations, the need shall be established by lack of services to existing urban land uses, or a building permit application or the allocation for a single-family dwelling or, for a larger project, by: (a) a tentative or final land use entitlement (tentative subdivision map use permit, etc.) conditioned on obtaining water or sewer service, and (b) a growth rate and pattern that the subject area will be developed within 5 years.

### **6.4 Commission Approval**

The Commission will only approve boundary change applications when the Commission determines that it is unlikely that water resources will be degraded. The Commission will review each application to assure that, by implementing project-specific mitigations, participating in agency water conservation programs, or both if applicable, the project will not adversely affect sustainable yields in groundwater basins, flows in rivers and streams, water quality in surface water bodies and groundwater basins, and endangered species.

### **6.5 Multiple Service Providers**

When more than one agency could serve an area, the agencies' services capabilities, costs for providing services, and the desires of the affected community will be key factors in determining a sphere of influence.

*Adopted on September 21, 1966 (Resolution No. 97)*  
*Previous Revision on February 2, 2011 (Resolution No. 2011-1)*  
*Revision on August 5, 2020 (Resolution No. 2020-19)*  
*Revision on September 6, 2023 (Resolution No. 2023-20)*  
*Last Revision on March 6, 2024 (Resolution No. 2024-07)*

# PROJECT APPLICATION FORM OF THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

Santa Cruz LAFCO  
701 Ocean Street, Room 318-D  
Santa Cruz, CA 95060  
(831) 454-2055

## **APPLICATION INSTRUCTIONS**

This application form is used to initiate the application process to the Local Agency Formation Commission of Santa Cruz County (LAFCO) for a city or district annexation, reorganization, detachment, or a sphere of influence amendment. LAFCO staff looks forward to assisting you with your project.

In addition to the information that you will provide us on this form, LAFCO staff is required to analyze additional data regarding your proposal from our Geographic Information System (GIS) and in-house data base, including, but not limited to: affected agencies, interested agencies, spheres of influence, school districts, land use/zoning, acres of prime agricultural land, and number of dwelling units. A Plan of Services may also be required demonstrating how municipal services will be provided to the affected territory.

**To assist staff in this effort, a mandatory pre-filing meeting is required of all applicants so we can fully understand your project. It is the applicant's responsibility to set up the pre-filing meeting by contacting the LAFCO offices at (831) 454-2055 and requesting an appointment. This application form must be completed prior to the pre-filing meeting.**

Please fill out this application as completely as possible. If you need assistance, please do not hesitate to contact a LAFCO staff member for guidance. If a question does not apply to your proposal, indicate "N/A". Santa Cruz LAFCO is transitioning into a "paperless" office and encourages digital copies, when applicable. It is important that you list all email addresses where indicated on the application. Correspondence, staff reports, resolutions and other LAFCO forms and mailings, whenever possible, will be distributed electronically.

**APPLICATION FOR:** (check all that apply)

- ☐ Annexation to: \_\_\_\_\_
- ☐ Detachment from: \_\_\_\_\_
- ☐ Reorganization (2 or more changes of organization) of: \_\_\_\_\_
- ☐ Service Review / Sphere Update / Sphere Amendment: \_\_\_\_\_
- ☐ Other (explain): \_\_\_\_\_
- ☐ \*Extraterritorial Service Agreement ("ESA"): \_\_\_\_\_

*If requesting an extraterritorial service agreement "only", please answer the following two questions:*

- a. Why is an ESA needed rather than annexation? Does it meet the criteria under Government Code Section 56133?
- b. How would an ESA affect the present and future need for services in the project area?

**GENERAL DESCRIPTION AND JUSTIFICATION OF PROPOSAL:**

1. What changes of organization are included? What agencies are involved? What parcels are involved? Please identify all affected assessed parcel numbers (APNs).
2. Explain the purpose of the requested change in organization.
3. Explain how the proposal provides more logical boundaries and/or improves the provision of service.
4. Does this proposal have 100% consent of all property owners? (If so, please complete *Attachment A on page 5*).



**WHO INITIATED THIS PROPOSAL?** Generally, LAFCO proposals may be initiated by a resolution of an affected agency, a city council, special district or by the Board of Supervisors. In addition, a proposal may be initiated by a petition of the affected area's registered voters or landowners. **Attach one of the following to this application form:**

- ☐ Agency Resolution
- ☐ Landowner Petition
- ☐ Registered Voter Petition

**LOCATION AND ADDRESS OF PROPERTY:**

**MAP AND LEGAL DESCRIPTION:**

A map and legal description of the proposal may be prepared by a private engineering firm. An application can be filed with LAFCO without a map and legal, but a proposal cannot be scheduled for LAFCO hearing prior to receipt map and legal description.

Additionally, the map and legal description must meet the State Board of Equalization's requirements. The BOE's "Change of Jurisdictional Boundary" requirements are available for download at <http://www.boe.ca.gov/proptaxes/sprdcnt.htm>. Please note, the BOE requires an additional vicinity map that shows the project area in relation to a larger geographic area.

A map and legal description has been:

- ☐ Certified by a private engineering firm and is attached to this application.
- ☐ Currently being reviewed / developed.
- ☐ Other (please explain)

**DISCLOSURE OF POLITICAL EXPENDITURES:**

LAFCO requires applicants to report all expenditures for political purposes related to an application and proceedings to be reported to the Commission's Executive Officer in compliance with Government Code Sections 56700.1 and 57009. The following is attached to this application form:

- ☐ LAFCO Disclosure Form (please complete *LAFCO Disclosure of Political Expenditures*, see Attachment 2 on page 6); copy of Financial reports and disclosures submitted to FPPC (please attach)
- ☐ Please check here if you have no related financial reports or disclosures.

**ENVIRONMENTAL DOCUMENT:**

The California Environmental Quality Act (CEQA) requires LAFCO and other public agencies to consider the potential environmental impacts of all applications it reviews. An environmental document should accompany all applications and reference the proposed LAFCO action (e.g., annexation).

The following is included with this application form:

- ☐ Environmental Document (ex. Final EIR) produced by the lead agency.
- ☐ Other (explain why Environmental Document not included):

**INDEMNIFICATION AGREEMENT:**

LAFCO policy requires that all applicants sign an indemnification agreement (see *Attachment 3 on page 7*) which indemnifies LAFCO employees, agents and attorneys in the event of litigation is filed concerning the approval of an application.

The following is included with this application form:

- ☐ Signed Indemnification Agreement

**FILING FEES:**

*Applicants are required to pay fees in accordance with LAFCO's adopted fee schedule (see Fee Schedule Policy) to cover the administrative and staff costs required to evaluate proposals for hearing. Checks must be made payable to: "Santa Cruz LAFCO".*

The following is included with this application form:

- ☐ Check for Filing Fees
- ☐ Other (explain why Filing Fees not included):

**CERTIFICATION**

I certify, under penalty of perjury by the laws of the State of California, that the information contained in this application is true and correct. I acknowledge and agree that Santa Cruz LAFCO is relying on the accuracy of the information provided and my representations in order to process this application proposal.

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Phone Number / Email:** \_\_\_\_\_

**ATTACHMENT 1*****Property Owner Consent Form***

(All legal owners must sign a consent form or submit a letter of signed consent.)

I, \_\_\_\_\_, consent to the annexation/reorganization of my property

located at \_\_\_\_\_

or Assessor Parcel Numbers \_\_\_\_\_

to the [agency(ies)] \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**City, State, Zip:** \_\_\_\_\_

**ATTACHMENT 2****INDEMNIFICATION AND DEFENSE**

The undersigned applicant for the above-referenced application ("Applicant"), as a condition of submission of this application, approval of the application and any subsequent amendment of the approval which is requested by the Applicant, hereby agrees to defend, using counsel reasonably acceptable to the Local Agency Formation Commission of Santa Cruz County ("LAFCO"), indemnify, and hold harmless LAFCO, its officers, employees, and agents, from and against any claim, demand, damages, costs or liability of any kind (including attorneys' fees) against LAFCO arising from or relating to this application or any approval or subsequent amendment to the approval thereof, subject to the conditions set forth below.

A) Notification and Cooperation

LAFCO shall notify the Applicant of any claim, action, or proceeding against which LAFCO seeks to be defended, indemnified, or held harmless. LAFCO shall reasonably cooperate in such defense.

B) Fees and Costs:

Nothing contained herein shall prohibit LAFCO from participating in the defense of any claim, action, or proceeding if either of the following occur:

- 1) LAFCO bears its own attorneys' fees and costs; or
- 2) LAFCO and the Applicant agree in writing to the Applicant paying part or all of the Commission's attorneys' fees and costs.

C) Settlement:

When representing LAFCO, the Applicant shall not enter into any stipulation or settlement modifying or affecting the interpretation or validity of any of the terms or conditions of the approval without the prior written consent of LAFCO.

D) Successors Bound:

The obligations of the Applicant under this Indemnity and Defense agreement are specifically associated with and shall run with the land that is the subject of the application and/ or approval and shall be binding upon the applicant and the successor(s) in interest, transferee(s), and assign(s) of the applicant in the land.

E) Recordation:

At any time after submission of the application, LAFCO may, at its sole option, record in the office of the Santa Cruz County Recorder a memorandum of agreement which incorporates the provisions of this condition, or this approval shall become null and void.

\_\_\_\_\_  
(Signature of LAFCO Executive Officer)

\_\_\_\_\_  
(Signature of Applicant)

\_\_\_\_\_  
Joe A. Serrano  
(Printed Name)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

**ATTACHMENT 3*****LAFCO Disclosure of Political Expenditures***

Effective January 1, 2008, political expenditures related to a proposal for a change of organization or reorganization that will be or has been submitted to LAFCO are subject to the reporting and disclosure requirements of the Political Reform Act of 1974 and the Cortese-Knox-Hertzberg Act of 2000.

***Please carefully read the following information to determine if reporting and disclosure provisions apply to you.***

1. Any person or combination of persons who, for political purposes, directly or indirectly contributes \$1,000 or more, or expends \$1,000 or more in support of, or in opposition to a proposal for a change of organization or reorganization that will be submitted to the Commission, shall disclose and report the contribution to the Commission pursuant to the requirements of the Political Reform Act of 1974 (Government Code Section 81000 *et seq.*) as provided for local initiative measures, and Section 56700.1 of the Cortese-Knox-Hertzberg Act of 2000.
2. Pursuant to Government Code Section 57009, any person or combination of persons who directly or indirectly contributes \$1,000 or more, or expends \$1,000 or more in support of, or in opposition to, the conducting authority proceedings for a change of organization or reorganization, must comply with the disclosure requirements of the Political Reform Act of 1974, (Government Code section 81000 *et seq.*). Applicable reports must be filed with the Secretary of the State and the appropriate city or county clerk. Copies of the report must also be filed with the LAFCO Executive Officer.

**Evaluation Checklist for Disclosure of Political Expenditures**

The following checklist is provided to assist you in determining if the requirements of Government Code Sections 81000 *et seq.* apply to you. For further assistance, contact the Fair Political Practices Commission at 428 J Street, Suite 450, Sacramento, CA 95814, (866) 275-3772 or at <http://www.fppc.ca.gov>.

1. Have you directly or indirectly made a contribution or expenditure of \$1,000 or more related to the support or opposition of a proposal that has been or will be submitted to LAFCO?

Yes ☐ No ☐

Date of contribution \_\_\_\_\_ Amount \$ \_\_\_\_\_ Name/ Ref. No of LAFCO Proposal \_\_\_\_\_

Date proposal was submitted to LAFCO \_\_\_\_\_

2. Have you, in combination with other person(s), directly or indirectly contributed or expended \$1,000 or more related to the support or opposition of a proposal that has been or will be submitted to LAFCO?

Yes ☐ No ☐

Date of contribution \_\_\_\_\_ Amount \$ \_\_\_\_\_ Name/ Ref. No of LAFCO Proposal \_\_\_\_\_

Date proposal was submitted to LAFCO \_\_\_\_\_

3. If you filed a report in accordance with FPPC requirements, has a copy of the report been filed with Santa Cruz LAFCO?

Yes ☐ No ☐



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **PROCESSING FEES AND DEPOSITS POLICY**

#### **1. OVERVIEW**

All deposits are initial payments toward the total cost of processing (“project cost”). Project cost is defined as staff time plus materials. Staff billing rates include personnel costs. Other application-related costs include, but are not limited to, charges for the advertisement of hearings, as well as any fees charged for project reviews by affected agencies. A cost breakdown will be completed at the end of each LAFCO application. If any funds are remaining at the end of the LAFCO process, then a refund will be provided to the applicant.

#### **2. PETITION CHECKING**

There is no charge for verification of the first 20 signatures on a petition. Beginning with the 21st signature, a fee of \$0.55 per signature shall be charged to the applicant.

#### **3. PROCESSING**

The following identifies the initial deposits for each boundary change request.

##### **a) District annexations, detachments, and reorganizations not changing city boundaries:**

Total Acreage	Fee Deposit
Less than 1	\$1,600
1 – 24.9	\$2,500
25 – 149.9	\$7,000
More than 150	\$8,000

##### **b) Municipal annexations, detachments, and reorganizations involving at least one change in a city boundary:**

Total Acreage	Fee Deposit
Less than 1	\$3,150
1 – 24.9	\$4,900
25 – 149.9	\$7,350
More than 150	\$14,600

##### **c) Consolidations, mergers, and establishments of a subsidiary district:**

Total Acreage	Fee Deposit
N/A	\$1,800

**d) Dissolutions of an independent special district and county service areas:**

Total Acreage	Fee Deposit
N/A	\$1,250

**e) Formation of a county service area:**

Total Acreage	Fee Deposit
N/A	\$5,000

*Footnote: includes petition filing fee and sphere adoption*

**f) Addition of a service to the list of services that a county service area may perform:**

Total Acreage	Fee Deposit
N/A	\$1,250

**g) Formation of a special district:**

Total Acreage	Fee Deposit
N/A	\$15,000

*Footnote: includes sphere adoption*

**h) City incorporations:**

Total Acreage	Fee Deposit
N/A	\$30,000

*Footnote: includes sphere adoption*

**i) Request for the State Controller's Review of a Comprehensive Fiscal Analysis on an incorporation proposal:**

Actual cost billed by the Controller. If the Controller has not set a cost at the time the deposit is due, the deposit shall be \$ 38,200.

If the costs will exceed the deposit in the opinion of the Executive Officer, the Executive Officer shall bill the party who requested the Controller's review for the estimated costs to complete Controller's review. Failure to pay an additional deposit may result in cessation of the Controller's report and other remedies as determined by the Controller's office and the Commission.

**j) Sphere of Influence revision or amendment:**

Total Acreage	Fee Deposit
N/A	\$5,150

**k) Provision of a new function or service by a district:**

Total Acreage	Fee Deposit
N/A	\$1,500

**l) Requests for extraterritorial service:**

Total Acreage	Fee Deposit
N/A	\$950

**m) Request for a service review outside the Commission's schedule in accordance with the adopted multi-year work program:**

Actual cost. Note: Initiation of a service review outside of LAFCO's work program is subject to LAFCO's discretion whether the service review can be conducted in a manner that doesn't prejudice the work program, and to LAFCO's discretion as to the appropriate geographic areas, agencies, and scope of the service review.

**n) Copies or other reproduction efforts:**

Requests	Fee Deposit
Copies	First 30 pages free; thereafter \$0.18 per page
Digital Audio Files	\$14.42 per 80-minute CD
Other Electronic Media	The fees as charged by the County of Santa Cruz on its Unified Fee Schedule

#### **4. BILLING RATES**

The Commission will review billing rates and the fee schedule on an annual basis and may adjust rates as necessary to assure the cost recovery with processing each type of application. Documentation regarding actual costs (salaries, benefits, etc.) is available in the LAFCO office.

As of August 5, 2020, staff's hourly rates are the following:

LAFCO Staff	Hourly Rate
Executive Officer	\$138.27
Commission Clerk	\$102.71
Legal Counsel	Same rate charged to LAFCO

#### **5. FINANCIAL ASSISTANCE**

LAFCO has established a fee schedule policy in accordance with the allowances provided by the State of California under California Government Code Sections 56383 and 66014. In some cases, a fee waiver or some type of financial assistance may be considered and approved by the Commission, if warranted. The following policies direct the setting and criteria when considering financial assistance.

##### **7.1 Fee Waivers**

The LAFCO filing fee for the following types of proposals may be waived provided, however, that a deposit is provided for the anticipated direct costs for environmental review and state board of equalization recordation fees. Compliance with these conditions is to be determined by the LAFCO Executive Officer:



- a) City annexations of island areas that comply with Government Code Section 56375.3; and
- b) The proposal corrects a boundary alignment problem (i.e. a divided assessor's parcel or inadvertent exclusion).

## **7.2 Proposals Based on Service & Sphere Review Findings/Recommendations**

An applicant may request a waiver/reduction of the LAFCO filing fee if the proposal stems from an adopted service and sphere review. A request must be submitted in writing, be initiated by the affected agency(ies), accompanied by the submission of an application, and within one (1) year from the most recently adopted service and sphere review for consideration. The Executive Officer shall present the waiver request at the next regular hearing for Commission consideration.

Example of fee waiver request under this policy:

- a) LAFCO recommends that a city/district annex areas within its existing sphere boundaries.

Example of fee reduction request under this policy:

- a) LAFCO recommends that two or more districts consolidate to maximize existing resources, optimize economies of scale, and/or improve the provision of services.

A city or special district may also request financial assistance in hiring an outside consultant to explore possible changes of organization based on recommendations found in LAFCO's adopted service and sphere reviews. Examples include but are not limited to the completion of an annexation plan. If the Commission chooses to provide financial assistance, the total amount towards this type of request shall not exceed \$15,000 during the current fiscal year.

*Adopted on December 4, 2002 (Resolution No. 2002-9)  
Revision on August 3, 2011 (Resolution No. 2011-8)  
Revision on February 4, 2014 (Resolution No. 2014-2)  
Previous Revision on December 6, 2017 (Resolution No. 2017-12)  
Revision on August 5, 2020 (Resolution No. 2020-19)  
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## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **ENVIRONMENTAL REVIEW POLICY**

#### **1. OVERVIEW**

This policy outlines the specific procedures used by LAFCO to tailor the general provisions of the California Environmental Quality Act ("CEQA") Guidelines (California Code of Regulations, Title 14, sections 15000 et seq.) ("State CEQA Guidelines") to LAFCO's specific functions as both a "Responsible" and a "Lead" agency under CEQA. This version of LAFCO's environmental review guidelines incorporates changes in the State CEQA Guidelines through 2019.

These provisions and procedures incorporate by reference (and are to be utilized in conjunction with) the State CEQA Guidelines, a copy of which is available on LAFCO's website. These procedures will be revised as necessary to conform to amendments to the State CEQA Guidelines, within 120 days after the effective date of such amendments. However, LAFCO will implement any such statutory changes that the California Legislature makes to CEQA regulations as soon as those statutory changes become effective, even if not expressly stated herein.

#### **2. PUBLIC AGENCIES' RESPONSIBILITIES**

A public agency must meet its own responsibilities under CEQA and shall not rely on comments from other public agencies or private citizens as a substitute for work that CEQA requires the Lead Agency to accomplish. For example, a Lead Agency is responsible for the adequacy of its environmental documents. The Lead Agency shall not knowingly release a deficient document hoping that public comments will correct defects in the document. When making decisions that trigger some type of CEQA review, LAFCO's duty is to minimize the environmental damage that may result from those decisions and to balance the competing public objectives as outlined in the State CEQA Guidelines, section 15021.

#### **3. LAFCO'S ENVIRONMENTAL RESPONSIBILITIES**

LAFCO's role as a regulatory agency involves "the discouragement of urban sprawl, the encouragement of the orderly formation, and development of local agencies." A few of its duties require minimal environmental review, especially those involving the commissioning of studies, the hearing of protests, and consolidations, reorganizations and mergers of cities or districts. Most of these duties only constitute jurisdictional changes with no potential for land use changes or for significant effects on the physical environment.

LAFCO's more prominent roles include, but are not limited to, creation of spheres of influence, formation of new districts, incorporation of new cities, and annexations/reorganizations to cities or special districts. These types of LAFCO actions generally require more in-depth analysis, especially if they result in the direct or indirect physical change in the environment, like facilitation of growth and/or land use alterations. Factors that must be assessed in these cases involve land area and

use, all aspects of the physical and human environment, geographical features, population growth and density, social and economic changes, availability of infrastructure and government services, conformity with city or county land use plans, and creation of unincorporated “islands,” etc.

#### **4. LAFCO’S ROLE AS AN “INTERESTED” AGENCY**

In situations where LAFCO is not a “Responsible Agency” but has an interest in reviewing a project to ensure that LAFCO related information is correctly identified, LAFCO plays a more limited role in the CEQA process. In those instances, the Executive Officer will review, and, if necessary, comment on all environmental documents submitted by a Lead Agency involving projects/decisions relating to and/or affecting LAFCO projects or policies.

#### **5. LAFCO’S ROLE AS A “RESPONSIBLE” AGENCY**

“Responsible” Agency status occurs when LAFCO is not the “Lead” Agency, but nevertheless has discretionary approval authority over a project or some aspect of a project, in tandem with, or separate from that of the Lead Agency in accordance with Section 15096 of the State CEQA Guidelines. Examples of situations where LAFCO may be a Responsible Agency include, but are not limited to:

- A city approving an annexation request to LAFCO, only after pre-zoning the area in question. When a city has pre-zoned an area, the city serves as the Lead Agency for any subsequent annexation of the area and should prepare the environmental documents at the time of pre-zoning or other land use decision; or
- When a special district has conducted an environmental review and prepared an environmental determination for a plan to serve an area proposed for annexation to the district.

LAFCO shall use the environmental document prepared by the Lead Agency for LAFCO’s environmental determinations if the Executive Officer deems it adequate for such use pursuant to State CEQA Guidelines, Section 15096. Procedures for determining the adequacy of the lead agency’s CEQA document are summarized in the following sub-sections.

##### **4.1 Consultation**

Pre-Application Discussion: Regardless of whether LAFCO is a Responsible Agency, each Lead Agency carrying out any project within LAFCO’s jurisdiction and function shall inform LAFCO in writing of its intent and process for that project at the beginning of the Lead Agency’s CEQA review process, and the Lead Agency shall provide LAFCO with copies of any project applications.

CEQA Determination: The Lead Agency shall consult with LAFCO regarding the preparation of its environmental documents/determinations (Statutory Exemptions, Categorical Exemptions, Initial Studies/Negative Declarations, Environmental Impact Reports (“EIR”), etc.), which must also be used by LAFCO in its role as a Responsible Agency; consultation can be written or verbal and LAFCO’s input shall be incorporated/addressed in the Lead Agency’s analysis, documentation and determinations.

LAFCO Initial Comments: The Executive Officer shall, as soon as practical but within 30 days of notification, comment as to the appropriate environmental determination from LAFCO's perspective as well as issues of concern to be addressed in any environmental document. The requirement for written notification from the Lead Agency can be waived at the Executive Officer's discretion.

Where LAFCO disagrees with the Lead Agency's proposed environmental determination (such as a Negative Declaration), LAFCO will identify the specific environmental effects which it believes could result from the project and recommend the project be mitigated with measures to reduce the potential impacts to less than "significant" (when feasible) or that an EIR be prepared to properly characterize potentially significant impacts.

Notice of Preparation: When it intends to prepare an EIR, the Lead Agency shall send a Notice of Preparation by certified mail to LAFCO to solicit input in accordance with Section 15082 of the State CEQA Guidelines.

LAFCO shall respond to any Notice of Preparation submitted to LAFCO in accordance with subsection (A)(5) above in writing within 30 days, specifying the scope and content of the environmental data and analysis germane to LAFCO's statutory responsibilities for the proposed project. LAFCO shall also provide the Lead Agency with input regarding environmental issues and the minimum content of the analysis needed to meet a standard of adequacy for use of the environmental document/determination by LAFCO as a CEQA Responsible Agency.

#### **4.2 Preparation of Environmental Documents by a Lead Agency**

The Lead Agency shall include information in the Statutory Exemption, Categorical Exemption, Initial Study/Negative Declaration/EIR to allow its subsequent use by LAFCO for its considerations; referencing on the title page and in the project description any boundary changes, changes of organization or reorganization, or other proposed actions requiring subsequent discretionary action by LAFCO to fully implement the project.

The Lead Agency shall send the draft document to LAFCO as part of the public review process required by the CEQA and applicable guidelines (sections 15072 and 15082 of the State CEQA Guidelines). The Executive Officer will, within the established review period, send comments to the Lead Agency in writing (which can be transmitted either via U.S. mail or overnight delivery, or electronically by email or other messaging system), all of which LAFCO expects to be incorporated and assessed in the final document. LAFCO's comments on a draft CEQA document submitted to LAFCO by a lead agency should focus on the appropriateness of the CEQA document chosen, the adequacy of the environmental document's content, in the case of an EIR -- additional alternatives or mitigation measures, etc., that are germane to environmental impacts that could result from LAFCO's subsequent discretionary action or to the adequacy of the document for use by LAFCO as a CEQA Responsible Agency.

A final EIR prepared by a Lead Agency or a Negative Declaration adopted by a Lead Agency shall be conclusively presumed to comply with CEQA for purposes of use by Responsible Agencies which were consulted pursuant to Sections 15072 or 15082, unless one of the following conditions occurs:

- The EIR or Negative Declaration is finally adjudged in a legal proceeding not to comply with the requirements of CEQA; or
- A subsequent EIR is made necessary by Section 15162 of the State CEQA Guidelines.

#### **4.3 LAFCO Requirement of Environmental Documents/Determinations**

Applications filed by Lead Agencies with LAFCO shall include copies of one of the following environmental documents as specified in LAFCO's filing requirements and all applicable findings for an EIR per Sections 15091, 15092 and 15093 of the State CEQA Guidelines.

- Exemptions: Certification of Categorical or Statutory Exemption;
- Negative Declaration: Notice of Intent to Adopt a Negative Declaration and a Final Negative Declaration (including copy of Initial Study) or a Final Negative Declaration with mitigation measures (including copy of Initial Study), all technical appendices, and Mitigation Monitoring/Reporting Plan;
- Environmental Impact Report: Notice of Subsequent Use of an Existing EIR (which was previously available or has been made available to LAFCO), Notice of Preparation of a Draft EIR, Notice of Availability/Notice of Completion of Draft EIR (including copy of Draft EIR), Final EIR, Statements of Findings/Overriding Considerations, and Mitigation Monitoring/Reporting Plan;
- California Department of Fish and Wildlife: copy of environmental filing fee receipt including, if applicable, a CEQA Filing Fee No Effect Determination Form; and/or
- Other Appropriate CEQA Documents: copy of any other environmental document/determination not listed in this policy.

#### **4.4 LAFCO's Use of Lead Agency's Environmental Documents**

In making its determinations on boundary change proposals, changes of organization or reorganization, or other proposed actions requiring discretionary action by LAFCO, LAFCO will generally use the environmental document prepared by the Lead Agency if the procedures regarding consultation and preparation of environmental documents by a Lead Agency outlined above have been followed.

Prior to project approval, the Commission will certify that it has reviewed and considered the information contained in the Lead Agency's document. LAFCO may request the Lead Agency furnish additional information or findings as required to support a legally adequate Responsible Agency environmental determination in accordance with Section 15096 of the State CEQA Guidelines.

When a Lead Agency's EIR identifies significant environmental effects, LAFCO will incorporate the Lead Agency's findings or formulate its own, for each significant effect, or otherwise make findings in accordance with State CEQA Guidelines, Section 15091 for each significant environmental effect that is identified in a Lead Agency's EIR.

LAFCO may take any of the following actions to conform to CEQA requirements when rendering a decision on an application:

- LAFCO will not approve a proposed project with significant impacts if it can adopt feasible alternatives or mitigation measures within its powers that would substantially lessen the magnitude of such effects, unless it adopts a Statement of Overriding Considerations (State CEQA Guidelines, section 15093);
- If LAFCO mitigates impacts listed in the EIR to a less than significant level via the adoption of boundary alternatives or conditions of approval (negotiated with the local agency), such findings shall be reinforced by adequate rationale and inserted in the record; or
- If the environmental impacts of the LAFCO decision cannot be mitigated to a less than significant level, LAFCO will adopt a Statement of Overriding Considerations per State CEQA Guidelines, Sections 15093 and 15096.

Upon project approval, LAFCO shall file a Notice of Determination in a like manner as a Responsible Agency in accordance with Section 15096(i) of the State CEQA Guidelines. The Notice of Determination shall be filed with the Santa Cruz County Clerk of the Board.

## **6. LAFCO'S ROLE AS A "LEAD" AGENCY**

LAFCO will be the Lead Agency responsible for performing CEQA mandated environmental review when its discretion for approval or denying a project involves general governmental powers. This is in contrast with a Responsible Agency role which only has single, limited powers over the project, normally subsequent and secondary to LAFCO's function, such as pre-zoning for the property of interest. Examples of projects requiring LAFCO to act as a Lead Agency include but are not limited to the following:

- Establishment of spheres of influence for cities and special districts;
- Adoption of studies or municipal service reviews; and
- Special District activation or divestiture of a function or class of service.

### **6.1 Delegation of Responsibilities by the Commission to the Executive Officer**

The following quotations from Section 15025 of the State CEQA Guidelines indicate those functions that can and cannot be delegated to the Executive Officer by the Commission:

A public agency (the Commission) may assign specific functions to its staff (Executive Officer) to assist in administering CEQA. Functions which may be delegated include but are not limited to:

- Determining whether a project is exempt;
- Conducting an Initial Study and deciding whether to prepare a draft EIR or Negative Declaration (refer to Section IV, F. 2. of these guidelines for a discussion of the appeal process when an EIR is required.);

- Preparing a Negative Declaration or EIR;
- Determining that a Negative Declaration has been completed within a period of 180 days (see Section 21100.2 of CEQA);
- Preparing responses to comments on environmental documents; and
- Filing of notices.

The decision-making body of a public agency (the Commission) shall not delegate the following functions:

- Reviewing and considering a final EIR or approving a Negative Declaration prior to approving a project before the Commission; and
- The making of findings as required by Sections 15091 and 15093.

## 7. LAFCO'S LEAD AGENCY PROCEDURES

The following process and procedures, specific to LAFCO's function, summarize or supplement the State CEQA Guidelines and are to be used to process all accepted applications.

### 7.1 Statutory Exemptions (CEQA Guidelines, Sections 15260-15285)

Statutorily exempt projects defined by the Legislature that could apply to a LAFCO project include the following:

- Disapproved Projects: CEQA does not apply to projects that LAFCO rejects or disapproves. This statutory exemption is intended to allow an initial screening of projects on the merits for quick disapprovals prior to the initiation of the CEQA process where LAFCO can determine that the project cannot be approved. This statutory exemption shall not relieve an applicant from paying the costs for an EIR or negative declaration prepared for the project prior to the lead agency's disapproval of the project after normal evaluation and processing.
- Feasibility and Planning Studies: A project involving only feasibility or planning studies for possible future actions which the agency, board, or commission has not approved, adopted, or funded does not require the preparation of an EIR or Negative Declaration but does require consideration of environmental factors. This section does not apply to the adoption of a plan that will have a legally binding effect on later activities.
- Ministerial Projects: Actions or Ministerial Projects involve the application of fixed standards without the option of exercising personal or subjective judgment (discretion) by the Executive Officer or the Commission. Examples include but are not limited to the following: (1) Consolidation/reorganization of special districts where the district boards adopt similar resolutions of applications for said consolidation/reorganization into a single agency (pursuant to Government Code Section 56853), and (2) Certain island annexations (pursuant to Government Code Section 56375) where approval is mandated if the annexation meets certain specific findings.

## **7.2 Categorical Exemptions (CEQA Guidelines, Section 15300)**

The following classes of projects, specifically pertaining to LAFCO's activities, have been identified in the State CEQA Guidelines as not having the potential to cause significant environmental effects, and may be categorically exempt from the requirements of CEQA if certain specified criteria are satisfied (Note: A categorical exemption shall not be used for these activities where there is substantial evidence to support that one of the exceptions to the categorical exemptions in State CEQA Guidelines, section 15300.2 is present.):

- Construction or Conversion of New, Small Structures (Class 3): Included within this category are extraterritorial or out-of-agency service contracts/agreements involving the extension of water, sewer, and/or other utility services by a city or district outside its boundaries but lying within its respective sphere of influence.
- Annexations of Existing Facilities and Lots for Exempt Facilities (Class 19): Included within this category are: (1) Annexations to special districts where the district's services would be provided even without annexation and construction has been initiated prior to the issuance of a Certificate of Filing, (2) Annexations of areas containing existing public or private structures developed to the density allowed by current zoning or pre-zoning, whichever is more restrictive, (provided, however, that the extension of utility services within the annexed area would have a capacity to serve only those existing facilities), (3) Detachments from cities where the land being detached is committed, by virtue of an adopted land-use plan, to remain in agricultural use or open space; or where the land is presently developed and no change in land-use can be reasonably anticipated, and (4) Detachments from special districts which will not result in any change in zoning or land use.
- Changes in Organization of Local Agencies (Class 20): Included within this category are changes in the organization or reorganization of local agencies where the changes do not modify the geographic area in which previously existing powers are exercised. Examples include but are not limited to: (1) Establishment of a subsidiary district, (2) Consolidation of two or more districts having identical boundaries, (3) Merger with a city of a district lying entirely within the boundaries of the city, or (4) Reorganization of agencies consisting of annexations or detachments providing similar services.

## **7.3 Recordation of Notice of Exemptions**

When a LAFCO project qualifies for an exemption, LAFCO staff may develop and record with the Santa Cruz County Clerk of the Board a "Notice of Exemption" form, to include: (1) A brief project description, (2) The project location with supporting map, (3) The specific exemption including the finding and citation of the CEQA Guidelines section or statute under which it is found to be exempt, and (4) The rationale for its selection, including a brief statement of reasons to support the findings.

## **7.4 Initial Studies**

A project for which LAFCO is the Lead Agency and which is not exempt will require the preparation of an Initial Study to determine if the project has the potential for causing a significant environmental effect. The Initial Study assessment shall consider all phases of the project; the purposes, policies, rules, regulations and standards set



forth in CEQA and its State CEQA Guidelines; these procedures and the adopted plans and policies of cities, the County, and LAFCO. An Initial Study need not be prepared if the Executive Officer determines at the beginning stages of review that a full-scope EIR will be required, but will be used to document the significance of specific impacts requiring a focused EIR, i.e. the Initial Study shall document the rationale for narrowing the scope of issues to be addressed in an EIR.

- Process: The Initial Study will be prepared on a State CEQA Guidelines Standard Initial Study Environmental Checklist Form using the project application, environmental description forms, appropriate literature, etc. A site visit may be necessary. Individual findings for environmental issues will be documented with sufficient technical data to substantiate conclusions regarding the potential for significant adverse impact. Insufficiency of available information will be noted on the form if it affects the ability to reach a conclusion.

The preparer shall consult with all Responsible Agencies and other public agencies/persons/organizations affected by or knowledgeable of the project and its issues. Under appropriate circumstances such review could also involve use of the County's or a city's Environmental Review Committee and its public forum to more fully assess the physical, social and infrastructural implications of complex projects. The Initial Study will be the supporting document for findings of "significance" and "non-significance" (whether to prepare a Negative Declaration or EIR). It is a tool for modifying projects and/or identifying mitigation measures to allow a finding of "non-significance." It can also be used to focus the EIR on effects determined to be potentially significant or to determine whether a previously prepared EIR could be used/modified for the project, etc.

The Initial Study shall contain: (1) A project description and location; (2) Environmental setting; (3) Identification of all environmental impacts using the most recent version of the State CEQA Guidelines environmental checklist form (Appendix G) and substantial evidence to support environmental impact findings, including ways to mitigate (avoid, minimize, compensate or otherwise reduce) a significant impact to a less than significant level; and (4) Examination of project consistency with zoning and land-use plans, etc. Section 15063 of the State CEQA Guidelines contains a detailed description of the content of and uses for the Initial Study and it is hereby incorporated by reference. Funding for the preparation of an Initial Study shall be borne by the applicant for the LAFCO action pursuant to Commission policy.

- Executive Officer's Determinations/Findings: After review of the Initial Study and all supporting information, the Executive Officer shall determine the appropriate environmental determination based on one of the following findings:
  - 1) The project will not have a significant environmental effect. Prepare a Negative Declaration and a Notice of Determination and publish a Notice of Intent to Adopt a Negative Declaration. After an appropriate public review period consistent with the applicable State CEQA Guideline's requirements, the documentation will be finalized and forwarded to the Commission with a recommendation for adoption;

- 2) The project, as proposed, would have a significant environmental effect, but with alterations, stipulations, or mitigation measures, all adverse impacts can be mitigated to a less than significant level. Prepare a Mitigated Negative Declaration and a Notice of Determination and publish a Notice of Intent to Adopt a Negative Declaration. After appropriate public review period consistent with State CEQA Guideline's requirements, the documentation will be forwarded to the Commission with a recommendation for adoption;
- 3) The project will have a significant environmental effect, but all such impacts have been adequately assessed in a final EIR previously reviewed by LAFCO and mitigated to the extent feasible. Submit the EIR to the Commission with appropriate findings for certification;
- 4) The project will have a significant environmental effect. An EIR will be prepared and submitted to the Commission with appropriate findings; or
- 5) The project will have a significant environmental effect and an EIR has been prepared. However, new information or changed conditions affecting the project or the site warrant additional analysis. Prepare a supplemental EIR or addendum to the original EIR focusing on these changes. Submit to the Commission with appropriate findings for certification.

### **7.5 Negative Declaration or Mitigated Negative Declaration**

A Negative Declaration (finding of non-significant effect) or a Mitigated Negative Declaration (finding of non-significant effect with project changes/mitigation measures/conditions of approval) will be prepared on the State CEQA Guidelines Initial Study Environmental Checklist Form by staff per the findings of the Initial Study based on substantiating evidence.

The Negative Declaration or Mitigated Negative Declaration's contents will include a brief project description, location (i.e., vicinity map), name of applicant, the finding of non-significance, attached Initial Study with any applicable technical reports, data or other information constituting the substantial evidence supporting the environmental analysis, and a list of mitigation measures (if any, in the context of a Mitigated Negative Declaration). A determination of the Initial Study's adequacy and the preparation of the accompanying Negative Declaration or Mitigated Negative Declaration initially rests with the Executive Officer. The formal adoption of the Negative Declaration or Mitigated Negative Declaration rests ultimately with the Commission.

- **Notice Requirements:** The document will be available at the LAFCO office for public review and comment for a minimum of 21 days prior to LAFCO action on the project. Recommended Negative Declarations and Mitigated Negative Declaration (in the form of a Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration) will be noticed at least once in a newspaper of general circulation in the project area; noticed in the "local" newspaper of the affected area (if any); mailed to all Responsible Agencies and public agencies with jurisdiction within the project area; mailed to those individuals and organizations who have requested such notices.

Where one or more state agencies will be a Responsible or Trustee Agency or will exercise jurisdiction over natural resources affected by the project, LAFCO shall send copies of the Negative Declaration or Mitigated Negative Declaration to the State Clearinghouse for distribution to these state agencies. Review by state agency(ies) will require a 30-day period unless reduced by prior approval of the State Clearinghouse. Pursuant to adopted Commission policy, costs associated with the Notice and distribution requirements shall be funded by the applicant for the LAFCO action.

- LAFCO Consideration: The Commission will consider the proposed Negative Declaration or Mitigated Negative Declaration and any public and agency comments prior to approving a project, and will approve the Negative Declaration or Mitigated Negative Declaration if it finds there is no substantial evidence in the whole of the administrative record that the project will have a significant environmental effect. Where mitigation is included as a condition of the Mitigated Negative Declaration, the mitigation monitoring and reporting program (MMRP) shall assign responsibility for implementing the mitigation measure(s) when the Mitigated Negative Declaration is approved by the Commission.
- Notice of Determination: After the Commission's approval of a project for which a Negative Declaration or Mitigated Negative Declaration has been adopted, the Executive Officer shall file a Notice of Determination. The Notice of Determination's content shall include: (1) Project description, identification and location; (2) Date project approved by LAFCO; (3) Determination of "non-significant" effect, or determination that mitigation measures were imposed and made conditions of approval for the project to reduce impacts to less than significant levels; (4) Statement that a Negative Declaration or Mitigated Negative Declaration has been prepared and approved; and (5) Address of LAFCO office where a copy of Negative Declaration or Mitigated Negative Declaration is filed.

The Notice shall be filed with the Santa Cruz County Clerk of the Board. If the project requires a discretionary approval from any state agency, the Notice shall also be filed with the State Office of Planning and Research, State Clearinghouse. Fees for filing a Notice of Determination for a Negative Declaration or Mitigated Negative Declaration shall be funded by the applicant for the LAFCO action.

## **7.6 Environmental Impact Report**

If the Executive Officer or the Commission finds, based on substantial evidence in the record or contained in the Initial Study and public comments, that a project may have a significant environmental effect, the Executive Officer will initiate the preparation of an Environmental Impact Report ("EIR").

- Purpose: An EIR is an informational document; a major tool in the decision-making process, informing Commissioners and all parties involved of the environmental consequences of project decisions before they are made. An EIR's primary functions are to identify and mitigate significant adverse impacts and to provide alternative project and boundary options that may reduce potentially significant impacts of the proposed project.

- An EIR is not an instrument to rationalize approval or denial of a project; nor do indications of adverse impacts require automatic denial. LAFCO has the authority to balance environmental, economic, social or other objectives as part of its mandate to develop orderly governmental boundaries (Sections 15091, 15092 and 15093, State CEQA Guidelines). An EIR should be prepared early in the application process to facilitate the integration of environmental considerations in project or boundary design. The applicant is responsible for submitting all necessary project data for the EIR per the Executive Officer's request or funding the preparation of required project data for the EIR.
- Appeals: The Executive Officer's determination to require an EIR is appealable to the Commission within 10 working days of the issuance of the decision to prepare an EIR. Such an appeal must be filed, on LAFCO forms, with the Executive Officer and must include specific substantiation for the appeal, directly related to environmental issues. The appeal shall be heard on the next regularly scheduled Commission agenda that permits adequate public notification. The Commission's decision shall be final. The only legal remedy available to appeal the Commission's final action is to file a petition for writ of mandate in the superior court under California Code of Civil Procedure Section 1085.
- Notice of Preparation: At the earliest feasible date following the Executive Officer's/Commission's formal decision to prepare an EIR (based on the administrative record or an Initial Study), a Notice of Preparation ("NOP") will be mailed to all responsible and affected agencies (including the State Clearinghouse and affected state agencies, if any) and any parties requesting notification. State review of an EIR will result in the issuance of an identification number (State Clearinghouse Number) which shall be used on all subsequent documentation and correspondence.

The NOP shall include sufficient information on the project and its anticipated impacts to facilitate meaningful responses on the environmental issues that may cause significant adverse impacts. Such content to include: (1) Project description; (2) Mapped location; (3) Probable environmental effects; and (4) A copy of the Initial Study or substantial evidence in the record justifying the preparation of an EIR, etc. The NOP shall be sent to all responsible/trustee agencies or interested parties via certified mail or other method to document its receipt.

Within 30 days after LAFCO's release of the NOP, each Responsible Agency/interested party shall submit to LAFCO specific information directly related to that agency's/party's statutory responsibility for the project; the environmental issues, alternatives, and mitigation measures to be explored; and the agency's/party's role in the project's review, etc. If LAFCO does not receive a response or request to extend the public comment period on the NOP by the end of the 30-day NOP review period, LAFCO may presume that no response will be made from an agency or party that received the NOP.

- Scope of EIR: LAFCO may also convene meetings involving all parties (especially at the request of a Responsible Agency) to further assist in the determination of the EIR's scope and content, no later than 30 days after such request. Early and complete scoping, consultation and negotiation are critical to the preparation of an adequate EIR. LAFCO may request use of the County's or a local agency's

Environmental Review Committee in a public meeting forum to aid in the identification and resolution of any technical issues. LAFCO will compile all comments and identify in writing the focus for the EIR. An EIR can be prepared by staff or consultants under contract to LAFCO, coordinated by the Executive Officer or designee. LAFCO may accept data for an EIR from any source subject to independent validation by LAFCO staff. Also, LAFCO may charge an applicant appropriate fee to cover all costs for preparing and processing an EIR.

- EIR Content: Article 9 of the State CEQA Guidelines describes the complete content of all required sections of an EIR, as modified from time to time. However, LAFCO has discretion to narrow the scope of an EIR's content during the scoping process (State CEQA Guidelines, section 15063).
- Consultant EIRs: The Executive Officer shall use a Request for Proposals bidding process to select a consultant to write the EIR. The Executive Officer shall maintain and update as necessary a list of consultants, a minimum of three from which proposals shall be solicited for each consultant prepared EIR. The Executive Officer and the applicant will screen the proposals in an attempt to gain a consensus on choosing the consultant. However, the Executive Officer is ultimately responsible for final selection of the consultant. The Commission will review the scope of work, consultant qualifications, contract cost, and all other aspects before authorizing a contract.

The applicant will be charged a fee to cover all contract and staff costs, to be deposited into a LAFCO trust fund. (Note: The contract will be between LAFCO and the consultant which will work solely at the Executive Officer's, not the applicant's, direction.) The Executive Officer will disburse the funds to the consultant at stages specified in the contract based on completion and performance. In addition to the contract costs, the fees charged will be based on actual staff time involved in, but not limited to: (1) Consultant selection including bid solicitation and review, submission of information to consultants, etc.; (2) Review of Draft EIR, corrections, additions, legal review by the Commission's legal counsel, etc.; (3) Compiling comments and reviewing responses to comments for preparation of Final EIR; and (4) Meetings with applicant, consultant and public regarding EIR preparation.

- Public Participation (CEQA Guidelines, Section 15201): Public participation is an essential part of the CEQA process. LAFCO includes provisions in its CEQA procedures for wide public involvement, formal and informal, consistent with its existing activities and procedures, in order to receive and evaluate public reactions to environmental issues related to the agency's activities. Such procedures include, whenever possible, making environmental information available in electronic format and on LAFCO's website.

Interacting with the public is an important CEQA process that allows the public to voice its concerns about environmental issues and the potential effect of a project on the physical environment. Therefore, in order to ensure public involvement in LAFCO's CEQA process, the Commission—in addition to the requirements for public notification on the NOP and/or the Notice of Completion—will provide the public with the opportunity to participate in any meetings related to the EIR, whether through a scoping meeting (optional) to provide verbal or written

comments on the content of the EIR and/or through the public hearing (required) on the certification of the Final EIR.

- Completion Notice (CEQA Guidelines, Section 15085): Because most LAFCO EIRs will require circulation through the State Clearinghouse, the default procedure is that as soon as the draft EIR is completed, a Notice of Completion (“NOC”) must be filed with the California Governor's Office of Planning and Research, denoting the project's description and location, address where EIR copies are available, and the period which comments can be submitted.
- Agency/Public Review: At the time the NOC is sent, the Executive Officer shall provide public notice of the draft EIR's availability to all organizations, agencies and individuals who previously requested such notice; as well as publication in The Santa Cruz Sentinel (newspaper of general circulation) and/or local newspapers. The Executive Officer shall also distribute copies of the draft EIRs and requests for comments to all public agencies with jurisdiction within the project area; to persons or organizations previously requesting such copies; to public libraries in the affected areas; as well as maintaining copies in the LAFCO and any Responsible Agency's offices (upon request). The Executive Officer may consult with any person who has special expertise in any environmental issue involved.

Review periods are not to be less than 30 days nor longer than 60 days from the date of the NOC except in unusual situations, per the Executive Officer's discretion. The review period for draft EIRs submitted to state agencies via the State Clearinghouse will be a minimum of 45 days. The last date for comment submittal shall be specified in the request for comments. A lack of response by that date constitutes a non-objection or “no-comment” by that particular party.

The sufficiency of the EIR per State CEQA Guidelines is the only issue to be addressed during this review. Questions/issues regarding the feasibility or desirability of the project itself shall only be considered by the Commission at the appropriate hearing, not integrated into the environmental review process. In instances where complex technical issues or disagreements among experts arise in the context of an EIR, the Executive Officer can convene a meeting of the County's or a local agency's Environmental Review Committee to provide a forum for a more thorough review of the EIR's adequacy.

- Adequacy: The Executive Officer will make preliminary (not appealable) determinations of the EIR's adequacy, utilizing all aspects of the public record; in turn making specific recommendations on adequacy to the Commission, for its findings, at the time the project is heard.
- Response to Comments on an EIR (CEQA Guidelines, Section 15088): The Executive Officer shall prepare a written response to all comments received during the comment period (and MAY respond to those received after the period): describing the disposition of issues, opinions or facts raised, project revisions or mitigation measures resulting from these comments, reasons for not accepting recommendations, all substantiated by factual information. The response to comments may be in the form of revisions to the EIR text, a separate section in the final EIR or as notes typed in the margins of the comment letters, depending on the event of the resulting revisions.

- Preparation of Final EIR (CEQA Guidelines, Sections 15089 and 15132): The Executive Officer/consultant will prepare a final EIR before the Commission makes a decision on the project. Project denial does not require certification of the Final EIR. Final EIR contents include: (1) The draft EIR and any revisions made to it in response to comments; (2) Comments and recommendations received on the draft EIR verbatim; (3) A list of persons, organizations and agencies commenting on the draft EIR; (4) LAFCO's responses to significant points raised during review and consultation; (5) Plus any other pertinent information. Final EIRs shall be available a minimum of 10 days prior to the Commission hearing on a project and shall be provided to any commenting parties 10 days prior to a Commission hearing on a project. The final EIR shall be submitted to the Commission with the project application and a mitigation measure monitoring plan/program (if necessary) for certification prior to the decision.
- Certification of Final EIR (CEQA Guidelines, Section 15090): Prior to approving a project for which an EIR has been prepared, the Commission shall certify that: (1) The final EIR has been completed in compliance with CEQA; (2) The final EIR was presented to the Commission which reviewed and considered it prior to approving the project; and, (3) The final EIR reflects the lead agency's independent judgment and analysis. If the Commission, through testimony or its own review of the data, finds that the environmental review is incomplete or the EIR does not adequately assess the full range of project impacts, it can refer it back to staff for revisions; deferring approval of the project until it can certify the amended final EIR. Under such circumstances, the Commission shall instruct staff to recirculate/not recirculate the amended EIR in accordance with the extent of requested revisions and as required by CEQA Guidelines, section 15088.5.
- Findings (CEQA Guidelines, Section 15091): The Commission cannot approve or carry out a project for which an EIR identifies one or more significant environmental effects, unless it makes one or more written findings for each significant effect, each reinforced by substantial evidence in the record. Such findings include: (1) Changes have been incorporated into the project which avoid or substantially reduce the significant environmental effect(s) identified in the final EIR, (2) Such changes are not within LAFCO's jurisdiction, but are within the responsibility and jurisdiction of another agency which has adopted such changes, or which can and should adopt such changes, or (3) Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the final EIR.
- Approval (CEQA Guidelines, Section 15092): LAFCO shall not approve or carry out a project for which an EIR was prepared unless either: (1) The project, as approved, will not have a significant environmental effect, or (2) LAFCO has eliminated or substantially reduced all significant effects where feasible per State CEQA Guidelines, section 15091, and determined that any remaining significant effects found to be unavoidable per State CEQA Guidelines, section 15091, are acceptable due to overriding concerns described in CEQA Guidelines, section 15093.

- Statement of Overriding Considerations (CEQA Guidelines, Section 15093): When LAFCO approves a project that will have a significant effect on the environment that cannot be avoided or mitigated to a less than significant level, LAFCO shall state in writing the specific reasons to support its action based on the final EIR and/or other information in the record. The Commission shall balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable”. The statement of overriding considerations shall be supported by substantial evidence in the record. The Commission’s statement of overriding considerations should be included in the record of the project approval and so stated in the Notice of Determination.
- Notice of Determination (CEQA Guidelines, Section 15094): The Executive Officer shall file a Notice of Determination following each project approval for which an EIR was certified. The notice shall include: (1) The final EIR has been completed in compliance with CEQA; (2) The final EIR was presented to the Commission which reviewed and considered it prior to approving the project; (3) The final EIR reflects the lead agency’s independent judgment and analysis; (4) Determination of any significant environmental effects; (5) Statement that an EIR was prepared and certified pursuant to CEQA; (6) Whether mitigation measures were made conditions of the project; (7) Whether findings were made per State CEQA Guidelines, section 15091; (8) Whether a statement of overriding considerations was adopted; (9) The address of the location of a copy of the final EIR and the project record; and (10) If different from the applicant, the identity of the person undertaking the project which is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies or the identity of the person receiving a lease, permit, licenser, certificate, and other entitlement for use from one or more public agencies. The notice shall be filed with the Clerk of the County Board. If the project requires discretionary approval from a state agency, the notice shall also be filed with OPR State Clearinghouse.
- Disposition of Final EIR (CEQA Guidelines, Section 15095): The Executive Officer shall: (1) File a copy of the Final EIR with the Santa Cruz County Planning Department and the city, if applicable, where significant environmental effects may occur; (2) Include the Final EIR in all subsequent project administration; (3) Maintain a copy of the Final EIR as a permanent public record for the project; and (4) Require the applicant to provide a copy of the certified, final EIR to each Responsible Agency. Pursuant to adopted Commission policy, funding for the preparation of an EIR, fees for filing a Notice of Determination, and other related fees (i.e. notice and distribution requirements), are the responsibility of the applicant for the LAFCO action.

*Adopted on September 6, 2000 (Resolution No.2000-5)  
Revision on August 5, 2020 (Resolution No. 2020-19)  
Last Revision on March 6, 2024 (Resolution No. 2024-07)*





## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **INDEMNIFICATION AGREEMENT POLICY**

#### **1. OVERVIEW**

The purpose of this policy is to establish guidelines that require all applicants to indemnify the Commission, its agents, officers, attorneys, and employees from any action brought to challenge the discretionary approvals of proposals by the Commission.

#### **2. BACKGROUND**

Applicants to the Commission for discretionary approvals of proposals for changes of organization are typically the real parties in interest and therefore have financial interest in the Commission's decisions on their applications. Applicants who are not the real parties in interest also have interest in the outcome of their applications. Therefore, LAFCO believes that it is fair and equitable for all applicants to indemnify LAFCO from suits brought to challenge the discretionary approvals of their applications by the Commission. LAFCO also believes that indemnifying LAFCO furthers good government practices and public policy by providing applicants with an incentive to assist the Commission in complying with all laws, including those intended to ensure public rights.

#### **3. PROCESS**

In order to fulfill this practice, and to protect the integrity of the Commission's ability to make good government decisions, it is the policy of this Commission that:

- a) As part of any application submitted to the Commission, the applicant(s) shall be required to submit a signed agreement to indemnify the Commission, its agents, officers, attorneys, and employees from any action brought to challenge the Commission's discretionary approvals related to the application in the form provided in Exhibit "A";
- b) In the event that an action is brought to challenge the discretionary approval of a proposal by the Commission, the Commission shall promptly notify the applicant(s) and real party(ies) in interest of the existence of the legal challenge; and
- c) The Executive Officer shall not issue a Certificate of Filing for an application if an indemnification agreement in the form provided on the following page has not been executed and submitted to the Executive Officer by the applicant(s).

*Adopted on September 6, 1995 (Resolution No. 141-QQQ)  
Previous Revision on April 1, 2015 (Resolution No. 2015-6)  
Last Revision on September 2, 2020 (Resolution No. 2020-23)*

**ATTACHMENT 2****INDEMNIFICATION AND DEFENSE**

The undersigned applicant for the above-referenced application ("Applicant"), as a condition of submission of this application, approval of the application and any subsequent amendment of the approval which is requested by the Applicant, hereby agrees to defend, using counsel reasonably acceptable to the Local Agency Formation Commission of Santa Cruz County ("LAFCO"), indemnify, and hold harmless LAFCO, its officers, employees, and agents, from and against any claim, demand, damages, costs or liability of any kind (including attorneys' fees) against LAFCO arising from or relating to this application or any approval or subsequent amendment to the approval thereof, subject to the conditions set forth below.

A) Notification and Cooperation

LAFCO shall notify the Applicant of any claim, action, or proceeding against which LAFCO seeks to be defended, indemnified, or held harmless. LAFCO shall reasonably cooperate in such defense.

B) Fees and Costs:

Nothing contained herein shall prohibit LAFCO from participating in the defense of any claim, action, or proceeding if either of the following occur:

3) LAFCO bears its own attorneys' fees and costs; or

4) LAFCO and the Applicant agree in writing to the Applicant paying part or all of the Commission's attorneys' fees and costs.

C) Settlement:

When representing LAFCO, the Applicant shall not enter into any stipulation or settlement modifying or affecting the interpretation or validity of any of the terms or conditions of the approval without the prior written consent of LAFCO.

D) Successors Bound:

The obligations of the Applicant under this Indemnity and Defense agreement are specifically associated with and shall run with the land that is the subject of the application and/ or approval and shall be binding upon the applicant and the successor(s) in interest, transferee(s), and assign(s) of the applicant in the land.

E) Recordation:

At any time after submission of the application, LAFCO may, at its sole option, record in the office of the Santa Cruz County Recorder a memorandum of agreement which incorporates the provisions of this condition, or this approval shall become null and void.

\_\_\_\_\_  
(Signature of LAFCO Executive Officer)

\_\_\_\_\_  
(Signature of Applicant)

\_\_\_\_\_  
Joe A. Serrano  
(Printed Name)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **CERTIFICATE OF FILING POLICY**

#### **1. OVERVIEW**

Pursuant to Government Code Section 56020.6, a Certificate of Filing is a document issued by the Executive Officer that confirms an application for a change of organization has met submission requirements and is ready for Commission consideration.

#### **2. INACTIVE APPLICATIONS**

Applicants for a change of organization or reorganization must meet submission requirements established in the Cortese-Knox-Hertzberg Act as well as Commission policies and procedures. Once these requirements are met, a Certificate of Filing will be issued by the Executive Officer deeming the application complete. Any application not deemed complete will be found incomplete and the applicant notified of missing requirements. If the application remains incomplete for a period of twelve (12) months without substantial progress being made towards its completion, the Executive Officer will notify the applicant and affected agencies that the application is deemed inactive will be closed without prejudice, and may be subject to a refund if any portion of the application fee has not already been used to cover staff time and other processing costs. If the applicant chooses to refile at a later date, a new application and filing fees will be required.

#### **3. COMPLETE APPLICATIONS**

Once a Certificate of Filing has been issued, the application officially becomes a proposal (Government Code Section 56069) and is scheduled for consideration by the Commission. When a proposal has been scheduled for hearing, no additional modification or amendment may be made to the proposal unless requested by Commission staff or the Commission's board by majority vote. However, an applicant may withdraw its application prior to the closing of the scheduled hearing. Withdrawal of an application must be submitted in writing to the Executive Officer. If an application is withdrawn and resubmitted, the applicant must file a completely new application and associated fee.

*Adopted on December 2, 1981 (Resolution No. 97-M)  
Last Revision on September 2, 2020 (Resolution No. 2020-24)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **PROTEST PROCEEDINGS POLICY**

#### **1. OVERVIEW**

Prior to January 1, 2000, LAFCO would designate an affected agency as the “conducting authority” to approve a change of organization or reorganization and direct that agency to conduct protest proceedings pursuant to Government Code Section 57000 et seq. With the passage of AB 2838 (Hertzberg – Chapter 761, Statutes of 2000), the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code § 56000 et seq.) established LAFCO as the “conducting authority” for protest proceedings.

The purpose of this policy is to carry out LAFCO’s functions and responsibilities as a conducting authority pursuant to Government Code Section 57000 et seq. Protest proceedings for changes of organization and reorganization shall be conducted by the Commission in accordance with the following guidelines.

#### **2. PROTEST PROCEEDING GUIDELINES**

The Commission will adopt a resolution that makes findings and determinations when approving a change of organization or reorganization. The resolution will contain terms and conditions, which include a condition that addresses the protest proceedings.

**2.1 Protest Proceeding Timeframe:** The Commission shall specify a timeframe between twenty-one (21) and sixty (60) days for the collection and filing of written protests pursuant to Government Code Section 56886(o), and that timeframe shall be included in the terms and conditions of an approval for a change of organization or reorganization for which protest proceedings are not waived pursuant to Government Code Section 56663.

**2.2 Public Noticing:** Within thirty (35) days of the adoption of the Commission’s resolution making determinations and approving a change of organization or reorganization, the Executive Officer shall notice a protest hearing and, in the notice, set the hearing date as prescribed by the Commission in its terms and conditions.

**2.3 Types of Public Noticing:** Notice of the hearing shall be provided pursuant to Government Code Section 56150 et seq., and as follows:

- a) Notice must be published, posted, and mailed to affected agencies, proponents, and any persons requesting special notice;
- b) Mailed notice must be provided to all landowners affected by the proposal;
- c) The time, date, and location of the hearing shall be specified in the notice as determined by the Executive Officer; and

- d) The protest hearing must be held in the affected territory if the hearing is a proposal initiated by the Commission pursuant to Government Code Section 56375(a) for a district consolidation, dissolution, or merger, or the establishment of a subsidiary district.

**2.4 Protest Hearing:** At the protest hearing, the Executive Officer, or designee, shall (1) summarize the Commission's resolution, and (2) hear and receive any oral or written protests, objections, or evidence. Written protests may be filed by any affected landowner or registered voter. The Executive Officer, or designee, may continue the protest, but for no more than sixty (60) days from the date specified in the notice.

**2.5 Protest Hearing Results:** At the conclusion of the protest hearing:

- a) If no written protests have been filed, the Executive Officer, or designee, shall adopt a form of resolution ordering the change of organization or reorganization without an election; or
- b) If written protests have been filed, the Executive Officer, or designee, shall within thirty (30) days after the conclusion of the hearing, make determinations on the value of written protests filed and not withdrawn; and
- c) To determine the value of written protests filed and not withdrawn, the Executive Officer, or designee, shall cause the names of the signers on the protests to be compared with the voters' register in the County Elections Department pursuant to Government Code Section 56707 and/or the names of the owners of land on the most recent assessment roll pursuant to Government Code Sections 56708 and 56710.

**2.6 LAFCO Actions after Protest Proceedings:** Upon determination of the value of written protests filed and not withdrawn, the Executive Officer, or designee, shall take one of the following actions, depending on the nature of the change of organization or reorganization:

- a) If less than 25% of the affected registered voters or landowners oppose the proposal, then a form of resolution making determinations and ordering the change of organization or reorganization will be adopted without an election;
- b) If 25% to 50% of the affected registered voters or landowners oppose the proposal, then a form of resolution making determinations and ordering the change of organization or reorganization will be adopted subject to confirmation by the voters; or
- c) If more than 50% of the affected registered voters or landowners oppose the proposal, then a Certificate of Termination will be issued, which ends the LAFCO proceedings.

**2.7 Election Process:** If an election is required, the Executive Officer or designee, pursuant to Government Code Section 57000(d), shall inform the legislative body of the affected agency of LAFCO's determination and request the legislative body to direct the elections official to conduct the election.

### **3. LAFCO AS A CONDUCTING AUTHORITY**

Pursuant to Government Code Section 57000(c), the Commission has the option of delegating any or all of the functions and responsibilities of the conducting authority to the Executive Officer. Any references made to the “Commission” or “LAFCO” in the following discussion also pertains to the Executive Officer for any functions they will perform on behalf of the Commission. It should also be noted that, pursuant to Government Code Section 57008, the Commission or Executive Officer is required to hold the protest hearing in the affected territory if the proposal was initiated by the Commission pursuant to Government Code Section 56375(a) (district consolidation, dissolution, merger, establishment of a subsidiary district, or a reorganization that includes any of the previous).

Following summarization of the Commission’s resolution at the protest hearing, the Commission hears and receives any oral or written protests, objections, or evidence. Anyone who has filed a written protest can withdraw that protest prior to the conclusion of the hearing. Within thirty (30) days after the hearing, LAFCO makes a finding on the value of written protests filed and not withdrawn. The percentage thresholds for LAFCO to terminate or order the change of organization or reorganization with or without an election is consistent with existing law. LAFCO, however, does not have statutory authority to conduct an election if one is required. Therefore, if LAFCO’s determination on a proposal is subject to confirmation by the voters and an election must be conducted, LAFCO, pursuant to Government Code Section 57000(d), is required to inform the board of supervisors or city council of the affected city of the Commission’s determination and request the board or council to direct the elections official to conduct the election.

### **4. PROTEST THRESHOLD FOR OTHER BOUNDARY CHANGES**

The percentage protest thresholds for a dissolution, consolidation, merger, or the establishment of a subsidiary district differ from the previous changes of organization discussed in the previous sections. While Government Code Section 57077 addresses the requirements for these changes of organization, Government Code Section 56854 supersedes those provisions.

The provisions of Government Code Section 56854 (previously Government Code Section 56839.1) was the product of legislation passed in 1997. Pursuant to Government Code Section 56854(a), LAFCO is required to order a dissolution, consolidation, merger, or the establishment of a subsidiary district without an election unless certain protest requirements are met. Those requirements are enumerated in the outline below. However, pursuant to Government Code Section 56854(b), the Commission is prohibited from ordering a merger or the establishment of a subsidiary district without the consent of the affected city.

The Commission is required to order a dissolution, consolidation, merger, or the establishment of a subsidiary district subject to confirmation of the voters, only if the following written protest thresholds are reached.

**4.1 Not Initiated by the Commission:** Where the proposal was not initiated by the Commission, and where an affected city or district has not objected by resolution to the proposal:

- a) In the case of inhabited territory, a petition signed by:
  - i. At least 25% of the registered voters residing, or owning land, within the affected territory; or
  - ii. At least 25% of the number of landowners who own at least 25% of the assessed value of land within the affected territory.
- b) In the case of a landowner-voter district, and the territory is uninhabited, a petition signed by:
  - i. At least 25% of the number of landowners owning at least 25% of the assessed value of the land within the affected territory.

Note: In the case of a proposal for the dissolution of one or more districts and the annexation of all or substantially all of their territory to another district, the voter requirements outlined above do not apply if each affected district has consented to the proposal by a resolution adopted by a majority of its board of directors (Government Code Section 57114b).

**4.2 Initiated by the Commission:** Where the proposal was initiated by the Commission, and regardless of whether an affected city or district has objected to the proposal by resolution:

- a) In the case of inhabited territory where there are 300 or more landowners or registered voters within the affected territory, a petition signed by:
  - i. At least 10% of the number of landowners who own at least 10% of the assessed value of land within the affected territory; or
  - ii. At least 10% of the registered voters residing, or owning land, within the affected territory.
- b) In the case of inhabited territory where there are less than 300 landowners or registered voters within the affected territory, a petition signed by:
  - i. At least 25% of the number of landowners who own at least 25% of the assessed value of land within the affected territory; or
  - ii. At least 25% of the registered voters residing, or owning land, within the affected territory.
- c) In the case of a landowner-voter district where the territory is uninhabited and there are 300 or more landowner voters entitled to vote, a petition signed by:
  - i. At least 10% of the number of landowners who own at least 10% of the assessed value of land within the affected territory.
- d) In the case of a landowner-voter district where the territory is uninhabited and there are less than 300 or more landowner voters entitled to vote, a petition signed by:
  - i. At least 25% of the landowner voters entitled to vote.

*Adopted on March 7, 2001 (Resolution No. 2001-6)  
Last Revision on September 2, 2020 (Resolution No. 2020-25)*

## **CHAPTER IV**

# **TYPE OF APPLICATIONS**





## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **EXTRATERRITORIAL SERVICES POLICY**

#### **1. OVERVIEW**

The purpose of this policy is to explain to the public, cities, and districts the procedures by which the Commission will review requests to authorize a city or district in Santa Cruz County to provide one or more services outside its jurisdictional limits pursuant to Government Code Section 56133.

#### **2. COMMISSION APPROVAL REQUIRED FOR NEW OR EXTENDED SERVICES**

Except for the specific situations exempted by Government Code Section 56133, a city or district shall not provide new or extended services to any party outside its jurisdictional boundaries unless it has obtained written approval from the Local Agency Formation Commission of Santa Cruz County ("LAFCO").

#### **3. LIST OF PRE-EXISTING SERVICES**

In 1994, the Executive Officer originally asked each city and district to provide a list or map of parcels receiving extraterritorial service under Government Code Section 56133. The Executive Officer subsequently presented a report on these extraterritorial services with the Commission. As a regular practice, a list of all approved extraterritorial service agreements are presented to the Commission on an annual basis.

#### **4. AREAWIDE APPROVALS**

Upon the initiative of either a public agency or the Commission, the Commission shall consider an areawide approval as a regularly agendaized item and may grant approval for subsequent services to be provided by a city or district within a mapped area as specified by the Commission. The approval may include conditions. The Commission shall specify a time period not greater than ten years for which the areawide approval shall be valid. The Commission may, upon its own initiative or at the request of a public agency, renew with or without amendments, an areawide approval for a period not to exceed ten years.

Before granting an areawide approval, the Commission shall determine that the city or district is able to provide the service in a manner that does not negatively affect the services provided within the agency's boundaries and sphere of influence, and in a manner that does not negatively affect the resources in the area. Also, before granting an areawide approval, the Commission shall determine that the approval is consistent with the requirements of law and LAFCO policies.

#### **5. INDIVIDUAL REQUESTS**

Individual requests for extraterritorial service shall be filed with the Executive Officer on a prescribed application form. The applicant shall pay the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. The application deposit regarding the request for extraterritorial service is \$950. Deposit amount may be subsequently changed in future revisions of the Schedule of Fees and Deposits.

The Executive Officer shall not file the application unless the affected public agency has submitted a written endorsement indicating its willingness to provide the service if the Commission approves the request. The Commission shall consider the request after it has been placed on an agenda of a Commission meeting.

## **6. ENVIRONMENTAL REVIEW**

All matters that are reviewable pursuant to these regulations are subject to the applicable provisions of the California Environmental Quality Act.

## **7. COMMISSION ACTION**

The Executive Officer shall prepare a report and place the request for extraterritorial service on the Commission's agenda. The Commission shall provide an opportunity for any interested individual or party to address it. The Commission may call a subsequent public hearing in order to receive additional public testimony before acting upon a request. The Commission acts on the request by majority vote. Subsequently, the Executive Officer shall notify the applicant in writing of the Commission's action. If the Commission denies a request, a similar application cannot be re-filed for one year unless the Commission grants an exception to this rule.

## **8. DELIVERY OF MUNICIPAL SERVICES**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and this Commission's adopted policies encourage smart growth and relies on the appropriate governance options to ensure the effective and efficient delivery of municipal services. Therefore, the Commission intends to reinforce that the standard manner in which services will be extended is by annexation (and sphere of influence amendment, if necessary). The Commission shall limit its extraterritorial service authorizations to public health emergencies and circumstances where:

- a) Facilities are already in place, and
- b) Annexation would not be practical, and
- c) Extraterritorial service is determined by the Commission to be consistent with the policies adopted in and pursuant to the Cortese-Knox-Hertzberg Act.

When the Commission authorizes the emergency provision of municipal services via extraterritorial service outside an agency's boundaries, and annexation is practical, the Commission will require annexation to be completed within two years.

## **9. WATER PROVISIONS**

LAFCO recognizes that the water resources of Santa Cruz County are limited, and the Commission's objective is to ensure that its decisions relating to water do not lead to adverse impacts on the natural resources of Santa Cruz County. In reviewing extraterritorial service applications, LAFCO shall be guided by the potential impacts of the proposal on water resources and will consider the efforts of the water agencies and land use agencies to maintain stream and river flows, promote high water quality of surface waters and groundwater, and reduce groundwater overdraft. A water policy has also been adopted by this Commission and should be reviewed before submitting any application for potential service delivery, including annexations or requests for extraterritorial services.

*Adopted on June 9, 1994 (Resolution No.97-W)  
Last Revision on June 3, 2020 (Resolution No. 2020-15)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **SPHERES OF INFLUENCE POLICY**

#### **1. OVERVIEW**

The Knox-Nisbet Act of 1963 (former Government Code Section 54773 et seq.) established the Local Agency Formation Commission to promote the orderly development of local government agencies in the County and discourage urban sprawl. The law was subsequently combined with other laws regarding boundary changes and recodified as the Cortese-Knox- Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000-57550).

Among its objectives, LAFCO is authorized to perform studies which will contribute to the logical and reasonable development of local governments to provide for the present and future needs of each county and its communities. (Government Code Section 56301). State law further provides that, in order to carry out its responsibilities for planning and shaping the logical and orderly development of local government agencies, the Local Agency Formation Commission shall develop and determine the sphere of influence of each local governmental agency within the county. (Government Code Section 56425). 'Sphere of Influence' means a plan for the probable physical boundaries and service area of a local government agency. (Government Code Section 56076).

#### **2. TYPES OF SPHERES**

There are several types of sphere boundaries that the Commission may adopt:

- a) Coterminous Sphere: A sphere of influence may be coterminous, or identical, with the agency's current jurisdictional boundary.
- b) Larger-than-jurisdiction Sphere: A sphere of influence may be larger than the agency's current jurisdictional boundary. This designation identifies areas that should be annexed into the agency in the foreseeable future.
- c) Smaller-than-jurisdiction Sphere: A sphere of influence may be smaller than the agency's current jurisdictional boundary. This designation identifies areas that should be detached from the agency in the foreseeable future.
- d) Zero Sphere: A sphere of influence may be removed entirely if the Commission determines that the service responsibilities and functions of the agency should be reassigned to another local government, and that the agency assigned a "zero sphere of influence" should be dissolved.

### **3. SPHERE DETERMINATIONS**

In accordance with Government Code Section 56425, the Commission is required to consider and prepare a written statement of its determination with respect to each of the following:

- a) The present and planned land uses in the area, including agricultural and open-space lands;
- b) The present and probable need for public facilities and services in the area;
- c) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide, including the funding of capital, debt, service, and operations;
- d) The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency; and
- e) For an update of a sphere of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

None of the individual factors listed above will be deemed to be a determining factor but will be reviewed collectively when considering the establishment or revision to a sphere of influence for a city or special district.

### **4. SPHERE UPDATES**

Spheres of influence are to be adopted by the Commission following a public hearing and are to be reviewed and updated every five years. After adoption, the sphere of influence "shall be used by the Commission as a factor in making regular decisions on proposals over which it has jurisdiction. The Commission may recommend governmental reorganizations to particular agencies in the county, using the sphere of influence as a basis for such recommendations... (Government Code Section 56425)." The purpose of a sphere of influence study is to provide the Commission information needed to determine an agency's potential growth and to make recommendations towards future service provisions within areas the county.

### **5. POLICY GUIDELINES**

The Commission will use spheres of influence to discourage inefficient development patterns and to encourage the orderly expansion of local government agencies. Spheres of influence will be used to:

- a) Provide long-range guidelines for the efficient provision of services and timely changes of governmental organization;
- b) Discourage duplication of services by two or more local government agencies;
- c) Guide the Commission in considering individual proposals for changes of organization; and
- d) Identify the need for specific reorganization studies.

**5.1 Municipal Service Reviews:** Pursuant to Government Code Section 56425, spheres of influence shall be reviewed and/or updated every five years. Additionally, state law mandates that spheres be prepared or updated in conjunction with or after completion of a related Municipal Service Review (Government Code Section 56430).

**5.2 Overlapping Spheres:** To promote efficient and coordinated planning among the county's various agencies, city spheres shall not overlap, and districts that provide the same type of service should not have overlapping sphere boundaries.

**5.3 Logical Service Provider:** When more than one agency could serve an area, the agencies' services capabilities, costs for providing services, and the desires of the affected community will be key factors in determining a sphere of influence.

**5.4 Service Efficiencies:** The Commission will encourage the elimination or consolidation of small, single-purpose special districts when a more efficient alternative exists for providing the necessary services. Whenever a combination of urban services is required, general purpose governments or multi-services districts will be preferred to single-purpose districts.

**5.5 Sphere Designations and Annexation:** Before territory can be annexed to a city or special district, it must be within the agency's sphere (Government Code Section 56375.5). However, a sphere is only one of several factors the Commission considers when evaluating changes of organization.

**5.6 Long-Range Planning:** LAFCO recognizes the planning accomplishments of local agencies in the County. In developing spheres of influence, the Commission will consider those adopted plans, and policies of local governments which encourage staged, cost-effective development patterns and the efficient provision of services. Sphere boundaries will identify probable boundaries for an agency's expansion and will be periodically reviewed to reflect changing conditions and circumstances.

Once established, an agency's sphere of influence will be a primary guide to the Commission in its decisions on individual proposals affecting that agency. Before the Commission may approve a change of organization inconsistent with the adopted sphere of influence, the Commission shall amend the sphere of influence.

**5.7 Consistency with General Plans and Pre-Zoning:** The Commission will review the existing and future land uses of territory prior to including it within a city's sphere in order to determine the logical extension of municipal services and the probable future boundary of a city or district. The Commission strongly encourages each city to include all territory within its sphere of influence within the city's General Plan and each special district to address in its infrastructure, facilities and operational planning documents.

**5.8 Land Use Inconsistencies:** City and County general plans will be a significant factor in determining spheres of influence. Where a city's and the County's general plan for the same area are inconsistent, the Commission should encourage the affected agencies to resolve any inconsistencies. In the event the inconsistency cannot be resolved, by law the final decision for the Sphere of Influence must remain with LAFCO.

**5.9 Encourage Annexation of Unincorporated Islands:** The Commission acknowledges that unincorporated islands are generally costly for County government to serve and often have impacts on the surrounding city or district. Cities and special districts (where applicable), will be encouraged to annex unincorporated islands within their sphere of influence.

**5.10 Urban Development:** Proposals for urban development within a city's sphere of influence should first be considered for annexation to that city, unless such annexation would create a "leapfrog" pattern of expansion with respect to existing city boundaries.

**5.11 Water Supply:** LAFCO recognizes that the water resources of Santa Cruz County are limited, and the Commission's objective is to ensure that its decisions relating to water do not lead to adverse impacts on the natural resources of Santa Cruz County. In reviewing sphere of influence adoptions and amendments, LAFCO shall be guided by the potential impacts of the proposal on water resources and will consider the efforts of the water agencies and land use agencies to maintain stream and river flows, promote high water quality of surface waters and groundwater, and reduce groundwater overdraft.

To assist in the review of Spheres of Influence and other LAFCO reports, the Commission will utilize the following data sources to maintain an ongoing data base of the supply, demand, and related water data of the local water agencies subject to LAFCO's boundary regulation:

- a) The Public Water System Annual Reports filed by each public water agency with the California Department of Public Health;
- b) The Urban Water Management Plans prepared by water suppliers with 3000 or more customers as required by the California Water Code Sections 10610 et seq.; and
- c) The annual Water Resources Report prepared for consideration by the Santa Cruz County Board of Supervisors.

It is preferable that the residents who use water also participate in the governance of the system that provides the water. Therefore, in making decisions on spheres of influence and boundary changes, the Commission will favor water supply entities for which the users of the system participate in the governance of the system.

**5.12 Coastal Zone:** In an effort to promote cooperation among the land use agencies with jurisdiction over lands in the Coastal Zone, any application to LAFCO for a sphere of influence amendment regarding land in the Coastal Zone shall contain the following information:

- a) A statement that the staffs of the Coastal Commission and other land use agencies with jurisdiction over the land which is the subject of the application have reviewed and jointly discussed the sphere of influence amendment application with respect to consistency with applicable general plans, the Coastal Act, and local coastal programs. The statement should also memorialize the results of the review;

- b) Preliminary review and comments from the Coastal Commission staff as to potential issues of Coastal Act consistency; and
- c) Review and comments from any other land use agency with jurisdiction, through a Local Coastal Program or otherwise, over the land which is the subject of the application, including an analysis of consistency of the proposed amendment with its general plan.

LAFCO will consider consistency with the Coastal Act and the relevant general plans in making its Sphere of Influence determination.

*Adopted on June 1, 1977 (Resolution No. 97-F)*  
*Previous Revision on February 2, 2010 (Resolution No. 2011-1)*  
*Last Revision on November 4, 2020 (Resolution No. 2020-32)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **CITY INCORPORATION POLICY**

#### **1. OVERVIEW**

In each county, a Local Agency Formation Commission (LAFCO) has been set up by the State of California to regulate city incorporations and other boundary changes to cities and districts. LAFCO's mission is to promote the orderly formation and development of local governments through its enforcement of state-mandated procedures, State policies, and local LAFCO policies.

The purpose of these guidelines is to provide guidance to citizens who are considering and proposing the incorporations of a new city within the County of Santa Cruz ("County"). These guidelines do not supersede State law or local policies. Local policies include "Spheres of Influence Policies and Guidelines" and "Standards for Evaluating Proposals." In order to make a final decision on a particular proposal, LAFCO may need additional information not specified in these guidelines. While LAFCO will assist in obtaining any additional information that is needed, the proponents may also have to prepare additional information.

#### **2. PURPOSE OF FEASIBILITY STUDY**

The preparation of an incorporation feasibility study is the responsibility of the proponents of a city incorporation. It is an important step in the process. It allows the proponents to understand and, in turn, explain to the citizenry how the new city would operate. Major topics include boundaries, functions, revenues, and expenditures. The feasibility study allows LAFCO to review the effects of the proposal on the entire structure of governmental services. Two of LAFCO's major duties are to make sure that the new city would have sufficient funds with which to operate and would not negatively impact the provision of services by other governmental agencies.

#### **3. STATUTORY BASIS**

Incorporation proceedings are set up by the Cortese-Knox Local Government Reorganization Act of 1985 (Government Code Sections §56000-57550)(the "Act"). Under the Act, LAFCO has the responsibility to review applications and to approve; approve subject to amendments, conditions or modifications; or deny applications. If LAFCO denies the proposal, the Act specifies a one-year waiting period before the proponents may initiate another incorporation proposal. If a proposal is approved, LAFCO will forward it to the County Board of Supervisors, which is responsible for calling an election within the authorized incorporation boundaries. If a majority of registered voters in the proposed city petition the Board of Supervisors to terminate the incorporation process, it is terminated and cannot be resubmitted for two years. If a majority of registered voters in the incorporation area vote for the incorporation, then the new city is incorporated. If the proposal is defeated at the election, then there is a two-year waiting period.



#### **4. CONTENTS OF FEASIBILITY STUDY**

For LAFCO to make its decision, sufficient information needs to be put on record and analyzed by the registered voters, the affected governmental agencies, and LAFCO staff. The basic elements of a feasibility study are:

- 1) Reason for proposal.
- 2) Proposed boundary map at a scale that allows the identification of individual assessor's parcels.
- 3) The population and number of registered voters in the incorporation area. Projection of population growth for the next ten years.
- 4) The assessed value of the property in incorporation area.
- 5) A description of the local agencies which presently serve the community, with a discussion of the range and level of services currently provided.
- 6) A list and discussion of the functions that the new city would assume.
- 7) A discussion and supporting data on the financial and service efficiency impacts that the proposal would have on all governmental agencies that would give up service responsibility as a result of this proposal. This discussion should include the effects of the incorporation on adjacent communities, special districts, and the County.
- 8) A list and descriptions of the County and special district functions that the new city is not proposed to assume, a list of the special districts that are proposed to continue services to the new city, and a discussion of the foreseeable level of services in the community after incorporation. If the new city would have any impacts on these districts (including economic or level of service impacts), the feasibility study should discuss the impacts and quantify them, where possible.

A clear and compelling rationale must be provided if the continued overlap of any special district (e.g., water, fire, parks, sanitation, or storm drainage) is proposed. There should be a special emphasis on the impact of incorporation on the County or any special districts which are currently providing services to the area immediately surrounding the proposed city.

- 9) A map showing a proposed sphere of influence of the new city, including the existing sphere of influence of any city that overlaps or comes within two miles of the proposed city sphere.
- 10) A ten-year forecast of revenues and expenditures for the new city broken out by revenue and expenditure categories. The forecast should include the applicable categories in the same order. Where fees will be set by municipality, include projection of fee levels and anticipated volume. Table A depicts the required financial information as part of the ten-year projections.

**Table A: Ten-Year Forecast (Revenue & Expenditure)**

<b>Revenue</b>		<b>Expenditure</b>	
1. Property Tax		1. Legislative	
2. Sales and Use Taxes		2. Management and Support	
3. Transportation Taxes		3. Capital Improvements (Municipal Buildings, etc.)	
4. Transient Lodging Taxes		4. Police	
5. Franchise		5. Fire	
6. Business License Taxes		6. Animal Regulation	
7. Real Property Transfer Taxes		7. Weed Abatement	
8. Utility Users Tax		8. Street Lighting	
9. Construction Permits		9. Disaster Preparedness	
10. Vehicle Code Fines and Forfeitures		10. Streets, Highways, and Storm Drains	
11. Investment Earnings		11. Street Trees and Landscaping	
12. State Motor Vehicle In-Lieu Tax		12. Public Transit	
13. State Cigarette Tax		13. Planning	
14. State Homeowners Relief Tax		14. Construction and Engineering Regulations Enforcement	
15. State Gasoline Tax and SB 325 Funds		15. Housing and Community Development	
16. Federal Aid for Urban Streets		16. Community Promotion	
17. Zoning and Subdivision Fees		17. Physical and Mental Health	
18. Plan Checking Fees		18. Solid Waste	
19. Animal Shelter Fees		19. Sewers	
20. Engineering Fees		20. Parks and Recreation	
21. Weed and Lot Cleaning		21. Libraries	
22. Sewer Service Charges and Connection Fees		22. Water	
23. Solid Waste Revenues		23. Child Care	
24. Library Fines and Fees		24. Senior Services	
25. Park and Recreation Fees		25. Other Expenses	
26. Water Service Charges and Connection Fees			
27. Other Revenues			

The above list is not meant to be all-inclusive. Additional items may be added. When appropriate, any additions should be included in the same category as outlined in the State Controller's Annual Report of the Financial Transactions Concerning Cities of California. The expenditure chart should summarize the level of service and basis for each expenditure. Projected staffing levels should be included. The background information should be included in the report and based on prevailing staffing patterns and wage rates in comparable communities.

- 11) A map of any agricultural or other open space lands in the incorporation boundaries, or the proposed sphere of influence. A discussion of the effect of the proposal on maintaining or converting these lands to other uses.
- 12) A justification of the proposed boundaries explaining why certain sub-areas were included and why adjoining sub-areas were excluded.
- 13) Based upon existing master plans and capital improvement programs of the County and affected districts, the feasibility study shall include a list of planned capital improvements related to city responsibilities, their costs, an indication of which projects would likely be funded, and the source of the funds.

**5. EARLY DISTRIBUTION OF FORECAST OF LOCAL REVENUES**

Upon learning that a community group has been formed to sponsor an incorporation effort and after receiving an appropriate street map of the proposed city from the proponents, LAFCO staff will request a "Forecast of Local Revenues" from the proper State and/or County agencies to determine what funds would be available to the proposed new city.

**6. FURTHER ASSISTANCE**

LAFCO staff is available to incorporation proponents, opponents, affected public agencies, and the general citizenry to provide further assistance. This assistance includes explanations of the incorporation process, copies of the incorporation laws and LAFCO policies, and notices of LAFCO's hearing on the incorporation proposal.

*Adopted on April 5, 1989 (Resolution No. 97-S)  
Last Revision on October 7, 2020 (Resolution No. 2020-29)*

# **CHAPTER V**

## **OTHER POLICIES**



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **CONFLICT OF INTEREST POLICY**

#### **1. OVERVIEW**

LAFCO's Conflict of Interest Policy outlines conflicts of interest rules and the role of LAFCO's legal counsel. The goal of this policy is to provide consistency and fairness to the Commission's decision-making process. Commissioners have a personal responsibility to comply with conflict of interest regulations as promulgated by the California Fair Political Practices Commission ("FPPC"), but they may consult with LAFCO's legal counsel to assist in making decisions in the event of a potential conflict of interest.

#### **2. THE CALIFORNIA POLITICAL REFORM ACT**

The California Political Reform Act (Government Code section 81000, *et seq.*) (the "Act") requires state and local government agencies to establish a conflict of interest code. The FPPC, as the state agency responsible for administering and enforcing the Act, enacted regulations to implement the law. FPPC Regulation section 18730 (Tit. 2, Div. 6, Cal. Code of Regs.) states that an agency can incorporate by reference its model conflict of interest code, which the FPPC amends from time to time. LAFCO adopted and incorporated this model code along with the designation of positions and formulation of disclosure categories in section 18730.

The Act prohibits a Commissioner from using their official position to influence a governmental decision in which they have a financial interest. To help identify potential conflicts of interest, the Act and the FPPC Regulations require Commissioners to report their financial interests (i.e., reportable investments, real property interests, business positions, income and its sources, and other financial interests that may give rise to a conflict of interest) on a form called Statement of Economic Interests ("Form 700"). The conflict of interest code and the Form 700s provide transparency in local government and are fundamental tools in ensuring that officials are acting in the public's best interest and not their own.

#### **3. CONFLICTS OF INTEREST RULES**

Under the Act, a Commissioner has a disqualifying conflict of interest in a LAFCO decision if it is foreseeable that the decision will have a financial impact on their personal finances or other financial interests. A Commissioner with a disqualifying conflict of interest must not make, participate in making, or use their position to influence a LAFCO decision. Commissioners must publicly identify the presence of a conflict of interest and recuse themselves from participating in the affected decision. Recusal allows Commissioners to avoid actual biased decision-making or any appearance of improprieties in favor of the public's interest over their own.

There are five types of interests that might result in disqualification:

- *Business Entity.* A business entity in which a Commissioner has an investment of \$2,000 or more and is a director, officer, partner, trustee, employee, or manager.
- *Real Property.* Real property in which a Commissioner has an interest of \$2,000 or more, including leaseholds.
- *Income.* An individual or an entity from whom a Commissioner has received income or promised income aggregating to \$500 or more in the previous 12 months, including the Commissioner's community property interest in the income of their spouse or registered domestic partner.
- *Gifts.* An individual or an entity from whom a Commissioner has received gifts aggregating to \$500 or more in the previous 12 months.
- *Personal Finances.* A Commissioner's personal finances, including their expenses, income, assets, or liabilities, as well as those of their immediate family.

The financial impact or effect on any of the above interests disqualifies a Commissioner from a LAFCO decision if: (1) the financial impact or effect is foreseeable, and (2) the financial impact or effect is significant enough to be considered material. The FPPC has rules called "materiality standards" to inform which financial effects are important enough to trigger a conflict of interest.

There are two limited exceptions to the conflict of interest rules:

- *The Public Generally Exception.* A Commissioner is not disqualified from a decision if the effect on the Commissioner's interests is indistinguishable from the effect on the public.
- *Legally Required to Participate.* In certain rare circumstances, a Commissioner may be randomly selected to take part in a decision if a quorum cannot be reached because too many Commissioners are disqualified under the Act.

#### **4. ROLE OF LEGAL COUNSEL**

**A.** Commissioners are individually responsible for understanding and following the duties and responsibilities of their office, including making determinations on whether they have disqualifying conflicts of interest in LAFCO decisions. Commissioners are encouraged to consult with legal counsel regarding potential conflicts, exceptions, and recusal. However, counsel's advice cannot provide a Commissioner with any immunities from criminal or civil prosecutions. Only good faith reliance upon written advice from the FPPC on a specific situation can protect a Commissioner. Legal counsel will provide assistance in obtaining an advice letter from the FPPC. Legal counsel is authorized to engage experts, such as appraisers or business consultants in an amount not to exceed \$5,000 if counsel deems such experts are necessary to provide this assistance.

- B.** Legal counsel represents LAFCO as an agency governed by the Commission as a corporate body. Therefore, individual consultations with legal counsel are not separately protected by the attorney-client privilege.
- C.** Upon consultation, legal counsel will respond directly to the individual Commissioner seeking advice and shall not share the advice with the entire Commission, unless the advice provided involves a Commissioner with a disqualifying interest who intends to participate in a LAFCO decision notwithstanding that advice.
- D.** Legal Counsel is not available to provide advice relating to past conduct, to investigate conflicts of interest, or to enforce conflict of interest laws.
- E.** Legal Counsel is not available to provide advice to one Commissioner about the implications of another Commissioner's financial interest. However, at the request of the Commission, legal counsel may provide the Commission advice about the validity of its decisions under Government Code section 1090, which restricts Commissioners and designated employees from making a contract in which they are financially interested.
- F.** When a member of the public or government agency submits an inquiry about whether a Commissioner has a disqualifying interest under the Act or a financial interest in a contract under Government Code section 1090, that inquiry will be forwarded to the entire Commission, with a copy to legal counsel. It shall be the responsibility of the individual Commissioner, who is the subject of the inquiry, to determine whether they will seek advice from legal counsel, the FPPC, or their own counsel in addressing these inquiries.

*Adopted on September 5, 1979 (Resolution No. 141-H)*  
*Previous Revision on June 2, 2004 (Resolution No. 2004-9)*  
*Last Revision on May 6, 2020 (Resolution No. 2020-08)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **DISCLOSURE OF POLITICAL CONTRIBUTIONS POLICY**

#### **1. OVERVIEW**

The Commission finds that the public interest would be served by adoption of procedures for the public disclosure of contributions and expenditures relating to Commission proposals, and further finds that adopting the process is consistent with State law, including the Political Reform Act of 1974, as amended.

#### **2. DEFINITIONS**

Unless otherwise provided, definitions of the terms used herein shall be those contained in the Political Reform Act of 1974, as amended.

“Contribution” as used herein shall have the same definition as provided in Government Code Section 82015, as amended.

“Expenditure” as used herein shall have the same definition as provided in Government Code Section 82025, as amended.

“Independent expenditure” as used herein shall have the same definition as provided in Government Code Section 82031, as amended, except that the term “measure” as used in Section 82031 shall be replaced with the term “LAFCO Proposal.”

“Political purposes” as used herein shall mean for the purpose(s) of: (i) influencing public opinion and/or actions of voters; (ii) lobbying public officials including LAFCO Commissioners; and/or, (iii) influencing legislative or administrative action as defined in Government Code § 82032.

It shall not include for the purpose(s) of complying with legal requirements and LAFCO rules for the processing of a proposal, including, but not limited to and by way of example only, preparation of a comprehensive fiscal analysis for an incorporation (Government Code Section 56800) or documents necessary to comply with the California Environmental Quality Act, Public Resources Code Section 21000 et seq., such as a mitigated negative declaration or environmental impact report.

#### **3. APPLICABILITY**

These policies and procedures are applicable to LAFCO Proposals, as defined in Government Code § 82035.5 and sphere of influence adoption, amendment or review, when applications for same are submitted for filing with Executive Officer. LAFCO proposals include but are not limited to annexation to a city or district, incorporation, or formation or dissolution of a special district.



#### **4. GENERAL REQUIREMENTS OF DISCLOSURE**

Any person or combination of persons who directly or indirectly makes an expenditure or independent expenditure for political purposes of \$1,000 or more in support of, or in opposition to, a change of organization, reorganization, or sphere of influence adoption or amendment proposal submitted to the commission shall comply with the reporting and disclosure requirements of Article 2.5 (commencing with Section 84250) of Chapter 4 of the Political Reform Act (Government Code §§ 81000 et seq.). Such reporting and disclosure requirements, except as otherwise excluded herein, extend to those required by the Fair Political Practices Commission Regulations regarding such disclosures and shall include disclosure of contributions, expenditures and independent expenditures.

A committee primarily formed to support or oppose a LAFCO proposal shall file all statements required under Chapter 4 of the Political Reform Act except that, in lieu of the statements required by Sections 84200 and 84202.3, the committee shall file monthly campaign statements from the time circulation of a petition begins until a measure is placed on the ballot or, if a measure is not placed on the ballot, until the committee is terminated pursuant to Section 84214.

The committee shall file an original and one copy of each statement on the 15th day of each calendar month, covering the prior calendar month, with the clerk of the county in which the measure may be voted on. If the petition results in a measure that is placed on the ballot, the committee thereafter shall file campaign statements required by Chapter 4. In addition to any other statements required by Chapter 4, a committee that makes independent expenditures in connection with a LAFCO proposal shall file statements pursuant to Section 84203.5.

#### **5. CERTAIN REPORTS AND DISCLOSURES**

This policy also requires that the persons subject to it comply with the regulations regarding the names of campaign committees, disclosures of the sources of mass mailings, and disclosures of the source of automated telephone calls under Government Code Sections 84501 et seq. and the regulations of the Fair Political Practices Commission implementing those sections.

#### **6. FILING OFFICE**

All reports and disclosures required hereunder shall be filed with the Santa Cruz County elections official, who the Santa Cruz LAFCO hereby designates as a deputy of LAFCO for purposes of receiving and filing such reports. LAFCO Commissioners (Regular and Alternate) and staff (Executive Officer, Legal Counsel, Commission Clerk, and Analysts) submit their annual Statement of Economic Interests (Form 700) by using the County's e-filing system. This online platform is managed and operated by the County Clerk/Elections Department.

For this purpose, forms developed by the Fair Political Practices Commission for disclosures relating to ballot measures shall be used as specified by the Santa Cruz County Elections Office. Acceptable methods of filing or delivery shall conform to those applicable to elections relating to ballot measures. Copies of filed statements will be available to any person upon payment of 10¢ per page.

## **7. FILING SCHEDULE**

Prior to a LAFCO decision by resolution on an application, any required disclosures shall be filed with the Santa Cruz County Elections Department no later than twelve days before the noticed date of the public hearing or continued deliberation or discussion on the proposal at LAFCO. The period covered by this report shall be from any prior filing period to seventeen days preceding the LAFCO hearing date.

Additionally, contributions and expenditures for the period commencing sixteen days before the LAFCO meeting and ending one day before the LAFCO meeting shall also be filed with the Santa Cruz County Elections Department within 24 hours of receipt or expenditure but in no event later than 24 hours before the LAFCO meeting begins. Should the LAFCO hearing or deliberation or discussion be continued to additional dates, or be accepted for reconsideration, the foregoing periods apply for expenditures or contributions received after the initial date and prior to the subsequent dates. Additionally, contributions and expenditures from any prior filing period to seven days after a decision has been made, shall be filed with the Elections Department no later than fourteen days after a decision has been made.

After a final LAFCO decision by resolution and until the completion of protest and election proceedings, disclosures shall conform to all requirements for campaign committees pursuant to the Political Reform Act. For purposes of determining the deadlines by which such reports and disclosures must be filed, the term "election" as used in the Political Reform Act for determining such deadlines shall mean the date of the originally scheduled commission hearing on a proposal for organization, reorganization, or sphere of influence adoption or amendment. If no hearing date has been scheduled at the time a person becomes subject to disclosure under this policy, he or she shall request that the executive officer establish a date to serve as the "election" date for this purpose. The executive officer shall establish a date, such as, but not limited to, the date which is 6 months after the first filing with the commission regarding the proposal, and inform the requestor of that date in writing.

## **8. NOTICE**

The following notice shall be printed on the Commission's application forms, the resulting notices of public hearing, the agenda of each meeting, and the Commission's website:

"Pursuant to Government Code Sections §56100.1, §56300(b), §56700.1, §59009, and §81000 et seq., and Santa Cruz LAFCO's Policies and Procedures for the Disclosures of Contributions and Expenditures in Support of and Opposition to proposals, any person or combination of persons who directly or indirectly contributes a total of \$1,000 or more or expends a total of \$1,000 or more in support of or opposition to a LAFCO Proposal must comply with the disclosure requirements of the Political Reform Act (Section 84250). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained at the Santa Cruz County Elections Department, 701 Ocean Street, Room 210, Santa Cruz CA 95060 (phone 831-454-2060)."

**9. AMENDMENT**

These policies and procedures may be further amended from time to time by Santa Cruz LAFCO following a noticed public hearing pursuant to State law.

**10. REPORTING REQUIREMENTS ARE NON-EXCLUSIVE**

The disclosure and reporting requirements herein are in addition to any other requirements that may be otherwise applicable under provisions of the Political Reform Act or by local ordinance.

**11. ENFORCEMENT**

Enforcement and penalties for violation of these policies and procedures shall be pursuant to the Political Reform Act of 1974 and its corresponding regulations, to the extent permitted by law.

*Adopted on March 3, 2010 (Resolution No. 2010-1)  
Last Revision on May 6, 2020 (Resolution No. 2020-09)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### **SPECIAL DISTRICTS GOVERNANCE POLICY**

#### **1. OVERVIEW**

The Special Districts Governance Policy was first introduced in December 1981. The intent was to set rules and regulations that will govern the functions and services of independent special districts. The purpose was to clarify the legal requirements under Government Code Section 56450 et seq. These particular sections were eventually repealed and replaced with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("Cortese-Knox-Hertzberg Act" or "CKH Act"). The Cortese-Knox-Hertzberg Act establishes procedures for local government changes or organization, including city incorporations, annexations to a city or special district, and city and special district consolidations.

#### **2. GOVERNANCE**

There are three primary sources of authority for forming and reorganizing special districts. The first is the special district's enabling act. Most types of districts have a series of statutes specific to that type of special district. These statutes often contain the procedures for creating that type of special district. The second is the Cortese-Knox-Hertzberg Act, which governs the establishment and reorganizations of local governments. Finally, there is the District Organization Law, which provides standardized special district organization and governance procedures for certain types of special districts<sup>6</sup>.

For purposes of this policy, the following sections will focus on the special districts under LAFCO's purview in accordance with Government Code Section 56036:

- a) "District" or "special district" are synonymous and mean an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries and in areas outside district boundaries when authorized by the commission pursuant to Government Code Section 56133.
- b) "District" or "special district" includes a county service area, but excludes all of the following: (1) The state, (2) A county, (3) A city, (4) A school district or a community college district, (5) An assessment district or special assessment district, (6) An improvement district, (7) A community facilities district formed pursuant to the Mello-Roos Community Facilities Act of 1982 (California Government Code section 53311 et seq.), (8) A permanent road division (formed pursuant to California Government Code 1160), (9) An air pollution control district or an air quality maintenance district, and (10) A zone of any special district.

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<sup>6</sup> California Special Districts Association – Laws Governing Special Districts (December 23, 2015)

**3. PRINCIPAL ACTS**

Principal Acts are statutes established for an entire category of special districts. The Commission creates and governs independent special districts under the authority of these acts. Each special district type has its own principal act. Exhibit A is a list of independent special district types, the location of the associated principal act, and other relevant information about the district types.

**4. SPECIAL ACTS**

Special Acts are statutes that address the specific needs of a community and establish a specific special district to address those needs. These districts (rather than district types) are uniquely created by the Legislature. Below is a list of special acts affecting Santa Cruz County:

Type	Code Section
<b>Flood Control</b>	
Santa Cruz County Flood Control and Water Conservation District Act (1955; Chapter 1489)	Water Code (77-1)
<b>Transit</b>	
Santa Cruz Metropolitan Transit District Act of 1967	Public Utilities Code (§98000 et seq.)
<b>Water Agency or Authority</b>	
County Water Authority Act (1943; Chapter 545)	Water Code (45-1)
Pajaro Valley Water Management Agency Act (1984)	Water Code (124-1)

## Special District Principal Acts

Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>Airport Districts</b>  Public Utilities Code (§22001 et seq.)	Assist in the development of airports, spaceports, and air navigation facilities	Any territories of one or more counties and one or more cities, all or any part of any city and any part of the unincorporated territory of any county; the boundaries of a district may be altered and outlying contiguous territory in the same or an adjoining county annexed to the district.	Elected by resident voters to 4-year terms	5 Directors
<b>California Water Districts</b>  Water Code (§34000 et seq.)	Maintain the necessary works for the production, storage, and distribution of water for irrigation, domestic, industrial, and municipal purposes, and any drainage or reclamation works	Any area of land which is capable of using water beneficially for irrigation, domestic, industrial or municipal purposes and which can be serviced from common sources of supply and by the same system of works; area need not be contiguous	Elected by landowner voters to 4-year terms	At least 5 Directors (may be increased to 7, 9, or 11)
<b>California Water Storage Districts</b>  Water Code (§39000 et seq.)	Maintain the necessary works for the storage and distribution of water and drainage or reclamation works	Any land irrigated or capable of irrigation from a common source; under specific conditions the district need not be contiguous	Elected by landowner voters to 4-year terms	At least 5 Directors
<b>Citrus Pest Districts</b>  Food & Agri. Code (§8401 et seq.)	Control and eradicate citrus pests	Any county devoted exclusively to the growing of citrus fruits	Appointed by the Board of Supervisors to fixed 4-year terms	5 Directors
<b>Community Services Districts</b>  Government Code (§61000 et seq.)	Provide up to 32 different services such as, water, garbage collection, wastewater management, security, fire protection, public recreation, street lighting, mosquito abatement services, etc.	Any county or counties of an unincorporated territory or incorporated territory of a contiguous or noncontiguous area	Elected by resident voters to 4-year terms	5 Directors
<b>Cotton Pest Abatement Districts</b>  Food & Agri. Code (§6051 et seq.)	Control and prevent introduction of pests, and oversee cotton plants in areas that are at risk of pests	Any land in more than one of the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura with the consent of the Board of Supervisors of the counties affected	Appointed by the Board of Supervisors to fixed 4-year terms	5 Directors

Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>County Sanitation Districts</b>  Health & Safety Code (§4700 et seq.)	Maintain and operate sewage systems and sewage disposal or treatment plants	Any unincorporated or incorporated territory or both; the incorporated territory included in the district may include the whole or part of one or more cities with the permission of that city	Elected by resident voters to 4-year terms or may choose to have a mixed board	3 Directors
<b>County Water Districts</b>  Water Code (§30000 et seq.)	Develop regulations for the distribution and consumption of water; sell water; collect and dispose sewage, garbage, waste, trash and storm water; store water for future needs; may generate hydroelectric power; and provide fire protection under specified conditions	Any county or two or more contiguous counties or of a portion of such county or counties, whether the portion includes unincorporated territory or not	Elected by resident voters to 4-year terms	At least 5 Directors (may be increased to 7, 9, or 11)
<b>Fire Protection Districts</b>  Health & Safety Code (§13800 et seq.)	Provide fire protection and other emergency services	Any territory, whether incorporated or unincorporated, whether contiguous or noncontiguous, may be included	Elected by resident voters to 4-year terms or appointed by the Board of Supervisors (and City Council where applicable) to fixed 4-year terms	May be 3, 5, 7, 9, or 11 Directors (not to exceed 11)
<b>Harbor Districts</b>  Harbors & Navigation Code (§6000 et seq.)	Manage any bay, harbor, inlet, river, channel, etc. in which tides are affected by the Pacific Ocean	Any portion or whole part of a county, city, or cities, the exterior boundary of which includes a harbor	Elected by resident voters to 4-year terms	5 Commissioners
<b>Health Care / Hospital Districts</b>  Health & Safety Code (§32000 et seq.)	Establish, maintain, and operate, or provide assistance in the operation of, one or more health facilities or health services, including, but not limited to: outpatient programs, services, and facilities; retirement programs, services, and facilities; chemical dependency programs, services, and facilities	Any incorporated or unincorporated territory, or both, or territory in any one or more counties; the territory comprising this district need not be contiguous but the territory of a municipal corporation shall not be divided	Elected by resident voters to 4-year terms	5 Directors

Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>Irrigation Districts</b>  Water Code (§20500 et seq.)	Sell and lease water; operate sewage collection and disposal system; deliver water for fire protection; dispose and salvage sewage water; protect against damage from flood or overflow; provide drainage made necessary by the irrigation provided; maintain recreational facilities in connection with any dams, reservoirs, etc.; and operate and sell electrical power	Any land capable of irrigation; includes land used for residential or business purposes susceptible of receiving water for domestic or agriculture purposes; need not be contiguous	Elected by resident voters to 4-year terms	3 or 5 Directors
<b>Levee Districts</b>  Water Code (§70000 et seq.)	Protect the district's land from overflow by constructing and maintaining the necessary infrastructure	Any county or counties or any portion thereof of an unincorporated territory or incorporated territory in need of protection of the lands of the district from overflow and for the purpose of conserving or adding water to the sloughs and drains	Elected by landowner voters to 4-year terms	3 Directors
<b>Library Districts</b>  Education Code (§19400 et seq.)	Equip and maintain a public library in order to exhibit knowledge in a variety of areas	Any incorporated or unincorporated territory, or both, in any one or more counties, so long as the territory of the district consists of contiguous parcels and the territory of no city is divided	Appointed by the Board of Supervisors to fixed 4-year terms	3 or 5 Trustees
<b>Memorial Districts</b>  Military & Veterans Code (§1170 et seq.)	Operate and maintain memorial halls, meeting places, etc. for veterans	Any incorporated territory of the county together with any contiguous unincorporated territory thereof; or may be formed entirely of contiguous incorporated territory; or entirely of contiguous unincorporated territory	Elected by resident voters to 4-year terms	5 Directors
<b>Mosquito Abatement &amp; Vector Control Districts</b>  Health & Safety Code (§2000 et seq.)	Conduct effective programs for the surveillance, prevention, abatement and control of mosquitos and other vectors	Any territory, whether incorporated or unincorporated, whether contiguous or noncontiguous and districts may not overlap	Appointed by the Board of Supervisors or the City Council to fixed 2–4-year terms	5 Trustees



Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>Municipal Utility Districts</b>  Public Utilities Code (§11501 et seq.)	Manage and supply light, water, power, heat, transportation, telephone service, or other means of communication, or means for the collection, treatment, or disposition of garbage, sewage or refuse matter	Any public agency together with unincorporated territory, or two or more public agencies, with or without unincorporated territory; public agencies and unincorporated territory included within a district may be in the same or separate counties and need not be contiguous; no public agency shall be divided in the formation of a district	Elected by resident voters to 2-4 year terms	5 Directors
<b>Municipal Water Districts</b>  Water Code (§71000 et seq.)	Develop and sell water; promote water use efficiency; operate public recreational facilities; provide fire protection; collect and dispose trash, garbage, sewage, storm water and waste; and generate, sell and deliver hydroelectric power	Any county or counties, or of any portions thereof, whether such portions include unincorporated territory only or incorporated territory of any city or cities; cities and unincorporated territory does not need to be contiguous	Elected by resident voters to 4-year terms	5 Directors
<b>Police Protection Districts</b>  Health & Safety Code (§20000 et seq.)	Provide police service to a community	May be formed in unincorporated towns	Elected by resident voters to 2-4 year terms	3 Commissioners
<b>Port Districts</b>  Harbors & Navigation Code (§6200 et seq.)	Maintain and secure the ports	Shall include one municipal corporation and any contiguous unincorporated territory in any one county, but a municipal corporation shall not be divided	Appointed by the Board of Supervisors and City Council to fixed 4-year terms, and approved by resident voters	5 Commissioners
<b>Public Cemetery Districts</b>  Health & Safety Code (§9000 et seq.)	Maintain public cemeteries in communities as necessary	Any territory, whether incorporated or unincorporated, whether contiguous or noncontiguous; districts may not overlap	Appointed by the Board of Supervisors to fixed 4-year terms	3 or 5 Trustees

Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>Public Utility Districts</b>  Public Utilities Code (§15501 et seq.)	Maintain the infrastructure to provide electricity, natural gas, water, power, heat, transportation, telephone service, or other means of communication, or the disposition of garbage, sewage, or refuse matter	May be incorporated and managed in unincorporated territory	Elected by resident voters to 2-4 Year terms	At least 3 Directors
<b>Reclamation Districts</b>  Water Code (§50000 et seq.)	Reclaim and maintain land that is at risk of flooding for a variety of purposes	Any land within any city in which land is subject to overflow or incursions from the tide or inland waters of the state	Elected by landowner voters to 4-year terms	3, 5 or 7 Trustees
<b>Recreation &amp; Park Districts</b>  Public Resource Code (§5780 et seq.)	Organize and promote programs of community recreation, parks and open space, parking, transportation and other related services that improve the community's quality of life	Any territory, whether incorporated or unincorporated, whether contiguous or noncontiguous	Elected by resident voters to 4-year terms or appointed by the Board of Supervisors to fixed 4-year terms	5 Directors
<b>Resource Conservation Districts</b>  Public Resource Code (§9151 et seq.)	Manage a diversity of resource conservation projects, including soil and water conservation projects, wildlife habitat enhancement and restoration, control of exotic plant species, watershed restoration, conservation planning, education, and many others	Any land shall be those generally of value for agricultural purposes, but other lands may be included in a district if necessary to conserve resources	Elected by resident voters to 4-year terms	5 ,7, or 9 Directors
<b>Sanitary Districts</b>  Health & Safety Code (§6400 et seq.)	Maintain and operate garbage dumpsites, garbage collection and disposal systems, sewers, storm water drains and storm water collection, recycling and distribution systems	Any county, or in two or more counties within the same natural watershed area	Elected by resident voters to 4-year terms	5 Directors

Special District Type & Principal Act	Powers & Functions	Formation	Election Process	Number of Board Members
<b>Transit Districts</b>  Public Utilities Code (§24501 et seq.)	Construct and operate rail lines, bus lines, stations, platforms, terminals and any other facilities necessary or convenient for transit service	Any city together with unincorporated territory, or two or more cities, with or without unincorporated territory may organize and incorporate as a transit district; cities and unincorporated territory included within a district may be in the same or separate counties and need not be contiguous; no city shall be divided in the formation of a district	Elected by resident voters to 2-4 year terms	7 Directors
<b>Water Conservation Districts</b>  Water Code (§74000 et seq.)	Maintain, survey, and research water supplies	Unincorporated territory or partly within unincorporated and partly within incorporated territory, and may be within one or more counties that need water conservation services; territory does not need to be contiguous	Elected by resident voters to 4-year terms	3, 5 or 7 Directors
<b>Water Replenishment Districts</b>  Water Code (§60000 et seq.)	Replenish the water and protect and preserve the groundwater supplies	Any land entirely within unincorporated territory, or partly within unincorporated territory and partly within incorporated territory, and within one or more counties in this state	Elected by resident voters to 4-year terms	5 Directors

*Adopted on December 7, 1994 (Resolution No. 801-D)*  
*Last Revision on October 7, 2020 (Resolution No. 2020-28)*



## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

### WATER POLICY

#### **1. OVERVIEW**

Government Code Section 56300 requires each Local Agency Formation Commission to establish written policies and to exercise its powers in a manner pursuant to the Cortese-Knox-Hertzberg Local Government Act of 2000 and consistent with the written policies of each Commission. In 1964, the Commission adopted the first water policy to align the limited water supply with existing service providers and smart growth as population continues to increase in Santa Cruz County. The purpose of this policy is to clarify LAFCO's role when considering boundary changes involving cities and special districts.

#### **2. SPHERES OF INFLUENCE**

LAFCO recognizes that the water resources of Santa Cruz County are limited, and the Commission's objective is to ensure that its decisions relating to water do not lead to adverse impacts on the natural resources of Santa Cruz County. In reviewing sphere adoptions and amendments, LAFCO will be guided by the potential impacts of the proposal on water resources and will consider the efforts of the water agencies and land use agencies to maintain stream and river flows, promote high water quality of surface waters and groundwater, and reduce groundwater overdraft.

To assist in the review of sphere boundaries and other LAFCO reports, the Commission will utilize the following data sources to maintain an ongoing data base of the supply, demand, and related water data of the local water agencies subject to LAFCO's boundary regulation:

- a) The Public Water System Annual Reports filed by each public water agency with the State Water Resources Control Board;
- b) The Urban Water Management Plans prepared by water suppliers with 3000 or more customers as required by the California Water Code Sections 10610 et.seq; and
- c) The annual Water Resources Report prepared for consideration by the Santa Cruz County Board of Supervisors.

#### **3. BOUNDARY CHANGES**

In any proposal requiring water service, the Commission requires that the affected agency identified as the potential water provider to demonstrate the availability of an adequate, reliable and sustainable supply of water. The following factors may be considered:

- a) In cases where a basin is overdrafted or existing services are not sustainable, a boundary change proposal may be approved if there will be a net decrease in impacts on water resources;
- b) In cases where a phased development is proposed, the agency should demonstrate that adequate service capacity will be provided as needed for each phase;
- c) In cases where a proposed new service area will be served by an onsite water source, the proponent should demonstrate its adequacy (Government Code Section 56668[k]); and
- d) In cases where the proposal's new water demand on the agency does not exceed the typical amount of water used by a single-family dwelling in the agency's service area, the Commission will not require that an "adequate, reliable, and sustainable" supply be demonstrated if the agency has a water conservation program and the program will be implemented as part of any new water service.

#### **4. SERVICE REQUEST**

Proposals requesting water service from a city of special district will need to provide proof of lack of services to existing urban land uses, a building permit application, allocation for a single-family dwelling, or for a larger project by: (1) a tentative or final land use entitlement (tentative subdivision map use permit, etc.) conditioned on obtaining water service and (2) a growth rate and pattern that the subject area will be developed within 5 years.

The Commission will only approve boundary change applications when the Commission determines that it is unlikely that water resources will be degraded. The Commission will review each application to assure that, by implementing project-specific mitigations, participating in agency water conservation programs, or both if applicable, the project will not adversely affect sustainable yields in groundwater basins, flows in rivers and streams, water quality in surface water bodies and groundwater basins, and endangered species.

#### **5. EXTRATERRITORIAL SERVICE AGREEMENTS**

When the Commission authorizes the emergency provision of water services via extraterritorial service outside an agency's boundaries, and annexation is practical, the Commission will require annexation to be completed within two years.

#### **6. CONNECTION MORATORIUM**

It is the general policy of the Commission to disapprove annexations to water and sewer agencies (including cities that provide either service) while there is a connection moratorium or other similar service limitation involving the subject water or sewer service. The Commission will consider exceptions to this general policy on a case-by-case basis. The Commission may approve an annexation that meets one or more of the following criteria:

- a) To replace a private water source that has failed, such as a well that has gone dry, new service connections shall not be sized to accommodate more intensive development;
- b) To replace a septic system that has failed, new service connections shall not be sized to accommodate more intensive development;
- c) To implement a transfer of service between two existing agencies such transfer shall be in a manner that is consistent with the adopted Spheres of Influence of those agencies; and
- d) To change a boundary, in a manner consistent with an adopted Sphere of Influence, an agency boundary shall not divide a property that could only be conveyed under a single deed.

Between January 1, 1986 and the time the service limitation is totally lifted, the Commission shall limit the annexations so that the number of cumulative connections made under the above exemption criteria do not exceed 1% of the total agency's flow (as expressed in equivalent single family dwelling units) in service on January 1, 1986. In this case, an additional criteria not subject to the 1% cumulative impact limitation would be to provide facilities or funding that will allow the agency to lift its service limitation.

## **7. PUBLIC PARTICIPATION**

Water resources and supplies are critical issues for many spheres of influence and application decisions made by LAFCO. Public information and participation are important components in the decisions made by the Commission, the land use agencies, and the water agencies. To promote public education, at least every two years, the Local Agency Formation Commission will sponsor, or co-sponsor with the Regional Water Management Foundation, the County of Santa Cruz, and local water agencies, a public forum that provides the public with an overview of the state of the water supplies in Santa Cruz County.

It is preferable that the residents who use water also participate in the governance of the system that provides the water. Therefore, in making decisions on spheres of influence and boundary changes, the Commission will favor water supply entities for which the users of the system participate in the governance of the system.

*Adopted on March 17, 1964 (Resolution No. 14)  
Previous Revision on February 2, 2010 (Resolution No. 2011-1)  
Last Revision on November 4, 2020 (Resolution No. 2020-33)*



Santa Cruz Local Agency Formation Commission

Date: March 6, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Big Basin Water Company – Governance Options**

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**SUMMARY OF RECOMMENDATION**

LAFCOs have statutory purview over cities and special districts that provide municipal services, including but not limited to, the delivery of water. This legal oversight does not apply to privately-owned water systems or mutual water companies that provide water in Santa Cruz County. However, the recent governance and operational issues facing Big Basin Water Company has tasked local agencies, including LAFCO, to explore possible solutions to ensure that the Big Basin community receives adequate water services now and in perpetuity.

It is recommended that the Commission take the following actions:

- 1) Receive and file the Big Basin Water Company Governance Options Report; and
  - 2) Direct staff to work with Moonshot Missions and the court-appointed receiver to further explore all possible governance options.
- 

**EXECUTIVE OFFICER'S REPORT:**

The Big Basin Water Company ("BBWC") was formed in the 1930s. At present, BBWC provides water and sewer services to approximately 1,680 constituents. BBWC's water source consists of one active vertical well, one horizontal well, and three surface water diversions. LAFCO's analysis has also determined that BBWC provides sewer service to a small number of homes (29 connections) through two wastewater discharge leach fields. While the privately-owned company has been in existence for almost a century, several significant failures and violations made by BBWC have been discovered in the past two decades. This led to an unprecedented action by the courts to establish a receivership in order to provide better oversight to the company.

The receivership was awarded to Serviam by Wright LLP (formerly known as Silver & Wright LLP) and is meant to be a temporary solution to the long-standing issue of proper governance and reliable water supply. That is why LAFCO has identified eight potential governance options that the affected agencies, court-appointed receiver, and the Big Basin residents should consider. The report outlining the various options was created by staff with direct assistance from LAFCO's water consultant (Piret Harmon). **Attachment 1** provides a copy of the governance options report. It is important to note that other solutions not listed in the report may be possible, but LAFCO has determined that the listed options may be the most feasible at this point in time.

### Background & Recent News

LAFCO conducted a countywide water service and sphere review<sup>1</sup> in 2022 which analyzed the 13 public water agencies in Santa Cruz County, including the San Lorenzo Valley Water District (“SLVWD”). One of LAFCO’s recommendations in the report was for SLVWD to coordinate with LAFCO to analyze possible annexations and/or sphere amendments to include any mutual water companies or other nearby small water systems (ex. Big Basin Water Company) that were affected by the recent wildfires or can no longer provide adequate levels of service. Since the 2022 water report, there have been significant developments involving BBWC, including the establishment of a court receivership to manage the company’s water and wastewater operations. A stakeholder group of local leaders, spearheaded by Supervisor McPherson’s Office, has been meeting to determine possible solutions. LAFCO staff believes that this Commission could be a significant resource.

### Strategic Partnership

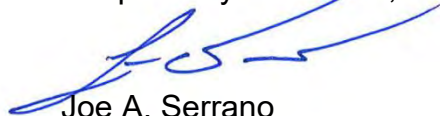
LAFCO invited the receiver to provide a special presentation during LAFCO’s February 7, 2024 Meeting and explain the status of BBWC and how LAFCO may provide assistance. Based on the discussion, the receiver and LAFCO staff agreed that the Commission’s efforts to explore possible solutions may be beneficial to the community. During the meeting, LAFCO staff indicated that in addition to a governance options report, partnering with the receiver and Moonshot Missions could add further value to LAFCO’s efforts.

Moonshot Missions is a non-profit organization that sends expert utility advisors out into the field to assess conditions and identify, select, and develop technically and financially sound projects that transform utilities and the communities they serve. Representatives from Moonshot Missions have already met with the receiver and LAFCO in recent weeks to discuss how they can complement the efforts driven by the receiver and the local agencies. The organization is scheduled to provide LAFCO with an acknowledgement letter indicating their commitment to help BBWC and will also provide an outline of their proposed assessment towards BBWC.

### Staff Recommendation

It is recommended that the Commission direct staff to take this report (refer to **Attachment 1**) and coordinate with the court-appointed receiver, LAFCO’s water consultant, and Moonshot Missions to further explore all possible governance options in order to help identify possible solutions for the Big Basin community.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

#### Attachments:

1. BBWC Governance Options Report

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<sup>1</sup> 2022 LAFCO Water Report: <https://santacruzlafco.org/wp-content/uploads/2022/09/Countywide-Water-MSR-Adopted-Version.pdf>



# Big Basin Water Company

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## Governance Options Analysis

**Local Agency Formation Commission  
of Santa Cruz County**

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Draft Version – March 6, 2024

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## EXECUTIVE SUMMARY

### Introduction

The Local Agency Formation Commission of Santa Cruz County (“LAFCO”) has developed this report to provide information about the current state of affairs and considerations for potential future governance structure for the Big Basin Water Company (“BBWC”). Pursuant to Government Code Section 56375(r), following the enactment of Assembly Bill 54 in 2011, LAFCOs can approve or deny the annexation of territory served by a mutual water company into the jurisdiction of a city, a public utility, or a special district. Additionally, AB 54 granted LAFCOs the authority to evaluate mutual water companies and privately-owned water systems when conducting a service review.

### Countywide Water Report

In 2022, LAFCO conducted a countywide water service and sphere review which analyzed the 13 public water agencies in Santa Cruz County, one of them being the San Lorenzo Valley Water District (“SLVWD”)<sup>1</sup>. One of LAFCO’s recommendations from the report was for SLVWD to coordinate with LAFCO to analyze possible annexations and/or sphere amendments to include any mutual water companies or other nearby small water systems (ex. Big Basin Water Company) that were affected by the recent wildfires or for other various reasons not able to provide adequate levels of service. Since the 2022 water report, there have been significant developments involving BBWC – including the establishment of a court receivership to manage the company’s water and wastewater operations. This report provides a summary overview of the current state of affairs and presents possible governance options for BBWC and its constituents to consider. The primary goal is to identify a solution that will provide the Big Basin community with a stable water purveyor adept to provide proper level of management, representation, and transparency. It is important to note that this report does not require LAFCO, the County, BBWC, or any other party to initiate a change of organization based on the report’s conclusions or findings. However, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government structure, or other relevant actions.

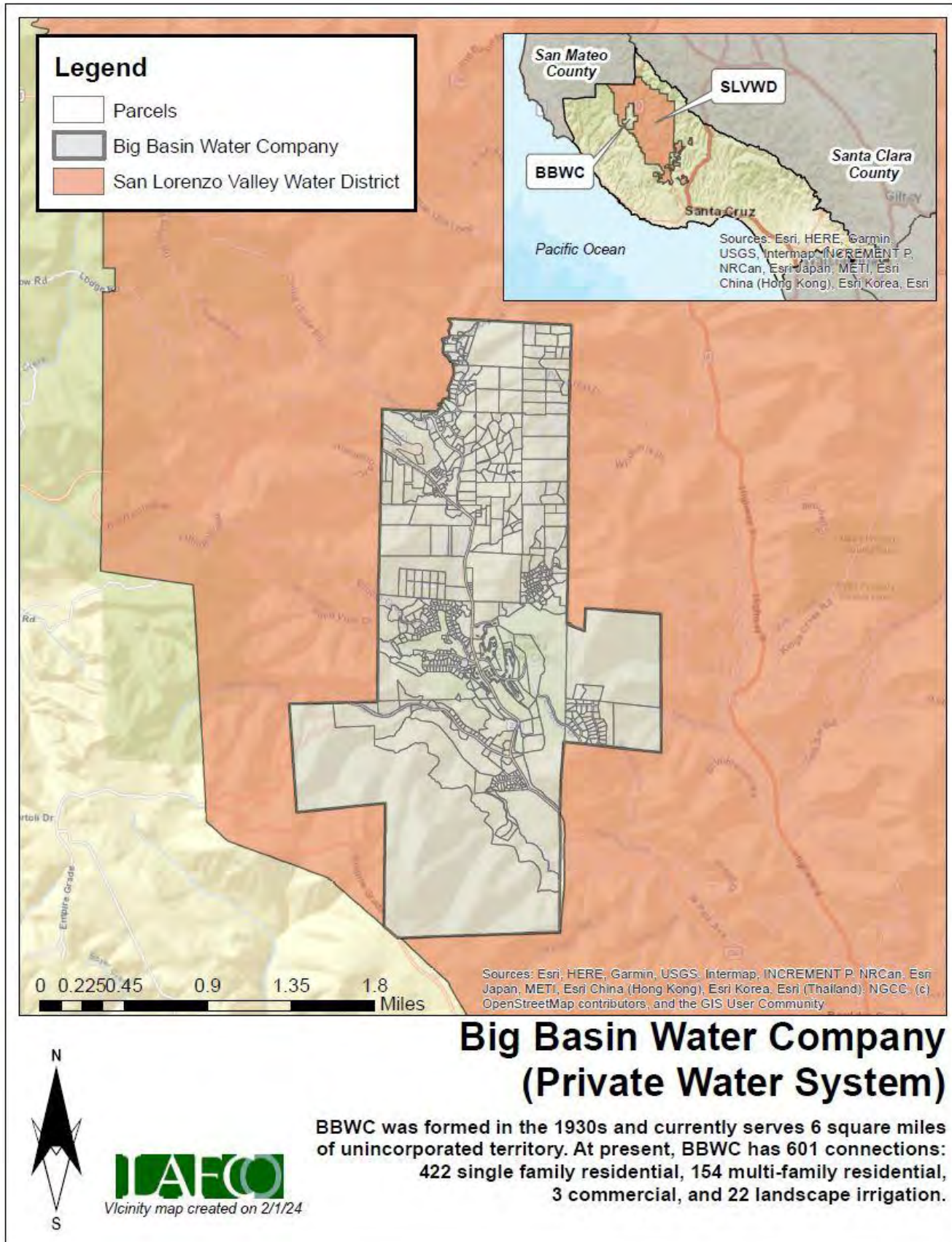
### Summary Overview of Big Basin Water Company

The Big Basin Water Company was formed in the 1930s. Based on available records, most of the infrastructure is now over 40 years old. At present, BBWC provides water and sewer services to approximately 1,680 constituents. BBWC’s water source consists of one active vertical well, one horizontal well, and three surface water diversions: (1) Jamison Springs North, (2) Jamison Springs South, and (3) Corvin Creek. A water diversion is a mechanism that diverts (or redirects) water by using instream barriers such as dams, weirs, culverts, canals, and pipes. In this case, BBWC uses dams to divert water for usage. In addition to water, BBWC provides sewer service to a small number of homes (29 connections) through two wastewater discharge leach fields. A vicinity map, on page 3, shows the location of the private water system. A detailed overview of BBWC is discussed on page 5.

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<sup>1</sup> 2022 LAFCO Water Report: <https://santacruzlafco.org/wp-content/uploads/2022/09/Countywide-Water-MSR-Adopted-Version.pdf>

## Vicinity Map – Big Basin Water Company



## Potential Governance Options

Water service has been provided to the Big Basin community by a privately-owned water company for almost 100 years. In the past two decades, several significant failures and violations made by BBWC have been discovered and recorded (these issues are discussed on page 6). This led to an unprecedented action by the courts to establish a receivership in order to provide better oversight to the company. The receivership was awarded to Serviam by Wright LLP (formerly known as Silver & Wright LLP) and is meant to be a temporary solution to the long-standing issue of proper governance and reliable water supply. That is why LAFCO has identified seven potential governance options that the affected agencies, court-appointed receiver, and the Big Basin residents should consider. It is important to note that other options may be possible, but these are the ones LAFCO has determined could be feasible at the current time. That being said, further analysis would be needed to determine whether any of the options could come to fruition.

**Table A** provides a list of the options identified by LAFCO (in no particular order). All options may require involvement of the various regulatory and governmental bodies, including but not limited to LAFCO. **Table A** also illustrates which affected agency may need to review and/or take action in order for an option to be carried out.

**Table A: Governance Options Summary**

Governance Options	Action Required?						
	SWRCB	PUC	County	SLVWD	BBWC	Big Basin Residents	LAFCO
Option #1 Annexation	-	X	X	X	X	X	X
Option #2 CSA Formation	-	X	X	-	X	X	X
Option #3 District Formation	-	X	X	-	X	X	X
Option #4 ESA	-	-	-	-	X	-	X
Option #5 Reorganization	-	X	X	X	X	X	X
Option #6 New MWC	X	X	-	-	X	X	-
Option #7 New Private Company	X	X	-	-	X	X	-

Acronyms used in the table above:

SWRCB: State Water Resources Control Board; PUC: California Public Utilities Commission; SLVWD: San Lorenzo Valley Water District; and BBWC: Big Basin Water Company



## COMPANY OVERVIEW

### Background

The Big Basin Water Company (“BBWC”) was formed in the 1930s. Based on court records, most of the infrastructure is now over 40 years old. At present, BBWC provides water service to 601 connections and sewer service through 29 connections. There is a population of approximately 1,700 residents living within the Big Basin area. Based on LAFCO’s analysis, BBWC has a total of 787 parcels totaling approximately 4,000 acres. BBWC’s water source consists of one active vertical well, one horizontal well, and three surface water diversions: (1) Jamison Springs North, (2) Jamison Springs South, and (3) Corvin Creek. These three water diversions collect water from three of the five perennial streams located within BBWC’s property. County records indicated that the three surface water diversions are at approximately 1,200 feet in elevation.

### Service Provisions

Prior to the 2020 CZU wildfire, each water diversion consisted of a small concrete dam with a four-inch steel pipe passing through it. The four-inch steel pipes have screening to prevent debris. Jamison Reservoir 1 & 2 and Corvin Springs were emptied into a distribution tank with overflow into the Jamison Reservoir. The water from the distribution tank was pumped to the Jamison Filter plant, constructed in 1992. From the filter plant, the water was stored in a 210,000-gallon finished water tank. Water flowed from this tank by gravity into the main pressure zone. Four pump stations lifted the water into additional storage tanks where BBWC has two vertical wells. Well No. 2 is inactive and well No. 4 only supplies water during the summer months. Well No. 4 can produce up to 450 gallons per minute and meets State standards without any treatment. This information was extracted from the court documents filed against the Big Basin Water Company by the California State Water Resources Control Board (Division of Drinking Water). Appendix A provides a copy of the court document.

#### Jamison Springs Intakes

The diversions on Jamison Springs North and South have been repaired following the CZU fire. The diversion consists of a small concrete dam with a four-inch steel pipe passing through it. The diversions provide some reduction of large debris and suspended solids from entering the raw water intake pipes. Each pipe has a manually cleaned screen that captures any large solids.

#### Corvin Creek Intake

The Corvin Creek intake was completely destroyed by the CZU fire. BBWC plans to rebuild and use the Corvin Creek intake in the future.

#### Jamison Springs Surface Water Treatment Plant

The Jamison Springs Surface Water Treatment Plant (“SWTP”) historically received water from Jamison Springs North and South and Corvin Creek. Raw water intakes captured water from both Jamison Springs North and South and conveyed it to a preliminary sedimentation tank. After sedimentation, the water was filtered, and chlorinated prior to storage in the 210,000-gallon storage tank. In 2020, the Jamison Springs SWTP was completely destroyed by the CZU wildfire.

### Treated Water Storage

Treated finished water from the SWTP is stored in a 210,000-gallon tank and delivered to the distribution system.

### Treated Water Distribution System

Prior to the 2020 CZU wildfire, BBWC provided water to approximately 580 service connections. The distribution system consisted of almost 20 miles of water main ranging in size from 2 inches to 12 inches, with about 750,000 gallons of water storage in multiple tanks. Since the CZU wildfire, BBWC provides water to 400 customers.

## **Population and Growth**

Based on staff's estimation, the population of BBWC in 2020 was approximately 1,700. The Association of Bay Area Governments (ABAG)<sup>2</sup> and the Association of Monterey Bay Area Governments (AMBAG)<sup>3</sup> prepare population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to experience slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated areas is expected to increase by 0.86%. **Table B** shows the anticipated population of the area currently served by BBWD over the next twenty years. Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for BBWC. Our projections indicate that the entire population of BBWC will grow to over 1,700 by 2040.

**Table B: Projected Population**

	2020	2025	2030	2035	2040
Santa Cruz County (Unincorporated Area)	136,891	137,896	139,105	140,356	141,645
<b>Big Basin Water Company</b>	<b>1,680</b>	<b>1,694</b>	<b>1,709</b>	<b>1,724</b>	<b>1,738</b>

## **Current / Ongoing Issues**

The Big Basin Water Company has been in the news for the last few years due to the repeated failures of the system and violations. Court records show that the California State Water Resources Control Board ("SWRCB") stated several findings and identified subsequent actions that needed to be implemented by BBWC. Unfortunately, none of those actions were completed and BBWC continues to be out of compliance. **Table C** on page 7 outlines SWRCB's findings, directives, received responses, and recommended enforcement actions towards BBWC from 2018 to 2022.

<sup>2</sup> ABAG Website: <https://abag.ca.gov/>

<sup>3</sup> AMBAG Website: <https://www.ambag.org/>

**Table C: California State Water Resources Control Board Action Summary**

Date	Findings	Directives	Response	Enforcement	Status
9/12/2018 10/17/2018	2018 Sanitary Survey Report found that the deferred maintenance and aging infrastructure had met end of life usefulness and thus the System was not in compliance regarding max day demand with storage capacity.	To follow 12 specific directives to correct violations to backflow regulations.	Hired a contractor to begin work but abandoned in Summer 2020.  Owners said it'd cost \$2.8 million to address capacity deficiency.	Citation No.02_05_19C_012	To date, the System remains out of compliance.
10/28- 10/29/2019	PG&E conducted public safety power shutoff due to fire danger and gave ample time to properly respond. This caused a water outage.	The System must ensure adequate power, including backup power. They needed to create an outage plan.	Failed to meet deadline for outage plan submission.	Compliance Order No.02_05_21R_001  Citation No.02_05_21C_030  Citation No.02_05_22C_060	To date, the System remains out of compliance.
4/9/2021	On-site inspection finds owners continue to fail in taking steps to correct capacity deficiency.	To comply with directives regarding source capacity and getting a second well due to CZU fire.	Owners said they'd install a surface water treatment plant onsite, asked for extension to comply with CO 02_05_21R_001, and applied for state grant to drill a new well.  Division then provided significant help on the technical plan for treatment plant	Compliance Order 02_05_21R_001	To date, the System remains out of compliance.  In early 2022, owner informed Division that project was no longer active.
6/27/2021 8/19/2021	Water outages reported by System's customers caused by faulty 100-amp breaker that shut down Galleon Heights booster station.	Submit a plan to replace and appurtenances at Galleon Heights booster station and backup power capabilities.		Citation No.02_05_21C_021	To date, the System remains out of compliance.
10/28/2021	Citation issued due to continued failure to comply with regulatory obligations.	Division explained that seeking the appointment of a receiver was an enforcement option.		Citation No.02_05_21C_030  \$21,000 fine	To date, the System remains out of compliance.
2/2022 July-Sept 2022	Feb 2022 Sanitary Survey Report echoes 2018 report. A significant deficiency in the Oberst Finished Water Storage tank was also identified.  From July to Sept, water outages are reported by customers caused by power failure at Well 4.	Install backup power at Well 4.	Waive new assessed fine to invest and address deficiencies.	Citation No.02_05_22C_060  \$12,500 fine	SLVWD loaned generator to System.  Fine was waived.  Owners did not reinvest \$12,500



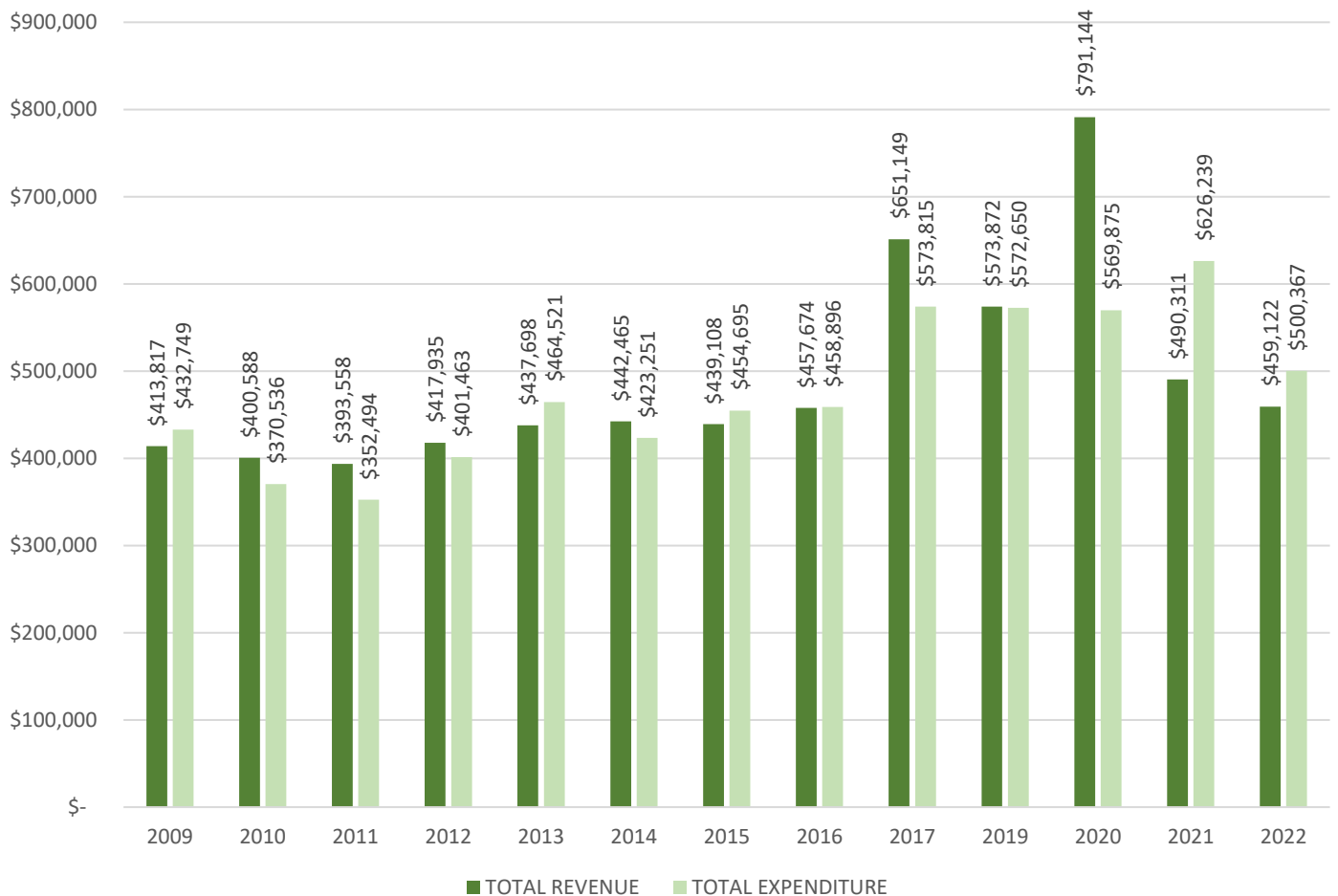
## FINANCIAL OVERVIEW

This section describes BBWC's financial performance during the past decade. Fiscal year 2021-22 was the last time BBWC made financial information available. LAFCO evaluated BBWC's financial health from 2009 to 2022. A comprehensive analysis of BBWC's financial performance during the past 13 years is shown in **Tables F and G** on pages 11 and 12. It is important to note that audited financial statements were not publicly available, and therefore, LAFCO extracted the fiscal data from the annual reports submitted to the California Public Utilities Commission.

### Revenues & Expenditures

At the end of the 2022 calendar year, total revenue collected by BBWC was approximately \$460,000, representing a 6% decrease from the previous year (\$490,000 in 2021). Total expenses for 2022 were approximately \$126,000, which decreased from the previous year by 20% percent (\$626,000 in 2021). BBWC experienced an annual deficit in six of the last 13 calendar years, with consecutive deficits in 2021 and 2022, as shown in **Figure A**.

**Figure A: BBWC Financial Performance (2009 to 2022)**



## Revenues

There were four revenue streams in 2022, as shown in the table below. Metered water revenue accounted for 91% of BBWC's entire revenue.

**Table D: Total Revenue (2022 Calendar Year)**

Revenue Stream	Total Amount (\$)	Percentage (%)
<b><u>Water Services Revenue</u></b>		
Fire Protection & Hydrant	\$401	0.09%
Metered Water	\$419,667	91.41%
Other Water Revenue	<u>\$4,895</u>	<u>1.07%</u>
<b>Total Water Services Revenue</b>	<b>\$424,963</b>	<b>92.56%</b>
<b><u>Other Revenue</u></b>		
Non-Utility	<u>\$34,159</u>	<u>7.44%</u>
<b>Total Other Revenue</b>	<b>\$34,159</b>	<b>7.44%</b>
<b>TOTAL REVENUE</b>	<b><u>\$459,122</u></b>	<b><u>100.00%</u></b>

## Assets

BBWC's financial assets are comprised of current and non-current assets. Current assets include the following: cash on hand, special deposits, accounts receivable, materials and supplies, and investments. Non-current assets include the water treatment plant minus its associated depreciation. In 2022, BBWC's investments accounted for 71% of the company's total assets. Page 12 shows a detailed breakdown of total assets from 2009 to 2022.

## Expenses

BBWC categorizes its expenses into five groups, as shown in **Table E** on page 10. Volume-related expenses include purchased water, power, and other volume-related expenses. Non volume related costs include: employee labor, materials, contract work, transportation, and other plant maintenance expenses. Administration and general expenses include: office salaries, management salaries, employee pension and benefits, uncollectible accounts, office services and rentals, office supplies, professional services, insurance, regulatory compliance, and general expenses. And finally, other expenses include: depreciation, loan amortization, property/sales taxes, state and federal corporate income taxes, non-utility costs, and interest expenses. In 2022, administration and general expenses accounted for almost half of BBWC's entire expenditure budget.

**Table E: Total Expenditure (2022 Calendar Year)**

Expenses	Total Amount (\$)	Percentage (%)
Volume-Related Costs	\$23,495	4.70%
Non-Volume-Related Costs	\$110,439	22.07%
Admin & General Costs	\$236,927	47.35%
Other Expenses	\$129,506	25.88%
<b>TOTAL EXPENDITURE</b>	<b>\$500,367</b>	<b>100.00%</b>

#### Liabilities

BBWC's financial liabilities are comprised of current liabilities, long-term liabilities, and corporate capital and retained earnings. Current liabilities include the following: accounts payable, accrued interest, and other current liabilities. Non-current liabilities include long-term debt. Corporate capital & retained earnings include the following: common stock and retained earnings. In 2022, BBWC's long-term debt accounted for approximately 60% of the company's total liabilities. Page 12 shows a detailed breakdown of total liabilities from 2009 to 2022.

**Table F – Revenue & Expenditure Overview**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2019	2020	2021	2022
<b>REVENUE</b>													
Water Services Revenue	\$ 5,716	\$ 5,716	\$ 5,716	\$ 5,716	\$ 3,385	\$ 3,807	\$ 3,559	\$ 4,197	\$ 3,269	\$ 1,633	\$ -	\$ 480	\$ -
Unmetered Water Revenue	\$ 576	\$ 576	\$ 576	\$ 576	\$ 576	\$ 707	\$ 707	\$ 707	\$ 707	\$ 707	\$ -	\$ -	\$ 401
Fire Protection & Hydrant Revenue	\$ 393,448	\$ 382,315	\$ 376,866	\$ 396,344	\$ 425,449	\$ 436,573	\$ 432,480	\$ 440,199	\$ 467,911	\$ 516,806	\$ 420,422	\$ 351,643	\$ 419,667
Metered Water Revenue	\$ 14,077	\$ 11,981	\$ 10,400	\$ 15,299	\$ 8,288	\$ 1,378	\$ 2,362	\$ 10,859	\$ 6,748	\$ -	\$ -	\$ -	\$ 4,895
Other Water Revenue	\$ 413,817	\$ 400,588	\$ 393,558	\$ 417,935	\$ 437,698	\$ 442,465	\$ 439,108	\$ 455,962	\$ 478,635	\$ 519,146	\$ 420,422	\$ 352,123	\$ 424,963
<b>Total Water Services Revenue</b>													
Other Revenue													
Non-Utility Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,712	\$ 172,514	\$ 54,726	\$ 370,722	\$ 138,188	\$ 34,159
<b>Total Other Revenue</b>													
<b>TOTAL REVENUE</b>	<b>\$ 413,817</b>	<b>\$ 400,588</b>	<b>\$ 393,558</b>	<b>\$ 417,935</b>	<b>\$ 437,698</b>	<b>\$ 442,465</b>	<b>\$ 439,108</b>	<b>\$ 457,674</b>	<b>\$ 651,149</b>	<b>\$ 573,872</b>	<b>\$ 791,144</b>	<b>\$ 490,311</b>	<b>\$ 459,122</b>
<b>EXPENDITURE</b>													
Volume Related Expenses													
Purchased Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Power	\$ 16,450	\$ 16,049	\$ 16,511	\$ 17,172	\$ 21,711	\$ 25,299	\$ 19,301	\$ 13,125	\$ 19,826	\$ 28,226	\$ 25,603	\$ 48,510	\$ 23,495
Other Volume Related Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Volume Related Expenses</b>	<b>\$ 16,450</b>	<b>\$ 16,049</b>	<b>\$ 16,511</b>	<b>\$ 17,172</b>	<b>\$ 21,711</b>	<b>\$ 25,299</b>	<b>\$ 19,301</b>	<b>\$ 13,125</b>	<b>\$ 19,826</b>	<b>\$ 28,226</b>	<b>\$ 25,603</b>	<b>\$ 48,510</b>	<b>\$ 23,495</b>
Non-Volume Related Expenses													
Employee Labor	\$ 45,834	\$ 46,323	\$ 48,880	\$ 48,880	\$ 48,880	\$ 48,880	\$ 49,820	\$ 62,207	\$ 66,295	\$ 61,100	\$ 93,142	\$ 88,622	\$ 70,823
Materials	\$ 4,440	\$ 4,575	\$ 4,884	\$ 3,721	\$ 3,548	\$ 7,994	\$ 10,154	\$ 4,650	\$ 4,327	\$ 5,881	\$ 27,040	\$ 31,556	\$ 32,804
Contract Work	\$ -	\$ -	\$ -	\$ -	\$ 6,892	\$ 6,829	\$ 6,912	\$ 9,840	\$ 13,725	\$ 6,730	\$ 42,703	\$ 13,216	\$ 2,892
Transportation Expense	\$ 13,732	\$ 14,694	\$ 14,049	\$ 17,034	\$ 17,100	\$ 9,987	\$ 10,145	\$ 11,389	\$ 11,342	\$ 22,704	\$ 9,406	\$ 9,533	\$ 3,920
Other Plant Maintenance Costs	\$ 20,624	\$ 25,483	\$ 16,367	\$ 17,421	\$ 21,004	\$ 14,033	\$ 18,271	\$ 16,110	\$ 7,792	\$ 27,075	\$ -	\$ 112,927	\$ -
<b>Total Non-Volume Related Expenses</b>	<b>\$ 84,630</b>	<b>\$ 91,075</b>	<b>\$ 84,180</b>	<b>\$ 87,056</b>	<b>\$ 97,424</b>	<b>\$ 87,723</b>	<b>\$ 95,302</b>	<b>\$ 104,196</b>	<b>\$ 103,481</b>	<b>\$ 123,490</b>	<b>\$ 172,291</b>	<b>\$ 255,854</b>	<b>\$ 110,439</b>
Administrative & General Expenses													
Office Salaries	\$ 33,533	\$ 32,900	\$ 32,900	\$ 32,900	\$ 32,900	\$ 32,900	\$ 33,533	\$ 32,900	\$ 7,868	\$ 22,100	\$ -	\$ -	\$ 4,523
Management Salaries	\$ 81,437	\$ 79,900	\$ 79,900	\$ 79,900	\$ 79,900	\$ 79,900	\$ 81,437	\$ 83,244	\$ 117,790	\$ 125,020	\$ 131,697	\$ 134,662	\$ 129,648
Employee Pensions & Benefits	\$ 37,519	\$ 38,671	\$ 37,437	\$ 45,048	\$ 49,515	\$ 49,006	\$ 42,657	\$ 1,698	\$ 1,764	\$ 8,549	\$ 28,853	\$ 45,982	\$ 37,405
Uncollectible Accounts Expense	\$ 8,819	\$ 6,072	\$ 4,207	\$ 3,278	\$ 3,157	\$ 4,673	\$ 2,635	\$ -	\$ 480	\$ -	\$ -	\$ -	\$ -
Office Services & Rentals	\$ 3,174	\$ 2,888	\$ 336	\$ 2,689	\$ 4,105	\$ 1,678	\$ 3,711	\$ 3,911	\$ 2,956	\$ 5,804	\$ 6,360	\$ 4,019	\$ 8,127
Office Supplies & Expenses	\$ 5,571	\$ 5,744	\$ 6,139	\$ 5,826	\$ 5,204	\$ 5,497	\$ 4,701	\$ 13,311	\$ 17,436	\$ 14,519	\$ 19,871	\$ 11,330	\$ 10,359
Professional Services	\$ 1,034	\$ 987	\$ 1,128	\$ 1,231	\$ 1,258	\$ 5,969	\$ 13,451	\$ 15,195	\$ 19,234	\$ 19,204	\$ 19,681	\$ 3,060	\$ 15,739
Insurance	\$ 11,558	\$ 14,885	\$ 15,768	\$ 15,739	\$ 15,700	\$ 12,465	\$ 11,932	\$ 61,001	\$ 69,181	\$ 56,001	\$ 11,547	\$ 33	\$ 1,504
Regulatory Compliance Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,519	\$ 10,058	\$ 8,119	\$ 17,635	\$ 27,989
General Expenses	\$ 24,387	\$ 31,233	\$ 23,550	\$ 28,846	\$ 24,112	\$ 20,968	\$ 40,565	\$ 2,167	\$ 2,437	\$ 2,437	\$ 931	\$ 1,094	\$ 1,633
<b>Total Admin &amp; General Expenses</b>	<b>\$ 207,032</b>	<b>\$ 213,280</b>	<b>\$ 201,365</b>	<b>\$ 215,457</b>	<b>\$ 215,851</b>	<b>\$ 213,056</b>	<b>\$ 234,622</b>	<b>\$ 213,427</b>	<b>\$ 243,665</b>	<b>\$ 263,692</b>	<b>\$ 227,059</b>	<b>\$ 217,815</b>	<b>\$ 236,927</b>
Other Expenses													
Depreciation	\$ 14,962	\$ 14,926	\$ 14,926	\$ 14,962	\$ 14,926	\$ 14,926	\$ 14,926	\$ 14,926	\$ 14,926	\$ 14,926	\$ 3,621	\$ 11,305	\$ 11,033
SDWBA Loan Amortization	\$ 72,373	\$ -	\$ -	\$ 24,929	\$ 40,966	\$ 40,966	\$ 40,966	\$ 40,966	\$ 40,966	\$ 39,382	\$ 38,718	\$ 34,499	\$ 34,430
Property/Sales Taxes	\$ 21,021	\$ 19,794	\$ 21,231	\$ 27,653	\$ 18,647	\$ 18,852	\$ 23,608	\$ 21,260	\$ 31,050	\$ 22,811	\$ 24,858	\$ 33,530	\$ 23,195
State Corporate Income Tax	\$ 752	\$ 752	\$ 752	\$ 752	\$ 752	\$ 752	\$ 752	\$ 2,168	\$ 943	\$ 2,790	\$ -	\$ 800	\$ 1,800
Federal Corporate Income Tax	\$ 547	\$ -	\$ -	\$ -	\$ 13,391	\$ 13,536	\$ 18,641	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Misc Non-Utility Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,012	\$ 84,917	\$ 33,838	\$ 51,775	\$ 4,018	\$ 26,308
Interest Expense (excluding SDWBA)	\$ 14,982	\$ 14,660	\$ 13,529	\$ 13,482	\$ 40,853	\$ 8,141	\$ 6,577	\$ 34,816	\$ 7,021	\$ 10,380	\$ 8,256	\$ 1,032	\$ 14,213
Interest Expense (SDWBA)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,020	\$ 33,115	\$ 17,694	\$ 18,876	\$ 18,527
<b>Total Other Expenses</b>	<b>\$ 124,637</b>	<b>\$ 50,132</b>	<b>\$ 50,438</b>	<b>\$ 81,778</b>	<b>\$ 129,535</b>	<b>\$ 97,173</b>	<b>\$ 105,470</b>	<b>\$ 128,148</b>	<b>\$ 206,843</b>	<b>\$ 157,242</b>	<b>\$ 144,922</b>	<b>\$ 104,060</b>	<b>\$ 129,506</b>
<b>TOTAL EXPENDITURE</b>	<b>\$ 432,749</b>	<b>\$ 370,536</b>	<b>\$ 352,494</b>	<b>\$ 401,463</b>	<b>\$ 464,521</b>	<b>\$ 423,251</b>	<b>\$ 454,695</b>	<b>\$ 458,896</b>	<b>\$ 573,815</b>	<b>\$ 572,650</b>	<b>\$ 569,875</b>	<b>\$ 626,239</b>	<b>\$ 500,367</b>
<b>Surplus/(Deficit)</b>	<b>\$ (18,932)</b>	<b>\$ 30,052</b>	<b>\$ 41,064</b>	<b>\$ 16,472</b>	<b>\$ (26,823)</b>	<b>\$ 19,214</b>	<b>\$ (15,587)</b>	<b>\$ (1,222)</b>	<b>\$ 77,334</b>	<b>\$ 1,222</b>	<b>\$ 221,269</b>	<b>\$ (135,928)</b>	<b>\$ (41,245)</b>

**Table G – Assets & Liabilities Overview**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2019	2020	2021	2022
<b>ASSETS</b>													
Current Assets													
Cash On Hand	\$ 2,025	\$ (332)	\$ 183	\$ (1,511)	\$ 2,999	\$ 932	\$ 442	\$ 4,943	\$ 3,034	\$ 6,320	\$ 180,654	\$ (1,965)	\$ 1,131
Cash – Special Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,745	\$ 56,675	\$ 19,446	\$ 4,918	\$ 3,682	\$ 4,004
Accounts Receivable - Customers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 480	\$ -	\$ 38,967	\$ 32,242	\$ 33,684	\$ 44,058
Receivables from Affiliated Companies	\$ -	\$ -	\$ -	\$ -	\$ 83,893	\$ 83,893	\$ 83,893	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,300	\$ 31,577	\$ 31,577	\$ -
Investments	\$ -	\$ 83,893	\$ 83,893	\$ 83,893	\$ -	\$ -	\$ -	\$ 315,220	\$ 391,670	\$ 526,241	\$ 529,242	\$ 529,242	\$ 557,801
<b>Total Current Assets</b>	<b>\$ 2,025</b>	<b>\$ 83,561</b>	<b>\$ 84,076</b>	<b>\$ 82,382</b>	<b>\$ 86,892</b>	<b>\$ 84,825</b>	<b>\$ 84,335</b>	<b>\$ 348,388</b>	<b>\$ 451,379</b>	<b>\$ 611,274</b>	<b>\$ 778,633</b>	<b>\$ 596,220</b>	<b>\$ 638,571</b>
Non-Current Assets													
Water Plant	\$ 2,035,151	\$ 2,035,181	\$ 2,037,249	\$ 2,037,249	\$ 2,037,249	\$ 2,037,249	\$ 2,037,249	\$ 2,037,249	\$ 2,039,904	\$ 1,943,372	\$ 1,404,876	\$ 1,407,165	\$ 1,407,165
Minus Depreciation/ Amortization	\$ (1,130,093)	\$ (1,185,982)	\$ (1,200,911)	\$ (1,297,766)	\$ (1,271,729)	\$ (1,327,621)	\$ (1,383,513)	\$ (1,439,405)	\$ (1,495,297)	\$ (1,499,026)	\$ (1,171,419)	\$ (1,217,223)	\$ (1,262,686)
<b>Total Non-Current Assets</b>	<b>\$ 905,058</b>	<b>\$ 849,199</b>	<b>\$ 836,338</b>	<b>\$ 739,483</b>	<b>\$ 765,520</b>	<b>\$ 709,628</b>	<b>\$ 653,736</b>	<b>\$ 597,844</b>	<b>\$ 544,607</b>	<b>\$ 444,346</b>	<b>\$ 233,457</b>	<b>\$ 189,942</b>	<b>\$ 144,479</b>
<b>TOTAL ASSETS</b>	<b>\$ 907,083</b>	<b>\$ 932,760</b>	<b>\$ 920,414</b>	<b>\$ 821,865</b>	<b>\$ 852,412</b>	<b>\$ 794,453</b>	<b>\$ 738,071</b>	<b>\$ 946,232</b>	<b>\$ 995,986</b>	<b>\$ 1,055,620</b>	<b>\$ 1,012,090</b>	<b>\$ 786,162</b>	<b>\$ 783,050</b>
<b>LIABILITIES</b>													
Current Liabilities													
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,054	\$ 19,362	\$ 18,166	\$ 31,491
Accrued Interest	\$ -	\$ -	\$ -	\$ -	\$ (40,853)	\$ -	\$ -	\$ -	\$ -	\$ 5,401	\$ 4,847	\$ 4,697	\$ 4,543
Other Current Liabilities	\$ (75,637)	\$ (59,509)	\$ (69,197)	\$ (80,579)	\$ (62,823)	\$ 62,823	\$ 40,853	\$ 81,225	\$ 75,940	\$ 35,892	\$ 225	\$ 35,376	\$ 47,046
<b>Current Liabilities</b>	<b>\$ (75,637)</b>	<b>\$ (59,509)</b>	<b>\$ (69,197)</b>	<b>\$ (80,579)</b>	<b>\$ (103,676)</b>	<b>\$ 62,823</b>	<b>\$ 40,853</b>	<b>\$ 81,225</b>	<b>\$ 75,940</b>	<b>\$ 64,347</b>	<b>\$ 24,434</b>	<b>\$ 58,239</b>	<b>\$ 83,080</b>
Non-Current Liability													
Long-Term Debt	\$ (779,061)	\$ (766,275)	\$ (730,444)	\$ (738,039)	\$ (734,702)	\$ 697,803	\$ 677,819	\$ 653,720	\$ 632,738	\$ 520,492	\$ 520,264	\$ 478,145	\$ 465,334
<b>Total Long-Term Debt</b>	<b>\$ (779,061)</b>	<b>\$ (766,275)</b>	<b>\$ (730,444)</b>	<b>\$ (738,039)</b>	<b>\$ (734,702)</b>	<b>\$ 697,803</b>	<b>\$ 677,819</b>	<b>\$ 653,720</b>	<b>\$ 632,738</b>	<b>\$ 520,492</b>	<b>\$ 520,264</b>	<b>\$ 478,145</b>	<b>\$ 465,334</b>
Corporate Capital & Retained Earnings													
Common Stock	\$ 145,302	\$ 145,302	\$ 145,302	\$ 145,302	\$ 145,302	\$ 145,302	\$ 145,302	\$ 145,302	\$ 145,302	\$ 81,302	\$ 145,302	\$ 145,302	\$ 145,302
Other Paid-In Capital	\$ 2,054,257	\$ 2,054,339	\$ 2,054,339	\$ 1,923,332	\$ 2,010,321	\$ 1,855,396	\$ 1,792,868	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retained Earnings	\$ (439,855)	\$ (425,792)	\$ (384,728)	\$ (428,151)	\$ (464,833)	\$ (445,619)	\$ (461,132)	\$ 65,985	\$ 142,007	\$ 389,479	\$ 322,090	\$ 104,477	\$ 89,334
<b>Total Corporate Capital &amp; Retained Earnings</b>	<b>\$ 1,759,704</b>	<b>\$ 1,773,849</b>	<b>\$ 1,814,913</b>	<b>\$ 1,640,483</b>	<b>\$ 1,690,790</b>	<b>\$ 1,555,079</b>	<b>\$ 1,477,038</b>	<b>\$ 211,287</b>	<b>\$ 287,309</b>	<b>\$ 470,781</b>	<b>\$ 467,392</b>	<b>\$ 249,779</b>	<b>\$ 234,636</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 905,006</b>	<b>\$ 948,065</b>	<b>\$ 1,015,272</b>	<b>\$ 821,865</b>	<b>\$ 852,412</b>	<b>\$ 2,315,705</b>	<b>\$ 2,195,710</b>	<b>\$ 946,232</b>	<b>\$ 995,987</b>	<b>\$ 1,055,620</b>	<b>\$ 1,012,090</b>	<b>\$ 786,163</b>	<b>\$ 783,050</b>
Footnotes:													
1) LAFCO discovered miscalculations and omitted numbers in several financial statements which resulted in incorrect net values (total amounts)													
2) The total liability amount in 2011, 2014, and 2015 do not match total assets.													

## GOVERNANCE OPTIONS

### Option 1: Annexation into San Lorenzo Valley Water District

Under this option, the area within the Big Basin Water Company would be annexed, or in other words, added into the San Lorenzo Valley Water District (“SLVWD”). If approved, the BBWC would no longer be in existence. Water districts, like SLVWD, are typically governed by an elected five-member board of directors, financed by property taxes and/or rates and fees, and managed by professionals in their respective areas of expertise (operations, engineering, finance etc.). BBWC service area is entirely surrounded by the SLVWD and is also within SLVWD’s sphere of influence boundary. A sphere of influence indicates an area where a public agency may provide services outside its own service area boundary. Annexation must be approved by LAFCO before SLVWD can provide services to the subject area. The following table highlights the potential benefits and constraints associated with this option.

**Table H: Annexation Option (Pros & Cons)**

Benefits (Pros)	Constraints (Cons)
* Established local not-for-profit water supplier: public water agency	* Lengthy process: typically takes 6-8 months to complete, may require more time due to the involvement of private and public parties
* Better representation: board of directors	* BBWC’s infrastructure deficiencies must be addressed before annexation can be completed
* Enhanced service level: professional staff	* SLVWD party must be willing, interested and able to participate in the transaction
* Increased transparency: public records, outreach strategy, annual audits	* Constituents may be subject to higher rates
* Requires LAFCO involvement: detailed analysis before approval	
* Requires BBWC customer approval: involvement and understanding of the process	
* May qualify for local/state financial assistance	
* Supported by local, regional, and state agencies: SWRCB, County, and LAFCO	
* Supported by local, regional, and state agencies: SWRCB, County, and LAFCO	

## Option 2: Annexation into another Local Agency

Under this option, the area within the Big Basin Water Company would be annexed to another local agency (specifically water agencies). There are a total of seven water agencies within Santa Cruz County: four water districts (Central, San Lorenzo Valley, Scotts Valley, and Soquel Creek Water Districts), two city water departments (Cities of Santa Cruz and Watsonville), and one water management agency (Pajaro Valley Water Management Agency). State law allows non-contiguous annexation when an interested water agency is not immediately adjacent to the annexation area. Government Code Section 55801 states that *“Territory within the same county but not contiguous with the district may be annexed to the district if the board determines that the district resulting from the annexation may be more efficiently and economically operated than if a separate district were formed.”* Annexation must be approved by LAFCO before any local agency can provide services to the subject area. The following table highlights the potential benefits and constraints associated with this option.

**Table I: Annexation Option (Pros & Cons)**

Benefits (Pros)	Constraints (Cons)
* Established local not-for-profit water supplier: public water agency	* Lengthy process: typically takes 6-8 months to complete, may require more time due to the involvement of private and public parties
* Better representation: board of directors	* BBWC's infrastructure deficiencies must be addressed before annexation can be completed
* Enhanced service level: professional staff	* Affected agency must be willing, interested and able to participate in the transaction
* Increased transparency: public records, outreach strategy, annual audits	* Representation may be difficult to determine due to non-contiguous constituents
* Requires LAFCO involvement: detailed analysis before approval	
* Requires BBWC customer approval: involvement and understanding of the process	
* May qualify for local/state financial assistance	

### Option 3: Formation of a County Service Area – Dependent Special District

Under this option, a dependent special district known as a County Service Area (CSA) would be created to assume water service responsibilities. If approved, the BBWC would no longer be in existence. Unlike the independent special districts, a CSA is managed by the County. CSAs are governed by the County Board of Supervisors, financed through adopted benefit assessment and/or special taxes, and administered by County staff. Additionally, some CSAs may have a resident-based advisory board for additional oversight. The following table highlights the potential benefits and constraints associated with this option.

**Table J: CSA Formation Option (Pros & Cons)**

Benefits (Pros)	Constraints (Cons)
* Creation of a new not-for-profit public agency: dependent special district	* Lengthy process: typically takes 6-8 months to complete, may require more time due to the involvement of private and public parties
* Moderate representation: County board of supervisors	* BBWC's infrastructure deficiencies must be addressed before annexation can be completed
* Increased organizational capacity: County staff	* County must be willing and able to provide the services
* Better transparency: public records, annual audits	
* Requires LAFCO involvement: detailed analysis before approval	
* Requires BBWC customer approval: involvement and understanding of the process	
* May qualify for local/state financial assistance	



## Option 4: Formation of an Independent Special District

Under this option, an independent special district, similar to SLVWD, would be created to assume water service responsibilities. If approved, the BBWC would no longer be in existence. The new water district would be governed by an elected board of directors comprised of its service area residents, financed through its own fees and charges, and administered/operated by its own employees. The following table highlights the potential benefits and constraints associated with this option.

**Table K: District Formation Option (Pros & Cons)**

Benefits (Pros)	Constraints (Cons)
* Creation of a new not-for-profit public agency: independent special district	* Lengthy process: typically takes 12 months or more to complete the formation of a new public agency with its own funding source and service provisions
* Enhanced and direct representation: own board of directors	* Formation of a new board of directors may require additional analysis to determine the election process
* Specialized staff	* New district must address all current BBWD infrastructure deficiencies
* Better transparency: public records, annual audits	* Managing and operating a small independent special district does not have any economies of scale: expensive value proposal
* Requires LAFCO involvement: detailed analysis before approval	* Hiring and retaining qualified staff is challenging
* Requires BBWC customer approval: involvement and understanding of the process	
* May qualify for local/state financial assistance	

## Option 5: Establishment of an Extraterritorial Service Agreement

Under this option, a contract, known as an extraterritorial service agreement (ESA) is established allowing a public agency (ex. SLVWD) to provide water services to the BBWC area. Pursuant to Government Code Section 56133, LAFCO can approve an ESA if there is an immediate health and safety issue and/or annexation will occur in the near future. In other words, an ESA is a temporary solution and a precursor to annexation. An ESA does not require BBWC to be in existence for approval. However, it is important to note that an ESA does not make any short- or long-term governance or operational changes – it is a tool that could provide a more reliable source of water to the BBWC customers from a nearby public agency. The following table highlights the potential benefits and constraints associated with this option.

**Table L: ESA Option (Pros & Cons)**

Benefits (Pros)	Constraints (Cons)
* Can be completed quickly: 1-2 months	* Temporary solution
* Addresses the immediate need for a reliable supply source	* Does not resolve the ongoing infrastructure, governance or operational deficiencies and violations
* Requires LAFCO involvement: confirming it meets GCS 56133 criteria	* Contributing party (ex. SLVWD) must be willing and able to participate in the transaction

### Existing Emergency Intertie

It is LAFCO's understanding that the SLVWD and BBWC (under the court-appointed receiver's direction), have entered into an agreement allowing BBWC to receive water from SLVWD in case of an emergency. In accordance with state law, a public agency must receive LAFCO approval before providing water services to an area outside its jurisdictional boundary. Therefore, LAFCO requests that the court-appointed receiver and/or SLVWD submit an ESA application in the near future to reflect the current agreement in place. The ESA request would be a standalone application or part of a reorganization effort, as discussed in Option 6 on page 18.

### Option 6: Reorganization (Multi-Step Process)

Under this option, multiple organizational and structural changes are completed. For example, an ESA (discussed in more detail on page 17) could be approved with the condition that annexation (discussed in more detail on pages 13-14) were to occur on a pre-determined date in the future. This approach would allow the community to receive immediate services from a nearby public agency without waiting for the formal annexation process to be completed. Pursuant with Government Code Section 56650, a reorganization may be initiated by petition from affected residents or by resolution from the affected agency (or agencies). The following table highlights the potential benefits and constraints associated with this option.

**Table M: Reorganization Option (Pros & Cons)**

Benefits (Pros)	Constraints (Cons)
* Temporary solution can be completed quickly, followed by a long-term solution	* Lengthy process: dependencies between the chosen steps must be pre-determined and commitments obtained.
Depending on the different governance options that may be part of a reorganization effort, including an ESA and subsequent annexation attempt, please refer to the tables under Options 1-5	

## Option 7: Formation of a New Mutual Water Company

Under this option, a new mutual water company (MWC) that assumes the water service responsibility would be established. If a new company is formed, the BBWC would no longer be in existence. MWCs are organized under California Corporations Code 14300, regulated under the US EPA Safe Drinking Water Act, and operate under a myriad of local/statewide/federal rules and regulations. MWCs are regulated by California's Water Code, Health and Safety Code and must abide by open meeting and public records disclosure laws similar to many public water utilities. In operating a public water system, MWCs are also subject to regulation by the California Department of Public Health and must comply with requirements imposed by the State Water Resources Control Board and our local Regional Water Quality Control Board. It is important to note that LAFCO does not have purview over MWCs and the creation of a new MWC does not require LAFCO approval. With that being said, MWCs are required to hold annual shareholders' meetings and, in general, to distribute copies of financial statements to shareholders every year. The Corporations Code also provides guidance for the inspection of accounting books and records by shareholders. The following table highlights the potential benefits and constraints associated with this option.

**Table N: Mutual Water Company Option (Pros & Cons)**

Benefits (Pros)	Constraints (Cons)
* Known structure (privately owned local company)	* New company inherits the ongoing infrastructure, and operational deficiencies
* Action does not require LAFCO approval	* Lack of economies of scale continues to be a major challenge for running an efficient system

## Option 8: Acquisition by a Private Company

Under this option, another private (water/utility) company would purchase BBWC's assets and assume the water service responsibility. If purchased, the BBWC would no longer be in existence. Similar to MWCs, privately-owned water systems are organized under California Corporations Code 14300, regulated under the US EPA Safe Drinking Water Act, and operate under a myriad of local/statewide/federal rules and regulations (see page 19). The purchase and sale of BBWC does not require LAFCO action. The following table highlights the potential benefits and constraints associated with this option.

**Table O: Private Company Option (Pros & Cons)**

Benefits (Pros)	Constraints (Cons)
* May result in increased efficiencies and economies of scale if acquired by a larger entity	* Loss of local control
* Potential funding from a private source to correct the existing deficiencies	* Lack of transparency: privately-owned company
* Action does not require LAFCO approval	

## CONCLUSION

The identified options have not been considered with the level of detail necessary to determine their feasibility or appropriateness given the circumstances, nor are they meant to represent the only options available. The intent is to highlight possible solutions, outline their respective benefits and constraints, and collectively choose a path forward. If the affected parties determine that one or more options should be analyzed in more detail, LAFCO is committed to continuing with further evaluation under a joint effort. In the interim, this report is meant to be a resource and foundation for finding a solution.

## APPENDICES

**Appendix A: Court File - California State Water Resources Control Board, Division of Drinking Water (Petitioner) v. Big Basin Water Company, Inc., Thomas James Moore, and Shirley Moore (Respondents).**

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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 COUNTY OF SANTA CRUZ

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14 **CALIFORNIA STATE WATER  
15 RESOURCES CONTROL BOARD,  
16 DIVISION OF DRINKING WATER,**

17 Petitioner,

18 v.

19 **BIG BASIN WATER COMPANY, INC.,  
20 THOMAS JAMES MOORE, AND  
SHIRLEY MOORE,**

21 Respondents  
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28

Case No. 23CV01615

**INDEX OF EXHIBITS TO PETITION  
FOR APPOINTMENT OF RECEIVER  
FOR THE BIG BASIN WATER  
COMPANY; ALTERNATIVE  
COMPLAINT FOR INJUNCTIVE  
RELIEF**

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Dated: July 7, 2023

Respectfully submitted,

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Code § 6103**

9  
10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 SANTA CRUZ COUNTY  
12

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14 **CALIFORNIA STATE WATER  
RESOURCES CONTROL BOARD,  
15 DIVISION OF DRINKING WATER,**

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Petitioner,

v.

**BIG BASIN WATER COMPANY, INC.,  
THOMAS JAMES MOORE, and  
SHIRLEY MOORE,**

Respondents

Case No. \_\_\_\_\_

**DECLARATION OF JONATHAN  
WEININGER IN SUPPORT OF  
APPLICATION FOR APPOINTMENT  
OF RECEIVER UNDER HEALTH AND  
SAFETY CODE SECTION 116665**

I, Jonathan Weininger, declare:

1. I am a registered professional civil engineer (License No. 84754) and am employed  
with the California State Water Resources Control Board, Division of Drinking Water (Division)  
as the District Engineer for the Monterey District. I submit this declaration in support of the

1 Division's petition seeking appointment of a receiver over the public drinking water system  
2 known as Big Basin Water Company System (the System), located in the Division's Monterey  
3 District. The facts set forth below are based on my personal knowledge and a diligent review of  
4 the Division's file materials for the System, which are retained in the ordinary course of business.

5       2. The Division seeks appointment of a receiver based on its determination that the  
6 owners of the System—Big Basin Water Company, Inc. and its controlling shareholders, directors  
7 and managers James ("Jim") Moore and Shirley (aka "Teri") Moore (collectively, the Owners)—  
8 are unable and unwilling to adequately serve the System's customers and have been unresponsive  
9 to the Division's directives, compliance orders and citations, as described below and shown by  
10 the evidence submitted with this petition. As a result of their actions and inactions, the System  
11 currently is incapable of delivering an adequate supply of healthful water to its customers and  
12 much of its infrastructure is well past the end of its useful life. Over the past four years, the  
13 Division has issued a series of citations and a compliance order to the System and has repeatedly  
14 attempted to work with the Owners to get them to take the steps necessary to fix the system's  
15 problems, without any success. Instead, the system has continued to deteriorate, and the failure to  
16 make necessary repairs has now put the customers' water supply, and as a result their health, at  
17 significant risk. A receivership is necessary to promptly take steps to minimize this risk and to  
18 bring the System into compliance with the requirements of the California Safe Drinking Water  
19 Act and its implementing regulations.

20       3. I have worked for the state drinking water program for thirteen years and have held  
21 my current position as District Engineer since November, 2020. As District Engineer, I am  
22 familiar with all public water systems in the Monterey District, including the System. I am  
23 responsible for enforcing the provisions of the Safe Drinking Water Act and regulations  
24 applicable to public water systems in the District. My specific duties include supervising the  
25 inspection and evaluation of water systems, overseeing the preparation of domestic water supply  
26 permits, preparing compliance orders and citations, and directing the evaluation of water quality  
27 data and facilities pertaining to production, treatment, storage, and distribution of potable water. I  
28

1 am also the custodian of the Division's records related to public water systems in the Monterey  
2 District.

3 4. I currently work under the supervision of Stefan Cajina, Chief of the State Water  
4 Board's North Coastal Section. As District Engineer, I supervise support staff and six field staff,  
5 among them Shaminder Kler, a registered Professional Civil Engineer who is employed as an  
6 Associate Sanitary Engineer, and Kyle Graff, a registered Professional Civil Engineer who is  
7 employed as a Water Resource Control Engineer. Mr. Kler and Mr. Graff are also charged with  
8 regulatory oversight of the System and ensuring the System complies with the Safe Drinking  
9 Water Act and all applicable regulations adopted thereunder. To this end, Mr. Kler, Mr. Graff,  
10 and I have worked directly with the Owners and the various people they have sporadically  
11 engaged in connection with the System's operations. As the supervisor to Messrs. Kler and Graff,  
12 I direct their work activities as they relate to the System and have worked with them on the many  
13 issues that have arisen concerning the System. Prior to my role as District Engineer, I held the  
14 position of Sanitary Engineer under the supervision of Jan Sweigert, P.E., District Engineer for  
15 the Monterey District. Beginning in 2017, my job responsibilities as Sanitary Engineer included  
16 regulatory oversight of the System and ensuring it complied with the Safe Drinking Water Act  
17 and all applicable regulations adopted thereunder.

18 5. There have been organizational changes in the State's drinking water program since I  
19 joined the Division in 2010. The drinking water program was once part of the California  
20 Department of Health Services, later reorganized as the California Department of Public Health.  
21 As of July 2014, the program was moved to the California State Water Resources Control Board  
22 and became the Division of Drinking Water (the "Division"). The Division regulates "public  
23 water systems" such as the System. A public water system is a system that provides water for  
24 human consumption. Corporations owned by private individuals can and do own public water  
25 systems, and the System is one such example. Although the State's drinking water program's  
26 name and parent agency have changed over the years, the program's mission has always remained  
27 the same: to ensure that public water systems provide an adequate supply of healthful drinking  
28 water to their customers.

1           6.     The System is owned and operated by, and in the possession of, Jim and Shirley  
2 Moore and their corporate entity Big Basin Water Company, Inc., P.O. Box 197, Boulder Creek,  
3 California. As self-reported in their 2022 electronic report to the Division, the System currently  
4 provides drinking water to approximately 1,120 Californians through 540 service connections,  
5 comprised of 365 single family residential, 152 multi-family residential, 3 commercial and 20  
6 landscape irrigation connections. The System's service area is a portion of the Boulder Creek  
7 community of the Santa Cruz mountains.

8           7.     To assist in understanding the technical problems with the System, I provide this  
9 basic description of the design of a water system. Water is taken from streams, creeks, and  
10 springs (surface water) and/or wells (groundwater) to feed the system using miles of pipes of  
11 differing sizes, including a water main (mainline) and service lines that supply water to  
12 customers. Pumps and booster stations add energy into the system, keeping the water flowing  
13 through the system and are necessary to maintain water pressure. Storage tanks store the water for  
14 use by water customers and they also function to maintain pressure in the system. Maintaining  
15 proper pressure is essential to the operation of a functional public water system, as is: (1) a stable  
16 water source along with sufficient capacity to feed the system; (2) power to supply the system and  
17 ensure proper pressure is maintained at all times, including at the water source and at each booster  
18 station; and (3) functioning mainline, service lines, booster stations, storage tanks and related  
19 infrastructure free of major leaks, corrosion and damage.

20           8.     The System currently uses one active groundwater source known as Well 4 and has  
21 six inactive water sources comprised of both groundwater and surface water sources, which are  
22 discussed further in paragraphs 10 and 21, below. The System's distribution system consists of  
23 five pressure zones and approximately twenty miles of distribution mainline ranging in size from  
24 2" to 12" inch diameter. As of the 2022 sanitary survey, the System self-reported that it has six  
25 booster stations and eight storage tanks. The System does not maintain permanent backup power  
26 at Well 4 or at any of its booster stations except one. I have recently been informed by the  
27 neighboring water system, San Lorenzo Valley Water District (SLVWD), that they are close to  
28 completing an emergency intertie between SLVWD and the System, which could provide a

1 limited backup water source in the event of an emergency. However, once an emergency intertie  
2 is online, it will not be sized to completely restore water in the event of an emergency. To date,  
3 the System has not provided me information on the status of this emergency interconnection.

4 9. Based on my personal knowledge in directly participating in and directing the  
5 regulatory oversight of the System, as well as a review of records maintained by the Division  
6 regarding the System's historical operations, there have been many instances of deferred  
7 maintenance with the System, and the System has not complied with the Division's recommended  
8 actions and directives regarding maintenance and improvements needed in the system. For  
9 purposes of this declaration, I set forth the Division's main actions, findings, directives, and  
10 enforcement actions beginning in the Fall of 2018. Since 2019, the Division has issued ten formal  
11 administrative enforcement actions to the System and engaged in innumerable discussions with  
12 Jim and Shirley Moore as well as other stakeholders seeking to bring the System back into  
13 compliance with its statutory and regulatory obligations, with no success. A timeline setting forth  
14 the actions described in this Declaration is attached to this Declaration as **Exhibit A**.

15 **The 2018 Sanitary Survey, Cross-Connection Control Violations and the Attempted**  
16 **Sale of the System to San Jose Water Company**

17 10. On September 12 and October 17, 2018, I conducted an on-site inspection of the  
18 System's facilities. A true and correct copy of the inspection report that I prepared following this  
19 inspection entitled 2018 Sanitary Survey Report is attached to this declaration as **Exhibit B**.

20 11. During my inspection, I observed that the System showed significant deferred  
21 maintenance and infrastructure that had reached the end of its useful life. I also observed that the  
22 System's source capacity was inadequate to meet its maximum day demand. Pursuant to  
23 California Code of Regulations (CCR), Title 22, Section 64554(a), the System is required to have  
24 sufficient source capacity to meet the System's 10-year maximum day demand. In addition, the  
25 System is required to meet its 10-year maximum day demand with storage capacity, unless it can  
26 demonstrate that it has additional source capacity or an intertie (an interconnection permitting  
27 water delivery) with a nearby system. At the time of my inspection in the Fall of 2018, the  
28 System's primary water source was surface water drawn from Corvin Creek and Jamison Springs

1 as well as a horizontal well supplied by surface water. This surface water was treated at the  
2 System's surface water treatment plant (SWTP). The System also accessed groundwater from  
3 Well 4, but that supply is limited and was used only as a backup source. The System did not have  
4 an intertie to receive water from a nearby system. The System sold water to two neighboring  
5 public water systems, Forest Springs Improvement and Maintenance Association and Bracken  
6 Brae Country Club. Thus, even when the System was accessing and using multiple water sources  
7 in 2018, it still did not comply with source capacity regulations. In addition, many deficiencies at  
8 the SWTP that had been identified in previous inspection reports by the Division remained  
9 uncorrected, and the System conceded it was not adequately staffed. The Division's findings and  
10 recommended corrective actions are set forth in detail in the 2018 Sanitary Survey Report  
11 attached to this declaration as **Exhibit B**.

12 12. Following issuance of the 2018 Sanitary Survey Report, the Division issued Citation  
13 No. 02\_05\_19C\_012 to the System on February 22, 2019, due to the System's violations of  
14 regulations designed to prevent backflow (California Health and Safety Code, Section  
15 116555(a)(2), CCR, Title 17, Sections 7584, 7585 and 7605). Backflow refers to the undesirable  
16 reversal of water flow in the system and it is dangerous because it is a process by which  
17 contaminants such as chemicals, waste and stagnant, bacteria-ridden water can get into the clean  
18 water supply. A public water system must maintain and implement a cross-connection control  
19 program to prevent backflow and maintain records documenting the locations, tests, and repairs  
20 of required backflow prevention devices. Citation No. 02\_05\_19C\_012 set forth twelve specific  
21 directives that the System is required to take to correct its violations of the backflow regulations.  
22 A true and correct copy of Citation No. 02\_05\_19C\_012 is attached to this declaration as **Exhibit**  
23 **C**.

24 13. The System initially engaged a cross-connection control contractor, Ben Bennett, in  
25 2019 but abandoned this effort in the Summer of 2020. I continued to attempt to obtain the  
26 System's compliance with the cross-connection and backflow regulations, without success. It was  
27 only on March 20, 2023, that the System copied me as a recipient on emails it began exchanging  
28 with Mr. Bennett to reengage on the cross-connection control problems with the System. To date,



1 the System has not resolved the deficiencies identified in Citation No. 02\_05\_19C\_012 and it  
2 remains out of compliance with the regulations.

3 14. With respect to other deficiencies identified in the 2018 Sanitary Survey Report, the  
4 System submitted to the Division its written response to the 2018 Sanitary Survey Report by  
5 letter dated March 3, 2019. The System acknowledged each deficiency identified in the Report  
6 and set forth its intended corrective actions. The System estimated it would cost a total of  
7 \$2,877,900.00 to complete all corrective measures. Included within that estimate were costs to  
8 address the System's source capacity deficiency. A true and correct copy of the System's written  
9 response to the 2018 Sanitary Survey Report received by the Division is attached to this  
10 declaration as **Exhibit D**.

11 15. The operational deficiencies at the System at the time of the 2018 Sanitary Survey  
12 Report were serious and required immediate attention. Jim Moore told me that the rates the  
13 System charged its customers did not generate sufficient revenue to perform the necessary repairs  
14 and improvements to the system, which representation is referenced in the 2018 Sanitary Survey  
15 Report along with the Division's response that that the System must provide a plan and complete  
16 all corrective actions identified in the Report regardless of the Owners' reported financial  
17 restrictions. (Exhibit B, p. 17 of 18 the Report.)

18 16. Also at the time of the 2018 Sanitary Survey Report, I was aware that Jim Moore and  
19 San Jose Water Company (SJWC) were in talks regarding the potential sale of the System to  
20 SJWC. In 2019 and into 2020, representatives of SJWC were actively involved in discussions  
21 with me, my supervisor at the time Jan Sweigert, and Jim Moore regarding the challenges facing  
22 the System and its compliance issues. For example, when the System experienced the water  
23 outage described in paragraph 17 below, I communicated with Jim Moore and with SJWC in  
24 seeking to ensure that the System obtained a generator to supply necessary backup power. As  
25 another example, representatives of SJWC along with Jim Moore attended my on-site inspection  
26 of the System's SWTP on January 17, 2020, discussed in paragraph 22 below. At the time of that  
27 inspection, both SJWC and Jim Moore told me that the sale of the System to SJWC was  
28 imminent, requiring only the signing of a final contract. Despite SJWC's active interest in taking



1 over the System with its significant deficiencies, the Owners were unable to close a deal to sell  
2 the System to SJWC, as described further in paragraph 23 below.

3 **October 2019 Water Outage and the System's Failure to Ensure an Adequate Power**  
4 **Supply for the System**

5 17. Despite the System's acknowledgement in March, 2019 of major deficiencies in its  
6 system that required corrective actions, no immediate corrective actions were taken. 2019 marked  
7 the start of a serious decline in the System's ability to reliably provide water to its customers on a  
8 regular basis. After I issued the 2018 Sanitary Survey Report in February 2019, the first major  
9 breakdown I know of that impacted customers' access to water occurred in October 2019, when  
10 Pacific Gas & Electric (PG&E) instituted a public safety power shutoff due to high fire danger.  
11 Despite the System having ample notice of the planned power outage, it failed to properly  
12 respond. PG&E's noticed power outage resulted in the System losing power needed to run its  
13 system. Because the System did not own or timely secure any backup power source, such as a  
14 generator, the System's customers suffered water outages on October 28 and 29, 2019.

15 18. As a result of the water outage, Jim Moore reported to me that the System posted a  
16 Boil Water Notice on its website and on the mobile device app known as Nextdoor on October  
17 29, 2019. A Boil Water Notice is one of four unsafe water notifications that a public water system  
18 issues under circumstances identified by the Division. The other three types of notice are "Do Not  
19 Drink," "Do Not Use" and "Do Not Drink / Do Not Boil" and are considered "Tier 1" public  
20 notices under the California Safe Drinking Water Act Public Notification Rules. Under certain  
21 circumstances, a Tier 1 Boil Water Notice is issued following a loss in system pressure to less  
22 than 5 psi as a result of events such as a water treatment plant or pump station shut down due to  
23 power outage, equipment failure, main breaks, emptying of storage facilities, pressure  
24 fluctuations, and uncontrolled occurrences such as a dewatering of the system during major fire  
25 events and natural disasters. A Tier 1 Notice is issued by the public water system and should be  
26 done as soon as possible but within 24 hours, or after being notified by the Division that it has  
27 determined there is a potential for adverse effects on human health. The Division provides  
28 templates for public water systems to use in issuing Tier 1 Notices, and the public water system

1 coordinates with the Division's District office to receive approval that the Notice is complete and  
2 accurate before issuing it to impacted consumers. To ensure Tier 1 Notices are accurately and  
3 promptly issued, the District Engineer at each District office is available 24 hours a day, seven  
4 days a week, to coordinate with a public water system on issuance of a Tier 1 Notice. As a  
5 backup, the Division has a rotating duty officer on call at all times.

6 19. The District Engineer determines when the unsafe water notice can be lifted, which  
7 typically is after the public water system has corrected the deficiency and satisfactory water  
8 sampling results are received by the Division from a certified laboratory. In the instance of the  
9 Boil Water Notice issued by the System on October 29, 2019, Jan Sweigert, District Engineer at  
10 the time, approved lifting of Boil Water Notice after the System re-established service and  
11 submitted two rounds of approved water sampling.

12 20. Following the water outage on October 28 and 29, 2019, the Division repeatedly  
13 directed the System to ensure adequate power, including backup power, is supplied at all  
14 locations in the system and provide a power outage response plan to eliminate the recurrence of  
15 the problem. For example, on February 3, 2020, the Division sent a letter to the System directing  
16 submission of a power outage plan by no later than February 28, 2020. A true and correct copy of  
17 the Division's letter to the System is attached to this declaration as **Exhibit E**. After the System  
18 failed to comply with that deadline, the Division issued a compliance order and citations  
19 attempting to obtain the System's compliance, including Directive 4 in Compliance Order No.  
20 02\_05\_21R\_001 (**Exhibit G**, and discussed further in paragraphs 25-26, below), Directive 6.a. in  
21 Citation No. 02\_05\_21C\_030 (**Exhibit M**, and discussed further in paragraph 36, below), and  
22 Directives 1 and 2.a in Citation 02\_05\_22C\_060 (**Exhibit R**, and discussed further in paragraph  
23 45, below). To date, the System has not provided the required plan or performed necessary  
24 corrective actions to ensure the system has adequate power supply.

25 21. As detailed further below, following its Boil Water Notice in October, 2019, system  
26 failures required the System to issue more and more Boil Water and other Tier 1 Notices, the  
27 frequency of which have now reached alarming levels.  
28

1           **The System's Critical Source Capacity Deficiency and Issuance of Compliance Order**  
2   **02\_05\_21R\_00**

3           22. On January 17, 2020, I performed an on-site inspection of the System's SWTP. On  
4 February 25, 2020, I drafted a report, signed and approved by Jan Sweigert, documenting many  
5 deficiencies at the plant and necessary corrective actions. A true and correct copy of my February  
6 25, 2020, report is attached to this declaration as **Exhibit F**. That report was rendered moot when  
7 the CZU Lightning Complex Fire destroyed the SWTP and damaged other parts of the System in  
8 mid-August 2020. As a result of the destruction of the SWTP, the System was left with only one  
9 water source – Well 4, which up to that time, according to the Owners, had been used as a backup  
10 source at certain times of the year.

11          23. On August 19, 2020, in addition to attempting to contact the System, I emailed SJWC  
12 seeking information on the fire's impact on the System, since to my knowledge, SJWC was still  
13 in the process of purchasing the System from the Owners. Jake Walsh, Director of Capital  
14 Planning & Asset Management at SJWC, responded to my inquiry stating SJWC had not had any  
15 contact with Jim Moore for about a month and that SJWC's right to exclusively negotiate a  
16 purchase and sale agreement had expired. He also told me Jim Moore had made a monetary  
17 request that was under evaluation by SJWC's leadership and SJWC had stopped working with the  
18 System on all water system related activities. This is the first notice I received that the sale of the  
19 System to SJWC was no longer in process.

20          24. After the fire, the Division required the System to issue a Do Not Drink / Do Not Boil  
21 Notice from August 2020 through January 2021. Under certain circumstances, a Do Not Drink /  
22 Do Not Boil Notice is issued during fires, specifically when the fire damages water system  
23 infrastructure and depressurization occurs. Under these set of circumstances, leaching from  
24 volatile organic chemicals is known to occur and exposure to the water or vapors produced by  
25 boiling the water may adversely impact public health. In my professional opinion, following the  
26 CZU Lightning Complex Fire, the Owners did not have the necessary technical and managerial  
27 capacity, nor did they supply the necessary financial resources, to return the System to an  
28 acceptable level of operation, much less operation in compliance with all regulatory requirements.

1           25. Despite knowing the CZU Lightning Complex Fire had increased the seriousness of  
2 the System's source capacity deficiency, and despite my efforts to work with the System on  
3 resolving this issue, the System continued in its failure to take steps to correct this deficiency.  
4 Accordingly, on April 9, 2021, the Division issued Compliance Order 02\_05\_21R\_001 to the  
5 System. Directives 1, 2, 3, 4 and 7 in the Compliance Order directed the System to correct its  
6 violations of the source capacity regulations, including to obtain a second water source or  
7 establish a permanent interconnection to a nearby water system in the event Well 4 fails or is out  
8 of service for any reason. A true and correct copy of Compliance Order 02\_05\_21R\_001 is  
9 attached to this declaration as **Exhibit G**.

10           26. To date, the System has not complied with Directives 1, 2, 3, 4 and 7 in Compliance  
11 Order No. 02\_05\_21R\_001. The System's continued reliance on Well 4, alone, is of extreme  
12 concern because Well 4 cannot satisfy the System's source capacity requirement. In addition, the  
13 Division considers it unreliable and inadequate for a public water system of the System's size to  
14 have only one water source. The only identifiable measures the System has taken to mitigate the  
15 risks of using Well 4 as its sole water source has been to tell its customers to conserve water, *i.e.*,  
16 to reduce demand on the System.

17           27. Since the fire, the System has proposed two potential solutions to resolve its source  
18 capacity deficiency, neither of which have been implemented. The System's first proposed  
19 solution was to install a temporary surface water treatment plant at the site of the former SWTP.  
20 In connection with this proposal, I was contacted by Tom Adcock, the owner of another public  
21 water system in my jurisdiction, who told me he wanted to help the System and had retained the  
22 engineering firm Lumos & Associates for the project. That was followed by a letter from the  
23 System dated June 10, 2021, requesting an extension of time to comply with the directives in  
24 Compliance Order 02\_05\_21R\_001 so that the System could install a temporary surface water  
25 treatment plant. In that letter, Jim Moore stated that the System "is proceeding in earnest to  
26 address the most pressing concern at this time—securing an additional source of water to alleviate  
27 the current demand on Well No. 4." A true and correct copy of the System's June 10, 2021, letter  
28 to the Division is attached to this declaration as **Exhibit H**.

1           28.    Thereafter, I and Shaminder Kler worked with Lumos & Associates on the technical  
2 details and plans for the temporary surface water treatment plant throughout the Summer and into  
3 the Fall of 2021. Approval of a surface water treatment plant is one of the most detailed and time-  
4 consuming processes for the Division given the many regulatory requirements and complexities  
5 involved. I directed Mr. Kler to make the System's project his number one priority, and he spent  
6 more than 68.5 hours working with Lumos & Associates on the project. The time and resources  
7 spent by Lumos & Associates was also substantial, involving on-site studies, surveys and the  
8 preparation of engineering plans and other documents. Mr. Kler and I reviewed many of these  
9 documents and provided detailed input and comments. The last submission the Division received  
10 was on October 29, 2021, when Lumos & Associates submitted the System's Watershed Sanitary  
11 Survey Update. A true and correct copy of the System's Watershed Sanitary Survey Update is  
12 attached to this declaration as **Exhibit I**.

13           29.    In early 2022, I was on-site conducting an inspection of the System with Jim Moore  
14 and did not see any sign of the installation of a temporary surface water treatment plant. Jim  
15 Moore informed me that the project was not moving forward and provided no other details. The  
16 considerable work and many months spent by Lumos & Associates, Mr. Kler and I resulted in no  
17 solution to what Jim Moore acknowledged was a serious and pressing concern with the System.

18           30.    The System's second proposed solution was to drill a new well. Rather than pay for  
19 or finance construction of a new well, the Owners have informed me that the System is trying to  
20 get grant money from the State to fund the project. On December 13, 2022, I sent an email to  
21 Shirley Moore requesting a copy of the grant application that she reported had been submitted by  
22 the System, and Shirley Moore responded by sending me a two-page document she represented  
23 was the grant application prepared by a third party. A true and correct copy of my email exchange  
24 with Shirley Moore, with attachments, is attached to this declaration as **Exhibit J**.

25           31.    The first page of the grant application provided by Shirley Moore is entitled  
26 "Attachment 1, Part I – Application Cover Sheet" and was signed by Jim Moore on November  
27 29, 2022. The document indicates the System applied for a grant in the amount of \$400,352 from  
28 the California Department of Water Resources for a project under the Small Community Drought

1 Relief Program for the construction of a Drought Contingency Well. Shirley Moore did not  
2 provide me with the other pages of the Application that were presumably submitted with  
3 “Attachment 1.” The second page provided by Shirley Moore is the first page of a corporate  
4 resolution that refers to the construction of a well “in response to a drought scenario, as defined  
5 by Water Code section 13198(a).” Water Code section 13198(a) states that certain grant funding  
6 may be available due to “conditions arising from a drought scenario.” In June 2023, I checked the  
7 status of the System’s application with the Small Community Drought Relief Program. I was told  
8 that there are many applications ahead of the System’s application and that unless the program  
9 receives additional funding, it is unlikely the System will ever obtain funding through the  
10 program. I therefore do not consider this to be a viable option for resolving the System’s serious  
11 source capacity deficiency.

12 32. In 2023, I learned of a Request for Technical Assistance that was submitted by the  
13 System to the State Water Resources Control Board’s Division of Financial Assistance applying  
14 for Drinking Water State Revolving Loan Funding for the construction of a new well and piping  
15 “to meet both drought contingency requirements and replacement for a surface water source lost  
16 in the 2020 Lightning [sic] Fire.” However, the Request for Technical Assistance, which appears  
17 to have been prepared by a third party “Grants Coordinator,” states the System serves a  
18 disadvantaged community, which is not accurate. Serving a disadvantaged community qualifies a  
19 public water system for certain State financial and technical assistance that is not available to  
20 systems who do not serve a disadvantaged community, such as the System. A true and correct  
21 copy of the Request for Technical Assistance that I received from the Division of Financial  
22 Assistance is attached to this declaration as **Exhibit K**. The viability of this application, which  
23 appears to still be in process, is also questionable, and the System has not provided me with any  
24 information on the status of the application, including when it will be completed.

25 33. To my knowledge, other than these two attempts by the Owners to obtain grant  
26 funding from the State, the System is not pursuing any other avenues to fund the \$400,352 or  
27 more needed to construct a new well or otherwise correct the System’s source capacity  
28 deficiency. More than four years after issuance of the 2018 Sanitary Survey Report, the System’s

1 source capacity deficiency has only worsened. In my professional opinion and based on my more  
2 than 5 years of experience regulating the System and engaging with the Owners, the System does  
3 not have any viable plan in place to correct the critical source capacity deficiency nor do the  
4 Owners have the ability to execute on a plan through completion.

5 **The System's Continuing Operational Failures, Water Outages and Its Failed Attempt**  
6 **to Consolidate with San Lorenzo Valley Water District**

7 34. While the System has, for many years, been out of compliance with its regulatory  
8 obligations as a public water system, its failures are now increasingly putting its customers'  
9 health at greater risk and causing them to regularly suffer from a lack of reliable water service.

10 35. On June 27, 2021, three of the System's customers reported a water outage to the  
11 Division impacting their homes located in the System's Galleon Heights pressure zone. The  
12 customers also reported that they had emailed and telephoned the System but received no  
13 response. At my direction, the System issued a Boil Water Notice on June 28, 2021, to all  
14 impacted customers. The System reported to me that the reason for the water outage was a loss of  
15 pressure caused by a faulty 100-amp breaker that in turn caused the Galleon Heights booster  
16 station to shut down. On August 19, 2021, the Division issued Citation No. 02\_05\_21C\_021 to  
17 the System directing it to submit a plan to the Division to replace the pumps and appurtenances at  
18 the Galleon Heights booster station and install reliability features, including backup power  
19 capabilities. A true and correct copy of Citation No. 02\_05\_21C\_021 is attached to this  
20 declaration as **Exhibit L**. To date, the System has not complied with Citation No.  
21 02\_05\_21C\_021.

22 36. On October 28, 2021, the Division issued Citation No. 02\_05\_21C\_030 to the System  
23 for failing to comply with its regulatory obligations, for failing to respond to the Division's  
24 formal enforcement actions (*i.e.*, the Compliance Order and previous Citations), and assessing a  
25 fine of \$21,000.00. A true and correct copy of Citation No. 02\_05\_21C\_030 is attached to this  
26 declaration as **Exhibit M**. In my cover letter to the System accompanying the Citation (Exhibit  
27 M, pp.1-2), I informed the System that the Division was considering additional enforcement  
28 options, including seeking the appointment of a receiver for the System. To date, the System has



1 not complied with the Citation and it was only in May 2023, after the debt was sent to a third  
2 party debt collector, that the Owners made a small \$1,750 payment on the \$21,000 fine.

3 37. After the Owners received Citation No. 02\_05\_21C\_030 and my cover letter, I was  
4 informed by the Owners and Rick Rogers, District Manager for SLVWD, that the System had  
5 agreed in writing to pursue consolidation of the System and SLWVD as a solution for its many  
6 compliance issues. A true and correct copy of the Owners' letter to SLVWD regarding  
7 consolidation dated October 26, 2021, which I obtained from Board of Directors SLVWD  
8 Agenda dated November 4, 2021, available at  
9 [https://www.slvwd.com/sites/g/files/vyhlf1176/f/agendas/bod\\_meeting\\_agenda.11.4.21\\_with\\_ba](https://www.slvwd.com/sites/g/files/vyhlf1176/f/agendas/bod_meeting_agenda.11.4.21_with_ba)  
10 [ckup 0.pdf](https://www.slvwd.com/sites/g/files/vyhlf1176/f/agendas/bod_meeting_agenda.11.4.21_with_ba), is attached to this declaration as **Exhibit N**.

11 38. SLVWD is a public water system in the Monterey District. Its service area borders  
12 the System's service area. For some time, elected officials serving the System's customers had  
13 urged Jim Moore to merge the System with SLVWD, including in a letter dated April 19, 2021,  
14 sent by Assemblymember Mark Stone, California Assembly, 29<sup>th</sup> District, Supervisor Bruce  
15 McPherson, Santa Cruz County, 5<sup>th</sup> District and Senator John Laird, California Senate, 17<sup>th</sup>  
16 District, to Jim Moore. A true and correct copy of the letter dated April 19, 2021, which I  
17 obtained from Board of Directors SLVWD Agenda dated November 4, 2021, available at  
18 [https://www.slvwd.com/sites/g/files/vyhlf1176/f/agendas/bod\\_meeting\\_agenda.11.4.21\\_with\\_ba](https://www.slvwd.com/sites/g/files/vyhlf1176/f/agendas/bod_meeting_agenda.11.4.21_with_ba)  
19 [ckup 0.pdf](https://www.slvwd.com/sites/g/files/vyhlf1176/f/agendas/bod_meeting_agenda.11.4.21_with_ba), is attached to this declaration as **Exhibit O**.

20 39. Consolidation is the joining of two public water systems into a single system, which  
21 commonly includes the smaller water system (e.g., the System) being absorbed into the larger  
22 water system (e.g., SLVWD). The smaller system is dissolved and is no longer responsible for  
23 providing service. Consolidation fosters organization and connectivity among neighboring water  
24 systems. It also leverages economies of scale to create sustainable systems that can properly fund  
25 operations and make needed capital improvements, thereby better serving water customers.

26 40. Consolidation of water systems is a multi-staged process. Following the Owners'  
27 letter dated October 26, 2021, to SLVWD, I communicated with Rick Rogers regarding the  
28 potential consolidation of the System and SLVWD, including challenges SLVWD was



1 encountering in moving forward with consolidation. SLVWD is a special water district that  
2 operates under the County Water District Law (Water Code Sections 30000, *et. seq.*) and as such,  
3 Rick Rogers told me that SLVWD could not and would not complete a consolidation if it required  
4 SLVWD's existing customers to pay the costs of repairing and/or improving the System. For a  
5 consolidation with SLVWD to work, the funding to repair and improve the System would need to  
6 come from another source. Rick Rogers also told me that he and the Owners had considered  
7 selling some of the hundreds of acres of watershed land owned by the System to a local land  
8 conservancy to fund consolidation. However, an acceptable deal could not be worked out by the  
9 parties. As discussed in paragraph 49 below, SLVWD ultimately terminated negotiations with the  
10 System in February 2023, based on the failure to come up with an agreement on how the costs of  
11 consolidation would be funded.

12 41. During the time SLVWD and the System explored a consolidation, the System did  
13 not enter into an interim management or other agreement with SLVWD, leaving the System  
14 responsible for its own continued operations. Although not obligated to do so, SLVWD  
15 repeatedly provided the System with technical knowledge and on the ground support to fix the  
16 System's operational problems. I witnessed the work performed by SLVWD and communicated  
17 with Rick Rogers and his staff as they made repairs to the System and extended technical  
18 assistance. Many of the System's problems and the water outages discussed in paragraphs 44 to  
19 48 below would not have been timely addressed nor would the System's customers have been  
20 returned to service when they were but for SLVWD.

21 42. On February 10, 2022, Shaminder Kler and I conducted an on-site inspection of the  
22 System's facilities along with Damian Moore and SLVWD representatives Rick Rogers, James  
23 Furtado and Nate Gillespie. A true and correct copy of the inspection report that Mr. Kler and I  
24 prepared following this inspection entitled 2022 Sanitary Survey Report dated June 15, 2022, is  
25 attached to this declaration as **Exhibit P**. Similar to the 2018 Sanitary Survey Report, the 2022  
26 Report detailed the many deficiencies found during my February 2022 inspection and the  
27 System's continuing failure to respond to or comply with the Division's past directives, corrective  
28 measures and enforcement actions. On June 16, 2022, I sent a second communication to the

1 System identifying a significant deficiency with the Oberst Finished Water Storage Tank that I  
2 identified during the February 10, 2022, inspection. A true and correct copy of my June 16, 2022,  
3 letter to the System is attached to this declaration as **Exhibit Q**.

4 43. In July 2022, several customers notified the Division that they were experiencing  
5 frequent water outages. After the fire, it became common that my District staff and I would learn  
6 of water outages from the customers and not from the System. In addition, the System's  
7 customers reported to me and my staff that the System regularly failed to respond to their  
8 telephone and email inquiries about water service. It is the System's obligation to report water  
9 outages to the Division, and to also communicate with and be responsive to its customers.

10 44. As a result of the July 2022 water outages, the System issued a Boil Water Notice to  
11 impacted customers on July 26, 2022. Jim Moore reported to me and my staff that the water  
12 outage was caused by a power failure, during which Well 4 cannot pump and the Well 4 tank  
13 quickly runs dry. This in turn leads to water outages in the higher elevations of the System's  
14 distribution system.

15 45. Thereafter, District staff and I had numerous communications with the Owners  
16 regarding the need to secure and install a back-up power source at Well 4. The Owners either did  
17 not respond to our communications or they stated they were looking into securing a backup  
18 generator. In September 2022, customers in the Tradewinds / Galleon Heights pressure zone  
19 complained to the Division about more water outages. When Jim Moore again responded to the  
20 District's inquiries about installation of a generator at Well 4 with more delay, the Division issued  
21 Citation No. 02\_05\_22C\_060 on September 22, 2022. A true and correct copy of Citation  
22 02\_05\_22C\_060 is attached to this declaration as **Exhibit R**. The Citation directed the System to  
23 install backup power at the System's sole water source—Well 4—and assessed a penalty of  
24 \$12,500.00.

25 46. In response to Citation No. 02\_05\_22C\_060, SLVWD loaned the System a generator,  
26 which was deployed at Well 4. In a letter dated September 29, 2022, the System asked the  
27 Division to waive the \$12,500 penalty, stating: "We will serve our customers better and safer if  
28 we can spend the little money, [sic] we do bring in on addressing the issues you bring up." After

1 the System provided proof to the Division that a backup generator was installed at Well 4, the  
2 Division agreed to permanently suspend the penalty. A true and correct copy of the System's  
3 letter to the Division, along with my response agreeing to permanently suspend the penalty, is  
4 attached to this declaration as **Exhibit S**. Thereafter, the System did not spend the \$12,500  
5 suspended penalty or any other money to purchase its own backup generator.

6 47. Over the 2023 New Year holiday weekend, a storm struck Santa Cruz County and the  
7 System's service area. Power was out for the region and the System's customers lost water  
8 service. I was provided updates regarding the water outage by both SLVWD and the Owners,  
9 who reported that the motor starter in Well 4 failed. A water main also failed due to a road  
10 collapse and a booster pump was damaged by the storm, leaving six System customers without  
11 any water supply. The System issued a system-wide Boil Water Notice. Customer complaints  
12 poured into the Division. Well 4's failure and the water outage due to the failed water main were  
13 resolved through mutual assistance provided by SLVWD.

14 48. In January and February 2023, more storms struck the System's service area, leading  
15 to many more water outages and more Boil Water Notices. While the Winter 2023 storm events  
16 caused service problems for other water systems in my District's jurisdiction, the duration and  
17 seriousness of the System's water outages went far beyond what was experienced by functioning  
18 systems. The System's operational difficulties and substandard infrastructure have become so  
19 severe that what should be an ordinary repair—fixing a leaking pipe—now causes customers to  
20 lose water service because the system loses pressure during the repair. In addition, on July 2,  
21 2023, the System reported a water outage due to one very large leak plus heavy usage by System  
22 customers during hot weather. A properly functioning system with sufficient source capacity and  
23 the ability to maintain proper pressure should not experience a water outage due to these events.  
24 A related concern is the impact these deficiencies have on the ability to fight fires in the System's  
25 service area. In addition to its obligation to provide its customers with residential water, the  
26 System must also provide adequate fire flow to fight fires. Adequate fire flow is dependent on  
27 adequate source capacity and pressure. Because the System is deficient in these areas, there is  
28 greater risk of loss due to fires in addition to the public health concerns with the System's

operations. My staff and I track unsafe water notifications for public water systems within the Monterey District's jurisdiction. The Table below sets forth the System's unsafe water notifications from July 2022, to the present:

Type of Advisory	Date and Time Issued	No. Service Connections Affected	Advisory Reason
Precautionary Boil Water Notice	7/23/2022, 2:00 PM	25	Loss of pressure
Precautionary Boil Water Notice	9/27/2022, 4:30 PM	20	Loss of pressure due to service line leak
Precautionary Boil Water Notice	10/5/2022, 5:30 PM	40	Main break - unknown cause
Precautionary Boil Water Notice	1/2/2023, 9:00 AM	40	Main break – accident. China Grade Road washed out in the storm, which also destroyed a 4" water main. For 40 customers, the System rerouted their supply, but there are six customers without water and no clear timeline on when water will be restored.
Precautionary Boil Water Notice	1/6/2023, 3:00 PM	All	Loss of pressure. The System is experiencing storm impacts, including water outages in upper pressure zones. Their only water source, Well 4, has a motor issue that is being worked on, but we do not have a timeline on when the well will be operational again.
Precautionary Boil Water Notice	1/6/2023, 3:00 PM	9	Main break - aging infrastructure. Previously issued systemwide BWN lifted on 1/31/2023, except for the 9 residences at China Grade and Branson Ranch Rd, due to lack of bacteriological testing at these locations.
Precautionary Boil Water Notice	2/7/2023, 6:05 PM	Unknown	Loss of pressure. The System was completing a routine leak repair and had a planned outage at "Unit 3" at Boulder Creek Country Club, however there were several additional areas in higher

<b>Type of Advisory</b>	<b>Date and Time Issued</b>	<b>No. Service Connections Affected</b>	<b>Advisory Reason</b>
			elevations that also experienced outages due to the water being shut off at Unit 3
Precautionary Boil Water Notice	2/28/2023, 2:45 PM	All	Loss of pressure. A leak on a 2-inch lateral caused widespread outages. The System proposed to send the boil water notice to the areas that they received complaints from, but Division responded this is not acceptable unless they can support the targeted area with a hydraulic profile.
Precautionary Boil Water Notice	3/22/2023, 1:00 PM	11	Loss of pressure. Due to power outages, the System is relying on a generator to supply customers at higher elevations. The generator ran out of gas causing outages at Galleon Heights pressure zone on Tradewinds Drive. The System was notified of the outage by a customer complaint.
Precautionary Boil Water Notice	3/26/2023, 4:29 PM	10	Loss of pressure
Precautionary Boil Water Notice	3/27/2023, 5:47 PM	25	Loss of pressure. According to the System, they experienced power issues at their only water source, Well 4, which led to water outages to their highest elevation customers.
Precautionary Boil Water Notice	4/21/2023, 6:30 PM	11	Loss of pressure
Precautionary Boil Water Notice	5/7/2023, 9:00 AM	24	Loss of pressure. According to the System, a lateral leak caused a water outage at the Unit 2 area of the Boulder Creek Country Club condos and at two houses at the top of the system.
Precautionary Boil Water	5/25/2023, 7:46 PM	All	Main break resulting in loss of pressure.

Type of Advisory	Date and Time Issued	No. Service Connections Affected	Advisory Reason
Notice			
Precautionary Boil Water Notice	7/2/2023, 4:30 PM	5	Large leak plus heavy usage during hot weather resulting in water outage

49. Compounding the System's serious operational problems is its customer communication failures. For years, the System's customers have complained to me and District staff that the System does not answer their phone calls or respond to their emails. In January 2023, the System reported to me it was unable to deliver Boil Water Notices in accordance with the California Code of Regulations, title 22, section 64463.1 because the System does not maintain a list of customer contact information. The System's proposed solution was to post the Boil Water Notices on its website, which is not an authorized method of public notification under section 64463.1 and is particularly inappropriate because the System's website is not regularly maintained and historically contains outdated information. The System's methods of communication, including its failures to communicate with its customers and the public, create confusion and present a danger to public health. Attached as **Exhibit T** are true and correct copies of emails sent to the Division by customers of the System. These customer emails are representative of the type of reports and complaints I received regarding the System, and I and my staff received many, many more such customers complaints during the time I have had job responsibilities for the System.

50. In February 2023, Rick Rogers told me that SLVWD made the decision to suspend efforts to pursue a consolidation with the System and was terminating negotiations. This decision was publicly announced at SLVWD's Board of Directors meeting held on February 16, 2023. As Rick Rogers told me on numerous occasions, the main obstacle to a consolidation of the System with SLVWD was finding the money necessary to fund the consolidation. Since SLVWD is a special district, there are potential State-funding sources available to SLVWD to consolidate the System that are not available to a privately held company wanting to purchase the System. Beginning in 2022, I investigated those State-funding sources to help facilitate consolidation

1 discussions between the System and SLVWD but ceased doing so when told of SLVWD's  
2 decision to terminate negotiations with the Owners.

3 51. In June 2023, I learned from Rick Rogers that some months earlier, SLVWD had  
4 taken back the generator it loaned to the System and deployed at Well 4, and the System is  
5 renting another generator. The Owners did not inform me or the Division that SLVWD had taken  
6 back its generator at the time of this event. This is another example of how I learn of critical facts  
7 regarding the System's operations from third parties and not the Owners, and how the Owners fail  
8 to take actions to bring the System back into compliance and instead rely on half-measures, at  
9 best. Those half-measures and other temporary fixes do not constitute compliance and they put  
10 System operations, and customers, at risk.

11 **The Division's Attempt to Come to an Agreement with the Owners on the System's**  
12 **Future and the Contract with Central States Water Resources**

13 52. After Rick Rogers told me of SLVWD's termination of consolidation efforts, the  
14 State Water Resources Control Board's Office of Enforcement (OE) sent a letter to the Owners on  
15 behalf of the Division detailing the Division's failed efforts to obtain the System's compliance  
16 with its statutory and regulatory obligations and its non-responsiveness to the Division's  
17 directives and enforcement actions. In the letter, OE requested an in-person meeting to discuss the  
18 appointment of a receiver for the System. A true and correct copy of OE's letter on behalf of the  
19 Division dated February 28, 2023, is attached to this declaration as **Exhibit U**. In response, the  
20 Owners agreed to attend a meeting on March 14, 2023.

21 53. Also after Rick Rogers told me of SLVWD's termination of consolidation efforts, I  
22 was told by a Wilson Tsai, a Program and Project Supervisor at the California Public Utilities  
23 Commission (CPUC), that the Owners had re-engaged with an out-of-state company named  
24 Central States Water Resources (CSWR) regarding the potential sale of the System to CSWR. In  
25 the Summer of 2022, a CSWR representative sent me an email asking to discuss the System, but  
26 there was no follow through, and I did not hear of CSWR again until February 2023.

27 54. On March 14, 2023, I attended a meeting with Stefan Cajina, Laura Mooney and Jim  
28 and Shirley Moore at the Santa Cruz Board of Supervisor's Meeting Room in Santa Cruz. Also



1 attending that meeting was Jim and Shirley Moore's son and chief system operator, Damian  
2 Moore, who along with the Moores are the only persons who are regularly engaged in operating  
3 the System. At that meeting, we all agreed that the compliance issues with the System are grave  
4 and that both short term and long-term solutions are needed. The Moores stated they had executed  
5 a contract with CSWR for the sale of the system to CSWR and gave us a copy of that contract,  
6 which is dated March 9, 2023. A true and correct copy of the contract delivered by the Moores at  
7 the March 14, 2023, meeting is attached to this declaration as **Exhibit V**. The contract sets forth a  
8 process for the potential sale of the System as well as a small (29 connections) dilapidated  
9 wastewater treatment system operated by the Owners. In addition to the \$2.5 million sales price,  
10 the Moores told us at the March 14th meeting that they expect a final sales contract to include  
11 terms allowing the Moores to retain hundreds of acres of watershed land owned by the company.

12 55. At the meeting, Mr. Cajina, Ms. Mooney, and I asked the Owners to stipulate to the  
13 appointment of a receiver for the System. We also asked at and after the meeting that the Owners  
14 agree to meet with the Division's candidate for receiver, Curtis Wright. After the meeting, Shirley  
15 Moore sent an email stating a receiver was not needed because of the contract with CSWR. The  
16 Owners did not agree to meet with Mr. Wright.

17 56. The sale of an investor-owned, CPUC-regulated water utility such as the System to  
18 another privately owned entity such as CSWR is typically a long process. CSWR and the Owners  
19 must obtain CPUC's approval for the sale, which I have been told by Wilson Tsai at CPUC can  
20 take many months, if not a year or more. In addition, pursuant to Water Code § 116524, any  
21 change in ownership of the System requires the new owner to apply to the Division for new  
22 permit to operate a public water system in the System's service area. Obtaining a permit to  
23 operate a public water system is a detailed process designed to ensure the new owner has the  
24 technical, managerial and financial capacity to operate the system. Any new permit applicant  
25 seeking to operate the System will need to address significant issues to obtain a permit from the  
26 Division. It can take anywhere between three to twelve months after receipt of a complete permit  
27 application package for the Division to complete its process of reviewing, approving and issuing a  
28 new permit in connection with the transfer of a system to a new owner. A complete permit



1 application package must include all supporting documentation to prove the new owner has the  
2 technical, managerial, and financial capacity to sustainably operate the public water system in  
3 compliance with all federal and state drinking water rules. The required submissions are  
4 extensive, and, in my experience, it can take an applicant many months to several years for the  
5 Division to deem the application complete. To date, the Division has not received a permit  
6 application with supporting documentation from any potential purchaser seeking to take over  
7 operations of the System. On April 28, 2023, at my direction, Kyle Graff sent an email to Enrique  
8 Chavez, Jr. at CSWR regarding the documentation and information required by the Division to  
9 evaluate any future request for a change of ownership for the System. A true and correct copy of  
10 the Division's email exchange with Mr. Chavez from April 21, 2023, through April 28, 2023, is  
11 attached to this declaration as **Exhibit W**.

12 57. The Owners have not identified any plan for returning the System to compliance  
13 either in the short term or during the lengthy time it would take to execute any final sale to  
14 CSWR. On April 13, 2023, I had my first call with CSWR staff representing CSWR's  
15 engineering team, who told me they had just begun conducting their engineering and other  
16 assessments of the System, including that they had not yet physically inspected the System or  
17 conducted any surveys. They told me they were aware of the Citations and Compliance Order  
18 previously issued to the System by the Division but had not yet reviewed those documents in  
19 detail. I sent the active enforcement actions issued to the System to Enrique Chavez, Program and  
20 Compliance Manager at CSWR, on April 24, 2023. By email dated May 12, 2023, Enrique  
21 Chavez Jr., provided an update that CSWR performed a site walkthrough during the last week of  
22 April and CSWR hired an engineering consultant, Kimley Horn, to provide an engineering memo  
23 summarizing their assessment of the System. The last communication I had with Mr. Chavez  
24 regarding the System was the email I received on May 12, 2023. To date, neither the Owners nor  
25 CSWR has provided me with any agreed-upon timeline related to their contract and the potential  
26 sale process.

27 58. Given the Owners' history of failed attempts to transfer ownership of the System,  
28 including to SJWC and SLVWD, I doubt their ability to negotiate final terms with CSWR and

1 close a sale, assuming CSWR agrees to proceed with a purchase after it conducts its technical and  
2 other assessments of the System. In addition, CSWR is an out-of-state company that has never  
3 operated a public water system in California. It naturally may need additional time to become  
4 familiar with California law and its regulatory landscape, which includes agencies other than the  
5 Division. In the meantime, the System's operational problems will continue and become worse if  
6 the Owners continue to operate the System as they have done to date, and the System's customers  
7 will not have a reliable source of adequate and healthful drinking water.

#### 8 **The Rate Case with the CPUC and Lack of Financial Investment in the System**

9 59. In addition to lacking the technical and managerial capacity to operate the System, the  
10 Owners have not invested the necessary money or otherwise obtained working capital to operate  
11 the System, including during the time it will take for any sale of the System to be approved and  
12 closed.

13 60. The Owners have stated to me on multiple occasions that the System does not  
14 generate sufficient revenue from its customers under its current rate structure. It is the System's  
15 responsibility to seek approval from the CPUC for all rate increases, which the System has  
16 historically failed to do. In 2022, the Owners represented to me that the System submitted an  
17 application to CPUC seeking to raise customer rates. In December 2022, at my request, Shirley  
18 Moore emailed me a copy of what she represented was the System's application to the CPUC for  
19 a rate increase. A true and correct copy of Shirley Moore's email attaching the single page  
20 document she represented to me constituted the System's application to the CPUC for a rate  
21 increase is attached to this declaration as **Exhibit J**.

22 61. As shown on that document, the System is seeking CPUC approval for a customer  
23 rate increase that will generate an additional \$271,613 in annual revenue. On March 16, 2023, I  
24 received from Wilson Tsai at the CPUC the full application submitted by the System for its  
25 requested rate increase, which included many pages omitted from Shirley Moore's December 14,  
26 2022, email to me. A true and correct copy of the System's full application for its requested rate  
27 increase that I received from Wilson Tsai at the CPUC is attached as **Exhibits B and C** to the  
28 Declaration of Wilson Tsai filed in connection with this application.

1           62. As documented on page 2 and **Exhibit A** to the complete version of the System's rate  
2 increase application (Exhibit B to Tsai Decl.), the System received insurance proceeds of  
3 \$497,924.29 for damage suffered in the CZU Lightning Complex Fire. The first time I learned  
4 that the System received any insurance proceeds after the fire was when I reviewed the System's  
5 full application provided by the CPUC. Earlier, by email on October 3, 2022, Shirley Moore  
6 provided me with a copy of Big Basin Water Company's Profit and Loss Statement for January  
7 through December 2021, in the context of discussing the System's finances. A true and correct  
8 copy of Shirley Moore's October 3, 2022, email is attached to this declaration as **Exhibit S**. The  
9 Owners did not mention then or at any time that the System received \$497,924.29 in fire  
10 insurance proceeds, nor did the System submit a document to me or to the Division disclosing  
11 receipt of \$497,924.29 in insurance proceeds.

12           63. The Owners have made statements in connection with their pending rate increase  
13 application indicating the System incurred debt because some customers did not pay their water  
14 bills during the Covid-19 pandemic. The California Water and Wastewater Arrearage Payment  
15 Program (the Arrearage Program) is a program administered by the State Water Resources  
16 Control Board for the purpose of fully or partially forgiving water customer debt that accrued  
17 during the Covid-19 pandemic bill relief period of March 4, 2020, to June 15, 2021, inclusive  
18 (Health & Safety Code §§ 116773 et seq). The Arrearage Program was open to all California  
19 public water systems and required the system to submit an application identifying customer  
20 billing arrearages that accrued during the Covid-19 pandemic bill relief period. The Arrearage  
21 Program then issued a payment directly to the water system for the amount of those arrearages.  
22 The system in turn issued bill credits to customers with qualifying bill arrearages. I confirmed  
23 with Arrearage Program staff that the System did not apply for and therefore did not receive any  
24 funding under the Arrearage Program.

#### 25           **Exhaustion of all Regulatory Compliance Tools and the Need for a Receiver**

26           64. The Owners are aware of the serious deficiencies with the System and that as a result,  
27 its customers are being harmed. For example, on December 12, 2022, Shirley Moore sent me an  
28 email citing the hardships being suffered by the System's customers following the CZU Lightning

1 Complex Fire and requested that the Division waive all outstanding fines, which would include  
2 the \$21,000 fine assessed in Citation No. 02\_05\_21C\_030. Shirley Moore wrote “[i]f we are to  
3 pay fines instead of completing CZU [fire] repairs, families will greatly suffer and some will lose  
4 their properties.” A true and correct copy of Shirley Moore’s December 12, 2022, email is  
5 attached to this declaration as **Exhibit J**.

6 65. I have confirmed with CPUC staff that as a regulated CPUC water utility, penalties  
7 assessed in citations issued by the Division must be paid by the owners of the utility—*i.e.*, Big  
8 Basin Water Company, Inc. and its owners, Jim and Shirley Moore—and is not a cost that can be  
9 passed on to rate payers. If and when the System pays financial penalties assessed by the  
10 Division, that money is deposited into the State’s Safe Drinking Water Account (Health & Safety  
11 Code § 116590), meaning the money is not used to repair the System and the System’s customers  
12 obtain no direct benefit.

13 66. Although the Division did waive the \$12,500 penalty imposed in Citation No.  
14 02\_05\_22C\_060 after SLVWD loaned BBWC a backup generator, the Division has not waived  
15 the \$21,000 penalty imposed in Citation No. 02\_05\_21C\_030. Neither imposing the \$21,000 fine  
16 nor imposing and then waiving the \$12,500 fine resulted in the System returning to compliance.  
17 Based on my years of handling regulatory matters for the System and after using every tool I  
18 possess to compel compliance, I have concluded that neither issuing additional citations with  
19 penalties, or waiving penalties already imposed, or issuing more compliance orders will be  
20 effective to compel the System to comply with the California Safe Drinking Water Act and  
21 implementing regulations. The System’s owners—Big Basin Water Company, Inc., and its sole  
22 directors and shareholders the Owners—do not respond to the Division’s rules and orders, and  
23 they are unable or unwilling to adequately serve its users.

24 67. As part of my duties related to the System, I speak with staff members from other  
25 government agencies and I attend bimonthly meetings along with staff from the California  
26 Regional Water Quality Control Board, Central Coast Region (Central Coast Regional Board) and  
27 the CPUC to discuss issues relevant to the System and the System’s Owners. The Owners have  
28 been the subject of numerous other enforcement actions taken by other agencies, including (1)

1 Cleanup and Abatement order No. R3-2022-0077 issued by the Central Coast Regional Board on  
2 November 21, 2022, requiring Big Basin Water Company, Inc. and Jim Moore to address  
3 imminent threats to human health and water quality and ordering remediation action in  
4 connection with a wastewater treatment plant (WWTP) operated by the Owners in the Big Basin  
5 Woods subdivision in Boulder Creek; (2) Notice of Violation issued by the CPUC on December  
6 14, 2022, to Big Basin Water Company, Inc. for failing to furnish and maintain safe and reliable  
7 wastewater service to its customers and the public and failing to comply with the Central Coast  
8 Regional Board's permit requirements and formal enforcement action; (3) Notice of Violation  
9 issued by the State Water Resources Control Board's Office of Enforcement to Big Basin Water  
10 Company, Inc. and Jim Moore on December 29, 2022, for employing an operator without a valid,  
11 unexpired operator certificate, failing to maintain a chief plant operator at the correct grade level  
12 and allowing permit violations in connection with the Owners' operation of the WWTP facility;  
13 and (4) two additional Notices of Violation issued by the Central Coast Regional Board on  
14 January 19, 2023, to Big Basin Water Company Inc. and Jim Moore related to the WWTP  
15 facility. A true and correct copy of each of these enforcement actions that I received from the  
16 issuing agency are attached to this Declaration as **Exhibits X through BB**.

17 68. The Division has determined that a receiver is needed because the Owners have  
18 demonstrated they are unable or unwilling to respond to and address the System's compliance  
19 issues. These violations pose a substantial threat to the health and safety of the System's  
20 customers. The Owners have been unresponsive to the Division's directives, the Compliance  
21 Order and many Citations. They are unavailable to the System's customers and unresponsive to  
22 their legitimate complaints. They lack the technical and managerial capacity to run the System,  
23 and they have failed to commit the financial resources necessary to run a public water system. A  
24 receiver needs to be appointed to perform repairs necessary to stabilize the system, oversee its  
25 day-to-day operations, develop a plan to address the system's compliance issues, ensure  
26 ownership of the system is transferred to a viable new operator, and restore communication and  
27 productive relationships with customers. I believe that leaving the system under the Owners'  
28

1 control while a potential sale to CSWR is pending or another option for transferring ownership is  
2 explored would continue to put the public at risk.

3 69. The Division nominates Curtis Wright to serve as Receiver. I have met with Mr.  
4 Wright and we discussed the Division's intent to seek a receivership for the System and Mr.  
5 Wright's relevant experience. In consultation with my supervisor, Stefan Cajina, who attended  
6 my meetings with Mr. Wright, the Division has determined that Mr. Wright has the knowledge  
7 and ability to effectively address the issues the System faces and to serve as a receiver for the  
8 System.

9 I declare under penalty of perjury under the laws of the State of California that the  
10 foregoing is true and correct and that this declaration was executed on July 6, 2023, in Monterey,  
11 California.

12 Jonathan Weininger



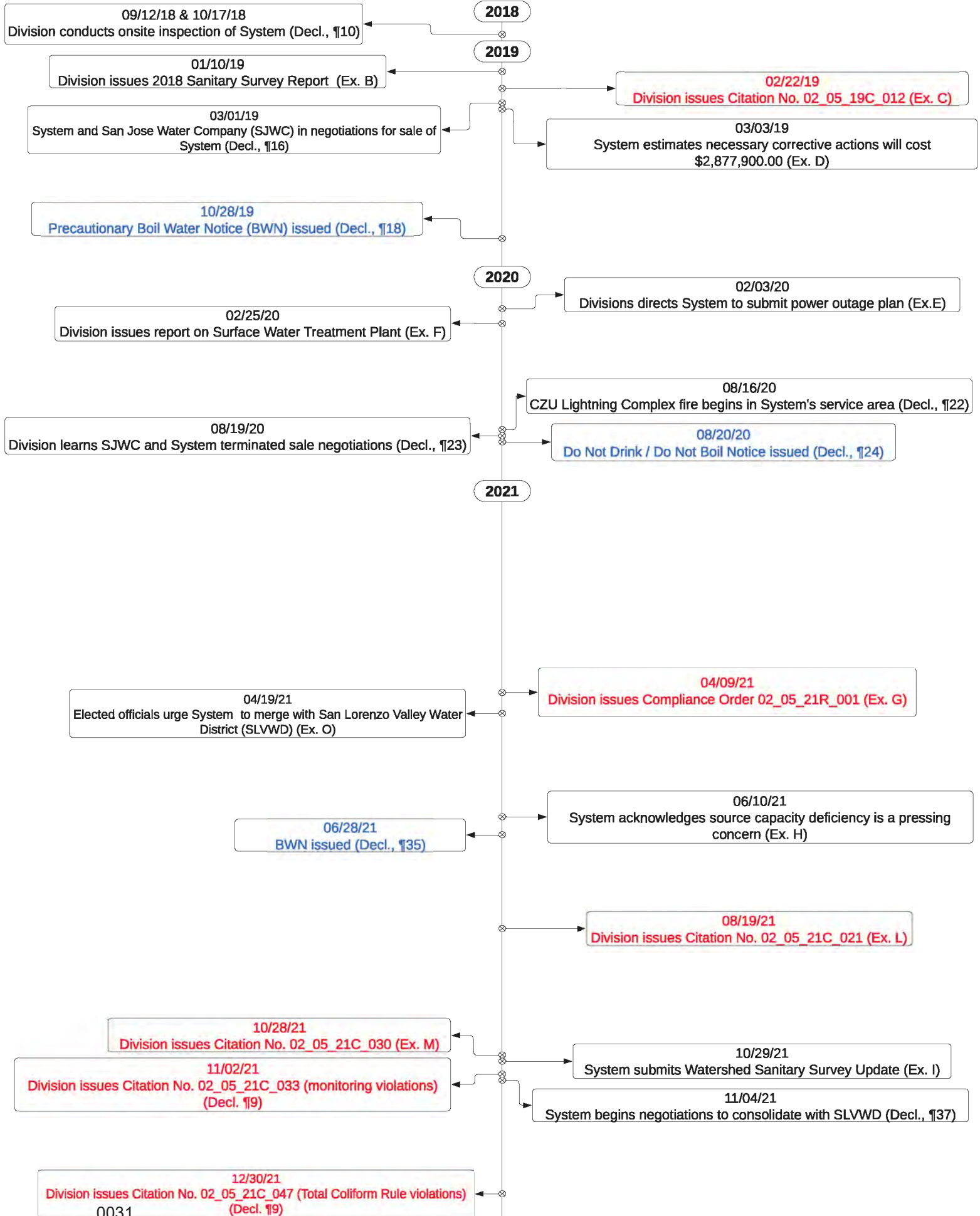
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14 JONATHAN WEININGER

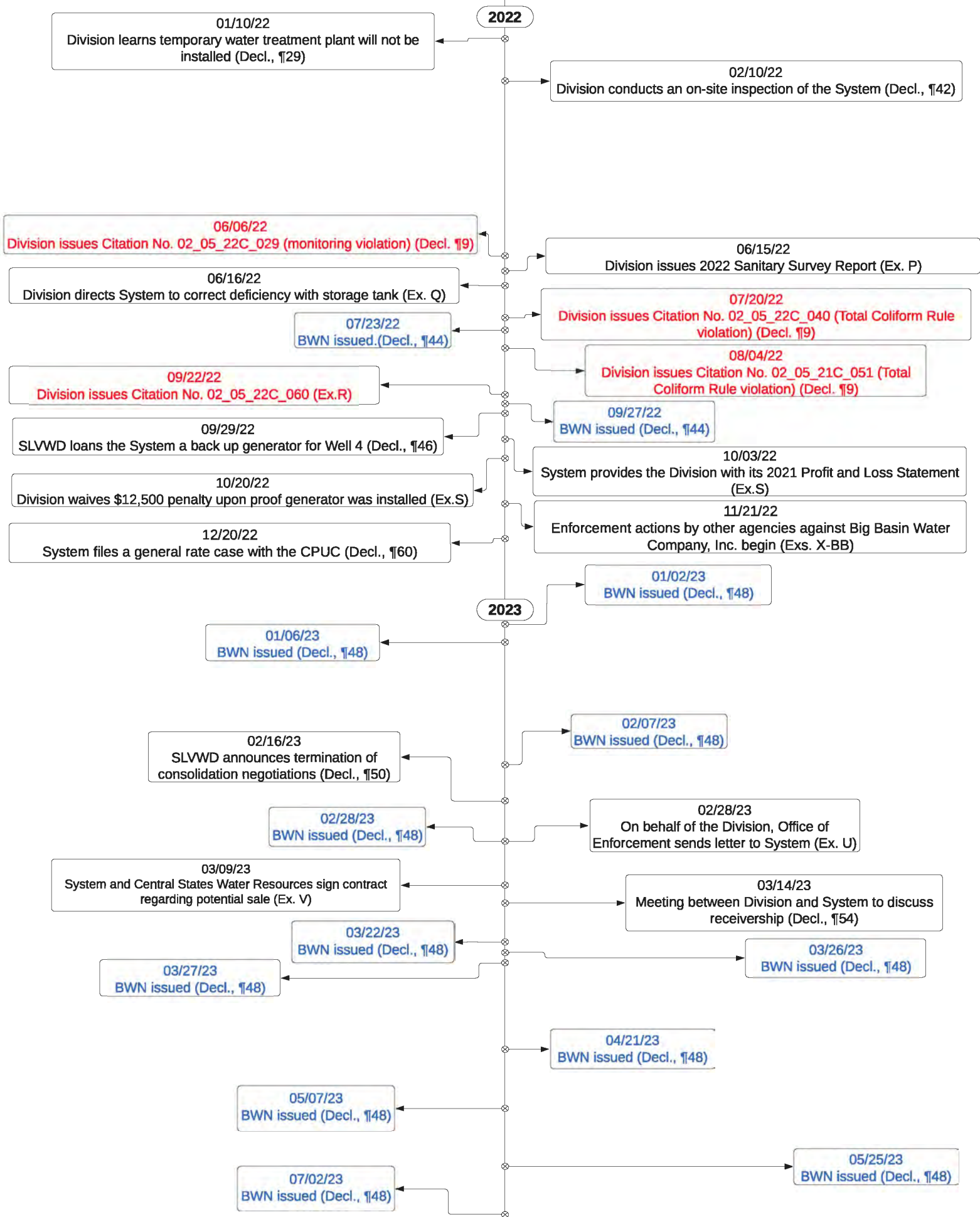
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# EXHIBIT A

## Chronology of the System's Non-Compliance Since 2019







# EXHIBIT B

## State Water Resources Control Board

Division of Drinking Water

January 10, 2019

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

Dear Mr. Moore

### 2018 SANITARY SURVEY – BIG BASIN WATER COMPANY (SYSTEM NO. 4410001)

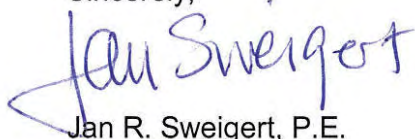
On September 12 and October 17, 2018, you accompanied Jonathan Weininger from the State Water Resources Control Board – Division of Drinking Water (Division) on a Sanitary Survey of the water system. The sanitary survey findings are summarized in the attached sanitary survey report and deficiency list.

**The Division identified major deficiencies during this sanitary survey that require immediate attention and correction.** Many deficiencies identified in previous sanitary surveys remain uncorrected and must be addressed without further delay.

A written response to the attached sanitary survey deficiency list is requested by **February 15, 2019** along with a plan to correct the deficiencies listed in the deficiency list. Please include the deficiency list along with the date of correction or planned date in the response to this letter.

If you have any questions, please contact Jonathan Weininger at (831) 655-6932 or by e-mail at [jonathan.weininger@waterboards.ca.gov](mailto:jonathan.weininger@waterboards.ca.gov) or me at (831) 655-6934.

Sincerely,



Jan R. Sweigert, P.E.  
District Engineer, Monterey District Office  
Northern California Field Operations Branch  
Division of Drinking Water

Attachments

Email cc:  
Santa Cruz County Environmental Health Services

CPUC Water Division

Rami Khalon, CPUC Director - Water Division: [raminder.khalon@cpuc.ca.gov](mailto:raminder.khalon@cpuc.ca.gov)

Bruce Deberry, CPUC Water Division [Bruce.deberry@cpuc.ca.gov](mailto:Bruce.deberry@cpuc.ca.gov)

Adam Thaler, CPUC Water Division [adam.thaler@cpuc.ca.gov](mailto:adam.thaler@cpuc.ca.gov)

CPUC Office of Ratepayer Advocates

Pat Ma, [pat.ma@cpuc.ca.gov](mailto:pat.ma@cpuc.ca.gov)

[DRAWaterAL@cpuc.ca.gov](mailto:DRAWaterAL@cpuc.ca.gov)

STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER - MONTEREY DISTRICT

2018 SANITARY SURVEY REPORT

WATER SYSTEM: **BIG BASIN WATER COMPANY**  
SYSTEM NUMBER: **4410001**

REPORT DATE: **January 10, 2019**  
INSPECTION DATE: **September 12 and October 17, 2018**

WATER SYSTEM CONTACTS: Jim Moore, Manager

SANITARY SURVEY INSPECTIONS AND REPORT REGULATORY BACKGROUND: Applicable authority – Environmental Protection Agency (EPA) Groundwater Rule (incorporated by reference within Title 22, California Code of Regulations, Section 64430).

Attachment A of this report includes a summary of deficiencies, recommendations, and water quality reminders.

**Population and Service Connection Summary**

Approximate population served: **1,680**

No. of Service Connections: **601 (422 single family residential, 154 multi-family residential, 3 commercial, and 22 landscape irrigation)**

**Permit Status**

The State Water Resources Control Board – Division of Drinking Water (Division) issued a Domestic Water Supply Permit to Big Basin Water Company (Big Basin WC) on February 11, 1994. The Division has issued one permit amendment to Big Basin WC. The table below summarizes Big Basin WC's permits.

<i>List of Permits</i>		
<b>Permit No.</b>	<b>Issue Date</b>	<b>Reason</b>
Permit No. 02-05-44-94P-001	2/11/94	Full permit for the Big Basin WC, which at the time consisted of four surface water sources, seven storage tanks (10,000 gallon Robin Hood Tank, 42,000 gallon Robin Hood Tank, 5,000 gallon Oberst Tank, 7,000 gallon China Grade Tank, 325,000 gallon Galleon Tank, 60,000 gallon Rancho Dia Tank, and 210,000 Jamison Tank 02), five booster stations (Galleon Heights, Rancho Dia, Robin Hood, Oberst, and China Grade), the Jamison Surface Water Treatment Plant (150 gpm Microfloc Trimate Package Plant), chlorination, and a distribution system consisting of AC, PVC, and steel pipe (2" – 12").
2017PA_SCHOOLS	1/17/2017	Requirements for lead monitoring and sample result interpretation at K-12 schools that submit a written request for assistance.

Is the water system complying with all permit requirements? **No**

Is the permit up to date? **No**

Evaluation: Big Basin WC has undergone changes since the 1994 permit that are not reflected in the permit and has not complied with conditions No. 4, 6, and 10 of Permit No. 02-05-44-94P-001.

Permit Condition No. 4 states: "The BBWC shall operate the Jamison WTP in accordance with the approved operations plan dated November 1993. Modifications to the plan to incorporate updated operating procedures shall be reviewed and approved by the Department." Big Basin WC's Jamison WTP has been modified several times since 1993 and the Division has not received a comprehensive updated operations plan.

Permit Condition No. 6 states “The BBWC shall complete a sanitary survey of their watershed by January 1, 1996 and submit a report of the survey to the Department no later than 60 days following completion of the survey in accordance with Section 64665, Title 22, CCR. A watershed sanitary survey shall be performed and a report of the survey submitted to the Department at least every five years.” The Division does not have a Watershed Sanitary Survey on file for Big Basin WC.

Permit Condition No 10 states: “Plans and specifications for the chlorination facilities serving Wells 2 and 4 shall be submitted to the Department for review and approval prior to construction.” The Division never received the plans for chlorination of Well 4 (Well 2 is now offline). The Appraisal of Sanitary Hazards and Safeguards section of the permit engineering report states: “Well Nos 2 and 4 do not have the required 50-foot minimum sanitary seal. Disinfection will be provided at Well Nos; 2 and 4 to ensure microbiological quality of the water produced by the wells.” The 1980 Well 4 well log states the well has a 40 foot grout sanitary seal.

### **Recent and Proposed Upgrades**

Since the last sanitary survey in 2016, Big Basin WC has completed the following system upgrades:

- 2018 – Replaced the combined filter turbidimeter components at the Jamison WTP.
- 2018 – Replaced the existing China Grade Redwood Tank with a 5,000 gallon polyethylene tank.

## **WATER SOURCES**

### **List of Sources**

Big Basin WC has one active groundwater source and three surface water sources treated at the Jamison Water Treatment Plant. The following table summarizes Big Basin WC’s sources including source capacity.

List of Sources				
Sources	PS Code	Status	Capacity (gpm)	Comments
Surface Water – Treated at the Jamison Creek WTP				
Corvin Creek	4410001-001	Active	Maximum capacity of Jamison WTP is 150 gpm. Jamison Springs includes two intakes and is primarily used in the summer. Corvin Creek is typically used in the winter. Well 05 (13-35 gpm) is used year-round. Due to lower surface water flows, the maximum capacity used is 100 gpm.	
Jamison Springs	4410001-009	Active		
Well 05 (Horizontal Well)	4410001-010	Active		
Ground Water				
Well 04	4410001-007	Active	100-150 reported by Big Basin WC. The Division assigns the well a capacity of 72 gpm based on hard rock well requirements.	Hard rock well. Used seasonally and as a source during storm events. Chlorination is required
TOTAL ACTIVE CAPACITY			172 gpm (0.248 MGD)	

### **Production Data**

Production data from the previous 10 years, as reported in Big Basin WC’s electronic annual reports (EAR) to the Division, is summarized in the following table:

<b><i>Past 10 Years of Production Data (2008-2017) in Million Gallons (MG)</i></b>			
<b>Year</b>	<b>Max Day</b>	<b>Max Month</b>	<b>Year Total</b>
2017	0.37	7.62	64.51
2016	0.51	10.6	78.43
2015	0.34	7.09	68.38

<b>Past 10 Years of Production Data (2008-2017) in Million Gallons (MG)</b>			
<b>Year</b>	<b>Max Day</b>	<b>Max Month</b>	<b>Year Total</b>
2014	0.48	9.35	74.18
2013	No EAR Submitted		
2012	<b>0.62</b>	12.71	98.92
2011	0.59	12.21	83.38
2010	0.43	8.91	56.71
2009	0.46	9.64	54.58
2008	0.30	7.59	64.52

*\*Italicized* values indicate a calculated value using Section 64554 guidelines.

### **Source & Storage Capacity Evaluation**

Title 22, California Code of Regulations (CCR) Section 64554 (a) requires maximum day demand (MDD) to be met with source capacity. MDD is calculated as the highest observed water demand in the past ten years. Using past annual reports and tabulated in the Production Data table, the 10 year MDD is **0.62 million gallons/day (MGD)** (2012). Big Basin WC's active source capacity is **0.248 MGD**.

The Division does not have a recent well pump test on file from Well 4. The Division has a copy of the initial 72 hour pump test performed in 1980, which established a well capacity of 288 gpm. The pump test procedure for hard rock wells is outlined in California Code of Regulations, Title 22, Section 64554 (g); the well capacity is 25% of the 72 hour pump test capacity. Following this formula, Well 4 has a capacity of 72 gpm. Big Basin WC reported the current capacity is about 100 to 150 gpm. If Big Basin WC has a more recent pump capacity test, please send the test to the Division for review.

If Big Basin WC has documentation that supports a higher capacity for the surface water treatment plant, please send the documentation to the Division. The capacity granted to the surface water treatment plant is the sum of the low historic surface water treatment flow from each source, but not greater than the maximum capacity of the treatment plant. The Division has estimated a capacity of 100 gpm for the Jamison surface water treatment plant.

Section 64554(a)(2) requires systems with less than 1,000 service connections to have storage capacity equal to or greater than MDD, unless the system can demonstrate that it has an additional source of supply or has an emergency source connection that can meet the MDD requirement.

Big Basin WC is not able to meet the 10 year MDD of 0.62 MGD (2012) with source capacity alone. Big Basin WC has not reported outages due to low capacity to date. Big Basin WC must begin exploring ways to add additional source capacity. Big Basin WC can meet the 10 year MDD with storage capacity. Source and storage capacity requirements are summarized in the following table:

<b>Summary of Source &amp; Storage Capacity Requirements</b>			
<b>Parameter</b>	<b>Requirement (MGD)</b>	<b>Capacity (MGD)</b>	<b>Requirement Met?</b>
Maximum Day Demand - Sources	0.62	0.247	No
Storage Capacity	0.62	0.77	Yes

### **Drinking Water Source Assessment Program (DWSAP)**

The Division has a DWSAP on file for Well 4, dated December 2002, but no DWSAPs of Big Basin WC's surface water sources. As part of its watershed sanitary survey, Big Basin WC must also conduct vulnerability assessments of its surface water sources.



### **Inactive Sources**

Big Basin WC has two inactive well sources listed in the Division's database, Galleon Well 1 and Well 02. The Division recommends Big Basin WC schedule to destroy these inactive groundwater sources.

### **Sources - Overall Evaluation**

All sources were inspected during the sanitary survey except the horizontal Well 05. The following deficiencies were identified during the sanitary survey:

- Well 4 Chlorination: Well 4 does not have a 50 foot sanitary seal and continually exerts a chlorine demand on system water that reduces the system chlorine residual. Big Basin WC has been required to install chlorination at Well 4 since the 1994 permit from the Division, but has not yet done so. Big Basin WC must provide a plan for wellhead disinfection to the Division no later than **March 10, 2019** and provide wellhead disinfection no later than **May 20, 2019**.
- Corvin Creek Intake Sedimentation Tank: The intake facility includes a 2,000 gallon steel sedimentation tank in poor condition with signs of extreme corrosion. The sedimentation tank is located on an unstable foundation. Big Basin WC needs to replace the tank and provide a stable foundation.
- Jamison Intake 2 Screen: the area around the intake must be kept clean. A loose screen is used as the intake screen. A secured screen must be installed.
- Jamison Intake 2 Transmission Line: The previous steel transmission line broke and a flexible pipe is being used temporarily. Big Basin WC must install a permanent transmission line using NSF 61 materials.
- Jamison Intake 1 Transmission Line: The intake line includes two intakes on one line. The previous steel transmission line broke and a flexible pipe is being used temporarily. Big Basin WC must install a permanent transmission line using NSF 61 materials.
- Jamison Intake 1 Sedimentation Tank: The intake includes a 2,000 gallon steel sedimentation tank in poor condition with signs of corrosion. Big Basin WC needs to replace the tank and provide a stable foundation.
- Well 05 Pictures: please provide photos of Well 05 to the Division.

## **TREATMENT FACILITIES**

### **Surface Water Treatment**

Big Basin WC owns and operates the Jamison Water Treatment Plant, a contact clarification/filtration surface water treatment plant. A full evaluation of the treatment plant is provided in **Attachment B** of this report.

Due to the many deficiencies found at the treatment plant and associated surface water treatment monitoring deficiencies that have been uncorrected since previous sanitary survey reports, the Division will be issuing an enforcement action to Big Basin WC.

### **Groundwater Treatment**

Big Basin WC does not have any groundwater treatment plants.



## DISTRIBUTION SYSTEM

### **Pressure Zones**

The distribution system consists of five pressure zones. According to the water system, there are no areas of the water system with less than 20 psi (minimum distribution pressure per California Code of Regulations, Section 64602).

### **Distribution Mainlines**

Big Basin WC has roughly 20 miles of distribution mainline ranging in size from 2" to 12" in diameter. Big Basin WC mainlines consist of various materials including C900, aged steel, and asbestos cement.

The Division recommends Big Basin WC develop a main replacement plan to replace leaky, aged, undersized (less than 4"), and above ground mainlines as part of a capital improvement plan.

New water main installations shall follow CCR, Title 22, Chapter 16 (Waterworks Standards), Article 4 (Materials and Installation of Water Mains and Appurtenances) and Article 5 (Disinfection Requirements). If Waterworks Standards are unable to be met, please contact the Division prior to commencing construction. According to BIG BASIN WC, the water system does not have any known lead service lines.

### **Transmission Lines**

Big Basin WC has raw water transmission lines which convey raw surface water to the Jamison surface water treatment plant. The transmission lines are in unknown condition. According to Big Basin WC, there are no customer connections off the raw surface water transmission lines.

### **Distribution System Leak Program**

According to the 2017 Annual Report to the Division, Big Basin WC reported one water outage due to a break after meter. Big Basin WC fixes small leaks and contracts for larger repairs.

As a reminder, an unsafe water notice or a boil water notice should be sent to residents losing pressure during any leaks, main breaks, or scheduled mainline replacement. Please contact the Division for review and approval of any unsafe water notification sent to your customers prior to distribution.

### **Recycled Water**

None according to Big Basin WC.

### **Water Main Separation Criteria**

Separation criteria between non-potable lines and new or replacement water mains must follow the requirements established in CCR, Title 22, Section 64572.

### **Valve Exercising and Maintenance Program**

No. of Valves/size: **Unknown**

Valve exercising frequency: **Once every two years**

Have all valves been mapped? **Yes, according to Big Basin WC.**

Evaluation: Big Basin WC exercises most system valves once every two years. Some system isolation valves are in poor condition and unable to be exercised. Aged system isolation valves that Big Basin WC cannot exercise due to their condition should be replaced. All isolation valves deemed critical by Big Basin WC must be in good condition and included in the valve exercising rotation. All valve exercising needs to be recorded and the records need to be stored by Big Basin WC.

According to Big Basin WC, there are some stretches of mainline without an isolation valve for miles. The Division recommends Big Basin WC review all records and install isolation valves in accordance with current Waterworks Standards, which are included below

All new mainline installations shall comply with the following isolation valve requirements (CCR Title 22, Section 64577): at least one isolation valve no farther than 1,320 linear feet apart on all mains having a diameter of 12 inches or less, at each tee or crossing connection between mains that have a diameter of 12 inches or less, within 100 feet of the tee or crossing connection with the primary main, between the water main and each fire hydrant served by the main. All new water main valves shall be constructed in accordance with Title 22, CCR, Section 64578, specifically, "a valve box shall be installed over each buried valve stem to aid in locating and operating the valve. For valves buried in trenches greater than five feet below the finished grade, either a valve stem riser to permit the use of a normal key or a notation on valve records indicating that a long key will be required shall be provided."

### **Dead End Flushing Program**

No. of dead ends: ~12

No. Flushed in 2017? **All (no written documentation available)**

Flushing Frequency: **Every six months**

Evaluation: Big Basin WC needs to begin keeping records of system flushing.

### **Operational Controls**

The water system is controlled by float valves and manual operation.

### **Water System Interconnections**

Big Basin WC supplies water to Forest Spring IMA, Bracken Brae, and an adjacent three home community. More details are included in the table below:

<b><i>Interconnections</i></b>			
<b>Connecting Water System</b>	<b>No. Connections</b>	<b>Length</b>	<b>Comments</b>
Forest Springs IMA	126	Negligible	1" connection. Sole water source for water system.
Bracken Brae Country Club	24	Negligible	1" line to ¾" meter. Sole water source for water system.

## **PUMPS AND PUMPING FACILITIES**

<b><i>Booster Station List</i></b>				
<b>Name</b>	<b># Pumps</b>	<b>Individual HP</b>	<b>GPM</b>	<b>Remarks</b>
Galleon Heights	1	40	425	One pump is out of service.
Rancho Dia	2		35	Did not inspect
Robin Hood	1	5	25	One more pump planned for installation
Oberst	1		60	Did not inspect
China Grade/Camino	1		25	Small wooden building
Tradewinds (at Galleon Heights Tank)	3 (one fire)			Includes two waterlogged pressure tanks.

### **Pumps and Pumping Facilities – Overall Evaluation:**

Booster stations were observed to be in adequate to poor overall condition. The following deficiencies and recommendations were found during the sanitary survey.

- Galleon Heights Booster Station Housing: Holes were observed in the housing and rodent droppings were on the floor and on the pumps and piping. The building needs to be cleaned and the holes in the housing need to be repaired.
- Galleon Heights Booster Station: One of the two booster pumps was down for repairs. The two boosters are aged and show signs of corrosion. Big Basin WC's engineering report completed by REED Corporation, dated November 1993, states: "The Galleon pump station, with two parallel 375 gpm pumps, is greatly oversized for the available system supply. Because of this, operation frequency relies on demand and the pump cannot be turned on unless the filter plant clearwell is full." Big Basin WC should begin preparing a plan for replacing the booster pumps with adequately sized pumps and upgrading the piping and valving.
- Tradewinds Booster Station: The Tradewinds booster station is the booster station located at the Galleon tank site and feeds the ~15 homes above the Galleon tank. The booster station includes two vertical pressure tanks that are waterlogged and need to be removed or replaced. Big Basin WC should evaluate the aged and corroded piping and valving associated with this booster station and prepare an upgrade plan. The booster station includes a power generator that does not work and needs to be fixed. Since this booster station is the sole source of water for the ~15 homes, the generator should be working in the event of a power outage.

### **FINISHED WATER STORAGE**

Big Basin WC has 10 storage tanks, which are described in the table below:

<b><i>Storage Tank List</i></b>				
<b>Tank Name</b>	<b>Inspected?</b>	<b>Material</b>	<b>Capacity (MG)</b>	<b>Comments</b>
Jamison Tank	Yes	Bolted Steel	0.210	Surface water treatment plant contact time tank
Well Tank	Yes	Bolted Steel	0.084	
Galleon Heights Tank	Yes	Welded Steel	0.325	
Robin Hood (Bolted Steel)	Yes	Bolted Steel	0.042	
Robin Hood Horizontal Tank	Yes, but did not inspect roof features	Welded Steel	0.010	Tank must be removed from service.
China Grade	Yes, but did not inspect roof features	Polyethylene	0.005	Replaced in 2018
Oberst Tank	Yes	Welded Steel	0.005	
Bloom Grade Tank	Yes, but did not inspect roof features	Bolted Steel	0.022	
Hill House Tank	Yes, but did not inspect roof features	Polyethylene	0.010	
Rancho Dia	Yes	Redwood	0.060	Serious deficiencies noted. Tank must be rehabilitated or replaced.
<b>TOTAL STORAGE CAPACITY</b>			<b>0.774</b>	

### **Storage Tanks – Overall Evaluation:**

The Division identified the following storage tank deficiencies and recommendations that require attention:

1. Galleon Tank

- a. The roof center vent is corroded and should be replaced.
- b. The roof access hatch does not include a seal. A seal or gasket must be provided to prevent the entry of insects into the tank. The Division recommends the roof access hatch is retrofitted with a sealing shoebox type hatch.
- c. The overflow line terminates about two inches above the ground surface right next to the tank as shown in the following picture. If the tank overflows, the water could destabilize the side of the tank. The Division recommends the overflow is diverted away from the tank and protected against animals with a screen or flapper valve.



2. Robin Hood Tank (Bolted Steel):

- a. The cement foundation is in poor condition. A section of the dirt under the foundation washed away. The Division recommends a registered civil engineer with experience in tank foundations evaluate the current condition of the foundation and identify necessary improvements.
- b. The tank does not have a drain. A drain must be installed during the next major tank rehabilitation or cleaning.
- c. The center roof vent does not have a fine mesh screen. A corrosion resistant fine mesh screen designed to prevent the entry of insects must be installed.
- d. The roof access hatch does not have a seal. Please install a seal or gasket to prevent the entry of insects.

3. Robin Hood Horizontal Tank:

- a. The tank is a system equalization tank that stores about 10,000 gallons of water. The tank was not constructed according to drinking water standards and is poor condition. The Division did not inspect the interior of the tank due to safety concerns and limited access. The tank exterior is corroded, tree branches have fallen on the tank, the tank does not include an adequate access hatch, and debris was observed around the tank. The cylindrical steel tank is installed horizontally on a wood foundation without any supports. The foundation is not adequate and is a safety risk for the water system and surrounding area. Big Basin WC must remove this tank from service no later than **March 20, 2019**. If a temporary tank will be installed, please present a plan to the Division by **February 20, 2019**.



4. Hill House Tank

- a. Plants have grown around the site and need to be cut back around the tank perimeter.
- b. The polyethylene tank does not have a foundation. As the budget allows, a more permanent foundation with seismic restraints should be installed.
- c. The tank does not have a fence. The Division recommends the site is fenced.
- d. The tank is located near a home with its own well and tank. Big Basin WC must ensure there are no cross connections and if the home is a customer of Big Basin WC, the home owner has an approved reduced pressure assembly at their meter.
- e. The tank does not have a ladder, so the Division did not inspect the tank. Please provide photos of the roof vent and vent screen, roof access hatch locked and opened, and photos of the tank interior.

5. China Grade Tank

- a. The tank was installed in 2018 to replace the adjacent leaking redwood tank. Big Basin WC must ensure there are no connections to the previously used redwood tank.
- b. The site is not fenced. The Division recommends a locking fence is installed around the tank.
- c. The roof lid does not have a lock. The lid needs to be retrofitted with a lock.

6. Rancho Dia Tank

- a. The tank is a significant hazard due to the leaks, redwood condition, debris observed inside the tank, and many openings and breaks in the perimeter vent screen. According to Division records, the tank was constructed in 1958 and is past its useful life. Big Basin WC must provide a plan and schedule for major rehabilitation or replacement of this tank.
- b. Due to the poor condition of the tank, Big Basin WC must do the following until the tank is taken out of service:
  - Inspect the tank at least monthly using the Division approved tank inspection form (**Attachment C**). Please send the completed form back to the Division monthly by the 10th.
  - Collect monthly total coliform samples from the tank and direct your lab to send the reports directly to the Division.
  - With each coliform sample, a paired chlorine residual must be taken and reported on the chain of custody.
  - Provide at least a 0.2 mg/L chlorine residual leaving the tank. The chlorine residual must be monitored weekly and the results must be reported to the Division monthly.
- c. The roof vent screen spans the entirety of the top perimeter of the tank. Several sections of the vent screen had holes, were detached, and/or brittle. A new corrosion resistant fine mesh vent screen sized to prevent the entry of insects must be installed.
- d. The redwood tank has several leaks that need to be plugged. The redwood around the inlet flange is rotting and needs to be addressed.



- e. The site around the tank needs to be cleaned and trees need to be cutback to avoid tree overhang.
- f. Debris including an old soda can was observed inside the tank on the tank floor. The tank is overdue for a draining and cleaning. Big Basin WC must drain and clean the tank. Due to the poor structural condition of the tank, Big Basin WC must take the necessary precautions to avoid redwood drying.

7. Oberst Tank

- a. The Oberst Tank is an aged small steel tank. The interior and exterior coatings are severely corroded. Large rust nodules were observed attached to the interior tank wall. The corrosion presents a sanitary and structural risk. Big Basin WC must provide a plan and schedule for replacement of this tank.
- b. The side vent has a screen that is not secured. The vent screen must be secured.
- c. The tank does not have a foundation. When the tank is replaced, an adequate foundation must be constructed.

8. Bloom Grade Tank

- a. The ownership status of the tank is unclear. The tank is located next to two houses. A property owner has constructed a fence around one side of the tank as part of their outdoor enclosure. Big Basin WC must clear the ownership and easement status of the tank and require the homeowner to remove the fence constructed around half of the tank. The Division strongly recommends Big Basin WC then construct their own fence around the tank.
- b. A small polyethylene tank is located adjacent to the tank by the property owner. Big Basin WC must verify there are no connections from the tank or distribution system directly to the tank without appropriate backflow protection.
- c. The tank needs a dedicated drain.
- d. The tank needs a sample tap on the outlet line.
- e. Due to the lack of a fence, Big Basin WC must secure the valves to prevent tampering.
- f. The tank does not have a ladder, which limits Big Basin WC and the Division's ability to inspect the roof features. Big Basin WC must install a ladder with appropriate safety and security features including a locked door and a safety cage.

**Tank Inspection Program**

How often are tanks inspected? **Monthly, according to Big Basin WC.**

Roof Inspections? **Periodically**

Inspections recorded? **No**

Frequency of dive inspections? **Unknown**

**Evaluation:** Big Basin WC is not adequately inspecting storage tanks given the condition of most of the tanks. Big Basin WC must begin to inspect all tanks at least quarterly and inspect the Rancho Dia Tank monthly. Tank inspections must include a site walk-around, evaluation of all tank appurtenances, valving, sample tap, overflow, roof access hatch, vent screen(s), interior coating, interior water quality, visual inspection of the tank walls and floor, and chlorine residual sampling.

Big Basin WC must provide the Division with a quarterly summary of tank inspections using the forms included in **Attachment C** of this report.

## MONITORING, REPORTING, AND DATA VERIFICATION

### **Bacteriological Source and Distribution Monitoring**

Population: **1680**

Service Connections: **601**

Distribution Samples: **Two per month rotated among six sample sites**

Source Samples: **Quarterly (groundwater), Monthly by enumeration (surface water)**

Bacteriological Sample Siting Plan Date: **February 2011**

Groundwater Rule Plan: **Well 4 sampled after distribution total coliform positive**

Total Coliform Rule Violations in past three years? **No**

### **Source Chemical Monitoring**

The Big Basin WC's source monitoring detections and an evaluation of each required source chemical monitoring group is tabulated below:

<b><i>Source Chemical Monitoring Requirements, Detections, and Evaluation</i></b>		
<b>Chemical or Chemical Set</b>	<b>Detections above DLR – Most recent sample (excluding treated sources)</b>	<b>Evaluation</b>
<b>Inorganic Chemicals</b>	None above half the MCL	In compliance
<b>Nitrate (as Nitrogen)</b>	All less than half the MCL	In compliance
<b>Nitrite</b>	All less than half the MCL	In compliance
<b>Synthetic Organic Compounds(SOC)</b>	None above the DLR	Non-waived SOCs: 2,4 D, Atrazine, Diquat, Simazine, 1,2,3-TCP
<b>Initial 1,2,3 TCP Monitoring</b>	None above the DLR	Initial monitoring completed
<b>Volatile Organic Compounds(VOC)</b>	None above the DLR	In compliance
<b>Gross Alpha</b>	None above 3 pCi/L	In compliance
<b>Radium 226 &amp; 228</b>	None above 1 pCi/L	In compliance
<b>Secondary MCLs</b>	Nothing significant	In compliance

The last monitoring dates for Big Basin WC's sources is tabulated below:

<b><i>Last Source Chemical Monitoring Dates</i></b>								
<b>Source</b>	<b>Secondary MCLs</b>	<b>In-organics</b>	<b>Nitrate (as N)</b>	<b>Nitrite</b>	<b>Gross Alpha</b>	<b>Rad 226+228</b>	<b>VOC</b>	<b>Non-Waived SOCs</b>
<b><i>Raw Surface Water</i></b>								
Corvin Creek	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17
Jamison Springs	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17
Well 05 (Horizontal)	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17
<b><i>Groundwater</i></b>								
Well 04	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17

<b>Next Due Chemical Monitoring Dates</b>								
Source	Secondary MCLs	In-organics	Nitrate (as N)	Nitrite	Gross Alpha	Rad 226+228	VOC	Non-Waived SOCs
<b>Raw Surface Water</b>								
Corvin Creek	2018	2018	2018	2020	2026	2026	2020	2020
Jamison Springs	2018	2018	2018	2020	2026	2026	2020	2020
Well 05 (Horizontal)	2018	2018	2018	2020	2026	2026	2020	2020
<b>Groundwater</b>								
Well 04	2020	2020	2018	2020	2026	2026	2023	2020

<b>Minimum Monitoring Frequencies (in months)*</b>								
Source	Secondary MCLs	In-organics	Nitrate (as N)	Nitrite	Gross Alpha	Rad 226+228	VOC	Non-Waived SOCs
<b>Raw Surface Water</b>								
Corvin Creek	12	12	12	36	108	108	36	36
Jamison Springs	12	12	12	36	108	108	36	36
Well 05 (Horizontal)	12	12	12	36	108	108	36	36
<b>Groundwater</b>								
Well 04	36	36	12	36	108	108	72	36

**Evaluation:** Big Basin MWC must EDT the following overdue 2018 source monitoring by **January 31, 2019**:

- Secondary MCLs and Inorganic Chemicals for Corvin Creek, Jamison Springs, and Well 05
- Nitrate for Corvin Creek, Jamison Springs, Well 05, and Well 04

#### **Unregulated Source Contaminants**

None above established notification levels.

#### **Disinfection By-Product Rule (DBPR) Monitoring**

BIG BASIN WC is required to monitor at one approved TTHM distribution sample location and one HAA5 distribution system sample location quarterly in accordance with the monitoring plan. Big Basin WC's approved DBPR Sample sites are shown below:

<b>DBPR Sample Sites</b>	
PS Code	Location
4410001-801	210 Compass Court (TTHM Sample site)
4410001-802	Unit #2 Common (HAA5 Sample site)

Samples submitted to Division via electronic submittal: **All samples are in the Division's electronic database. DBPR monitoring results are tabulated below.**

<b>DBPR Monitoring Summary (ug/L)</b>					
Date	11/29/2017	2/13/2018	6/5/2018	9/11/2018	LRAA
210 Compass Court (TTHM Site)	15	50	21	8.3	23.58
Unit #2 Common (HAA5 Site)	32	16	20	15	20.75

LRAA = locational running annual average



Evaluation: Big Basin WC has conducted required quarterly DBPR monitoring and reported all results to the Division via Electronic Data Transfer.

### **Chlorine Residual Distribution System Monitoring**

Big Basin WC has submitted required quarterly chlorine residual distribution monitoring results to the Division quarterly. Big Basin WC has not exceeded the chlorine Maximum Residual Disinfectant Level (MRDL) of 4.0 mg/L. Big Basin WC has not always provided a detectable chlorine residual at all times, as required by the Surface Water Treatment Rule (California Code of Regulations, Title 22, Section 64654). Distribution system chlorine residual results from 2018 are summarized in the table below.

As a surface water system, a detectable residual must be measured in at least 95 percent of the distribution system samples or sample results showing the presence of heterotrophic plate count (HPC) at concentrations less than or equal to 500 colony forming units per milliliter must be provided. Due to the wide array of field sampling errors, Big Basin WC should target a distribution system free chlorine residual of at least 0.2 mg/L to ensure a detectable residual. Failure to provide a detectable chlorine residual or provide HPC sample results showing alternative compliance will result in an enforcement action.

The Division did not receive a chlorine residual for the October 9, 2018 distribution system bacteriological sample, which is required by regulation. Please send the Division the chlorine residual measurement.

<b><i>Distribution System Chlorine Residual Results (January 2018 to Present)</i></b>		
<b>Date</b>	<b>Location</b>	<b>Chlorine Residual</b>
11/13/2018	210 Compass Ct	0.58 mg/L
11/6/2018	333 Camino Verde	1.27 mg/L
10/23/2018	1040 Chaparral	0.13 mg/L
10/9/2018	Unit 2 Common	<b>Chlorine Residual Not Reported</b>
9/25/2018	800 Memory Lane	0.2 mg/L
9/11/2018	210 Compass Ct	<b>0.05 mg/L</b>
8/28/2018	575 Branson Ranch Rd.	0.91 mg/L
8/14/2018	333 Camino Verde	0.45 mg/L
7/17/2018	1040 Chaparral	0.23 mg/L
7/2/2018	Unit #2 Common	0.61 mg/L
6/19/2018	800 Memory Lane	0.34 mg/L
6/5/2018	210 Compass Ct	<b>0.03 mg/L</b>
5/22/2018	575 Branson Ranch Rd.	0.57 mg/L
5/8/2018	333 Camino Verde	0.58 mg/L
4/24/2018	1040 Chaparral	0.47 mg/L
4/11/2018	Unit #2 Common	1.04 mg/L
3/27/2018	800 Memory Lane	0.48 mg/L
3/20/2018	575 Branson Ranch Rd.	0.99 mg/L
2/13/2018	210 Compass Ct	0.31 mg/L
2/6/2018	333 Camino Verde	0.66 mg/L
1/16/2018	1040 Chaparral	1.14 mg/L
1/3/2018	Unit #2 Common	1.01 mg/L

### **Lead and Copper Rule Monitoring**

Required Frequency: **Once every three years**

Number of Sample Sites Required: **10**

Next Round of Monitoring Due: **Between June 1 and September 30, 2020.**

Evaluation: Big Basin WC is in compliance with LCR monitoring. The water system is required to collect lead and copper tap sampling at a minimum of 10 sites in accordance with Table 647675-A of the California Code of Regulations. Recent 90<sup>th</sup> percentile lead and copper monitoring results have been less than the established action levels. Lead and copper monitoring results since 1995 are summarized in the following table.

<b><i>Lead and Copper Rule Monitoring Results (1995 - Present)</i></b>					
<b>Date</b>	<b>No. of Samples Required</b>	<b>No. of Samples</b>	<b>90th Percentile Lead (mg/L)</b>	<b>90th Percentile Copper (mg/L)</b>	<b>Comments</b>
Sep-17	10	10	0	0.11	One sample location was 0.22 mg/L for lead, but was resampled and non-detect.
Oct-14	10	10	0	0.083	
Oct-11	10	10	0	0.067	
Sep-08	10	10	0	0.12	
Sep-07	20	20	0.005	0.710	
Sep-05	10	10	0	0.190	
Jun-04	10	10	0	0.076	
Oct-00	10	10	0	0.08	
Feb-97	20	20	0	0.12	
Nov-95	20	20	0	0.12	

### **Lead Sampling In Schools**

Is the water system familiar with the requirements of the lead sampling in schools permit and regulation? **Yes**  
How many requests has the water system received? **According to Big Basin WC, the water system does not serve any schools.**

### **Monitoring Data Record Retention**

Are chemical/bacteriological laboratory data retained? **Yes**

Are operational records retained: **Yes**

Duration of retention: **10+ Years**

Method of Storage: **Digital + Hard Copy**

Is all source and disinfection by-product rule data reported to the Division via EDT? **Yes**

Evaluation: Big Basin WC data retention program is adequate.

### **Lead Service Line Inventory**

Is LSL Inventory completed and certification form received? **Yes**

Did water system report any lead or unknown material service lines? **No**

Evaluation: In compliance.

### **Reporting to the Division**

Date of last Annual Report to the Division: **May 29, 2018**

Date of last Consumer Confidence Report: **2017 CCR certification has not been received**

Evaluation: Big Basin WC must send the Division a copy of its 2017 CCR and proof of distribution.

## SYSTEM MANAGEMENT AND OPERATION

### Cross-Connection Control and Backflow Testing Program

Name of Cross-connection control coordinator(s): **Jim Moore**

Does the utility have a current Cross-Connection Control Ordinance or Operating Rules? **No**

Number of Backflow Preventers: **Unknown**

Wastewater Treatment Plants? **Yes**

Summary of Backflow Testing (2015 – 2017)					
Year	Total Number	No. Installed	No. Tested	No. Failed	No. Replaced/Repaired
2017	10	0	0	0	0
2016	8	0	1	0	0
2015	8	0	1	0	0
2014	10	No information reported in EAR			
2013	EAR not submitted				
2012	10	No information reported in EAR			
2011	10	No information reported in EAR			
2010	10	No information reported in EAR			
2009	10	0	1	0	0
2008	10	0	1	0	0

**Evaluation:** Big Basin WC does not have a cross connection control program. Based on previous electronic annual reports sent to the Division and summarized in the table above, Big Basin WC has not overseen a cross connection control program that includes annual testing of all backflow assemblies.

Big Basin WC does not have a list of known backflow assemblies in the system. The lack of a cross connection control program and lack of backflow testing records is a significant sanitary hazard and violation of Title 17 of the California Code of Regulations. The Division will be sending an enforcement action to Big Basin WC for failure to comply Title 17 of the California Code of Regulations.

Big Basin WC must do the following:

- Send the Division 2018 backflow testing records for all backflow assemblies in the service area by **February 10, 2019**. Failure to send backflow testing records will result in enforcement from the Division.
- Provide a copy of its current cross connection control operating rules. If a cross connection control program operating rules do not exist, create a cross connection control program operating rules and present the document to the California Public Utilities Commission for review and approval.
- Identify all backflow prevention assemblies in the system and provide a list to the Division. The list must include the address, type of backflow prevention (name, make, model). The list must be sent to the Division no later than **February 10, 2019**.
- Conduct a systemwide cross connection control survey that includes surveying all non-residential connections, customers with known private wells, and residential connections in the country club area or any other area where non potable water is used for irrigation. A written summary of the survey including a list of connections requiring backflow prevention must be sent to the Division no later than October 10, 2019.

- If the wastewater treatment plant includes a connection to the Big Basin WC, a RP or air gap must be installed.
- The remainder of system connections must be surveyed no later than June 20, 2020.

The Division strongly recommends Big Basin WC contract with a certified cross connection control specialist to complete a cross connection survey and to assist with creating the cross connection control program.

### **Customer Complaint Program**

Are all complaints recorded? **Yes**

Digital/Hard Copy Tracking? **Hard Copy**

Does the water system respond to all complaints? **Yes, according to Big Basin WC.**

<b><i>Summary of Customer Complaints (2015 – 2017)</i></b>							
<b>Year</b>	<b>Taste/Odor</b>	<b>Color</b>	<b>Turbidity</b>	<b>High/Low Pressure</b>	<b>Outages</b>	<b>Other</b>	<b>Total</b>
2017	0	0	0	1	0	0	1
2016	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0

Evaluation: All customer complaints are recorded and responded to by Big Basin WC. Big Basin WC maintains a customer complaint log.

### **Auxiliary Power Supply**

Auxiliary Power for: Water Sources? **No** Pumping Stations? **Some** Water Treatment Plants? **No**

How frequently is backup power tested? **Unknown**

Backup power automatic or manual start: **Unknown**

Can system pressure be maintained either by backup power or by storage during power outages of two hours or less? **Yes**

Evaluation: The Division recommends Big Basin WC add auxiliary power at the Jamison WTP and fix the generator at the Galleon Heights site, which supplies a pressure zone directly without any gravity storage.

### **Water System Mapping**

Does the utility have up-to-date distribution system maps? **No**

### **System Security**

Overall site security is marginal. Several tank sites do not have fencing. Jamison WTP is not gated or fenced. The Division strongly recommends all well and tank sites are fenced and provided with a locked gate.

### **Emergency Response Program**

Date of most recent Emergency Notification Plan (ENP): **February 9, 2018**

Date of Emergency Response Plan: **None on File**

Emergency Response Training or Table Top Exercises: **None**

Evaluation: The Division recommends Big Basin WC complete an updated Emergency Response Plan.

## **WATER SYSTEM MANAGEMENT**

### **Management Structure**

Who owns the water system? **Big Basin Water Co., owned by Jim and Shirley Moore**

Water System Type: **Private**

Current organizational chart on file? **No**

Manager: **Jim Moore**

### **Water System Financial Outlook**

Are adequate reserve funds available to support maintenance and staffing requirements? **Unknown**

Is there a Capital Improvement Plan (CIP)? **None on file with the Division**

Evaluation: The Division has not reviewed Big Basin WC's financial statements, but according to Big Basin WC, water system upgrades cannot be completed due to financial restrictions. Big Basin WC must provide a plan to complete the deficiencies outlined in this sanitary survey even with the reported financial restrictions.

### **OPERATOR CERTIFICATION**

Per CCR, Title 22, Section 64413.3, water systems are assigned their distribution classification based upon population size and other distribution system related factors. Big Basin WC is classified as a Distribution 3 (D3) water system.

<b><i>Distribution System Classification Summary</i></b>		
<b>Classification</b>	<b>Chief/Shift Requirement</b>	<b>Population / Points</b>
D3	D3 / D2	1680 / 25 Points

Big Basin WC's treatment plant classifications for their treatment plant is summarized below:

<b><i>Treatment Plant Classification Summary</i></b>		
<b>Classification</b>	<b>Chief/Shift Requirement</b>	<b>Treatment Plant(s)</b>
T2	T2 / T1	Jamison Surface Water Treatment Plant

Copies of completed distribution system and treatment plant classification worksheets is located in **Attachment D** of this report. CCR Title 22 Section 64413.5 - 7 states (a) each water supplier shall designate at least one chief operator that meets the requirements for each treatment and/or distribution system utilized by the water system; (b) Each water supplier shall designate at least one shift operator that meets the requirements for each treatment and/or distribution system each operating shift; (c) The chief operator or shift operator shall be on-site or able to be contacted within one hour.

According to Big Basin WC's 2017 electronic annual report, Big Basin WC has two certified operators, which are summarized in the following table:

<b><i>Chief/Shift Operators</i></b>		
<b>Name</b>	<b>Distribution Cert / Expiration Date</b>	<b>Treatment Cert / Expiration Date</b>
Thomas Moore	D2, exp. Dec 2018	T3, exp. Oct 2020
Damian Moore	D3, exp. Jan 2022	T2, exp. Jan 2022

### **Staffing Evaluation**

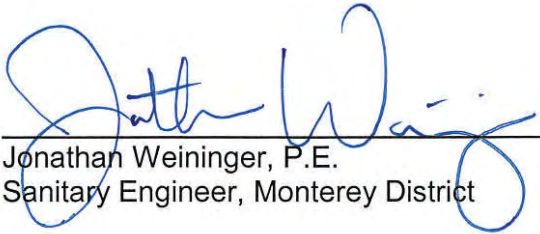
According to Big Basin WC, the water system is not adequately staffed. The Division recommends Big Basin WC add additional certified operators to ensure coverage at the treatment plant and to complete preventative maintenance (valve exercise, dead end flushing, tank inspections, etc.). The Division recommends Big Basin WC add an additional treatment operator to ensure a certified chief operator is available at all times.

The Division recommends Big Basin WC contract with a certified cross connection control specialist to administer the cross connection control survey and program until Big Basin WC has additional staffing.

**ATTACHMENTS**

- A. Deficiency List, Recommendations, and Reminders
- B. 2018 Surface Water Treatment Plant Evaluation – Jamison WTP
- C. Tank Inspection Form
- D. Treatment and Distribution Classification Worksheets

Report prepared by:

  
Jonathan Weininger, P.E.  
Sanitary Engineer, Monterey District

Date: January 10, 2019

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**Deficiency List, Recommendations, and Reminders**



STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER  
ATTACHMENT A: 2018 SANITARY SURVEY DEFICIENCY LIST & RECOMMENDATIONS

Purveyor: **Big Basin Water Company (4410001)**  
Inspection Date: **September 12 and October 17, 2018**

Updated by: \_\_\_\_\_

Date: \_\_\_\_\_

**ORDER OF HAZARD:**

- A. CRITICAL HEALTH HAZARD - CORRECTIVE ACTION MUST BE TAKEN IMMEDIATELY**
- B. SERIOUS HEALTH HAZARD - ACTION MUST BE TAKEN AS SOON AS POSSIBLE**
- C. POTENTIAL HEALTH HAZARD - MUST BE CORRECTED AS WORK LOAD PERMITS**
- D. SYSTEM OR OPERATIONAL DEFECT RESULTING IN POOR WATERWORKS PRACTICE**

**2018 SANITARY SURVEY – DEFICIENCY LIST**

Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
<b>SOURCES</b>				
Oct 2018	<b>Well 4 Chlorination:</b> Well 4 does not have a 50-foot sanitary seal and continually exerts a chlorine demand on system water that reduces the system chlorine residual. Big Basin WC has been required to install chlorination at Well 4 since the 1994 permit from the Division but has not yet done so. Big Basin WC must provide a plan for wellhead disinfection to the Division no later than March 10, 2019 and provide wellhead disinfection no later than May 20, 2019.	A	Plan by Division no later than March 10, 2019 and provide wellhead disinfection no later than May 20, 2019.	
Oct 2018	<b>Corvin Creek Intake Sedimentation Tank:</b> The intake facility includes a 2,000 gallon steel sedimentation tank in poor condition with signs of extreme corrosion. The sedimentation tank is located on an unstable foundation. Big Basin WC needs to replace the tank and provide a stable foundation.	C	Replace tank and provide foundation by July 10, 2020	
Oct 2018	<b>Jamison Intake 1 Sedimentation Tank:</b> The intake includes a 2,000 gallon steel sedimentation tank in poor condition with signs of corrosion. Big Basin WC needs to replace the tank and provide a stable foundation.	C	Replace tank by July 10, 2020	
Oct 2018	<b>Jamison Intake 2 Screen:</b> the area around the intake must be kept clean. A loose screen is used as the screen and intake does not have a secured screen. A secured screen must be installed.	C	March 10, 2019	
Oct 2018	<b>Jamison Intake 2 Transmission Line:</b> The previous steel transmission line broke and a flexible pipe is used temporarily. Big Basin WC must install a permanent transmission line using NSF 61 materials.	C	March 10, 2019	
Oct 2018	<b>Jamison Intake 1 Transmission Line:</b> The intake line includes two intakes on one line. The previous steel transmission line broke and a flexible pipe is used temporarily. Big Basin WC must install a permanent transmission line using NSF 61 materials.	C	March 10, 2019	



Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
Oct 2018	<b>Jamison Reservoir as a Surface Water Source:</b> Big Basin WC has stated that it has used Jamison Reservoir as a raw a water source a few times over the past 10 years. Big Basin WC is not permitted to use the Jamison Reservoir, a 3 MG artificial reservoir primarily fed by overflow from surface water sources, as a surface water source. The reservoir is not a permitted raw surface water source and cannot be used as a surface water source.	N/A	Now	
October 2016, January 5, 2018 and October 2018	<b>Jamison Reservoir Cross Connection with the Distribution System:</b> The Jamison surface water reservoir must be physically disconnected from the distribution system. Due to the nature of the cross connection (separated only by a closed isolation valve), Big Basin WC must develop a well-researched plan that reduces the risk of potable water contamination with raw surface water.	A	Plan with anticipated schedule by March 10, 2018. Work completed no later than June 10, 2019	
<b>BOOSTER STATIONS</b>				
Oct 2018	<b>Galleon Heights Booster Station Housing:</b> Holes were observed in the housing and rodent droppings were on the floor and on the pumps and piping. The building needs to be cleaned and the holes in the housing need to be repaired.	C	September 10, 2019	
Oct 2018	<b>Galleon Heights Booster Pump Plan:</b> One of the two booster pumps was down for repairs. The two boosters are aged and show signs of corrosion. Big Basin WC's engineering report completed by REED Corporation, dated November 1993, states: "The Galleon pump station, with two parallel 375 gpm pumps, is greatly oversized for the available system supply. Because of this, operation frequency relies on demand and the pump cannot be turned on unless the filter plant clearwell is fill." Big Basin WC should begin preparing a plan for replacing the booster pumps with adequately sized pumps and upgrading the piping and valving.	D	Plan by September 10, 2019	
Oct 2018	<b>Tradewinds Booster Station Waterlogged Pressure Tanks:</b> The booster station includes two vertical pressure tanks that are waterlogged and need to be removed or replaced.	C	Remove or replace by December 31, 2019	
Oct 2018	<b>Tradewinds Booster Station Piping and Valving Corrosion:</b> Big Basin WC should evaluate the aged and corroded piping and valving associated with this booster station and prepare an upgrade plan.	D	December 31, 2019	
Oct 2018	<b>Tradewinds Booster Station Generator:</b> The booster station includes a power generator that does not work and needs to be fixed. Since this booster station is the sole source of water for the ~15 homes, the generator should be working in the event of a power outage.	C	March 10, 2019	
<b>STORAGE</b>				
Oct 2018	<b>Galleon Tank Vent Screen:</b> The center roof vent screen is corroded and needs to be replaced. A corrosion resistant fine mesh (designed to prevent the entry of insects) vent screen must be installed.	C	March 10, 2019	
Oct 2018	<b>Galleon Tank Roof Access Hatch:</b> The roof access hatch does not include a seal. A seal or gasket must be provided to prevent the entry of insects into the tank. The Division	D	March 10, 2019	

Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
	recommends the roof access hatch is retrofitted with a sealing shoebox type hatch.			
July 2018	<b>Galleon Tank Overflow:</b> The overflow line terminates about two inches above the ground surface right next to the tank as shown in the following picture. If the tank overflows, the water could destabilize the side of the tank. The Division recommends the overflow is diverted away from the tank and protected against animals with a screen or flapper valve.	D	March 10, 2019	
Oct 2018	<b>Robin Hood Bolted Steel Tank Roof Hatch Seal:</b> The roof access hatch does not have a seal. Please install a seal or gasket to prevent the entry of insects.	D	March 10, 2019	
Oct 2018	<b>Robin Hood Bolted Steel Tank Vent Screen:</b> The center roof vent does not have a fine mesh screen. A corrosion resistant fine mesh screen designed to prevent the entry of insects must be installed.	D	March 10, 2019	
Oct 2018	<b>Robin Hood Bolted Steel Tank Drain:</b> The tank does not have a drain. A drain must be installed during the next major tank rehabilitation or cleaning.	C	During next rehabilitation or cleaning	
Oct 2016, Jan 2018, Oct 2018	<b>Robin Hood Bolted Steel Tank Removal/Replacement:</b> The tank is a system equalization tank that stores about 10,000 gallons of water. The tank was not constructed according to drinking water standards and is poor condition. The Division did not inspect the interior of the tank due to safety concerns and limited access. The tank exterior is corroded, tree branches have fallen on the tank, the tank does not include an adequate access hatch, and debris was observed around the tank. The cylindrical steel tank is installed horizontally on a wood foundation without any supports. The foundation is not adequate and is a safety risk for the water system and surrounding area. Big Basin WC must remove this tank from service no later than <b>March 20, 2019</b> . If a temporary tank will be installed, please submit a plan to the Division by <b>February 20, 2019</b> .	A	Big Basin WC must remove this tank from service no later than <b>March 20, 2019</b> . If a temporary tank will be installed, please present a plan to the Division by <b>February 20, 2019</b> .	
Oct 2018	<b>Hill House Tank Site:</b> Plants have grown around the site and need to be cut back around the tank perimeter.	N/A	May 10, 2019	
Oct 2018	<b>Hill House Tank Cross Connection Verification:</b> The tank is located adjacent to a home with its own well and tank. Big Basin WC must ensure there are no cross connections and the if the home is a customer of Big Basin WC, the home owner has an approved reduce pressure assembly at their meter.	D	Written verification by April 10, 2019	
Oct 2018	<b>China Grade Tank Connection Verification:</b> The tank was installed in 2018 to replace the adjacent leaking redwood tank. Big Basin WC must ensure there are no connections to the previously used redwood tank.	D	Written verification by April 10, 2019	
Oct 2018	<b>China Grade Tank Roof Lid Lock:</b> The roof lid does not have a lock. The lid needs to be retrofitted with a lock.	D	March 10, 2019	
2010, Oct 2018	<b>Rancho Dia Tank Rehabilitation/Replacement Plan:</b> The redwood tank is a significant hazard due to the leaks, redwood condition, debris observed inside the tank, and many openings and breaks in the perimeter vent screen. According to Division records, the tank was constructed in 1958 and is past its useful life. Tank	A	Rehabilitation/ Replacement Plan by <b>May 10, 2019</b>	

Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
	rehabilitation/replacement must be done in accordance with NSF 61, Waterworks Standards, and AWWA standards.			
Oct 2018	<p><b>Rancho Dia Tank Interim Operation Requirements:</b> Due to the poor condition of the tank, Big Basin WC must do the following until the tank is taken out of service:</p> <ul style="list-style-type: none"> <li>Inspect the tank at least monthly using the Division approved tank inspection form (Attachment B). Please send the completed form back to the Division monthly by the 10th.</li> <li>Collect monthly total coliform samples from the tank and direct your lab to send the reports directly to the Division.</li> <li>With each coliform sample, a paired chlorine residual must be taken and reported on the chain of custody.</li> <li>Provide at least a 0.2 mg/L chlorine residual leaving the tank collected at least weekly. The results must be reported to the Division monthly.</li> </ul>	N/A	Immediately	
2010, 2013, 2016, Oct 2018	<p><b>Rancho Dia Tank Vent Screen:</b> The roof vent screen spans the entirety of the top perimeter of the tank. Several section so the vent screen had holes, were detached, and/or brittle.</p> <p>A new corrosion resistant fine mesh vent screen sized to prevent the entry of insects must be installed no later than <b>February 10, 2019</b>. This deficiency has been requested in the previous three sanitary survey reports and remains unaddressed.</p>	A	February 10, 2019	
Oct 2018	<b>Rancho Dia Tank Site:</b> The site around the tank needs to be cleaned and trees need to be cutback to avoid tree overhang.	D	May 10, 2019	
Oct 2018	<b>Rancho Dia Tank Leaks:</b> The redwood tank has several leaks that need to be plugged. The redwood around the inlet flange is rotting and needs to be addressed.	C	March 10, 2019	
Oct 2018	<p><b>Rancho Dia Tank Cleaning:</b> Debris including an old soda can was observed inside the tank on the tank floor. The tank is overdue for a draining and cleaning.</p> <p>Big Basin WC must drain and clean the tank no later than <b>June 10, 2019</b>. Due to the poor structural condition of the tank, Big Basin WC must take the necessary precautions to avoid redwood drying.</p>	B	June 10, 2019	
Oct 2018	<p><b>Oberst Tank Replacement Plan:</b> The Oberst Tank is an aged small steel tank. The interior and exterior coatings are severely corroded. Large rust nodules were observed attached to the interior tank wall. The corrosion presents a sanitary and structural risk. Big Basin WC must provide a plan and schedule for replacement of this tank no later than <b>May 10, 2019</b>.</p> <p>The replacement plan must include NSF 61, AWWA, and Waterworks Standards compliance and a plan to construct a tank foundation and provide proper seismic supports.</p>	A	May 10, 2019	
Oct 2018	<b>Oberst Tank Roof Vent Screen:</b> The side vent has a screen that is not secured. The vent screen must be secured.	D	January 30, 2019	

Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
Oct 2018	<b>Bloom Grade Tank Ownership Status and Fence Removal:</b> The ownership status of the tank is unclear. The tank is located next to two houses. A property owner has constructed a fence around one side of the tank as part of their outdoor enclosure. Big Basin WC must clear the ownership and easement status of the tank and require the homeowner to remove the fence constructed around half of the tank. The Division strongly recommends Big Basin WC then construct their own fence around the tank.	B	Written verification of ownership status by April 10, 2019	
Oct 2018	<b>Bloom Grade Tank Cross Connection Verification:</b> A small polyethylene tank is located adjacent to the tank by the property owner. Big Basin WC must verify there are no connections from the tank or distribution system directly to the tank without appropriate backflow protection.	C	Written verification by April 10, 2019	
Oct 2018	<b>Bloom Grade Tank Drain:</b> The tank does not have a drain. Big Basin WC must install a drain in accordance with Waterworks Standards.	C	September 10, 2019	
Oct 2018	<b>Bloom Grade Tank Sample Tap:</b> In accordance with Waterworks Standards, the tank needs a sample tap on the outlet line. The sample tap must be downturned and non-threaded.	D	May 10, 2019	
Oct 2018	<b>Storage Tank Inspections:</b> Based on the condition of the storage tanks, Big Basin WC is not adequately inspecting storage tanks. Big Basin WC must begin to inspect all tanks at least quarterly and inspect the Rancho Dia Tank monthly. Tank inspections must include a site walk-around, evaluation of all tank appurtenances, valving, sample tap, overflow, roof access hatch, vent screen(s), interior coating, interior water quality, visual inspection of the tank walls and floor, and chlorine residual sampling. Big Basin WC must provide a summary of tank inspections quarterly using the form included in <b>Attachment C</b> of this report.	C	Now	
<b>SURFACE WATER TREATMENT</b>				
Jan 2018, Oct 2018	<b>Jamison WTP Filter Unit Evaluation and Rehabilitation/Replacement:</b> The filtration units are in poor overall condition and must be evaluated by a Westech representative or consulting engineer with experience in surface water treatment to determine necessary upgrades including, but not limited to, media replacement, scour components, clarification media and screening, valve and piping condition, filter vessel coatings, cross connection potential, and overall efficiency.	A	Plan and schedule by April 10, 2019. Work completed by February 10, 2020	
Oct 2016, Jan 2018, Oct 2018	<b>Updated Surface Water Treatment Plant Operations Plan:</b> In accordance with CCR, Title 22, Section 64661, Big Basin WC shall update its surface water treatment plant operations plan. At a minimum, the plan shall include the following elements: <ul style="list-style-type: none"> <li>• A description of the utility's treatment plant performance monitoring program</li> <li>• Unit process equipment maintenance program</li> <li>• Filter media inspection program</li> <li>• Operating personnel, including numbers of staff, certification levels and responsibilities;</li> </ul>	B	Updated Ops Plan by June 10, 2019	



Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
	<ul style="list-style-type: none"> <li>How and when each unit process is operated;</li> <li>Laboratory procedures;</li> <li>Procedures used to determine chemical dose rates including alum dosing and chlorine contact time calculations</li> <li>Records</li> <li>Response to plant and watershed emergencies;</li> <li>Reliability features.</li> <li>Alarm and shutdown setpoints</li> <li>Overview of all monitoring equipment, calibration standards, etc.</li> <li>Inventory of all flow meters</li> <li>Operations plan for the package treatment plant</li> <li>Backflow protection and cross connection control overview</li> <li>Backwash process</li> <li>Filter to waste process</li> <li>NSF 60 and 61 compliance</li> </ul>			
Oct 2018	<b>Jamison WTP Filter Unit Clarification Media Screen:</b> The filter unit nearest the entrance door is a break in the clarification media screen, which has allowed the buoyant clarification media to enter the filter cell. The loss of clarification media will affect treatment plant performance. The screen must be replaced with a new screen, and the lost clarification media must be replaced.	A	March 10, 2019	
Oct 2016, Jan 2018, Oct 2018	<p><b>Chlorine Residual Grab Sampling and Reporting:</b> The water system collects one disinfectant residual grab sample per day at the first service connection. For the system with a population between 1,001 and 2,500, the Title 22, CCR, Section 64656(f) requires that three (3) disinfectant residual grab samples shall be collected each day in lieu of the continuous monitoring, in order to determine compliance with disinfection treatment performance standards.</p> <p>Big Basin must collect three chlorine residual samples per day at roughly evenly spaced intervals and report <u>all results</u> to the Division. The water system shall submit the monthly worksheet for contact time compliance for Giardia Lamblia Cysts by free chlorine every month.</p>	N/A	Now	
Jan 2018, Oct 2018	<b>Online Chlorine Residual Analyzer:</b> The previous deadline of June 10, 2018 to install a chlorine analyzer with alarms and shutdown capabilities has passed. A new continuous chlorine residual analyzer using an approved EPA method using must be installed.	A	Installed by March 10, 2019	
Oct 2018	<b>Jamison WTP Building:</b> The treatment plant building is a wood building in poor overall condition. The plant was overrun with rodents, so the Big Basin WC keeps cats in the treatment plant building. Big Basin WC must repair building deficiencies including eliminating potential entrance points for domestic animals and rodents. Big Basin WC should begin planning to replace the treatment plant building to address the rodent problem.	B	Plan by September 10, 2019	

Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
Jan 2018, Oct 2018	<b>Jamison WTP Cats:</b> Big Basin WC must find an alternative means of controlling rodents that does not include cats in the treatment plant building. The cats present a contamination risk to the water supply. Rat poison should not be applied or stored in the treatment plant building.	B	Plan by February 20, 2019	
Jan 2018, Oct 2018	<b>Jamison WTP Cleaning:</b> The treatment plant building has not been cleaned or maintained. Big Basin WC must implement a preventative maintenance program at the surface water treatment plant that includes cleaning the treatment plant building. The laboratory and chemical storage areas must be thoroughly cleaned. Water quality results obtained from a dirty laboratory are not considered valid. All sampling equipment should be cleaned.	A	February 10, 2019 and continuously thereafter	
Oct 2018	<b>Filter Effluent Line Cross Connection Evaluation:</b> Big Basin WC must evaluate the cross-connection risk present between the filtered water line and the backwash line. If a cross connection is present, appropriate backflow protection must be installed.	D	Evaluation by July 10, 2019	
Oct 2018	<b>Jamison WTP Chemical Storage Tank Water Line:</b> The Chemical Storage Tanks (chlorine and alum) have a treated water line (for dilution) plumbed directly into storage tank. A proper air gap must be provided between the treated water fill line and the chemical tanks.	C	May 10, 2019	
Oct 2018	<p><b>Jamison WTP Chemical Storage Tanks and Storage:</b> Chemical Storage Tanks have large holes in their lids and are corroded. Furthermore, the secondary containment is partially full of ponding liquid, which poses an unknown risk. Big Basin WC needs to install new alum and chlorine storage tanks and store the tanks separately.</p> <p>Chlorine and Alum are of different chemical storage groups and as a safety precaution should not be stored together. One of the chemical storage tanks in the chemical storage building is double contained, but both chemical storage tanks are stored together in the same containment facility and next to each other. The chemicals should be further separated and not stored in the same double containment box.</p> <p>The EPA published a memo on incompatible chemical groups and safety, which is published online at: <a href="https://www.epa.gov/sites/production/files/2016-12/documents/incompatible_chem_storage.pdf">https://www.epa.gov/sites/production/files/2016-12/documents/incompatible_chem_storage.pdf</a></p>	B	May 10, 2019	
	<p><b>Jamison WTP Turbidimeter:</b> Parts of the existing turbidimeter were replaced with parts from another turbidimeter. Due to the overall condition and age of the turbidimeter, Big Basin WC must budget to replace the turbidimeter with a new EPA method certified turbidimeter no later than November 10, 2019.</p> <p>A manufacturer representative must evaluate the current turbidimeter for accuracy. Big Basin WC must continue to perform calibrations according to the manufacturer's recommendations. Until a manufacturer representative has</p>	B	New turbidimeter installed by November 10, 2019	

Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
	evaluated the turbidimeter, Big Basin WC must have its laboratory analyze filtered water turbidity samples at least once every two weeks and report the result to the Division along with the turbidimeter turbidity reading.			
Oct 2018	<b>Settled Water Turbidity:</b> Big Basin WC must begin collecting daily settled water turbidity (grab sample from the clarifier) measurements and reporting the results to the Division within the monthly surface water treatment plant report. Big Basin WC should target a settled water turbidity of no more than 2.0 NTU.	N/A	Now	
Oct 2018	<b>Backwash Tank Cross Connection(s):</b> Original drawings show the 15,000 gallon backwash water storage tank had a direct cross connection between the tank and the Jamison Reservoir. Big Basin WC must verify there are no cross connections between the tank and the reservoir or any other non-potable source.	C	April 10, 2019	
Oct 2018	<b>pH Monitoring:</b> Big Basin WC must use an EPA approved method for pH monitoring as part of daily pH monitoring.	C	April 10, 2019	
Oct 2018	<b>Daily pH and Temperature Monitoring:</b> Big Basin WC has assumed a max pH of 8.0 and minimum temperature of 10 to 12 Celsius for monthly reporting, which has not been verified in years.  Big Basin WC must begin to report the daily pH and temperature value from the water leaving the treated water contact time. After one year of daily pH and temperature monitoring, Big Basin WC can request to use worst case assumptions.	C	Immediately	
Oct 2018	<b>Distribution System Chlorine Residual:</b> As a surface water system, a detectable residual must be measured in at least 95 percent of the distribution system samples or sample results showing the presence of heterotrophic plate count (HPC) at concentrations less than or equal to 500 colony forming units per milliliter must be provided. Big Basin WC has not always achieved a 0.2 mg/L free chlorine residual. Due to the wide array of field sampling errors, Big Basin WC should target a distribution system free chlorine residual of 0.2 mg/L as a detectable residual.  Failure to provide a detectable chlorine residual or provide HPC sample results showing alternative compliance, the Division will issue an enforcement action.	A	Immediately	
Oct 2018	<b>October 9, 2018 Chlorine Residual:</b> The Division did not receive a chlorine residual for the October 9, 2018 distribution system bacteriological sample (Unit 2 Common), which is required by regulation. Please send the Division the chlorine residual measurement with the response to the sanitary survey report.	N/A	February 15, 2019	
Oct 2018	<b>Clarifier and Filter Loading Rates:</b> Please begin reporting clarifier and filter loading rates (in gpm/ft <sup>2</sup> ) for each filter unit. Big Basin WC must demonstrate compliance with the maximum clarifier loading rate of 10 gpm/ft <sup>2</sup> and the maximum filter loading rate of 5 gpm/ ft <sup>2</sup> .	N/A	With February 2019 monthly surface water treatment plant report	

Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
<b>CROSS CONNECTION CONTROL PROGRAM</b>				
Jan 2018, Oct 2018	<b>Cross Connection Control Operating Rules:</b> Big Basin WC must provide a copy of its current cross connection control operating rules. If a cross connection control program operating rules do not exist, create a cross connection control program operating rules and present the document to the California Public Utilities Commission for review and approval. At a minimum, the cross-connection control operating rules must include incorporating Title 17 of the California Code of Regulations.	A	CPUC approved Operating Rules by June 10, 2019	
Jan 2018, Oct 2018	<b>Cross Connection Control Survey:</b> Big Basin WC must conduct a systemwide cross connection control survey that includes surveying all non-residential connections, customers with known private wells, and residential connections in the country club area or any other area where non-potable water is used for irrigation. The survey should also include evaluating cross connections along Big Basin WC's raw water transmission lines and surface water treatment plant. A written summary of the survey including a list of connections requiring backflow prevention must be sent to the Division no later than October 10, 2019.  If the wastewater treatment plants include a connection to the Big Basin WC, a RP or air gap must be installed.  The remainder of system connections must be surveyed no later than June 20, 2020.	A	Survey summary by October 10, 2019	
Jan 2018, Oct 2018	<b>Backflow Prevention Assembly Inventory:</b> Identify all backflow prevention assemblies in the system and provide a list to the Division. The list must include the address, type of backflow prevention (name, make, model). The list must be sent to the Division no later than <b>February 10, 2019</b> .	A	Send inventory by June 10, 2019	
<b>OTHER</b>				
Oct 2018	<b>2017 Consumer Confidence Report Certification:</b> The Division never received a copy of Big Basin WC's 2017 CCR and CCR certification. Please send the Division a copy of the 2017 CCR and proof of distribution certification.	C	February 15, 2019	
Oct 2018	<b>Watershed Sanitary Survey:</b> Big Basin WC must conduct a watershed sanitary survey in accordance with California Code of Regulations, Title 22, Section 64665 and provide a report to the Division by December 31, 2019.  The survey and report must include the following items: a physical and hydrogeological description of the watershed, a summary of source water quality monitoring data, a description of activities and sources of contamination, a description of any significant changes that have occurred since the last survey which could affect the quality of the source water, a description of watershed control and management practices, an evaluation of the system's ability to meet requirements of this chapter, and recommendations for corrective actions.	C	December 31, 2019	



Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
Oct 2018	<b>Source Capacity:</b> Big Basin WC is unable to meet source capacity requirements according to the method outlined in California Code of Regulations, Title 22, Section 64554. Big Basin WC must begin exploring options for increasing source capacity.	B	Progress report by December 31, 2019	
Oct 2018	<b>Records:</b> Big Basin WC must begin storing records for all preventative maintenance programs including system flushing, valve exercising, and full tank inspections.	D	Now	
<b>SOURCE MONITORING</b>				
January 2019	<b>Overdue 2018 Source Monitoring:</b> Big Basin MWC must EDT the following overdue 2018 source monitoring to the Division by <b>January 31, 2019</b> : <ul style="list-style-type: none"> <li>Secondary MCLs and Inorganic Chemicals for Corvin Creek, Jamison Springs, and Well 05</li> <li>Nitrate for Corvin Creek, Jamison Springs, Well 05, and Well 04</li> </ul>	C	EDT by January 31, 2019	

## 2018 SANITARY SURVEY – LIST OF RECOMMENDATIONS

Description of Recommendation	Recommended Date to Address Recommendation
<p><b>Photos</b> – Please provide the Division with the following photos to complete the sanitary survey evaluation:</p> <ul style="list-style-type: none"> <li>Well 05 and transmission line</li> <li>Tank roof features including roof vents, roof vent screens, locked and closed access hatch, open access hatch, interior water quality, interior coating, and roof exterior paint for the following tanks: <ul style="list-style-type: none"> <li>China Grade</li> <li>Bloom Grade</li> <li>Hill House</li> </ul> </li> </ul>	February 20, 2018 (not a recommendation)
<p><b>Robin Hood Tank Foundation:</b> The cement foundation is in poor condition. A section of the dirt under the foundation washed away. The Division recommends a registered civil engineer with experience in tank foundations evaluate the current condition of the foundation and identify necessary improvements.</p>	As budget allows
<p><b>Hill House Tank Foundation:</b> The polyethylene tank does not have a foundation. As the budget allows, a more permanent foundation with seismic restraints should be installed.</p>	As budget allows
<p><b>Hill House Tank Fence:</b> The tank site is not fenced. The Division recommends the site is fenced.</p>	As budget allows
<p><b>China Grade Tank Fence:</b> The tank site is not fenced. The Division recommends the site is fenced.</p>	As budget allows
<p><b>Bloom Grade Tank Fence:</b> The tank site is not fenced. The Division recommends the site is fenced.</p>	As budget allows
<p><b>Jamison WTP IFE Turbidimeter:</b> The Division recommends Big Basin WC install a new turbidimeter on each individual filter effluent (IFE) line.</p>	As budget allows
<p><b>Jamison WTP Backup Turbidimeter:</b> The Division recommends Big Basin WC have a backup turbidimeter.</p>	As budget allows
<p><b>Jamison WTP Generator:</b> The Division recommends Big Basin WC have an onsite generator at the treatment plant.</p>	As budget allows
<p><b>Jamison WTP Site Security:</b> The treatment plant location does not include a gate or fence. The Division recommends a gate is installed at the front of the plant and recommends the site is fenced.</p>	As budget allows
<p><b>Inactive Sources:</b> Big Basin WC has two inactive well sources listed in the Division's database, Galleon Well 1 and Well 02. The Division recommends Big Basin WC schedule to destroy these inactive groundwater sources</p>	As budget allows
<p><b>Isolation Valves:</b> According to Big Basin WC, there are some stretches of mainline without an isolation valve for miles. The Division recommends Big Basin WC review all records and install isolation valves in accordance with current Waterworks Standards, which are included in Title 22 of the California Code of Regulations.</p>	As budget allows
<p><b>Operator Staffing:</b> According to Big Basin WC, the water system is not adequately staffed. The Division recommends Big Basin WC add additional certified operators to ensure coverage at the treatment plant and to complete preventative maintenance (valve exercise, dead end flushing), etc. The Division recommends Big Basin WC add an additional T3 operator to ensure there is always a certified chief operator nearby.</p>	As budget allows
<p><b>Emergency Response Plan:</b> The Division recommends Big Basin WC create an updated Emergency Response Plan. Templates and references are available online at:</p>	2019

Description of Recommendation	Recommended Date to Address Recommendation
<a href="https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/Security.html">https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/Security.html</a>	
<b>Cross Connection Specialist:</b> The Division strongly recommends Big Basin WC contract with a certified cross connection control specialist to complete the cross-connection survey and to assist with creating the cross connection control program.	Now

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**Surface Water Treatment Plant Evaluation**

**STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER  
2018 SURFACE WATER TREATMENT PLANT EVALUATION  
ATTACHMENT B**

Purveyor/System No: **Big Basin Water Company**

Name of Water Treatment Plant: **Jamison Surface Water Treatment Plant (SWTP)**

Inspection Date: **October 17, 2018**

Treatment Plant Classification: **T2**

Chief Operator(s): **Jim Moore**

Hours of Operation: **As needed, 365 days a year. Big Basin WC must have an operator on site each day of operation due to chlorine grab sampling requirements and lack of reliability features.**

*Requirement: Operation without frequent interruptions (Title 22 CCR, Section 64658(b)(13))*

Sources of Information:

- 1) Files, discussion, and monthly reporting
- 2) State Water Resources Control Board - Electronic Water Rights Information Management System  
[http://ciwqs.waterboards.ca.gov/ciwqs/ewrims/EWServlet?Redirect\\_Page=EWWaterRightPublicSearch.jsp&Purpose=getEWAppSearchPage](http://ciwqs.waterboards.ca.gov/ciwqs/ewrims/EWServlet?Redirect_Page=EWWaterRightPublicSearch.jsp&Purpose=getEWAppSearchPage)
- 3) State Water Resources Control Board, June 2018, *California Surface Water Treatment Rule Alternative Filtration Technology Summary*  
[https://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/documents/dwdocuments/2018/aft\\_contact\\_sum\\_tables.pdf](https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/documents/dwdocuments/2018/aft_contact_sum_tables.pdf)

**A. SOURCE OF SUPPLY**

<b>Table 1: Raw Water Evaluation</b>	
Raw water Sources:	Corvin Creek (4410001-001). Roughly 50 gpm. Jamison Springs - Two intakes (4410001-009). Roughly 30 gpm combined flow. Well 05 Horizontal Well (4410001-010). Roughly 13-35 gpm.
Raw Water Transmission Line(s):	Corvin Creek: 1940s era steel pipe. The transmission lines from the surface intakes and Well 05 are reportedly above ground PVC to the Jamison WTP, but the Division has not inspected the full length of the transmission lines.
Range of recent treatment plant flow?	<75 gpm to 100 gpm
Date of last watershed sanitary survey:	2006
<u>Does the watershed sanitary survey report adequately address the following:</u>	
Physical and hydrogeological description of the watershed	Yes
A summary of source water quality monitoring data	Yes
A description of activities and sources of contamination	Yes
A description of any significant changes that have occurred since the last survey which could affect the quality of the source water	Yes
A description of watershed control and management practices:	Yes
An evaluation of the system's ability to meet surface water treatment regulations:	Yes
Recommendations for corrective actions: None. The watershed is owned by Big Basin WC and most vulnerable to contamination from nearby septic tank leach fields, although there are none directly on the watershed.	
Water Rights: Yes, Big Basin WC has appropriative rights licensed by the State Water Resources	

**Table 1: Raw Water Evaluation**

<b>Control Board Division of Water Rights. Big Basin WC is allowed 0.37 cfs (166 gpm) of direct diversion. Big Basin WC is allowed 4.6 AFY of storage for a total of 231 AFY of beneficial use of the four streams tributary to Jamison Creek.</b>	
Raw bacteriological monitoring frequency: <i>Surface water treatment plant raw water supply is to be monitored for total coliform and either fecal coliform or E.coli bacteria using density analysis no less than once per month. (CCR 64654.8 (b)(1)).</i>	Big Basin WC is required to collect raw surface water total coliform and E. coli sampling at least monthly and report the results to the Division by the 10 <sup>th</sup> day of the following month.  Sample results are summarized in Table 2.
Cryptosporidium monitoring for Long Term Enhanced Surface Water Treatment Rule (LT2):	Big Basin WC completed the second round of LT2 monitoring and is classified as a Bin 1 water system, which means no additional filtration credit is required based on E. coli results.
Discussion and Appraisal: Big Basin WC must complete a watershed sanitary survey and provide a summary to the Division by December 31, 2019. The watershed sanitary survey must then be updated every five years and sent to the Division.  Big Basin WC has stated that it has used Jamison Reservoir as a raw a water source a few times over the past 10 years. Big Basin WC is not permitted to use the Jamison Reservoir, a 3 MG artificial reservoir primarily fed by overflow from surface water sources, as a surface water source. The reservoir is not a permitted raw surface water source and cannot be used as a surface water source, without approval by the Division through issuance of a water system permit amendment.	

**Table 2: Raw Water Bacteriological Summary – Individual Sources**  
(Reported as Average Monthly Value in MPN/100 mL)

Month	Well 5		Jamison Springs		Corvin Creek	
	Total Coliform	E. Coli	Total Coliform	E. Coli	Total Coliform	E. Coli
Oct-18	4.1	<1.0	131.4	6.3	63.8	9.8
Sep-18	0.5	<1.0	129.6	50.3	196	86.6
Aug-18	49.2	<1.0	436.5	7.5	308	23.2
Jul-18	<1.0	<1.0	363.2	3.5	384	7.5
Jun-18	<1.0	<1.0	130.4	4.9	87	7.1
May-18	<1.0	<1.0	43	1	29	3.1
Apr-18	<1.0	<1.0	133	2.6	26.9	1
Mar-18	<1.0	<1.0	185.6	18.5	64.3	11
Feb-18	<1.0	<1.0	99	40	66	4.1
Jan-18	0.7	<1.0	69.5	0	70.3	13.4
Dec-17	<1.0	<1.0	111.2	3.1	42	6.9
Nov-17	1.5	<1.0	783.9	39.6	959.4	188.2

## B. TREATMENT TECHNOLOGY

**Table 3: Treatment Plant Characteristics**

Type of Treatment:	Trident Microfloc upflow contact clarification /filtration system. First stage – upflow clarification. Second stage: mixed media filtration with anthracite coal, silica sand, and high density sand.
Approved Technology?	Yes, the Trident Microfloc contact clarification filtration system is listed in the Division's approved alternative technologies listing.
Year Constructed:	1993

<b>Table 3: Treatment Plant Characteristics</b>	
Filtration Removal Credit: <i>Requirement: 3.0 log Giardia and 4.0 log Virus removal through both filtration and disinfection.</i>	2.5 log Giardia, 2.0 log Virus, and 2.0 log cryptosporidium removal with a maximum clarifier loading rate of 10 gpm/ft <sup>2</sup> and maximum filter loading rate of 5 gpm/ ft <sup>2</sup> , Big Basin WC must comply with these loading rates by measuring flow from each filter unit and calculating loading rates. Big Basin WC must notify the Division if the clarifier and/or filter loading rate is exceeded.
Pre-filtration	None
Number of filtration units <i>(Multiple filter units are required. (Section 64659(a)(4))</i>	2
How is filtration rate controlled?	Automatic
Filtration rate at maximum flow	75 gpm for each unit
Is there filter-to-waste capability? <i>Required for new treatment plants by Section 64658(b)(8)</i>	Yes
Is the filter backwash water recycled?	No – all backwash water is sent to a backwash pond and not recycled.
<b>Treatment Plant Chemicals</b>	
Disinfectant?	HASA Chlor, an NSF 60 certified 12.5% sodium hypochlorite. The chlorine is diluted with system water at different dilutions depending on the season. The operations plan must include a description of the dilution ratio.
Supply of disinfectant on hand?	30 gallons, which lasts about two weeks.
Emergency plan of action for disinfection failure:	2006
Coagulant:	Dry Aluminum Sulfate, Chemtrade Solutions. NSF 60 certified. Aluminum Sulfate NSF 60 Certification Notes: Max dose = 400 mg/L. The aluminum level in the finished drinking water must not exceed 2 mg/L.
Coagulant Dosage Calculations:	According to Big Basin WC's Jamison WTP operations plan, dated 1993, the alum dose is calculated at 4 mg/L. The operations plan states that the dose is adjusted based on the turbidimeter, however, the treatment plant turbidimeter is no longer connected to the dosing pump, so the operations plan needs to be updated. Big Basin WC needs to begin performing jar testing to determine optimal coagulant dosages.
<p>Chemical Storage Evaluation: Chemical Storage Tanks have large holes in their lids and are corroded. Furthermore, the secondary containment is partially full of ponding liquid, which poses an unknown risk. Big Basin WC needs to install new alum and chlorine storage tanks.</p> <p>Chlorine and Alum are of different chemical storage groups and as a safety precaution should not be stored together. One of the chemical storage tanks in the chemical storage building is double contained, but both chemical storage tanks are stored together in the same containment facility and next to each other. The chemicals should be further separated and not stored in the same double containment box. The EPA published a memo on incompatible chemical groups and safety, which is published online at:  <a href="https://www.epa.gov/sites/production/files/2016-12/documents/incompatible_chem_storage.pdf">https://www.epa.gov/sites/production/files/2016-12/documents/incompatible_chem_storage.pdf</a>  The Chemical Storage Tanks (chlorine and alum) have a treated water line (for dilution) plumbed directly into storage tank. A proper air gap must be provided between the treated water fill line and the chemical tanks.</p>	



## C. PERFORMANCE STANDARDS

<b>Table 4: Filtration and Disinfection Performance</b>	
Filter effluent turbidity requirements:	
<ol style="list-style-type: none"> <li>1. The filtered water turbidity must be equal to or less than 0.2 NTU in 95% of measurements taken each month.</li> <li>2. The filtered water turbidity must never exceed 2.0 NTU at any time.</li> <li>3. If using turbidity grab sampling, the filtered water must not exceed 1.0 NTU in more than two samples taken consecutively while the plant is in operation.</li> <li>4. When any individual filter is placed back in service the filtered water turbidity of the effluent from that filter must not exceed: 5.0 NTU, 1.0 NTU in at least 90% of the interruption events during any consecutive 12-month period, and 0.2 NTU after the filter has been in operation for four hours.</li> </ol>	
Maximum combined filter effluent turbidity level during the past 12 months	0.18 (December 2017 and November 2018)
Number of times turbidity exceeded 0.1 NTU in combined filter effluent for more than four hours during the past 12 months	December 2017, January, March, April July, October, and November 2018
Maximum individual filter effluent turbidity level during the past 12 months	Individual filter effluent turbidity is not measured.
Maximum turbidities when placing filters on line after backwash or other interruption	Unknown
Minimum residual in the water delivered to the distribution system during the past 12 months ( <i>The effluent residual cannot be less than 0.2 mg/l for more than four hours in any 24 hour period (Section 64654(b)(1))</i> )	0.4 mg/L (March 2018)
Discussion and Appraisal: Big Basin WC must begin collecting daily settled water turbidity (grab sample from the clarifier) measurements and reporting the results to the Division within the monthly surface water treatment plant report. Big Basin WC should target a settled water turbidity of no more than 2.0 NTU.	

The table below summarizes the past 12 months of filtration effectiveness:

<b>Table 5: Raw and Treated Water Turbidity Summary</b>			
Month	Monthly Average Peak Raw Water Turbidity (NTU)	95 <sup>th</sup> Percentile Treated Water Turbidity (NTU)	Average Turbidity Reduction
Nov-18	0.8	0.106	91.4 %
Oct-18	0.7	0.1	88.1 %
Sep-18	0.6	0.08	87.9 %
Aug-18	0.5	0.08	87.5 %
Jul-18	0.5	0.06	90.8 %
Jun-18	0.5	0.04	91.9 %
May-18	0.5	0.06	89.8 %
Apr-18	0.5	0.06	91 %
Mar-18	0.6	0.11	87.6 %
Feb-18	0.5	0.06	91 %
Jan-18	0.5	0.055	89 %
Dec-17	0.5	0.08	88.6 %

Requirement: The percent reduction of monthly average raw water turbidities must be greater than 80% OR jar tests or pilot testing may be used to show that optimum removal is being achieved (Section 64660(b)(9)) OR the monthly average effluent turbidity must be less than 0.1 NTU (Requirement for low turbidity raw water)



## D. DESIGN AND OPERATIONS STANDARDS

<b>Table 6: Operations and Maintenance</b>	
Describe filter maintenance:	Media is inspected daily by operators.
Describe media change out:	According to Big Basin WC, the media was replaced about 10 years ago, but the Division does not have media replacement records.
Describe backwash cycle:	Backwash is initiated by pressure loss. Each filter unit typically backwashes between daily and every three to four days.
Backwash Water:	<p>A 15,000 gallon steel storage tank stores system water for backwashing the filter units.</p> <p>Original drawings show this tank was the contact time tank and show a direct cross connection between the tank and the Jamison Reservoir. Big Basin WC must verify this cross connection does not exist.</p>
Recycled Backwash:	No, all backwash water is sent to an adjacent sediment pond
Filter Cleaning Procedure:	Filters have not been cleaned for at least 10 years.
Disinfection By Product Precursor Removal:	No dedicated treatment, but overall values of TTHMs and HAA5s are below their respective MCLs in the distribution system.
Discussion and Appraisal: The clarification media was observed in the filter bed, indicating a damaged media retention screen. Big Basin WC must replace or repair the screen and add replacement clarification media. Both filter units need to be taken offline for a full evaluation of the clarification media, filter media, filter bed and coating condition, and evaluation of valves and piping. The filter units need a complete rehabilitation or replacement.	

## E. RELIABILITY AND MONITORING

<b>Table 7: Summary of Treatment Plant Equipment</b>	
Turbidity Monitoring Equipment	A single HACH 1720E is used for turbidity compliance on the combined filter effluent line. The turbidimeter as installed in 2006. The viewer, a HACH sc100, was swapped with one from Forest Springs IMA in November 2018.
Chlorine Residual Monitoring	<p>Big Basin WC is required to collect at least three daily chlorine residual grab samples at the treated water line sample tap, which is located about 460' downstream of the contact time tank outside of the chemical injection shed. Big Basin WC uses a handheld HACH Pocket Colorimeter using free chlorine DPD packets for chlorine residual monitoring. Until a chlorine analyzer is purchased and installed, Big Basin WC must continue to collect three chlorine residual grab samples every day. Big Basin WC must also properly maintain and verify its colorimeter and ensure all DPD packets are not expired.</p> <p>Big Basin WC is required to purchase and install a chlorine residual analyzer due to past violations of grab sampling requirements. The Division requested an approved chlorine residual analyzer to be installed by April 30, 2018, but Big Basin WC has not purchased and installed an analyzer to date.</p>
Temperature and pH Monitoring:	<p>Temperature is monitored using an analog thermometer in a bucket of treated water. pH is monitoring using pH test strips. Big Basin WC must use a pH probe or other EPA approved pH testing method.</p> <p>Big Basin WC has assumed a max pH of 8.0 and minimum temperature of 10 to 12 Celsius for monthly reporting, which has not been verified on a regular basis as worst case conditions.</p>

**Table 7: Summary of Treatment Plant Equipment**

	<b>Big Basin WC must begin to report a daily pH and temperature value from the water leaving the treated water contact time. After one year of daily pH and temperature monitoring, Big Basin WC can request to use worst case assumptions.</b>
Flow Measurement:	<b>The Division does not have a list of flow meters at the Jamison WTP.</b>
Standby equipment available?	<b>Big Basin WC has an extra diaphragm pumps available for chemical injection capabilities. Big Basin WC should have an extra turbidimeter available.</b> <i>Required by Section 64659(a)(2) Standby replacement equipment available to assure continuous operation and control of unit processes for coagulation, filtration and disinfection</i>
Standby Power:	<b>None. The Division recommends Big Basin WC have an onsite generator at the treatment plant.</b>
Site Security:	<b>The treatment plant is located inside a locked wood building. The chemical storage and dosing room is located inside a locked building at the entrance to the treatment plant property. The treatment plant location does not include a gate or fence. The Division recommends a gate is installed at the front of the plant and recommends the site is fenced.</b>  <b>Several cats are in the treatment building to control rodents. Big Basin WC must find an alternative means of controlling rodents that does not include cats in the treatment plant building. The cats present a contamination risk to the water supply. Rat poison also cannot not be applied or stored in the treatment plant building.</b>
Discussion and Appraisal: <b>Big Basin WC needs to provide an inventory of all raw and treated water flow meters. The Division recommends Big Basin WC install an additional turbidimeter so there are turbidimeters on each filter unit. A backup turbidimeter should be available. Big Basin WC is overdue in purchasing and installing a chlorine residual analyzer. Big Basin WC must begin sending the Division all three daily chlorine residual results including the date and time taken with the monthly surface water treatment plant report.</b>	

**Table 8: Monitoring Equipment Characteristics**

Parameter	Location	Continuous Monitoring	Recording	Alarm/Shutdown	Comments
Flow	Influent	No	No	No	
	Individual Filter Effluent	No	No	No	
	Combined Filter Effluent	No	No	No	
Turbidity	Raw	No	Grab	No	
	Individual Filter Effluent	No	No	No	
	Combined Filter Effluent	Yes	Chart Recorder	Unknown	
Chlorine Residual	Leaving Filters	No	Grab	No	
	Leaving Clearwell	No	Grab	No	
Temperature	Leaving Clearwell	No			
pH	Leaving Clearwell	No			
Discussion and Appraisal: <b>Big Basin WC must provide a list of current turbidimeter alarms/shutdowns. Big Basin WC does not have online capabilities or real time alarms/shutdowns, so the plant must always be staffed by a certified operator. If a chlorine failure occurs in during the night, the failure will not be caught until the morning. Therefore, Big Basin WC should not operate the plant without an operator onsite.</b>					

## F. OPERATIONS AND RECORDS

<b>Table 9: Operations</b>	
Number and level of certified operators:	Two, Jim Moore is the chief operator with a T3 certification and Damian Moore is the shift operator with a T2 certification.
Date of Operations Plan:	November 1993 and revised in March 2006, but not approved.
Has the plan been approved by the Division?	Revised 2006 Operations Plan has not been approved by the Division.
Describe any changes needed to the plan	The operations plan needs to be updated to address various changes in the water system and treatment plant since 1993 including monitoring equipment, grab sampling, alarms, alum and chlorine dosing, etc.
Describe the treatment records maintained:	Big Basin WC stores treatment plant records.
Does the water system consistently send monthly treatment plant reports	Yes
Does the monthly treatment report include all required information?	Yes
Discussion and Appraisal:	Big Basin WC must update its operations plan.

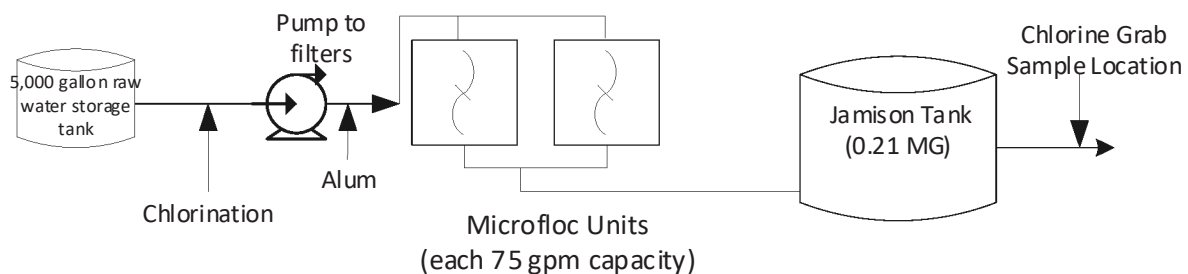
## G. CONTACT TIME EVALUATION

Source of Information: The CT Tables used are found in Appendix E in the *EPA Guidance Manual for Compliance with the Filtration and Disinfection Requirements for Public Water Systems Using Surface Water Sources*, 1990.

<b>Table 10: Required Log Removal for Alternative Technology – Trident Microfloc*</b>			
	Giardia	Virus	Cryptosporidium
Required Total Log Reduction	3.0	4.0	2.0
Reduction Log Credit for Trident Microfloc*	2.5	2.0	2.0
Required Log Reduction with Disinfection	<b>0.5</b>	<b>2.0</b>	<b>0.0</b>

\* As determined by Division evaluation and listed in alternative technology listing at <http://www.SWRCB-DDW.ca.gov/certlic/drinkingwater/Pages/Publications.aspx>

### TREATMENT PLANT FLOWPATH



<b>Table 11: Calculations</b>	
<b>Jamison Tank</b>	
The Jamison Tank is located at the Jamison WTP and provides chlorine contact time. The tank has a capacity of 210,000 gallons.	
Height of Walls	24'
Diameter of Clearwell	38.6'
Minimum Water Level	Use 11' based on past surface water treatment plant reports. Big Basin WC must provide its low tank level alarm.
Minimum volume of clearwell	Assume
T <sub>10</sub> /T (baffling factor)	0.1 (default baffling factor)
Available Volume	9628.5 gal
<b>Pipe between chlorine injection and treatment</b>	
Length	400 feet
Diameter	4"
T <sub>10</sub> /T (baffling factor)	1.0 (default baffling factor for pipes)
Volume	261 gal
<b>Pipe between Jamison Tank and Chlorine grab sample location</b>	
Length	400 feet
Diameter	6"
T <sub>10</sub> /T (baffling factor)	1.0 (default baffling factor for pipes)
Volume	587 feet
Total Pipeline Volume	261 + 587 = 848 gal
<b>Contact Time Calculation</b>	
Total Volume:	848 gal (pipelines) + 9628.5 gal (tank) = 10476.5 gal
Peak Flow Rate:	300 gpm (capacity of Galleon boosters, which draw water from the Jamison WTP)
Residence Time:	10476.5 gal / 300 gpm = 34.92 min
Contact Time Achieved	34.92 min * 1.0 (typical chlorine residual) = 34.92 min-mg/L
<b>Required Log Removal</b>	
pH (highest)	8 (not verified)
Water Temperature (lowest)	10 deg C (not verified)
Cl <sub>2</sub> Residual (lowest)	0.4 mg/L (based on past 12 months of reporting)
<b>Required Contact Time (CT<sub>Required</sub>) at Worst Case Operating Conditions</b> Required CT for <b>0.5 log</b> reduction of <i>Giardia</i> and <b>2.0 log</b> reduction of virus	
CT <sub>Required</sub> (Giardia)	27 min-mg/L
CT <sub>Required</sub> (Virus)	3.0 min-mg/L
<b>Disinfection Contact Time Evaluation:</b> At the 12 month chlorine residual low of 0.4 mg/L, CT cannot be met. Big Basin WC must keep at least a 1.0 free chlorine residual measured at the current sample location. Big Basin WC must update the temperature and pH value with results obtained at the chlorine residual grab sample location. The currently reported temperature and pH values are worst case assumptions but have not been verified in years. Big Basin WC must use an EPA approved method for monitoring pH.	

Note: The worst case scenario for purposes of this evaluation is a situation where plant conditions that are unfavorable (low temperature, high pH, low chlorine residual) for inactivation are used.

## **H. OVERALL PLANT APPRAISAL**

The treatment plant is in poor overall condition. Big Basin WC must address the deficiencies outlined in the sanitary survey and summarized in the deficiency list. The breakthrough of clarification media and filtration media are concerns that must be addressed. The filter evaluation conducted by the Division in 2004 resulted in concerns about media loss and media mixing, underdrain plugging, air scouring, and backwashing issues. A treatment plant evaluation must be conducted by a Westech representative or other equally knowledgeable professional engineer with experience in surface water treatment.

Due to the reliability limitations and lack of a chlorine analyzer, Big Basin WC is required to visit the treatment plant every day of operation.

Big Basin WC shuts down the plant during storms or other raw water turbidity spikes, so the plant's ability to treat higher turbidity water is questionable.

Big Basin WC must begin sampling pH and temperature daily and reporting the results to the Division within the monthly reports. Big Basin WC must report all chlorine residual grab samples reported for compliance with disinfection requirements within the monthly treatment plant report. Big Basin WC needs to purchase and install an online chlorine residual analyzer.

Big Basin WC must address site security and site cleanliness issues. The rodent problem must be mitigated without the use of poison or onsite cats.

Big Basin WC must send the Division an updated operations plan and updated Watershed Sanitary Survey.

**Tank Inspection Form**

Tank Inspection Forms Emailed on January  
10, 2019

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**Treatment and Distribution Classification Worksheets**

# TREATMENT PLANT AND OPERATOR CLASSIFICATION

System Name: Big Basin WC  
 System No.: 4410001  
 Reviewing Engineer: Jonathan Weininger  
 Date: 12/27/2017  
 Facility Name: Jamison WTP

Section 64413.1. Water Treatment Facilities Classification

Table 64413.1-A

Total Points	Class
Less than 20	T1
20 through 39	T2
40 through 59	T3
60 through 79	T4
80 or more	T5

Total Points: **36**  
 Treatment Facility Class: **T2**  
 Minimum Chief Operator Grade: **T2**  
 Minimum Shift Operator Grade: **T1**

<b>1) Type of source water used by the facility</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
Groundwater and/or purchased treated water meeting primary and secondary drinking water standards, as defined in section 116275 of the Health and Safety Code	2	0	0
Water that includes any surface water or groundwater under the direct influence of surface water	5	1	5
<b>2) Median Coliform Density Most Probable Number Index (MPN)</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
less than 1 per 100 mL	0	0	0
1 through 100 per 100 mL	2	0	0
greater than 100 through 1,000 per 100 mL	4	1	4
greater than 1,000 through 10,000 per 100 mL	6	0	0
greater than 10,000 per 100 mL	8	0	0
<b>3) Maximum Influent Turbidity Level Nephelometric Turbidity Units (NTU)</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
Less than 15	0	1	0
15 through 100	2	0	0
Greater than 100	5	0	0
<b>4) Nitrate, Nitrite, and Perchlorate Data Average</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
Less than or equal to the maximum contaminant level (MCL), as	0	0	0
Greater than the MCL	5	0	0
<b>5) Contaminant Data Average</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
Less than or equal to the MCL	0	0	0
for each contaminant greater than the MCL	2	0	0
for each contaminant 5 times the MCL or greater	5	0	0
<b>6) Surface Water Filtration Treatment</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
Conventional, direct, or inline	15	1	15
Diatomaceous earth	12	0	0
Slow sand, membrane, cartridge, or bag filter	8	0	0
Backwash recycled as part of process	5	0	0
<b>7) Other Treatment Process for Primary MCL Reduction</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
each treatment process utilized not included in No. 6 used to reduce the concentration of one or more contaminants with a primary MCL (including blending)	10	0	0
<b>8) Other Treatment Process for Secondary MCL Reduction</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
each treatment process utilized not included in No. 6 or No. 7 used to reduce the concentration of one or more contaminants with a secondary MCL (including blending)	3	0	0



## TREATMENT PLANT AND OPERATOR CLASSIFICATION

<b>9) Corrosion Control or Fluoridation</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
each treatment process utilized not included in No. 6, No. 7, or No. 8 used for corrosion control or fluoridation	3	0	0
<b>10) Disinfection Treatment Process with Inactivation Credit</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
Ozone	10	0	0
Chlorine and/or chloramine	10	1	10
Chlorine dioxide	10	0	0
Ultra violet (UV)	7	0	0
<b>11) Disinfection/Oxidation Treatment Process without Inactivation Credit</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
		0	0
Ozone	5	0	0
Chlorine and/or chloramine	5	0	0
Chlorine dioxide	5	0	0
Ultra violet (UV)	3	0	0
Other oxidants	5	0	0
<b>12) any other treatment process that alters the physical or chemical characteristics of drinking water not included in Nos. 6, 7, 8, 9, 10, or 11</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
	3	0	0
<b>13) Facility Flow</b>	<b>Points</b>	<b>Value</b>	<b>Calculation</b>
2 per MGD or fraction of maximum permitted treatment facility capacity, maximum of 50 points	2	1	2
<b>TOTAL POINTS</b>			<b>36</b>
<b>TREATMENT FACILITY CLASSIFICATION</b>			<b>T2</b>

## DISTRIBUTION CLASSIFICATION

**System Name:** Big Basin Water Company  
**System No:** 4410001  
**Reviewing Engineer:** Jonathan Weininger  
**Inspection Date:** September 2018

Section 64413.3. Distribution System Classification  
 Table 64413.3-A

Population	Class
1,000 or less	D1
1,001 through 10,000	D2
10,001 through 50,000	D3
50,001 through 5 million	D4
Greater than 5 million	D5

**Population:** 1,680  
**Distribution Class**  
 (based on population only): D2

**System Characteristics Total:** 25  
**Final Distribution Class:** D3

**Chief Operator Class:** D3  
**Shift Operator Grade:** D2

System Characteristics	Point Value	Calculation
(1) Pressure Zones = 1 to 3	0	0
Pressure Zones = 4 to 10	4	4
Pressure Zones= greater than 10	6	0
(2) Single Disinfectant Added	5	5
Multiple Disinfectants*	8	0
(3) Pump Station(s) up to 50 HP	4	4
Pump Station(s) greater than 50 HP	6	0
(4) Distribution Reservoirs = 1 to 5	4	0
Distribution Reservoirs greater than 5	6	6
(5) One or More Uncovered Reservoirs	10	0
(6) Customers Served Non-Potable Water	6	6
<b>System Characteristics Total =</b>		<b>25</b>

**Overall Distribution Class (based on system characteristic total):**

**D3**

# EXHIBIT C

## State Water Resources Control Board

February 22, 2019

System No. 4410001

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006

### **CITATION NO. 02\_05\_19C\_012**

### **FAILURE TO TEST ALL BACKFLOW PREVENTERS ANNUALLY AND FAILURE TO IMPLEMENT A CROSS CONNECTION CONTROL PROGRAM FOR 2008-2017**

Enclosed is Citation No. 02\_05\_19C\_022 (hereinafter "Citation"), issued to the Big Basin Water Company (hereinafter "Big Basin WC"), public water system. Please note that there are legally enforceable deadlines associated with this Citation.

Big Basin WC will be billed at the State Water Resources Control Board's (hereinafter "State Water Board"), hourly rate for the time spent on issuing this Citation. California Health and Safety Code (hereinafter "CHSC"), Section 116577, provides that a public water system must reimburse the State Water Board for actual costs incurred by the State Water Board for specified enforcement actions, including but not limited to, preparing, issuing and monitoring compliance with a citation. At this time, the State Water Board has spent approximately two hours on enforcement activities associated with this violation.

Big Basin WC will receive a bill sent from the State Water Board in August of the next fiscal year. This bill will contain fees for any enforcement time spent on the Big Basin WC for the current fiscal year.

Any person who is aggrieved by a citation, order or decision issued under authority delegated to an officer or employee of the State Water Board under Article 8 (commencing with CHSC, Section 116625) or Article 9 (commencing with CHSC, Section 116650), of the Safe Drinking Water Act (CHSC, Division 104, Part 12, Chapter 4), may file a petition with the State Water Board for reconsideration of the citation, order or decision. Appendix 1 to the enclosed Citation contains the relevant statutory provisions for filing a petition for reconsideration (CHSC, Section 116701).

Petitions must be received by the State Water Board within 30 days of the issuance of the citation, order or decision by the officer or employee of the State Water Board. The date of issuance is the date when the Division of Drinking Water mails a copy of the citation, order or decision. If the 30th day falls on a Saturday, Sunday, or state holiday, the petition is due the following business day by 5:00 p.m.

FELICIA MARCUS, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

1 Lower Ragsdale, Bldg. 1, Suite 120, Monterey, CA 93940 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

Information regarding filing petitions may be found at:

[http://www.waterboards.ca.gov/drinking\\_water/programs/petitions/index.shtml](http://www.waterboards.ca.gov/drinking_water/programs/petitions/index.shtml)

If you have any questions regarding this matter, please contact Jonathan Weininger of my staff at (831) 655-6932 or me at (831) 655-6939.

Sincerely,



Jan R. Sweigert, P.E.  
District Engineer, Monterey District Office  
Northern California Field Operations Branch  
Division of Drinking Water

Enclosures

Certified Mail No. 7008 1830 0004 5435 1353

cc: Santa Cruz County Environmental Health Services

California Public Utilities Commission (CPUC) Water Division

Rami Khalon, CPUC Director - Water Division: [raminder.khalon@cpuc.ca.gov](mailto:raminder.khalon@cpuc.ca.gov)

Bruce Deberry, CPUC Water Division [Bruce.deberry@cpuc.ca.gov](mailto:Bruce.deberry@cpuc.ca.gov)

Adam Thaler, CPUC Water Division [adam.thaler@cpuc.ca.gov](mailto:adam.thaler@cpuc.ca.gov)

CPUC Office of Ratepayer Advocates

Pat Ma, [pat.ma@cpuc.ca.gov](mailto:pat.ma@cpuc.ca.gov)

[DRAWaterAL@cpuc.ca.gov](mailto:DRAWaterAL@cpuc.ca.gov)

STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER

**Name of Public Water System:** Big Basin Water Company

**Water System No:** 4410001

**Attention:** Jim Moore, Manager

PO Box 197

Boulder Creek, CA 95006

**Issued:** February 22, 2019

**CITATION FOR NONCOMPLIANCE**  
**CALIFORNIA HEALTH AND SAFETY CODE, SECTION 116555(a)(2) AND**  
**CALIFORNIA CODE OF REGULATIONS, TITLE 17**  
**SECTIONS 7584 and 7605**

**FAILURE TO TEST EACH BACKFLOW PREVENTER ANNUALLY AND**  
**FAILURE TO IMPLEMENT A CROSS-CONNECTION CONTROL**  
**PROGRAM FOR CALENDAR YEARS 2008 to 2017**

The California Health and Safety Code (hereinafter "CHSC"), Section 116650 authorizes the State Water Resources Control Board (hereinafter "State Water Board"), to issue a citation to a public water system when the State Water Board determines that the public water system has violated or is

1 violating the California Safe Drinking Water Act (hereinafter "California  
2 SDWA"), (CHSC, Division 104, Part 12, Chapter 4, commencing with Section  
3 116270), or any regulation, standard, permit, or order issued or adopted  
4 thereunder.

5  
6 The State Water Board, acting by and through its Division of Drinking Water  
7 (hereinafter "Division"), and the Deputy Director for the Division, hereby  
8 issues Citation No. 02\_05\_19C\_012 (hereinafter "Citation"), pursuant to  
9 Section 116650 of the CHSC to the Big Basin Water Company (hereinafter  
10 "Big Basin WC"), for violation of Section 116555(a)(2) and California Code of  
11 Regulations (hereinafter "CCR"), Title 17, Sections 7584 and 7605.

### 12 13 **STATEMENT OF FACTS**

14 Big Basin WC is classified as a community public water system with a  
15 population of 1,680 serving 601 connections. Big Basin WC operates under  
16 Domestic Water Supply Permit No. 02-05-44-94P-001 issued by the State  
17 Water Board on February 11, 1994.

18  
19 California Health and Safety Code, Section 116555(a)(2) requires all public  
20 water systems to not be subject to backflow under normal operating  
21 conditions. CCR, Title 17, Section 7584 requires the water supplier to protect  
22 the public water supply from contamination by implementation of a cross-  
23 connection control program. CCR, Title 17, Section 7584(f) requires the  
24 maintenance of records of locations, tests, and repairs of backflow preventers.  
25 CCR, Title 17, Section 7605(a-e) requires all backflow preventers to be tested  
26 at least annually or more frequently if determined to be necessary by the  
27 health agency or water supplier. Backflow preventers must be tested by  
28 persons who have demonstrated their competency in testing the devices to

the water supplier or health agency. When devices are found to be defective, they must be repaired or replaced in accordance with the provisions of CCR, Title 17, Division 1, Chapter 5.

During the State Water Board's 2013, 2016, and 2018 sanitary survey reports, the State Water Board noted that Big Basin WC's eight to 10 reported backflow assemblies were not all tested annually. From information submitted in Electronic Annual Reports (EAR)s from 2008 to 2017, Big Basin WC has either not reported annual backflow preventer testing, or reported none or one of the system backflow preventers were tested annually. Backflow preventer testing from 2008 to 2017 is summarized in the following table:

Year	Number of Backflow Preventers:		
	Total Number	Installed	Tested
2017	10	0	0
2016	8	0	1
2015	8	0	1
2014	10	No information reported in EAR	
2013	EAR not submitted		
2012	10	No information reported in EAR	
2011	10	No information reported in EAR	
2010	10	No information reported in EAR	
2009	10	0	1
2008	10	0	1

At the time of the 2018 sanitary survey inspection, Big Basin WC was unable to provide a list of all backflow preventers or document the annual testing of backflow preventers pursuant to CCR, Title 17, Section 7604. Big Basin WC could not provide documentation of the cross connection surveys to identify water user premises where cross-connections are likely to occur pursuant to CCR, Title 17, Section 7584(b).



## DETERMINATION

The State Water Board has determined that the Big Basin WC has failed to comply with the CHSC, Section 116555(a)(2) and CCR, Title 17, Sections 7584, 7585, and 7605.

## DIRECTIVES

Big Basin WC is hereby directed to take the following actions:

1. By **March 25, 2019**, submit a plan and schedule to fully implement a cross connection control program that includes all the elements contained in CCR, Title 17, Section 7584. By **October 10, 2019**, the cross-connection control program must be fully implemented by completing the tasks described in Directives 2 through 9.
2. By **October 10, 2019**, provide a copy of Big Basin WC's adopted cross connection control program operating rules or ordinance. The cross-connection control program operating rules or ordinance must be approved by the California Public Utilities Commission.
3. By **October 10, 2019**, conduct and document a survey and hazard evaluation to identify water user premises where cross-connections are likely to occur in accordance with CCR, Title 17, Sections 7584(b) and 7585 and submit a report summary with recommendations and an implementation schedule. The cross-connection survey must be performed by an individual with experience conducting cross connection surveys and can be conducted by Big Basin WC or a contract cross connection specialist. A detailed description of a cross connection survey and hazard evaluation is included in Appendix A.

- 1
- 2 4. Big Basin WC must require the installation of appropriate backflow
- 3 protection in accordance with the CCR, Title 17, Sections 7601, 7602,
- 4 7603, 7604, and 7605(d). Appropriate backflow preventers must be
- 5 installed in accordance with CCR, Title 17, Section 7601 and 7604 at
- 6 the locations identified in the cross-connection survey described in
- 7 Directive 3. Approved backflow preventers must be installed following
- 8 installation standards in accordance with CCR, Title 17, Section 7603.
- 9
- 10 5. By **September 30, 2019**, complete 2019 annual testing of all backflow
- 11 preventers.
- 12
- 13 6. By **October 10, 2019**, identify and document the total number of
- 14 backflow preventers in the water system service area. Provide a
- 15 summary of all backflow preventers in the service area including the
- 16 backflow preventer type, make and model, location (address), and a
- 17 copy of the 2019 backflow testing report.
- 18
- 19 7. Provide a written overview of the procedure and system for record
- 20 keeping, maintenance, and annual backflow preventer testing
- 21 scheduling and tracking by **October 10, 2019**.
- 22
- 23 8. Provide the name and qualifications of the Big Basin WC's cross
- 24 connection control program coordinator by **April 10, 2019**. The
- 25 connection control program coordinator must be trained in cross-
- 26 connection control and can be a contract employee.
- 27
- 28 9. Big Basin WC must conduct at annual testing of all system backflow
- 29 preventers and provide annual proof to the Division. Big Basin WC
- 30 must submit copies of all calendar year backflow preventer testing

reports to the Division no later than the 10<sup>th</sup> day of January in the following year.

10. Send quarterly status updates on Big Basin WC's progress towards completing the directives included in this Citation to the State Water Board. The first quarterly status update must be received on or before **April 10, 2019** and subsequent updates must be received every three months thereafter according to the following schedule:

Quarter	Quarterly Status Update Due Date
1 <sup>st</sup> quarter (January 1 – March 31, 2019)	April 10, 2019
2 <sup>nd</sup> quarter (April 1 – June 30, 2019)	July 10, 2019
3 <sup>rd</sup> quarter (July 1 – September 30, 2019)	October 10, 2019
4 <sup>th</sup> quarter (October 1 – December 31, 2019)	January 10, 2020

11. Big Basin WC must include this violation in its 2018 Consumer Confidence Report in accordance with CCR, Title 22, Section 64481(g)(1). A draft copy of Big Basin WC's 2018 Consumer Confidence Report must be submitted for review and approval prior to distribution. The draft 2018 Consumer Confidence Report must be sent to the Division for review no later than **June 1, 2019**. The Division approved 2018 Consumer Confidence Report must be distributed to Big Basin WC customers no later than **July 1, 2019**.

12. By **March 4, 2019** complete and return to the State Water Board the "Notification of Receipt" form attached to this Citation as Appendix 2. Completion of this form confirms that the Big Basin WC has received

1 this Citation and understands that it contains legally enforceable  
2 directives(s) with due dates.

3  
4 All submittals required by this Citation must be electronically submitted to the  
5 State Water Board at the following address. The subject line for all electronic  
6 submittals corresponding to this Citation must include the following  
7 information: Water System name and number, citation number and title of the  
8 document being submitted.

9  
10 Jan R. Sweigert, P.E.

11 [Dwpdist05@waterboards.ca.gov](mailto:Dwpdist05@waterboards.ca.gov)  
12

13 The State Water Board reserves the right to make modifications to this  
14 Citation as it may deem necessary to protect public health and safety. Such  
15 modifications may be issued as amendments to this Citation and shall be  
16 effective upon issuance.

17  
18 Nothing in this Citation relieves the Big Basin WC of its obligation to meet the  
19 requirements of the California SDWA (CHSC, Division 104, Part 12, Chapter  
20 4, commencing with Section 116270), or any regulation, standard, permit or  
21 order issued or adopted thereunder.

### 22 23 **PARTIES BOUND**

24 This Citation shall apply to and be binding upon the Big Basin WC, its owners,  
25 shareholders, officers, directors, agents, employees, contractors, successors,  
26 and assignees.  
27  
28

**SEVERABILITY**

The directives of this Citation are severable, and the Big Basin WC shall comply with each and every provision thereof notwithstanding the effectiveness of any provision.

**FURTHER ENFORCEMENT ACTION**

The California SDWA authorizes the State Water Board to: issue a citation or order with assessment of administrative penalties to a public water system for violation or continued violation of the requirements of the California SDWA or any regulation, permit, standard, citation, or order issued or adopted thereunder including, but not limited to, failure to correct a violation identified in a citation or compliance order. The California SDWA also authorizes the State Water Board to take action to suspend or revoke a permit that has been issued to a public water system if the public water system has violated applicable law or regulations or has failed to comply with an order of the State Water Board, and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the State Water Board. The State Water Board does not waive any further enforcement action by issuance of this Citation.

*Jan Sweigert*

Jan R. Sweigert, P.E.  
District Engineer, Monterey District Office  
Northern California Field Operations Branch  
Division of Drinking Water

*2/22/2019*

Date



1 Appendices (2)

- 2 1. Cross Connection Control Survey and Hazard Assessment
- 3 Overview
- 4 2. Notification of Receipt Form
- 5

6 Certified Mail No. 7008 1830 0004 5435 1353

## **APPENDIX 1 – CROSS CONNECTION SURVEY AND HAZARD ASSESSMENT OVERVIEW**

The water system must evaluate the degree of potential health hazard to the public water supply which may be created as a result of conditions existing on a user's premises. The water supplier, however, shall not be responsible for abatement of cross-connections which may exist within a user's premises. As a minimum, the evaluation should consider: the existence of cross-connections, the nature of materials handled on the property, the probability of a backflow occurring, the degree of piping system complexity and the potential for piping system modification. Special consideration shall be given to the premises of the following types of water users:

- a. Premises where substances harmful to health are handled under pressure in a manner which could permit their entry into the public water system. This includes chemical or biological process waters and water from public water supplies which have deteriorated in sanitary quality.
- b. Premises having an auxiliary water supply, unless the auxiliary supply is accepted as an additional source by the water supplier and is approved by the State Water Board.
- c. Premises that have internal cross-connections that are not abated to the satisfaction of Big Basin WC or the State Water Board.
- d. Premises where cross-connections are likely to occur, and entry is restricted so that cross-connection inspections cannot be made with sufficient frequency or at sufficiently short notice to assure that cross-connections do not exist.
- e. Premises having a repeated history of cross-connections being established or re-established.



## APPENDIX 2 – NOTIFICATION OF RECEIPT

**Citation Number:** No. 02\_05\_19C\_012

**Name of Water System:** Big Basin Water Company

**System Number:** 4410001

### Certification

I certify that I am an authorized representative of the Big Basin Water Company and that Citation No. No. 02\_05\_19C\_012 was received on \_\_\_\_\_. Further I certify that the Citation has been reviewed by the appropriate management staff of the Big Basin Water Company and it is clearly understood that Citation No. No. 02\_05\_19C\_012 contains legally enforceable directives with specific due dates.

\_\_\_\_\_  
Signature of Water System Representative

\_\_\_\_\_  
Date

**THIS FORM MUST BE COMPLETED AND RETURNED TO THE STATE WATER BOARD,  
DIVISION OF DRINKING WATER, NO LATER THAN March 5, 2019**

**Disclosure:** Be advised that the California Health and Safety Code, Sections 116725 and 116730 state that any person who knowingly makes any false statement on any report or document submitted for the purpose of compliance with the Safe Drinking Water Act may be liable for, respectively, a civil penalty not to exceed five thousand dollars (\$5,000) for each separate violation or, for continuing violations, for each day that violation continues, or be punished by a fine of not more than \$25,000 for each day of violation, or by imprisonment in the county jail not to exceed one year, or by both the fine and imprisonment.



# EXHIBIT D



16575 Jamison Creek Rd., Boulder Creek, CA 95006  
(831) 338 - 2933

March 3, 2019

Jan R. Sweigert, P.E.  
District Engineer, Monterey District Office  
Northern California Field Operations Branch  
Division of Drinking Water

**RE: Response to 2018 Sanitary Survey of Big Basin Water Company (No. 4410001)**

Dear Ms. Sweigert,

On January 10, 2019, Big Basin Water Company received your 2018 Sanitary Survey report of the water treatment plant and distribution system. This letter and the enclosed documents provide a written response to the various deficiencies identified in the Sanitary Survey, as well as a list of the deficiencies and a plan to correct them. However, this plan and timeline for improvements is dependent on receiving the necessary funding as an outcome of the current Big Basin Water Company rate case filing with the California Public Utilities Commission.

If you have any questions, please contact Jim Moore at (831) 338 – 2933 or by email at [bbwater197@yahoo.com](mailto:bbwater197@yahoo.com).

Sincerely,

Jim Moore  
Chief Operator/Owner  
Big Basin Water Company

Enclosed:

- 1 – 2018 Sanitary Survey Response Memorandum
- 2 – Map of Existing System Layout and Proposed Corrective Actions
- 3 – Budgetary Cost Estimate of Improvements



16575 Jamison Creek Rd., Boulder Creek, CA 95006  
(831) 338 - 2933

Email cc:

Santa Cruz County Environment Health Services

CPUC Water Division

Rami Khalon, CPUC Director – Water Division  
Bruce Deberry, CPUC Water Division  
Adam Thaler, CPUC Water Division

CPUC Public Advocates Office

Pat Ma, CPUC PAO Program & Project Supervisor

# 2018 Sanitary Survey Response Memorandum

## 1. Introduction

This memorandum summarizes deficiencies and recommendations identified by the State Water Resource Control Board Division of Drinking Water (DDW) with proposed corrective actions to be taken by Big Basin Water Company (BBWC), including the timing of any improvements, construction costs to complete, and long-term strategies. The corrective actions presented below are grouped together based on the primary station where deficiencies were identified. An ordered list of the deficiencies as identified in the sanitary survey is available in the table at the end of this document.

## 2. Cost Estimating

Construction and maintenance costs presented herein are based on the following assumptions:

- All new construction will meet current application standards and codes
- Costs presented are based on general contractor, manufacturers, and/or professional engineering estimates
- Unless otherwise specified, retirement costs are not included with the cost estimate
- All construction is assumed to be design-build by the general contractor
- Costs included standard industry markups including Company Labor & Overhead (10%), Permits and Municipal Fees (3%), Construction Contingencies (15%)
- All costs are Present Value (PV) for 2019
- Total estimated costs for identified corrective actions include costs for short-term and long-term solutions

## 3. Proposed CAPEX Corrective Actions

### 3.1. Well 4 Station

Identified Deficiency: Well 4 does not have a 50-foot sanitary seal and continually exerts a chlorine demand on system water that reduces the system chlorine residual. BBWC has been required to install chlorination at Well 4 since the 1994 permit from DDW but has not yet done so. BBWC must provide a plan for wellhead disinfection to DDW no later than March 10, 2019 and provide wellhead disinfection no later than May 20, 2019.

Proposed Corrective Action: In the short term, BBWC has installed a free chlorine injection system to improve the free chlorine residual in the distribution system. The electrical configuration of the chemical pump ensures that the pump only injects chlorine into the tank inlet piping when the groundwater well is operating (see Figure 1).



*Figure 1. Temporary Disinfectant Injection Configuration at Well # 4*

In the long term, a County permitted chemical storage and injection system will be installed. The system will include a 12.5% sodium hypochlorite solution. The solution will be stored with double containment consisting of a 55-gallon drum inside of a lockable polyethylene housing rated for the outdoors. This PE housing unit will be seated and anchored into a concrete foundation and will be located adjacent to the existing bolted steel tank. A peristaltic pump will inject free chlorine into the well discharge piping through a retractable injection assembly and using chemical piping and tubing to ensure double containment. The chemical pump will be activated whenever the groundwater well pump is running. Grab sampling from the tank outlet piping will confirm disinfectant levels entering the distribution system are adequate. Additional work will be performed to ensure that there is drainage away from the tank base.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$253,900

### **3.2. Corvin Creek Station**

Identified Deficiency: The existing Corvin Creek sedimentation tank is in poor physical condition and shows signs of corrosion. Additionally, the reservoir is located on an unstable foundation. The reservoir could potentially tip over if a landslide or a strong seismic event occurred.

Proposed Corrective Action: The Corvin Creek sedimentation tank was originally constructed as a settling tank for the spring diversion but has since become obsolete. Currently, all raw water sources are conveyed to a more recently constructed 5,000 gallon polyethylene settling tank at Jamison station. Therefore, the Corvin Creek tank is no longer necessary for system operations and retirement of this asset is recommended. Existing piping and associated appurtenances at the existing tank site location will be modified to bypass the Corvin Creek tank using 6-inch PVC or HDPE piping.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$15,800

### **3.3. Jamison Station**

#### **3.3.1. Intake 1 Sedimentation Tank**

Identified Deficiency: The intake includes a 2,000 gallon steel sedimentation tank in poor condition with signs of corrosion. BBWC needs to replace the tank and provide a stable foundation.

Proposed Corrective Action: The existing sedimentation tank has become obsolete since the construction of a 5,000 gallon polyethylene settling tank at Jamison station. Therefore, the Intake 1 sedimentation tank is no longer necessary for system operations and retirement of this asset is recommended. Existing piping and associated appurtenances at the existing tank site location will be modified to bypass the sedimentation tank using 6-inch PVC or HDPE piping.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$15,800

#### **3.3.2. Intake Transmission Lines & Screen**

Identified Deficiency: The previous steel transmission lines for both intake 1 and 2 are broken and flexible pipes have been installed temporarily. BBWC must install a permanent transmission line using NSF 61 materials. In addition, the screen on Intake 2 was not properly secured.

Proposed Corrective Action: Replace the existing intake piping with 6-inch PVC or HDPE pipe from each intake (approximately 700-ft of piping to be installed) with all air-valves, valving, blowoffs, and all necessary appurtenances to service the line. Install a new secured screen on Intake 2.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$95,500

#### **3.3.3. Reservoir Cross Connection with Distribution System**

Identified Deficiency: The Jamison surface water reservoir must be physically disconnected from the distribution system. Due to the nature of the cross connection (separated only by a closed isolation valve), BBWC must develop a well researched plan that reduces the risk of potable water contamination with raw surface water.

Proposed Corrective Action: The existing piping between Jamison Reservoir and the distribution system will be cut, capped, and separated with concrete to create a physical separation between these two sources of water, thereby eliminating all risk of cross connection at this location.

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$22,200

### 3.4. Hill House Station

**Identified Deficiencies:** Plants have grown around the site and need to be cut back around the tank perimeter. The tank is located adjacent to a home with its own well and tank. BBWC must ensure there are no cross connections and if the home is a customer of BBWC, the home owner has an approved reduce pressure assembly at their meter. The polyethylene tank does not have a foundation. As the budget allows, a more permanent foundation with seismic restraints should be installed. The tank site is not fenced. DDW recommends the site be fenced.

**Proposed Corrective Action:** BBWC has verified no cross connection exists and vegetation surrounding the tank has been cleared (see Figure 3). To secure the tank, BBWC will install a seismic restraint assembly consisting of four-way cables, cable clamps or clips, and anchor bolts. Anchor bolt length and depth to be determined by a soil or foundation engineer, similar to the example shown in Figure 2. BBWC will also install approximately 170 ft of fence surrounding the tank site with a 12-ft swing gate, as well as about 400 sf of base rock or gravel roadway to provide safer access to the site.

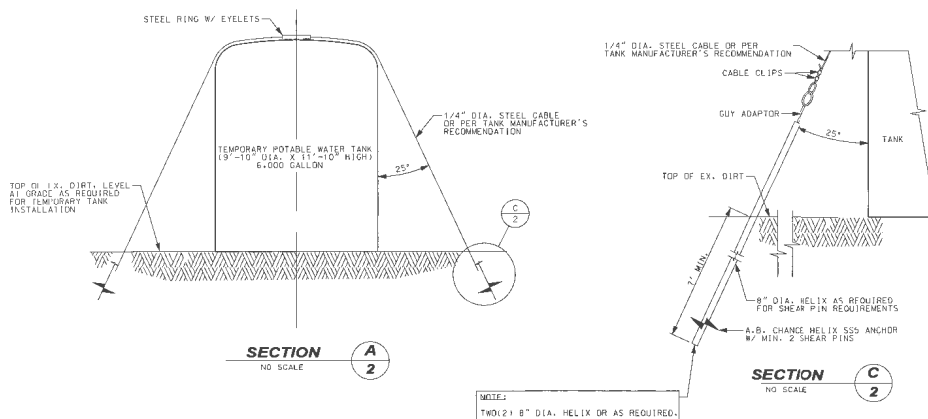


Figure 2. Example of Seismic Restraints

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Figure 3. Vegetation cleared surrounding Hill House Tank

Proposed Year for Corrective Actions to be Complete: 2022

Total Estimated Cost: \$34,200

### **3.5. Water Treatment Plant**

Identified Deficiency: DDW noted the following issues at the water treatment plant:

- The filter unit nearest the entrance door has a break in the clarification media screen, which has allowed the buoyant clarification media to enter the filter cell. The loss of clarification media will affect treatment plant performance. The screen must be replaced with a new screen, and the lost clarification media must be replaced.
- BBWC is required to purchase and install a chlorine residual analyzer due to past violations of grab sampling requirements. The Division requested an approved chlorine residual analyzer to be installed by April 30, 2018, but BBWC has not purchased and installed an analyzer to date. A new continuous chlorine residual analyzer using an approved EPA method using must be installed.
- The treatment plant building is a wood building in poor overall condition. The plant was overrun with rodents, so the BBWC keeps cats in the treatment plant building. BBWC must repair building deficiencies including eliminating potential entrance points for domestic animals and rodents. BBWC should begin planning to replace the treatment plant building to address the rodent problem.
- Parts of the existing turbidimeter were replaced with parts from another turbidimeter. Due to the overall condition and age of the turbidimeter, BBWC must budget to replace the turbidimeter with a new EPA method certified turbidimeter no later than November 10, 2019. A manufacturer representative must evaluate the current turbidimeter for accuracy. BBWC must continue to perform calibrations according to the manufacturer's recommendations.
- Until a manufacturer representative has evaluated the turbidimeter, BBWC must have its laboratory analyze filtered water turbidity samples at least once every two weeks and report the result to the Division along with the turbidimeter turbidity reading.
- DDW recommends BBWC install an additional turbidimeter so there are turbidimeters on each filter unit. A backup turbidimeter should also be available, as required by Section 64659(a)(2), which states that standby replacement equipment should be available to assure continuous operation and control of unit processes for coagulation, filtration and disinfection.
- DDW recommends BBWC install a new turbidimeter on each individual filter effluent (IFE) line.



Proposed Corrective Action: To address DDW's comments in the short term, BBWC intends to do the following work identified below. However, given the state of the existing WTP and that much of the infrastructure is now over 26 years old, it is clear that the existing plant is in need of a complete long-term evaluation. For this reason, BBWC is budgeting for a Water Treatment Plant Facilities Plan to be completed by a professional engineering consultant in 2020 (see Section 4.3).

- Repair filter screens as necessary and replace clarification media in both units
- Replace the Programmable Logic Controls (PLC) on both units. The existing PLCs are backed on cassette tapes, no longer supported by the manufacturer or any suppliers.
- Install a HACH CLT10sc Total Chlorine Analyzer with SC200 Controller on the treated water line sample tap to allow for continuous monitoring. The HACH chlorine analyzer is compliant with EPA Method 334.0 for reporting chlorine residual measurements. The analyzer allows for real-time control of disinfection processes by providing continuous readings and self-diagnostics to alert users when the process has changed or the instrument needs servicing.
- Clean the building and repair all holes and seal openings near windows, vents, and doors in the building to limit entrance points for animals. Install rodent bait stations around the exterior perimeter for the building and replace all the rotten or damaged wood siding.
- Replace the existing turbidimeter with two HACH TU5300 online laser turbidimeters; one on the effluent end of each filter unit. Purchase a third turbidimeter as backup to increase system reliability. Turbidimeters have real-time capabilities and are compliant with EPA Method 180.1. A list of turbidimeter alarms or shutdown set points will be provided to DDW.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$236,300

### **3.5.1. WTP Chemical Storage Tanks and Storage Building**

Identified Deficiency: Chemical Storage Tanks have large holes in their lids and are corroded. Furthermore, the secondary containment is partially full of ponding liquid, which poses an unknown risk. BBWC needs to install new alum and chlorine storage tanks and store the tanks separately. Chlorine and Alum are of different chemical storage groups and as a safety precaution should not be stored together. One of the chemical storage tanks in the chemical storage building is double contained, but both chemical storage tanks are stored together in the same containment facility and next to each other. The chemicals should be further separated and not stored in the same double containment box. The Chemical Storage Tanks (chlorine and alum) have a treated water line (for dilution) plumbed directly into storage tank. A proper air gap must be provided between the treated water fill line and the chemical tanks.

Proposed Corrective Action: BBWC will replace the existing chemical storage building with a new County permitted chemical storage facility that includes a wooden roof structure and concrete foundation. Two lockable polyethylene modular spill pallet with chemical containment and rated for outdoor storage will be housed and anchored to the concrete pad. 55 gallon drums of sodium hypochlorite and aluminum sulfate will be stored separately in each of the modular spill pallets. BBWC will prepare and submit a Hazardous Materials Business Plan to the County. In the long-term, the Water Treatment Plant Facilities Plan will consider including a permanent indoor chemical storage facility as part of a new building consideration.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$149,000

### **3.5.2. WTP Backup Generator & Site Security**

Identified Deficiency: BBWC does not have any backup power for the water treatment plant and this is the main source of supply into the system. In addition, the treatment plant is not secured by any fencing or gate.

Proposed Corrective Action: Install a 20-ft wide double swing gate and 950-ft of 6-ft high chain link fencing around all Jamison Station facilities as one enclosed area, which includes the sedimentation tank, chemical storage building, reservoir, WTP building, and storage tank. Install a 20-ft wide barrier gate at the entrance of the road leading to Jamison Station from Jamison Creek Road.

A backup generator will be considered in the Water Treatment Facilities Plan proposed as part of a long-term improvement plan to ensure the treatment plant can continue to operate and serve customers even in the event of a power outage.

The site security measures and backup generator will be addressed in 2022 following completion of the Water Treatment Plant Facilities Plan. At this time, only fencing costs are included below.

Proposed Year for Corrective Action to be Complete: 2022

Total Estimated Cost: \$119,300

### **3.6. Robin Hood (Tank #2) Station**

Identified Deficiency: The Robin Hood bolted steel tank provides a storage capacity of 10,000 gallons and primarily serves as an equalization storage reservoir. The horizontal tank is supplied by gravity from the 40,000 gallon Robin Hood Tank laying at an approximate elevation of 1,300 feet. In its current state, the tank is in poor physical condition and does not meet existing drinking water standards. Fallen tree branches obstruct access to the reservoir. Moreover, the exterior of the reservoir shows signs of advanced corrosion. Additionally, the tank lays on an unstable wooden foundation without any strong supports.

Proposed Corrective Action: As a temporary solution, BBWC will install a 2-inch bypass pressure reducing valve, set an adequate setpoint to serve customers in the Kings Highway Zone, and bypass the existing the horizontal Robin Hood tank. Additional piping will also be installed as

needed in order to bypass Robin Hood Tank #2. As a long-term solution, BBWC plans to construct a complete 6-inch regulating station at the reservoir site. The new regulating station will supply the existing Kings Highway zone service area. Once the construction of the regulating station is completed, the existing Robin Hood horizontal tank will be properly retired. The new regulating station will incorporate a Singer 6-inch S106-PR-C-SM dual-rolling diaphragm. If the primary chamber within the diaphragm fails, the secondary chamber will take over and regulate the downstream pressure at a desired pre-determined setpoint. The 6-inch valve can sustain a maximum flow rate of 1,800 gpm exceeding both fire flow requirements and maximum day demands in the zone.

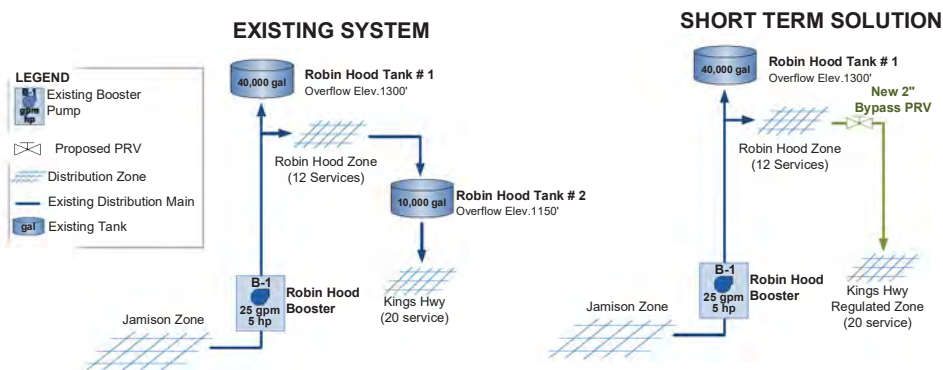


Figure 4. Proposed Corrective Action for Robin Hood Horizontal Tank (Tank #2) – Short Term

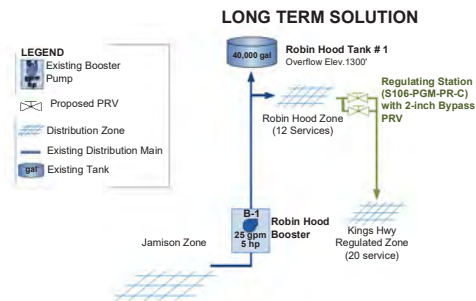


Figure 5. Proposed Corrective Action for Robin Hood Horizontal Tank (Tank #2) – Long Term

Proposed Year for Corrective Action to be Complete: 2019 (2-inch bypass), 2023 (6-inch regulating station)

Total Estimated Cost: \$130,800

### **3.7. Galleon Heights Booster Station and Storage Site**

Identified Deficiencies: Several holes were observed on the wooden side panels of the pump house. Rodent droppings were present on above-grade piping and on the pump bodies. Rodent droppings can create unsanitary conditions and potentially contaminate the source of water supply water. Additionally, the Galleon pump station is severely oversized in comparison to the demands of the service area the pumps supply water to. Consequently, the surplus capacity of the booster pumps limit system operations flexibility, as the clearwell must remain close to its maximum level for the pumps to operate safely. Moreover, the pumps are in poor physical condition and exhibit signs of physical deterioration due to corrosion.

Proposed Corrective Actions: The existing wooden building has exceeded its useful life and will be replaced with a new wooden structure. The inside of the building will be cleaned and the piping will be sandblasted and recoated.

Existing booster pumps and motors will be replaced with two 100-gpm vertical in-line pumps to provide more reliable supply to the tank and replace the oversized equipment currently there. Electrical and logic controls will be installed to allow BBWC to operate pumps based on the water level in the Galleon tank and prevent overflow events. Scope of work would also include a new backup generator receptacle to allow for continued pumping operations to the Galleon reservoir in the occurrence of a power outage.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$125,200

### **3.8. Tradewinds (Galleon Heights Tank Site) Station**

#### **3.8.1. Galleon Heights Reservoir Improvements**

Identified Deficiencies: The Tank Vent Screen located at the center of the roof reservoir is corroded. Depending on the size of the opening in the vent induced by corrosion, debris, living organisms and other non-desirable pathogens can make their way into the water supply. The roof access hatch does not include a seal. The sealing gasket has primary goals to prevent debris, pathogens and organisms to contaminate the water supply. The overflow terminates approximately two inches from the ground and does not ensure minimum standard clearance compliance. Screen at the bottom of the overflow pipe is not effective in its current configuration.

Proposed Corrective Actions: The installation of a new gasket seal around the existing hatch has already been completed as well as a #24 Mesh stainless steel screen to retrofit the existing vent screen (see Figures 6 and 7). As a temporary solution, to ensure the overflow pipe complies with existing air-gap requirements, BBWC has cut the overflow pipe and installed a new screen at the bottom of the overflow pipe (see Figure 8). As a long-term solution, BBWC will install a Tideflex Dechlorinating Overflow Security Assembly (DOSA). The DOSA will dechlorinate any overflow water to comply with the Statewide General NPDES Permit for Drinking Water Systems Discharges and prevent debris and insects from entering the tank. A new storm drain and piping will be also be installed to allow overflow water to drain away from the tank.

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**Commented [WJ2]:** Jim – please delete note and insert a picture here of the new hatch gasket.

**Figure 6. Sealed Shoe-Box Hatch**

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**Commented [WJ3]:** Jim – please delete note and insert picture here of the new vent screen.

**Figure 7. New #24 Mesh Vent Screen**

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**Figure 8. Existing Overflow Pipe Cut and Screened**

**Commented [WJ4]:** Jim – please delete note and insert picture here of the cut and screened overflow pipe.

Included with this work will be the installation of a water level transducer, spread spectrum radio, and electrical work to enable the Galleon booster station to operate based on the water level inside the tank.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$61,400

### **3.8.2. Tradewinds Pressure System Improvements**

Identified Deficiencies: The Tradewinds pressure system consists of three booster pumps, two bladder tanks, and a backup generator. Both pressure tanks were constructed in 1975 and have since become waterlogged due to ruptured bladders, and DDW identified these as needing to be removed or replaced. DDW also identified the existing piping in the pressure system as being aged and corroded, and in need of an overall improvement plan to address. The backup generator

has been out of service and needs to be fixed since this pressure system is the sole source of water for the customers in this pressure zone.

Proposed Corrective Actions: BBWC will replace both ruptured bladders inside the pressure tank with new Amtrol WX-456C bladder tanks. Existing piping and valving will be sandblasted and recoated. The existing generator has already been repaired and is now fully operational (see Figure 9). The existing roof and wood siding will also be replaced to protect the pumping equipment and ensure rodents do not enter the building.



*Figure 9. Generator repaired and operational*

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$136,400

### **3.9. China Grade (Camino Verde) Station**

Identified Deficiency: The tank site is not secured and DDW recommends a perimeter fence be installed. BBWC must ensure that there are no connections to the previously used redwood tank and install a roof lock.

Proposed Corrective Action: Install 145 feet of 6-ft high chain link fencing surrounding the tank site with one 12-ft entry gate. Construct approximately 1,000 sf of base rock or gravel roadway for safe access to the site. BBWC has installed a roof lock (see Figure 10).



*Figure 10: Roof lock on China Grade Tank.*

Proposed Year for Corrective Action to be Complete: 2022

Total Estimated Cost: \$24,200

### **3.10. Rancho Dia (Santa Rosita) Station**

Identified Deficiency: The redwood tank is a significant hazard due to the leaks, redwood condition, debris observed inside the tank, and many openings and breaks in the perimeter vent screen. According to Division records, the tank was constructed in 1958 and is past its useful life. Tank rehabilitation/replacement must be done in accordance with NSF 61, Waterworks Standards, and AWWA standards.

Proposed Corrective Action: To address the deficiency immediately, BBWC will disconnect the existing Rancho Dia Tank and install a 10,000 gallon polyethylene tank. This action will eliminate all hazards associated with the existing tank and ensure sufficient storage capacity is available to meet fire flow in the surrounding area. Once the existing redwood tank is removed from the site, the 10,000 gal polyethylene tank will be relocated and anchored to the existing tank foundation. In addition, a base rock or gravel roadway will be constructed for safer access to the site.

In the long-term, BBWC will evaluate retiring the Rancho Dia tank site all together. The Rancho Dia tank base elevation is lower than other storage facilities in Jamison zone, causing little to no turnover in the Rancho Dia tank and water age concerns. Installing a future regulator from the Hill House tank will satisfy customer demands, meet fire flow requirements, and eliminate the water age and hazards associated with the existing Rancho Dia tank site.

2018 Sanitary Survey Response  
Big Basin Water Company

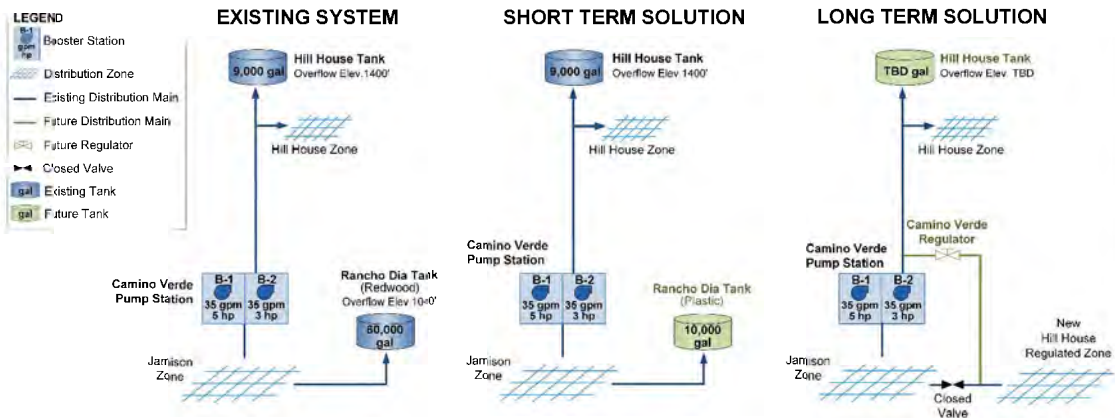


Figure 11: Rancho Dia and Hill House Short & Long-Term Solutions

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$74,300

### 3.11. Oberst Station

Identified Deficiency: The Oberst tank is an aged small steel tank. The interior and exterior coatings are severely corroded. Large rust nodules were observed attached to the interior tank wall. The corrosion presents a sanitary and structural risk. BBWC must provide a plan and schedule for replacement of this tank no later than May 10, 2019. The replacement plan must include NSF 61, AWWA, and Waterworks Standards compliance and a plan to construct a tank foundation and provide proper seismic supports.

Proposed Corrective Action: BBWC will replace the Oberst tank with a 10,000 gallon polyethylene tank anchored to the existing foundation. BBWC will also install a fence surrounding the tank site with a 12-ft swing gate.





*Figure 12: Oberst Station existing foundation*

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$64,600

### **3.12. Bloom Grade Station**

Identified Deficiency: The tank site is not secured and DDW recommends a fence be constructed. Clarify Bloom Grade tank ownership, verify no cross connections exists, and install a tank drain and sample tap.

Proposed Corrective Action: Installation of about 170 ft of 6-ft high chain link fence surrounding the tank site with a 12-ft swing gate plus approximately 8,000 sf of base rock or gravel road to safely access the site. BBWC confirmed that no cross connection exists (see Figure 13). BBWC will install a tank drain and sample tap with other site improvements. BBWC is currently working with homeowners for easements and rights to access the tank.

(Space for picture)

**Commented [WJ5]:** Jim – please delete note and insert picture here showing no cross connection.

*Figure 13: No cross connection exists with Bloom Grade tank*

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$71,800

### 3.13. Isolation Valves

Identified Deficiency: According to BBWC, there are some stretches of mainline without an isolation valve for miles. DDW recommends BBWC review all records and install isolation valves in accordance with CCR Title 22 Waterworks Standards.

Proposed Corrective Action: BBWC has reviewed its as-builts and will bring the mainline into compliance with the Waterworks Standards. Bringing the mainline into compliance will require the installation of 14 new line valves, spaced no farther than 1,320 feet apart along water mains. The installation of five new line valves will ensure that the requirement pertaining to tee and crossing connections is met. A summary of the number of valves and cost is presented in Table 1.

*Table 1. Summary of Distribution Valve Requirements*

Size (inch)	No. Valves	Installation (Cost per Valve)	Total Cost
2	2	\$6,000	\$12,000
4	8	\$8,000	\$64,00
6	4	\$11,000	\$44,000
8	3	\$16,000	\$48,000
10	1	\$19,000	\$19,000
12	2	\$22,000	\$44,000
Total	20	-	\$231,000

Proposed Year for Corrective Action to be Complete: Five year program: 2020 – 2024

Total Estimated Cost: \$231,000

### 3.14. Distribution Mainlines

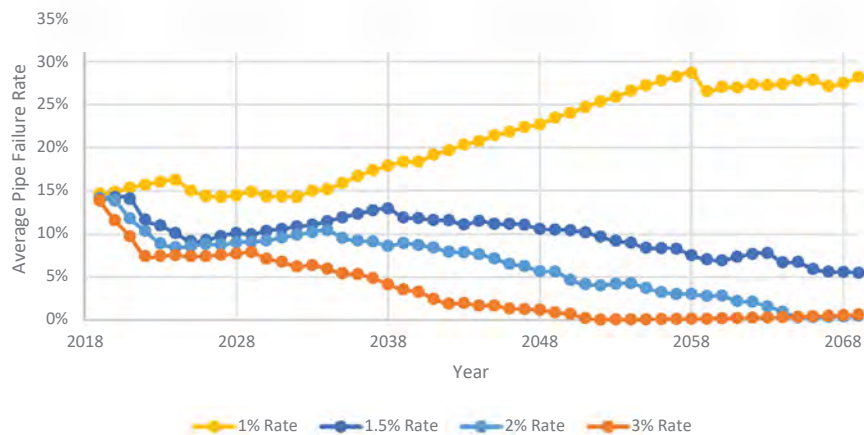
Identified Deficiency: Lack of main replacement plan to replace leaky, aged, undersized (less than 4-inches), and above ground mainlines as part of a capital improvement plan. DDW recommends BBWC to develop a long-term main replacement program.

Proposed Corrective Action: Replace pipelines at a 1.5% rate, or approximately 1,360 ft of pipe per year. An age and failure rate analysis was performed considering the approximate current ages of pipelines in the distribution system and survival curves for existing pipe types. It was assumed that all steel pipelines were installed in the 1940's, all AC pipelines were installed in the 1960's, and all PVC pipelines were installed in the 1990's, and that the oldest pipes with the lowest survival rate are replaced first. The model calculates the average failure rate of all pipelines given their age and the pipe type's survival curve. It assumes that each year a certain percentage

of pipes are replaced, thus reducing the average age and average risk of pipelines across the system. The analysis showed that a replacement rate of 1.5% would ensure that the average age of pipelines in the system does not grow over time, but decreases from about 50 years today to 43 years in 2069 (see Figure 14). Additionally, replacing at a 1.5% rate will prevent the pipeline failure rate from escalating to an unmanageable level. Instead, risk of pipeline failure will steadily decrease over time (see Figure 15).



**Figure 14: Average age of pipelines under 1-3% replacement programs**



**Figure 15: Average failure rate of pipelines under 1-3% replacement programs**

Proposed Year for Corrective Action to be Complete: Starting in 2022 and ongoing

Total Estimated Cost: \$270,000 / year

### **3.15. Retire Inactive Wells**

Identified Deficiency: BBWC has two inactive well sources listed in DDW's database, Galleon Well 1 and Well 2. DDW recommends BBWC schedule to destroy these inactive groundwater sources.

Proposed Corrective Action: BBWC will work with a certified well driller to retire Well 1 and will clear the site of old pumping equipment and appurtenances, disinfect the well column, fill the void in with fill and sealing material, remove at least five feet below the surface and seal the top, and restore the site back to its original conditions.

According to BBWC's groundwater well consultant, Well 2 has the potential to be restored to provide approximately 35 gpm into the system. BBWC intends to evaluate the costs and benefits of restoring and receiving this well as part of the surface water capacity evaluation study (see Section 4.8).

Proposed Year for Corrective Action to be Complete: 2023

Total Estimated Cost: \$26,200

## **4. Proposed Administrative Corrective Actions**

### **4.1. Jamison Reservoir as a Surface Water Source**

Identified Deficiency: BBWC is not permitted to use the Jamison Reservoir, a 3 MG artificial reservoir primarily fed by overflow from surface water sources, as a water source. The reservoir is not permitted raw surface water source and cannot be used as a surface water source.

Proposed Corrective Action: BBWC has stopped using Jamison Reservoir as a surface water source. BBWC will evaluate the need for this source water and apply for the source to be permitted if the use of this source water is deemed necessary to meet system demands.

Proposed Year for Corrective Action to be Complete: Now

Total Estimated Cost: N/A

### **4.2. Quarterly Tank Inspection**

Identified Deficiency: Based on the condition of the storage tanks, BBWC is not adequately inspecting storage tanks. BBWC must begin to inspect all tanks at least quarterly and inspect Rancho Dia tank monthly. BBWC must provide a summary of tank inspections quarterly using the form provided by DDW.

Proposed Corrective Action: BBWC will perform tank inspections, at minimum, on a quarterly basis. BBWC will document the tank inspections by completing the forms provided by DDW in the

2018 *Sanitary Survey Report*. The Rancho Dia (Rosita) tank is scheduled to be replaced as soon as possible with a new 10,000 gallon polyethylene tank.

Proposed Year for Corrective Action to be Complete: Now & ongoing

Total Estimated Cost: N/A

#### **4.3. WTP Facilities Plan**

Identified Deficiency: The filtration units are in poor overall condition and must be evaluated by a WesTech® representative or consulting engineer with experience in surface water treatment to determine necessary upgrades.

Proposed Corrective Action: BBWC acknowledges the existing surface water treatment facility has exceeded the extent of its useful life and is in need of significant investment. While BBWC has approached WesTech® vendor to replace the media and improve the Programmable Logic Control (PLC), these systems are more than 26 years old and are in need of a long-term evaluation. For example, the PLC is currently backed up on cassette tapes, a format which is no longer supported by the manufacturer or any representative distributor. Even with the immediate improvements proposed in Section 3.3.1, BBWC intends to contract with a professional engineering consultant with experience in surface water treatment to prepare a master facilities plan for the Jamison Station.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$50,000

#### **4.4. Surface Water Treatment Plant Operations Plan**

Identified Deficiency: In accordance with CCR, Title 22, Section 64661, BBWC shall update its surface water treatment plant operations plan.

Proposed Corrective Action: BBWC will consult with a professional engineering consultant to review and revise BBWC Operations Plan after the immediate improvements and new equipment has been installed at the surface water treatment. The new Operations Plan will address all tasks listed in the 2018 *Sanitary Survey*, as well as the following:

- Chlorine residual grab sampling and reporting requirements
- Settled water turbidity grab sampling and reporting requirements
- pH monitoring standard approach using EPA approved methodology
- pH and temperature daily monitoring from water leaving the treated water contact time
- Clarifier and filter loading rates calculation and reporting requirements

This will be completed after WesTech® completes the retrofit and improvements to the existing Microfloc treatment plant.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$25,000

#### 4.5. Distribution System Chlorine Residual

Identified Deficiency: As a surface water system, a detectable residual of 0.2 mg/L must be measured in at least 95 percent of the distribution samples.

Proposed Corrective Action: BBWC has increased the chlorine dosage to ensure a minimum 0.2 mg/L free chlorine residual throughout the distribution system. In addition, BBWC will implement all the disinfection system improvement projects listed above.

Proposed Year for Corrective Action to be Complete: Ongoing

Total Estimated Cost: N/A

#### 4.6. Cross Connection Control Program

Identified Deficiency: BBWC must provide a copy of its current cross connection control operating rules. BBWC must conduct a system wide cross connection control survey, and identify all backflow prevention assemblies in the system and provide a list to DDW.

Proposed Corrective Action: BBWC will consult with a backflow prevention specialist to assist in the preparation of a Cross Connection Control Program, which will include standardize rules, equipment, and testing requirements. This program will then be presented to the California Public Utilities Commission for review and approval. Once the program is approved, the consultant will complete a system wide survey and inventory all backflow prevention assemblies in the system.

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$25,000

#### 4.7. Watershed Sanitary Survey

Identified Deficiency: BBWC must conduct a watershed sanitary survey in accordance with CCR, Title 22, Section 64665

Proposed Corrective Action: BBWC will contract with a professional environmental consultant to prepare an updated Watershed Sanitary Survey in compliance with CCR Title 22 64665. The survey and report will include a physical and hydrogeological description of the watershed, a summary of source water quality monitoring data, a description of activities and sources of contamination, description of any significant changes that have occurred since the last survey which could affect the quality of the source water, a description of watershed control and management practices, an evaluation of the system's ability to meet requirements, and recommendations for any corrective actions.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$25,000

#### 4.8. Source Capacity

Identified Deficiency: BBWC is unable to meet source capacity requirements according to the method outlines in CCR, Title 22, Section 64554.

Proposed Corrective Action: BBWC will contract with a professional engineering consultant to conduct well tests of its groundwater sources and review its surface water capacity to determine necessary steps to increase its source capacity in accordance with current regulations.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$25,000

#### **4.9. Records**

Identified Deficiency: BBWC must begin storing records for all preventative maintenance programs including system flushing, valve exercising, and full tank inspections.

Proposed Corrective Action: BBWC has begun a more diligent record keeping program. BBWC maintains a log of all preventative maintenance items performed on the water system including the date, location and nature of the action performed. Additionally, BBWC will start developing their own forms and checklists when performing tests and water samplings based on best practices recommended by industry standards and public entities. All records will be organized, stored in a separated file cabinet, and easily accessible when necessary.

Proposed Year for Corrective Action to be Complete: Now

Total Estimated Cost: N/A

#### **4.10. Operator Staffing**

Identified Deficiency: DDW recommends BBWC add additional certified operators to ensure coverage at the treatment plant and to complete preventative maintenance. DDW also recommends BBWC add an additional T3 treatment operator to ensure a certified chief operator is available at all times.

Proposed Corrective Action: The distribution system is classified as a D3 water system, but the treatment plant is classified by DDW as a T2 treatment facility. It is unclear why DDW is recommending an additional T3 treatment operator. BBWC will evaluate contracting for at least one more full time and certified D3, T2 operator to ensure that at least one chief operator is available at all times for the distribution system and treatment plant. BBWC will also look into the financial feasibility of hiring additional staff and contracting out overhead staff duties.

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: N/A

#### **4.11. Emergency Response Plan**

Identified Deficiency: DDW recommends BBWC create an updated Emergency Response Plan.

Proposed Corrective Action: BBWC will contract with a professional engineering consultant to prepare an emergency response plan in compliance with current regulatory standards.

Proposed Year for Corrective Action to be Complete: 2022

2018 Sanitary Survey Response  
Big Basin Water Company

Total Estimated Cost:      \$20,000



## Summary of Corrective Actions

### Order of Hazard:

- A. Critical Health Hazard
- B. Serious Health Hazard
- C. Potential Health Hazard
- D. System or Operational Defect Resulting in Poor Waterworks Practice

Deficiency Identified	Order of Hazard	Date to Address Deficiency	Proposed Corrective Action			Memo Section Reference
			Description	Schedule	Cost	
SOURCES						
Well 4 Chlorination	A	Plan by 3/10/19 Completed by 5/20/19	Temporary chlorination system already installed; long term injection system to be completed by end of 2020	2020	\$253,900	3.1
Corvin Creek Intake Sedimentation Tank	C	July 10, 2020	Bypass and retire sedimentation tank	2022	\$15,800	3.2
Jamison Intake 1 Sedimentation Tank	C	July 10, 2020	Bypass and retire sedimentation tank	2021	\$15,800	3.3.1
Jamison Intake 2 Screen	C	March 10, 2019	Install a secure screen	2021		
Jamison Intake 2 Transmission Line	C	March 10, 2019	Install 700-ft of 6-inch PVC or HPDE raw water main	2021	\$95,500	3.3.2
Jamison Intake 1 Transmission Line	C	March 10, 2019	BBWC to cease using Jamison Reservoir as a source of raw water	Now	-	4.1
Jamison Reservoir as a Surface Water Source	N/A	Now	Cut & Cap pipes to eliminate cross connection	2019	\$22,200	3.3.3
Jamison Reservoir Cross Connection	A	March 10, 2019				
BOOSTER STATIONS						
Galleon Heights Booster Station Housing	C	Sept 10, 2019	Replace wooden building	2021	\$125,200	3.7
Galleon Heights Booster Pump Plan	D	Sept 10, 2019	Pumps will be replaced with more appropriately sized pumps			
Tradewinds Booster Station Waterlogged Pressure Tanks	C	Dec 31, 2019	Replace the bladder in the existing tanks and return to service			
Tradewinds booster Station Piping and Valving Corrosion	D	Dec 31, 2019	Clean existing piping and recoat	2021	\$136,400	3.8.2
Tradewinds Booster Station Generator	C	March 10, 2019	Generator has been repaired and is back in service			
STORAGE						
Galleon Tank Vent Screen	C	March 10, 2019	# 24 Mesh vent screen already installed			
Galleon Tank Roof Access Hatch	D	March 10, 2019	Hatch gasket already installed	2021	\$61,400	3.8.1
Galleon Tank Overflow	D	March 10, 2019	Include a DOSA assembly with storm drain and drain away from tank			
Robin Hood Bolted Steel Tank Roof Hatch Seal	D	March 10, 2019				
Robin Hood Bolted Steel Tank Vent Screen	D	March 10, 2019				
Robin Hood Bolted Steel Tank Drain	C	March 10, 2019	Retire the existing Horizontal Robin Hood tank and replace with a 6-inch regulator and 2-inch bypass regulator	2019/2023	\$130,800	3.6
Robin Hood Bolted Steel Tank Removal/Replacement	A	March 20, 2019				
Hill House Tank Site	N/A	May 10, 2019	Vegetation cleared	Completed	-	3.4
Hill House Tank Cross Connection Verification	D	April 10, 2019	Verified that no cross connection exists	Completed	-	3.4
China Grade Tank Connection Verification	D	Written verification by April 10, 2019	Verified that no cross connection exists	Completed	-	3.9

Deficiency Identified	Order of Hazard	Date to Address Deficiency	Proposed Corrective Action			Memo Section Reference
			Description	Schedule	Cost	
China Grade Tank Roof Lid Lock	D	March 10, 2019	Roof lid lock installed	Completed	-	3.9
Rancho Dia Tank Rehabilitation/Replacement Plan	A	Rehabilitation/Replacement Plan by May 10, 2019				
Rancho Dia Tank Interim Operation Requirements	N/A	Immediately				
Rancho Dia Tank Vent Screen	A	February 10, 2019	Replace Rancho Dia Tank with 10,000 gallon polyethylene tank with seismic anchorage	2019	\$74,300	3.10
Rancho Dia Tank Site	D	May 10, 2019				
Rancho Dia Tank Leaks	C	March 10, 2019				
Rancho Dia Tank Cleaning	B	June 10, 2019				
Oberst Tank Replacement Plan	A	May 10, 2019	Replace Oberst Tank with 10,000 gallon polyethylene tank with seismic anchorage	2019	\$64,600	3.11
Oberst Tank Roof Vent Screen	D	January 30, 2019				
Bloom Grade Tank Ownership Status and Fence Removal	B	Written verification of ownership status by April 10, 2019	BBWC working with property owner to verify	2019	-	3.12
Bloom Grade Tank Cross Connection Verification	C	Written verification by April 10, 2019	Confirmed no cross connection present	Completed	-	3.12
Bloom Grade Tank Drain	C	September 10, 2019	Sample tap and drain to be installed with other site improvements	2021	\$23,500	3.12
Bloom Grade Tank Sample Tap	D	May 10, 2019				3.12
Storage Tank Inspections	C	Now	BBWC will increase its tank inspection efforts to meet DDW requirements	Ongoing	-	4.2
<b>SURFACE WATER TREATMENT</b>						
Jamison WTP Filter Unit Evaluation and Rehabilitation/Replacement	A	Plan by 4/10/19 Completed by 2/10/20	BBWC will consult with a professional engineering firm to prepare a Water Treatment Facilities Plan and provide long-term recommendations	2020	\$50,000	4.3
Updated Surface Water Treatment Plant Operations Plan	B	6/10/19				
Settled Water Turbidity	N/A	Now				
pH Monitoring	C	4/10/19				
Daily pH and Temperature Monitoring	C	Immediately	BBWC will consult with a professional engineering consultant to updated SOPs and Operations Plan after improvements to existing Microfloc treatment plant are completed by Wes Tech® (see Section 4.3)	2021	\$25,000	4.4
Chlorine Residual Grab Sampling and Reporting	N/A	Now				
Clarifier and Filter Loading Rates	N/A	Feb 2019				
Jamison WTP Filter Unit Clarification Media Screen	A	3/10/19				
Online Chlorine Residual Analyzer	A	3/10/19				
Jamison WTP Building	B	9/10/19	Repair filters, replace PLCs, install EPA approved total chlorine analyzer, clean building and repair holes, replace existing turbidimeter	2020	\$236,300	3.5
Jamison WTP Cleaning	A	2/10/19 & Continuously				
Jamison WTP Turbidimeter	B	11/10/19				
Distribution System Chlorine Residual	A	Immediately	Increased system chlorine residual	Completed	-	4.5

Deficiency Identified	Order of Hazard	Date to Address Deficiency	Proposed Corrective Action			Memo Section Reference
			Description	Schedule	Cost	
Filter Effluent Line Cross Connection Evaluation	D	7/10/19	BBWC confirmed that no cross connection exists (JIM TO CONFIRM)	Completed	-	-
Backwash Tank Cross Connection(s)	C	4/10/19	BBWC confirmed that no cross connection exists (JIM TO CONFIRM)	Completed	-	-
October 9, 2018 Chlorine Residual	N/A	2/15/19	Completed and mailed to DDW on XX/XX/XX	Completed	-	-
Jamison WTP Cats	B	2/20/19	BBWC to develop a comprehensive long-term Vector Control Plan	See Section 3.5	-	-
Jamison WTP Chemical Storage Tank Water Line	C	5/10/19	BBWC to install new chemical storage platform and containment	2020	\$149,000	3.5.1
Jamison WTP Chemical Storage Tanks and Storage	B	5/10/19	BBWC to prepare new Rules and Standards for Cross Connection in the service area for approval by CPUC; after which BBWC will complete a system wide survey and inventory backflow equipment	2019	\$25,000	4.6
Cross Connection Control Operating Rules	A	6/10/19				
Cross Connection Control Survey	A	10/10/19				
Backflow Prevention Assembly Inventory	A	6/10/19				
<b>OTHER</b>						
2017 Consumer Confidence Report Certification	C	2/15/2019	BBWC provided to DDW on XX/XX/XX	2019	-	-
Watershed Sanitary Survey	C	12/31/2019	BBWC to engage professional engineering consultant to prepare	2021	\$25,000	4.7
Source Capacity	B	12/31/2019	BBWC to engage professional engineering consultant to prepare	2020	\$25,000	4.8
Records	D	Now	BBWC working to improve recordkeeping procedures	Ongoing	-	4.9
Overdue 2018 Source Monitoring	C	1/31/2019	BBWC provided to DDW on XX/XX/XX	2019	-	-
<b>LIST OF RECOMMENDATIONS</b>						
Photos	-	-	BBWC to prepare and provide to DDW by end of 2019	2019	-	-
Robin Hood Tank Foundation	-	-	BBWC to engage to professional engineer to evaluate as budget allows	2023	\$10,000	-
Hill House Tank Foundation	-	-	Install seismic restraint system	2022	\$34,200	3.4
Hill House Tank Fence	-	-	Install ~170 ft of fence, a 12-ft swing gate, and ~400 sf gravel road	2022	\$24,200	3.9
China Grade Tank Fence	-	-	Install ~145 ft of fence, a 12-ft swing gate, and ~1,000 sf gravel road	2021	\$48,300	3.12
Bloom Grade Tank Fence	-	-	Install ~170 ft of fence, a 12-ft swing gate, and ~8,000 sf gravel road	See Section 3.5	-	-
Jamison WTP IFE Turbidimeter	-	-	Install a turbidimeter on the effluent end of each filter unit	See Section 3.5	-	-
Jamison WTP Backup Turbidimeter	-	-	Purchase one backup turbidimeter	See Section 3.5.2	-	-
Jamison WTP Generator	-	-	BBWC to evaluate as part of long term facilities plan	2022	\$119,300	3.5.2
Jamison WTP Site Security	-	-	Install 950 ft of fence, a 20-ft double swing gate, and a 20-ft barrier gate	2023	\$26,200	3.15
Inactive Sources	-	-	BBWC to retire Well # 1 and evaluate Well # 2 for restoration	2020 - 2024	\$231,000	3.13
Isolation Valves	-	-	Install 20 line valves	2020	-	4.10
Operator Staffing	-	-	BBWC evaluating hiring/contracting additional staff	2022	\$20,000	4.11
Emergency Response Plan	-	-	BBWC to engage professional consultant to prepare	Ongoing	TBD	3.14
Distribution Main Replacement Plan	-	-	BBWC replacing mains as part of a long term asset management program			
Cross Connection Specialist	-	-	Will contract with a cross connection specialist			

Commented [WJ6]: If this is complete, make a note stating that it is complete and what work was performed

Commented [WJ7]: If this is complete, make a note stating that it is complete and what work was performed

Commented [WJ8]: Add date

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## Corrective Action Projected Costs and Schedule of Improvements

The following table is a summary of the costs and schedule for the proposed corrective actions.

Project	2019	2020	2021	2022	2023	2024	TOTAL
Well 4 Chlorination		\$253,900					\$253,900
Corvin Creek Intake Sedimentation Tank			\$15,800				\$15,800
Jamison Intake 1 Sedimentation Tank			\$15,800				\$15,800
Jamison Intake 2 Screen							
Jamison Intake 2 Transmission Line			\$95,500				\$95,500
Jamison Intake 1 Transmission Line							
Jamison Reservoir Cross Connection	\$22,200						\$22,200
Galleon Heights Booster Station Housing							
Galleon Heights Booster Pump Plan			\$125,200				\$125,200
Tradewinds Booster Station Waterlogged Pressure Tanks							
Tradewinds Booster Station Piping and Valving Corrosion			\$136,400				\$136,400
Tradewinds Booster Station Generator							
Galleon Tank Power and Level Transducer			\$61,400				\$61,400
Galleon Tank Overflow							
Robin Hood Bolted Steel Tank Roof Hatch Seal							
Robin Hood Bolted Steel Tank Vent Screen							
Robin Hood Bolted Steel Tank Drain	\$19,500				\$111,300		\$130,800
Robin Hood Bolted Steel Tank Removal/Replacement							
Rancho Dia Tank Rehabilitation/Replacement Plan							
Rancho Dia Tank Interim Operation Requirements							
Rancho Dia Tank Vent Screen							
Rancho Dia Tank Site	\$74,300						\$74,300
Rancho Dia Tank Leaks							
Rancho Dia Tank Cleaning							
Oberst Tank Replacement Plan							
Oberst Tank Roof Vent Screen	\$64,600						\$64,600
Bloom Grade Tank Drain and Sample Tap			\$23,500				\$23,500

Thursday, April 8, 2021

Project	2019	2020	2021	2022	2023	2024	TOTAL
Jamison WTP Filter Unit Evaluation and Rehabilitation/Replacement		\$50,000					\$50,000
Updated Surface Water Treatment Plant Operations Plan			\$25,000				\$25,000
Jamison WTP Building Repairs, Filter Unit Repairs, Chlorine Analyzer, Turbidimeters		\$236,300					\$236,300
Jamison WTP Chemical Storage Tanks and Storage		\$149,000					\$149,000
Cross Connection Control Operating Rules							
Cross Connection Control Survey	\$25,000						\$25,000
Backflow Prevention Assembly Inventory							
Watershed Sanitary Survey			\$25,000				\$25,000
Source Capacity		\$25,000					\$25,000
Robin Hood Tank Foundation				\$10,000			\$10,000
Hill House Tank Foundation				\$34,200			\$34,200
Hill House Tank Fence							
China Grade Tank Fence				\$24,200			\$24,200
Bloom Grade Tank Fence			\$48,300				\$48,300
Jamison Station Fence				\$119,300			\$119,300
Inactive Sources					\$26,200		\$26,200
Isolation Valves		\$46,200	\$46,200	\$46,200	\$46,200	\$46,200	\$231,000
Distribution Main Replacement Plan				\$270,000	\$270,000	\$270,000	\$810,000
Emergency Response Plan				\$20,000			\$20,000
<b>Estimated Capital Expenditures (Present Value)</b>	<b>\$ 205,600</b>	<b>\$760,400</b>	<b>\$ 618,100</b>	<b>\$ 513,900</b>	<b>\$463,700</b>	<b>\$316,200</b>	<b>\$2,877,900</b>

Items for Jim to address are highlighted in the DDW response document.

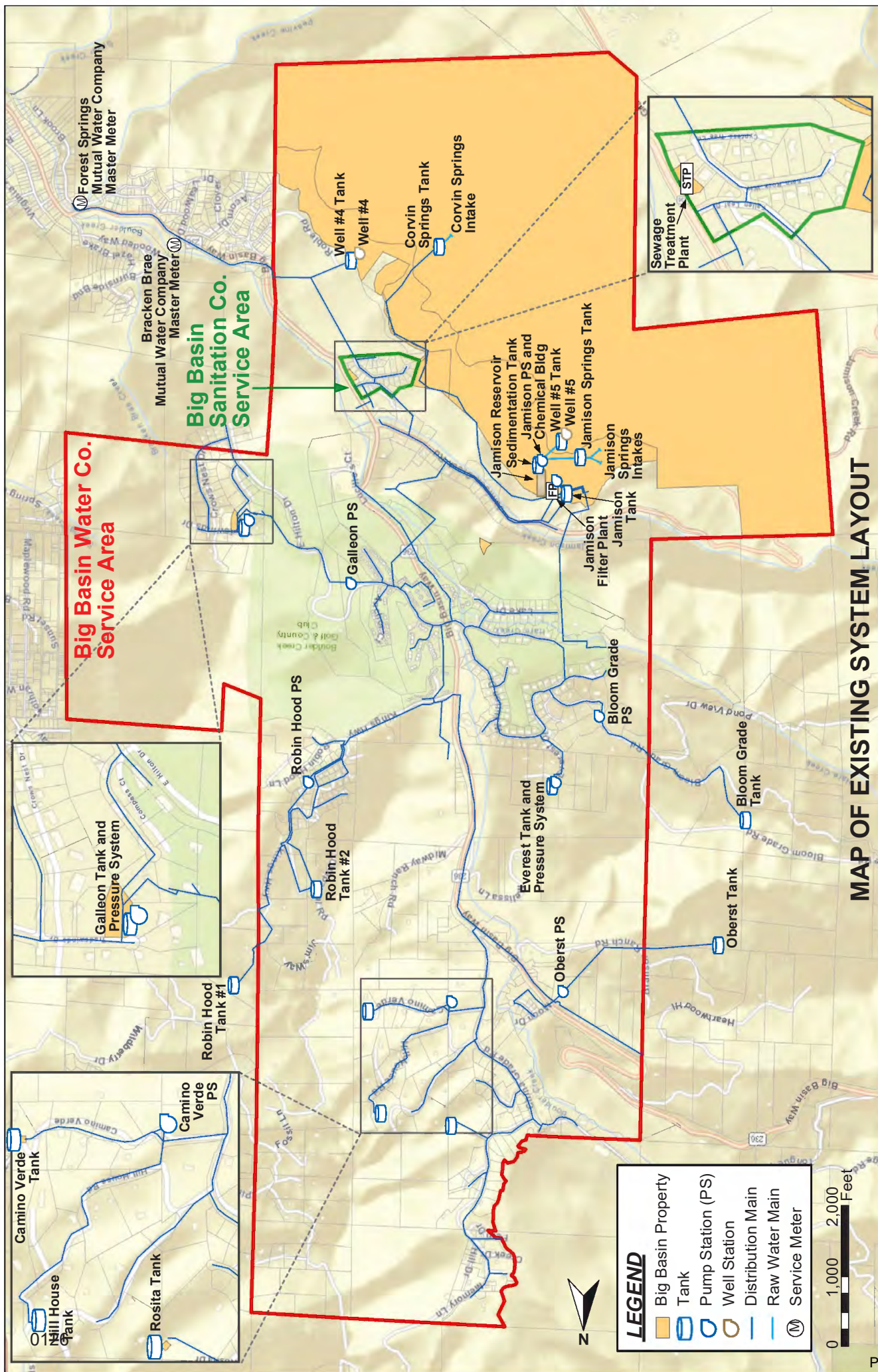
**Photos for Jim to insert into the document:**

- Section 3.4, Figure 3 – Photo showing vegetation cleared around Hill House Tank
- Section 3.8.1, Figure 6 – Photo showing hatch gasket seal on Galleon Heights Tank
- Section 3.8.1, Figure 7 – Photo showing #24 mesh vent screen on Galleon Heights Tank
- Section 3.8.1, Figure 8 – Photo showing greater clearance between pipe and ground (cut and screened overflow pipe)
- Section 3.12, Figure 13 – Photo showing that there is no cross connection between Bloom Grade Tank and neighbor's tank

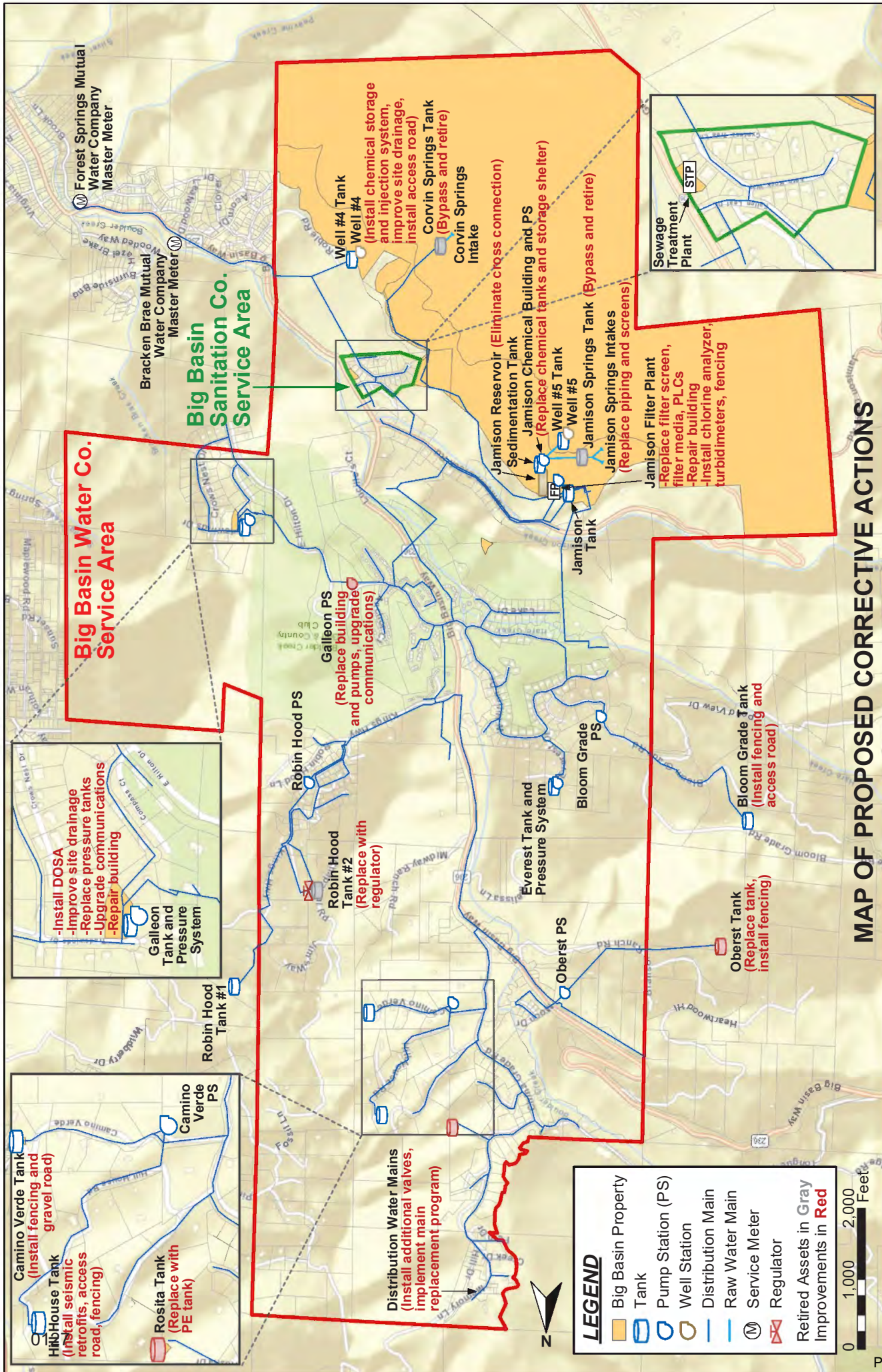
**In Table on Page 24, for Jim to confirm and provide evidence to DDW:**

- Confirm and provide evidence that there is no cross connection between the filtered water line and backwash line
- Confirm and provide evidence that there is no cross connection between backwash water storage tank and Jamison Reservoir
- Confirm that the October 9, 2018 Chlorine Residual report was sent to DDW and update table in response document
- Confirm that the 2017 Consumer Confidence Report Certification was sent to DDW
- Confirm that the overdue 2018 Source Monitoring report was sent to DDW









MAP OF PROPOSED CORRECTIVE ACTIONS



# EXHIBIT E

## State Water Resources Control Board

Division of Drinking Water

February 3, 2020

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

Dear Mr. Moore:

### **POWER OUTAGE RESPONSE PLAN REQUIRED BIG BASIN WATER COMPANY (SYSTEM NO. 4410001)**

California public water systems, with oversight by the State Water Resources Control Board – Division of Drinking Water (Division), are required to provide a reliable and adequate supply of pure, wholesome, healthful, and potable water (California Health and Safety Code, Section 116555 (a)(3)). Failure to provide a reliable and adequate water supply of potable water is a significant public health risk due to water quality deterioration, back-siphonage conditions creating potential contamination pathways, the lack of firefighting water, etc.

During the 2019 Public Safety Power Shutoff (PSPS) program administered by Pacific Gas and Electric (PG&E) in Northern California, electricity was shut off in targeted geographic areas when heightened fire risk weather conditions were forecasted. During two PSPS events in October 2019, even with advance notice from PG&E that power shutoffs were imminent, Big Basin WC was not prepared and ultimately experienced a water outage on October 28-29, 2019, which prompted Big Basin WC to issue a precautionary boil water notice in conjunction with the Division.

Big Basin WC must avoid future water outages due to scheduled or unscheduled power outages by preparing and following a power outage response plan, that includes but is not limited to the following elements:

1. The protocol for preparing for a planned power shutoff including filling storage tanks, site visits, water conservation notification, etc. More information is included in the attached PSPS water system guidance document.
2. How backup power will be obtained before a planned power outage and at the onset of an unplanned power outage. The source of the backup power must be identified along with applicable contacts.
3. The process for transporting and installing backup power at the locations identified as critical during a power outage.

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

1 Lower Ragsdale Drive, Bldg. 1, Suite 120, Monterey, CA 93940 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

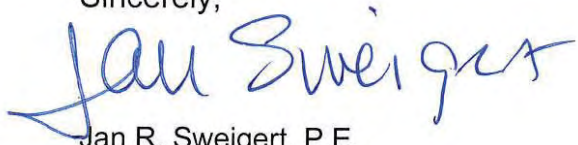
4. Contact information for neighboring water systems, the Division of Drinking Water, Santa Cruz County Environmental Health, emergency response networks, and other contacts needed during a power outage.
5. The procedure for initiating and distributing public notification in accordance with California Code of Regulations, Title 22, Sections 64663 and 64665.

The power outage plan must be submitted to the Division for approval no later than **February 28, 2020**.

If future water outages occur due to negligent preparation by the water system, the Division will issue enforcement.

If you have any questions, please contact Jonathan Weininger at (831) 655-6932 or [jonathan.weininger@waterboards.ca.gov](mailto:jonathan.weininger@waterboards.ca.gov), or me at (831) 655-6934.

Sincerely,



Jan R. Sweigert, P.E.  
District Engineer, Monterey District Office  
Northern California Field Operations Branch  
Division of Drinking Water

Attachments: PSPS Preparation Suggestions

Email cc: Santa Cruz County Environmental Health Department

CPUC Water Division

Bruce Deberry, CPUC Water Division [Bruce.deberry@cpuc.ca.gov](mailto:Bruce.deberry@cpuc.ca.gov)

Adam Thaler, CPUC Water Division [adam.thaler@cpuc.ca.gov](mailto:adam.thaler@cpuc.ca.gov)

## **Attachment: PSPS Preparation Suggestions**

This message is for water systems in Santa Cruz County regulated by the State Drinking Water Program – Monterey Office.

During planned power shutdowns, critical components of your water system that rely on electrical power may be affected by the shutdown. The Division of Drinking Water's Water Security Unit has put together the following list of recommended actions for WSs to take for preparation for the PSPS:

- Top-off all reservoirs so to maintain service with gravity throughout the PSPS, if it should occur.
- Configure the distribution system to be able to serve with gravity (turn on/off strategic valves).
- Evaluate use of any available interconnections and intertie
- Acquire and position/preposition emergency generators where needed.
- Contact their utility partners and networks for awareness and determine availability of assistance if needed (e.g., CalWARN and CUEA).
- Issue conservation notices to customers so to reduce unnecessary demand and maintain supply storage.
- Establish contacts with the local and County emergency management services (EOC) to report situation status and resources needs if needed.
- Establish contact with regulatory agency to report situation status and resources needs if needed.
- Establish contact with the power utility (account manager).
- Use the Water Quality Emergency Notification Plan when needed.
- Prepare and have ready the public notifications, e.g., boil water notices to use as needed.
- Ascertain contacts with assistants for public notification, e.g., public information officer, media, County EOC public information officer, etc.

In the event that a portion or all of your water system experiences a water outage, please immediately contact the Division of Drinking Water at (831) 655-6939 or refer to your Emergency Notification Plan.

# EXHIBIT F

## State Water Resources Control Board

Division of Drinking Water

February 25, 2020

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

Dear Mr. Moore:

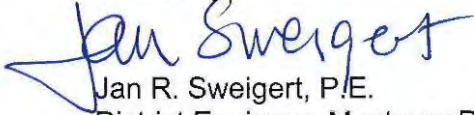
### **ANNUAL SURFACE WATER TREATMENT PLANT EVALUATION BIG BASIN WATER COMPANY (SYSTEM NO. 4410001)**

Representatives from the State Water Resources Control Board – Division of Drinking Water (Division) conducted an annual inspection of Big Basin Water Company's (Big Basin WC) surface water treatment plant on January 17, 2020. The Division acknowledges the work done by Big Basin WC since the previous surface water treatment plant inspection, but the treatment plant remains in unsatisfactory overall condition. There are many deficiencies that remain unaddressed and must be addressed by the timelines listed in the attached surface water treatment plant evaluation.

Written acknowledgement of this annual surface water treatment plant evaluation and the deficiency list items listed on Pages 9-10 of the attached evaluation is due by **March 30, 2020**. Please include a progress report on completed deficiencies and a timeline for completing all remaining deficiencies.

If you have any questions, please contact Jonathan Weininger at (831) 655-6932 or [jonathan.weininger@waterboards.ca.gov](mailto:jonathan.weininger@waterboards.ca.gov), or me at (831) 655-6934.

Sincerely,



Jan R. Sweigert, P.E.  
District Engineer, Monterey District Office  
Northern California Field Operations Branch  
Division of Drinking Water

Attachments: Annual Surface Water Treatment Plant Evaluation

Email cc: Santa Cruz County Environmental Health Department  
Bruce Deberry, CPUC Water Division [Bruce.deberry@cpuc.ca.gov](mailto:Bruce.deberry@cpuc.ca.gov)  
Adam Thaler, CPUC Water Division [adam.thaler@cpuc.ca.gov](mailto:adam.thaler@cpuc.ca.gov)

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

**Bcc:** Jonathan (bcc only), J. Sweigert, 4410001 Correspondence, chron

Permits

☐ ECM – Vilma – Inspections → Sanitary Surveys → Letter and Reports

☐ Vilma – Scanned Copy saved in Correspondence → Scanned Documents Folder

☐ Jonathan - Move from drafts to permit folder.



**STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER  
SURFACE WATER TREATMENT PLANT EVALUATION  
(January – December 2019)**

System No.& Name: **4410001 Big Basin Water Company**

Name of Water Treatment Plant: **Jamison Surface Water Treatment Plant (SWTP)**

Inspection Date: **January 17, 2020**

Treatment Plant Classification: **T2**

Chief Operator(s): **Jim Moore**

Hours of Operation: **As needed, up to 365 days a year. Big Basin WC must have an operator on site each day of operation due to chlorine grab sampling requirements and lack of reliability features.**

*Requirement: Operation without frequent interruptions (Title 22 CCR, Section 64658(b)(13))*

Sources of Information:

- 1) Files, discussion, and monthly reporting
- 2) State Water Resources Control Board - Electronic Water Rights Information Management System  
[http://ciwqs.waterboards.ca.gov/ciwqs/ewrims/EWServlet?Redirect\\_Page=EWWaterRightPublicSearch.jsp&Purpose=getEWAppSearchPage](http://ciwqs.waterboards.ca.gov/ciwqs/ewrims/EWServlet?Redirect_Page=EWWaterRightPublicSearch.jsp&Purpose=getEWAppSearchPage)
- 3) State Water Resources Control Board, June 2018, *California Surface Water Treatment Rule Alternative Filtration Technology Summary*  
[https://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/documents/dwdocuments/2018/aft\\_contact\\_sum\\_tables.pdf](https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/documents/dwdocuments/2018/aft_contact_sum_tables.pdf)

**A. SOURCE OF SUPPLY**

<b>Table 1: Raw Water Evaluation</b>	
Raw water Sources:	Corvin Creek (4410001-001). Roughly 50 gpm. Jamison Springs - Two intakes (4410001-009). Roughly 30 gpm combined flow. Well 05 Horizontal Well (4410001-010). Roughly 13-35 gpm.
Raw Water Transmission Line(s):	Corvin Creek: 1940s era steel pipe. The transmission lines from the surface intakes and Well 05 are reportedly above ground PVC to the Jamison WTP, but the Division has not inspected the full length of the transmission lines.
Range of recent treatment plant flow?	<75 gpm to 100 gpm
Date of last watershed sanitary survey:	2006
<u>Does the watershed sanitary survey report adequately address the following:</u>	
Physical and hydrogeological description of the watershed	Yes
A summary of source water quality monitoring data	Yes
A description of activities and sources of contamination	Yes
A description of any significant changes that have occurred since the last survey which could affect the quality of the source water	Yes
A description of watershed control and management practices:	Yes
An evaluation of the system's ability to meet surface water treatment regulations:	Yes
Recommendations for corrective actions: <b>None. The watershed is owned by Big Basin WC and most vulnerable to contamination from nearby septic tank leach fields, although there are none directly on the watershed.</b>	
Water Rights: <b>Yes, Big Basin WC has appropriative rights licensed by the State Water Resources</b>	



**Table 1: Raw Water Evaluation**

<b>Control Board Division of Water Rights. Big Basin WC is allowed 0.37 cfs (166 gpm) of direct diversion. Big Basin WC is allowed 4.6 AFY of storage for a total of 231 AFY of beneficial use of the four streams tributary to Jamison Creek.</b>	
Raw bacteriological monitoring frequency: <i>Surface water treatment plant raw water supply is to be monitored for total coliform and either fecal coliform or E.coli bacteria using density analysis no less than once per month. (CCR 64654.8 (b(1))).</i>	Big Basin WC is required to collect raw surface water total coliform and E. coli sampling at least monthly and report the results to the Division by the 10 <sup>th</sup> day of the following month.  Sample results are summarized in Table 2.
Cryptosporidium monitoring for Long Term Enhanced Surface Water Treatment Rule (LT2):	Big Basin WC completed the second round of LT2 monitoring and is classified as a Bin 1 water system, which means no additional filtration credit is required based on E. coli results.
<p><u>Discussion and Appraisal:</u> Big Basin WC is overdue for a five year watershed sanitary survey update. Big Basin WC must complete a watershed sanitary survey and provide a summary to the Division by <b>December 31, 2020</b>. The watershed sanitary survey must be updated and then submitted to the Division every five years.</p> <p>Big Basin WC has stated that it has used Jamison Reservoir as a raw a water source a few times over the past 10 years. Big Basin WC is not permitted to use the Jamison Reservoir, a 3 MG artificial reservoir primarily fed by overflow from surface water sources, as a surface water source. The reservoir is not a permitted raw surface water source and cannot be used as a surface water source, without approval by the Division through issuance of a water system permit amendment.</p>	

**Table 2: Raw Water Bacteriological Summary – Individual Sources**  
(Reported as Monthly Value in MPN/100 mL)

Month	Well 5		Jamison Springs		Corvin Creek	
	Total Coliform	E. Coli	Total Coliform	E. Coli	Total Coliform	E. Coli
Dec-19	<1.0	<1.0	224.7	11	75.4	5.2
Nov-19	1	<1.0	105	9.7	93.3	13.4
Oct-19	13.4	<1.0	488.4	33.6	129.1	33.6
Sep-19	<1.0	<1.0	290.9	4.1	193.5	35.9
Aug-19	<1.0	<1.0	140.1	9.7	325.5	98.7
Jul-19	<1.0	<1.0	101.7	1	206.4	34.5
Jun-19	<1.0	<1.0	248.1	<1.0	145.5	6.3
May-19	1	<1.0	137.4	3.1	98.5	1
Apr-19	<1.0	<1.0	150	5.2	6.30	<1.0
Mar-19	<1.0	<1.0	150	36	20	4
Feb-19	<1.0	<1.0	137.6	18.9	74.9	18.7
Jan-19	<1.0	<1.0	365.4	59.1	59.1	4.1

## B. TREATMENT TECHNOLOGY

**Table 3: Treatment Plant Characteristics**

Type of Treatment:	Trident Microfloc upflow contact clarification /filtration system. First stage – upflow clarification. Second stage: mixed media filtration with anthracite coal, silica sand, and high density sand.
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<b>Table 3: Treatment Plant Characteristics</b>	
Approved Technology?	Yes, the Trident Microfloc contact clarification filtration system is listed in the Division's approved alternative technologies listing.
Year Constructed:	1993
Filtration Removal Credit: <i>Requirement: 3.0 log Giardia and 4.0 log Virus removal through both filtration and disinfection.</i>	2.5 log <i>Giardia</i> , 2.0 log Virus, and 2.0 log <i>cryptosporidium</i> removal with a maximum clarifier loading rate of 10 gpm/ft <sup>2</sup> and maximum filter loading rate of 5 gpm/ ft <sup>2</sup> , Big Basin WC must comply with these loading rates by measuring flow from each filter unit and calculating loading rates. Big Basin WC must notify the Division if the clarifier and/or filter loading rate is exceeded.
Pre-filtration	None
Number of filtration units <i>(Multiple filter units are required. (Section 64659(a)(4))</i>	2
How is filtration rate controlled?	Automatic
Filtration rate at maximum flow	75 gpm for each unit
Is there filter-to-waste capability? <i>Required for new treatment plants by Section 64658(b)(8)</i>	Yes
Is the filter backwash water recycled?	No – all backwash water is sent to a backwash pond and not recycled.
<b>Treatment Plant Chemicals</b>	
Disinfectant?	HASA Chlor, an NSF 60 certified 12.5% sodium hypochlorite. The chlorine is diluted with system water at different dilutions depending on the season. The operations plan must include a description of the dilution ratio.
Supply of disinfectant on hand?	30 gallons, which lasts about two weeks.
Emergency plan of action for disinfection failure:	2006
Coagulant:	Dry Aluminum Sulfate, Chemtrade Solutions. NSF 60 certified. Aluminum Sulfate NSF 60 Certification Notes: Max dose = 400 mg/L. The aluminum level in the finished drinking water must not exceed 2 mg/L.
Coagulant Dosage Calculations:	According to Big Basin WC's Jamison WTP operations plan, dated 1993, the alum dose is calculated at 4 mg/L. The operations plan states that the dose is adjusted based on the turbidimeter, however, the treatment plant turbidimeter is no longer connected to the dosing pump, so the operations plan needs to be updated. Big Basin WC must begin performing jar testing to determine optimal coagulant dosages.
Chemical Storage Evaluation: Chemical storage tanks were replaced since the last inspection and are located in new locked plastic sheds. Chlorine and alum are stored in separate sheds.	

### C. PERFORMANCE STANDARDS

<b>Table 4: Filtration and Disinfection Performance</b>
Filter effluent turbidity requirements:

<ol style="list-style-type: none"> <li>1. The filtered water turbidity must be equal to or less than 0.2 NTU in 95% of measurements taken each month.</li> <li>2. The filtered water turbidity must not exceed 2.0 NTU at any time.</li> <li>3. If using turbidity grab sampling, the filtered water must not exceed 1.0 NTU in more than two samples taken consecutively while the plant is in operation.</li> <li>4. When any individual filter is placed back in service, the filtered water turbidity of the effluent from that filter must not exceed: 5.0 NTU, 1.0 NTU in at least 90% of the interruption events during any consecutive 12-month period, and 0.2 NTU after the filter has been in operation for four hours.</li> </ol>	
Maximum combined filter effluent turbidity level during the past 12 months	0.2 NTU (February 2019)
Number of times turbidity exceeded 0.1 NTU in combined filter effluent for more than four hours during the past 12 months	All months online in 2019 except November.
Maximum individual filter effluent turbidity level during the past 12 months	Individual filter effluent turbidity is not measured.
Maximum turbidities when placing filters on line after backwash or other interruption	Unknown
Minimum residual in the water delivered to the distribution system during the past 12 months ( <i>The effluent residual cannot be less than 0.2 mg/l for more than four hours in any 24 hour period (Section 64654(b)(1))</i> )	0.4 mg/L (October 2019)
<p>Discussion and Appraisal:</p> <p>In 2019, the second filter unit was emptied and new upflow clarifier media was installed. The gaskets were replaced and media breakthrough is no longer observed.</p> <p>Big Basin WC must begin collecting daily settled water turbidity (grab sample from the clarifier) measurements and reporting the results to the Division within the monthly surface water treatment plant report. Big Basin WC should target a settled water turbidity of no more than 2.0 NTU.</p>	

The table below summarizes the past 12 months of filtration effectiveness:

<b>Table 5: Raw and Treated Water Turbidity Summary</b>			
<b>Month</b>	<b>Monthly Average Peak Raw Water Turbidity (NTU)</b>	<b>95<sup>th</sup> Percentile Treated Water Turbidity (NTU)</b>	<b>Average Turbidity Reduction (in %)</b>
Dec-19	1	0.13	91.1
Nov-19	1	0.09	91.5
Oct-19	1	0.11	91.1
Sep-19	1	0.15	89.9
Aug-19	1	0.16	87.9
Jul-19	1.4	0.16	90.7
Jun-19	1.2	0.16	88.3
May-19	1.1	0.16	86.4
Apr-19	Offline	Offline	Offline
Mar-19	Offline	Offline	Offline
Feb-19	1	0.12	86.5 %
Jan-19	0.7	0.12	88.4 %

*Requirement: The percent reduction of monthly average raw water turbidities must be greater than 80% OR jar tests or pilot testing may be used to show that optimum removal is being achieved (Section 64660(b)(9)) OR the monthly average effluent turbidity must be less than 0.1 NTU (Requirement for low turbidity raw water)*

## D. DESIGN AND OPERATIONS STANDARDS

<b>Table 6: Operations and Maintenance</b>	
Describe filter maintenance:	Media is inspected daily by operators.
Describe media change out:	According to Big Basin WC, the media was replaced about 10 years ago, but the Division does not have media replacement records.
Describe backwash cycle:	Backwash is initiated by pressure loss. Each filter unit typically backwashes between daily and every three to four days.
Backwash Water:	A 15,000 gallon steel storage tank stores system water for backwashing the filter units.  Original drawings show that in the past, this tank was the contact time tank and show a direct cross connection between the tank and the Jamison Reservoir. Big Basin WC must verify this cross connection does not exist.
Recycled Backwash:	No, all backwash water is sent to an adjacent sediment pond
Filter Cleaning Procedure:	Filters have not been cleaned for at least 10 years.
Disinfection Byproduct Precursor Removal:	No dedicated treatment, but overall values of TTHMs and HAA5s are below their respective MCLs in the distribution system.
Discussion and Appraisal: The filter units need to be taken offline for a full evaluation of the clarification media, filter media, filter bed and coating condition, and evaluation of valves and piping. The filter units need a complete rehabilitation or replacement.	

## E. RELIABILITY AND MONITORING

<b>Table 7: Summary of Treatment Plant Equipment</b>	
Turbidity Monitoring Equipment	A single HACH 1720E is used for turbidity compliance on the combined filter effluent line. The turbidimeter as installed in 2006. The viewer, a HACH sc100, was swapped with one from Forest Springs IMA in November 2018.  The turbidimeter's accuracy is unknown, so a turbidimeter manufacturer rep must inspect, calibrate, and ensure the turbidimeter is accurate.
Chlorine Residual Monitoring	Big Basin WC is required to collect at least three daily chlorine residual grab samples at the treated water line sample tap, which is located about 460' downstream of the contact time tank outside of the chemical injection shed. Big Basin WC uses a handheld HACH Pocket Colorimeter using free chlorine DPD packets for chlorine residual monitoring. Until a chlorine analyzer is purchased and installed, Big Basin WC must continue to collect three chlorine residual grab samples every day. Big Basin WC must also properly maintain and verify its colorimeter and ensure all DPD packets are not expired.  Big Basin WC is required to purchase and install a chlorine residual analyzer due to past violations of grab sampling requirements. The Division requested an approved chlorine residual analyzer to be installed by April 30, 2018, but Big Basin WC has not purchased and installed an analyzer to date.
Temperature and pH Monitoring:	Temperature is monitored using an analog thermometer in a bucket of treated water. pH is monitored using pH test strips. Big Basin WC must use a pH probe or other EPA approved pH testing method.

**Table 7: Summary of Treatment Plant Equipment**

	<p>Big Basin WC has assumed a max pH of 8.0 and minimum temperature of 10 to 12 Celsius for monthly reporting, which has not been verified on a regular basis as worst case conditions.</p> <p>Big Basin WC must report a daily pH and temperature value from the water leaving the treated water contact time. After one year of daily pH and temperature monitoring, Big Basin WC can request to use worst case assumptions.</p>
Flow Measurement:	The Division does not have a list of flow meters at the Jamison WTP.
Standby equipment available?	<p>Big Basin WC has an extra diaphragm pump available for chemical injection capabilities. Big Basin WC should have an extra turbidimeter available.</p> <p><i>Required by Section 64659(a)(2) Standby replacement equipment available to assure continuous operation and control of unit processes for coagulation, filtration and disinfection</i></p>
Standby Power:	<b>None. The Division recommends Big Basin WC have an onsite generator at the treatment plant.</b>
Site Security:	<b>The treatment plant is located inside a locked wood building. The chemical storage and dosing room is located inside a locked building at the entrance to the treatment plant property. The treatment plant location does not include a gate or fence. The Division recommends a gate is installed at the front of the plant and recommends the site is fenced.</b>

**Discussion and Appraisal:**

Big Basin WC needs to provide an inventory of all raw and treated water flow meters. The Division recommends Big Basin WC install an additional turbidimeter so there are turbidimeters on each filter unit. A backup turbidimeter should be available. Big Basin WC is overdue in purchasing and installing a chlorine residual analyzer. Big Basin WC must begin sending the Division all three daily chlorine residual results including the date and time taken with the monthly surface water treatment plant report.

**Table 8: Monitoring Equipment Characteristics**

Parameter	Location	Continuous Monitoring	Recording	Alarm/Shutdown	Comments
Flow	Influent	No	No	No	
	Individual Filter Effluent	No	No	No	
	Combined Filter Effluent	No	No	No	
Turbidity	Raw	No	Grab	No	
	Individual Filter Effluent	No	No	No	
	Combined Filter Effluent	Yes	Chart Recorder	Unknown	
Chlorine Residual	Leaving Filters	No	Grab	No	
	Leaving Clearwell	No	Grab	No	
Temperature	Leaving Clearwell	No			
pH	Leaving Clearwell	No			

**Discussion and Appraisal:**

Big Basin WC must provide a list of current turbidimeter alarms/shutdowns. Big Basin WC does not have online capabilities or real time alarms/shutdowns, so the plant must always be staffed by a certified operator. If a chlorine failure occurs during the night, the failure will not be caught

**Table 8: Monitoring Equipment Characteristics**

Parameter	Location	Continuous Monitoring	Recording	Alarm/ Shutdown	Comments
until the morning. Therefore, Big Basin WC must not operate the plant without an operator onsite.					

## F. OPERATIONS AND RECORDS

**Table 9: Operations**

Number and level of certified operators:	Two, Jim Moore is the chief operator with a T3 certification and Damian Moore is the shift operator with a T2 certification.
Date of Operations Plan:	November 1993 and revised in March 2006, but not approved.
Has the plan been approved by the Division?	Revised 2006 Operations Plan has not been approved by the Division.
Describe any changes needed to the plan	The operations plan needs to be updated to address various changes in the water system and treatment plant since 1993 including monitoring equipment, grab sampling, alarms, alum and chlorine dosing, etc.
Describe the treatment records maintained:	Big Basin WC stores treatment plant records.
Does the water system consistently send monthly treatment plant reports	Yes
Does the monthly treatment report include all required information?	Yes
Discussion and Appraisal:	
Big Basin WC must update its operations plan by <b>December 31, 2020</b> .	

## G. CONTACT TIME EVALUATION

Source of Information: The CT Tables used are found in Appendix E in the *EPA Guidance Manual for Compliance with the Filtration and Disinfection Requirements for Public Water Systems Using Surface Water Sources*, 1990.

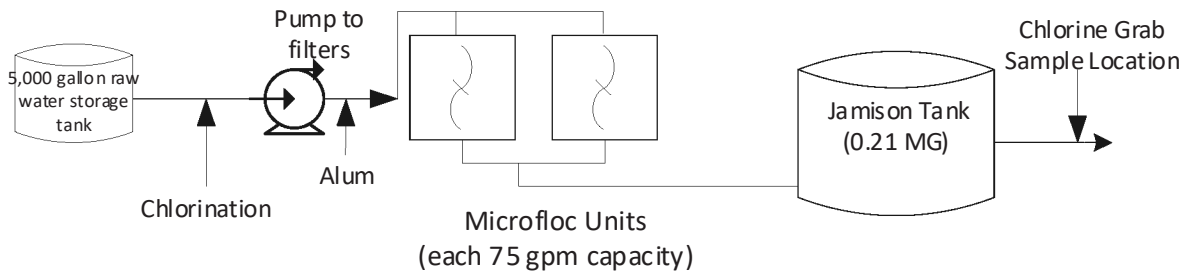
**Table 10: Required Log Removal for Alternative Technology – Trident Microfloc\***

	Giardia	Virus	Cryptosporidium
Required Total Log Reduction	3.0	4.0	2.0
Reduction Log Credit for Trident Microfloc*	2.5	2.0	2.0
Required Log Reduction with Disinfection	<b>0.5</b>	<b>2.0</b>	<b>0.0</b>

\* As determined by Division evaluation and listed in alternative technology listing at <http://www.SWRCB-DDW.ca.gov/certlic/drinkingwater/Pages/Publications.aspx>

## TREATMENT PLANT FLOWPATH





<b>Table 11: Calculations</b>	
<b>Jamison Tank</b>	
The Jamison Tank is located at the Jamison WTP and provides chlorine contact time. The tank has a capacity of 210,000 gallons.	
Height of Walls	24'
Diameter of Clearwell	38.6'
Minimum Water Level	Use 11' based on past surface water treatment plant reports. Big Basin WC must provide its low tank level alarm.
Minimum volume of clearwell	96285 gal
T <sub>10</sub> /T (baffling factor)	0.1 (default baffling factor)
Available Volume	9628.5 gal
<b>Pipe between chlorine injection and treatment</b>	
Length	400 feet
Diameter	4"
T <sub>10</sub> /T (baffling factor)	1.0 (default baffling factor for pipes)
Volume	261 gal
<b>Pipe between Jamison Tank and Chlorine grab sample location</b>	
Length	400 feet
Diameter	6"
T <sub>10</sub> /T (baffling factor)	1.0 (default baffling factor for pipes)
Volume	587 feet
Total Pipeline Volume	261 + 587 = 848 gal
<b>Contact Time Calculation</b>	
Total Volume:	848 gal (pipelines) + 9628.5 gal (tank) = 10476.5 gal
Peak Flow Rate:	300 gpm (capacity of Galleon boosters, which draw water from the Jamison WTP)
Residence Time:	10476.5 gal / 300 gpm = 34.92 min
Contact Time Achieved	34.92 min * 0.7 (typical chlorine residual) = 24.44 min-mg/L
<b>Required Log Removal</b>	
pH (highest)	8 (not verified)
Water Temperature (lowest)	11 deg C
Cl <sub>2</sub> Residual (lowest)	0.4 mg/L (based on past 12 months of reporting)
<b>Required Contact Time (CT<sub>Required</sub>) at Worst Case Operating Conditions Required CT for 0.5 log reduction of <i>Giardia</i> and 2.0 log reduction of virus</b>	
CT <sub>Required</sub> ( <i>Giardia</i> )	25 min-mg/L
CT <sub>Required</sub> (Virus)	2.8 min-mg/L
<b>Disinfection Contact Time Evaluation:</b> At the 12 month chlorine residual low of 0.4 mg/L, contact time cannot be met under worse case scenarios. However, Big Basin WC met contact time requirements in 2019.	

**Table 11: Calculations**

The Division recommends Big Basin WC keeps at least a 0.8 mg/L free chlorine residual measured at the current sample location. Big Basin WC must update the temperature and pH value with results obtained at the chlorine residual grab sample location. The currently reported pH values are assumptions but have not been verified in years. Big Basin WC must use an EPA approved method for monitoring pH from the treated and disinfected water.

Note: The worst case scenario for purposes of this evaluation is a situation where plant conditions that are unfavorable (low temperature, high pH, low chlorine residual) for inactivation are used.

## H. OVERALL PLANT APPRAISAL

The treatment plant is in poor overall condition, although Big Basin WC has made progress on some items found during the 2018 sanitary survey. Big Basin WC must continue to address the deficiencies outlined in the 2018 sanitary survey and the list below.

### Deficiency List

1. **Formazin** - Formazin was expired and must be replaced no later than **March 30, 2020**. Turbidimeter calibrations must only be completed using current Formazin.
2. **Turbidimeter Inspection and Verification:** The turbidimeter's accuracy is unknown and requires maintenance and accuracy verification from the manufacturer. A manufacturer representative must inspect and verify the accuracy of the turbidimeter no later than **March 30, 2020**. Manufacturer documentation must be sent to the Division after the inspection and verification is complete.
3. **Treated Water pH Monitoring** - pH monitoring equipment that uses an approved sampling method must be purchased no later than **March 30, 2020**. pH monitoring is required no less than daily from the sample location at the end of the contact time segment (after the clearwell).
4. **Updated Operations Plan** – Big Basin WC must send an updated treatment plant operations plan to the Division by **December 31, 2020**. The plan must be completed in accordance with California Code of Regulations, Title 22, Section 64661,
5. **Watershed Sanitary Survey** - Big Basin WC must complete a watershed sanitary survey and provide a summary to the Division by **December 31, 2020**. The watershed sanitary survey must be completed in accordance with California Code of Regulations, Title 22, Section 64665. The watershed sanitary survey must then be updated every five years and sent to the Division.
6. **Daily Settled Water Turbidity** - Big Basin WC must begin collecting daily settled water turbidity (grab sample from the clarifier) measurements and reporting the results to the Division within the monthly surface water treatment plant report. Big Basin WC should target a settled water turbidity of no more than 2.0 NTU.
7. **Chlorine Residual Reporting** - Big Basin WC must send the Division all three daily chlorine residual results including the date and time taken with the monthly surface water treatment plant report.



8. **Chlorine Residual Monitoring** – As long as Big Basin WC uses grab sampling as part of disinfection requirements, Big Basin WC must ensure its handheld monitoring equipment is accurate. Sample vials must be regularly thoroughly cleaned and the monitoring equipment must be periodically verified by an independent laboratory.
9. **Water Treatment Facilities Plan** – In Big Basin WC's 2019 sanitary survey response letter, Big Basin WC indicated a Water Treatment Plant Facilities Plan will be prepared by an engineering consultant in 2020. The plan will identify the path forward for the water treatment plant and includes funding new monitoring equipment, treatment plant building upgrades, and control system upgrades. Big Basin WC must submit this plan to the Division no later than **December 31, 2020**.
10. **Jamison Reservoir Cross Connection** – In Big Basin WC's 2019 sanitary survey response, Big Basin WC stated in 2019, "The existing piping between Jamison Reservoir and the distribution system will be cut, capped, and separated with concrete to create a physical separation between these two sources of water, thereby eliminating all risk of cross connection at this location." The Division has not received proof that this work was completed. Please send the Division proof that this work was completed by **May 10, 2020**.
11. **Power Outage Plan** – a power outage plan that addresses how Big Basin Water Company will remain operational during an extended power outage must be sent to the Division no later than **March 2, 2020**. The plan must include the components outlined in the February 3, 2020 letter sent by the Division.

# EXHIBIT G



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## State Water Resources Control Board

### Division of Drinking Water

April 9, 2021

System No. 4410001

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

**COMPLIANCE ORDER NO. 02\_05\_21R\_001\_4410001  
FAILURE TO PROVIDE AN ADEQUATE SUPPLY OF PURE, WHOLESOME,  
HEALTHFUL, AND POTABLE WATER, &  
NONCOMPLIANCE WITH SOURCE CAPACITY REQUIREMENTS, &  
NONCOMPLIANCE WITH THE 2018 SANITARY SURVEY REPORT DEFICIENCY LIST**

Enclosed is Compliance Order No. 02\_05\_21R\_001 (hereinafter "Order"), issued to the Big Basin Water Company (hereinafter "Big Basin WC") public water system. Please note that there are legally enforceable deadlines associated with this Order.

Big Basin WC will be billed at the State Water Resources Control Board's (hereinafter "State Water Board") hourly rate for the time spent on issuing this Order. California Health and Safety Code (hereinafter "CHSC") Section 116577 provides that a public water system must reimburse the State Water Board for actual costs incurred by the State Water Board for specified enforcement actions, including preparing, issuing and monitoring compliance with an order. At this time, the State Water Board has spent approximately five hours on enforcement activities associated with this violation.

Big Basin WC will receive a bill sent from the State Water Board in August of the next fiscal year. This bill will contain fees for any enforcement time spent on Big Basin WC for the current fiscal year.

Any person who is aggrieved by a citation, order or decision issued under authority delegated to an officer or employee of the State Water Board under Article 8

**E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR**

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1 Lower Ragsdale Drive, Bldg. 1, Suite 120, Monterey, CA 93940 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

(commencing with CHSC, Section 116625) or Article 9 (commencing with CHSC, Section 116650), of the Safe Drinking Water Act (CHSC, Division 104, Part 12, Chapter 4), may file a petition with the State Water Board for reconsideration of the citation, order or decision.

Petitions must be received by the State Water Board within 30 days of the issuance of the citation, order or decision by the officer or employee of the State Water Board. If the 30th day falls on a Saturday, Sunday, or state holiday, the petition is due the following business day by 5:00 p.m.

Information regarding filing petitions may be found at:

[http://www.waterboards.ca.gov/drinking\\_water/programs/petitions/index.shtml](http://www.waterboards.ca.gov/drinking_water/programs/petitions/index.shtml)

If you have any questions regarding this matter, please contact the Division of Drinking Water at [dwpdist05@waterboards.ca.gov](mailto:dwpdist05@waterboards.ca.gov) or (831) 655-6939.

Sincerely,

 Digitally signed by Stefan Cajina  
Date: 2021.04.09 12:53:32 -07'00'  
Stefan Cajina, P.E., Chief  
North Coastal Section  
Division of Drinking Water  
State Water Resources Control Board

Enclosures

Certified Mail No. 7016 2070 0000 1417 3236

cc: Santa Cruz County Environmental Health Services  
Marilyn Underwood, [Marilyn.Underwood@santacruzcounty.us](mailto:Marilyn.Underwood@santacruzcounty.us)  
Nathan Salazar, [Nathan.Salazar@santacruzcounty.us](mailto:Nathan.Salazar@santacruzcounty.us)  
Sierra Ryan, [Sierra.Ryan@santacruzcounty.us](mailto:Sierra.Ryan@santacruzcounty.us)

California Public Utilities Commission (CPUC) Water Division  
Moises Chavez, [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)  
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Stephen St. Marie, [Stephen.St.Marie@cpuc.ca.gov](mailto:Stephen.St.Marie@cpuc.ca.gov)

2

3 STATE OF CALIFORNIA

4 STATE WATER RESOURCES CONTROL BOARD

5 DIVISION OF DRINKING WATER

6

7 **Name of Public Water System:** Big Basin Water Company

8 **Water System No:** 4410001

9

10 **Attention:** Jim Moore, Manager

11 PO Box 197

12 Boulder Creek, CA 95006

13

14 **Issued:** April 9, 2021

15

16 **COMPLIANCE ORDER FOR NONCOMPLIANCE**

17 **SOURCE CAPACITY REQUIREMENTS**

18 **CALIFORNIA CODE OF REGULATIONS**

19 **TITLE 22, SECTION 64554(a)(2)**

20 **AND CALIFORNIA HEALTH AND SAFETY CODE SECTION 116555 (a)(3)**

21

22 The California Health and Safety Code (hereinafter "CHSC"), Section 116655

23 authorizes the State Water Resources Control Board (hereinafter "State Water Board"),

24 to issue a Compliance Order to a public water system when the State Water Board

25 determines that the public water system has violated or is violating the California Safe

26 Drinking Water Act (hereinafter "California SDWA"), (CHSC, Division 104, Part 12,

Chapter 4, commencing with Section 116270), or any regulation, standard, permit, or order issued or adopted thereunder.

The State Water Board, acting by and through its Division of Drinking Water (hereinafter "Division"), and the Deputy Director for the Division, hereby issues Compliance Order No. 02\_05\_21R\_001 (hereinafter "Order"), pursuant to Section 116655 of the CHSC to the Big Basin Water Company (hereinafter "Big Basin WC"), for violation of CHSC, Section 116555 and CCR, Title 22, Section 64554(a)(2).

### STATEMENT OF FACTS

Big Basin WC is classified as a community water system and serves a population of 1,694 through 605 connections (information from the 2019 Electronic Annual Report to the Division of Drinking Water (EAR)). Following the August 2020 CZU Lightning Complex Fire, a portion of Big Basin Water Company customer connections were destroyed or damaged, so the current population and customer connection count is lower than reported in the 2019 EAR. Big Basin WC operates under Domestic Water Supply Permit No. 02-05-44-94P-001, issued by the State Water Board on February 11, 1994.

Prior to the August 2020 CZU Lightning Complex Fire, Big Basin Water Company's water sources included treated surface water and groundwater. Sources included groundwater from Well 4 and surface water from Corvin Creek, Jamison Springs, and Horizontal Well No. 5, which supplied the Jamison Surface Water Treatment Plant (Jamison SWTP). Jamison SWTP was a 150 gallons per minute (gpm) capacity treatment plant with two parallel 75 gpm-rated Trident Microfloc upflow contact clarification/filtration units that included coagulation using aluminum sulfate and disinfection with liquid sodium hypochlorite. The State Water Board's 2018 sanitary survey report identified Big Basin WC's noncompliance with source capacity regulations

1 and included a deadline of December 31, 2019 for Big Basin WC to send a report  
2 identifying progress made on increasing source capacity. In a March 3, 2019 letter  
3 responding to the sanitary survey report, Big Basin WC proposed the following plan to  
4 address its source capacity deficiency:

5 *“Proposed Corrective Action: BBWC will contract with a professional engineering*  
6 *consultant to conduct well tests of its groundwater sources and review its surface*  
7 *water capacity to determine necessary steps to increase its source capacity is in*  
8 *accordance with current regulations.*

9 *Proposed Year for Corrective Action to be Complete: 2020.*

10 *Total Estimated Cost: \$25,000.”*

11 The State Water Board has not received this source capacity evaluation from Big Basin  
12 WC.

13  
14 The August 2020 CZU Lightning Complex Fires destroyed the Jamison SWTP and  
15 several other water system facilities. Following the loss of the Jamison SWTP, Big  
16 Basin WC currently has only one potable water source, Well 4, and cannot meet source  
17 capacity requirements.

18  
19 Pursuant to CCR, Title 22, Section 64554(a), as a public water system serving less than  
20 1,000 service connections, Big Basin WC is required to have sufficient source capacity  
21 to meet the system’s 10-year maximum day demand, which is determined pursuant to  
22 CCR, Title 22, Section 64454(b). The past 10 years of production data, as reported in  
23 Electronic Annual Reports to the State Water Board, are listed in the following table:  
24

<b><i>Past 10 Years of Production Data (2010-2019) in Million Gallons (MG)</i></b>			
<b>Year</b>	<b>Max Day</b>	<b>Max Month</b>	<b>Year Total</b>
2019	<i>0.35</i>	7.32	67.0
2018	<i>0.26</i>	5.39	52.44
2017	<i>0.37</i>	7.62	64.51
2016	<i>0.51</i>	10.6	78.43
2015	<i>0.34</i>	7.09	68.38
2014	<i>0.48</i>	9.35	74.18
2013	Big Basin WC did not send a 2013 EAR.		
2012	<b>0.62</b>	12.71	98.92
2011	<i>0.59</i>	12.21	83.38
2010	<i>0.43</i>	8.91	56.71

*Note: italicized values indicate a calculated value using Section 64554 guidelines.*

Additionally, Big Basin WC is required to meet its 10-year maximum day demand with storage capacity, unless it can demonstrate that it has additional source capacity or an intertie with a nearby system.

The 72-hour pumping test for Well 4, conducted in 1980, demonstrated a maximum capacity of 288 gpm. CCR, Title 22, Section 64554 (g) specifies hard rock well source capacity as 25 percent of the maximum capacity; therefore, the capacity of Well 4 is 72 gpm ( $288 \text{ gpm} \times 0.25 = 72 \text{ gpm}$ ) or 0.104 million gallons per day (MGD).

With a 10-year maximum day demand of 0.62 MGD (2012) and an available source capacity of 0.104 MGD, Big Basin Water Company cannot meet the 10-year maximum day demand.



1 Big Basin WC does not have a second water source or a permanent interconnection to  
2 a nearby water system to ensure potable water supply in the event Well 4 fails or is out  
3 of service for maintenance, repairs, power outage, or other reasonably foreseeable  
4 events. Therefore, Big Basin WC cannot demonstrate the ability to provide a reliable  
5 and adequate supply of pure, wholesome, healthful, and potable water as required by  
6 CHSC, Section 116555 (a)(3).

7  
8 Prior to the August 2020 CZU Lightning Complex fires, the State Water Board  
9 documented sanitary hazards and operational deficiencies found at Big Basin WC in the  
10 2016 sanitary survey report (dated December 21, 2016), the 2018 sanitary survey report  
11 (dated January 10, 2019), and the 2020 surface water treatment plant evaluation (dated  
12 February 25, 2020).

13  
14 During the 2019 Public Safety Power Shutoff (PSPS) program administered by Pacific  
15 Gas and Electric (PG&E) in Northern California, electricity was shut off in targeted  
16 geographic areas when heightened fire risk weather conditions were forecast. During  
17 two PSPS events in October 2019, with advance notice from PG&E that power shutoffs  
18 were imminent, Big Basin WC was not prepared and ultimately experienced a water  
19 outage on October 28 and 29, 2019, which prompted Big Basin WC to issue a  
20 precautionary boil water notice in conjunction with the State Water Board. In a letter  
21 dated February 3, 2020, the State Water Board requested a power outage response  
22 plan from Big Basin WC, with a deadline to submit the plan by February 28, 2020. The  
23 deadline was later extended to March 2, 2020 in the 2020 surface water treatment plant  
24 evaluation letter (dated February 25, 2020). The State Water Board has not received a  
25 power outage response plan from Big Basin WC.

26  
27 Big Basin WC has a documented history of failing to administer preventative  
28 maintenance, emergency preparedness, and customer complaint programs. This lack of

preparation and inadequate customer communication has contributed to Big Basin WC failing to reliably supply its customers with potable water during emergency events, including the 2019 PG&E Power Safety Shutoffs and the August 2020 CZU Lightning Complex Fire. These deficiencies constitute an ongoing threat of failure to provide a reliable and adequate supply of pure, wholesome, healthful, and potable water as required by CHSC, Section 116555 (a)(3).

### DETERMINATION

The State Water Board has determined that Big Basin WC cannot provide an adequate and reliable supply of water pursuant to CHSC, Section 116555 (a)(3) and has failed to comply with source capacity requirements pursuant to CCR, Title 22, Sections 64554(a)(2).

### DIRECTIVES

Big Basin WC is hereby directed to take the following actions:

1. By **June 10, 2021**, submit to the State Water Board for review and approval a compliance action plan prepared by a licensed California professional engineer. The compliance action plan must include the following elements:
  - a. A proposal to comply with the source capacity requirements of CCR, Title 22, Section 64554 (a)(2), including a schedule for completion of each project phase. As a minimum, the schedule must include the following project phases: environmental review, design, construction, permitting, inspection, and startup. The plan must include an anticipated date when Big Basin WC will achieve compliance with CCR, Title 22, Section 64554(a). The completion date must be no later than **March 10, 2022**, unless otherwise approved by the State Water Board.

- b. A schedule for removal and replacement of all fire-damaged infrastructure, including, but not limited to, service laterals, mains, transmission lines, storage tanks, etc.
  - c. An analysis of Big Basin WC's financial capacity to complete the projects listed in the compliance action plan.
2. On or before **May 10, 2021**, submit to the State Water Board a water contingency plan that describes how Big Basin WC will secure a temporary water supply in the event of an outage or failure of Well 4. In addition to any other options for temporary supply, Big Basin WC must present a feasibility analysis for obtaining an emergency or permanent interconnection to a neighboring public water system, sized to reliably provide water to all Big Basin WC customers.
3. On or before **June 10, 2021**, submit to the State Water Board for approval a schedule for completing the corrective actions identified in Big Basin WC's March 3, 2019 response to the 2018 sanitary survey letter (Appendix 1). The plan must include a schedule and project list to correct existing storage tank, booster station, and distribution system deficiencies. Unless specified below, the plan may exclude any deficiencies related to fire-damaged infrastructure, such as the Jamison SWTP and raw surface water sources. The State Water Board will consider each project completed after adequate documentation and photos have been sent and approved by the State Water Board. State Water Board confirmation may include site visits. As a minimum, the schedule must include the following projects mentioned in the 2018 sanitary survey and March 3, 2019 Big Basin WC response letter:
  - a. Letter Section 3.3.3 - remove the cross connection between the Jamison Reservoir and the distribution system

- b. Letter Section 3.6 - remove the Robin Hood Tank #2 (Horizontal Tank) from service
- c. Letter Section 3.7 - Galleon Heights Booster Station and Storage Tank improvements
- d. Letter Section 3.8.1 – Galleon Heights Tank improvements.
- e. Letter Section 3.8.2 – Tradewinds pressure system improvements.
- f. Letter Section 3.10 – Rancho Dia Tank replacement.
  - i. The State Water Board understands this tank was destroyed in the CZU Lightning Complex Fire, but Big Basin WC must provide details on tank replacement at this site or provide a hydraulic model that demonstrates adequate water system operations without this tank
- g. 3.11 – Oberst Tank replacement
- h. 3.12 – Bloom Grade Tank improvements
- i. 3.13 and 3.14 – Create a main replacement program that includes adding distribution system isolation valves.

The completion date for the projects listed above must be no later than **February 28, 2023**, except item (a), removing the cross connection between the Jamison Reservoir and the distribution system, must be completed and verified no later than **June 10, 2021**.

- 4. On or before **July 10, 2021**, submit to the State Water Board for review and approval a Water System Operations and Maintenance Plan (O&M plan) pursuant to CCR, Title 22, Section 64600. The O&M plan must include the following elements:
  - a. A plan and procedures for responding to water supply emergencies, which also includes a power outage response plan that describes how Big Basin

WC will supply water during a power outage. As a minimum, the power outage response plan must include the following items:

- i. Preparation protocol for an anticipated, planned power shutoff including filling storage tanks, site visits, water conservation notification, etc.
  - ii. Identification of critical sites requiring backup power to supply all pressure zones with a system pressure no less than 20 psi during a power outage.
  - iii. Documentation demonstrating ownership and/or rental contracts to obtain backup power at Well 4 and other identified critical sites before a planned power outage and at the onset of an unplanned power outage.
  - iv. The process for transporting and installing portable backup power during a power outage at the locations identified as critical for sustained operation in all pressure zones but do not have on-site back power generators.
  - v. Contact information for neighboring water systems, the State Water Board, Santa Cruz County Environmental Health, emergency response networks, and other contacts needed during a power outage.
  - vi. The procedure for initiating and distributing public notification in accordance with California Code of Regulations, Title 22, Sections 64663 and 64665 and with State Water Board review and approval.
- b. An operations and maintenance schedule for Well 4 and the chlorination system;
  - c. A schedule and procedure for flushing dead end mains, and procedures for disposal of the flushed water including dechlorination;

- d. A schedule for routine inspection of tanks, and procedures for cleaning tanks;
  - e. A schedule and procedures for inspecting, repairing, and replacing water mains;
  - f. A plan and procedures for responding to consumer complaints;
  - g. A schedule and procedures for routine exercising of water main valves;
  - h. A schedule and program for maintenance and calibration of source flow meters and other online instruments used to determine the quality or quantity of water;
  - i. The qualifications and training of operating personnel;
5. On or before **September 10, 2021**, submit a permit amendment application package to the State Water Board requesting to add at least one additional permanent water source. The application must include documentation demonstrating compliance with the California Environmental Quality Act (CEQA), water rights, water quality, and all other documentation requested by the State Water Board. Please contact the State Water Board for a full list of requirements.
6. Perform the actions outlined in the State Water Board approved Corrective Action Plans required by Directives 1 and 3, and every element of said plan, according to the time schedule set forth therein.
7. On or before **April 10, 2021** and every 10<sup>th</sup> of the month thereafter, submit a monthly progress report to the State Water Board showing actions taken during the previous calendar month to comply with the corrective action plans required by Directives 1 and 3, using the form provided as Appendix 2 hereto. For each milestone addressed in the monthly progress report, describe the progress made

1 during the past month, specify if the milestone was completed and if not  
2 completed, provide a reason and an estimated date of completion.

- 3
- 4 8. By **April 27, 2021**, complete and return to the State Water Board the "Notification  
5 of Receipt" form attached to this Order as Appendix 3 Completion of this form  
6 confirms that Big Basin WC has received this Order and understands that it  
7 contains legally enforceable directives(s) with due dates.

8

9 All submittals required by this Order, unless otherwise specified in the directives above,  
10 must be electronically submitted to the State Water Board at the following address. The  
11 subject line for all electronic submittals corresponding to this Order must include the  
12 following information: Water System name and number, compliance order number and  
13 title of the document being submitted.

14

15 Jonathan Weininger, District Engineer

16 [Dwpdist05@waterboards.ca.gov](mailto:Dwpdist05@waterboards.ca.gov)

17

18 The State Water Board reserves the right to make modifications to this Order as it may  
19 deem necessary to protect public health and safety. Such modifications may be issued  
20 as amendments to this Order and shall be effective upon issuance.

21

22 Nothing in this Order relieves the Big Basin Water Company of its obligation to meet the  
23 requirements of the California SDWA (CHSC, Division 104, Part 12, Chapter 4,  
24 commencing with Section 116270), or any regulation, standard, permit or order issued  
25 or adopted thereunder.

26

**PARTIES BOUND**

This Order shall apply to and be binding upon Big Basin WC, its owners, shareholders, officers, directors, agents, employees, contractors, successors, and assignees.

**SEVERABILITY**

The directives of this Order are severable, and Big Basin WC shall comply with each and every provision thereof notwithstanding the effectiveness of any provision.

**FURTHER ENFORCEMENT ACTION**

The California SDWA authorizes the State Water Board to: issue a citation or order with assessment of administrative penalties to a public water system for violation or continued violation of the requirements of the California SDWA or any regulation, permit, standard, citation, or order issued or adopted thereunder including, but not limited to, failure to correct a violation identified in a citation or compliance order. The California SDWA also authorizes the State Water Board to take action to suspend or revoke a permit that has been issued to a public water system if the public water system has violated applicable law or regulations or has failed to comply with an order of the State Water Board, and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the State Water Board. The State Water Board does not waive any further enforcement action by issuance of this Order.

**Stefan Cajina**

Digitally signed by Stefan

Cajina

Date: 2021.04.09 12:52:55

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Water Boards

April 9, 2021

Date

Stefan Cajina, P.E., Chief  
North Coastal Section  
Division of Drinking Water  
State Water Resources Control Board

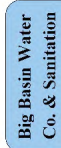


Appendices (3):

1. Copy of "Response to 2018 Sanitary Survey of Big Basin Water Company" letter, dated March 3, 2019.
2. Progress Report Template
3. Notification of Receipt Form

Certified Mail No. 7016 2070 0000 1417 3236

**APPENDIX 1: Copy of “Response to 2018 Sanitary Survey of Big Basin Water Company” letter, dated March 3, 2019.**



16575 Jamison Creek Rd., Boulder Creek, CA 95006  
(831) 338 - 2933

March 3, 2019

Jan R. Sweigert, P.E.  
District Engineer, Monterey District Office  
Northern California Field Operations Branch  
Division of Drinking Water

**RE: Response to 2018 Sanitary Survey of Big Basin Water Company (No. 4410001)**

Dear Ms. Sweigert,

On January 10, 2019, Big Basin Water Company received your 2018 Sanitary Survey report of the water treatment plant and distribution system. This letter and the enclosed documents provide a written response to the various deficiencies identified in the Sanitary Survey, as well as a list of the deficiencies and a plan to correct them. However, this plan and timeline for improvements is dependent on receiving the necessary funding as an outcome of the current Big Basin Water Company rate case filing with the California Public Utilities Commission.

If you have any questions, please contact Jim Moore at (831) 338 – 2933 or by email at [bbwater197@yahoo.com](mailto:bbwater197@yahoo.com).

Sincerely,

Jim Moore  
Chief Operator/Owner  
Big Basin Water Company

Enclosed:

- 1 – 2018 Sanitary Survey Response Memorandum
- 2 – Map of Existing System Layout and Proposed Corrective Actions
- 3 – Budgetary Cost Estimate of Improvements



16575 Jamison Creek Rd., Boulder Creek, CA 95006  
(831) 338 - 2933

Email cc:

Santa Cruz County Environment Health Services

CPUC Water Division

Rami Khalon, CPUC Director – Water Division  
Bruce Deberry, CPUC Water Division  
Adam Thaler, CPUC Water Division

CPUC Public Advocates Office

Pat Ma, CPUC PAO Program & Project Supervisor

# 2018 Sanitary Survey Response Memorandum

## 1. Introduction

This memorandum summarizes deficiencies and recommendations identified by the State Water Resource Control Board Division of Drinking Water (DDW) with proposed corrective actions to be taken by Big Basin Water Company (BBWC), including the timing of any improvements, construction costs to complete, and long-term strategies. The corrective actions presented below are grouped together based on the primary station where deficiencies were identified. An ordered list of the deficiencies as identified in the sanitary survey is available in the table at the end of this document.

## 2. Cost Estimating

Construction and maintenance costs presented herein are based on the following assumptions:

- All new construction will meet current application standards and codes
- Costs presented are based on general contractor, manufacturers, and/or professional engineering estimates
- Unless otherwise specified, retirement costs are not included with the cost estimate
- All construction is assumed to be design-build by the general contractor
- Costs included standard industry markups including Company Labor & Overhead (10%), Permits and Municipal Fees (3%), Construction Contingencies (15%)
- All costs are Present Value (PV) for 2019
- Total estimated costs for identified corrective actions include costs for short-term and long-term solutions

## 3. Proposed CAPEX Corrective Actions

### 3.1. Well 4 Station

Identified Deficiency: Well 4 does not have a 50-foot sanitary seal and continually exerts a chlorine demand on system water that reduces the system chlorine residual. BBWC has been required to install chlorination at Well 4 since the 1994 permit from DDW but has not yet done so. BBWC must provide a plan for wellhead disinfection to DDW no later than March 10, 2019 and provide wellhead disinfection no later than May 20, 2019.

Proposed Corrective Action: In the short term, BBWC has installed a free chlorine injection system to improve the free chlorine residual in the distribution system. The electrical configuration of the chemical pump ensures that the pump only injects chlorine into the tank inlet piping when the groundwater well is operating (see Figure 1).



*Figure 1. Temporary Disinfectant Injection Configuration at Well # 4*

In the long term, a County permitted chemical storage and injection system will be installed. The system will include a 12.5% sodium hypochlorite solution. The solution will be stored with double containment consisting of a 55-gallon drum inside of a lockable polyethylene housing rated for the outdoors. This PE housing unit will be seated and anchored into a concrete foundation and will be located adjacent to the existing bolted steel tank. A peristaltic pump will inject free chlorine into the well discharge piping through a retractable injection assembly and using chemical piping and tubing to ensure double containment. The chemical pump will be activated whenever the groundwater well pump is running. Grab sampling from the tank outlet piping will confirm disinfectant levels entering the distribution system are adequate. Additional work will be performed to ensure that there is drainage away from the tank base.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$253,900

### **3.2. Corvin Creek Station**

Identified Deficiency: The existing Corvin Creek sedimentation tank is in poor physical condition and shows signs of corrosion. Additionally, the reservoir is located on an unstable foundation. The reservoir could potentially tip over if a landslide or a strong seismic event occurred.

Proposed Corrective Action: The Corvin Creek sedimentation tank was originally constructed as a settling tank for the spring diversion but has since become obsolete. Currently, all raw water sources are conveyed to a more recently constructed 5,000 gallon polyethylene settling tank at Jamison station. Therefore, the Corvin Creek tank is no longer necessary for system operations and retirement of this asset is recommended. Existing piping and associated appurtenances at the existing tank site location will be modified to bypass the Corvin Creek tank using 6-inch PVC or HDPE piping.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$15,800

### **3.3. Jamison Station**

#### **3.3.1. Intake 1 Sedimentation Tank**

Identified Deficiency: The intake includes a 2,000 gallon steel sedimentation tank in poor condition with signs of corrosion. BBWC needs to replace the tank and provide a stable foundation.

Proposed Corrective Action: The existing sedimentation tank has become obsolete since the construction of a 5,000 gallon polyethylene settling tank at Jamison station. Therefore, the Intake 1 sedimentation tank is no longer necessary for system operations and retirement of this asset is recommended. Existing piping and associated appurtenances at the existing tank site location will be modified to bypass the sedimentation tank using 6-inch PVC or HDPE piping.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$15,800

#### **3.3.2. Intake Transmission Lines & Screen**

Identified Deficiency: The previous steel transmission lines for both intake 1 and 2 are broken and flexible pipes have been installed temporarily. BBWC must install a permanent transmission line using NSF 61 materials. In addition, the screen on Intake 2 was not properly secured.

Proposed Corrective Action: Replace the existing intake piping with 6-inch PVC or HDPE pipe from each intake (approximately 700-ft of piping to be installed) with all air-valves, valving, blowoffs, and all necessary appurtenances to service the line. Install a new secured screen on Intake 2.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$95,500

#### **3.3.3. Reservoir Cross Connection with Distribution System**

Identified Deficiency: The Jamison surface water reservoir must be physically disconnected from the distribution system. Due to the nature of the cross connection (separated only by a closed isolation valve), BBWC must develop a well researched plan that reduces the risk of potable water contamination with raw surface water.

Proposed Corrective Action: The existing piping between Jamison Reservoir and the distribution system will be cut, capped, and separated with concrete to create a physical separation between these two sources of water, thereby eliminating all risk of cross connection at this location.

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$22,200

3.4. Hill House Station

Identified Deficiencies: Plants have grown around the site and need to be cut back around the tank perimeter. The tank is located adjacent to a home with its own well and tank. BBWC must ensure there are no cross connections and if the home is a customer of BBWC, the home owner has an approved reduce pressure assembly at their meter. The polyethylene tank does not have a foundation. As the budget allows, a more permanent foundation with seismic restraints should be installed. The tank site is not fenced. DDW recommends the site be fenced.

Proposed Corrective Action: BBWC has verified no cross connection exists and vegetation surrounding the tank has been cleared (see Figure 3). To secure the tank, BBWC will install a seismic restraint assembly consisting of four-way cables, cable clamps or clips, and anchor bolts. Anchor bolt length and depth to be determined by a soil or foundation engineer, similar to the example shown in Figure 2. BBWC will also install approximately 170 ft of fence surrounding the tank site with a 12-ft swing gate, as well as about 400 sf of base rock or gravel roadway to provide safer access to the site.

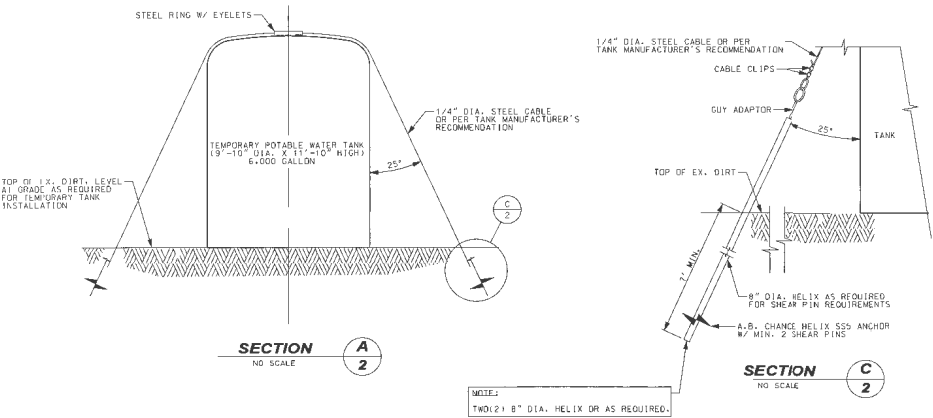


Figure 2. Example of Seismic Restraints

(Space for picture)

Commented [WJ1]: Jim – please delete note and insert picture here.

Figure 3. Vegetation cleared surrounding Hill House Tank



Proposed Year for Corrective Actions to be Complete: 2022

Total Estimated Cost: \$34,200

### **3.5. Water Treatment Plant**

Identified Deficiency: DDW noted the following issues at the water treatment plant:

- The filter unit nearest the entrance door has a break in the clarification media screen, which has allowed the buoyant clarification media to enter the filter cell. The loss of clarification media will affect treatment plant performance. The screen must be replaced with a new screen, and the lost clarification media must be replaced.
- BBWC is required to purchase and install a chlorine residual analyzer due to past violations of grab sampling requirements. The Division requested an approved chlorine residual analyzer to be installed by April 30, 2018, but BBWC has not purchased and installed an analyzer to date. A new continuous chlorine residual analyzer using an approved EPA method using must be installed.
- The treatment plant building is a wood building in poor overall condition. The plant was overrun with rodents, so the BBWC keeps cats in the treatment plant building. BBWC must repair building deficiencies including eliminating potential entrance points for domestic animals and rodents. BBWC should begin planning to replace the treatment plant building to address the rodent problem.
- Parts of the existing turbidimeter were replaced with parts from another turbidimeter. Due to the overall condition and age of the turbidimeter, BBWC must budget to replace the turbidimeter with a new EPA method certified turbidimeter no later than November 10, 2019. A manufacturer representative must evaluate the current turbidimeter for accuracy. BBWC must continue to perform calibrations according to the manufacturer's recommendations.
- Until a manufacturer representative has evaluated the turbidimeter, BBWC must have its laboratory analyze filtered water turbidity samples at least once every two weeks and report the result to the Division along with the turbidimeter turbidity reading.
- DDW recommends BBWC install an additional turbidimeter so there are turbidimeters on each filter unit. A backup turbidimeter should also be available, as required by Section 64659(a)(2), which states that standby replacement equipment should be available to assure continuous operation and control of unit processes for coagulation, filtration and disinfection.
- DDW recommends BBWC install a new turbidimeter on each individual filter effluent (IFE) line.

Proposed Corrective Action: To address DDW's comments in the short term, BBWC intends to do the following work identified below. However, given the state of the existing WTP and that much of the infrastructure is now over 26 years old, it is clear that the existing plant is in need of a complete long-term evaluation. For this reason, BBWC is budgeting for a Water Treatment Plant Facilities Plan to be completed by a professional engineering consultant in 2020 (see Section 4.3).

- Repair filter screens as necessary and replace clarification media in both units
- Replace the Programmable Logic Controls (PLC) on both units. The existing PLCs are backed on cassette tapes, no longer supported by the manufacturer or any suppliers.
- Install a HACH CLT10sc Total Chlorine Analyzer with SC200 Controller on the treated water line sample tap to allow for continuous monitoring. The HACH chlorine analyzer is compliant with EPA Method 334.0 for reporting chlorine residual measurements. The analyzer allows for real-time control of disinfection processes by providing continuous readings and self-diagnostics to alert users when the process has changed or the instrument needs servicing.
- Clean the building and repair all holes and seal openings near windows, vents, and doors in the building to limit entrance points for animals. Install rodent bait stations around the exterior perimeter for the building and replace all the rotten or damaged wood siding.
- Replace the existing turbidimeter with two HACH TU5300 online laser turbidimeters; one on the effluent end of each filter unit. Purchase a third turbidimeter as backup to increase system reliability. Turbidimeters have real-time capabilities and are compliant with EPA Method 180.1. A list of turbidimeter alarms or shutdown set points will be provided to DDW.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$236,300

### **3.5.1. WTP Chemical Storage Tanks and Storage Building**

Identified Deficiency: Chemical Storage Tanks have large holes in their lids and are corroded. Furthermore, the secondary containment is partially full of ponding liquid, which poses an unknown risk. BBWC needs to install new alum and chlorine storage tanks and store the tanks separately. Chlorine and Alum are of different chemical storage groups and as a safety precaution should not be stored together. One of the chemical storage tanks in the chemical storage building is double contained, but both chemical storage tanks are stored together in the same containment facility and next to each other. The chemicals should be further separated and not stored in the same double containment box. The Chemical Storage Tanks (chlorine and alum) have a treated water line (for dilution) plumbed directly into storage tank. A proper air gap must be provided between the treated water fill line and the chemical tanks.

Proposed Corrective Action: BBWC will replace the existing chemical storage building with a new County permitted chemical storage facility that includes a wooden roof structure and concrete foundation. Two lockable polyethylene modular spill pallet with chemical containment and rated for outdoor storage will be housed and anchored to the concrete pad. 55 gallon drums of sodium hypochlorite and aluminum sulfate will be stored separately in each of the modular spill pallets. BBWC will prepare and submit a Hazardous Materials Business Plan to the County. In the long-term, the Water Treatment Plant Facilities Plan will consider including a permanent indoor chemical storage facility as part of a new building consideration.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$149,000

### **3.5.2. WTP Backup Generator & Site Security**

Identified Deficiency: BBWC does not have any backup power for the water treatment plant and this is the main source of supply into the system. In addition, the treatment plant is not secured by any fencing or gate.

Proposed Corrective Action: Install a 20-ft wide double swing gate and 950-ft of 6-ft high chain link fencing around all Jamison Station facilities as one enclosed area, which includes the sedimentation tank, chemical storage building, reservoir, WTP building, and storage tank. Install a 20-ft wide barrier gate at the entrance of the road leading to Jamison Station from Jamison Creek Road.

A backup generator will be considered in the Water Treatment Facilities Plan proposed as part of a long-term improvement plan to ensure the treatment plant can continue to operate and serve customers even in the event of a power outage.

The site security measures and backup generator will be addressed in 2022 following completion of the Water Treatment Plant Facilities Plan. At this time, only fencing costs are included below.

Proposed Year for Corrective Action to be Complete: 2022

Total Estimated Cost: \$119,300

### **3.6. Robin Hood (Tank #2) Station**

Identified Deficiency: The Robin Hood bolted steel tank provides a storage capacity of 10,000 gallons and primarily serves as an equalization storage reservoir. The horizontal tank is supplied by gravity from the 40,000 gallon Robin Hood Tank laying at an approximate elevation of 1,300 feet. In its current state, the tank is in poor physical condition and does not meet existing drinking water standards. Fallen tree branches obstruct access to the reservoir. Moreover, the exterior of the reservoir shows signs of advanced corrosion. Additionally, the tank lays on an unstable wooden foundation without any strong supports.

Proposed Corrective Action: As a temporary solution, BBWC will install a 2-inch bypass pressure reducing valve, set an adequate setpoint to serve customers in the Kings Highway Zone, and bypass the existing the horizontal Robin Hood tank. Additional piping will also be installed as

needed in order to bypass Robin Hood Tank #2. As a long-term solution, BBWC plans to construct a complete 6-inch regulating station at the reservoir site. The new regulating station will supply the existing Kings Highway zone service area. Once the construction of the regulating station is completed, the existing Robin Hood horizontal tank will be properly retired. The new regulating station will incorporate a Singer 6-inch S106-PR-C-SM dual-rolling diaphragm. If the primary chamber within the diaphragm fails, the secondary chamber will take over and regulate the downstream pressure at a desired pre-determined setpoint. The 6-inch valve can sustain a maximum flow rate of 1,800 gpm exceeding both fire flow requirements and maximum day demands in the zone.

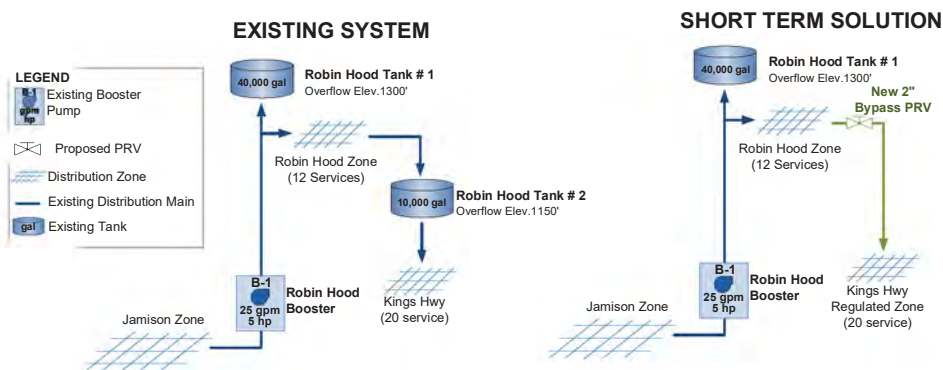


Figure 4. Proposed Corrective Action for Robin Hood Horizontal Tank (Tank #2) – Short Term

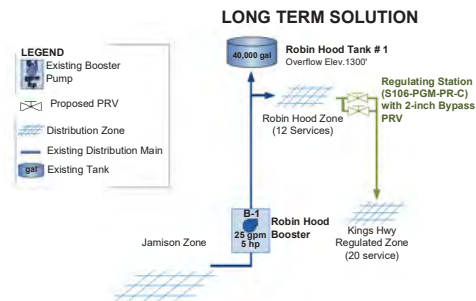


Figure 5. Proposed Corrective Action for Robin Hood Horizontal Tank (Tank #2) – Long Term

Proposed Year for Corrective Action to be Complete: 2019 (2-inch bypass), 2023 (6-inch regulating station)

Total Estimated Cost: \$130,800

### **3.7. Galleon Heights Booster Station and Storage Site**

Identified Deficiencies: Several holes were observed on the wooden side panels of the pump house. Rodent droppings were present on above-grade piping and on the pump bodies. Rodent droppings can create unsanitary conditions and potentially contaminate the source of water supply water. Additionally, the Galleon pump station is severely oversized in comparison to the demands of the service area the pumps supply water to. Consequently, the surplus capacity of the booster pumps limit system operations flexibility, as the clearwell must remain close to its maximum level for the pumps to operate safely. Moreover, the pumps are in poor physical condition and exhibit signs of physical deterioration due to corrosion.

Proposed Corrective Actions: The existing wooden building has exceeded its useful life and will be replaced with a new wooden structure. The inside of the building will be cleaned and the piping will be sandblasted and recoated.

Existing booster pumps and motors will be replaced with two 100-gpm vertical in-line pumps to provide more reliable supply to the tank and replace the oversized equipment currently there. Electrical and logic controls will be installed to allow BBWC to operate pumps based on the water level in the Galleon tank and prevent overflow events. Scope of work would also include a new backup generator receptacle to allow for continued pumping operations to the Galleon reservoir in the occurrence of a power outage.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$125,200

### **3.8. Tradewinds (Galleon Heights Tank Site) Station**

#### **3.8.1. Galleon Heights Reservoir Improvements**

Identified Deficiencies: The Tank Vent Screen located at the center of the roof reservoir is corroded. Depending on the size of the opening in the vent induced by corrosion, debris, living organisms and other non-desirable pathogens can make their way into the water supply. The roof access hatch does not include a seal. The sealing gasket has primary goals to prevent debris, pathogens and organisms to contaminate the water supply. The overflow terminates approximately two inches from the ground and does not ensure minimum standard clearance compliance. Screen at the bottom of the overflow pipe is not effective in its current configuration.

Proposed Corrective Actions: The installation of a new gasket seal around the existing hatch has already been completed as well as a #24 Mesh stainless steel screen to retrofit the existing vent screen (see Figures 6 and 7). As a temporary solution, to ensure the overflow pipe complies with existing air-gap requirements, BBWC has cut the overflow pipe and installed a new screen at the bottom of the overflow pipe (see Figure 8). As a long-term solution, BBWC will install a Tideflex Dechlorinating Overflow Security Assembly (DOSA). The DOSA will dechlorinate any overflow water to comply with the Statewide General NPDES Permit for Drinking Water Systems Discharges and prevent debris and insects from entering the tank. A new storm drain and piping will be also be installed to allow overflow water to drain away from the tank.

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**Commented [WJ2]:** Jim – please delete note and insert a picture here of the new hatch gasket.

**Figure 6. Sealed Shoe-Box Hatch**

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**Commented [WJ3]:** Jim – please delete note and insert picture here of the new vent screen.

**Figure 7. New #24 Mesh Vent Screen**

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**Figure 8. Existing Overflow Pipe Cut and Screened**

**Commented [WJ4]:** Jim – please delete note and insert picture here of the cut and screened overflow pipe.

Included with this work will be the installation of a water level transducer, spread spectrum radio, and electrical work to enable the Galleon booster station to operate based on the water level inside the tank.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$61,400

### **3.8.2. Tradewinds Pressure System Improvements**

Identified Deficiencies: The Tradewinds pressure system consists of three booster pumps, two bladder tanks, and a backup generator. Both pressure tanks were constructed in 1975 and have since become waterlogged due to ruptured bladders, and DDW identified these as needing to be removed or replaced. DDW also identified the existing piping in the pressure system as being aged and corroded, and in need of an overall improvement plan to address. The backup generator

has been out of service and needs to be fixed since this pressure system is the sole source of water for the customers in this pressure zone.

Proposed Corrective Actions: BBWC will replace both ruptured bladders inside the pressure tank with new Amtrol WX-456C bladder tanks. Existing piping and valving will be sandblasted and recoated. The existing generator has already been repaired and is now fully operational (see Figure 9). The existing roof and wood siding will also be replaced to protect the pumping equipment and ensure rodents do not enter the building.



*Figure 9. Generator repaired and operational*

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$136,400

### **3.9. China Grade (Camino Verde) Station**

Identified Deficiency: The tank site is not secured and DDW recommends a perimeter fence be installed. BBWC must ensure that there are no connections to the previously used redwood tank and install a roof lock.

Proposed Corrective Action: Install 145 feet of 6-ft high chain link fencing surrounding the tank site with one 12-ft entry gate. Construct approximately 1,000 sf of base rock or gravel roadway for safe access to the site. BBWC has installed a roof lock (see Figure 10).



*Figure 10: Roof lock on China Grade Tank.*

Proposed Year for Corrective Action to be Complete: 2022

Total Estimated Cost: \$24,200

### **3.10. Rancho Dia (Santa Rosita) Station**

Identified Deficiency: The redwood tank is a significant hazard due to the leaks, redwood condition, debris observed inside the tank, and many openings and breaks in the perimeter vent screen. According to Division records, the tank was constructed in 1958 and is past its useful life. Tank rehabilitation/replacement must be done in accordance with NSF 61, Waterworks Standards, and AWWA standards.

Proposed Corrective Action: To address the deficiency immediately, BBWC will disconnect the existing Rancho Dia Tank and install a 10,000 gallon polyethylene tank. This action will eliminate all hazards associated with the existing tank and ensure sufficient storage capacity is available to meet fire flow in the surrounding area. Once the existing redwood tank is removed from the site, the 10,000 gal polyethylene tank will be relocated and anchored to the existing tank foundation. In addition, a base rock or gravel roadway will be constructed for safer access to the site.

In the long-term, BBWC will evaluate retiring the Rancho Dia tank site all together. The Rancho Dia tank base elevation is lower than other storage facilities in Jamison zone, causing little to no turnover in the Rancho Dia tank and water age concerns. Installing a future regulator from the Hill House tank will satisfy customer demands, meet fire flow requirements, and eliminate the water age and hazards associated with the existing Rancho Dia tank site.



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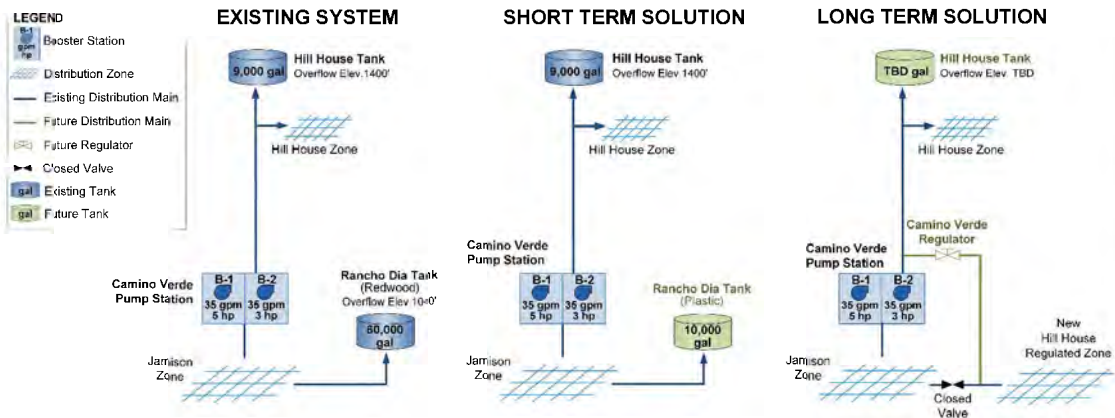


Figure 11: Rancho Dia and Hill House Short & Long-Term Solutions

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$74,300

### 3.11. Oberst Station

Identified Deficiency: The Oberst tank is an aged small steel tank. The interior and exterior coatings are severely corroded. Large rust nodules were observed attached to the interior tank wall. The corrosion presents a sanitary and structural risk. BBWC must provide a plan and schedule for replacement of this tank no later than May 10, 2019. The replacement plan must include NSF 61, AWWA, and Waterworks Standards compliance and a plan to construct a tank foundation and provide proper seismic supports.

Proposed Corrective Action: BBWC will replace the Oberst tank with a 10,000 gallon polyethylene tank anchored to the existing foundation. BBWC will also install a fence surrounding the tank site with a 12-ft swing gate.



*Figure 12: Oberst Station existing foundation*

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$64,600

### **3.12. Bloom Grade Station**

Identified Deficiency: The tank site is not secured and DDW recommends a fence be constructed. Clarify Bloom Grade tank ownership, verify no cross connections exists, and install a tank drain and sample tap.

Proposed Corrective Action: Installation of about 170 ft of 6-ft high chain link fence surrounding the tank site with a 12-ft swing gate plus approximately 8,000 sf of base rock or gravel road to safely access the site. BBWC confirmed that no cross connection exists (see Figure 13). BBWC will install a tank drain and sample tap with other site improvements. BBWC is currently working with homeowners for easements and rights to access the tank.

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**Commented [WJ5]:** Jim – please delete note and insert picture here showing no cross connection.

*Figure 13: No cross connection exists with Bloom Grade tank*

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$71,800

### 3.13. Isolation Valves

Identified Deficiency: According to BBWC, there are some stretches of mainline without an isolation valve for miles. DDW recommends BBWC review all records and install isolation valves in accordance with CCR Title 22 Waterworks Standards.

Proposed Corrective Action: BBWC has reviewed its as-builts and will bring the mainline into compliance with the Waterworks Standards. Bringing the mainline into compliance will require the installation of 14 new line valves, spaced no farther than 1,320 feet apart along water mains. The installation of five new line valves will ensure that the requirement pertaining to tee and crossing connections is met. A summary of the number of valves and cost is presented in Table 1.

*Table 1. Summary of Distribution Valve Requirements*

Size (inch)	No. Valves	Installation (Cost per Valve)	Total Cost
2	2	\$6,000	\$12,000
4	8	\$8,000	\$64,00
6	4	\$11,000	\$44,000
8	3	\$16,000	\$48,000
10	1	\$19,000	\$19,000
12	2	\$22,000	\$44,000
Total	20	-	\$231,000

Proposed Year for Corrective Action to be Complete: Five year program: 2020 – 2024

Total Estimated Cost: \$231,000

### 3.14. Distribution Mainlines

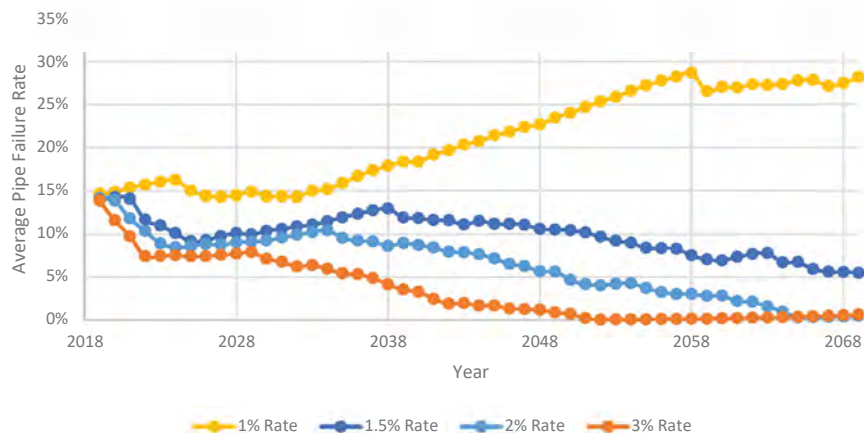
Identified Deficiency: Lack of main replacement plan to replace leaky, aged, undersized (less than 4-inches), and above ground mainlines as part of a capital improvement plan. DDW recommends BBWC to develop a long-term main replacement program.

Proposed Corrective Action: Replace pipelines at a 1.5% rate, or approximately 1,360 ft of pipe per year. An age and failure rate analysis was performed considering the approximate current ages of pipelines in the distribution system and survival curves for existing pipe types. It was assumed that all steel pipelines were installed in the 1940's, all AC pipelines were installed in the 1960's, and all PVC pipelines were installed in the 1990's, and that the oldest pipes with the lowest survival rate are replaced first. The model calculates the average failure rate of all pipelines given their age and the pipe type's survival curve. It assumes that each year a certain percentage

of pipes are replaced, thus reducing the average age and average risk of pipelines across the system. The analysis showed that a replacement rate of 1.5% would ensure that the average age of pipelines in the system does not grow over time, but decreases from about 50 years today to 43 years in 2069 (see Figure 14). Additionally, replacing at a 1.5% rate will prevent the pipeline failure rate from escalating to an unmanageable level. Instead, risk of pipeline failure will steadily decrease over time (see Figure 15).



**Figure 14: Average age of pipelines under 1-3% replacement programs**



**Figure 15: Average failure rate of pipelines under 1-3% replacement programs**

Proposed Year for Corrective Action to be Complete: Starting in 2022 and ongoing

Total Estimated Cost: \$270,000 / year

### **3.15. Retire Inactive Wells**

Identified Deficiency: BBWC has two inactive well sources listed in DDW's database, Galleon Well 1 and Well 2. DDW recommends BBWC schedule to destroy these inactive groundwater sources.

Proposed Corrective Action: BBWC will work with a certified well driller to retire Well 1 and will clear the site of old pumping equipment and appurtenances, disinfect the well column, fill the void in with fill and sealing material, remove at least five feet below the surface and seal the top, and restore the site back to its original conditions.

According to BBWC's groundwater well consultant, Well 2 has the potential to be restored to provide approximately 35 gpm into the system. BBWC intends to evaluate the costs and benefits of restoring and receiving this well as part of the surface water capacity evaluation study (see Section 4.8).

Proposed Year for Corrective Action to be Complete: 2023

Total Estimated Cost: \$26,200

## **4. Proposed Administrative Corrective Actions**

### **4.1. Jamison Reservoir as a Surface Water Source**

Identified Deficiency: BBWC is not permitted to use the Jamison Reservoir, a 3 MG artificial reservoir primarily fed by overflow from surface water sources, as a water source. The reservoir is not permitted raw surface water source and cannot be used as a surface water source.

Proposed Corrective Action: BBWC has stopped using Jamison Reservoir as a surface water source. BBWC will evaluate the need for this source water and apply for the source to be permitted if the use of this source water is deemed necessary to meet system demands.

Proposed Year for Corrective Action to be Complete: Now

Total Estimated Cost: N/A

### **4.2. Quarterly Tank Inspection**

Identified Deficiency: Based on the condition of the storage tanks, BBWC is not adequately inspecting storage tanks. BBWC must begin to inspect all tanks at least quarterly and inspect Rancho Dia tank monthly. BBWC must provide a summary of tank inspections quarterly using the form provided by DDW.

Proposed Corrective Action: BBWC will perform tank inspections, at minimum, on a quarterly basis. BBWC will document the tank inspections by completing the forms provided by DDW in the

2018 *Sanitary Survey Report*. The Rancho Dia (Rosita) tank is scheduled to be replaced as soon as possible with a new 10,000 gallon polyethylene tank.

Proposed Year for Corrective Action to be Complete: Now & ongoing

Total Estimated Cost: N/A

#### **4.3. WTP Facilities Plan**

Identified Deficiency: The filtration units are in poor overall condition and must be evaluated by a WesTech® representative or consulting engineer with experience in surface water treatment to determine necessary upgrades.

Proposed Corrective Action: BBWC acknowledges the existing surface water treatment facility has exceeded the extent of its useful life and is in need of significant investment. While BBWC has approached WesTech® vendor to replace the media and improve the Programmable Logic Control (PLC), these systems are more than 26 years old and are in need of a long-term evaluation. For example, the PLC is currently backed up on cassette tapes, a format which is no longer supported by the manufacturer or any representative distributor. Even with the immediate improvements proposed in Section 3.3.1, BBWC intends to contract with a professional engineering consultant with experience in surface water treatment to prepare a master facilities plan for the Jamison Station.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$50,000

#### **4.4. Surface Water Treatment Plant Operations Plan**

Identified Deficiency: In accordance with CCR, Title 22, Section 64661, BBWC shall update its surface water treatment plant operations plan.

Proposed Corrective Action: BBWC will consult with a professional engineering consultant to review and revise BBWC Operations Plan after the immediate improvements and new equipment has been installed at the surface water treatment. The new Operations Plan will address all tasks listed in the 2018 *Sanitary Survey*, as well as the following:

- Chlorine residual grab sampling and reporting requirements
- Settled water turbidity grab sampling and reporting requirements
- pH monitoring standard approach using EPA approved methodology
- pH and temperature daily monitoring from water leaving the treated water contact time
- Clarifier and filter loading rates calculation and reporting requirements

This will be completed after WesTech® completes the retrofit and improvements to the existing Microfloc treatment plant.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$25,000

#### 4.5. Distribution System Chlorine Residual

Identified Deficiency: As a surface water system, a detectable residual of 0.2 mg/L must be measured in at least 95 percent of the distribution samples.

Proposed Corrective Action: BBWC has increased the chlorine dosage to ensure a minimum 0.2 mg/L free chlorine residual throughout the distribution system. In addition, BBWC will implement all the disinfection system improvement projects listed above.

Proposed Year for Corrective Action to be Complete: Ongoing

Total Estimated Cost: N/A

#### 4.6. Cross Connection Control Program

Identified Deficiency: BBWC must provide a copy of its current cross connection control operating rules. BBWC must conduct a system wide cross connection control survey, and identify all backflow prevention assemblies in the system and provide a list to DDW.

Proposed Corrective Action: BBWC will consult with a backflow prevention specialist to assist in the preparation of a Cross Connection Control Program, which will include standardize rules, equipment, and testing requirements. This program will then be presented to the California Public Utilities Commission for review and approval. Once the program is approved, the consultant will complete a system wide survey and inventory all backflow prevention assemblies in the system.

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$25,000

#### 4.7. Watershed Sanitary Survey

Identified Deficiency: BBWC must conduct a watershed sanitary survey in accordance with CCR, Title 22, Section 64665

Proposed Corrective Action: BBWC will contract with a professional environmental consultant to prepare an updated Watershed Sanitary Survey in compliance with CCR Title 22 64665. The survey and report will include a physical and hydrogeological description of the watershed, a summary of source water quality monitoring data, a description of activities and sources of contamination, description of any significant changes that have occurred since the last survey which could affect the quality of the source water, a description of watershed control and management practices, an evaluation of the system's ability to meet requirements, and recommendations for any corrective actions.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$25,000

#### 4.8. Source Capacity

Identified Deficiency: BBWC is unable to meet source capacity requirements according to the method outlines in CCR, Title 22, Section 64554.

Proposed Corrective Action: BBWC will contract with a professional engineering consultant to conduct well tests of its groundwater sources and review its surface water capacity to determine necessary steps to increase its source capacity in accordance with current regulations.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$25,000

#### **4.9. Records**

Identified Deficiency: BBWC must begin storing records for all preventative maintenance programs including system flushing, valve exercising, and full tank inspections.

Proposed Corrective Action: BBWC has begun a more diligent record keeping program. BBWC maintains a log of all preventative maintenance items performed on the water system including the date, location and nature of the action performed. Additionally, BBWC will start developing their own forms and checklists when performing tests and water samplings based on best practices recommended by industry standards and public entities. All records will be organized, stored in a separated file cabinet, and easily accessible when necessary.

Proposed Year for Corrective Action to be Complete: Now

Total Estimated Cost: N/A

#### **4.10. Operator Staffing**

Identified Deficiency: DDW recommends BBWC add additional certified operators to ensure coverage at the treatment plant and to complete preventative maintenance. DDW also recommends BBWC add an additional T3 treatment operator to ensure a certified chief operator is available at all times.

Proposed Corrective Action: The distribution system is classified as a D3 water system, but the treatment plant is classified by DDW as a T2 treatment facility. It is unclear why DDW is recommending an additional T3 treatment operator. BBWC will evaluate contracting for at least one more full time and certified D3, T2 operator to ensure that at least one chief operator is available at all times for the distribution system and treatment plant. BBWC will also look into the financial feasibility of hiring additional staff and contracting out overhead staff duties.

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: N/A

#### **4.11. Emergency Response Plan**

Identified Deficiency: DDW recommends BBWC create an updated Emergency Response Plan.

Proposed Corrective Action: BBWC will contract with a professional engineering consultant to prepare an emergency response plan in compliance with current regulatory standards.

Proposed Year for Corrective Action to be Complete: 2022



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Total Estimated Cost:      \$20,000

## Summary of Corrective Actions

### Order of Hazard:

- A. Critical Health Hazard
- B. Serious Health Hazard
- C. Potential Health Hazard
- D. System or Operational Defect Resulting in Poor Waterworks Practice

Deficiency Identified	Order of Hazard	Date to Address Deficiency	Proposed Corrective Action			Memo Section Reference
			Description	Schedule	Cost	
SOURCES						
Well 4 Chlorination	A	Plan by 3/10/19 Completed by 5/20/19	Temporary chlorination system already installed; long term injection system to be completed by end of 2020	2020	\$253,900	3.1
Corvin Creek Intake Sedimentation Tank	C	July 10, 2020	Bypass and retire sedimentation tank	2022	\$15,800	3.2
Jamison Intake 1 Sedimentation Tank	C	July 10, 2020	Bypass and retire sedimentation tank	2021	\$15,800	3.3.1
Jamison Intake 2 Screen	C	March 10, 2019	Install a secure screen	2021		
Jamison Intake 2 Transmission Line	C	March 10, 2019	Install 700-ft of 6-inch PVC or HPDE raw water main	2021	\$95,500	3.3.2
Jamison Intake 1 Transmission Line	C	March 10, 2019	BBWC to cease using Jamison Reservoir as a source of raw water	Now	-	4.1
Jamison Reservoir as a Surface Water Source	N/A	Now	Cut & Cap pipes to eliminate cross connection	2019	\$22,200	3.3.3
Jamison Reservoir Cross Connection	A	March 10, 2019				
BOOSTER STATIONS						
Galleon Heights Booster Station Housing	C	Sept 10, 2019	Replace wooden building	2021	\$125,200	3.7
Galleon Heights Booster Pump Plan	D	Sept 10, 2019	Pumps will be replaced with more appropriately sized pumps			
Tradewinds Booster Station Waterlogged Pressure Tanks	C	Dec 31, 2019	Replace the bladder in the existing tanks and return to service			
Tradewinds booster Station Piping and Valving Corrosion	D	Dec 31, 2019	Clean existing piping and recoat	2021	\$136,400	3.8.2
Tradewinds Booster Station Generator	C	March 10, 2019	Generator has been repaired and is back in service			
STORAGE						
Galleon Tank Vent Screen	C	March 10, 2019	# 24 Mesh vent screen already installed			
Galleon Tank Roof Access Hatch	D	March 10, 2019	Hatch gasket already installed	2021	\$61,400	3.8.1
Galleon Tank Overflow	D	March 10, 2019	Include a DOSA assembly with storm drain and drain away from tank			
Robin Hood Bolted Steel Tank Roof Hatch Seal	D	March 10, 2019				
Robin Hood Bolted Steel Tank Vent Screen	D	March 10, 2019	Retire the existing Horizontal Robin Hood tank and replace with a 6-inch regulator and 2-inch bypass regulator	2019/2023	\$130,800	3.6
Robin Hood Bolted Steel Tank Drain	D	March 10, 2019				
Robin Hood Bolted Steel Tank Removal/Replacement	A	March 20, 2019				
Hill House Tank Site	N/A	May 10, 2019	Vegetation cleared	Completed	-	3.4
Hill House Tank Cross Connection Verification	D	April 10, 2019	Verified that no cross connection exists	Completed	-	3.4
China Grade Tank Connection Verification	D	Written verification by April 10, 2019	Verified that no cross connection exists	Completed	-	3.9

Deficiency Identified	Order of Hazard	Date to Address Deficiency	Proposed Corrective Action			Memo Section Reference
			Description	Schedule	Cost	
China Grade Tank Roof Lid Lock	D	March 10, 2019	Roof lid lock installed	Completed	-	3.9
Rancho Dia Tank Rehabilitation/Replacement Plan	A	Rehabilitation/Replacement Plan by May 10, 2019				
Rancho Dia Tank Interim Operation Requirements	N/A	Immediately				
Rancho Dia Tank Vent Screen	A	February 10, 2019	Replace Rancho Dia Tank with 10,000 gallon polyethylene tank with seismic anchorage	2019	\$74,300	3.10
Rancho Dia Tank Site	D	May 10, 2019				
Rancho Dia Tank Leaks	C	March 10, 2019				
Rancho Dia Tank Cleaning	B	June 10, 2019				
Oberst Tank Replacement Plan	A	May 10, 2019	Replace Oberst Tank with 10,000 gallon polyethylene tank with seismic anchorage	2019	\$64,600	3.11
Oberst Tank Roof Vent Screen	D	January 30, 2019				
Bloom Grade Tank Ownership Status and Fence Removal	B	Written verification of ownership status by April 10, 2019	BBWC working with property owner to verify	2019	-	3.12
Bloom Grade Tank Cross Connection Verification	C	Written verification by April 10, 2019	Confirmed no cross connection present	Completed	-	3.12
Bloom Grade Tank Drain	C	September 10, 2019	Sample tap and drain to be installed with other site improvements	2021	\$23,500	3.12
Bloom Grade Tank Sample Tap	D	May 10, 2019				
Storage Tank Inspections	C	Now	BBWC will increase its tank inspection efforts to meet DDW requirements	Ongoing	-	4.2
<b>SURFACE WATER TREATMENT</b>						
Jamison WTP Filter Unit Evaluation and Rehabilitation/Replacement	A	Plan by 4/10/19 Completed by 2/10/20	BBWC will consult with a professional engineering firm to prepare a Water Treatment Facilities Plan and provide long-term recommendations	2020	\$50,000	4.3
Updated Surface Water Treatment Plant Operations Plan	B	6/10/19				
Settled Water Turbidity	N/A	Now				
pH Monitoring	C	4/10/19				
Daily pH and Temperature Monitoring	C	Immediately	BBWC will consult with a professional engineering consultant to update SOPs and Operations Plan after improvements to existing Microfloc treatment plant are completed by Wes Tech® (see Section 4.3)	2021	\$25,000	4.4
Chlorine Residual Grab Sampling and Reporting	N/A	Now				
Clarifier and Filter Loading Rates	N/A	Feb 2019				
Jamison WTP Filter Unit Clarification Media Screen	A	3/10/19				
Online Chlorine Residual Analyzer	A	3/10/19				
Jamison WTP Building	B	9/10/19	Repair filters, replace PLCs, install EPA approved total chlorine analyzer, clean building and repair holes, replace existing turbidimeter	2020	\$236,300	3.5
Jamison WTP Cleaning	A	2/10/19 & Continuously				
Jamison WTP Turbidimeter	B	11/10/19				
Distribution System Chlorine Residual	A	Immediately	Increased system chlorine residual	Completed	-	4.5

Deficiency Identified	Order of Hazard	Date to Address Deficiency	Proposed Corrective Action			Memo Section Reference
			Description	Schedule	Cost	
Filter Effluent Line Cross Connection Evaluation	D	7/10/19	BBWC confirmed that no cross connection exists (JIM TO CONFIRM)	Completed	-	-
Backwash Tank Cross Connection(s)	C	4/10/19	BBWC confirmed that no cross connection exists (JIM TO CONFIRM)	Completed	-	-
October 9, 2018 Chlorine Residual	N/A	2/15/19	Completed and mailed to DDW on XX/XX/XX	Completed	-	-
Jamison WTP Cats	B	2/20/19	BBWC to develop a comprehensive long-term Vector Control Plan	See Section 3.5	-	-
Jamison WTP Chemical Storage Tank Water Line	C	5/10/19	BBWC to install new chemical storage platform and containment	2020	\$149,000	3.5.1
Jamison WTP Chemical Storage Tanks and Storage	B	5/10/19	BBWC to prepare new Rules and Standards for Cross Connection in the service area for approval by CPUC; after which BBWC will complete a system wide survey and inventory backflow equipment	2019	\$25,000	4.6
Cross Connection Control Operating Rules	A	6/10/19				
Cross Connection Control Survey	A	10/10/19				
Backflow Prevention Assembly Inventory	A	6/10/19				
<b>OTHER</b>						
2017 Consumer Confidence Report Certification	C	2/15/2019	BBWC provided to DDW on XX/XX/XX	2019	-	-
Watershed Sanitary Survey	C	12/31/2019	BBWC to engage professional engineering consultant to prepare	2021	\$25,000	4.7
Source Capacity	B	12/31/2019	BBWC to engage professional engineering consultant to prepare	2020	\$25,000	4.8
Records	D	Now	BBWC working to improve recordkeeping procedures	Ongoing	-	4.9
Overdue 2018 Source Monitoring	C	1/31/2019	BBWC provided to DDW on XX/XX/XX	2019	-	-
<b>LIST OF RECOMMENDATIONS</b>						
Photos	-	-	BBWC to prepare and provide to DDW by end of 2019	2019	-	-
Robin Hood Tank Foundation	-	-	BBWC to engage to professional engineer to evaluate as budget allows	2023	\$10,000	-
Hill House Tank Foundation	-	-	Install seismic restraint system	2022	\$34,200	3.4
Hill House Tank Fence	-	-	Install ~170 ft of fence, a 12-ft swing gate, and ~400 sf gravel road	2022	\$24,200	3.9
China Grade Tank Fence	-	-	Install ~145 ft of fence, a 12-ft swing gate, and ~1,000 sf gravel road	2021	\$48,300	3.12
Bloom Grade Tank Fence	-	-	Install ~170 ft of fence, a 12-ft swing gate, and ~8,000 sf gravel road	See Section 3.5	-	-
Jamison WTP IFE Turbidimeter	-	-	Install a turbidimeter on the effluent end of each filter unit	See Section 3.5	-	-
Jamison WTP Backup Turbidimeter	-	-	Purchase one backup turbidimeter	See Section 3.5.2	-	-
Jamison WTP Generator	-	-	BBWC to evaluate as part of long term facilities plan	2022	\$119,300	3.5.2
Jamison WTP Site Security	-	-	Install 950 ft of fence, a 20-ft double swing gate, and a 20-ft barrier gate	2023	\$26,200	3.15
Inactive Sources	-	-	BBWC to retire Well # 1 and evaluate Well # 2 for restoration	2020 - 2024	\$231,000	3.13
Isolation Valves	-	-	Install 20 line valves	2020	-	4.10
Operator Staffing	-	-	BBWC evaluating hiring/contracting additional staff	2022	\$20,000	4.11
Emergency Response Plan	-	-	BBWC to engage professional consultant to prepare	Ongoing	TBD	3.14
Distribution Main Replacement Plan	-	-	BBWC replacing mains as part of a long term asset management program			
Cross Connection Specialist	-	-	Will contract with a cross connection specialist			

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## Corrective Action Projected Costs and Schedule of Improvements

The following table is a summary of the costs and schedule for the proposed corrective actions.

Project	2019	2020	2021	2022	2023	2024	TOTAL
Well 4 Chlorination		\$253,900					\$253,900
Corvin Creek Intake Sedimentation Tank			\$15,800				\$15,800
Jamison Intake 1 Sedimentation Tank			\$15,800				\$15,800
Jamison Intake 2 Screen							
Jamison Intake 2 Transmission Line			\$95,500				\$95,500
Jamison Intake 1 Transmission Line							
Jamison Reservoir Cross Connection	\$22,200						\$22,200
Galleon Heights Booster Station Housing			\$125,200				\$125,200
Galleon Heights Booster Pump Plan							
Tradewinds Booster Station Waterlogged Pressure Tanks							
Tradewinds Booster Station Piping and Valving Corrosion			\$136,400				\$136,400
Tradewinds Booster Station Generator							
Galleon Tank Power and Level Transducer			\$61,400				\$61,400
Galleon Tank Overflow							
Robin Hood Bolted Steel Tank Roof Hatch Seal							
Robin Hood Bolted Steel Tank Vent Screen							
Robin Hood Bolted Steel Tank Drain	\$19,500				\$111,300		\$130,800
Robin Hood Bolted Steel Tank Removal/Replacement							
Rancho Dia Tank Rehabilitation/Replacement Plan							
Rancho Dia Tank Interim Operation Requirements							
Rancho Dia Tank Vent Screen							
Rancho Dia Tank Site	\$74,300						\$74,300
Rancho Dia Tank Leaks							
Rancho Dia Tank Cleaning							
Oberst Tank Replacement Plan							
Oberst Tank Roof Vent Screen	\$64,600						\$64,600
Bloom Grade Tank Drain and Sample Tap			\$23,500				\$23,500

Thursday, April 8, 2021

Project	2019	2020	2021	2022	2023	2024	TOTAL
Jamison WTP Filter Unit Evaluation and Rehabilitation/Replacement		\$50,000					\$50,000
Updated Surface Water Treatment Plant Operations Plan			\$25,000				\$25,000
Jamison WTP Building Repairs, Filter Unit Repairs, Chlorine Analyzer, Turbidimeters		\$236,300					\$236,300
Jamison WTP Chemical Storage Tanks and Storage		\$149,000					\$149,000
Cross Connection Control Operating Rules							
Cross Connection Control Survey	\$25,000						\$25,000
Backflow Prevention Assembly Inventory							
Watershed Sanitary Survey			\$25,000				\$25,000
Source Capacity		\$25,000					\$25,000
Robin Hood Tank Foundation				\$10,000			\$10,000
Hill House Tank Foundation				\$34,200			\$34,200
Hill House Tank Fence							
China Grade Tank Fence				\$24,200			\$24,200
Bloom Grade Tank Fence			\$48,300				\$48,300
Jamison Station Fence				\$119,300			\$119,300
Inactive Sources					\$26,200		\$26,200
Isolation Valves		\$46,200	\$46,200	\$46,200	\$46,200	\$46,200	\$231,000
Distribution Main Replacement Plan				\$270,000	\$270,000	\$270,000	\$810,000
Emergency Response Plan				\$20,000			\$20,000
<b>Estimated Capital Expenditures (Present Value)</b>	<b>\$ 205,600</b>	<b>\$760,400</b>	<b>\$ 618,100</b>	<b>\$ 513,900</b>	<b>\$463,700</b>	<b>\$316,200</b>	<b>\$2,877,900</b>

Items for Jim to address are highlighted in the DDW response document.

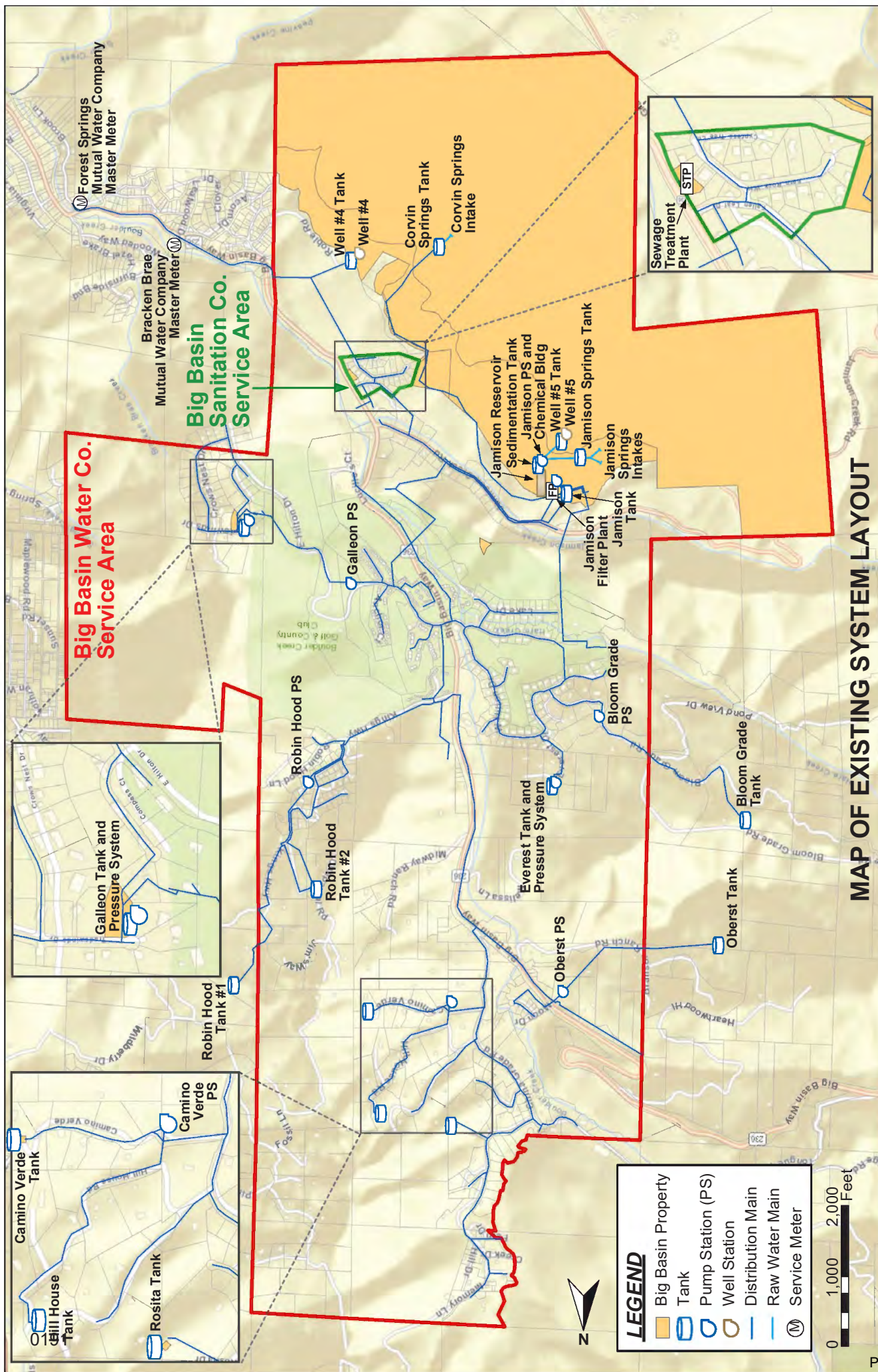
**Photos for Jim to insert into the document:**

- Section 3.4, Figure 3 – Photo showing vegetation cleared around Hill House Tank
- Section 3.8.1, Figure 6 – Photo showing hatch gasket seal on Galleon Heights Tank
- Section 3.8.1, Figure 7 – Photo showing #24 mesh vent screen on Galleon Heights Tank
- Section 3.8.1, Figure 8 – Photo showing greater clearance between pipe and ground (cut and screened overflow pipe)
- Section 3.12, Figure 13 – Photo showing that there is no cross connection between Bloom Grade Tank and neighbor's tank

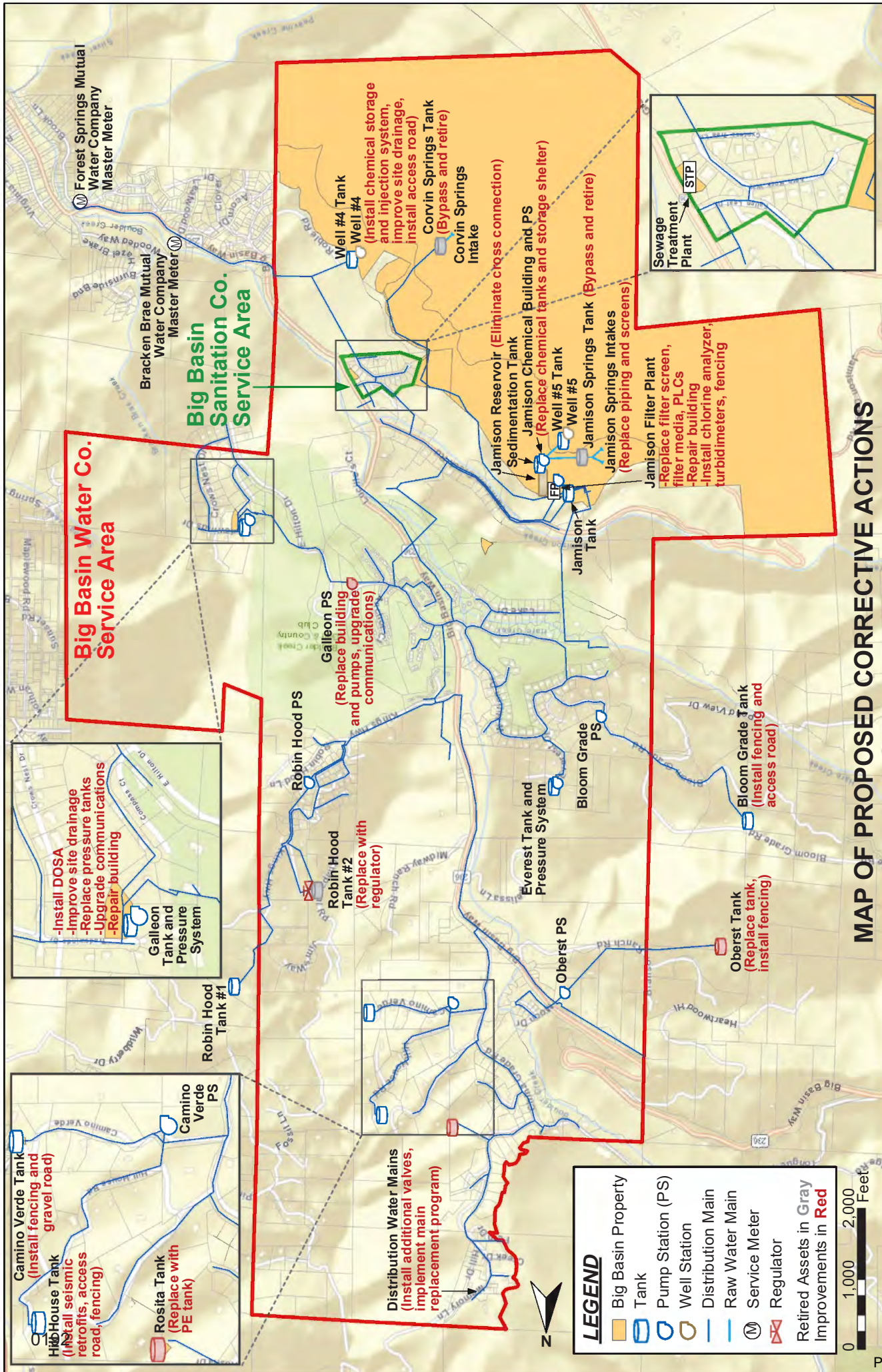
**In Table on Page 24, for Jim to confirm and provide evidence to DDW:**

- Confirm and provide evidence that there is no cross connection between the filtered water line and backwash line
- Confirm and provide evidence that there is no cross connection between backwash water storage tank and Jamison Reservoir
- Confirm that the October 9, 2018 Chlorine Residual report was sent to DDW and update table in response document
- Confirm that the 2017 Consumer Confidence Report Certification was sent to DDW
- Confirm that the overdue 2018 Source Monitoring report was sent to DDW









MAP OF PROPOSED CORRECTIVE ACTIONS

## APPENDIX 2: MONTHLY PROGRESS REPORT

Water System: <b>Big Basin Water Company</b>	Water System No: <b>4410001</b>
Compliance Order No.	Violation:
Calendar Quarter:	Date:

This form should be prepared and signed by Big Basin Water Company personnel with appropriate authority to implement the directives of the Compliance Order and the Corrective Action Plan. Please attach additional sheets as necessary. The quarterly progress report must be submitted by the 10th day of each subsequent quarter, to the Division of Drinking Water, Monterey District Office to the following email address: [dwpdist05@waterboards.ca.gov](mailto:dwpdist05@waterboards.ca.gov) titled appropriately.

### Summary of Compliance Plan:

--

### Tasks completed in the reporting quarter:

--

### Tasks remaining to complete:

--

Anticipated compliance date:

--

Printed Name

Signature

Title

Date

### APPENDIX 3 - Notification of Receipt

**Compliance Order Number:** 02\_05\_21R\_001  
**Name of Water System:** Big Basin Water Company  
**System Number:** 4410001

#### Certification

I certify that I am an authorized representative of the Big Basin Water Company and that Compliance Order No. 02\_05\_21R\_001 was received on \_\_\_\_\_.

Further I certify that the Order has been reviewed by the appropriate management staff of the Big Basin Water Company and it is clearly understood that Compliance Order No. 02\_05\_21R\_001 contains legally enforceable directives with specific due dates.

\_\_\_\_\_  
Signature of Water System Representative

\_\_\_\_\_  
Date

**THIS FORM MUST BE COMPLETED AND RETURNED TO THE STATE WATER BOARD,  
DIVISION OF DRINKING WATER, NO LATER THAN April 27, 2021**

**Disclosure:** Be advised that the California Health and Safety Code, Sections 116725 and 116730 state that any person who knowingly makes any false statement on any report or document submitted for the purpose of compliance with the Safe Drinking Water Act may be liable for, respectively, a civil penalty not to exceed five thousand dollars (\$5,000) for each separate violation or, for continuing violations, for each day that violation continues, or be punished by a fine of not more than \$25,000 for each day of violation, or by imprisonment in the county jail not to exceed one year, or by both the fine and imprisonment.

# EXHIBIT H



June 10, 2021

Jonathan Weininger, PE  
District Engineer, Monterey District Office, DDW  
1 Lower Ragsdale Drive, Building 1, Suite 120  
Monterey, CA 93940

RE: Request for Alternative Compliance Schedule for Compliance Order No. 02\_05\_21R\_001  
Big Basin Water Company (No. 4410001)

Dear Mr. Weininger,

Please accept this letter as Big Basin Water Company's formal request for an alternative compliance schedule to the compliance timeframes contained within the subject Compliance Order (CO). Big Basin Water Company has commenced with efforts to respond to the directives contained within the CO, especially Directive No. 2 that required a contingency plan to secure a temporary water supply in the event of an outage or failure of Well No. 4. Big Basin, in cooperation with TRA Water Operations, Inc., has engaged a California licensed engineering consultant, Lumos and Associates, Inc., to assist with addressing the directives in the CO, including most recently preparation of the contingency plan pursuant to CO Directive 2. The contingency plan was submitted to your office for review on May 10, 2021.

We are now in receipt of your May 27, 2021 review letter that includes comments on the proposed contingency plan and additional required submittals to support the Division of Drinking Water's (DDW) review of the proposed temporary treatment system. The review letter included the following four required submittals that Big Basin is presently completing:

1. Comment response letter – Due 6/10/21 (Attached)
2. Details about a potential connection with San Lorenzo Valley Water District (SLVWD) – Due 6/10/21 (Attached)
3. Permit Amendment Application – In Process:
  - a. Application – In process, anticipated 6/18/21
  - b. Basis of Design Report – In process, draft anticipated 6/18/21
  - c. SWT Operations Plan – In process, draft anticipated 6/18/21
  - d. Construction Plans – In process, anticipated 6/18/21
  - e. Disinfection – to be completed prior to startup following DDW approval of items a-d.
  - f. DDW Site Visit – to be scheduled following DDW approval of items a-d.
4. Updated watershed sanitary survey – Due July 10, 2021. This will be completed following the completion of the above items.

As you are aware, Big Basin presently has just a single source of water – Well No. 4. Big Basin has implemented water conservation measures in anticipation of the higher demands during the summer months to help alleviate demands on the well. Big Basin has secured a temporary water treatment system consisting of an ultra-filtration membrane process as supplied by WesTech and Lumos and Associates, Inc. is presently preparing the above-mentioned documents in order to secure DDW's review and approval of this emergency treatment system installation. As a result, all Big Basin's available resources are fully occupied with the effort to complete DDW's required submittals in order to bring the temporary treatment system online as soon as possible. Given this situation, and the efforts made by Big Basin to response to the CO, Big Basin is requesting your consideration and approval of an alternative compliance schedule as outlined below:

Big Basin is presently under the following directives in the CO for which an alternative compliance schedule is being requested:

1. Compliance Action Plan – Due 6/10/21 **Proposed alternative due date: 8/10/21**
  - a. Source Capacity Requirements
  - b. Schedule for removal/replacement of fire damaged infrastructure
  - c. Financial capacity analysis
2. Contingency Plan – Due 5/10/21. **Submitted 5/10/21. As described above, Big Basin is presently working on addressing the items included in DDW's 5/27/21 response letter.**
3. Schedule for completing corrective actions in 2018 Sanitary Survey Letter – Due 6/10/21 **Proposed alternative due date: 8/10/21**
4. Operations and Maintenance Plan – Due 7/10/21 **Proposed alternative due date: 9/10/21**
  - a. Water Supply Emergencies
  - b. Well 4 and Chlorination System
  - c. Flushing Schedule & Procedure
  - d. Routine Inspection of Tanks
  - e. Inspecting/Repairing/Replacing Mains
  - f. Consumer Complaint Response
  - g. Valve Exercise Program
  - h. Source flow meters and online instruments
  - i. Qualifications and Training of Personnel
5. Permit Amendment for Additional Source of Water – Due 9/10/21 **Proposed alternative due date: 1/10/22. Due to fire damage of all sources except for Well No. 4, in addition to a significant loss of water service connections and reduced occupancy, Big Basin requests additional time to evaluate rehabilitation of existing water sources (e.g. – horizontal well, Corvin Creek) prior to completing an investigation and permit amendment for an additional source of water.**
6. Perform actions in prior DDW Corrective Action Plan – Due within the timeframes established in the Corrective Action Plan. **Due to funding considerations and the significant amount of damages incurred following the CZU Lightning Complex Fire, Big Basin requests that this directive be placed on hold until a formal Preliminary Engineering Report (PER) can be prepared. The PER would ascertain the extent of damages to the Big Basin system and evaluate alternatives to mitigate system deficiencies and address the prior action items that remain post-fire. The PER would also provide an evaluation of potential funding mechanisms that may be available. Big Basin proposes providing a status update on this directive by 12/10/21.**
7. Monthly Progress Reports (Big Basin) – Due Monthly. **No change requested.**
8. Notification of Receipt (Big Basin) – Due 3/27/21. **No change requested.**

Thank you for your consideration of the above and your understanding of the exceptional circumstances facing Big Basin at this time. Big Basin is proceeding in earnest to address the most pressing concern at this time – securing an additional source of water to alleviate the current demand on Well No. 4. Should you have any questions, please contact Jim Moore at (831) 338-2933 or by email at [bbwater197@yahoo.com](mailto:bbwater197@yahoo.com).

Sincerely,



Jim Moore, Chief Operator/Owner  
Big Basin Water Company



**Carson City**  
308 N. Curry Street, Suite 200  
Carson City, Nevada 89703  
775.883.7077

June 10, 2021

Jonathan Weininger, PE  
District Engineer, Monterey District Office, DDW  
1 Lower Ragsdale Drive, Building 1, Suite 120  
Monterey, CA 93940

c/o Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[Bbwater197@yahoo.com](mailto:Bbwater197@yahoo.com)

**Subject: Comment Response for Short Term Contingency Plan  
Big Basin Water Company, System Number 4410001**

Dear Jonathan Weininger:

Thank you for your recent review of the contingency plan to secure a temporary source of water supply for Big Basin Water (Directive 2, Compliance Order No. 02\_05\_21R\_001, Dated 4/9/2021). This letter provides response to the review comments provided in your letter, dated 5/27/2021. Our response are provide in **bold** text below.

1. The proposal must comply with all applicable surface water treatment regulations (California Code of Regulations (CCR), Title 22, Chapter 17) and must be constructed in accordance with California Code of Regulations, Titles 17 and 22, specifically:
  - a. Design standards for new surface water treatment plants - California Code of Regulations, Title 22, Sections 64658 and 64659

**The proposed temporary treatment system design will comply with CCR Title 22, § 64658 & 64659. Compliance will be documented in the forthcoming Basis of Design Report and temporary design package.**

- b. Waterworks standards - California Code of Regulations, Title 22, Division 4, Chapter 16

**The proposed temporary treatment system will be in accordance with CCR Title 22, Division 4, Chapter 16 – Waterworks Standards. Compliance will be documented in the forthcoming Basis of Design Report and temporary design package.**

- c. Backflow prevention assemblies must be selected in accordance with CCR, Title 17, Section 7601 (USC approved, and California lead free) and installed in accordance with California Code of Regulations, Title 17, Section 7603. Treatment plant backflow prevention assemblies must be installed so they can be accessible and easily tested.

**The proposed temporary treatment system will be equipped with compliant backflow prevention measures in accordance with CCR Title 17, § 7601.**



**Compliance will be documented in the forthcoming Basis of Design Report and temporary design package.**

2. Provide a timeline on the duration of the temporary surface water treatment plant installation.

**The temporary treatment system arrived onsite the week of June 1, 2021. Big Basin Water Co. and Lumos & Associates are currently working on completing the permit amendment application, Basis of Design Report, and emergency plans/specifications for the proposed temporary water treatment system. The water treatment system will be constructed, disinfected, tested, connected to the system, and placed into beneficial use following approval from Division of Drinking Water (DDW). The system will remain in place until a long-term water supply solution for Big Basin Water Company has been approved and installed.**

3. The selected membrane, Toray HFUG-2020AN, is not on the State Water Board's Alternative Filtration Technology (AFT) conditionally accepted list (Selected Drinking Water Program Publications| California State Water Resources Control Board). Big Basin WC must propose a filtration technology that is either approved in regulation or conditionally accepted for this temporary surface water treatment plant.

**The proposed system will use Toray HFU-2020AN membrane modules. These modules are identical to the conditionally approval HFU-2020N membrane modules except that the housing color has changed from beige to white and the endcaps are in one piece instead of two pieces (see attached letter from CDPH). Separately, WesTech/Toray will continue to pursue DDW's conditional approval for the previously proposed HFUG-2020AN modules for possible inclusion in the long-term treatment solution for Big Basin. The HFUG-2020AN has NSF61 and NSF419 certifications.**

4. If a tank is used to meet the pathogen inactivation requirements, please provide contact time calculations for the worst case scenario using a default baffling factor of 0.1, the lowest expected water level in the tank (according to alarms), peak hourly flow out of the tank, highest pH, lowest temperature, and lowest chlorine residual (according to alarms).

**A new chlorine contactor consisting of NSF certified 30-inch diameter HDPE pipe to be located adjacent to the temporary treatment system will be proposed for pathogen inactivation. CT calculations and baffling factor assumptions will be documented in a pending basis of design report and improvement plans for the system. Under this approach, the existing Jamison bolted steel storage tank will used solely for distribution storage and not require a minimum water level for CT compliance. This approach will provide greater operational flexibility during the current higher demand season.**

5. Include a post-fire assessment of the interior condition of Jamison bolted steel tank and explain if the tank will be used in the system.

**An assessment of the interior condition of the Jamison bolted steel tank will be performed by Big Basin Water Company. There are no visible leaks on the outside**



**of the tank, no signs of fire damage to the structure or coating on the exterior of the tanks, and it appears to be in good working condition from the outside.**

6. Clarify which raw water source(s) will be treated at the temporary surface water treatment plant. According to a previous discussion, the Corvin Creek, Well 05, and the Jamison Springs "right creek" are inoperable due to fire damage. To proceed with using Jamison Springs "left creek", please send the Division an overview of all damaged infrastructure that was repaired or replaced, including photos. Please also include how the raw water source will be metered and project the anticipated yield, in gallons per minute, during the 2021 calendar year.

**Presently only "Left Creek" is available for treatment at the temporary surface water treatment plant. This is solely because the intake structure on Left Creek is operable at this time. Once the intake structure for Right Creek has been cleaned, repaired, and equipped with new NSF certified conveyance piping (PVC), Right Creek will also be available for treatment at the temporary surface water treatment plant. At this time Corvin Creek and Well 5 (horizontal well) will not be used as raw water sources for the temporary water treatment plant.**

**Individual metering of the raw water sources (Left and Right Creeks) is not proposed at this time as the total combined duty for these sources is in excess of the treatment capacity of the temporary membrane system. However, the water treatment system will be equipped with a flow meter for operational feedback, used for compliance calculations, and reported with routine compliance reports. Excess raw water will continue to flow to Jamison Reservoir. Ultimately, a long-term treatment system will be designed that can maximize the available surface water resources for Big Basin Water Company.**

7. The selected membrane filtration system must perform a daily automated Direct Integrity Test (DIT). The test pressure must be high enough to detect a 3-micron breach (pressure decay test to meet LT2 requirements)

**The membrane skid has the capability to automatically perform daily pressure decay tests (PDTs) which satisfy the LT2 – EPA membrane Filtration Guidance Manual requirements. PDT's can be scheduled to run automatically but can also be manually initiated if the operator would like to be present to look for bubbles or listen for leaks. The Upper Control Limit (UCL) is calculated for each system and is based on the Log Removal Credit required by the UF equipment, the volume of the modules and the piping pressurized during the test, the system flow rate and other module-specific parameters. The PDT typically takes 10 minutes to perform and the final value is displayed on the screen until the next PDT is performed. The operator must record the value and compare it against the UCL, to ensure membrane integrity. If the PDT result is higher than the alarm set-point, the skid will be shut down until the operator can inspect it.**

8. Describe the prefiltration process and the basis of design for selecting the 200-micron prefilter, specifically discuss how this prefilter is sufficient to protect the membranes.

**The membrane system will be equipped with an automatic self-cleaning strainer. The size and configuration of the pre-filtration process, including sedimentation**

**and flocculation basin(s), will be justified in the forthcoming Basis of Design Report and emergency plans/specifications for the proposed temporary water treatment system.**

9. Provide details about the portable treatment plant's previous use(s).

**The proposed temporary treatment equipment has only been used at drinking water sites for piloting purposes. The system has been fully flushed in the WesTech facility prior to disassembly and shipment to Big Basin.**

10. Recommendations:

- a. The Division recommends that the flux rate be limited to 50 to 70% of the maximum approved flux rate to reduce fouling.

**From a design perspective, Lumos & Associates agrees that this is a good target. However, given the current conditions, limited availability/options for temporary filtration units, and current emergency conditions, the Water Company may be required to operate the proposed system at flux rates in excess of 70%. This will be dependent on actual system demand, operational controls (multiple treatment rate setpoints compared to a single operational treatment rate setpoint), and backwash frequency. Please keep in mind, when the proposed system is brought online, the Water Company will maintain Well 4 as a backup water supply. Discussion and justification for these conditions will be included in the forthcoming Basis of Design Report.**

- b. The treatment proposal does not include disinfection byproduct mitigation. The Division recommends Big Basin WC evaluate disinfection byproduct precursor removal as part of the treatment optimization process using available resources including those provided by the USEPA.

**From available water quality results, total organic carbon (TOC) concentrations are relatively low and it is not anticipated that DBPs will be a significant issue. However, provisions for coagulant dosing and a flocculation tank(s) upstream of the membranes will be included in the pending basis of design report and improvement plans for the temporary treatment system. Disinfection byproducts will be monitored via finish water quality samples and operational changes can be made as needed.**

Additionally, the Division received correspondence from San Lorenzo Valley Water District (SLVWD) about the possibility of installing an emergency interconnection between SLVWD and Big Basin WC. Please send the Division details about the connection, including diameter, length, capacity, location, use restrictions, and a project schedule by June 10, 2021.

**During the site visit conducted on 5/17/21, Lumos visited the potential point of interconnection between Big Basin and SLVWD's systems. The potential site is located near the intersection of Highway 236 and Brook Lane. Big Basin has limited infrastructure at this location, consisting of a 4-inch PVC pipe stubbed within an underground valve vault. Fire damage at this location was observed, having destroyed**

an adjacent electrical meter and a portion of exposed PVC pipe. An existing pressure gage indicated that Big Basin's system pressure at this location was potentially in excess of 200 PSI (gage limit). Based upon limited topographical information available, hydraulic gradients from the Jamison and Galleon Tanks could produce an estimated residual pressure of approximately 170 PSI and 240 PSI, respectively, at this location.

The current system pressure in SLVWD's system is unknown, however, assuming that SLVWD has a residual pressure of 40 PSI at this location, the intertie could require 60 horsepower or greater (especially when considering potential line losses from this distal location to the nearest storage tank) pumps in order to supply water at the max day demand of 430 GPM (.62 MGD). Pumps of this size would likely require 3-phase electrical service to satisfy the electrical Utility's requirements, which may not be available. Further, private property, limited right of way, an existing bridge and water crossing, as well as potential impacts to Cal-Trans right of way on Highway 236 significantly restrain the site.

Given the above considerations, an intertie at this location would require significant planning, design, construction costs, as well as contractual negotiations between Big Basin Water Company and SLVWD. Based upon these considerations, an intertie is not considered to be feasible at this location and at this time in order to address Big Basin's current pressing source capacity challenges.

If you have any questions, please do not hesitate to contact me at 775.883.7077.

Sincerely,

Jonathan Lesperance, PE  
Engineering Group Manager

CC: Tom Adcock, Tom R. Adcock Water Operations, Inc.

# EXHIBIT I



October, 2021



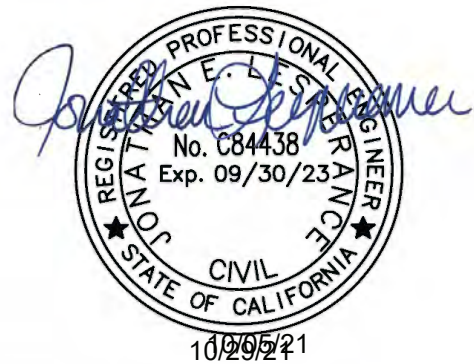
Prepared For:

Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006

Prepared By:



308 N. Curry Street, Suite 200  
Carson City, NV 89703  
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**Draft Print**

Jonathan Lesperance, P.E.

Digitally signed by Jonathan Lesperance,  
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O=Lumos & Associates, OU=Engineering  
Division, CN=Jonathan Lesperance, P.E.  
Location: Carson City, Nevada  
Reason: I am the author of this document  
Date: 2021.10.29 09:41:08-0700

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## BIG BASIN WATER COMPANY – 2021 WATERSHED SANITARY SURVEY UPDATE

### 1. BACKGROUND & SUMMARY

Big Basin Water Company (BBWC) owns and operates California Public Water System CA4410001. BBWC is a small privately owned water company with approximately 580 connections. The service area is located in the Santa Cruz Mountains, approximately three miles north of the town of Boulder Creek. BBWC privately owns parcels nearly encompassing the entire source watershed for its three (3) current surface water sources: Jamison Springs North and South, and Corvin Creek. Being private property, recreation is generally prohibited within the watershed. BBWC controls the access to the watershed via locked gates located along State Route 236 – Big Basin Highway and Jamison Creek Road. Both roads parallel Jamison Creek adjacent to BBWC's source watersheds.

As required by the California Surface Water Treatment Regulation (SWTR), water suppliers using surface water as a source of water supply must conduct an initial Watershed Sanitary Survey (WSS) and prepare updates every five years. Big Basin Water Company prepared an initial WSS, although a copy of that document is no longer available. An update to the original WSS was subsequently prepared by BBWC in March of 2006. Thomas J. Moore, the owner of BBWC, conducted the initial WSS and the 2006 update, employing a pedestrian survey of entire watershed in addition to records furnished by others. This 2021 WSS update has generally been prepared with guidance from the Watershed Sanitary Survey Guidance Manual (1993 AWWA California-Nevada Section) [1]. The study for this WSS was conducted by Lumos and Associates, Inc. (Lumos). Lumos staff employed a partial watershed pedestrian survey at both surface water intakes, in addition to a windshield survey of portions of the surrounding watershed viewable from SR236 and Jamison Creek Road. Additional survey methods included desktop survey of available records.

Potential contaminants in BBWC's watersheds primarily include Giardia and Cryptosporidium from wildlife (primarily deer and wild pigs) naturally occurring in the area. Most recently, wildfire has become a significant concern for the watershed's water quality. Following the CZU complex wildland fire in 2020, nearly the entire BBWC source watershed area was severely burned and ultimately destroyed the Jamison Surface Water Treatment Plant. The post-fire watershed conditions can contribute to surface water quality contamination as loose soil and organic debris are more readily transported through the watershed following precipitation and runoff events. As a result, recommendations for improved timber management, hydraulic modeling for fire flow capacity and storage analysis along with fuel management around critical infrastructure are included in this WSS update.

Prior to the 2020 CZU wildfire, BBWC's surface water supply system consisted of three raw water intakes, two of which were located on Jamison Springs and the third was located at Corvin Creek. The system originally included a surface water treatment plant (SWTP) consisting of high rate package filtration that treated water from the three surface water sources – i.e. Jamison Springs North and South, and Corvin Creek. The surface water treatment plant was destroyed in the CZU fire. Additionally, both raw water conveyance systems from each intake were destroyed, although the intake and raw water conveyance pipeline on Jamison Springs North and South has been recently repaired. Based upon information available, the Jamison SWT plant was able to achieve regulatory compliance for known contaminants prior to the CZU wildfire.

#### 1.1 WSS UPDATE OBJECTIVE

The objective of this WSS update, in addition to compliance with the SWTR, is consistent with the objective delineated in the 2006 update: to identify problems that are present in the watershed that may present a danger to water quality so that BBWC can implement measures to mitigate these problems and protect its source water quality [2].



## 1.2 SUMMARY OF CHANGES FROM 2006 WSS UPDATE

The primary change in the watershed discussed in this WSS update is the 2020 CZU Complex wildland fire that burned extensively through the BBWC service territory and caused extensive damage throughout each of BBWC's primary source watersheds. Notably, the Jamison SWTP was completely destroyed, leaving BBWC with only its groundwater sources available to provide source water capacity, primarily through Well No. 4.



*Typical fire damage in the watersheds.*

For this WSS update, only surface water sources have been considered, and a discussion on BBWC's wells are not included as the changes to the watershed are not anticipated to have impacts on BBWC's groundwater sources due to the separation of the aquifer from the surface water sources.

The other significant change within this WSS update from the 2006 update is the assessment of the actual source watersheds as separate drainage basins within the overall drainage basin encompassed by BBWC's service territory. These basins were assessed separately in order to better define the hydrographic extents of surface water influence up to the point of diversion for BBWC at its surface water intakes.

## 2. WATERSHED DESCRIPTION

Big Basin Water Company's source water is derived from two (2) primary drainage basins or watersheds. These watersheds are the Jamison Springs watershed, which has two perennial creeks that confluence as a single tributary to Jamison Creek. Raw water is collected separately from each creek prior to their confluence. The creeks are referred to as Jamison Springs North and South. The Jamison Springs watershed has a drainage area of approximately 217 acres and drains northwesterly towards an outfall at Jamison Creek below Jamison Creek Road. The watershed is situated with a



north by northeasterly aspect. The second primary watershed is the Corvin Creek watershed, located southeast of the Jamison Springs watershed. The Corvin Creek watershed has a drainage area of approximately 111 acres that generally drains to the north east with an outfall at Boulder Creek located below State Route 236 and downstream of the confluence of Jamison Creek and Boulder Creek. The watershed is situated with a northeasterly aspect.

#### 2.1 WATERSHED LAND USE AND NATURAL SETTING

BBWC is the largest land owner in the vicinity of its two source watersheds. The watersheds are bounded to the north and west by smaller adjacent private parcels with the Big Basin Redwoods State Park located slightly further to the northwest. South of BBWC's watersheds are a couple small private parcels, a state-owned parcel, and a very large private land trust. Most of the properties south of BBWC's watersheds are situated on the opposite side of the Ben Lomond Mountain divide. The San Lorenzo Valley Water District owns a large parcel of land located immediately southeast of BBWC's property. East of the BBWC property are several smaller privately owned parcels. It should be noted that all of the properties to the east BBWC are either situated at a lower elevation than the raw water intakes or are separated from the watershed by Jamison and Boulder Creeks. That is to say, none of the properties to the east pose a risk of source water contamination as a result of being hydrographically separated from BBWC's source watersheds.

There are two undeveloped private parcels that immediately adjoin the property owned by BBWC for the Jamison Springs watershed. These parcels are at least partially hydrographically connected to the Jamison Springs watershed. These parcels appear to have been heavily damaged by CZU Complex wildland fire. There is only one adjoining private parcel at the Corvin Creek watershed. This parcel was previously developed with a single family residence, which appears to have been completely destroyed by the CZU fire. No other development has occurred within the watersheds, and future development that could impact the watershed is unlikely based upon both the limited amount of privately owned land and the extensive damage that occurred from the CZU fire.

Historically, logging has been performed under a non-industrial timber management plan (NTMP). There is oversight for the logging operations performed by Big Basin Water Company, as well as at the County and State level [2]. Logging plans typically identify all potential hazards and all old landslides are mapped and monitored. After the logging and monitoring plan are submitted, the Regional Water Quality Control Board issues a Waste Discharge permit followed by a site visit. Prior to logging activities, CALFIRE, California Department of Fish & Wildlife, County of Santa Cruz, California Division of Mines & Geology, and other state agencies inspect the watershed for compliance with the approved logging and monitoring plan [2].

BBWC has previously operated under a visual photo point and a turbidity monitoring plan for the purpose of monitoring all significant storm events in the first year after implementation of a logging plan. General water quality conditions of the stream are monitored including turbidity measurements and photos of specific problem areas along the stream reach [2]. Given the extent of damage to the forest following the CZU fire, a revised NTMP should be prepared to reduce the potential for hazardous trees as well as implementation of a fuels reduction program.

#### 2.2 WATERSHED EXISTING HYDROLOGY

BBWC's watersheds each consist of rugged, heavily forested terrain with elevations ranging from approximately 1,000 feet to 2,500± feet. The watersheds cover a cumulative area of approximately 330± acres on Ben Lomond Mountain. Ben Lomond Mountain generally runs northwest by southeast, with the mountain ridgeline serving as a divide between watersheds that generally drain southwest towards the Pacific Ocean on one side or north east towards

Boulder Creek on the other. In the vicinity of BBWC's watersheds, the Empire Grade roadway traverses along the divide of Ben Lomond Mountain. The soil is predominantly sand and granite with grain sizes ranging from the size of gravel to large rock [2].

The annual precipitation is approximately 60 inches with most rain coming between December and February. The volume of rain occurring over these three months is in excess of system use, which allows Well No. 4 to recharge. Well No. 4 is a primary back-up water source used during summer months.

### 3. WATER SUPPLY SYSTEM

This section describes BBWC's water supply system, including a brief history of the water system, its raw water sources, water facilities, and emergency plans.

#### 3.1 WATER SYSTEM HISTORY

BBWC started in the 1930's by the Hiltons and sold to McGranahan/McPherson in 1959. The current owners, Jim Moore and Jim McPherson, took over ownership in 1996 [2]. Most of the system is now more than 40 years old. A compliance order (No. 02\_05\_21R\_001\_4410001) was issued by the State Water Resources Control Board – Division of Drinking Water (DDW) on April 9, 2021. The compliance order primarily addressed water system deficiencies identified in a 2018 sanitary survey of the water system prior to the loss of significant water infrastructure during the CZU fire. BBWC is presently in the process of addressing the compliance order items, especially those pertaining to source capacity deficiencies [3].

#### 3.2 WATER SYSTEM SOURCES

The water sources for the Big Basin watershed consist of one active vertical well, one horizontal well, and three (3) surface water diversions – Jamison Springs North and South, and Corvin Creek. As described above, the subject of this WSS update are the three surface water sources. These three surface water diversions are on three of five perennial streams occurring within BBWC's property. All three surface water diversions are at approximately 1,200 feet in elevation [2].

#### 3.3 WATER SYSTEM FACILITIES

Prior to the 2020 CZU fire, each diversion consisted of a small concrete dam with a four-inch steel pipe passing through it. The four-inch steel pipes have screening to prevent debris. Jamison Reservoir 1 & 2 and Corvin Springs emptied into a distribution tank with overflow into the Jamison Reservoir. The water from the distribution tank was pumped to the Jamison Filter plant, constructed in 1992. From the filter plant, the water was stored in a 210,000 gallon finished water tank. Water flowed from this tank by gravity into the main pressure zone. Four pump stations lifted the water into additional storage tanks

BBWC has two vertical wells. Well No. 2 is inactive and well No. 4 only supplies water during the summer months. Well No. 4 can produce up to 450 gallons per minute and meets State standards without any treatment.

##### 3.3.1 JAMISON SPRINGS INTAKES

The diversions on Jamison Springs North and South have been repaired following the CZU fire. The diversion consists of a small concrete dam with a four inch steel pipe passing through it. The diversions provide some reduction of large debris and suspended solids from entering the raw water intake pipes. Each pipe has a manually cleaned screen that captures any large solids.



*Repaired South Creek raw water intake*





*North Creek intake prior to repairs completed in summer 2021.*

### 3.3.2 CORVIN CREEK INTAKE

The Corvin Creek intake was completely destroyed by the CZU fire. BBWC plans to rebuild and use the Corvin Creek intake in the future.





*Corvin Creek intake not yet repaired.*

### 3.3.3 JAMISON SPRINGS SWTP

The Jamison Springs SWTP historically received water from Jamison Springs North and South and Corvin Creek. Raw water intakes captured water from both Jamison Springs North and South and conveyed it to a preliminary sedimentation tank. After sedimentation, the water was filtered, and chlorinated prior to storage in the 210,000 gallon storage tank. In 2020, the Jamison Springs SWTP was completely destroyed by the CZU wildfire.



*The remains of the Jamison SWTP after the 2020 CZU wildfire.*

As a result, a temporary SWTP has been designed and is currently in the process of being installed. Raw water from the South and North Creek diversions will flow into an enclosed 2,500 gallon sedimentation tank. From the sedimentation tank, water will then flow to a coagulation/flocculation tanks, before flowing through a package ultra-filtration treatment system. After ultra-filtration, the filtered water will be disinfected with sodium hypochlorite.

#### 3.3.4 TREATED WATER STORAGE

Treated finished water from the SWTP is stored in a 210,000 gallon tank and delivered to the distribution system.

#### 3.3.5 TREATED WATER DISTRIBUTION SYSTEM

Prior to the 2020 CZU wildfire, BBWC provided water to approximately 580 service connection. The distribution system consisted of almost 20 miles of water main ranging in size from 2 inches to 12 inches, with about 750,000 gallons of water storage in multiple tanks. After the CZU wildfire, BBWC provides water to 400 customers and six water storage tanks.

### 3.4 WATER SYSTEM EMERGENCY PLANS

Emergency plans are in place to deal with notification of water quality, chlorine disinfection and power failure.

The present monitoring program consists of the following:

- Bi-monthly bacteriological sampling of the finished water
- Monthly general physical of the finished water
- Annual Title 22 of inorganic and general physical and mineral
- As per State regulations of organics

Prior to the 2020 CZU wildfire, turbidity and chlorine residual was continuously monitored and recorded. BBWC tested monthly for coliform and fecal coliform. Cryptosporidium has yet to be put on the testing requirements. The chlorine residual was monitored 24 hours a day, which allowed for early detection of any drops in chlorine residual. In case of a chlorine residual drop, sodium hypochlorite was added directly to the filters to stabilize the residual above 0.2 ppm. While repairing the problem (broken feed pump, 3 way valve, etc.), chlorine was continually added to the filter, which kept the chlorine residual around 1 ppm until the chlorine feed was working properly [4]. Once the temporary treatment plant comes online, monitoring will resume.

Corvin Creek, Jamison Springs North and South are not mapped by FEMA [5]. An undifferentiated quaternary fault that is moderately constrained runs by the watershed [6].

## 4. POTENTIAL CONTAMINANT SOURCES IN THE WATERSHED

No septic tanks or agricultural activities of any kind are present in the watershed.

The key contaminant of concerns in the watershed are wildfires, logging and wild animals. The Santa Cruz County Fire Hazard Severity zones map is provided in Appendix A. The approximate location of the BBWC watersheds are circled in red.

No major growth in the service area is projected, but there is a potential for rebuilding of homes that were destroyed by the CZU fire. Prior to the CZU fire, approximately 10% of the existing parcels in the service area were undeveloped.

#### 4.1 SURVEY METHODS

Thomas J. Moore, BBWC's owner, conducted the initial survey for the watershed sanitary survey as well as the 2006 update. The initial survey and update were performed by pedestrian survey methods, and all visual observations were performed while walking the watershed. All supplemental information outside of visual observation was either collected via desktop survey efforts performed directly by Thomas J. Moore or provided by Big Creek Lumber Timber.

The 2021 WSS update was performed by Lumos and Associates, Inc. (Lumos). Lumos staff employed a partial watershed pedestrian survey at both surface water intakes, in addition to a windshield survey of portions of the surrounding watershed viewable from SR236 and Jamison Creek Road. Additional survey methods included desktop survey of available records.

#### 4.2 POTENTIAL CONTAMINANT SOURCES

The main potential contaminant sources are wild animals and wildfires. The wild animal population is predominantly deer and pigs with a few coyotes and various rodents. There are no beavers, muskrats or other water intensive rodents. In 2020, the CZU fire severely burned nearly the entire watershed. Only one other fire has occurred on the property and was contained to about half of an acre by CDF.

##### 4.2.1 WASTEWATER

Two wastewater discharge leach fields lie within the watershed at an elevation of 1,050 feet. The nearest stream diversion is at 1,200 feet in elevation and the nearest well is 1,000 feet away from the leach fields and at 1,200 feet.

##### 4.2.2 WILD ANIMALS

Wild pigs inhabit the watershed and pose a potential risk for contamination.

##### 4.2.3 LOGGING

Logging occurs within the watershed. Logging can contaminate the watershed via logging equipment fluids, increase in water temperature due to removal of trees which provide shade, and increase the soil moisture as less water is taken up by plants [7]. All logging plans evaluate the property and identify all hazards.

##### 4.2.4 RECREATION USE

BBWC owns the entirety of the watersheds, and public access is prohibited. All main entrances are gated and locked. Some illegal motorcycle activity has occurred within the watershed but no damage to the watershed from the illegal motorcycle activity has occurred.

##### 4.2.5 UNAUTHORIZED ACTIVITY

Access to the watershed is controlled by locked gates and is monitored by BBWC, therefore unauthorized activity poses minimal risk to the watershed.

##### 4.2.6 TRAFFIC ACCIDENTS/SPILLS

Big Basin Highway and Jamison Creek Road run parallel to the Big Basin Watershed. No spills or traffic accidents that could lead to contamination in the watershed have occurred.

##### 4.2.7 GEOLOGIC HAZARDS

The Big Basin Watershed is at a risk of mudslides and landslides due to the CZU wildfire. Wildfires can potentially cause destabilization of pre-existing landslides over long periods of time [8].



#### 4.2.8 FIRES

Boulder Creek, California, is listed on the community at risk list, developed by CAL FIRE. The community at risk lists identifies communities with a high risk of damage from wildfires [9]. On the Fire Hazard Severity Zones, the watershed area is shown as a high risk for fire hazard [10].

#### 4.2.9 CONTAMINANT SOURCES NOT CONSIDERED

The following potential contaminant sources identified in the AWWA WSS Guidance manual were not considered in this update as they were considered to have little to no applicability for BBWC's watershed:

- Reclaimed Water – Reclaimed water is not presently used within BBWC's service territory and no reclaimed water infrastructure exists in the source watersheds.
- Urban Runoff and Industrial Area Runoff – There are presently no urbanized or industrial developed portions of BBWC's source watersheds. Urban runoff may present a water quality risk to Boulder Creek, however, this is beyond the scope of this WSS update as Boulder Creek is not a water source for BBWC.
- Agricultural Crop Land Use – No agricultural crop production presently occurs in BBWC's source watersheds.
- Grazing Animals – No ranching or other utilization of grazing animals presently exists within BBWC's source watersheds. In the future, should grazing animals be relied on for conjunctive use in fuels reduction to reduce wildfire risk and severity, this will need to be considered as a potential source of contamination.
- Concentrated Animal Facilities – No concentrated animal facilities presently exist within BBWC's source watersheds.
- Pesticide/Herbicide Use – The use of pesticides and herbicides are not presently employed within BBWC's source watersheds. If herbicides are used in conjunction with future fuels reduction or invasive species control within the watersheds, this potential source will need to be evaluated.
- Mine Runoff – No current or abandoned mines are known to occur within BBWC's source watersheds.
- Solid and Hazardous Waste Disposal Facilities – No hazardous or solid waste facilities are located in or hydrographically connected to BBWC's source watersheds.
- Groundwater which Influences Surface Water Quality – BBWC's surface water sources originate from creeks within drainage basins. The aquifer/surface water interface at the headwaters is not well understood but assumed to be primarily driven from precipitation within the watershed. High saline and nitrogen contaminated groundwater influencing these surface water sources is expected to be unlikely.
- Seawater Intrusion – Due to BBWC's source watersheds being located on the inland side of the Ben Lomond Mountain divide, seawater intrusion is highly unlikely, especially for BBWC's surface water sources which are the subject of this WSS update.

#### 4.3 SIGNIFICANCE OF POTENTIAL CONTAMINANT SOURCES

The identified potential contaminant sources are ranked in Table 1 below. The rankings are based on likelihood, physical barrier effectiveness and severity. Likelihood represents how often this potential contaminant source may occur, with 5 representing often, and 1 representing not often. The physical barrier effectiveness factors in whether any protective measures exist to prevent the potential contamination, and if so, the effectiveness of these physical barriers. A score of 5 indicates that no physical barrier exists where as a score of 1 represents that a physical barrier exists and the barrier is effective at preventing potential contamination. Severity represents the amount of damage the potential contaminant could inflict on the watershed if it were to occur. A score of 5 indicates that if the potential contaminant were to occur, a high amount of damage/contamination in the watershed would occur where as a score of 1 indicates



that if the potential contaminant were to occur, little damage would be inflicted on the watershed. The three categories are summed together, with the highest score symbolizing the contaminant source with the highest potential to damage the watershed. Please note that all rankings are subjective and were made qualitatively. The highest ranking potential contaminants to the watershed are wild animals and wildfires.

Table 1: Ranking Matrix for Identified Contaminant Sources

Type of Risk	Likelihood High=5 Medium=3 Low=1	Physical Barrier Effectiveness Low=5 Medium=3 High=1	Severity High=5 Medium=3 Low=1	Total Score
Wildfires	5	5	5	15
Wild Animals	5	5	3	13
Geologic Hazards	2	5	3	10
Logging	5	2	3	10
Traffic Accidents/Spills	1	3	3	7
Wastewater contamination	1	2	4	7
Recreation use/unauthorized activity	1	2	2	5

## 5. WATERSHED CONTROL AND MANAGEMENT PRACTICES

### 5.1 ORGANIZATIONAL STRUCTURE

At the Jamison SWTP, there are two certified operators, the manager Thomas J. Moore (Jim) and Damian T Moore.

### 5.2 WATERSHED MANAGEMENT & OPERATIONS

BBWC owns the entirety of the watershed and access is prohibited except for logging activities. PG&E has an easement to maintain their power lines, but the power lines do not affect the drainage in the watershed. .

BBWC monitors four streams for turbidity, two stream for MPN of coliform and raw water turbidity at the plant.

### 5.3 INSPECTION AND SURVEILLANCE

BBWC patrols the watershed both by walking and use quads. Some of the lower areas are patrolled at least weekly and all areas are patrolled at least monthly.

### 5.4 OTHER AGENCIES WITH WATERSHED CONTROL AUTHORITY

BBWC owns the entirety of the watershed. No access is permitted except for logging. PG&E has an easement for the power lines in the watershed. Note that the power lines do not impact the drainages in the watershed.

#### 5.5 WASTEWATER DISCHARGE

The Central Valley (Region 5) Regional Board requires a permit for any discharges that affect California's surface, coastal or ground waters. A National Pollutant Discharge Elimination System (NPDES) permit is necessary for discharges to surface waters. For other types of discharges, such as discharge to groundwater or waste discharges to land, require a Waste Discharge Requirements (WDR) [11]. There are two wastewater discharges to leach fields within the watershed. Both leach fields are located at an elevation of 1,050 feet. The nearest stream diversion and well are at an elevation of 1,200 feet. Given that the stream diversion and well are at higher elevation than the leach fields, contamination due to the leach field is not a concern.

#### 5.6 STORM WATER

During runoff events, high turbidity is often observed. The loss of vegetation due to wildfires can cause an increase in turbidity levels during a runoff event. Additionally, the watershed is also at risk of hazardous debris flows which can occur in response to high intensity rainfall events [8].

#### 5.7 LEASE AGREEMENTS

Big Basin owns the entirety of the watershed and does not lease out portions of the watershed.

#### 5.8 RECREATIONAL ACTIVITIES AND POLICIES

BBWC owns the entirety of the watershed and public access to the watershed is prohibited.

#### 5.9 OPEN SPACE POLICIES

Currently there are no open space policies in the watershed.

#### 5.10 EROSION CONTROL/SOIL MANAGEMENT POLICIES

Logging plans consider erosion control and soil management policies. Logging plans are prepared to ensure that the logging activities are done in a manner that will preserve and protect fish, wildlife, forests and streams [12].

#### 5.11 FIRE MANAGEMENT

To improve fire management, hydraulic modeling for fire flow will be done as well as an improved timber management plan. Additionally, a fuels reduction program is needed, especially around critical water infrastructure such as tanks, pump stations, and treatment plants.

#### 5.12 WATER AGENCY CONTROL MEASURES

No significant contaminants exist within the watershed and no measures are being taken to control both water quality and esthetic values. To ensure that the water quality does not become contaminated in the future, private ownership of the watershed will be maintained, and recreation and other public use of the watershed will continue to be prohibited.

#### 5.13 RECOMMENDED CONTROL MEASURES

Wildfires pose a threat to drinking water quality as rainstorms can flush ash, sediment, nutrients and other contaminants into rivers, streams and other surface waters. To help reduce the threat of wildfires in the watershed, hydraulic modeling for fire flow, an improved timber management plan and fuel reduction, especially around critical infrastructure, is recommended. To ensure contamination does not come from recreational use, it is recommended that BBWC continues to prohibit public access to the watershed.

## 6. WATER QUALITY

### 6.1 DRINKING WATER REGULATIONS

BBWC follows the State monitoring requirements. The monitoring program prior to the 2020 CZU wildfire was as follows:

- Bi-monthly bacteriological samples of the finished water
- Monthly general physical of the finished water
- Annual Title 22 of inorganic constituents and general physical and minerals
- Monitoring as per state regulation of organics

Most of the time, the contaminant concentrations are not detected or are well below the maximum contaminant level (MCL). The minimum requirements for surface water treatment are as follows:

- 3 log removal and/or inactivation of *Giardia*
- 4 log removal and/or inactivation of viruses
- No requirement on *Cryptosporidium*

Due to the 2020 CZU wildfire, no sampling occurs. It is recommended that BBWC samples the influent raw water.

### 6.2 EXISTING WATER QUALITY

No USGS gages are present within the watershed. No DWR monitoring is done within the watershed

### 6.3 ABILITY TO MEET SWTR REQUIREMENTS

Turbidity has been a problem at times. The raw water level averages below 0.7 NTU. To meet the desired levels, 80% reduction is necessary which can be difficult to achieve. In 2005, the filter media in both filters was replaced which helped maintain the turbidity levels below 0.1 NTU most of the time.

### 6.4 RECOMMENDED WATER QUALITY MONITORING PROGRAM

The CZU complex wildfire in 2020 destroyed many of Big Basin Water Company's operational records and documentation for the system. A raw water sample from the North and South Jamison Creek was collected and analyzed in April/May of 2021. All historic sampling records were destroyed in the 2020 CZU fire.

Table 2: Summarized Raw Water Quality of North and South Creeks of Jamison Springs with Primary and Secondary Limits

Contaminant	South Creek	North Creek	Primary MCL	Secondary MCL
Turbidity	4.4 NTU	0.20 NTU	<0.3 NTU 95% of time <1.0 NTU 100% of time	
Calcium	16 mg/L	26 mg/L		
Copper	ND µg/L	ND µg/L	1.3 mg/L	
Iron	164 µg/L	ND µg/L		0.3 mg/L
Magnesium	4.7 mg/L	7.0 mg/L	300 mg/L	
Manganese	ND µg/L	ND µg/L		0.05 mg/L
Potassium	1.2 mg/L	1.8 mg/L		
Sodium	10 mg/L	10 mg/L		
Zinc	ND µg/L	ND µg/L		5 mg/L
Aluminum	125 µg/L	ND µg/L		0.05 mg/L
Antimony	ND µg/L	ND µg/L	0.006 µg/L	
Arsenic	ND µg/L	ND µg/L	0.010 mg/L	
Barium	18.3 µg/L	27.1 µg/L	2 mg/L	
Beryllium	ND µg/L	ND µg/L	0.004 mg/L	
Cadmium	ND µg/L	ND µg/L	0.005 mg/L	
Chromium	ND µg/L	ND µg/L	0.1 mg/L	
Lead	ND µg/L	ND µg/L	0.015 mg/L	
Mercury	ND µg/L	ND µg/L	0.002 mg/L	
Nickel	ND µg/L	ND µg/L	0.001 mg/L	
Selenium	ND µg/L	ND µg/L	0.05 mg/L	
Silver	ND µg/L	ND µg/L		0.10 mg/L
Thallium	ND µg/L	ND µg/L	0.002 mg/L	
Bromide	ND mg/L	ND mg/L		
Chloride	6.2 mg/L	8.2 mg/L		250 mg/L
Fluoride	ND mg/L	0.1 mg/L	4.0 mg/L	2.0 mg/L
Nitrate as N	ND mg/L	ND mg/L	10 mg/L	
Nitrate + Nitrite as N	ND mg/L	ND mg/L	10 mg/L	
Nitrite as N	ND mg/L	ND mg/L	1 mg/L	
Orthophosphate as P	ND mg/L	ND mg/L		
Sulfate	12 mg/L	12 mg/L		250 mg/L
Color	15 Color Units	7 Color Units		
Odor	<1 TON	<1 TON		3 TON
Alkalinity Total (as CaCO <sub>3</sub> )	57 mg/L	92 mg/L		
Bicarbonate (as HCO <sub>3</sub> <sup>-</sup> )	69 mg/L	113 mg/L		
Carbonate (CaCO <sub>3</sub> )	ND mg/L	ND mg/L		
Hydroxide	ND mg/L	ND mg/L		
Hardness (as CaCO <sub>3</sub> )	60 mg/L	93 mg/L		
Specific Conductance (EC)	150	207	900	
pH	7.8	8.1		6.5-8.5
Dissolved Organic Carbon (DOC)	1.1 mg/L	1.1 mg/L		
Total Organic Carbon (TOC)	0.9 mg/L	1.0 mg/L		
MBAS (Surfactants)	ND mg/L	ND mg/L		

Based on the raw water quality data, both the South and North Creeks of Jamison Springs are high quality raw water sources.

## 7. CONCLUSIONS & RECOMMENDATIONS

Big Basin Watershed Company owns the Big Basin watershed in its entirety. Since no recreational activities are permitted in the watershed and access is controlled by locked gates, the contaminants within the watershed are minimal.

Logging, performed under an NTMP, does occur within the watershed but logging activities are overseen by the Big Basin Water Company, the State and the County level. The two highest potential sources of contaminants are wildfires and wild animals. Deer and wild pigs are the predominant wild animals residing within the watershed and no beavers or other water rodents live within the watershed. The main contaminants of concern are Giardia and Cryptosporidium. Removal of Giardia and Cryptosporidium is achieved by a minimum of 3-log removal. The watershed is in a high wildfire risk area according to Cal Fire, and in 2020 was severely burned by the CZU Complex wildfire. The CZU Complex wildfire also destroyed the Jamison Surface Water Treatment Plant. As a result of the CZU wildfire, a revised non-industrial timber management plan is recommended along with hydraulic modeling for fire flow and fuel management is recommended. Due to the destruction of the Jamison Surface Water Treatment plant, sampling of the influent raw water was halted. Sampling of the influent raw water is recommended.

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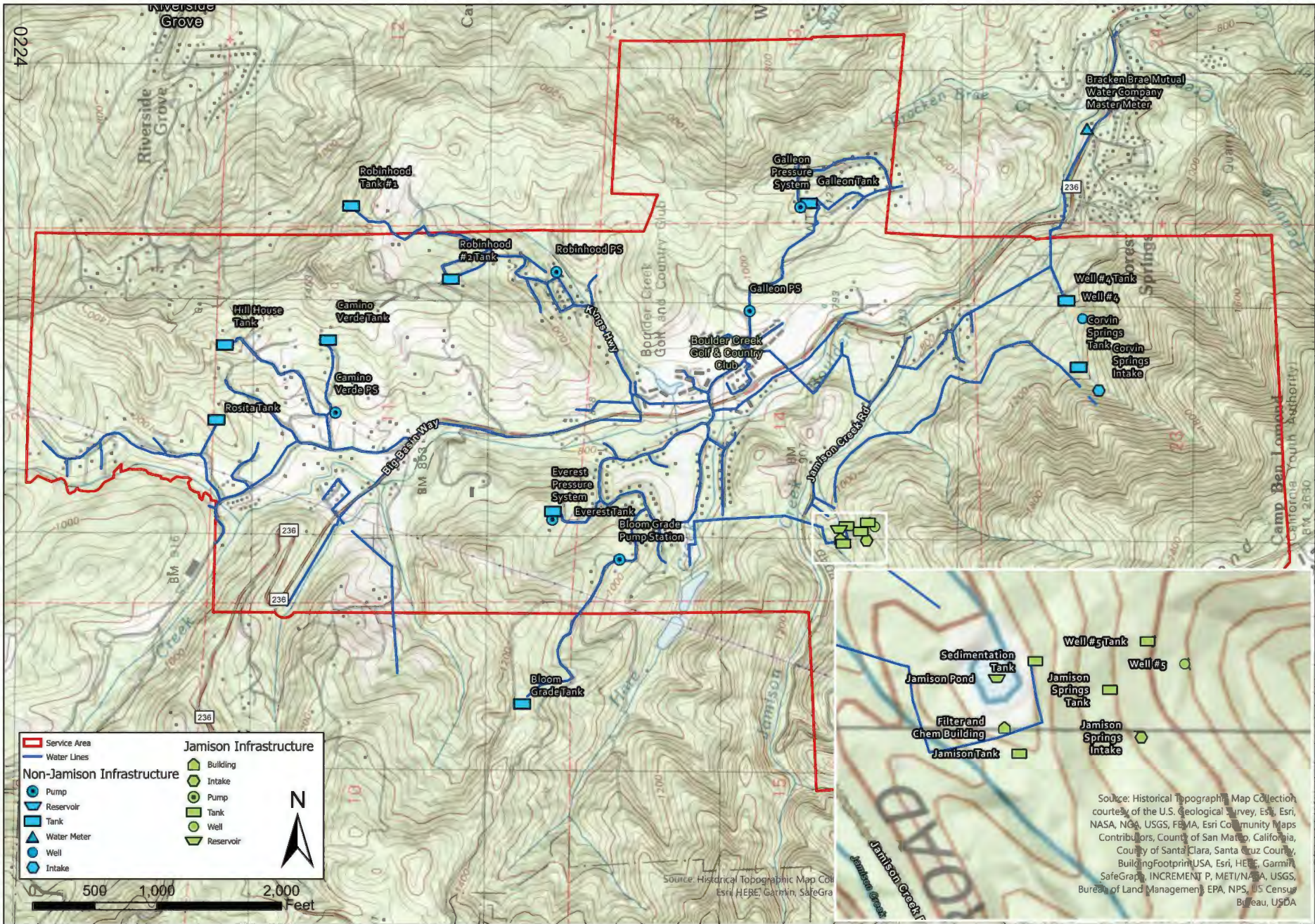
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## **Appendix A: Maps and Figures**

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**LUMOS & ASSOCIATES**  
308 N. CURRY ST., STE 300  
CARSON CITY, NV 89703  
TEL: 775.883.7077  
WWW.LUMOSINC.COM

LUMOS & ASSOCIATES, INC. THIS DRAWING IS THE PROPERTY OF LUMOS & ASSOCIATES, INC. USE OR REPRODUCTION OF THIS DRAWING, IN WHOLE OR IN PART WITHOUT THE WRITTEN PERMISSION OF LUMOS & ASSOCIATES, INC. IS STRICTLY PROHIBITED. THIS DRAWING IS NOT TO BE USED FOR ANY PROJECT OTHER THAN THE PROJECT FOR WHICH IT WAS PREPARED.

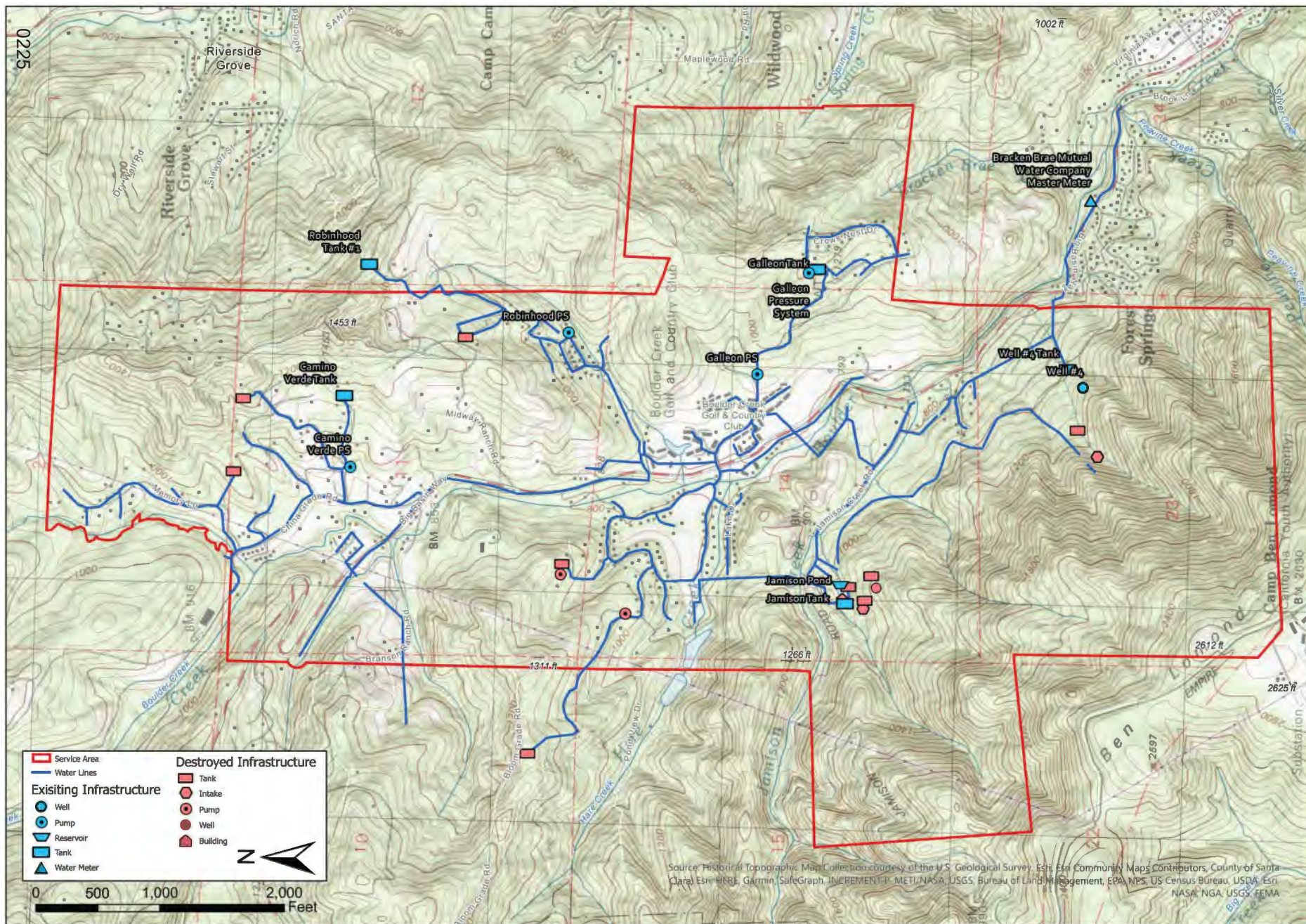
Big Basin Water Company  
**Jamison Creek Temporary Water Treatment Facility Pre-Fire Infrastructure**  
Boulder Creek  
Santa Cruz County  
California

REV	DATE	DESCRIPTION	BY

BAR IS 1 INCH ON ORIGINAL DRAWING  
IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY

DRAWN BY: DRB  
DESIGNED BY: MQ  
CHECKED BY: JEL  
JOB NO.: 10391.000  
SHEETS:





REV	DATE	DESCRIPTION	BY

BAR IS 1 INCH ON ORIGINAL DRAWING  
 IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY







## FIRE HAZARD SEVERITY ZONES IN SRA

Adopted by CAL FIRE on November 7, 2007



The State of California and the Department of Forestry and Fire Protection make no representations or warranties regarding the accuracy of data or maps. Neither the State nor the Department shall be liable under any circumstances for any direct, special, incidental, or consequential damages with respect to any claim by any user or third party on account of, or arising from, the use of data or maps.

Obtain FRAP maps, data, metadata and publications on the Internet at <http://frap.cdf.ca.gov>.  
For more information, contact CAL FIRE-FRAP, PO Box 944246, Sacramento, CA 94244-2460, (916) 327-3939.

Arnold Schwarzenegger, Governor,  
State of California  
Mike Chrisman, Secretary for Resources,  
The Resources Agency  
Ruben Grijalva, Director,  
Department of Forestry and Fire Protection

MAP ID: FHSZS\_MAP  
DATA SOURCES  
CAL FIRE Fire Hazard Severity Zones (FHSZS06\_3)  
CAL FIRE State Responsibility Areas (SRA05\_5)  
CAL FIRE Incorporated Cities (Incorp07\_3)  
PLSS (1:100,000 USGS, Land Grants with CAL FIRE grid)

# EXHIBIT J

From: [Shirley Moore](#)  
To: [Weininger, Jonathan@Waterboards](#)  
Cc: [Carr, Matthew K.@Waterboards](#); [Cajina, Stefan@Waterboards](#); [Mooney, Laura@Waterboards](#); [Kler, Shaminder@Waterboards](#); [Chavez, Moises](#); [Wilson.Tsai@cpuc.ca.gov](#)  
Subject: Re: fines (Big Basin Water Company)  
Date: Wednesday, December 14, 2022 4:10:53 PM  
Attachments: [apps for grant and rate increase.pdf](#)

---

EXTERNAL:

Hi

Here are the pages that Jonaathan wanted. The Grant is from Lynn Nolan and rate increase was done by Edmund Viray

Shirley Moore  
Big Basin Water

On Tue, Dec 13, 2022 at 3:57 PM Weininger, Jonathan@Waterboards  
<[Jonathan.Weininger@waterboards.ca.gov](mailto:Jonathan.Weininger@waterboards.ca.gov)> wrote:

Shirley, can you please email us copies of the following applications mentioned below?

- the CPUC rate increase application
- the grant application

Thanks,

Jonathan Weininger

Division of Drinking Water | (831) 655-6932

---

**From:** Shirley Moore <[sjm16595@gmail.com](mailto:sjm16595@gmail.com)>  
**Sent:** Monday, December 12, 2022 2:05 PM  
**To:** Weininger, Jonathan@Waterboards <[Jonathan.Weininger@waterboards.ca.gov](mailto:Jonathan.Weininger@waterboards.ca.gov)>  
**Subject:** fines

EXTERNAL:

Jonathon

Big Basin Water is asking CA State Health to waive any and all fines. These fines will directly affect dozens of families from starting to rebuild, completing rebuilds and moving into new homes. As we serve water to our community we can't find justification in sending CA State Health money that we don't have while many families are still suffering from the affects of the CZU fire. We are confident we have either completed or have submitted to you plans to complete every issue we were cited for. We ask for State Health to consider the families that lost everything in the CZU fire before choosing to penalize BBW which only hurts these families and existing customers. Our grant is almost ready to submit and our rate increase is ready to submit. If we are to pay fines instead of completing CZU repairs, families will suffer greatly and some will lose their properties. CA is awarding millions in grant money in many areas of the State. So with so much available funds we see no need for State Health to collect money from this community as it continues to suffer through fire recovery. On behalf of all residents and customers in BBW district we greatly appreciate your consideration in waiving the fines and fees.

Shirley Moore

Big Basin Water



## Attachment 1, Part I – Application Cover Sheet

Application for Small Community Drought Relief Program pursuant to Budget Act of 2021

The Big Basin Water Company  
(Exact legal name of local entity applying for the grant)

Of P.O. Box 197  
(Mailing address of local entity)

Boulder Creek, CA 95006

Of the County of Santa Cruz, State of California, does hereby apply to the  
California Department of Water Resources for a grant in the amount of \$ \$400,352.

For the following project under the Small Community Drought Relief Program:

Drought Contingency Well Construction  
(Specify project title)

By Thomas J. Moore Date November 29, 2022  
(Signature of authorized representative)

Thomas (Jim) Moore General Manager/Owner  
(Print or type name of authorized representative) (Title)

Telephone ( 831 ) 332-6236 E-mail sjm16595@gmail.com

### **Brief Proposal Description:**

Big Basin Water Company lost a water treatment plant during the August 2020 Lightning Fire in Santa Cruz County. The water treatment plant was utilized for treating potable surface water for the customers of the water company. Due to drought issues in the county impacting surface water, rebuilding the water treatment plant is not considered a viable option for replacing the lost water supply caused by the fire, so this proposal is for a new well located within 250 feet of the 225,000 gallon water storage tank that is used as back up water supply in the service area. The new well is expected to provide additional water supply of 80 gallons per minute, which if not utilized by customers in the service area, can be stored in water tank for emergency back up. Total cost of this project is \$400,352 and that includes engineering and design, well drilling and piping the new water supply to the storage tank.



RESOLUTION NO. 2022-1

A RESOLUTION OF THE BOARD OF THE BIG BASIN WATER COMPANY  
AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION  
FOR THE DROUGHT CONTINGENCY WELL CONSTRUCTION PROJECT

WHEREAS, The Big Basin Water Company proposes to implement the Drought Contingency Well Construction Project;

WHEREAS, the Drought Contingency Well Construction Project is being implemented in response to a drought scenario, as defined by Water Code section 13198(a) and is intended to: (1) address immediate impacts on human health and safety; (2) address immediate impacts on fish and wildlife resources; or, (3) provide water to persons or communities that lose or are threatened with the loss or contamination of water supplies;

WHEREAS, Big Basin Water Company has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, Big Basin Water Company intends to apply for grant funding from the California Department of Water Resources for the Drought Contingency Well Construction Project;

THEREFORE, BE IT RESOLVED by the Board of the Big Basin Water Company as follows:

1. That pursuant and subject to all of the terms and provisions of Budget Act of 2021 (Stats. 2021, ch. 240, § 80), the Big Basin Water Company General Manager/Owner, or designee is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources, and take such other actions as necessary or appropriate to obtain grant funding.
2. The Big Basin Water Company General Manager/Owner, or designee is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
3. The Big Basin Water Company General Manager/Owner, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

CERTIFICATION I hereby certify that the foregoing Resolution was duly and regularly adopted by the Board of the Big Basin Water Company at the meeting held on November 29, 2022, motion by Thomas (Jim) Moore and seconded by Shirley Moore, motion passed by the following vote:

# CALIFORNIA PUBLIC UTILITIES COMMISSION Water Division

## Advice Letter Cover Sheet

**Utility Name:** Big Basin Water Company  
**District:** NA  
**CPUC Utility #:** U-157-W  
**Advice Letter #:** 82-W  
**Tier**    ☐ 1    ☐ 2    ☒ 3    ☐ Compliance

**Date Mailed to Service List:** 12/20/22  
**Protest Deadline (20<sup>th</sup> Day):** 1/10/23  
**Review Deadline (30<sup>th</sup> Day):** 1/20/23  
**Requested Effective Date:** 2/1/23

**Authorization** GO 96-B  
**Description:** General rate case  
**Rate Impact:** \$271,613  
 55.59%

The protest or response deadline for this advice letter is 20 days from the date that this advice letter was mailed to the service list. Please see the "Response or Protest" section in the advice letter for more information.

**Utility Contact:** Jim Moore  
**Phone:** (831) ~~338-2933~~ 318-4477  
**Email:** ~~bbwater197@yahoo.com~~  
 SJM16595@gmail.com

**Utility Contact:**  
**Phone:**  
**Email:**

**DWA Contact:** Tariff Unit  
**Phone:** (415) 703-1133  
**Email:** [Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)

DWA USE ONLY		
DATE	STAFF	COMMENTS

☐ APPROVED                      ☐ WITHDRAWN                      ☐ REJECTED

Signature: \_\_\_\_\_ Comments: \_\_\_\_\_

Date: \_\_\_\_\_

# EXHIBIT K

## REQUEST FOR TECHNICAL ASSISTANCE

**Instructions:** If an item is not relevant or unknown, enter "N/A" or "unknown."

Please e-mail the completed form to: [DFA-TARequest@waterboards.ca.gov](mailto:DFA-TARequest@waterboards.ca.gov)

**Date of Submittal:** 5/9/2023

**Name of Requestor:** Lynn Nolan

**A. Community, System, or School Name:** Big Basin Water Company

Public Water System ID No. (if applicable): 4410001 County: Santa Cruz

Number of Service Connections: 550 Service Area Population: 1650

Type of Organization: ☐ Municipal entity ☒ Private entity (Select one: ☐ nonprofit; ☒ for profit)

District/Local education agency ☐ Other:

Estimated Median Household Income (MHI): \$ 58362 (Source: US Census )

Estimated percentage of secondary homes: 29 % Service Area Map included (required) ☒

Letters of Intent included (required for voluntary consolidation/regionalization projects) ☐

**B. Type of TA Need:** ☒ Drinking Water ☐ Wastewater ☐ Storm Water ☐ Groundwater

**C. Problem:** Briefly summarize the problem or the TA needs.

Big Basin Water Company is applying for Drinking Water State Revolving Loan Funding for the implementation of a drinking water well and piping to an adjacent storage tank to meet both drought contingency requirements and replacement for a surface water source lost in the 2020 Lightning Fire. A pre-application was submitted for this project in January 2023 and has been approved for the submission of a full application. However, many of the documents necessary for the application are beyond the resources of the water agency and as it serves a DAC, technical assistance to help with the preparation of these documents is requested.

**D. Request:** Briefly describe the assistance being requested.

Technical assistance is needed to help prepare some of the required information for the SWRCB planning application, most specifically engineering plans and specifications and doing service area and project area mapping.

Is the regulatory agency (DDW, LPA, Regional Water Board, etc.) supportive of this project?

☐ Yes, name of contact person/agency: ☐ No

Is this request associated with a compliance order?

☒ Yes, Compliance Order No.: (attach a copy if available) ☐ No

**E. Contact Information:** Please provide a contact for correspondence regarding this request.

Lynn Nolan

Name

2675 Bertha Ave

Mailing Address

530-318-1626

Phone Number

Grants Coordinator/CWA

Title/Organization

South Lake Tahoe

City/State

96150

Zip Code

sleeperlkn@yahoo.com

E-mail Address

TA Request Form, updated 02/24/2023

# Instructions for Completing “Request for Technical Assistance (TA)”

## **SECTION A**

**Community, System, or School Name:** Enter the full name of the organization or community needing TA.

**Public Water System ID:** If the organization is a drinking water system, provide the Public Water System ID. Otherwise, enter “N/A”.

**County:** Enter the county of the organization needing TA.

**Number of Service Connections:** Enter the number of active service connections in the service area needing TA.

**Service Area Population:** Provide the population of the service area needing TA.

**Type of Organization:** Check the box that best describes the type of organization in need of the TA.

**Estimated Median Household Income (MHI):** Enter the estimated MHI for households within the service area, if known. The only MHI sources accepted by the State Water Board are (1) 5-years American Community Survey (ACS) data and (2) income surveys previously validated by the State Water Board. If the organization needing TA is a school, enter “N/A.”

**Estimated percentage of secondary homes:** Estimate the percentage of homes within the service area which are occupied for less than six (6) months of a year.

**Service Area Map:** Provide a copy of service area map for system. Service area map is required.

**Letters of Intent:** Provide a copy of a signed letter from each participating system stating its intent to consolidate. Letters of intent are required for voluntary consolidation/regionalization projects.

## **SECTION B**

**Type of TA Need:** Check the box indicating the type of TA need being requested. Requests for more than one type of TA need should be submitted on separated forms.

## **SECTION C**

**Problem:** Describe the problems/needs of the system, such as water quality issue, water supply shortage, capital improvement needs, etc.

## **SECTION D**

**Request:** Describe the TA being requested. Examples of TA provided include:

- |                       |                      |                            |
|-----------------------|----------------------|----------------------------|
| • Funding application | • Community outreach | • Engineering services     |
| • Income survey       | • Rate study         | • Environmental services   |
| • Leak detection      | • Legal assistance   | • Hydrogeological analysis |

**Is the regulatory agency supportive of this project?** Indicate if the request has been discussed with someone from a regulatory agency, such as the Regional Water Board, the Division of Drinking Water, or the Local Primacy Agency. If yes, provide the names of the primary contact person and the agency.

**Is this request associated with a compliance order?** Indicate if TA is being requested to address a compliance order. If yes, enter the compliance order number. Attach a copy of the compliance order when submitting the request.

## **SECTION E**

**Contact Information:** Provide a contact for follow up correspondence from the State Water Board.

## **SUBMISSION:**

Please email completed forms to: [DFA-TARequest@waterboards.ca.gov](mailto:DFA-TARequest@waterboards.ca.gov). On the e-mail subject line, include the name of the organization that will be the TA recipient. You are encouraged to submit any supporting documentation demonstrating the TA needs. Examples include copies of compliance order, sanitary survey, water system’s maintenance logs, etc. All supporting documentation may be submitted as attachments when e-mailing the request form.

# EXHIBIT L



---

State Water Resources Control Board  
Division of Drinking Water

August 19, 2021

System No. 4410001

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

**CITATION NO. 02\_05\_21C\_021**  
**FAILURE TO PROVIDE A RELIABLE SUPPLY OF POTABLE WATER**

Enclosed is Citation No. 02\_05\_21C\_021 (hereinafter "Citation"), issued to the Big Basin Water Company (hereinafter "Big Basin WC") public water system. Please note that there are legally enforceable deadlines associated with this Citation.

Big Basin WC will be billed at the State Water Resources Control Board's (hereinafter "State Water Board") hourly rate for the time spent on issuing this Citation. California Health and Safety Code (hereinafter "CHSC") Section 116577 provides that a public water system must reimburse the State Water Board for actual costs incurred by the State Water Board for specified enforcement actions, including preparing, issuing and monitoring compliance with a citation. At this time, the State Water Board has spent approximately three hours on enforcement activities associated with this violation.

Big Basin WC will receive a bill sent from the State Water Board in August of the next fiscal year. This bill will contain fees for any enforcement time spent on Big Basin WC for the current fiscal year.

Any person who is aggrieved by a citation, order or decision issued under authority delegated to an officer or employee of the State Water Board under Article 8 (commencing with CHSC, Section 116625) or Article 9 (commencing with CHSC, Section 116650), of the Safe Drinking Water Act (CHSC, Division 104, Part 12, Chapter

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

4), may file a petition with the State Water Board for reconsideration of the citation, order or decision.

Petitions must be received by the State Water Board within 30 days of the issuance of the citation, order or decision by the officer or employee of the State Water Board. If the 30th day falls on a Saturday, Sunday, or state holiday, the petition is due the following business day by 5:00 p.m.

Information regarding filing petitions may be found at:

[http://www.waterboards.ca.gov/drinking\\_water/programs/petitions/index.shtml](http://www.waterboards.ca.gov/drinking_water/programs/petitions/index.shtml)

If you have any questions regarding this matter, please contact the Division of Drinking Water at [dwpdist05@waterboards.ca.gov](mailto:dwpdist05@waterboards.ca.gov) or (831) 655-6939.

Sincerely,

Jonathan  
Weininger

 Digitally signed by Jonathan  
Weininger  
Date: 2021.08.18 10:12:09  
-07'00'

Jonathan Weininger, PE  
District Engineer, Monterey District  
Division of Drinking Water

Enclosures

Certified Mail No. 7018 3090 0001 0464 6731

cc: Santa Cruz County Environmental Health Services  
Marilyn Underwood, [Marilyn.Underwood@santacruzcounty.us](mailto:Marilyn.Underwood@santacruzcounty.us)  
Nathan Salazar, [Nathan.Salazar@santacruzcounty.us](mailto:Nathan.Salazar@santacruzcounty.us)  
Sierra Ryan, [Sierra.Ryan@santacruzcounty.us](mailto:Sierra.Ryan@santacruzcounty.us)  
  
California Public Utilities Commission (CPUC) Water Division  
Moises Chavez, [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)  
Wilson Tsai, [wilson.tsai@cpuc.ca.gov](mailto:wilson.tsai@cpuc.ca.gov)



STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER

**Name of Public Water System:** Big Basin Water Company

**Water System No:** 4410001

**Attention:** Jim Moore, Manager

PO Box 197

Boulder Creek, CA 95006

**Issued:** August 19, 2021

**CITATION FOR NONCOMPLIANCE**  
**CALIFORNIA HEALTH AND SAFETY CODE, SECTION 116555 (a)(3), AND CCR,**  
**TITLE 22, SECTION 64602**  
**FAILURE TO PROVIDE A RELIABLE SUPPLY OF POTABLE WATER**

The California Health and Safety Code (hereinafter "CHSC"), Section 116650 authorizes the State Water Resources Control Board (hereinafter "State Water Board"), to issue a citation to a public water system when the State Water Board determines that the public water system has violated or is violating the California Safe Drinking Water Act (hereinafter "California SDWA"), (CHSC, Division 104, Part 12, Chapter 4, commencing with Section 116270), or any regulation, standard, permit, or order issued or adopted thereunder.

1 The State Water Board, acting by and through its Division of Drinking Water (hereinafter  
2 "Division"), and the Deputy Director for the Division, hereby issues Citation No.  
3 02\_05\_21C\_021 (hereinafter "Citation"), pursuant to Section 116650 of the CHSC to the  
4 Big Basin Water Company (hereinafter "Big Basin WC"), for violation of CHSC, Section  
5 116555 and CCR, Title 22, Section 64602.

### 6 7 **STATEMENT OF FACTS**

8 Big Basin WC is classified as a community water system and serves a population of  
9 1,120 through 482 connections (information from the 2020 Electronic Annual Report to  
10 the Division of Drinking Water (EAR)). The population and service connections listed in  
11 the 2020 EAR reflect reduced numbers following the August 2020 CZU Lightning  
12 Complex Fire, which destroyed or damaged a portion of Big Basin WC's customer  
13 connections. Big Basin WC operates under Domestic Water Supply Permit No. 02-05-  
14 44-94P-001, issued by the State Water Board on February 11, 1994.

15  
16 CHSC, Section 116555 (a)(3) requires any person who owns a public water system to  
17 ensure that the system provides a reliable and adequate supply of pure, wholesome,  
18 healthful, and potable water.

19  
20 CCR, Title 22, Section 64602 states that each distribution system must be operated in a  
21 manner to assure that a minimum operating pressure in the water main at the user  
22 service line connection throughout the distribution system is not less than 20 pounds  
23 per square inch at all times.

24  
25 On Sunday, June 27, 2021, three Big Basin WC customers notified the State Water Board  
26 of a water outage impacting the Galleon Heights pressure zone. Based on conversations  
27 with Big Basin WC customers, the water outage lasted up to seven hours, and service  
28 was restored by 8 PM. Each customer mentioned they tried to reach Big Basin WC to

1 report the outage, but they were not provided a response. By email dated June 27, 2021,  
2 and by phone on June 28, 2021, the State Water Board instructed Big Basin WC to issue  
3 a precautionary boil water notice to the Galleon Heights pressure zone.

4  
5 On June 28, 2021, Big Basin WC issued a Boil Water Notice to the Galleon Heights  
6 customers following the water outage. Big Basin WC later stated the reason for the  
7 pressure loss was a faulty 100-amp breaker that caused the Galleon Heights booster  
8 station, which serves the Galleon Heights pressure zone, to shut down. Big Basin WC did  
9 not report the water outage to the State Water Board until the State Water Board initiated  
10 contact with Big Basin WC.

#### 11 12 DETERMINATION

13 The State Water Board has determined that Big Basin WC has failed to comply CHSC,  
14 Section 116555 (a)(3) and CCR, Title 22, Section 64602 by not providing a reliable  
15 supply of potable water to the Galleon Heights pressure zones.

#### 16 17 PENALTY PURSUANT TO HEALTH AND SAFETY CODE SECTION 116650

18 The State Water Board hereby assesses upon Big Basin WC an administrative penalty  
19 in the amount of **\$1,000**. Big Basin WC is directed to pay this penalty in accordance with  
20 the requirements set forth in Directive 2 of this Citation.

#### 21 22 DIRECTIVES

23 Big Basin WC is hereby directed to take the following actions:

- 24  
25 1. By **September 16, 2021**, submit to the State Water Board a corrective action  
26 plan that includes a schedule for replacing the pumps and appurtenances at the  
27 Galleon Heights booster station and installing reliability features, such as alarms  
28 and backup power capabilities, with a final completion date no later than

1       **November 30, 2021.** The plan must ensure that the Galleon Heights pressure  
2       zone distribution system pressure can be reliably maintained without outages.

- 3
- 4       2. Submit to the State Water Board by **September 16, 2021**, a check for the  
5       administrative penalty of **\$1,000** imposed by this Citation and a copy of the form,  
6       which is attached as Appendix 1, hereto entitled "Notice of Administrative  
7       Penalty." The Citation number must be written on the check. The check must be  
8       made payable to the **State Water Resources Control Board** and submitted to:

9

10                       SWRCB Accounting Office  
11                       ATTN: Drinking Water Program Fees  
12                       P.O. Box 1888  
13                       Sacramento, CA 95812-1888

14

15       All submittals required by this Citation, unless otherwise specified in the directives  
16       above, must be electronically submitted to the State Water Board at the following  
17       address. The subject line for all electronic submittals corresponding to this Citation  
18       must include the following information: Water System name and number, citation  
19       number and title of the document being submitted.

20

21                       Jonathan Weininger, District Engineer  
22                       [Dwpdist05@waterboards.ca.gov](mailto:Dwpdist05@waterboards.ca.gov)

23

24       The State Water Board reserves the right to make modifications to this Citation as it  
25       may deem necessary to protect public health and safety. Such modifications may be  
26       issued as amendments to this Citation and shall be effective upon issuance.

27       Nothing in this Citation relieves Big Basin WC of its obligation to meet the requirements  
28       of the California SDWA (CHSC, Division 104, Part 12, Chapter 4, commencing with  
29       Section 116270), or any regulation, standard, permit or order issued or adopted  
30       thereunder.

**PARTIES BOUND**

This Citation shall apply to and be binding upon Big Basin WC, its owners, shareholders, officers, directors, agents, employees, contractors, successors, and assignees.

**SEVERABILITY**

The directives of this Citation are severable, and Big Basin WC shall comply with each and every provision thereof notwithstanding the effectiveness of any provision.

**FURTHER ENFORCEMENT ACTION**

The California SDWA authorizes the State Water Board to: issue a citation or order with assessment of administrative penalties to a public water system for violation or continued violation of the requirements of the California SDWA or any regulation, permit, standard, citation, or order issued or adopted thereunder including, but not limited to, failure to correct a violation identified in a citation or compliance order. The California SDWA also authorizes the State Water Board to take action to suspend or revoke a permit that has been issued to a public water system if the public water system has violated applicable law or regulations or has failed to comply with an order of the State Water Board, and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the State Water Board. The State Water Board does not waive any further enforcement action by issuance of this Citation.

Digitally signed by Stefan  
Cajina  
Date: 2021.08.18 09:05:50  
-07'00'

**Stefan Cajina**

Stefan Cajina, P.E., Chief  
North Coastal Section  
Division of Drinking Water  
State Water Resources Control Board

August 19, 2021  
Date

1

2 Appendices (1):

3

4 1. Notice of Administrative Penalty Form

5

6 Certified Mail No. 7018 3090 0001 0464 6731

APPENDIX 1 - NOTICE OF ADMINISTRATIVE PENALTY FORM

**STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER**

**Notice of Administrative Penalty**

**System Name:** Big Basin Water Company

**System Number:** 4410001

**Background**

On August 18, 2021, the Division of Drinking Water issued Citation 02\_05\_21C\_021 to the Big Basin Water Company. The Citation carried a civil penalty in the amount of **\$1,000**.

**Method of Payment**

A check for the total amount of the civil penalty and a copy of this form must be submitted to the State Water Board by **September 10, 2021**. The Citation number must be written on the check, the check made payable to the **State Water Resources Control Board**, and submitted to:

SWRCB Accounting Office  
ATTN: Drinking Water Program Fees  
P.O. Box 1888  
Sacramento, CA 95812-1888

---

Attach check below:



# EXHIBIT M



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## State Water Resources Control Board

### Division of Drinking Water

October 28, 2021

System No. 4410001

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

**CITATION NO. 02\_05\_21C\_030**  
**FAILURE TO COMPLY WITH COMPLIANCE ORDER NO. 02\_05\_21R\_001 AND**  
**CITATION NO. 02\_05\_21C\_021**

Enclosed is Citation No. 02\_05\_21C\_030 (hereinafter "Citation"), issued to the Big Basin Water Company (hereinafter "Big Basin WC") public water system. Please note that there are legally enforceable deadlines associated with this Citation.

*This Citation imposes an administrative penalty in the amount of **\$21,000.00**; however, that penalty may be suspended and will only become fully due if Big Basin WC fails to comply with any of the directives set forth in the Citation by the deadlines indicated.*

If Big Basin WC continues operating as an out of compliance water system and does not respond to the State Water Board's enforcement actions, the State Water Board is prepared to invoke its authority under the California Health and Safety Code, Section §116665, specifically, "Whenever the department determines that any public water system is unable or unwilling to adequately serve its users, has been actually or effectively abandoned by its owners, or is unresponsive to the rules or orders of the department, the department may petition the superior court for the county within which the system has its principal office or place of business for the appointment of a receiver to assume possession of its property and to operate its system upon such terms and conditions as the court shall prescribe. The court may require, as a condition to the appointment of the receiver, that a sufficient bond be given by the receiver and be conditioned upon compliance with the orders of the court and the department, and the

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E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

---

1 Lower Ragsdale Drive, Bldg. 1, Suite 120, Monterey, CA 93940 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

protection of all property rights involved. The court may provide, as a condition of its order, that the receiver appointed pursuant to the order shall not be held personally liable for any good faith, reasonable effort to assume possession of, and to operate, the system in compliance with the order.”

Big Basin WC will be billed at the State Water Resources Control Board’s (hereinafter “State Water Board”) hourly rate for the time spent on issuing this Citation. California Health and Safety Code (hereinafter “CHSC”) Section 116577 provides that a public water system must reimburse the State Water Board for actual costs incurred by the State Water Board for specified enforcement actions, including preparing, issuing and monitoring compliance with a citation. At this time, the State Water Board has spent approximately five hours on enforcement activities associated with this violation.

Big Basin WC will receive a bill sent from the State Water Board in August of the next fiscal year. This bill will contain fees for any enforcement time spent on Big Basin WC for the current fiscal year.

Any person who is aggrieved by a citation, order or decision issued under authority delegated to an officer or employee of the State Water Board under Article 8 (commencing with CHSC, Section 116625) or Article 9 (commencing with CHSC, Section 116650), of the Safe Drinking Water Act (CHSC, Division 104, Part 12, Chapter 4), may file a petition with the State Water Board for reconsideration of the citation, order or decision.

Petitions must be received by the State Water Board within 30 days of the issuance of the citation, order or decision by the officer or employee of the State Water Board. If the 30th day falls on a Saturday, Sunday, or state holiday, the petition is due the following business day by 5:00 p.m.

Information regarding filing petitions may be found at:

[http://www.waterboards.ca.gov/drinking\\_water/programs/petitions/index.shtml](http://www.waterboards.ca.gov/drinking_water/programs/petitions/index.shtml)

If you have any questions regarding this matter, please contact the Division of Drinking Water at [dwpdist05@waterboards.ca.gov](mailto:dwpdist05@waterboards.ca.gov) or (831) 655-6939.

Sincerely,

**Jonathan Weininger**  Digitally signed by Jonathan Weininger  
Date: 2021.10.28 12:08:38 -07'00'

Jonathan Weininger, PE  
District Engineer, Monterey District  
Division of Drinking Water

Enclosures

Certified Mail No. 7018 3090 0001 0464 6878

cc: Santa Cruz County Environmental Health Services  
Marilyn Underwood, [Marilyn.Underwood@santacruzcounty.us](mailto:Marilyn.Underwood@santacruzcounty.us)  
Nathan Salazar, [Nathan.Salazar@santacruzcounty.us](mailto:Nathan.Salazar@santacruzcounty.us)  
Sierra Ryan, [Sierra.Ryan@santacruzcounty.us](mailto:Sierra.Ryan@santacruzcounty.us)

California Public Utilities Commission (CPUC) Water Division  
Moises Chavez, [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)  
Wilson Tsai, [wilson.tsai@cpuc.ca.gov](mailto:wilson.tsai@cpuc.ca.gov)

Santa Cruz County Board of Supervisors,  
[BoardOfSupervisors@santacruzcounty.us](mailto:BoardOfSupervisors@santacruzcounty.us)

STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER

**Name of Public Water System:** Big Basin Water Company

**Water System No:** 4410001

**Attention:** Jim Moore, Manager

PO Box 197

Boulder Creek, CA 95006

**Issued:** October 28, 2021

**CITATION FOR NONCOMPLIANCE**  
**FAILURE TO COMPLY WITH COMPLIANCE ORDER NO. 02\_05\_21R\_001 AND**  
**CITATION NO. 02\_05\_21C\_021**

The California Health and Safety Code (hereinafter "CHSC"), Section 116650 authorizes the State Water Resources Control Board (hereinafter "State Water Board"), to issue a citation to a public water system when the State Water Board determines that the public water system has violated or is violating the California Safe Drinking Water Act (hereinafter "California SDWA"), (CHSC, Division 104, Part 12, Chapter 4, commencing with Section 116270), or any regulation, standard, permit, or order issued or adopted thereunder.

The State Water Board, acting by and through its Division of Drinking Water (hereinafter “Division”), and the Deputy Director for the Division, hereby issues Citation No. 02\_05\_21C\_030 (hereinafter “Citation”), pursuant to Section 116650 of the CHSC to the Big Basin Water Company (hereinafter “Big Basin WC”), for violation of Compliance Order No. 02\_05\_21R\_001 and Citation No. 02\_05\_21C\_021.

### STATEMENT OF FACTS

Big Basin WC is classified as a community water system and serves a population of 1,120 through 482 connections (information from the 2020 Electronic Annual Report to the Division of Drinking Water (EAR)). The population and service connections listed in the 2020 EAR reflect reduced numbers following the August 2020 CZU Lightning Complex Fire, which destroyed or damaged a portion of Big Basin WC’s customer connections. Big Basin WC operates under Domestic Water Supply Permit No. 02-05-44-94P-001, issued by the State Water Board on February 11, 1994.

On April 9, 2021, the State Water Board issued Compliance Order No. 02\_05\_21R\_001 (Appendix 1) for noncompliance with California Code of Regulations (CCR), Title 22, Section 64554(a)(2), CHSC Section 116555 (a)(3), and failure to comply with the 2018 Sanitary Survey Deficiency List. To date, Big Basin WC has not complied with portions of Directives 1, 2, 3, 4, and 7 from Compliance Order No. 02\_05\_21R\_001, as more fully described below.

1. Directive 1: By June 10, 2021, [extended to **July 16, 2021**, by letter dated June 24, 2021] submit to the State Water Board for review and approval a compliance action plan prepared by a licensed California professional engineer. The compliance action plan must include the following elements:
  - a. A proposal to comply with the source capacity requirements of CCR, Title 22, Section 64554 (a)(2), including a schedule for completion of each

project phase. As a minimum, the schedule must include the following project phases: environmental review, design, construction, permitting, inspection, and startup. The plan must include an anticipated date when Big Basin WC will achieve compliance with CCR, Title 22, Section 64554(a). The completion date must be no later than March 10, 2022, unless otherwise approved by the State Water Board.

- b. A schedule for removal and replacement of all fire-damaged infrastructure, including, but not limited to, service laterals, mains, transmission lines, storage tanks, etc.
- c. An analysis of Big Basin WC's financial capacity to complete the projects listed in the compliance action plan.

*[The Division has not received the compliance action plan.]*

2. Directive 2 - by **May 10, 2021**, submit to the State Water Board a water contingency plan that describes how Big Basin WC will secure a temporary water supply in the event of an outage or failure of Well 4. In addition to any other options for temporary supply, Big Basin WC must present a feasibility analysis for obtaining an emergency or permanent interconnection to a neighboring public water system, sized to reliably provide water to all Big Basin WC customers.

*[The Division received a water contingency plan from Big Basin WC on June 10, 2021, which included a proposal to install a temporary surface water treatment plant at the existing site for the old surface water treatment plant that was destroyed by the CZU Lightning Complex Fire. The Division responded with a letter dated May 26, 2021, requesting additional information on the treatment plant, timeline on the duration of the temporary surface water treatment plant installation, and a permit amendment application. The permit amendment*



1 application, and supporting documentation was submitted on June 28, 2021. The  
 2 Division requested an update on treatment plant installation via emails dated  
 3 August 25, 2021 and September 16, 2021; to date, the Division has not received  
 4 an update from Big Basin WC.

5  
 6 Big Basin WC's engineering consultant provided the Division with an update  
 7 letter, dated June 10, 2021, which provided a feasibility analysis of a potential  
 8 interconnection between Big Basin WC and the San Lorenzo Valley Water  
 9 District. The letter concluded the interconnection was not feasible; however, in  
 10 follow-up communication, the engineering consultant was continuing to research  
 11 the feasibility. The Division recommends Big Basin WC continue to communicate  
 12 with neighboring water systems and evaluate the feasibility of installing an  
 13 interconnection.]

- 14  
 15 3. Directive 3 - by June 10, 2021, [extended to **August 10, 2021**, by letter dated  
 16 June 24, 2021] submit to the State Water Board for approval a schedule for  
 17 completing the corrective actions identified in Big Basin WC's March 3, 2019,  
 18 response to the 2018 sanitary survey letter (Appendix 1). The plan must include  
 19 a schedule and project list to correct existing storage tank, booster station, and  
 20 distribution system deficiencies. Unless specified below, the plan may exclude  
 21 any deficiencies related to fire-damaged infrastructure, such as the Jamison  
 22 SWTP and raw surface water sources. The State Water Board will consider each  
 23 project completed after adequate documentation and photos have been sent and  
 24 approved by the State Water Board. State Water Board confirmation may include  
 25 site visits. As a minimum, the schedule must include the following projects  
 26 mentioned in the 2018 sanitary survey and March 3, 2019, Big Basin WC  
 27 response letter:

- a. Letter Section 3.3.3 - remove the cross connection between the Jamison Reservoir and the distribution system
- b. Letter Section 3.6 - remove the Robin Hood Tank #2 (Horizontal Tank) from service
- c. Letter Section 3.7 - Galleon Heights Booster Station and Storage Tank improvements
- d. Letter Section 3.8.1 – Galleon Heights Tank improvements.
- e. Letter Section 3.8.2 – Tradewinds pressure system improvements.
- f. Letter Section 3.10 – Rancho Dia Tank replacement.
  - i. The State Water Board understands this tank was destroyed in the CZU Lightning Complex Fire, but Big Basin WC must provide details on tank replacement at this site or provide a hydraulic model that demonstrates adequate water system operations without this tank
- g. 3.11 – Oberst Tank replacement
- h. 3.12 – Bloom Grade Tank improvements
- i. 3.13 and 3.14 – Create a main replacement program that includes adding distribution system isolation valves.

The completion date for the projects listed above must be no later than **February 28, 2023**.

*[The Division only received proof of completion of Directive 3 (a). The Division has not received a schedule for addressing the remaining corrective actions listed in Directive 3 (items b through i).]*

4. Directive 4 - by July 10, 2021, [extended to **July 16, 2021**, by letter dated June 24, 2021], submit to the State Water Board for review and approval a Water

1 System Operations and Maintenance Plan (O&M plan) pursuant to CCR, Title 22,  
2 Section 64600. The O&M plan must include the following elements:

- 3 a. A plan and procedures for responding to water supply emergencies, which  
4 also includes a power outage response plan that describes how Big Basin  
5 WC will supply water during a power outage. As a minimum, the power  
6 outage response plan must include the following items:
- 7 i. Preparation protocol for an anticipated, planned power shutoff  
8 including filling storage tanks, site visits, water conservation  
9 notification, etc.
  - 10 ii. Identification of critical sites requiring backup power to supply all  
11 pressure zones with a system pressure no less than 20 psi during a  
12 power outage.
  - 13 iii. Documentation demonstrating ownership and/or rental contracts to  
14 obtain backup power at Well 4 and other identified critical sites  
15 before a planned power outage and at the onset of an unplanned  
16 power outage.
  - 17 iv. The process for transporting and installing portable backup power  
18 during a power outage at the locations identified as critical for  
19 sustained operation in all pressure zones but do not have on-site  
20 back power generators.
  - 21 v. Contact information for neighboring water systems, the State Water  
22 Board, Santa Cruz County Environmental Health, emergency  
23 response networks, and other contacts needed during a power  
24 outage.
  - 25 vi. The procedure for initiating and distributing public notification in  
26 accordance with California Code of Regulations, Title 22, Sections  
27 64663 and 64665 and with State Water Board review and approval.  
28

- b. An operations and maintenance schedule for Well 4 and the chlorination system;
- c. A schedule and procedure for flushing dead end mains, and procedures for disposal of the flushed water including dechlorination;
- d. A schedule for routine inspection of tanks, and procedures for cleaning tanks;
- e. A schedule and procedures for inspecting, repairing, and replacing water mains;
- f. A plan and procedures for responding to consumer complaints;
- g. A schedule and procedures for routine exercising of water main valves;
- h. A schedule and program for maintenance and calibration of source flow meters and other online instruments used to determine the quality or quantity of water;
- i. The qualifications and training of operating personnel;

*[The Division has not received the operations and maintenance plan.]*

5. Directive 7 - by **April 10, 2021**, and every 10<sup>th</sup> of the month thereafter, submit a monthly progress report to the State Water Board showing actions taken during the previous calendar month to comply with the corrective action plans required by Directives 1 and 3, using the form provided as Appendix 2 hereto. For each milestone addressed in the monthly progress report, describe the progress made during the past month, specify if the milestone was completed and if not completed, provide a reason and an estimated date of completion.

*[The Division received document submittals from Big Basin WC's engineering consultant, but the Division has not received monthly progress reports from Big Basin WC by the 10<sup>th</sup> day of the following month.]*

On August 19, 2021, the State Water Board issued Citation No. 02\_05\_21C\_021 (Appendix 2) for failure to comply with the CHSC, Section 116555 (a)(3) and CCR, Title 22, Section 64602 after not providing a reliable supply of potable water to the Galleon Heights pressure zone. Big Basin WC has not complied with the following directive from Citation No. 02\_05\_21C\_021:

1. Directive 1 - by **September 16, 2021**, submit to the State Water Board a corrective action plan that includes a schedule for replacing the pumps and appurtenances at the Galleon Heights booster station and installing reliability features, such as alarms and backup power capabilities, with a final completion date no later than November 30, 2021. The plan must ensure that the Galleon Heights pressure zone distribution system pressure can be reliably maintained without outages.

*[The Division has not received the Galleon Heights booster station corrective action plan.]*

### DETERMINATION

The State Water Board has determined that Big Basin WC has failed to comply with Directives 1, 2, 3, 4, and 7 of Compliance Order No. 02\_05\_21R\_001, issued on April 9, 2021, and Directive 1 of Citation No. 02\_05\_21C\_021, dated August 19, 2021.

### PENALTY PURSUANT TO HEALTH AND SAFETY CODE SECTION 116650

The State Water Board hereby assesses upon Big Basin WC an administrative penalty in the amount of **\$21,000**. However, should the State Water Board receive proof of completion of each of the following Directives 1, 2, 3, 4, 5, 6, and 7 by **January 31, 2022**, and should the State Water Board deem such proof adequate as to the

1 completion of each directive, the State Water Board will permanently stay and will not  
2 seek collection of up to **\$21,000** of the **\$21,000** penalty. In such case, the State Water  
3 Board will promptly inform Big Basin WC by letter of the final penalty amount. Big Basin  
4 WC is directed to pay this penalty in accordance with the requirements set forth in  
5 Directive 8 of this Citation.

### 7 **DIRECTIVES**

8 Big Basin WC is hereby directed to take the following actions:

- 10 1. By **December 31, 2021**, provide proof to the State Water Board that Big Basin  
11 WC has an additional temporary or permanent approved water supply source  
12 capable of supplying the distribution system in the event of a Well 4 outage.  
13
- 14 2. By **December 31, 2021**, submit to the State Water Board a corrective action plan  
15 that includes a schedule for replacing the pumps and appurtenances at the  
16 Galleon Heights booster station and installing reliability features, such as alarms  
17 and backup power capabilities, with a final completion date no later than **January**  
18 **31, 2022**. The plan must ensure that the Galleon Heights pressure zone  
19 distribution system pressure can be reliably maintained without outages.  
20
- 21 3. By **December 31, 2021**, submit a permit amendment application package to the  
22 State Water Board requesting to add at least one additional permanent water  
23 source. The application must include documentation demonstrating compliance  
24 with the California Environmental Quality Act (CEQA), water rights, water quality,  
25 and all other documentation requested by the State Water Board. Please contact  
26 the State Water Board for a full list of requirements.  
27

- 1       4. By **January 31, 2022**, submit to the State Water Board for review and approval a  
2       compliance action plan prepared by a licensed California professional engineer.

3       The compliance action plan must include the following elements:

- 4           a. A proposal to comply with the source capacity requirements of CCR, Title  
5           22, Section 64554 (a)(2), including a schedule for completion of each  
6           project phase. As a minimum, the schedule must include the following  
7           project phases: environmental review, design, construction, permitting,  
8           inspection, and startup. The plan must include an anticipated date when  
9           Big Basin WC will achieve compliance with CCR, Title 22, Section  
10          64554(a). The completion date must be no later than March 10, 2022,  
11          unless otherwise approved by the State Water Board.
- 12          b. A schedule for removal and replacement of all fire-damaged infrastructure,  
13          including, but not limited to, service laterals, mains, transmission lines,  
14          storage tanks, etc.
- 15          c. An analysis of Big Basin WC's financial capacity to complete the projects  
16          listed in the compliance action plan.

- 17
- 18       5. By **December 31, 2021**, submit to the State Water Board for approval a schedule  
19       for completing the remaining corrective actions identified in Big Basin WC's  
20       March 3, 2019, response to the 2018 sanitary survey letter (Appendix 1). The  
21       plan must include a schedule and project list to correct existing storage tank,  
22       booster station, and distribution system deficiencies. Unless specified below, the  
23       plan may exclude any deficiencies related to fire-damaged infrastructure, such as  
24       the Jamison SWTP and raw surface water sources. The State Water Board will  
25       consider each project completed after adequate documentation and photos have  
26       been sent and approved by the State Water Board. State Water Board  
27       confirmation may include site visits. As a minimum, the schedule must include



the following projects mentioned in the 2018 sanitary survey and March 3, 2019, Big Basin WC response letter:

- a. Letter Section 3.6 - remove the Robin Hood Tank #2 (Horizontal Tank) from service
- b. Letter Section 3.7 - Galleon Heights Storage Tank improvements
- c. Letter Section 3.8.1 – Galleon Heights Tank improvements.
- d. Letter Section 3.8.2 – Tradewinds pressure system improvements.
- e. Letter Section 3.10 – Rancho Dia Tank replacement.
  - i. The State Water Board understands this tank was destroyed in the CZU Lightning Complex Fire, but Big Basin WC must provide details on tank replacement at this site or provide a hydraulic model that demonstrates adequate water system operations without this tank
- f. 3.11 – Oberst Tank replacement
- g. 3.12 – Bloom Grade Tank improvements
- h. 3.13 and 3.14 – Create a main replacement program that includes adding distribution system isolation valves.

The completion date for the projects listed above must be no later than **February 28, 2023**.

- 6. By **December 31, 2021**, submit to the State Water Board for review and approval a Water System Operations and Maintenance Plan (O&M plan) pursuant to CCR, Title 22, Section 64600. The O&M plan must include the following elements:
  - a. A plan and procedures for responding to water supply emergencies, which also includes a power outage response plan that describes how Big Basin WC will supply water during a power outage. As a minimum, the power outage response plan must include the following items:

- i. Preparation protocol for an anticipated, planned power shutoff including filling storage tanks, site visits, water conservation notification, etc.
  - ii. Identification of critical sites requiring backup power to supply all pressure zones with a system pressure no less than 20 psi during a power outage.
  - iii. Documentation demonstrating ownership and/or rental contracts to obtain backup power at Well 4 and other identified critical sites before a planned power outage and at the onset of an unplanned power outage.
  - iv. The process for transporting and installing portable backup power during a power outage at the locations identified as critical for sustained operation in all pressure zones but do not have on-site back power generators.
  - v. Contact information for neighboring water systems, the State Water Board, Santa Cruz County Environmental Health, emergency response networks, and other contacts needed during a power outage.
  - vi. The procedure for initiating and distributing public notification in accordance with California Code of Regulations, Title 22, Sections 64663 and 64665 and with State Water Board review and approval.
- b. An operations and maintenance schedule for Well 4 and the chlorination system;
  - c. A schedule and procedure for flushing dead end mains, and procedures for disposal of the flushed water including dechlorination;
  - d. A schedule for routine inspection of tanks, and procedures for cleaning tanks;

- e. A schedule and procedures for inspecting, repairing, and replacing water mains;
  - f. A plan and procedures for responding to consumer complaints;
  - g. A schedule and procedures for routine exercising of water main valves;
  - h. A schedule and program for maintenance and calibration of source flow meters and other online instruments used to determine the quality or quantity of water;
  - i. The qualifications and training of operating personnel;
7. By **November 10, 2021**, and every 10<sup>th</sup> of the month thereafter, submit a monthly progress report to the State Water Board showing actions taken during the previous calendar month to comply with the corrective action plans required by Directives 1 and 3, using the form provided as Appendix 2 hereto. For each milestone addressed in the monthly progress report, describe the progress made during the past month, specify if the milestone was completed and if not completed, provide a reason and an estimated date of completion.
8. Submit to the State Water Board by **February 10, 2022**, a check for the administrative penalty of **\$21,000** imposed by this Citation and a copy of the form, which is attached as Appendix 1, hereto entitled "Notice of Administrative Penalty." The Citation number must be written on the check. The check must be made payable to the **State Water Resources Control Board** and submitted to:

SWRCB Accounting Office  
 ATTN: Drinking Water Program Fees  
 P.O. Box 1888  
 Sacramento, CA 95812-1888

All submittals required by this Citation, unless otherwise specified in the directives above, must be electronically submitted to the State Water Board at the following address. The subject line for all electronic submittals corresponding to this Citation must include the following information: Water System name and number, citation number and title of the document being submitted.

Jonathan Weininger, Monterey District Engineer  
[Dwpdist05@waterboards.ca.gov](mailto:Dwpdist05@waterboards.ca.gov)

The State Water Board reserves the right to make modifications to this Citation as it may deem necessary to protect public health and safety. Such modifications may be issued as amendments to this Citation and shall be effective upon issuance.

Nothing in this Citation relieves Big Basin WC of its obligation to meet the requirements of the California SDWA (CHSC, Division 104, Part 12, Chapter 4, commencing with Section 116270), or any regulation, standard, permit or order issued or adopted thereunder.

#### **PARTIES BOUND**

This Citation shall apply to and be binding upon Big Basin WC, its owners, shareholders, officers, directors, agents, employees, contractors, successors, and assignees.

#### **SEVERABILITY**

The directives of this Citation are severable, and Big Basin WC shall comply with each and every provision thereof notwithstanding the effectiveness of any provision.

#### **FURTHER ENFORCEMENT ACTION**

The California SDWA authorizes the State Water Board to: issue a citation or order with assessment of administrative penalties to a public water system for violation or

continued violation of the requirements of the California SDWA or any regulation, permit, standard, citation, or order issued or adopted thereunder including, but not limited to, failure to correct a violation identified in a citation or compliance order. The California SDWA also authorizes the State Water Board to take action to suspend or revoke a permit that has been issued to a public water system if the public water system has violated applicable law or regulations or has failed to comply with an order of the State Water Board, and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the State Water Board. The State Water Board does not waive any further enforcement action by issuance of this Citation.

Stefan Cajina  
Digitally signed by  
Stefan Cajina  
Date: 2021.10.28  
14:19:10 -07'00'

October 28, 2021  
Date

Stefan Cajina, P.E., Chief  
North Coastal Section  
State Water Resources Control Board  
Division of Drinking Water

Appendices (3):

1. Copy of Compliance Order No. 02\_05\_21R\_001
2. Copy of Citation No. 02\_05\_21C\_021
3. Notice of Administrative Penalty Form

Certified Mail No. 7018 3090 0001 0464 6878

**APPENDIX 1 - COPY OF COMPLIANCE ORDER NO. 02\_05\_21R\_001**



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## State Water Resources Control Board

### Division of Drinking Water

April 9, 2021

System No. 4410001

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

**COMPLIANCE ORDER NO. 02\_05\_21R\_001\_4410001  
FAILURE TO PROVIDE AN ADEQUATE SUPPLY OF PURE, WHOLESOME,  
HEALTHFUL, AND POTABLE WATER, &  
NONCOMPLIANCE WITH SOURCE CAPACITY REQUIREMENTS, &  
NONCOMPLIANCE WITH THE 2018 SANITARY SURVEY REPORT DEFICIENCY LIST**

Enclosed is Compliance Order No. 02\_05\_21R\_001 (hereinafter "Order"), issued to the Big Basin Water Company (hereinafter "Big Basin WC") public water system. Please note that there are legally enforceable deadlines associated with this Order.

Big Basin WC will be billed at the State Water Resources Control Board's (hereinafter "State Water Board") hourly rate for the time spent on issuing this Order. California Health and Safety Code (hereinafter "CHSC") Section 116577 provides that a public water system must reimburse the State Water Board for actual costs incurred by the State Water Board for specified enforcement actions, including preparing, issuing and monitoring compliance with an order. At this time, the State Water Board has spent approximately five hours on enforcement activities associated with this violation.

Big Basin WC will receive a bill sent from the State Water Board in August of the next fiscal year. This bill will contain fees for any enforcement time spent on Big Basin WC for the current fiscal year.

Any person who is aggrieved by a citation, order or decision issued under authority delegated to an officer or employee of the State Water Board under Article 8

**E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR**

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1 Lower Ragsdale Drive, Bldg. 1, Suite 120, Monterey, CA 93940 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)



(commencing with CHSC, Section 116625) or Article 9 (commencing with CHSC, Section 116650), of the Safe Drinking Water Act (CHSC, Division 104, Part 12, Chapter 4), may file a petition with the State Water Board for reconsideration of the citation, order or decision.

Petitions must be received by the State Water Board within 30 days of the issuance of the citation, order or decision by the officer or employee of the State Water Board. If the 30th day falls on a Saturday, Sunday, or state holiday, the petition is due the following business day by 5:00 p.m.

Information regarding filing petitions may be found at:

[http://www.waterboards.ca.gov/drinking\\_water/programs/petitions/index.shtml](http://www.waterboards.ca.gov/drinking_water/programs/petitions/index.shtml)

If you have any questions regarding this matter, please contact the Division of Drinking Water at [dwpdist05@waterboards.ca.gov](mailto:dwpdist05@waterboards.ca.gov) or (831) 655-6939.

Sincerely,

 Digitally signed by Stefan Cajina  
Date: 2021.04.09 12:53:32 -07'00'  
Stefan Cajina, P.E., Chief  
North Coastal Section  
Division of Drinking Water  
State Water Resources Control Board

Enclosures

Certified Mail No. 7016 2070 0000 1417 3236

cc: Santa Cruz County Environmental Health Services  
Marilyn Underwood, [Marilyn.Underwood@santacruzcounty.us](mailto:Marilyn.Underwood@santacruzcounty.us)  
Nathan Salazar, [Nathan.Salazar@santacruzcounty.us](mailto:Nathan.Salazar@santacruzcounty.us)  
Sierra Ryan, [Sierra.Ryan@santacruzcounty.us](mailto:Sierra.Ryan@santacruzcounty.us)

California Public Utilities Commission (CPUC) Water Division  
Moises Chavez, [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)  
Will Dundon, [Will.Dundon@cpuc.ca.gov](mailto:Will.Dundon@cpuc.ca.gov)  
Stephen St. Marie, [Stephen.St.Marie@cpuc.ca.gov](mailto:Stephen.St.Marie@cpuc.ca.gov)

2  
3 STATE OF CALIFORNIA  
4 STATE WATER RESOURCES CONTROL BOARD  
5 DIVISION OF DRINKING WATER  
6

7 **Name of Public Water System:** Big Basin Water Company

8 **Water System No:** 4410001  
9

10 **Attention:** Jim Moore, Manager

11 PO Box 197

12 Boulder Creek, CA 95006  
13

14 **Issued:** April 9, 2021  
15

16 **COMPLIANCE ORDER FOR NONCOMPLIANCE**

17 **SOURCE CAPACITY REQUIREMENTS**

18 **CALIFORNIA CODE OF REGULATIONS**

19 **TITLE 22, SECTION 64554(a)(2)**

20 **AND CALIFORNIA HEALTH AND SAFETY CODE SECTION 116555 (a)(3)**  
21

22 The California Health and Safety Code (hereinafter "CHSC"), Section 116655  
23 authorizes the State Water Resources Control Board (hereinafter "State Water Board"),  
24 to issue a Compliance Order to a public water system when the State Water Board  
25 determines that the public water system has violated or is violating the California Safe  
26 Drinking Water Act (hereinafter "California SDWA"), (CHSC, Division 104, Part 12,

Chapter 4, commencing with Section 116270), or any regulation, standard, permit, or order issued or adopted thereunder.

The State Water Board, acting by and through its Division of Drinking Water (hereinafter "Division"), and the Deputy Director for the Division, hereby issues Compliance Order No. 02\_05\_21R\_001 (hereinafter "Order"), pursuant to Section 116655 of the CHSC to the Big Basin Water Company (hereinafter "Big Basin WC"), for violation of CHSC, Section 116555 and CCR, Title 22, Section 64554(a)(2).

### STATEMENT OF FACTS

Big Basin WC is classified as a community water system and serves a population of 1,694 through 605 connections (information from the 2019 Electronic Annual Report to the Division of Drinking Water (EAR)). Following the August 2020 CZU Lightning Complex Fire, a portion of Big Basin Water Company customer connections were destroyed or damaged, so the current population and customer connection count is lower than reported in the 2019 EAR. Big Basin WC operates under Domestic Water Supply Permit No. 02-05-44-94P-001, issued by the State Water Board on February 11, 1994.

Prior to the August 2020 CZU Lightning Complex Fire, Big Basin Water Company's water sources included treated surface water and groundwater. Sources included groundwater from Well 4 and surface water from Corvin Creek, Jamison Springs, and Horizontal Well No. 5, which supplied the Jamison Surface Water Treatment Plant (Jamison SWTP). Jamison SWTP was a 150 gallons per minute (gpm) capacity treatment plant with two parallel 75 gpm-rated Trident Microfloc upflow contact clarification/filtration units that included coagulation using aluminum sulfate and disinfection with liquid sodium hypochlorite. The State Water Board's 2018 sanitary survey report identified Big Basin WC's noncompliance with source capacity regulations

1 and included a deadline of December 31, 2019 for Big Basin WC to send a report  
2 identifying progress made on increasing source capacity. In a March 3, 2019 letter  
3 responding to the sanitary survey report, Big Basin WC proposed the following plan to  
4 address its source capacity deficiency:

5 *“Proposed Corrective Action: BBWC will contract with a professional engineering*  
6 *consultant to conduct well tests of its groundwater sources and review its surface*  
7 *water capacity to determine necessary steps to increase its source capacity is in*  
8 *accordance with current regulations.*

9 *Proposed Year for Corrective Action to be Complete: 2020.*

10 *Total Estimated Cost: \$25,000.”*

11 The State Water Board has not received this source capacity evaluation from Big Basin  
12 WC.

13  
14 The August 2020 CZU Lightning Complex Fires destroyed the Jamison SWTP and  
15 several other water system facilities. Following the loss of the Jamison SWTP, Big  
16 Basin WC currently has only one potable water source, Well 4, and cannot meet source  
17 capacity requirements.

18  
19 Pursuant to CCR, Title 22, Section 64554(a), as a public water system serving less than  
20 1,000 service connections, Big Basin WC is required to have sufficient source capacity  
21 to meet the system’s 10-year maximum day demand, which is determined pursuant to  
22 CCR, Title 22, Section 64454(b). The past 10 years of production data, as reported in  
23 Electronic Annual Reports to the State Water Board, are listed in the following table:  
24

<b><i>Past 10 Years of Production Data (2010-2019) in Million Gallons (MG)</i></b>			
<b>Year</b>	<b>Max Day</b>	<b>Max Month</b>	<b>Year Total</b>
2019	<i>0.35</i>	7.32	67.0
2018	<i>0.26</i>	5.39	52.44
2017	<i>0.37</i>	7.62	64.51
2016	<i>0.51</i>	10.6	78.43
2015	<i>0.34</i>	7.09	68.38
2014	<i>0.48</i>	9.35	74.18
2013	Big Basin WC did not send a 2013 EAR.		
2012	<b><i>0.62</i></b>	12.71	98.92
2011	<i>0.59</i>	12.21	83.38
2010	<i>0.43</i>	8.91	56.71

*Note: italicized values indicate a calculated value using Section 64554 guidelines.*

Additionally, Big Basin WC is required to meet its 10-year maximum day demand with storage capacity, unless it can demonstrate that it has additional source capacity or an intertie with a nearby system.

The 72-hour pumping test for Well 4, conducted in 1980, demonstrated a maximum capacity of 288 gpm. CCR, Title 22, Section 64554 (g) specifies hard rock well source capacity as 25 percent of the maximum capacity; therefore, the capacity of Well 4 is 72 gpm ( $288 \text{ gpm} \times 0.25 = 72 \text{ gpm}$ ) or 0.104 million gallons per day (MGD).

With a 10-year maximum day demand of 0.62 MGD (2012) and an available source capacity of 0.104 MGD, Big Basin Water Company cannot meet the 10-year maximum day demand.

1 Big Basin WC does not have a second water source or a permanent interconnection to  
2 a nearby water system to ensure potable water supply in the event Well 4 fails or is out  
3 of service for maintenance, repairs, power outage, or other reasonably foreseeable  
4 events. Therefore, Big Basin WC cannot demonstrate the ability to provide a reliable  
5 and adequate supply of pure, wholesome, healthful, and potable water as required by  
6 CHSC, Section 116555 (a)(3).

7  
8 Prior to the August 2020 CZU Lightning Complex fires, the State Water Board  
9 documented sanitary hazards and operational deficiencies found at Big Basin WC in the  
10 2016 sanitary survey report (dated December 21, 2016), the 2018 sanitary survey report  
11 (dated January 10, 2019), and the 2020 surface water treatment plant evaluation (dated  
12 February 25, 2020).

13  
14 During the 2019 Public Safety Power Shutoff (PSPS) program administered by Pacific  
15 Gas and Electric (PG&E) in Northern California, electricity was shut off in targeted  
16 geographic areas when heightened fire risk weather conditions were forecast. During  
17 two PSPS events in October 2019, with advance notice from PG&E that power shutoffs  
18 were imminent, Big Basin WC was not prepared and ultimately experienced a water  
19 outage on October 28 and 29, 2019, which prompted Big Basin WC to issue a  
20 precautionary boil water notice in conjunction with the State Water Board. In a letter  
21 dated February 3, 2020, the State Water Board requested a power outage response  
22 plan from Big Basin WC, with a deadline to submit the plan by February 28, 2020. The  
23 deadline was later extended to March 2, 2020 in the 2020 surface water treatment plant  
24 evaluation letter (dated February 25, 2020). The State Water Board has not received a  
25 power outage response plan from Big Basin WC.

26  
27 Big Basin WC has a documented history of failing to administer preventative  
28 maintenance, emergency preparedness, and customer complaint programs. This lack of

1 preparation and inadequate customer communication has contributed to Big Basin WC  
2 failing to reliably supply its customers with potable water during emergency events,  
3 including the 2019 PG&E Power Safety Shutoffs and the August 2020 CZU Lightning  
4 Complex Fire. These deficiencies constitute an ongoing threat of failure to provide a  
5 reliable and adequate supply of pure, wholesome, healthful, and potable water as  
6 required by CHSC, Section 116555 (a)(3).

### 8 DETERMINATION

9 The State Water Board has determined that Big Basin WC cannot provide an adequate  
10 and reliable supply of water pursuant to CHSC, Section 116555 (a)(3) and has failed to  
11 comply with source capacity requirements pursuant to CCR, Title 22, Sections  
12 64554(a)(2).

### 14 DIRECTIVES

15 Big Basin WC is hereby directed to take the following actions:

- 16  
17 1. By **June 10, 2021**, submit to the State Water Board for review and approval a  
18 compliance action plan prepared by a licensed California professional engineer.  
19 The compliance action plan must include the following elements:
  - 20 a. A proposal to comply with the source capacity requirements of CCR, Title  
21 22, Section 64554 (a)(2), including a schedule for completion of each  
22 project phase. As a minimum, the schedule must include the following  
23 project phases: environmental review, design, construction, permitting,  
24 inspection, and startup. The plan must include an anticipated date when  
25 Big Basin WC will achieve compliance with CCR, Title 22, Section  
26 64554(a). The completion date must be no later than **March 10, 2022**,  
27 unless otherwise approved by the State Water Board.



- b. A schedule for removal and replacement of all fire-damaged infrastructure, including, but not limited to, service laterals, mains, transmission lines, storage tanks, etc.
  - c. An analysis of Big Basin WC's financial capacity to complete the projects listed in the compliance action plan.
2. On or before **May 10, 2021**, submit to the State Water Board a water contingency plan that describes how Big Basin WC will secure a temporary water supply in the event of an outage or failure of Well 4. In addition to any other options for temporary supply, Big Basin WC must present a feasibility analysis for obtaining an emergency or permanent interconnection to a neighboring public water system, sized to reliably provide water to all Big Basin WC customers.
3. On or before **June 10, 2021**, submit to the State Water Board for approval a schedule for completing the corrective actions identified in Big Basin WC's March 3, 2019 response to the 2018 sanitary survey letter (Appendix 1). The plan must include a schedule and project list to correct existing storage tank, booster station, and distribution system deficiencies. Unless specified below, the plan may exclude any deficiencies related to fire-damaged infrastructure, such as the Jamison SWTP and raw surface water sources. The State Water Board will consider each project completed after adequate documentation and photos have been sent and approved by the State Water Board. State Water Board confirmation may include site visits. As a minimum, the schedule must include the following projects mentioned in the 2018 sanitary survey and March 3, 2019 Big Basin WC response letter:
  - a. Letter Section 3.3.3 - remove the cross connection between the Jamison Reservoir and the distribution system

- b. Letter Section 3.6 - remove the Robin Hood Tank #2 (Horizontal Tank) from service
- c. Letter Section 3.7 - Galleon Heights Booster Station and Storage Tank improvements
- d. Letter Section 3.8.1 – Galleon Heights Tank improvements.
- e. Letter Section 3.8.2 – Tradewinds pressure system improvements.
- f. Letter Section 3.10 – Rancho Dia Tank replacement.
  - i. The State Water Board understands this tank was destroyed in the CZU Lightning Complex Fire, but Big Basin WC must provide details on tank replacement at this site or provide a hydraulic model that demonstrates adequate water system operations without this tank
- g. 3.11 – Oberst Tank replacement
- h. 3.12 – Bloom Grade Tank improvements
- i. 3.13 and 3.14 – Create a main replacement program that includes adding distribution system isolation valves.

The completion date for the projects listed above must be no later than **February 28, 2023**, except item (a), removing the cross connection between the Jamison Reservoir and the distribution system, must be completed and verified no later than **June 10, 2021**.

- 4. On or before **July 10, 2021**, submit to the State Water Board for review and approval a Water System Operations and Maintenance Plan (O&M plan) pursuant to CCR, Title 22, Section 64600. The O&M plan must include the following elements:
  - a. A plan and procedures for responding to water supply emergencies, which also includes a power outage response plan that describes how Big Basin

WC will supply water during a power outage. As a minimum, the power outage response plan must include the following items:

- i. Preparation protocol for an anticipated, planned power shutoff including filling storage tanks, site visits, water conservation notification, etc.
  - ii. Identification of critical sites requiring backup power to supply all pressure zones with a system pressure no less than 20 psi during a power outage.
  - iii. Documentation demonstrating ownership and/or rental contracts to obtain backup power at Well 4 and other identified critical sites before a planned power outage and at the onset of an unplanned power outage.
  - iv. The process for transporting and installing portable backup power during a power outage at the locations identified as critical for sustained operation in all pressure zones but do not have on-site back power generators.
  - v. Contact information for neighboring water systems, the State Water Board, Santa Cruz County Environmental Health, emergency response networks, and other contacts needed during a power outage.
  - vi. The procedure for initiating and distributing public notification in accordance with California Code of Regulations, Title 22, Sections 64663 and 64665 and with State Water Board review and approval.
- b. An operations and maintenance schedule for Well 4 and the chlorination system;
  - c. A schedule and procedure for flushing dead end mains, and procedures for disposal of the flushed water including dechlorination;

- d. A schedule for routine inspection of tanks, and procedures for cleaning tanks;
  - e. A schedule and procedures for inspecting, repairing, and replacing water mains;
  - f. A plan and procedures for responding to consumer complaints;
  - g. A schedule and procedures for routine exercising of water main valves;
  - h. A schedule and program for maintenance and calibration of source flow meters and other online instruments used to determine the quality or quantity of water;
  - i. The qualifications and training of operating personnel;
5. On or before **September 10, 2021**, submit a permit amendment application package to the State Water Board requesting to add at least one additional permanent water source. The application must include documentation demonstrating compliance with the California Environmental Quality Act (CEQA), water rights, water quality, and all other documentation requested by the State Water Board. Please contact the State Water Board for a full list of requirements.
  6. Perform the actions outlined in the State Water Board approved Corrective Action Plans required by Directives 1 and 3, and every element of said plan, according to the time schedule set forth therein.
  7. On or before **April 10, 2021** and every 10<sup>th</sup> of the month thereafter, submit a monthly progress report to the State Water Board showing actions taken during the previous calendar month to comply with the corrective action plans required by Directives 1 and 3, using the form provided as Appendix 2 hereto. For each milestone addressed in the monthly progress report, describe the progress made

1 during the past month, specify if the milestone was completed and if not  
2 completed, provide a reason and an estimated date of completion.

- 3
- 4 8. By **April 27, 2021**, complete and return to the State Water Board the "Notification  
5 of Receipt" form attached to this Order as Appendix 3 Completion of this form  
6 confirms that Big Basin WC has received this Order and understands that it  
7 contains legally enforceable directives(s) with due dates.

8

9 All submittals required by this Order, unless otherwise specified in the directives above,  
10 must be electronically submitted to the State Water Board at the following address. The  
11 subject line for all electronic submittals corresponding to this Order must include the  
12 following information: Water System name and number, compliance order number and  
13 title of the document being submitted.

14

15 Jonathan Weininger, District Engineer

16 [Dwpdist05@waterboards.ca.gov](mailto:Dwpdist05@waterboards.ca.gov)

17

18 The State Water Board reserves the right to make modifications to this Order as it may  
19 deem necessary to protect public health and safety. Such modifications may be issued  
20 as amendments to this Order and shall be effective upon issuance.

21

22 Nothing in this Order relieves the Big Basin Water Company of its obligation to meet the  
23 requirements of the California SDWA (CHSC, Division 104, Part 12, Chapter 4,  
24 commencing with Section 116270), or any regulation, standard, permit or order issued  
25 or adopted thereunder.

26

**PARTIES BOUND**

This Order shall apply to and be binding upon Big Basin WC, its owners, shareholders, officers, directors, agents, employees, contractors, successors, and assignees.

**SEVERABILITY**

The directives of this Order are severable, and Big Basin WC shall comply with each and every provision thereof notwithstanding the effectiveness of any provision.

**FURTHER ENFORCEMENT ACTION**

The California SDWA authorizes the State Water Board to: issue a citation or order with assessment of administrative penalties to a public water system for violation or continued violation of the requirements of the California SDWA or any regulation, permit, standard, citation, or order issued or adopted thereunder including, but not limited to, failure to correct a violation identified in a citation or compliance order. The California SDWA also authorizes the State Water Board to take action to suspend or revoke a permit that has been issued to a public water system if the public water system has violated applicable law or regulations or has failed to comply with an order of the State Water Board, and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the State Water Board. The State Water Board does not waive any further enforcement action by issuance of this Order.

**Stefan Cajina**

Digitally signed by Stefan

Cajina

Date: 2021.04.09 12:52:55

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Water Boards

April 9, 2021

Date

Stefan Cajina, P.E., Chief  
North Coastal Section  
Division of Drinking Water  
State Water Resources Control Board

Appendices (3):

1. Copy of "Response to 2018 Sanitary Survey of Big Basin Water Company" letter, dated March 3, 2019.
2. Progress Report Template
3. Notification of Receipt Form

Certified Mail No. 7016 2070 0000 1417 3236



**APPENDIX 1: Copy of “Response to 2018 Sanitary Survey of Big Basin Water Company” letter, dated March 3, 2019.**



16575 Jamison Creek Rd., Boulder Creek, CA 95006  
(831) 338 - 2933

March 3, 2019

Jan R. Sweigert, P.E.  
District Engineer, Monterey District Office  
Northern California Field Operations Branch  
Division of Drinking Water

**RE: Response to 2018 Sanitary Survey of Big Basin Water Company (No. 4410001)**

Dear Ms. Sweigert,

On January 10, 2019, Big Basin Water Company received your 2018 Sanitary Survey report of the water treatment plant and distribution system. This letter and the enclosed documents provide a written response to the various deficiencies identified in the Sanitary Survey, as well as a list of the deficiencies and a plan to correct them. However, this plan and timeline for improvements is dependent on receiving the necessary funding as an outcome of the current Big Basin Water Company rate case filing with the California Public Utilities Commission.

If you have any questions, please contact Jim Moore at (831) 338 – 2933 or by email at [bbwater197@yahoo.com](mailto:bbwater197@yahoo.com).

Sincerely,

Jim Moore  
Chief Operator/Owner  
Big Basin Water Company

Enclosed:

- 1 – 2018 Sanitary Survey Response Memorandum
- 2 – Map of Existing System Layout and Proposed Corrective Actions
- 3 – Budgetary Cost Estimate of Improvements



16575 Jamison Creek Rd., Boulder Creek, CA 95006  
(831) 338 - 2933

Email cc:

Santa Cruz County Environment Health Services

CPUC Water Division

Rami Khalon, CPUC Director – Water Division

Bruce Deberry, CPUC Water Division

Adam Thaler, CPUC Water Division

CPUC Public Advocates Office

Pat Ma, CPUC PAO Program & Project Supervisor

# 2018 Sanitary Survey Response Memorandum

## 1. Introduction

This memorandum summarizes deficiencies and recommendations identified by the State Water Resource Control Board Division of Drinking Water (DDW) with proposed corrective actions to be taken by Big Basin Water Company (BBWC), including the timing of any improvements, construction costs to complete, and long-term strategies. The corrective actions presented below are grouped together based on the primary station where deficiencies were identified. An ordered list of the deficiencies as identified in the sanitary survey is available in the table at the end of this document.

## 2. Cost Estimating

Construction and maintenance costs presented herein are based on the following assumptions:

- All new construction will meet current application standards and codes
- Costs presented are based on general contractor, manufacturers, and/or professional engineering estimates
- Unless otherwise specified, retirement costs are not included with the cost estimate
- All construction is assumed to be design-build by the general contractor
- Costs included standard industry markups including Company Labor & Overhead (10%), Permits and Municipal Fees (3%), Construction Contingencies (15%)
- All costs are Present Value (PV) for 2019
- Total estimated costs for identified corrective actions include costs for short-term and long-term solutions

## 3. Proposed CAPEX Corrective Actions

### 3.1. Well 4 Station

Identified Deficiency: Well 4 does not have a 50-foot sanitary seal and continually exerts a chlorine demand on system water that reduces the system chlorine residual. BBWC has been required to install chlorination at Well 4 since the 1994 permit from DDW but has not yet done so. BBWC must provide a plan for wellhead disinfection to DDW no later than March 10, 2019 and provide wellhead disinfection no later than May 20, 2019.

Proposed Corrective Action: In the short term, BBWC has installed a free chlorine injection system to improve the free chlorine residual in the distribution system. The electrical configuration of the chemical pump ensures that the pump only injects chlorine into the tank inlet piping when the groundwater well is operating (see Figure 1).



*Figure 1. Temporary Disinfectant Injection Configuration at Well # 4*

In the long term, a County permitted chemical storage and injection system will be installed. The system will include a 12.5% sodium hypochlorite solution. The solution will be stored with double containment consisting of a 55-gallon drum inside of a lockable polyethylene housing rated for the outdoors. This PE housing unit will be seated and anchored into a concrete foundation and will be located adjacent to the existing bolted steel tank. A peristaltic pump will inject free chlorine into the well discharge piping through a retractable injection assembly and using chemical piping and tubing to ensure double containment. The chemical pump will be activated whenever the groundwater well pump is running. Grab sampling from the tank outlet piping will confirm disinfectant levels entering the distribution system are adequate. Additional work will be performed to ensure that there is drainage away from the tank base.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$253,900

### **3.2. Corvin Creek Station**

Identified Deficiency: The existing Corvin Creek sedimentation tank is in poor physical condition and shows signs of corrosion. Additionally, the reservoir is located on an unstable foundation. The reservoir could potentially tip over if a landslide or a strong seismic event occurred.

Proposed Corrective Action: The Corvin Creek sedimentation tank was originally constructed as a settling tank for the spring diversion but has since become obsolete. Currently, all raw water sources are conveyed to a more recently constructed 5,000 gallon polyethylene settling tank at Jamison station. Therefore, the Corvin Creek tank is no longer necessary for system operations and retirement of this asset is recommended. Existing piping and associated appurtenances at the existing tank site location will be modified to bypass the Corvin Creek tank using 6-inch PVC or HDPE piping.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$15,800

### **3.3. Jamison Station**

#### **3.3.1. Intake 1 Sedimentation Tank**

Identified Deficiency: The intake includes a 2,000 gallon steel sedimentation tank in poor condition with signs of corrosion. BBWC needs to replace the tank and provide a stable foundation.

Proposed Corrective Action: The existing sedimentation tank has become obsolete since the construction of a 5,000 gallon polyethylene settling tank at Jamison station. Therefore, the Intake 1 sedimentation tank is no longer necessary for system operations and retirement of this asset is recommended. Existing piping and associated appurtenances at the existing tank site location will be modified to bypass the sedimentation tank using 6-inch PVC or HDPE piping.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$15,800

#### **3.3.2. Intake Transmission Lines & Screen**

Identified Deficiency: The previous steel transmission lines for both intake 1 and 2 are broken and flexible pipes have been installed temporarily. BBWC must install a permanent transmission line using NSF 61 materials. In addition, the screen on Intake 2 was not properly secured.

Proposed Corrective Action: Replace the existing intake piping with 6-inch PVC or HDPE pipe from each intake (approximately 700-ft of piping to be installed) with all air-valves, valving, blowoffs, and all necessary appurtenances to service the line. Install a new secured screen on Intake 2.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$95,500

#### **3.3.3. Reservoir Cross Connection with Distribution System**

Identified Deficiency: The Jamison surface water reservoir must be physically disconnected from the distribution system. Due to the nature of the cross connection (separated only by a closed isolation valve), BBWC must develop a well researched plan that reduces the risk of potable water contamination with raw surface water.

Proposed Corrective Action: The existing piping between Jamison Reservoir and the distribution system will be cut, capped, and separated with concrete to create a physical separation between these two sources of water, thereby eliminating all risk of cross connection at this location.

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$22,200

### 3.4. Hill House Station

**Identified Deficiencies:** Plants have grown around the site and need to be cut back around the tank perimeter. The tank is located adjacent to a home with its own well and tank. BBWC must ensure there are no cross connections and if the home is a customer of BBWC, the home owner has an approved reduce pressure assembly at their meter. The polyethylene tank does not have a foundation. As the budget allows, a more permanent foundation with seismic restraints should be installed. The tank site is not fenced. DDW recommends the site be fenced.

**Proposed Corrective Action:** BBWC has verified no cross connection exists and vegetation surrounding the tank has been cleared (see Figure 3). To secure the tank, BBWC will install a seismic restraint assembly consisting of four-way cables, cable clamps or clips, and anchor bolts. Anchor bolt length and depth to be determined by a soil or foundation engineer, similar to the example shown in Figure 2. BBWC will also install approximately 170 ft of fence surrounding the tank site with a 12-ft swing gate, as well as about 400 sf of base rock or gravel roadway to provide safer access to the site.

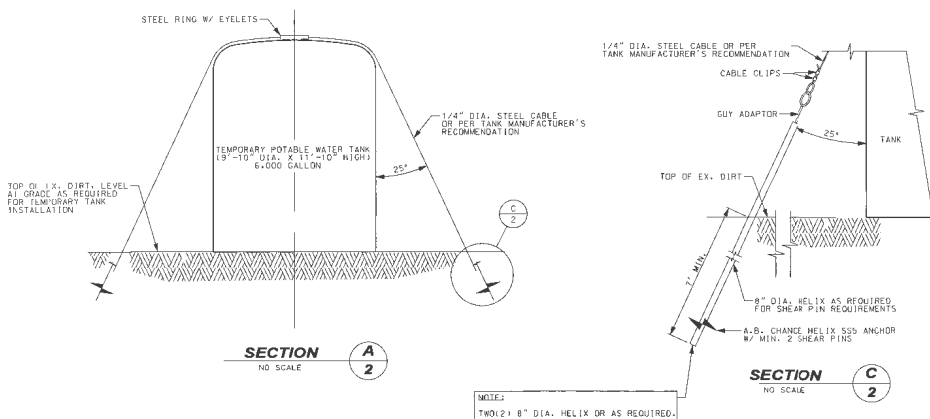


Figure 2. Example of Seismic Restraints

(Space for picture)

Commented [WJ1]: Jim – please delete note and insert picture here.

Figure 3. Vegetation cleared surrounding Hill House Tank



Proposed Year for Corrective Actions to be Complete: 2022

Total Estimated Cost: \$34,200

### **3.5. Water Treatment Plant**

Identified Deficiency: DDW noted the following issues at the water treatment plant:

- The filter unit nearest the entrance door has a break in the clarification media screen, which has allowed the buoyant clarification media to enter the filter cell. The loss of clarification media will affect treatment plant performance. The screen must be replaced with a new screen, and the lost clarification media must be replaced.
- BBWC is required to purchase and install a chlorine residual analyzer due to past violations of grab sampling requirements. The Division requested an approved chlorine residual analyzer to be installed by April 30, 2018, but BBWC has not purchased and installed an analyzer to date. A new continuous chlorine residual analyzer using an approved EPA method using must be installed.
- The treatment plant building is a wood building in poor overall condition. The plant was overrun with rodents, so the BBWC keeps cats in the treatment plant building. BBWC must repair building deficiencies including eliminating potential entrance points for domestic animals and rodents. BBWC should begin planning to replace the treatment plant building to address the rodent problem.
- Parts of the existing turbidimeter were replaced with parts from another turbidimeter. Due to the overall condition and age of the turbidimeter, BBWC must budget to replace the turbidimeter with a new EPA method certified turbidimeter no later than November 10, 2019. A manufacturer representative must evaluate the current turbidimeter for accuracy. BBWC must continue to perform calibrations according to the manufacturer's recommendations.
- Until a manufacturer representative has evaluated the turbidimeter, BBWC must have its laboratory analyze filtered water turbidity samples at least once every two weeks and report the result to the Division along with the turbidimeter turbidity reading.
- DDW recommends BBWC install an additional turbidimeter so there are turbidimeters on each filter unit. A backup turbidimeter should also be available, as required by Section 64659(a)(2), which states that standby replacement equipment should be available to assure continuous operation and control of unit processes for coagulation, filtration and disinfection.
- DDW recommends BBWC install a new turbidimeter on each individual filter effluent (IFE) line.

Proposed Corrective Action: To address DDW's comments in the short term, BBWC intends to do the following work identified below. However, given the state of the existing WTP and that much of the infrastructure is now over 26 years old, it is clear that the existing plant is in need of a complete long-term evaluation. For this reason, BBWC is budgeting for a Water Treatment Plant Facilities Plan to be completed by a professional engineering consultant in 2020 (see Section 4.3).

- Repair filter screens as necessary and replace clarification media in both units
- Replace the Programmable Logic Controls (PLC) on both units. The existing PLCs are backed on cassette tapes, no longer supported by the manufacturer or any suppliers.
- Install a HACH CLT10sc Total Chlorine Analyzer with SC200 Controller on the treated water line sample tap to allow for continuous monitoring. The HACH chlorine analyzer is compliant with EPA Method 334.0 for reporting chlorine residual measurements. The analyzer allows for real-time control of disinfection processes by providing continuous readings and self-diagnostics to alert users when the process has changed or the instrument needs servicing.
- Clean the building and repair all holes and seal openings near windows, vents, and doors in the building to limit entrance points for animals. Install rodent bait stations around the exterior perimeter for the building and replace all the rotten or damaged wood siding.
- Replace the existing turbidimeter with two HACH TU5300 online laser turbidimeters; one on the effluent end of each filter unit. Purchase a third turbidimeter as backup to increase system reliability. Turbidimeters have real-time capabilities and are compliant with EPA Method 180.1. A list of turbidimeter alarms or shutdown set points will be provided to DDW.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$236,300

### **3.5.1. WTP Chemical Storage Tanks and Storage Building**

Identified Deficiency: Chemical Storage Tanks have large holes in their lids and are corroded. Furthermore, the secondary containment is partially full of ponding liquid, which poses an unknown risk. BBWC needs to install new alum and chlorine storage tanks and store the tanks separately. Chlorine and Alum are of different chemical storage groups and as a safety precaution should not be stored together. One of the chemical storage tanks in the chemical storage building is double contained, but both chemical storage tanks are stored together in the same containment facility and next to each other. The chemicals should be further separated and not stored in the same double containment box. The Chemical Storage Tanks (chlorine and alum) have a treated water line (for dilution) plumbed directly into storage tank. A proper air gap must be provided between the treated water fill line and the chemical tanks.

Proposed Corrective Action: BBWC will replace the existing chemical storage building with a new County permitted chemical storage facility that includes a wooden roof structure and concrete foundation. Two lockable polyethylene modular spill pallet with chemical containment and rated for outdoor storage will be housed and anchored to the concrete pad. 55 gallon drums of sodium hypochlorite and aluminum sulfate will be stored separately in each of the modular spill pallets. BBWC will prepare and submit a Hazardous Materials Business Plan to the County. In the long-term, the Water Treatment Plant Facilities Plan will consider including a permanent indoor chemical storage facility as part of a new building consideration.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$149,000

### **3.5.2. WTP Backup Generator & Site Security**

Identified Deficiency: BBWC does not have any backup power for the water treatment plant and this is the main source of supply into the system. In addition, the treatment plant is not secured by any fencing or gate.

Proposed Corrective Action: Install a 20-ft wide double swing gate and 950-ft of 6-ft high chain link fencing around all Jamison Station facilities as one enclosed area, which includes the sedimentation tank, chemical storage building, reservoir, WTP building, and storage tank. Install a 20-ft wide barrier gate at the entrance of the road leading to Jamison Station from Jamison Creek Road.

A backup generator will be considered in the Water Treatment Facilities Plan proposed as part of a long-term improvement plan to ensure the treatment plant can continue to operate and serve customers even in the event of a power outage.

The site security measures and backup generator will be addressed in 2022 following completion of the Water Treatment Plant Facilities Plan. At this time, only fencing costs are included below.

Proposed Year for Corrective Action to be Complete: 2022

Total Estimated Cost: \$119,300

### **3.6. Robin Hood (Tank #2) Station**

Identified Deficiency: The Robin Hood bolted steel tank provides a storage capacity of 10,000 gallons and primarily serves as an equalization storage reservoir. The horizontal tank is supplied by gravity from the 40,000 gallon Robin Hood Tank laying at an approximate elevation of 1,300 feet. In its current state, the tank is in poor physical condition and does not meet existing drinking water standards. Fallen tree branches obstruct access to the reservoir. Moreover, the exterior of the reservoir shows signs of advanced corrosion. Additionally, the tank lays on an unstable wooden foundation without any strong supports.

Proposed Corrective Action: As a temporary solution, BBWC will install a 2-inch bypass pressure reducing valve, set an adequate setpoint to serve customers in the Kings Highway Zone, and bypass the existing the horizontal Robin Hood tank. Additional piping will also be installed as

needed in order to bypass Robin Hood Tank #2. As a long-term solution, BBWC plans to construct a complete 6-inch regulating station at the reservoir site. The new regulating station will supply the existing Kings Highway zone service area. Once the construction of the regulating station is completed, the existing Robin Hood horizontal tank will be properly retired. The new regulating station will incorporate a Singer 6-inch S106-PR-C-SM dual-rolling diaphragm. If the primary chamber within the diaphragm fails, the secondary chamber will take over and regulate the downstream pressure at a desired pre-determined setpoint. The 6-inch valve can sustain a maximum flow rate of 1,800 gpm exceeding both fire flow requirements and maximum day demands in the zone.

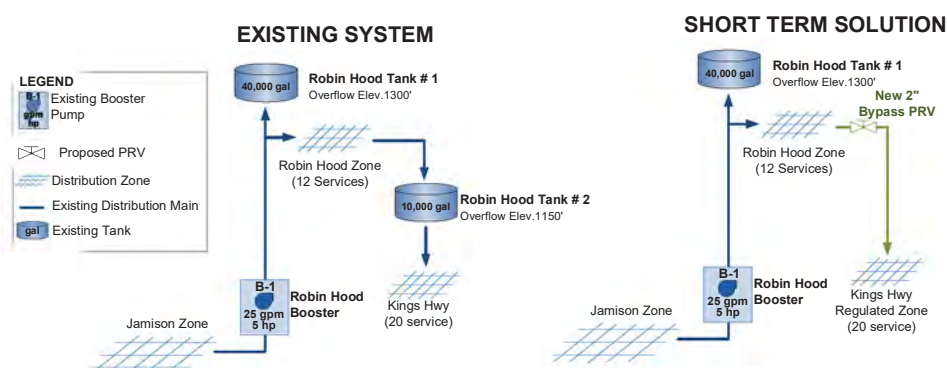


Figure 4. Proposed Corrective Action for Robin Hood Horizontal Tank (Tank #2) – Short Term

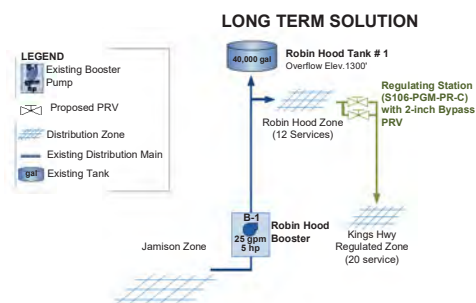


Figure 5. Proposed Corrective Action for Robin Hood Horizontal Tank (Tank #2) – Long Term

Proposed Year for Corrective Action to be Complete: 2019 (2-inch bypass), 2023 (6-inch regulating station)

Total Estimated Cost: \$130,800

### **3.7. Galleon Heights Booster Station and Storage Site**

Identified Deficiencies: Several holes were observed on the wooden side panels of the pump house. Rodent droppings were present on above-grade piping and on the pump bodies. Rodent droppings can create unsanitary conditions and potentially contaminate the source of water supply water. Additionally, the Galleon pump station is severely oversized in comparison to the demands of the service area the pumps supply water to. Consequently, the surplus capacity of the booster pumps limit system operations flexibility, as the clearwell must remain close to its maximum level for the pumps to operate safely. Moreover, the pumps are in poor physical condition and exhibit signs of physical deterioration due to corrosion.

Proposed Corrective Actions: The existing wooden building has exceeded its useful life and will be replaced with a new wooden structure. The inside of the building will be cleaned and the piping will be sandblasted and recoated.

Existing booster pumps and motors will be replaced with two 100-gpm vertical in-line pumps to provide more reliable supply to the tank and replace the oversized equipment currently there. Electrical and logic controls will be installed to allow BBWC to operate pumps based on the water level in the Galleon tank and prevent overflow events. Scope of work would also include a new backup generator receptacle to allow for continued pumping operations to the Galleon reservoir in the occurrence of a power outage.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$125,200

### **3.8. Tradewinds (Galleon Heights Tank Site) Station**

#### **3.8.1. Galleon Heights Reservoir Improvements**

Identified Deficiencies: The Tank Vent Screen located at the center of the roof reservoir is corroded. Depending on the size of the opening in the vent induced by corrosion, debris, living organisms and other non-desirable pathogens can make their way into the water supply. The roof access hatch does not include a seal. The sealing gasket has primary goals to prevent debris, pathogens and organisms to contaminate the water supply. The overflow terminates approximately two inches from the ground and does not ensure minimum standard clearance compliance. Screen at the bottom of the overflow pipe is not effective in its current configuration.

Proposed Corrective Actions: The installation of a new gasket seal around the existing hatch has already been completed as well as a #24 Mesh stainless steel screen to retrofit the existing vent screen (see Figures 6 and 7). As a temporary solution, to ensure the overflow pipe complies with existing air-gap requirements, BBWC has cut the overflow pipe and installed a new screen at the bottom of the overflow pipe (see Figure 8). As a long-term solution, BBWC will install a Tideflex Dechlorinating Overflow Security Assembly (DOSA). The DOSA will dechlorinate any overflow water to comply with the Statewide General NPDES Permit for Drinking Water Systems Discharges and prevent debris and insects from entering the tank. A new storm drain and piping will be also be installed to allow overflow water to drain away from the tank.

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**Commented [WJ2]:** Jim – please delete note and insert a picture here of the new hatch gasket.

**Figure 6. Sealed Shoe-Box Hatch**

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**Commented [WJ3]:** Jim – please delete note and insert picture here of the new vent screen.

**Figure 7. New #24 Mesh Vent Screen**

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**Figure 8. Existing Overflow Pipe Cut and Screened**

**Commented [WJ4]:** Jim – please delete note and insert picture here of the cut and screened overflow pipe.

Included with this work will be the installation of a water level transducer, spread spectrum radio, and electrical work to enable the Galleon booster station to operate based on the water level inside the tank.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$61,400

### **3.8.2. Tradewinds Pressure System Improvements**

Identified Deficiencies: The Tradewinds pressure system consists of three booster pumps, two bladder tanks, and a backup generator. Both pressure tanks were constructed in 1975 and have since become waterlogged due to ruptured bladders, and DDW identified these as needing to be removed or replaced. DDW also identified the existing piping in the pressure system as being aged and corroded, and in need of an overall improvement plan to address. The backup generator

has been out of service and needs to be fixed since this pressure system is the sole source of water for the customers in this pressure zone.

Proposed Corrective Actions: BBWC will replace both ruptured bladders inside the pressure tank with new Amtrol WX-456C bladder tanks. Existing piping and valving will be sandblasted and recoated. The existing generator has already been repaired and is now fully operational (see Figure 9). The existing roof and wood siding will also be replaced to protect the pumping equipment and ensure rodents do not enter the building.



*Figure 9. Generator repaired and operational*

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$136,400

### **3.9. China Grade (Camino Verde) Station**

Identified Deficiency: The tank site is not secured and DDW recommends a perimeter fence be installed. BBWC must ensure that there are no connections to the previously used redwood tank and install a roof lock.

Proposed Corrective Action: Install 145 feet of 6-ft high chain link fencing surrounding the tank site with one 12-ft entry gate. Construct approximately 1,000 sf of base rock or gravel roadway for safe access to the site. BBWC has installed a roof lock (see Figure 10).





*Figure 10: Roof lock on China Grade Tank.*

Proposed Year for Corrective Action to be Complete: 2022

Total Estimated Cost: \$24,200

### **3.10. Rancho Dia (Santa Rosita) Station**

Identified Deficiency: The redwood tank is a significant hazard due to the leaks, redwood condition, debris observed inside the tank, and many openings and breaks in the perimeter vent screen. According to Division records, the tank was constructed in 1958 and is past its useful life. Tank rehabilitation/replacement must be done in accordance with NSF 61, Waterworks Standards, and AWWA standards.

Proposed Corrective Action: To address the deficiency immediately, BBWC will disconnect the existing Rancho Dia Tank and install a 10,000 gallon polyethylene tank. This action will eliminate all hazards associated with the existing tank and ensure sufficient storage capacity is available to meet fire flow in the surrounding area. Once the existing redwood tank is removed from the site, the 10,000 gal polyethylene tank will be relocated and anchored to the existing tank foundation. In addition, a base rock or gravel roadway will be constructed for safer access to the site.

In the long-term, BBWC will evaluate retiring the Rancho Dia tank site all together. The Rancho Dia tank base elevation is lower than other storage facilities in Jamison zone, causing little to no turnover in the Rancho Dia tank and water age concerns. Installing a future regulator from the Hill House tank will satisfy customer demands, meet fire flow requirements, and eliminate the water age and hazards associated with the existing Rancho Dia tank site.

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Big Basin Water Company

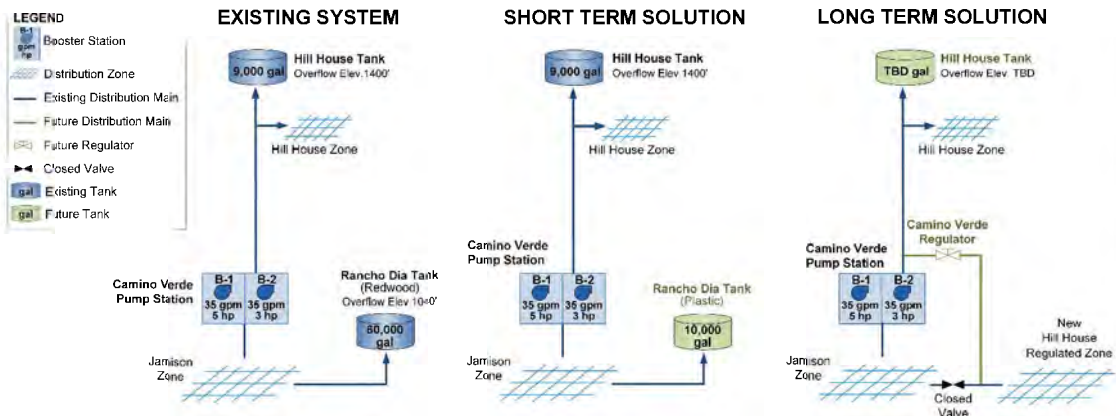


Figure 11: Rancho Dia and Hill House Short & Long-Term Solutions

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$74,300

### 3.11. Oberst Station

Identified Deficiency: The Oberst tank is an aged small steel tank. The interior and exterior coatings are severely corroded. Large rust nodules were observed attached to the interior tank wall. The corrosion presents a sanitary and structural risk. BBWC must provide a plan and schedule for replacement of this tank no later than May 10, 2019. The replacement plan must include NSF 61, AWWA, and Waterworks Standards compliance and a plan to construct a tank foundation and provide proper seismic supports.

Proposed Corrective Action: BBWC will replace the Oberst tank with a 10,000 gallon polyethylene tank anchored to the existing foundation. BBWC will also install a fence surrounding the tank site with a 12-ft swing gate.



*Figure 12: Oberst Station existing foundation*

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$64,600

### **3.12. Bloom Grade Station**

Identified Deficiency: The tank site is not secured and DDW recommends a fence be constructed. Clarify Bloom Grade tank ownership, verify no cross connections exists, and install a tank drain and sample tap.

Proposed Corrective Action: Installation of about 170 ft of 6-ft high chain link fence surrounding the tank site with a 12-ft swing gate plus approximately 8,000 sf of base rock or gravel road to safely access the site. BBWC confirmed that no cross connection exists (see Figure 13). BBWC will install a tank drain and sample tap with other site improvements. BBWC is currently working with homeowners for easements and rights to access the tank.

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**Commented [WJ5]:** Jim – please delete note and insert picture here showing no cross connection.

*Figure 13: No cross connection exists with Bloom Grade tank*

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$71,800

### 3.13. Isolation Valves

Identified Deficiency: According to BBWC, there are some stretches of mainline without an isolation valve for miles. DDW recommends BBWC review all records and install isolation valves in accordance with CCR Title 22 Waterworks Standards.

Proposed Corrective Action: BBWC has reviewed its as-builts and will bring the mainline into compliance with the Waterworks Standards. Bringing the mainline into compliance will require the installation of 14 new line valves, spaced no farther than 1,320 feet apart along water mains. The installation of five new line valves will ensure that the requirement pertaining to tee and crossing connections is met. A summary of the number of valves and cost is presented in Table 1.

*Table 1. Summary of Distribution Valve Requirements*

Size (inch)	No. Valves	Installation (Cost per Valve)	Total Cost
2	2	\$6,000	\$12,000
4	8	\$8,000	\$64,00
6	4	\$11,000	\$44,000
8	3	\$16,000	\$48,000
10	1	\$19,000	\$19,000
12	2	\$22,000	\$44,000
Total	20	-	\$231,000

Proposed Year for Corrective Action to be Complete: Five year program: 2020 – 2024

Total Estimated Cost: \$231,000

### 3.14. Distribution Mainlines

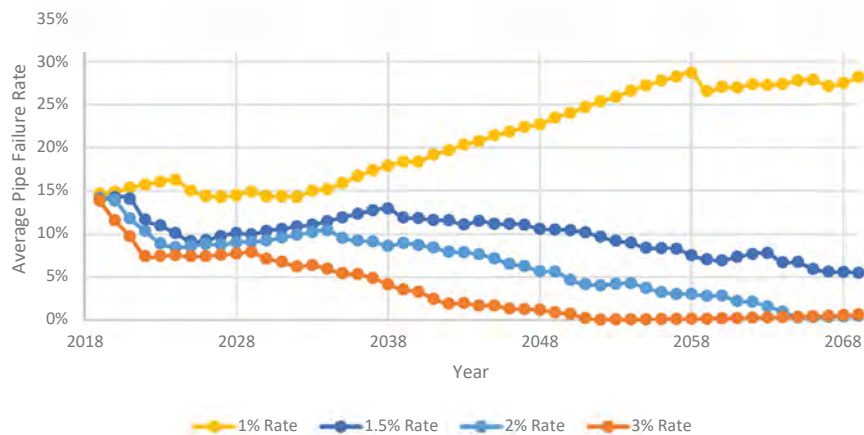
Identified Deficiency: Lack of main replacement plan to replace leaky, aged, undersized (less than 4-inches), and above ground mainlines as part of a capital improvement plan. DDW recommends BBWC to develop a long-term main replacement program.

Proposed Corrective Action: Replace pipelines at a 1.5% rate, or approximately 1,360 ft of pipe per year. An age and failure rate analysis was performed considering the approximate current ages of pipelines in the distribution system and survival curves for existing pipe types. It was assumed that all steel pipelines were installed in the 1940's, all AC pipelines were installed in the 1960's, and all PVC pipelines were installed in the 1990's, and that the oldest pipes with the lowest survival rate are replaced first. The model calculates the average failure rate of all pipelines given their age and the pipe type's survival curve. It assumes that each year a certain percentage

of pipes are replaced, thus reducing the average age and average risk of pipelines across the system. The analysis showed that a replacement rate of 1.5% would ensure that the average age of pipelines in the system does not grow over time, but decreases from about 50 years today to 43 years in 2069 (see Figure 14). Additionally, replacing at a 1.5% rate will prevent the pipeline failure rate from escalating to an unmanageable level. Instead, risk of pipeline failure will steadily decrease over time (see Figure 15).



**Figure 14: Average age of pipelines under 1-3% replacement programs**



**Figure 15: Average failure rate of pipelines under 1-3% replacement programs**

Proposed Year for Corrective Action to be Complete: Starting in 2022 and ongoing

Total Estimated Cost: \$270,000 / year

### **3.15. Retire Inactive Wells**

Identified Deficiency: BBWC has two inactive well sources listed in DDW's database, Galleon Well 1 and Well 2. DDW recommends BBWC schedule to destroy these inactive groundwater sources.

Proposed Corrective Action: BBWC will work with a certified well driller to retire Well 1 and will clear the site of old pumping equipment and appurtenances, disinfect the well column, fill the void in with fill and sealing material, remove at least five feet below the surface and seal the top, and restore the site back to its original conditions.

According to BBWC's groundwater well consultant, Well 2 has the potential to be restored to provide approximately 35 gpm into the system. BBWC intends to evaluate the costs and benefits of restoring and receiving this well as part of the surface water capacity evaluation study (see Section 4.8).

Proposed Year for Corrective Action to be Complete: 2023

Total Estimated Cost: \$26,200

## **4. Proposed Administrative Corrective Actions**

### **4.1. Jamison Reservoir as a Surface Water Source**

Identified Deficiency: BBWC is not permitted to use the Jamison Reservoir, a 3 MG artificial reservoir primarily fed by overflow from surface water sources, as a water source. The reservoir is not permitted raw surface water source and cannot be used as a surface water source.

Proposed Corrective Action: BBWC has stopped using Jamison Reservoir as a surface water source. BBWC will evaluate the need for this source water and apply for the source to be permitted if the use of this source water is deemed necessary to meet system demands.

Proposed Year for Corrective Action to be Complete: Now

Total Estimated Cost: N/A

### **4.2. Quarterly Tank Inspection**

Identified Deficiency: Based on the condition of the storage tanks, BBWC is not adequately inspecting storage tanks. BBWC must begin to inspect all tanks at least quarterly and inspect Rancho Dia tank monthly. BBWC must provide a summary of tank inspections quarterly using the form provided by DDW.

Proposed Corrective Action: BBWC will perform tank inspections, at minimum, on a quarterly basis. BBWC will document the tank inspections by completing the forms provided by DDW in the

2018 *Sanitary Survey Report*. The Rancho Dia (Rosita) tank is scheduled to be replaced as soon as possible with a new 10,000 gallon polyethylene tank.

Proposed Year for Corrective Action to be Complete: Now & ongoing

Total Estimated Cost: N/A

#### **4.3. WTP Facilities Plan**

Identified Deficiency: The filtration units are in poor overall condition and must be evaluated by a WesTech® representative or consulting engineer with experience in surface water treatment to determine necessary upgrades.

Proposed Corrective Action: BBWC acknowledges the existing surface water treatment facility has exceeded the extent of its useful life and is in need of significant investment. While BBWC has approached WesTech® vendor to replace the media and improve the Programmable Logic Control (PLC), these systems are more than 26 years old and are in need of a long-term evaluation. For example, the PLC is currently backed up on cassette tapes, a format which is no longer supported by the manufacturer or any representative distributor. Even with the immediate improvements proposed in Section 3.3.1, BBWC intends to contract with a professional engineering consultant with experience in surface water treatment to prepare a master facilities plan for the Jamison Station.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$50,000

#### **4.4. Surface Water Treatment Plant Operations Plan**

Identified Deficiency: In accordance with CCR, Title 22, Section 64661, BBWC shall update its surface water treatment plant operations plan.

Proposed Corrective Action: BBWC will consult with a professional engineering consultant to review and revise BBWC Operations Plan after the immediate improvements and new equipment has been installed at the surface water treatment. The new Operations Plan will address all tasks listed in the 2018 *Sanitary Survey*, as well as the following:

- Chlorine residual grab sampling and reporting requirements
- Settled water turbidity grab sampling and reporting requirements
- pH monitoring standard approach using EPA approved methodology
- pH and temperature daily monitoring from water leaving the treated water contact time
- Clarifier and filter loading rates calculation and reporting requirements

This will be completed after WesTech® completes the retrofit and improvements to the existing Microfloc treatment plant.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$25,000



#### 4.5. Distribution System Chlorine Residual

Identified Deficiency: As a surface water system, a detectable residual of 0.2 mg/L must be measured in at least 95 percent of the distribution samples.

Proposed Corrective Action: BBWC has increased the chlorine dosage to ensure a minimum 0.2 mg/L free chlorine residual throughout the distribution system. In addition, BBWC will implement all the disinfection system improvement projects listed above.

Proposed Year for Corrective Action to be Complete: Ongoing

Total Estimated Cost: N/A

#### 4.6. Cross Connection Control Program

Identified Deficiency: BBWC must provide a copy of its current cross connection control operating rules. BBWC must conduct a system wide cross connection control survey, and identify all backflow prevention assemblies in the system and provide a list to DDW.

Proposed Corrective Action: BBWC will consult with a backflow prevention specialist to assist in the preparation of a Cross Connection Control Program, which will include standardize rules, equipment, and testing requirements. This program will then be presented to the California Public Utilities Commission for review and approval. Once the program is approved, the consultant will complete a system wide survey and inventory all backflow prevention assemblies in the system.

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: \$25,000

#### 4.7. Watershed Sanitary Survey

Identified Deficiency: BBWC must conduct a watershed sanitary survey in accordance with CCR, Title 22, Section 64665

Proposed Corrective Action: BBWC will contract with a professional environmental consultant to prepare an updated Watershed Sanitary Survey in compliance with CCR Title 22 64665. The survey and report will include a physical and hydrogeological description of the watershed, a summary of source water quality monitoring data, a description of activities and sources of contamination, description of any significant changes that have occurred since the last survey which could affect the quality of the source water, a description of watershed control and management practices, an evaluation of the system's ability to meet requirements, and recommendations for any corrective actions.

Proposed Year for Corrective Action to be Complete: 2021

Total Estimated Cost: \$25,000

#### 4.8. Source Capacity

Identified Deficiency: BBWC is unable to meet source capacity requirements according to the method outlines in CCR, Title 22, Section 64554.

Proposed Corrective Action: BBWC will contract with a professional engineering consultant to conduct well tests of its groundwater sources and review its surface water capacity to determine necessary steps to increase its source capacity in accordance with current regulations.

Proposed Year for Corrective Action to be Complete: 2020

Total Estimated Cost: \$25,000

#### **4.9. Records**

Identified Deficiency: BBWC must begin storing records for all preventative maintenance programs including system flushing, valve exercising, and full tank inspections.

Proposed Corrective Action: BBWC has begun a more diligent record keeping program. BBWC maintains a log of all preventative maintenance items performed on the water system including the date, location and nature of the action performed. Additionally, BBWC will start developing their own forms and checklists when performing tests and water samplings based on best practices recommended by industry standards and public entities. All records will be organized, stored in a separated file cabinet, and easily accessible when necessary.

Proposed Year for Corrective Action to be Complete: Now

Total Estimated Cost: N/A

#### **4.10. Operator Staffing**

Identified Deficiency: DDW recommends BBWC add additional certified operators to ensure coverage at the treatment plant and to complete preventative maintenance. DDW also recommends BBWC add an additional T3 treatment operator to ensure a certified chief operator is available at all times.

Proposed Corrective Action: The distribution system is classified as a D3 water system, but the treatment plant is classified by DDW as a T2 treatment facility. It is unclear why DDW is recommending an additional T3 treatment operator. BBWC will evaluate contracting for at least one more full time and certified D3, T2 operator to ensure that at least one chief operator is available at all times for the distribution system and treatment plant. BBWC will also look into the financial feasibility of hiring additional staff and contracting out overhead staff duties.

Proposed Year for Corrective Action to be Complete: 2019

Total Estimated Cost: N/A

#### **4.11. Emergency Response Plan**

Identified Deficiency: DDW recommends BBWC create an updated Emergency Response Plan.

Proposed Corrective Action: BBWC will contract with a professional engineering consultant to prepare an emergency response plan in compliance with current regulatory standards.

Proposed Year for Corrective Action to be Complete: 2022

2018 Sanitary Survey Response  
Big Basin Water Company

Total Estimated Cost:      \$20,000

## Summary of Corrective Actions

### Order of Hazard:

- A. Critical Health Hazard
- B. Serious Health Hazard
- C. Potential Health Hazard
- D. System or Operational Defect Resulting in Poor Waterworks Practice

Deficiency Identified	Order of Hazard	Date to Address Deficiency	Proposed Corrective Action			Memo Section Reference
			Description	Schedule	Cost	
SOURCES						
Well 4 Chlorination	A	Plan by 3/10/19 Completed by 5/20/19	Temporary chlorination system already installed; long term injection system to be completed by end of 2020	2020	\$253,900	3.1
Corvin Creek Intake Sedimentation Tank	C	July 10, 2020	Bypass and retire sedimentation tank	2022	\$15,800	3.2
Jamison Intake 1 Sedimentation Tank	C	July 10, 2020	Bypass and retire sedimentation tank	2021	\$15,800	3.3.1
Jamison Intake 2 Screen	C	March 10, 2019	Install a secure screen	2021		
Jamison Intake 2 Transmission Line	C	March 10, 2019	Install 700-ft of 6-inch PVC or HPDE raw water main	2021	\$95,500	3.3.2
Jamison Intake 1 Transmission Line	C	March 10, 2019	BBWC to cease using Jamison Reservoir as a source of raw water	Now	-	4.1
Jamison Reservoir as a Surface Water Source	N/A	Now	Cut & Cap pipes to eliminate cross connection	2019	\$22,200	3.3.3
Jamison Reservoir Cross Connection	A	March 10, 2019				
BOOSTER STATIONS						
Galleon Heights Booster Station Housing	C	Sept 10, 2019	Replace wooden building	2021	\$125,200	3.7
Galleon Heights Booster Pump Plan	D	Sept 10, 2019	Pumps will be replaced with more appropriately sized pumps			
Tradewinds Booster Station Waterlogged Pressure Tanks	C	Dec 31, 2019	Replace the bladder in the existing tanks and return to service			
Tradewinds booster Station Piping and Valving Corrosion	D	Dec 31, 2019	Clean existing piping and recoat	2021	\$136,400	3.8.2
Tradewinds Booster Station Generator	C	March 10, 2019	Generator has been repaired and is back in service			
STORAGE						
Galleon Tank Vent Screen	C	March 10, 2019	# 24 Mesh vent screen already installed			
Galleon Tank Roof Access Hatch	D	March 10, 2019	Hatch gasket already installed	2021	\$61,400	3.8.1
Galleon Tank Overflow	D	March 10, 2019	Include a DOSA assembly with storm drain and drain away from tank			
Robin Hood Bolted Steel Tank Roof Hatch Seal	D	March 10, 2019				
Robin Hood Bolted Steel Tank Vent Screen	D	March 10, 2019	Retire the existing Horizontal Robin Hood tank and replace with a 6-inch regulator and 2-inch bypass regulator	2019/2023	\$130,800	3.6
Robin Hood Bolted Steel Tank Drain	C	During Next Rehab				
Robin Hood Bolted Steel Tank Removal/Replacement	A	March 20, 2019				
Hill House Tank Site	N/A	May 10, 2019	Vegetation cleared	Completed	-	3.4
Hill House Tank Cross Connection Verification	D	April 10, 2019	Verified that no cross connection exists	Completed	-	3.4
China Grade Tank Connection Verification	D	Written verification by April 10, 2019	Verified that no cross connection exists	Completed	-	3.9

Deficiency Identified	Order of Hazard	Date to Address Deficiency	Proposed Corrective Action			Memo Section Reference
			Description	Schedule	Cost	
China Grade Tank Roof Lid Lock	D	March 10, 2019	Roof lid lock installed	Completed	-	3.9
Rancho Dia Tank Rehabilitation/Replacement Plan	A	Rehabilitation/Replacement Plan by May 10, 2019				
Rancho Dia Tank Interim Operation Requirements	N/A	Immediately				
Rancho Dia Tank Vent Screen	A	February 10, 2019	Replace Rancho Dia Tank with 10,000 gallon polyethylene tank with seismic anchorage	2019	\$74,300	3.10
Rancho Dia Tank Site	D	May 10, 2019				
Rancho Dia Tank Leaks	C	March 10, 2019				
Rancho Dia Tank Cleaning	B	June 10, 2019				
Oberst Tank Replacement Plan	A	May 10, 2019	Replace Oberst Tank with 10,000 gallon polyethylene tank with seismic anchorage	2019	\$64,600	3.11
Oberst Tank Roof Vent Screen	D	January 30, 2019				
Bloom Grade Tank Ownership Status and Fence Removal	B	Written verification of ownership status by April 10, 2019	BBWC working with property owner to verify	2019	-	3.12
Bloom Grade Tank Cross Connection Verification	C	Written verification by April 10, 2019	Confirmed no cross connection present	Completed	-	3.12
Bloom Grade Tank Drain	C	September 10, 2019	Sample tap and drain to be installed with other site improvements	2021	\$23,500	3.12
Bloom Grade Tank Sample Tap	D	May 10, 2019				
Storage Tank Inspections	C	Now	BBWC will increase its tank inspection efforts to meet DDW requirements	Ongoing	-	4.2
<b>SURFACE WATER TREATMENT</b>						
Jamison WTP Filter Unit Evaluation and Rehabilitation/Replacement	A	Plan by 4/10/19 Completed by 2/10/20	BBWC will consult with a professional engineering firm to prepare a Water Treatment Facilities Plan and provide long-term recommendations	2020	\$50,000	4.3
Updated Surface Water Treatment Plant Operations Plan	B	6/10/19				
Settled Water Turbidity	N/A	Now				
pH Monitoring	C	4/10/19				
Daily pH and Temperature Monitoring	C	Immediately	BBWC will consult with a professional engineering consultant to update SOPs and Operations Plan after improvements to existing Microfloc treatment plant are completed by Wes Tech® (see Section 4.3)	2021	\$25,000	4.4
Chlorine Residual Grab Sampling and Reporting	N/A	Now				
Clarifier and Filter Loading Rates	N/A	Feb 2019				
Jamison WTP Filter Unit Clarification Media Screen	A	3/10/19				
Online Chlorine Residual Analyzer	A	3/10/19				
Jamison WTP Building	B	9/10/19	Repair filters, replace PLCs, install EPA approved total chlorine analyzer, clean building and repair holes, replace existing turbidimeter	2020	\$236,300	3.5
Jamison WTP Cleaning	A	2/10/19 & Continuously				
Jamison WTP Turbidimeter	B	11/10/19				
Distribution System Chlorine Residual	A	Immediately	Increased system chlorine residual	Completed	-	4.5

Deficiency Identified	Order of Hazard	Date to Address Deficiency	Proposed Corrective Action			Memo Section Reference
			Description	Schedule	Cost	
Filter Effluent Line Cross Connection Evaluation	D	7/10/19	BBWC confirmed that no cross connection exists (JIM TO CONFIRM)	Completed	-	-
Backwash Tank Cross Connection(s)	C	4/10/19	BBWC confirmed that no cross connection exists (JIM TO CONFIRM)	Completed	-	-
October 9, 2018 Chlorine Residual	N/A	2/15/19	Completed and mailed to DDW on XX/XX/XX	Completed	-	-
Jamison WTP Cats	B	2/20/19	BBWC to develop a comprehensive long-term Vector Control Plan	See Section 3.5	-	-
Jamison WTP Chemical Storage Tank Water Line	C	5/10/19	BBWC to install new chemical storage platform and containment	2020	\$149,000	3.5.1
Jamison WTP Chemical Storage Tanks and Storage	B	5/10/19	BBWC to prepare new Rules and Standards for Cross Connection in the service area for approval by CPUC; after which BBWC will complete a system wide survey and inventory backflow equipment	2019	\$25,000	4.6
Cross Connection Control Operating Rules	A	6/10/19				
Cross Connection Control Survey	A	10/10/19				
Backflow Prevention Assembly Inventory	A	6/10/19				
<b>OTHER</b>						
2017 Consumer Confidence Report Certification	C	2/15/2019	BBWC provided to DDW on XX/XX/XX	2019	-	-
Watershed Sanitary Survey	C	12/31/2019	BBWC to engage professional engineering consultant to prepare	2021	\$25,000	4.7
Source Capacity	B	12/31/2019	BBWC to engage professional engineering consultant to prepare	2020	\$25,000	4.8
Records	D	Now	BBWC working to improve recordkeeping procedures	Ongoing	-	4.9
Overdue 2018 Source Monitoring	C	1/31/2019	BBWC provided to DDW on XX/XX/XX	2019	-	-
<b>LIST OF RECOMMENDATIONS</b>						
Photos	-	-	BBWC to prepare and provide to DDW by end of 2019	2019	-	-
Robin Hood Tank Foundation	-	-	BBWC to engage to professional engineer to evaluate as budget allows	2023	\$10,000	-
Hill House Tank Foundation	-	-	Install seismic restraint system	2022	\$34,200	3.4
Hill House Tank Fence	-	-	Install ~170 ft of fence, a 12-ft swing gate, and ~400 sf gravel road	2022	\$24,200	3.9
China Grade Tank Fence	-	-	Install ~145 ft of fence, a 12-ft swing gate, and ~1,000 sf gravel road	2021	\$48,300	3.12
Bloom Grade Tank Fence	-	-	Install ~170 ft of fence, a 12-ft swing gate, and ~8,000 sf gravel road	See Section 3.5	-	-
Jamison WTP IFE Turbidimeter	-	-	Install a turbidimeter on the effluent end of each filter unit	See Section 3.5	-	-
Jamison WTP Backup Turbidimeter	-	-	Purchase one backup turbidimeter	See Section 3.5.2	-	-
Jamison WTP Generator	-	-	BBWC to evaluate as part of long term facilities plan	2022	\$119,300	3.5.2
Jamison WTP Site Security	-	-	Install 950 ft of fence, a 20-ft double swing gate, and a 20-ft barrier gate	2023	\$26,200	3.15
Inactive Sources	-	-	BBWC to retire Well # 1 and evaluate Well # 2 for restoration	2020 - 2024	\$231,000	3.13
Isolation Valves	-	-	Install 20 line valves	2020	-	4.10
Operator Staffing	-	-	BBWC evaluating hiring/contracting additional staff	2022	\$20,000	4.11
Emergency Response Plan	-	-	BBWC to engage professional consultant to prepare	Ongoing	TBD	3.14
Distribution Main Replacement Plan	-	-	BBWC replacing mains as part of a long term asset management program			
Cross Connection Specialist	-	-	Will contract with a cross connection specialist			

Commented [WJ6]: If this is complete, make a note stating that it is complete and what work was performed

Commented [WJ7]: If this is complete, make a note stating that it is complete and what work was performed

Commented [WJ8]: Add date

Commented [WJ9]: Add date

Commented [WJ10]: Add date

## Corrective Action Projected Costs and Schedule of Improvements

The following table is a summary of the costs and schedule for the proposed corrective actions.

Project	2019	2020	2021	2022	2023	2024	TOTAL
Well 4 Chlorination		\$253,900					\$253,900
Corvin Creek Intake Sedimentation Tank			\$15,800				\$15,800
Jamison Intake 1 Sedimentation Tank			\$15,800				\$15,800
Jamison Intake 2 Screen							
Jamison Intake 2 Transmission Line			\$95,500				\$95,500
Jamison Intake 1 Transmission Line							
Jamison Reservoir Cross Connection	\$22,200						\$22,200
Galleon Heights Booster Station Housing							
Galleon Heights Booster Pump Plan			\$125,200				\$125,200
Tradewinds Booster Station Waterlogged Pressure Tanks							
Tradewinds Booster Station Piping and Valving Corrosion			\$136,400				\$136,400
Tradewinds Booster Station Generator							
Galleon Tank Power and Level Transducer			\$61,400				\$61,400
Galleon Tank Overflow							
Robin Hood Bolted Steel Tank Roof Hatch Seal							
Robin Hood Bolted Steel Tank Vent Screen							
Robin Hood Bolted Steel Tank Drain	\$19,500				\$111,300		\$130,800
Robin Hood Bolted Steel Tank Removal/Replacement							
Rancho Dia Tank Rehabilitation/Replacement Plan							
Rancho Dia Tank Interim Operation Requirements							
Rancho Dia Tank Vent Screen							
Rancho Dia Tank Site	\$74,300						\$74,300
Rancho Dia Tank Leaks							
Rancho Dia Tank Cleaning							
Oberst Tank Replacement Plan							
Oberst Tank Roof Vent Screen	\$64,600						\$64,600
Bloom Grade Tank Drain and Sample Tap			\$23,500				\$23,500

Thursday, April 8, 2021



Project	2019	2020	2021	2022	2023	2024	TOTAL
Jamison WTP Filter Unit Evaluation and Rehabilitation/Replacement		\$50,000					\$50,000
Updated Surface Water Treatment Plant Operations Plan			\$25,000				\$25,000
Jamison WTP Building Repairs, Filter Unit Repairs, Chlorine Analyzer, Turbidimeters		\$236,300					\$236,300
Jamison WTP Chemical Storage Tanks and Storage		\$149,000					\$149,000
Cross Connection Control Operating Rules							
Cross Connection Control Survey	\$25,000						\$25,000
Backflow Prevention Assembly Inventory							
Watershed Sanitary Survey			\$25,000				\$25,000
Source Capacity		\$25,000					\$25,000
Robin Hood Tank Foundation				\$10,000			\$10,000
Hill House Tank Foundation				\$34,200			\$34,200
Hill House Tank Fence							
China Grade Tank Fence				\$24,200			\$24,200
Bloom Grade Tank Fence			\$48,300				\$48,300
Jamison Station Fence				\$119,300			\$119,300
Inactive Sources					\$26,200		\$26,200
Isolation Valves		\$46,200	\$46,200	\$46,200	\$46,200	\$46,200	\$231,000
Distribution Main Replacement Plan				\$270,000	\$270,000	\$270,000	\$810,000
Emergency Response Plan				\$20,000			\$20,000
<b>Estimated Capital Expenditures (Present Value)</b>	<b>\$ 205,600</b>	<b>\$760,400</b>	<b>\$ 618,100</b>	<b>\$ 513,900</b>	<b>\$463,700</b>	<b>\$316,200</b>	<b>\$2,877,900</b>

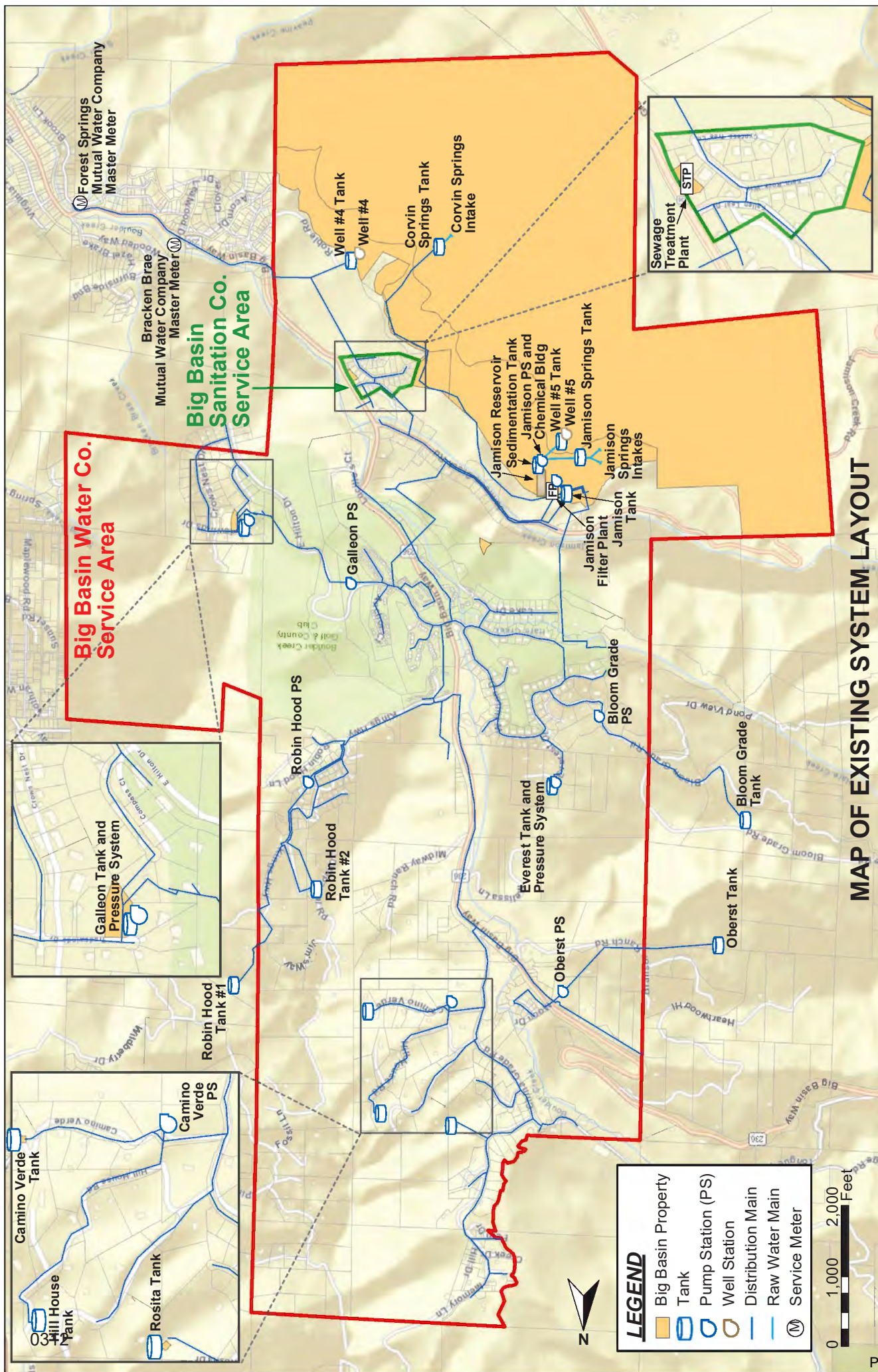
Items for Jim to address are highlighted in the DDW response document.

**Photos for Jim to insert into the document:**

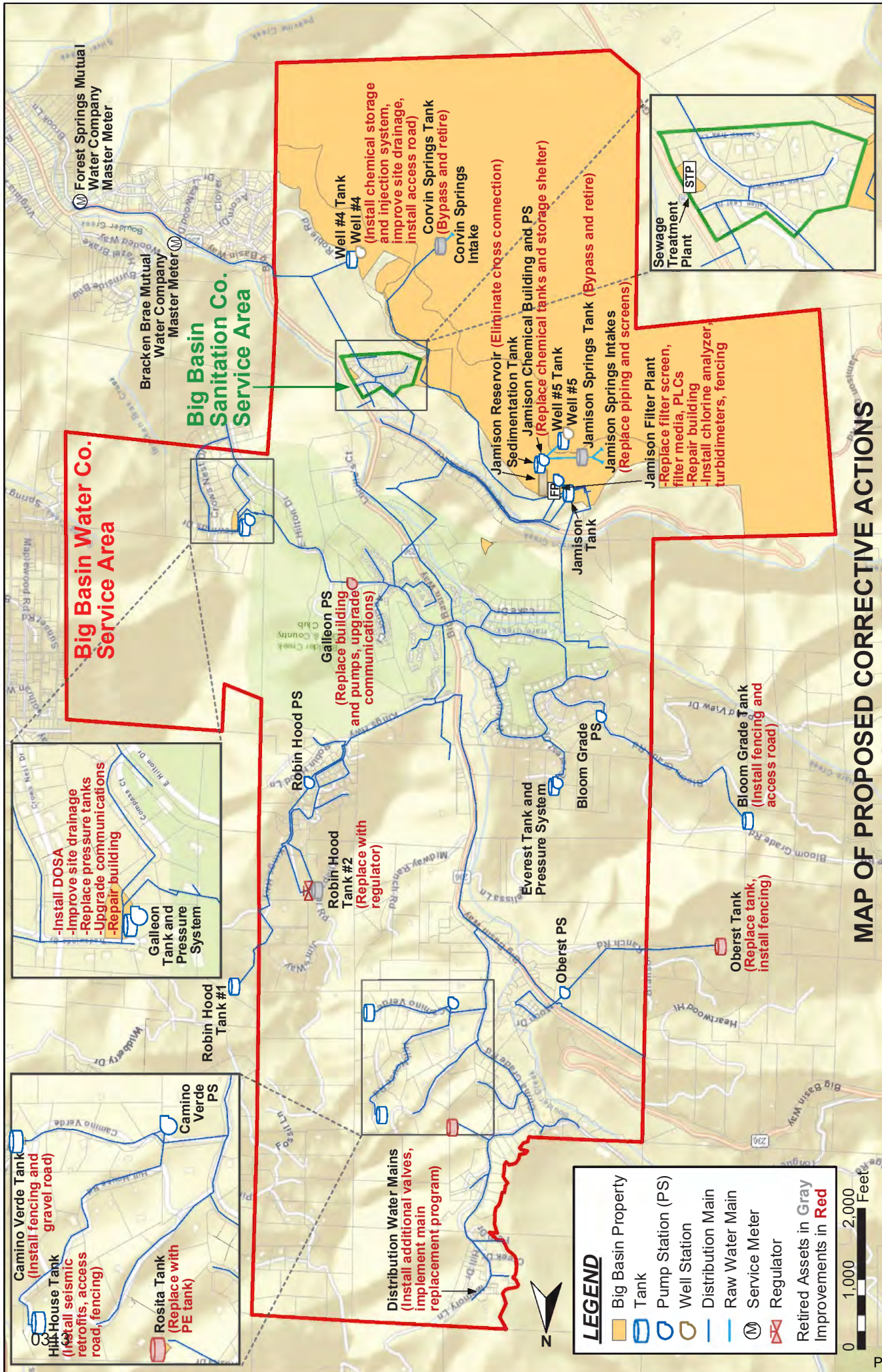
- Section 3.4, Figure 3 – Photo showing vegetation cleared around Hill House Tank
- Section 3.8.1, Figure 6 – Photo showing hatch gasket seal on Galleon Heights Tank
- Section 3.8.1, Figure 7 – Photo showing #24 mesh vent screen on Galleon Heights Tank
- Section 3.8.1, Figure 8 – Photo showing greater clearance between pipe and ground (cut and screened overflow pipe)
- Section 3.12, Figure 13 – Photo showing that there is no cross connection between Bloom Grade Tank and neighbor's tank

**In Table on Page 24, for Jim to confirm and provide evidence to DDW:**

- Confirm and provide evidence that there is no cross connection between the filtered water line and backwash line
- Confirm and provide evidence that there is no cross connection between backwash water storage tank and Jamison Reservoir
- Confirm that the October 9, 2018 Chlorine Residual report was sent to DDW and update table in response document
- Confirm that the 2017 Consumer Confidence Report Certification was sent to DDW
- Confirm that the overdue 2018 Source Monitoring report was sent to DDW







**MAP OF PROPOSED CORRECTIVE ACTIONS**

## APPENDIX 2: MONTHLY PROGRESS REPORT

Water System: <b>Big Basin Water Company</b>	Water System No: <b>4410001</b>
Compliance Order No.	Violation:
Calendar Quarter:	Date:

This form should be prepared and signed by Big Basin Water Company personnel with appropriate authority to implement the directives of the Compliance Order and the Corrective Action Plan. Please attach additional sheets as necessary. The quarterly progress report must be submitted by the 10th day of each subsequent quarter, to the Division of Drinking Water, Monterey District Office to the following email address: [dwpdist05@waterboards.ca.gov](mailto:dwpdist05@waterboards.ca.gov) titled appropriately.

### Summary of Compliance Plan:

--

### Tasks completed in the reporting quarter:

--

### Tasks remaining to complete:

--

Anticipated compliance date:

--

---

Printed Name

Signature

---

Title

Date

### APPENDIX 3 - Notification of Receipt

**Compliance Order Number:** 02\_05\_21R\_001  
**Name of Water System:** Big Basin Water Company  
**System Number:** 4410001

#### Certification

I certify that I am an authorized representative of the Big Basin Water Company and that Compliance Order No. 02\_05\_21R\_001 was received on \_\_\_\_\_.

Further I certify that the Order has been reviewed by the appropriate management staff of the Big Basin Water Company and it is clearly understood that Compliance Order No. 02\_05\_21R\_001 contains legally enforceable directives with specific due dates.

\_\_\_\_\_  
Signature of Water System Representative

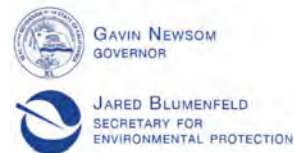
\_\_\_\_\_  
Date

**THIS FORM MUST BE COMPLETED AND RETURNED TO THE STATE WATER BOARD,  
DIVISION OF DRINKING WATER, NO LATER THAN April 27, 2021**

**Disclosure:** Be advised that the California Health and Safety Code, Sections 116725 and 116730 state that any person who knowingly makes any false statement on any report or document submitted for the purpose of compliance with the Safe Drinking Water Act may be liable for, respectively, a civil penalty not to exceed five thousand dollars (\$5,000) for each separate violation or, for continuing violations, for each day that violation continues, or be punished by a fine of not more than \$25,000 for each day of violation, or by imprisonment in the county jail not to exceed one year, or by both the fine and imprisonment.

**APPENDIX 2 - COPY OF CITATION NO. 02\_05\_21C\_021**





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## State Water Resources Control Board

### Division of Drinking Water

August 19, 2021

System No. 4410001

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

#### **CITATION NO. 02\_05\_21C\_021**

#### **FAILURE TO PROVIDE A RELIABLE SUPPLY OF POTABLE WATER**

Enclosed is Citation No. 02\_05\_21C\_020 (hereinafter "Citation"), issued to the Big Basin Water Company (hereinafter "Big Basin WC") public water system. Please note that there are legally enforceable deadlines associated with this Citation.

Big Basin WC will be billed at the State Water Resources Control Board's (hereinafter "State Water Board") hourly rate for the time spent on issuing this Citation. California Health and Safety Code (hereinafter "CHSC") Section 116577 provides that a public water system must reimburse the State Water Board for actual costs incurred by the State Water Board for specified enforcement actions, including preparing, issuing and monitoring compliance with a citation. At this time, the State Water Board has spent approximately three hours on enforcement activities associated with this violation.

Big Basin WC will receive a bill sent from the State Water Board in August of the next fiscal year. This bill will contain fees for any enforcement time spent on Big Basin WC for the current fiscal year.

Any person who is aggrieved by a citation, order or decision issued under authority delegated to an officer or employee of the State Water Board under Article 8 (commencing with CHSC, Section 116625) or Article 9 (commencing with CHSC, Section 116650), of the Safe Drinking Water Act (CHSC, Division 104, Part 12, Chapter

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E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

---

1 Lower Ragsdale Drive, Bldg. 1, Suite 120, Monterey, CA 93940 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

4), may file a petition with the State Water Board for reconsideration of the citation, order or decision.

Petitions must be received by the State Water Board within 30 days of the issuance of the citation, order or decision by the officer or employee of the State Water Board. If the 30th day falls on a Saturday, Sunday, or state holiday, the petition is due the following business day by 5:00 p.m.


Information regarding filing petitions may be found at:

[http://www.waterboards.ca.gov/drinking\\_water/programs/petitions/index.shtml](http://www.waterboards.ca.gov/drinking_water/programs/petitions/index.shtml)

If you have any questions regarding this matter, please contact the Division of Drinking Water at [dwpdist05@waterboards.ca.gov](mailto:dwpdist05@waterboards.ca.gov) or (831) 655-6939.

Sincerely,

Jonathan  
Weininger

 Digitally signed by Jonathan  
Weininger  
Date: 2021.08.18 10:12:09  
-07'00'

Jonathan Weininger, PE  
District Engineer, Monterey District  
Division of Drinking Water

Enclosures

Certified Mail No. 7018 3090 0001 0464 6731

cc: Santa Cruz County Environmental Health Services  
Marilyn Underwood, [Marilyn.Underwood@santacruzcounty.us](mailto:Marilyn.Underwood@santacruzcounty.us)  
Nathan Salazar, [Nathan.Salazar@santacruzcounty.us](mailto:Nathan.Salazar@santacruzcounty.us)  
Sierra Ryan, [Sierra.Ryan@santacruzcounty.us](mailto:Sierra.Ryan@santacruzcounty.us)  
  
California Public Utilities Commission (CPUC) Water Division  
Moises Chavez, [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)  
Wilson Tsai, [wilson.tsai@cpuc.ca.gov](mailto:wilson.tsai@cpuc.ca.gov)

STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER

**Name of Public Water System:** Big Basin Water Company

**Water System No:** 4410001

**Attention:** Jim Moore, Manager

PO Box 197

Boulder Creek, CA 95006

**Issued:** August 19, 2021

**CITATION FOR NONCOMPLIANCE**

**CALIFORNIA HEALTH AND SAFETY CODE, SECTION 116555 (a)(3), AND CCR,  
TITLE 22, SECTION 64602**

**FAILURE TO PROVIDE A RELIABLE SUPPLY OF POTABLE WATER**

The California Health and Safety Code (hereinafter "CHSC"), Section 116650 authorizes the State Water Resources Control Board (hereinafter "State Water Board"), to issue a citation to a public water system when the State Water Board determines that the public water system has violated or is violating the California Safe Drinking Water Act (hereinafter "California SDWA"), (CHSC, Division 104, Part 12, Chapter 4, commencing with Section 116270), or any regulation, standard, permit, or order issued or adopted thereunder.

1 The State Water Board, acting by and through its Division of Drinking Water (hereinafter  
2 "Division"), and the Deputy Director for the Division, hereby issues Citation No.  
3 02\_05\_21C\_021 (hereinafter "Citation"), pursuant to Section 116650 of the CHSC to the  
4 Big Basin Water Company (hereinafter "Big Basin WC"), for violation of CHSC, Section  
5 116555 and CCR, Title 22, Section 64602.

### 6 7 **STATEMENT OF FACTS**

8 Big Basin WC is classified as a community water system and serves a population of  
9 1,120 through 482 connections (information from the 2020 Electronic Annual Report to  
10 the Division of Drinking Water (EAR)). The population and service connections listed in  
11 the 2020 EAR reflect reduced numbers following the August 2020 CZU Lightning  
12 Complex Fire, which destroyed or damaged a portion of Big Basin WC's customer  
13 connections. Big Basin WC operates under Domestic Water Supply Permit No. 02-05-  
14 44-94P-001, issued by the State Water Board on February 11, 1994.

15  
16 CHSC, Section 116555 (a)(3) requires any person who owns a public water system to  
17 ensure that the system provides a reliable and adequate supply of pure, wholesome,  
18 healthful, and potable water.

19  
20 CCR, Title 22, Section 64602 states that each distribution system must be operated in a  
21 manner to assure that a minimum operating pressure in the water main at the user  
22 service line connection throughout the distribution system is not less than 20 pounds  
23 per square inch at all times.

24  
25 On Sunday, June 27, 2021, three Big Basin WC customers notified the State Water Board  
26 of a water outage impacting the Galleon Heights pressure zone. Based on conversations  
27 with Big Basin WC customers, the water outage lasted up to seven hours, and service  
28 was restored by 8 PM. Each customer mentioned they tried to reach Big Basin WC to

1 report the outage, but they were not provided a response. By email dated June 27, 2021,  
2 and by phone on June 28, 2021, the State Water Board instructed Big Basin WC to issue  
3 a precautionary boil water notice to the Galleon Heights pressure zone.

4  
5 On June 28, 2021, Big Basin WC issued a Boil Water Notice to the Galleon Heights  
6 customers following the water outage. Big Basin WC later stated the reason for the  
7 pressure loss was a faulty 100-amp breaker that caused the Galleon Heights booster  
8 station, which serves the Galleon Heights pressure zone, to shut down. Big Basin WC did  
9 not report the water outage to the State Water Board until the State Water Board initiated  
10 contact with Big Basin WC.

#### 11 12 DETERMINATION

13 The State Water Board has determined that Big Basin WC has failed to comply CHSC,  
14 Section 116555 (a)(3) and CCR, Title 22, Section 64602 by not providing a reliable  
15 supply of potable water to the Galleon Heights pressure zones.

#### 16 17 PENALTY PURSUANT TO HEALTH AND SAFETY CODE SECTION 116650

18 The State Water Board hereby assesses upon Big Basin WC an administrative penalty  
19 in the amount of **\$1,000**. Big Basin WC is directed to pay this penalty in accordance with  
20 the requirements set forth in Directive 2 of this Citation.

#### 21 22 DIRECTIVES

23 Big Basin WC is hereby directed to take the following actions:

- 24  
25 1. By **September 16, 2021**, submit to the State Water Board a corrective action  
26 plan that includes a schedule for replacing the pumps and appurtenances at the  
27 Galleon Heights booster station and installing reliability features, such as alarms  
28 and backup power capabilities, with a final completion date no later than

1       **November 30, 2021.** The plan must ensure that the Galleon Heights pressure  
2       zone distribution system pressure can be reliably maintained without outages.

- 3
- 4       2. Submit to the State Water Board by **September 16, 2021**, a check for the  
5       administrative penalty of **\$1,000** imposed by this Citation and a copy of the form,  
6       which is attached as Appendix 1, hereto entitled "Notice of Administrative  
7       Penalty." The Citation number must be written on the check. The check must be  
8       made payable to the **State Water Resources Control Board** and submitted to:

9

10                       SWRCB Accounting Office  
11                       ATTN: Drinking Water Program Fees  
12                       P.O. Box 1888  
13                       Sacramento, CA 95812-1888

14

15       All submittals required by this Citation, unless otherwise specified in the directives  
16       above, must be electronically submitted to the State Water Board at the following  
17       address. The subject line for all electronic submittals corresponding to this Citation  
18       must include the following information: Water System name and number, citation  
19       number and title of the document being submitted.

20

21                       Jonathan Weininger, District Engineer  
22                       [Dwpdist05@waterboards.ca.gov](mailto:Dwpdist05@waterboards.ca.gov)

23

24       The State Water Board reserves the right to make modifications to this Citation as it  
25       may deem necessary to protect public health and safety. Such modifications may be  
26       issued as amendments to this Citation and shall be effective upon issuance.

27       Nothing in this Citation relieves Big Basin WC of its obligation to meet the requirements  
28       of the California SDWA (CHSC, Division 104, Part 12, Chapter 4, commencing with  
29       Section 116270), or any regulation, standard, permit or order issued or adopted  
30       thereunder.

**PARTIES BOUND**

This Citation shall apply to and be binding upon Big Basin WC, its owners, shareholders, officers, directors, agents, employees, contractors, successors, and assignees.

**SEVERABILITY**

The directives of this Citation are severable, and Big Basin WC shall comply with each and every provision thereof notwithstanding the effectiveness of any provision.

**FURTHER ENFORCEMENT ACTION**

The California SDWA authorizes the State Water Board to: issue a citation or order with assessment of administrative penalties to a public water system for violation or continued violation of the requirements of the California SDWA or any regulation, permit, standard, citation, or order issued or adopted thereunder including, but not limited to, failure to correct a violation identified in a citation or compliance order. The California SDWA also authorizes the State Water Board to take action to suspend or revoke a permit that has been issued to a public water system if the public water system has violated applicable law or regulations or has failed to comply with an order of the State Water Board, and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the State Water Board. The State Water Board does not waive any further enforcement action by issuance of this Citation.

Digitally signed by Stefan  
Cajina  
Date: 2021.08.18 09:05:50  
-07'00'



**Stefan Cajina**

Stefan Cajina, P.E., Chief  
North Coastal Section  
Division of Drinking Water  
State Water Resources Control Board

August 19, 2021  
Date



1

2 Appendices (1):

3

4 1. Notice of Administrative Penalty Form

5

6 Certified Mail No. 7018 3090 0001 0464 6731

APPENDIX 1 - NOTICE OF ADMINISTRATIVE PENALTY FORM

STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER

**Notice of Administrative Penalty**

**System Name:** Big Basin Water Company

**System Number:** 4410001

**Background**

On August 18, 2021, the Division of Drinking Water issued Citation 02\_05\_21C\_021 to the Big Basin Water Company. The Citation carried a civil penalty in the amount of **\$1,000**.

**Method of Payment**

A check for the total amount of the civil penalty and a copy of this form must be submitted to the State Water Board by **September 10, 2021**. The Citation number must be written on the check, the check made payable to the **State Water Resources Control Board**, and submitted to:

SWRCB Accounting Office  
ATTN: Drinking Water Program Fees  
P.O. Box 1888  
Sacramento, CA 95812-1888

---

Attach check below:

**APPENDIX 3 - NOTICE OF ADMINISTRATIVE PENALTY**

APPENDIX 3 - NOTICE OF ADMINISTRATIVE PENALTY FORM

**STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER**

**Notice of Administrative Penalty**

**System Name:** Big Basin Water Company

**System Number:** 4410001

**Background**

On October 28, 2021, the Division of Drinking Water issued Citation 02\_05\_21C\_030 to the Big Basin Water Company. The Citation carried a civil penalty in the amount of **\$21,000**.

**Method of Payment**

A check for the total amount of the civil penalty and a copy of this form must be submitted to the State Water Board by **February 10, 2022**. The Citation number must be written on the check, the check made payable to the **State Water Resources Control Board**, and submitted to:

SWRCB Accounting Office  
ATTN: Drinking Water Program Fees  
P.O. Box 1888  
Sacramento, CA 95812-1888

---

Attach check below:

# EXHIBIT N

Big Basin Water Company Inc

P.O. Box 197

Boulder Creek, CA 95006

831-818-4477

October 26,2021

Rick,

We would like to make a request for SLVWD to explore consolation with Big Basin Water Co. INC.

We will need sometime to gather the other documents you need. We lost all those papers in the fire. I will have to write each agency to get everything you need. I will start on that tomorrow.

Thomas and Shirley Moore

Big Basin Water Co.

# EXHIBIT O





# County of Santa Cruz

## BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069  
(831) 454-2200 • FAX: (831) 454-3262 TDD/TTY - Call 711

**MANU KOENIG**  
FIRST DISTRICT

**ZACH FRIEND**  
SECOND DISTRICT

**RYAN COONERTY**  
THIRD DISTRICT

**GREG CAPUT**  
FOURTH DISTRICT

**BRUCE MCPHERSON**  
FIFTH DISTRICT

April 19, 2021

Jim Moore  
Big Basin Water District  
P.O. Box 197  
Boulder Creek, CA 95003

**Re: STATE WATER RESOURCES CONTROL BOARD COMPLIANCE  
ORDER NO. 02\_05\_21R\_001\_441001**

Dear Mr. Moore:

On behalf of the nearly 1,700 mutual constituents who reside within our respective districts and inside the service area of the Big Basin Water District (BBWD), we are writing you out of grave concern regarding the immediate threat to public health and well-being represented by the current condition of BBWD's water system.

As outlined in the Compliance Order issued to BBWD on April 9 by the State Water Resources Control Board (Board), BBWD, also known as Big Basin Water Company, faces a host of legally enforceable deadlines between now and September 2021 to meet state regulations, which will require the establishment of a temporary water supply, development of a permanent secondary source of supply, and the resolution of outstanding deficiencies stemming from a sanitary service report conducted by the Board in 2018.

We fully understand the devastating impacts the CZU Lightning Complex Fire of August 2020 had on the BBWD water system, as detailed in the Board's Compliance Order, including the loss of the Jamison Surface Water Treatment Plant that left BBWD with only a single well as its supply source, which fails to meet state requirements for source capacity. We believe it will be extremely difficult for BBWD to meet the Compliance Order deadlines to develop a water contingency plan for a temporary water supply (May 10, 2021) and then submit a permit application for an additional source (September 10, 2021).

Page 2  
RE: BBWD COMPLIANCE ORDER  
April 19, 2021

Even before the CZU fire, we understood BBWD to be in a state of disrepair, including, as noted in the Compliance Order, the lack of a power outage response plan (overdue since March 2, 2020), the need for which became evident when BBWD was unable to provide water to customers for two days during a PG&E Public Safety Power Shutoff event in October 2019.

In summary, the Compliance Order notes Big Basin Water Company *"has a documented history of failing to administer preventative maintenance, emergency preparedness, and customer complaint programs. This lack of preparation and inadequate customer communication has contributed to Big Basin WC failing to reliably supply its customers with potable water during emergency events, including the 2019 PG&E Power Safety Shutoffs and the August 2020 CZU Lightning Complex Fire. These deficiencies constitute an ongoing threat of failure to provide a reliable and adequate supply of pure, wholesome, healthful, and potable water as required by CHSC, Section 116555 (a)(3)."*

It is our understanding, stemming from conversations you have had with Supervisor Bruce McPherson and other community members dating back more than six months, that you believed an offer to buy your company was imminent. However, no such purchase has come to fruition, and without the ability for you to rectify the above-mentioned deficiencies by the state's deadlines, we are deeply concerned about BBWD's ability within the next several months to adequately provide water to meet the needs of existing customers.

Additionally, as property owners whose homes were destroyed by the fire prepare to rebuild their homes, we are concerned BBWD will not be equipped to provide reliable and safe water – therefore risking the ability of fire victims to gain the needed approvals to rebuild. Furthermore, we are concerned about the amount of water that would need to be available for fire suppression activities.

Considering all of this, as the county and state elected officials representing your company and its customers, we implore BBWD to immediately and earnestly engage in discussions with San Lorenzo Valley Water District (District) regarding terms of a possible merger. We believe an annexation of the BBWD service area by the District offers a viable way to ensure that BBWD customers receive adequate and reliable service in the immediate and long-term future.

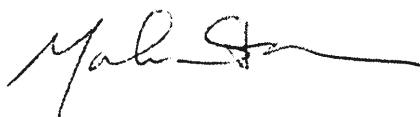
We understand that on several occasions recently you have been urged by District Director Rick Rogers to begin such talks but that you have not agreed to do so. With legally enforceable deadlines associated with the Compliance Order, as well as fire rebuilding and summer demand on the immediate horizon, we

Page 3  
RE: BBWD COMPLIANCE ORDER  
April 19, 2021

sincerely believe the time is now to explore such a merger. We stand ready and willing, as does the Local Agency Formation Commission staff, to help you better understand and follow the process involved in pursuing a merger.

We thank you for your many years of service to your customers and hope that you will see this letter as a respectful offer of assistance, as it is sincerely intended.

Sincerely,



Assemblymember Mark Stone  
California Assembly, 29<sup>th</sup> District



Supervisor Bruce McPherson  
Santa Cruz County, 5<sup>th</sup> District



Senator John Laird  
California Senate, 17<sup>th</sup> District

cc: Senator John Laird  
Assemblymember Mark Stone  
Santa Cruz County Administrative Officer Carlos Palacios  
California State Water Resources Control Board  
Santa Cruz County Local Agency Formation Commission

# EXHIBIT P

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## State Water Resources Control Board

Division of Drinking Water

June 15, 2022

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

Dear Jim Moore:

**2022 SANITARY SURVEY  
BIG BASIN WATER COMPANY (SYSTEM NO. 4410001)**

On February 10, 2022, Damian Moore and you accompanied Rick Rogers, James Furtado and Nate Gillespie of San Lorenzo Valley Water District and staff from the State Water Resources Control Board – Division of Drinking Water (Division) on a sanitary survey of the Big Basin Water Company's water system. A completed Sanitary Survey Report and deficiency list is enclosed documenting the findings of the inspection.

The water system is in deficient overall condition and has many important deficiencies that must be addressed, many of which remain uncorrected since previous sanitary surveys. The attached sanitary survey includes a summary of deficiencies found during the sanitary survey and documentation review. A written response to the attached sanitary survey report and deficiency list is requested by **July 15, 2022**, along with a plan to correct the deficiencies listed. Please include the deficiency list along with the date of correction or planned date in the response to this letter.

The Division greatly appreciates Big Basin Water Company's assistance during and after the inspection. If you have any questions or concerns, please contact the Division at [DWPDIST05@waterboards.ca.gov](mailto:DWPDIST05@waterboards.ca.gov) or (831) 655-6939.

Sincerely,

**Jonathan Weininger**  Digitally signed by Jonathan Weininger  
Date: 2022.06.15 09:14:05 -07'00'

Jonathan Weininger, P.E.  
District Engineer, Monterey District  
Division of Drinking Water

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E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

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1 Lower Ragsdale Drive, Bldg. 1, Suite 120, Monterey, CA 93940 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

Enclosures: 2022 Sanitary Survey Report and attachments

cc: Santa Cruz County Environmental Health Services  
Marilyn Underwood, [Marilyn.Underwood@santacruzcounty.us](mailto:Marilyn.Underwood@santacruzcounty.us)  
Nathan Salazar, [Nathan.Salazar@santacruzcounty.us](mailto:Nathan.Salazar@santacruzcounty.us)  
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Rick Rogers, San Lorenzo Valley Water District, [rrogers@slvwd.com](mailto:rrogers@slvwd.com)

STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER - MONTEREY DISTRICT

2022 SANITARY SURVEY REPORT

WATER SYSTEM: **BIG BASIN WATER COMPANY**  
SYSTEM NUMBER: **4410001**

REPORT DATE: **June 15, 2022**  
INSPECTION DATE: **February 10, 2022**

WATER SYSTEM CONTACTS: Jim Moore, Manager

SANITARY SURVEY INSPECTIONS AND REPORT REGULATORY BACKGROUND: Applicable authority – Environmental Protection Agency (EPA) Groundwater Rule (incorporated by reference within Title 22, California Code of Regulations, Section 64430).

Attachment A of this report includes a summary of deficiencies, recommendations, and water quality reminders.

**Please note that this report and attached deficiency list are not intended to extend any of the compliance due dates in the enforcement actions issued to Big Basin WC. In case of any discrepancies, the directives in the enforcement actions supersede any of the deficiencies and corrective actions noted in this report, and the recent related enforcement actions must be referred to.**

**Population and Service Connection Summary**

Approximate population served: **1,120**

No. of Service Connections: **482 (316 single family residential, 143 multi-family residential, 3 commercial, and 20 landscape irrigation)**

**Permit Status**

The State Water Resources Control Board – Division of Drinking Water (Division) issued a Domestic Water Supply Permit to Big Basin Water Company (Big Basin WC) on February 11, 1994. The Division has issued one permit amendment to Big Basin WC. The table below summarizes Big Basin WC's permits.

<i>List of Permits</i>		
Permit No.	Issue Date	Reason
Permit No. 02-05-44- 94P-001	2/11/94	Full permit for the Big Basin WC, which at the time consisted of four surface water sources, seven storage tanks (10,000 gallon Robin Hood Tank, 42,000 gallon Robin Hood Tank, 5,000 gallon Oberst Tank, 7,000 gallon China Grade Tank, 325,000 gallon Galleon Tank, 60,000 gallon Rancho Dia Tank, and 210,000 Jamison Tank 02), five booster stations (Galleon Heights, Rancho Dia, Robin Hood, Oberst, and China Grade), the Jamison Surface Water Treatment Plant (150 gpm Microfloc Trimite Package Plant), chlorination, and a distribution system consisting of AC, PVC, and steel pipe (2" – 12").
2017PA_ SCHOOLS	1/17/2017	Requirements for lead monitoring and sample result interpretation at K-12 schools that submit a written request for assistance.



Is the water system complying with all permit requirements? **Yes.**  
Is the permit up to date? **No**

Evaluation: Big Basin WC has undergone changes since the 1994 permit that are not reflected in the permit.

### **Changes Since Last Sanitary Survey**

Since the last sanitary survey in 2018, Big Basin WC facility has undergone the following system changes:

- Disconnected and inactivated Jamison WTP, Jamison Creek, Corvin Creek, and Well 05 (Horizontal Well). The Jamison WTP and the transmission pipelines from its surface water sources were destroyed during the 2020 CZU Lightning Fire.
- Emptied and valved-off Rancho Dia/Rosita Tank and booster station.
- Removed Jamison Reservoir Cross-connection with the distribution system
- Valved off Tradewinds Booster Station water logged pressure tanks.
- Repaired Tradewinds Booster Station back-up power generator.

### **Enforcement**

The enforcement actions issued by the Division against Big Basin WC since last sanitary survey are summarized in the table below:

<b>Enforcement Action Number</b>	<b>Date issued</b>	<b>Purpose</b>
Citation No. 02_05_19C_012	February 22, 2019	Failure to test all backflow preventers annually and failure to implement a cross connection control program.
Compliance Order No. 02_05_21R_001	April 9, 2021	Failure to provide an adequate supply of pure, wholesome, healthful, and potable water; Noncompliance with source capacity requirements; & Noncompliance with the 2018 sanitary survey report deficiency list.
Citation No. 02_05_21C_021	August 19, 2021	Failure to provide a reliable supply of potable water.
Citation No. 02_05_21C_030	October 28, 2021	Failure to comply with Compliance Order No. 02_05_21R_001 and Citation No. 02_05_21C_021
Citation No. 02_05_21C_033	November 2, 2021	Failure to monitor for lead and copper for 2021; Failure to monitor for disinfection byproducts for 2020 and 2021; Failure to monitor for source secondary MCLs, inorganic chemicals, nitrite, and synthetic organic chemicals for 2020.
Citation No. 02_05_21C_047	December 30, 2021	Failure to conduct source bacteriological monitoring for the 3rd quarter 2021, failure to submit a monthly summary for coliform monitoring for November 2021, and failure to follow an approved bacteriological sample siting plan.

Enforcement Action Number	Date issued	Purpose
Citation No. 02_05_22C_029	June 6, 2022	Failure to monitor for disinfection byproducts for during 1 <sup>st</sup> quarter 2022

## WATER SOURCES

### List of Sources

Big Basin WC has one active groundwater source summarized in the table below.

List of Sources				
Source	PS Code	Status	Capacity (gpm)	Comments
Well 04 (Ground Water)	4410001-007	Active	210 reported by Big Basin WC. The Division assigned the well a capacity of 72 gpm based on hard rock well requirements.	Hard rock well with precautionary disinfection treatment.
TOTAL ACTIVE CAPACITY			72 gpm or 0.104 million gallons/day (MGD)	

### Production Data

Production data from the previous 10 years, as reported in Big Basin WC's electronic annual reports (EAR) to the Division, is summarized in the following table:

Past 10 Years of Production Data (2008-2017) in Million Gallons (MG)			
Year	Max Day	Max Month	Year Total
2020	0.48	5.69	38.15
2019	0.35	7.32	67.00
2018	0.27	5.39	52.44
2017	0.37	7.62	64.51
2016	0.51	10.6	78.43
2015	0.34	7.09	68.38
2014	0.48	9.35	74.18
2013	No EAR Submitted		
2012	0.62	12.71	98.92
2011	0.59	12.21	83.38

*\*Italicized* values indicate a calculated value using Section 64554 guidelines.

Note: as of the date of this sanitary survey report, Big Basin WC has not sent a 2021 EAR to the Division, which is overdue.

### Source & Storage Capacity Evaluation

Title 22, California Code of Regulations (CCR) Section 64554 (a) requires maximum day demand (MDD) to be met with source capacity. MDD is calculated as the highest observed water demand in the past ten years. Using past annual reports and tabulated in the Production Data table, the 10 year MDD is **0.62 MGD** (2012). Big Basin WC's active source capacity is **0.104 MGD**.

CCR, Title 22, Section 64554 (g) specifies hard rock well source capacity as 25 percent of the maximum capacity. The 72-hour pumping test for Well 4, conducted in 1980, demonstrated a maximum capacity of 288 gpm. Therefore, the capacity of Well 4 is 25 percent of 288 gpm or 72 gpm (0.104 MGD). Big Basin WC reported that current capacity is about 210 gpm.

Section 64554(a)(2) requires systems with less than 1,000 service connections to have storage capacity equal to or greater than MDD, unless the system can demonstrate that it has an additional source of supply or has an emergency source connection that can meet the MDD requirement.

Big Basin WC is not able to meet the 10 year MDD of 0.62 MGD (2012) with source capacity alone. The Division has received numerous water outage complaints reported by Big Basin WC customers during the past few years. Compliance Order (CO) No. 02\_05\_21R\_001 was issued on April 9, 2021 for noncompliance with source capacity requirements. CO Directive 1 required Big Basin WC to submit a proposal by June 10, 2021 and meet the source capacity requirements no later than March 10, 2022. Directive 4 of Citation No. 02\_05\_21C\_030 dated October 10, 2021, required Big Basin WC to submit the proposal by January 10, 2021, to comply with the source capacity requirements by March 10, 2022. As of the date of this report, Big Basin WC has not submitted the required documents.

Big Basin WC can meet the 10 year MDD with storage capacity. Source and storage capacity requirements are summarized in the following table:

<b>Summary of Source &amp; Storage Capacity Requirements</b>			
<b>Parameter</b>	<b>Requirement (MGD)</b>	<b>Capacity (MGD)</b>	<b>Requirement Met?</b>
Maximum Day Demand - Sources	0.62	0.104	<b>No</b>
Storage Capacity	0.62	0.703	<b>Yes</b>

### **Drinking Water Source Assessment Program (DWSAP)**

The Division has a DWSAP on file for Well 4, dated December 2002.

### **Inactive Sources**

Big Basin WC has following six inactive water sources listed in the Division's database - Corwin Creek, Forest Spring, Galleon Well 01, Well 02, Jamison Springs, and Well 05.

### **Sources - Overall Evaluation**

Well 04 is the only active water source in the system. Well 04 was inspected during the sanitary survey. The following deficiency was identified during the sanitary survey:

- Well 04 does not have a backup power for emergencies. Refer to Auxiliary Power Supply section of this report.
- The external features of Well 04 do not include a backflow protected pump-to-waste line, as required by California Waterworks Standard. Big Basin WC must install a pump-to-waste line at Well 04.

## TREATMENT

### **Groundwater Treatment**

In March 2019, Big Basin WC started providing wellhead disinfection treatment to the raw water from Well 04. HASA Multi-Chlor, NSF 60 certified 12.5% sodium hypochlorite solution is stored in two 5-gallon storage containers at the treatment facility, which is diluted in a 20-gallon double wall container and injected into the well discharge pipeline, upstream of the nearby storage tank, using a 12-gpd Pulsatron metering pump.

## DISTRIBUTION SYSTEM

### **Pressure Zones**

The distribution system consists of five pressure zones. According to the water system, there are no areas of the water system with less than 20 psi (minimum distribution pressure per California Code of Regulations, Section 64602). However, during 2021 the Division received numerous reports from the Big Basin WC customers of no water or loss of water pressure in the distribution system.

### **Distribution Mainlines**

Big Basin WC has roughly 20 miles of distribution mainline ranging in size from 2" to 12" in diameter. Big Basin WC mainlines consist of various materials including C900, aged steel, and asbestos cement. According to Big Basin WC, the water system does not have any known lead service lines.

In the 2018 Sanitary Survey Report, the Division recommended Big Basin WC to develop a main replacement plan to replace leaky, aged, undersized (less than 4"), and above ground mainlines as part of a capital improvement plan.

By Directive 5 of the Citation 02\_05\_21C\_030, Big Basin WC was directed to submit by December 31, 2021, with a schedule for completing remaining corrective actions which also includes a main replacement program, with a final completion date no later than February 28, 2023. As of the date of this report, Division has not received the required schedule.

New water main installations must follow CCR, Title 22, Chapter 16 (Waterworks Standards), Article 4 (Materials and Installation of Water Mains and Appurtenances) and Article 5 (Disinfection Requirements). If Waterworks Standards are unable to be met, please contact the Division prior to commencing construction.

### **Distribution System Leak Program**

According to the 2020 EAR, Big Basin WC had one water outage due to the CZU Lightning Fire in 2020. However, the Division received multiple water outage complaints from the Big Basin WC customers during 2021. Big Basin WC has not submitted the 2021 Annual Report. Big Basin WC fixes small leaks and contracts for larger repairs.

Big Basin WC must issue public notification to residents losing pressure during any leaks, main breaks, or scheduled mainline replacement. Prior to distribution, please contact the Division for review and approval of any unsafe water notification sent to your customers.

### **Recycled Water**

None according to Big Basin WC.

### **Water Main Separation Criteria**

Big Basin WC separation criteria between non-potable lines and new or replacement water mains must follow the requirements established in CCR, Title 22, Section 64572.

### **Valve Exercising and Maintenance Program**

No. of Valves/size: **50 valves 2" to 12" size range** (According to the 2020 Annual Report)

Valve exercising frequency: **None in 2020.**

Have all valves been mapped? **Yes, according to Big Basin WC.**

Evaluation: Big Basin WC exercises most system valves once every two years. Some system isolation valves are in poor condition and unable to be exercised. Aged system isolation valves that Big Basin WC cannot exercise due to their condition, should be replaced. All isolation valves deemed critical by Big Basin WC must be in good condition and included in the valve exercising rotation. Big Basin WC needs to develop a valve exercise program, all valve exercising needs to be recorded, and the records need to be stored.

According to Big Basin WC, there are some stretches of mainline without an isolation valve for miles. By Directive 5 of the Citation 02\_05\_21C\_030, Big Basin WC was directed to submit by December 31, 2021, with a schedule for completing remaining corrective actions which also includes adding isolation valves to the distribution system, with a final completion date no later than February 28, 2023. As of the date of this report, Division has not received the required schedule.

### **Dead End Flushing Program**

No. of dead ends: **None** (According to the 2020 Annual Report)

No. Flushed in 2020? **All by fire trucks drawing water from the hydrants during CZU Lightning Fire.**

Flushing Frequency: **None.**

Evaluation: Big Basin WC needs to develop a dead end flushing program and begin keeping records of number of dead ends, flushing frequency, and dates of system flushing.

### **Operational Controls**

The water system is controlled by float valves and manual operation.

### **Water System Interconnections**

Big Basin WC supplies water to Forest Spring Improvement and Maintenance Association (IMA), Bracken Brae, and an adjacent three home community. More details are included in the table below:

<b><i>Interconnections</i></b>			
<b>Water System</b>	<b>No. Connections</b>	<b>Length</b>	<b>Comments</b>
Forest Springs IMA	126	--	1" connection. Sole water source for water system.
Bracken Brae Country Club	24	--	1" line to ¾" meter. Sole water source for water system.

## PUMPS AND PUMPING FACILITIES

<b>Booster Station List</b>				
<b>Name</b>	<b># Pumps</b>	<b>Individual HP</b>	<b>GPM</b>	<b>Remarks</b>
Galleon Heights	1	50	425	Operates based on timer to fill Galleon Heights Tank. Leaking gate valve.
Rancho Dia	2	-	35	Did not inspect. For emergency use only to fill Rancho Dia Tank.
Robin Hood	1	5	25	Operates based on manual timer to fill Robin Hood Tanks.
Branson Ranch/Oberst	1	7.5	50	Two backup pumps. No backup power.
China Grade/Camino	2	1 and 3		3-HP pump for Hill House Tank is switched off due to tank destroyed by fire
Tradewinds (at Galleon Heights Tank)	3 (one fire)	10, 10, and Unknown (fire)		Pressure tanks valved off. Fire pump not working. Two pumps alternate once per month to maintain Galleon Zone system pressure 65 to 80 psi measured at the pump discharge. 50 kW generator exercised once per month.

### **Pumps and Pumping Facilities – Overall Evaluation:**

Booster stations were observed to be inadequate to poor overall condition. The following deficiencies and recommendations were found during the sanitary survey.

- Galleon Heights Booster Station: A gate valve was observed leaking with water dripping inside the housing. The leaking valve needs to be repaired. To ensure that the Galleon Heights pressure zone distribution system pressure can be reliably maintained without outages, by Directive 1 of Citation 02\_05\_21C\_021, Big Basin WC was required to submit a corrective action plan by September 16, 2021, with a schedule for replacing the pumps and appurtenances at the Galleon Heights booster station and installing reliability features, such as alarms and backup power capabilities, with a final completion date no later than November 30, 2021.

By Directive 2 of the Citation 02\_05\_21C\_030, Big Basin WC was directed to submit the corrective action plan by December 31, 2021, with a schedule for replacing the pumps and appurtenances at the Galleon Heights booster station and installing reliability features, such as alarms and backup power capabilities, with a final completion date no later than January 31, 2022. As of the date of this report, Division has not received the required corrective action plan.

- Tradewinds Booster Station: The fire pump at this location was not working. Big Basin WC must ensure there is adequate system pressure for fire flow and the pump required to maintain



fire flow must be in working order. The waterlogged pressure tanks are valved-off but not physically disconnected from the system and replaced as per Big Basin WC's corrective action in the March 3, 2019 response letter. Big Basin must follow Directive 5 of Citation 02\_05\_21C\_030 regarding Tradewinds Booster Station improvements.

### FINISHED WATER STORAGE

Big Basin WC has eight storage tanks, which are described in the table below:

<b>Storage Tank List</b>				
<b>Tank Name</b>	<b>Inspected?</b>	<b>Material</b>	<b>Capacity (MG)</b>	<b>Comments</b>
Jamison Tank	Yes	Bolted Steel	0.210	Floats on the system; Unthreaded sample tap.
Well Tank	Yes	Bolted Steel	0.084	<b>Threaded sample tap.</b>
Galleon Heights Tank	Yes	Welded Steel	0.325	Cleaned in 2019 and replaced vent screens, hatch gaskets. <b>Inadequate air-gap between overflow outlet and the ground; Needs finer screen on the overflow outlet.</b>
Robin Hood/Kings Hwy (Bolted Steel)	Yes	Bolted Steel	0.042	<b>Threaded sample tap;</b> Clean interior; Sealed roof hatch; Screened roof vent; Flap on overflow outlet.
China Grade/Camino Verde	Yes	Polyethylene	0.005	NSF 61; <b>No sample tap;</b> Radio controlled; Separate inlet/outlet; Sealed roof hatch; Filled by Camino Pump Station
Oberst Tank	Yes, but didn't inspect roof features	Welded Steel	0.005	Single inlet/outlet; Screened overflow; unthreaded sample tap; <b>Severely corroded, with hole in the sidewall.</b>
Bloom Grade Tank	No	Bolted Steel	0.022	<b>Big Basin WC must submit recent photos of these tanks, showing tank interior and exterior conditions, and all external features, including roof hatches, access ladders, vent screens, overflows, drains, sample taps, inlets and outlets.</b>
Hill House Tank	No	Polyethylene	0.010	
<b>TOTAL STORAGE CAPACITY</b>			<b>0.703</b>	



### **Storage Tanks – Overall Evaluation:**

The Division identified the following storage tank deficiencies and recommendations that require attention:

1. Well Tank

The threaded sample tap on the tank outlet line must be replaced with an unthreaded sample tap to prevent cross-contamination.

2. Galleon Heights Tank

- a. The overflow line terminates about two inches above the ground surface. The air-gap protection must be at least twice the diameter of the overflow pipe. The overflow outlet has a coarse screen protection. The overflow outlet must have adequate air-gap and protected against animals and insects with a 24 mesh or finer screen or a flapper valve.

3. Robin Hood Tank (Bolted Steel):

- a. The threaded sample tap on the tank outlet line must be replaced with an unthreaded sample tap to prevent cross-contamination.
- b. The tank does not have a drain. As noted in the 2018 Sanitary Survey Report, drain must be installed during the next major tank rehabilitation or cleaning.
- c. As noted in the 2018 Sanitary Survey Report, the center roof vent does not have a fine mesh screen. A corrosion resistant fine mesh screen designed to prevent the entry of insects must be installed.
- d. As noted in the 2018 Sanitary Survey Report, the roof access hatch does not have a seal. Please install a seal or gasket to prevent the entry of insects.

4. China Grade Tank

- a. The tank does not have a sample tap. Big Basin WC must install an unthreaded sample tap to collect water samples from the tank.

5. Oberst Tank

- a. The interior and exterior of the tank are severely corroded with a hole in the sidewall. Big Basin WC must seal the hole so that there are no openings wide enough for insects, or other contaminants to enter and contaminate.
- b. Large rust nodules were observed attached to the interior tank wall. The corrosion presents a sanitary and structural risk.
- c. By Directive 5 of the Citation 02\_05\_21C\_030, Big Basin WC was directed to submit by December 31, 2021, with a schedule for completing remaining corrective actions which also includes replacing the Oberst Tank and installing a fence, with a final completion date no later than February 28, 2023. As of the date of this report, Division has not received the required schedule.

6. Bloom Grade and Hill House Tanks

- a. These tanks were not inspected during this sanitary survey. Big Basin WC must confirm that these tanks no longer exist in the system or provide photographs of the tanks to the Division showing interior and exterior conditions, all external features, including roof hatches, access ladders, vent screens, overflows, drains, sample taps, inlets and outlets.

**Tank Inspection Program**

How often are tanks inspected? **Unknown.**

Roof Inspections? **Unknown.**

Inspections recorded? **Unknown.**

Frequency of dive inspections? **Unknown.**

**Evaluation:** Big Basin WC does not provide storage tanks inspection reports to the Division.

By Directive 5 of the Citation 02\_05\_21C\_030, Big Basin WC was directed to submit by December 31, 2021, with a schedule for completing remaining corrective actions which also includes a schedule of routine tank inspections and procedures for tank cleaning, with a final completion date no later than February 28, 2023. As of the date of this report, Division has not received the required schedule.

Based on the poor overall condition of Big Basin WC's storage tanks, Big Basin WC is not overseeing an adequate tank inspection and maintenance program.

**MONITORING, REPORTING, AND DATA VERIFICATION**

**Bacteriological Source and Distribution Monitoring**

Population: **1,120**

Service Connections: **482**

Distribution Samples: **Two per month rotated among six sample sites**

Source Samples: **Quarterly (groundwater)**

Bacteriological Sample Siting Plan Date: **January 2022**

Groundwater Rule Plan: **Well 4 sampled after distribution total coliform positive.**

Total Coliform Rule Violations in past three years? **Yes.**

**Evaluation:** Big Basin WC started disinfection treatment in Well 04 in March 2019 but failed to collect quarterly source bacteriological samples until 1<sup>st</sup> quarter 2022. Additionally, Big Basin WC did not monitor at the sites listed in their approved BSSP and rotation schedule and did not submit a monthly summary of bacteriological results in November 2021. A citation was issued in December 2021 for these violations.

**Source Chemical Monitoring**

The Big Basin WC's source monitoring detections and an evaluation of each required source chemical monitoring group is tabulated below:

<b>Source Chemical Monitoring Requirements, Detections, and Evaluation</b>		
<b>Chemical or Chemical Set</b>	<b>Detections above DLR – Most recent sample (excluding treated sources)</b>	<b>Evaluation</b>
<b>Inorganic Chemicals</b>	None above half the MCL	In compliance
<b>Nitrate (as Nitrogen)</b>	All less than half the MCL	In compliance
<b>Nitrite</b>	All less than half the MCL	In compliance
<b>Synthetic Organic Compounds(SOC)</b>	None above the DLR	Non-waived SOCs: 2,4 D, Atrazine, Diquat, Simazine, 1,2,3-TCP
<b>Volatile Organic Compounds(VOC)</b>	None above the DLR	In compliance
<b>Gross Alpha</b>	None above 3 pCi/L	In compliance
<b>Radium 226 &amp; 228</b>	None above 1 pCi/L	In compliance
<b>Secondary MCLs</b>	Nothing significant, except manganese which was 70 ug/L in November 2021, exceeding secondary MCL of 50 ug/L.	In compliance. Manganese is on quarterly monitoring to determine compliance.

The monitoring dates for Big Basin WC's Well 04 are tabulated below:

<b>Last Source Chemical Monitoring Dates</b>									
<b>Secondary MCLs</b>	<b>Manganese</b>	<b>Inorganics</b>	<b>Perchlorate</b>	<b>Nitrate (as N)</b>	<b>Nitrite</b>	<b>Gross Alpha</b>	<b>Rad 226+228</b>	<b>VOC</b>	<b>Non-Waived SOCs</b>
Feb -22	Feb -22	Nov-21	Dec-19	Feb-22	Nov-21	Dec-17	Dec-17	Dec-17	Dec-21

<b>Next Due Chemical Monitoring Dates</b>									
<b>Secondary MCLs</b>	<b>Manganese</b>	<b>Inorganics</b>	<b>Perchlorate</b>	<b>Nitrate (as N)</b>	<b>Nitrite</b>	<b>Gross Alpha</b>	<b>Rad 226+228</b>	<b>VOC</b>	<b>Non-Waived SOCs</b>
2025	2 <sup>nd</sup> Qtr 2022	2024	2022	2023	2024	2026	2026	2023	2024

<b>Minimum Monitoring Frequencies (in months)*</b>									
<b>Secondary MCLs</b>	<b>Manganese</b>	<b>Inorganics</b>	<b>Perchlorate</b>	<b>Nitrate (as N)</b>	<b>Nitrite</b>	<b>Gross Alpha</b>	<b>Rad 226+228</b>	<b>VOC</b>	<b>Non-Waived SOCs</b>
36	3	36	36	12	36	108	108	72	36

**Evaluation:** Big Basin MWC must monitor Well 04 for:

- Manganese in **2<sup>nd</sup> Quarter 2022**, and continue quarterly monitoring thereafter.
- Perchlorate by **December 31, 2022**.

### **Unregulated Source Contaminants**

None above established notification levels.

### **Disinfection By-Product Rule (DBPR) Monitoring**

Big Basin WC is required to monitor at one approved TTHM distribution sample location and one HAA5 distribution system sample location quarterly in accordance with the monitoring plan. Big Basin WC's approved DBPR Sample sites are shown below:

<b><i>DBPR Sample Sites</i></b>	
<b>PS Code</b>	<b>Location</b>
4410001-801	210 Compass Court (TTHM Sample site)
4410001-802	Unit #2 Common (HAA5 Sample site)

**Samples submitted to Division via electronic submittal:** All DBPR monitoring results from 2020 in the Division's electronic database are tabulated below.

<b><i>DBPR Monitoring Summary (ug/L)</i></b>										
<b>Sampling Location</b>	<b>Monitoring Quarter</b>									
	<b>1Q20</b>	<b>2Q20</b>	<b>3Q20</b>	<b>4Q20</b>	<b>1Q21</b>	<b>2Q21</b>	<b>3Q21</b>	<b>4Q21</b>	<b>1Q22</b>	<b>LRAA</b>
210 Compass Court (TTHM Site)	44	25	-	-	-	-	-	67	-	
Unit #2 Common (HAA5 Site)	35	30	-	-	-	-	ND	ND	-	

LRAA = locational running annual average

**Evaluation:** Big Basin WC has not conducted required quarterly DBPR monitoring. All monitoring results are reported to the Division via Electronic Data Transfer. Citations were issued in November 2021 and June 2022 for failure to conduct required quarterly DBPR monitoring.

Big Basin WC, as a system using only ground water not under direct influence of surface water and using chemical disinfectant, with a population of 500 – 9,999, may complete and submit **Attachment D - Stage 2 DBPR Compliance Monitoring Plan** for review and approval by the Division to collect two dual sample sets per year during the warmest month of the year. Until the Division approves an updated plan, the current monitoring requirements still apply.

### **Chlorine Residual Distribution System Monitoring**

Big Basin WC conducts the chlorine residual distribution monitoring at the time and locations of routine bacteriological monitoring in the distribution system. However, Big Basin WC has not submitted required quarterly chlorine residual distribution monitoring results to the Division since 2<sup>nd</sup> Quarter 2018. Based on the chlorine residuals noted in the monthly distribution system bacteriological

monitoring reports submitted to the Division, Big Basin WC has not exceeded the chlorine Maximum Residual Disinfectant Level (MRDL) of 4.0 mg/L.

Big Basin WC must provide the Division with a quarterly summary of disinfectant residual in the distribution system using the forms included in **Attachment B** of this report.

#### **Lead and Copper Rule (LCR) Monitoring**

Required Frequency: **Once every three years**

Number of Sample Sites Required: **10**

Next Round of Monitoring Due: **Between June 1 and September 30, 2022.**

Evaluation: The Big Basin WC is required to collect lead and copper tap sampling at a minimum of 10 sites in accordance with Table 647675-A of the California Code of Regulations. The 90<sup>th</sup> percentile results for the 2017 lead and copper monitoring have been less than the established action levels. However, the water system is not in compliance with LCR monitoring and failed to conduct the triennial monitoring in 2020. A citation was issued in December 2021 for this violation and directed Big Basin WC to collect 10 tap sample locations between June 1 to September 30, 2022.

#### **Lead Sampling In Schools**

Is the water system familiar with the requirements of the lead sampling in schools permit and regulation? **Yes**

How many requests has the water system received? **According to Big Basin WC, the water system does not serve any schools.**

#### **Monitoring Data Record Retention**

Are chemical/bacteriological laboratory data retained? **Unknown**

Are operational records retained: **Unknown**

Duration of retention: **Unknown**

Method of Storage: **Unknown**

Is all source and disinfection by-product rule data reported to the Division via EDT? **Yes**

Evaluation: The Division does not have information on Big Basin WC's current data retention program. Big Basin WC has stated that most records were lost in the 2020 CZU Lightning Complex fire. Big Basin WC must provide the above unknown information about the monitoring and data record retention program to the Division.

#### **Lead Service Line (LSL) Inventory**

Is LSL Inventory completed and certification form received? **Yes**

Did water system report any lead or unknown material service lines? **No**

Evaluation: In compliance.

#### **Reporting to the Division**

Date of last Annual Report to the Division: **May 20, 2021. The Division has not received Big Basin WC's 2021 Annual Report.**

Date of last Consumer Confidence Report: **2021 CCR has not been received.**

Evaluation: Big Basin WC must complete and submit the 2021 Annual Report to the Division. The 2021 CCR is due by July 1, 2022. As per Directive 1 of Citation 02\_05\_21C\_047, Big Basin WC was

required to submit the draft 2021 CCR to the Division for Review **by June 1, 2022**. The Division has not received a draft of 2021 CCR.

## SYSTEM MANAGEMENT AND OPERATION

### **Cross-Connection Control and Backflow Testing Program**

Name of Cross-connection control coordinator(s): **Currently unknown. Ben Bennett was listed in the 2020 Annual Report.**

Does the utility have a current Cross-Connection Control Ordinance or Operating Rules? **Yes, dated September 2019.**

Last cross-connection control survey done on the system – **June 8, 2020 (Per 2020 Annual Report)**

Number of Backflow Preventers: **13 (Per 2020 Annual Report), none tested in 2019 and 2020.**

Wastewater Treatment Plants? **Yes**

Evaluation: On February 22, 2019, Citation No. 02\_05\_19C\_012 was issued for failure to test all backflow preventers annually and for failure to implement a cross-connection control program from 2008 through 2017. Big Basin WC submitted a copy of the cross connection control program in October 2019. However, Big Basin WC did not test any backflow assemblies in 2019 and 2020, which is a violation of CCR, Title 17, Section 7605.

Big Basin WC must do the following:

- Submit to the Division an inventory of all backflow prevention assemblies in the Big Basin WC service area and 2021 backflow testing records by **June 30, 2022**.
- Big Basin WC reported in the 2020 Annual Report that cross-connection survey was completed on June 8, 2020. Submit a copy of the June 8, 2020 cross-connection control survey done on the system to the Division no later than **July 31, 2022**.

### **Customer Complaint Program**

Are all complaints recorded? **Unknown.**

Digital/Hard Copy Tracking? **Unknown**

Does the water system respond to all complaints? **Unknown.**

<b><i>Summary of Customer Complaints (2018 – 2020)</i></b>							
<b>Year</b>	<b>Taste/Odor</b>	<b>Color</b>	<b>Turbidity</b>	<b>High/Low Pressure</b>	<b>Outages</b>	<b>Other</b>	<b>Total</b>
2020	0	0	0	0	1	0	1
2019	0	0	0	0	0	0	0
2018	2	0	0	0	0	0	2

Evaluation: Big Basin WC must maintain a customer complaint log and report the results to the Division in the Annual Reports. Over the past several years, Big Basin WC has not provided a satisfactory customer complaint program. The Division has received many customer complaints including water outages and colored/dirty water from customers who were unable to reach or receive a timely response from a Big Basin WC representative. Division staff has spent considerable amount of time responding to and following up with the Big Basin WC customers, as well as contacting Big Basin WC to make them aware of their system issues and requesting resolutions.



Directive 4 of CO No. 02\_05\_21R\_001, required Big Basin WC to submit an Operations and Maintenance Plan (O&M Plan) by July 10, 2021, including a plan and procedures for responding to water system emergencies and power outages, customer complaints, etc. Big Basin WC has failed to submit the required O&M Plan for the system. By Directive 6 of the Citation 02\_05\_21C\_030, dated October 28, 2021, Big Basin WC was directed to submit by December 31, 2021, O&M Plan by December 31, 2021. As of the date of this report, Division has not received the required O&M Plan.

### **Auxiliary Power Supply**

Auxiliary Power for: Water Sources? **No** Pumping Stations? **For Tradewinds Booster Station only.** Disinfection Treatment? **No**

How frequently is backup power tested? **Once per month.**

Backup power automatic or manual start: **Manual.**

Can system pressure be maintained either by backup power or by storage during power outages of two hours or less? **Unknown.**

Evaluation: CO No. 02\_05\_21R\_001, Directive 4 and Citation 02\_05\_21C\_030, Directive 6 included the requirement to submit O&M Plan with documentation showing ownership/rental contract to obtain backup power generators at Well 4 and other critical locations to maintain system pressure that currently do not have back power generators. As of the date of this report, Big Basin WC does not have backup power at Well 4, or a plan to install a generator during a power outage.

### **Water System Mapping**

Does the utility have up-to-date distribution system maps? **No**

### **System Security**

Overall site security is marginal. Several tank sites do not have fencing. The Division strongly recommends all well and tank sites are fenced and provided with a locked gate.

### **Emergency Response Program**

Date of most recent Emergency Notification Plan (ENP): **Unknown (ENP not up-to-date per 2020 Annual Report)**

Date of Emergency Response Plan: **None on File**

Emergency Response Training or Table Top Exercises: **None**

Evaluation: Big Basin WC must provide the Division with an updated Emergency Notification Plan using the form included in **Attachment C** of this report. As proposed in Section 4.11 of the Big Basin WC's response letter dated March 3, 2019, an Emergency Response Plan should be completed in 2022.

## **WATER SYSTEM MANAGEMENT**

### **Management Structure**

Who owns the water system? **Big Basin Water Company**

Water System Type: **Private-for-profit, CPUC regulated**

Current organizational chart on file? **No**

Manager: **Jim Moore**



### **Water System Financial Outlook**

Are adequate reserve funds available to support maintenance and staffing requirements?

**Unknown**

Is there a Capital Improvement Plan (CIP)? **None on file with the Division.**

Evaluation: Big Basin WC's finances are overseen by the California Public Utilities Commission (CPUC). The Division has not been provided Big Basin WC's financial statements, but according to Big Basin WC, water system upgrades cannot be completed due to financial restrictions.

Big Basin WC has failed to respond to majority of the critical system repair, maintenance, and improvement related directives in the Citation 02\_05\_19C\_012, CO 02\_05\_21R\_001, Citation 02\_05\_21C\_021, and Citation 02\_05\_21C\_030.

### **OPERATOR CERTIFICATION**

Per CCR, Title 22, Section 64413.3, water systems are assigned their distribution classification based upon population size and other distribution system related factors. Big Basin WC is classified as a Distribution 3 (D3) water system.

<b><i>Distribution System Classification Summary</i></b>		
<b>Classification</b>	<b>Chief/Shift Requirement</b>	<b>Population / Points</b>
D3	D3 / D2	1120 / 25 Points

According to Big Basin WC's 2020 electronic annual report, Damian Moore (D3) is Big Basin WC's certified operator, with a distribution certification expiration date January 1, 2025. Big Basin WC has not assigned a shift distribution system operator.

### **Staffing Evaluation**

According to Big Basin WC, the water system is not adequately staffed. The Division recommends Big Basin WC add additional certified operators to ensure coverage to complete preventative maintenance (valve exercising, dead end flushing, tank inspections, etc.).

The Division recommends Big Basin WC contract with a cross connection control professional to administer the cross connection control survey and program until Big Basin WC has additional staffing.

### **RESILIENCY AND PREPAREDNESS**

The effects of extreme weather on community water system (CWS) facilities and operations are a concern and priority of the State Water Resources Control Board (SWRCB), which is documented by the SWRCB in its Comprehensive Climate Change Resolution No. 2017-12, adopted in March 2017. DDW is reviewing each water system's level of resiliency and preparedness for changing climate conditions and extreme weather increase awareness to the potential effects to facilities and operations and encourage the use of EPA's Climate Resilience Evaluation and Awareness Tool (CREAT).

As part of the 2020 Annual Report, CWSs were asked to identify their climate-related vulnerabilities, and rank them as either high, medium or low sensitivity, and proposed or implemented projects to prepare for the impacts from climate change. Big Basin WC provided responses to these questions, and indicated they have high to low sensitivity to potential impacts.

Big Basin WC identified the following high-sensitivity (or already experiencing) potential impacts that their facilities are vulnerable to:

- Increased fire risk and altered vegetation.

Big Basin WC identified the following medium-sensitivity potential impacts that their facilities are vulnerable to:

- Groundwater depletion (increased extraction, reduced groundwater recharge, etc.)
- Change in seasonal runoff and/or loss of snowmelt
- Peak demand volume surges (due to extreme heat, temperature trends, etc.)

Big Basin WC identified the following low-sensitivity potential impacts that their facilities are vulnerable to:

- Decreased water storage (low lake and reservoir levels)
- Water Quality Degradation
- Flooding
- Disruption of power supply

In the 2020 Annual Report, Big Basin WC indicated they have implemented, or is considering implementing, the following projects to address current identified needs and which also reduce the impacts to these vulnerabilities:

- Alternative or backup energy supply – Completed, per 2020 Annual Report, but back up power generators could not be located at well and all but one pump stations during the 2022 sanitary survey.
- Interconnection with other utilities (transfers, mutual aid agreements with neighboring utilities) – Plan to implement per 2020 Annual Report but interconnection not completed as of the date of this sanitary survey report.
- Relocate facilities, construct or install redundant facilities – In progress, per 2020 Annual Report but no relocated or redundant facilities found during the 2022 sanitary survey.
- Conservation measures (demand management, enhanced communication and outreach) – Plan to implement per 2020 Annual Report, however, none reported to the Division.
- Fire prevention (brush management, partnerships) – Plan to implement per 2020 Annual Report, however, none reported to the Division.
- Enhanced monitoring program, budget for additional testing and treatment – Will not implement.

Big Basin WC was made aware of the CREAT tool, developed by USEPA for identifying climate vulnerabilities, in the 2018 and 2019 ARDWP. The SWRCB strongly encourages utilities to evaluate infrastructure and operational vulnerabilities to extreme weather and other emergency conditions using tools such as CREAT and engaging in a conversation both within your water system organization and with customers on how to plan and prepare for being resilient to provide clean and safe water reliably and adequately under all current and future conditions.

**FIRE:** Is a defensible space of 100 feet (California Public Resources Code, 4291) maintained around all sources and structures managed by the Water System? **No.**

The Division recommends Big Basin WC maintain at least 100' of defensible space around water system facilities. At many facilities, this is not possible due to the terrain and lot size restrictions, but Big Basin WC should maintain as much defensible space as possible around all water system facilities by trimming nearby branches, preventing buildup of fallen branches and pine needles, etc. Defensible space can be improved at the Well 04, disinfection treatment, all storage tanks, and pump locations.

**FLOODING:** There are no drinking water facilities vulnerable to flooding that were reported to the Division in the 2020 Annual Report.

**BACKUP POWER:** Big Basin WC has one backup power generator available only for Tradewinds Booster Station. The Well 04 and all other booster stations do not have backup power.

**DROUGHT:** Big Basin WC is reliant on a single source and has no additional sources or interties and is therefore not prepared for drought related shortages.

**DEGRADING SOURCE WATER QUALITY:** Big Basin WC has indicated they are not at risk of degrading source water quality in the 2020 Annual Report.

**RESILIENCY AND PREPAREDNESS SUMMARY:** Deficiencies found during the sanitary survey are listed below:

- **Alternative or backup energy supply –** Back up power generators are not available at well and all booster stations, except Tradewinds Booster Station.
- **Interconnection with other utilities (transfers, mutual aid agreements with neighboring utilities) –** Big Basin WC does not have an interconnection with neighboring utilities.
- **Relocate facilities, construct or install redundant facilities –** Big Basin WC reported in 2020 Annual Report that they are in progress, but no relocated or redundant facilities found during the 2022 sanitary survey or reported to the Division.
- **Conservation measures (demand management, enhanced communication and outreach) –** Big Basin WC reported in 2020 Annual Report that they plan to implement conservation measures, however, none are reported to the Division.
- **Fire prevention (brush management, partnerships) –** Big Basin WC reported in 2020 Annual Report that they plan to implement fire prevention. However, none was reported to the Division or observed during the 2022 sanitary survey.

## ATTACHMENTS

- A. Deficiency List, Recommendations, and Reminders
- B. Quarterly Disinfectant Reporting Form
- C. Emergency Notification Plan Form
- D. Stage 2 DBPR Compliance Monitoring Plan template

Report prepared by:

**Shaminder Kler**



Digitally signed by Shaminder Kler  
Date: 2022.06.15 08:24:04 -07'00'

Date: June 15, 2022

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Shaminder Kler, P.E.  
Associate Sanitary Engineer, Monterey District

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**Deficiency List, Recommendations, and Reminders**

STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER  
ATTACHMENT A: 2022 SANITARY SURVEY DEFICIENCY LIST & RECOMMENDATIONS

Purveyor: **Big Basin Water Company (4410001)**  
Inspection Date: **February 10, 2022**

Updated by: \_\_\_\_\_

Date: \_\_\_\_\_

**ORDER OF HAZARD:**

- A. CRITICAL HEALTH HAZARD - CORRECTIVE ACTION MUST BE TAKEN IMMEDIATELY**
- B. SERIOUS HEALTH HAZARD - ACTION MUST BE TAKEN AS SOON AS POSSIBLE**
- C. POTENTIAL HEALTH HAZARD - MUST BE CORRECTED AS WORKLOAD PERMITS**
- D. SYSTEM OR OPERATIONAL DEFECT RESULTING IN POOR WATERWORKS PRACTICE**

**2022 SANITARY SURVEY – DEFICIENCY LIST**

Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
<b>SOURCES</b>				
Feb 2022	<b>Well 04 pump-to-waste:</b> Well 04 piping does not have a dedicated discharge to waste outlet as required by the California Waterworks Standards.	D	December 31, 2022	
<b>DISTRIBUTION SYSTEM</b>				
Oct 2018	<b>Distribution Mainlines:</b> Failed to follow Directive 5 of the Citation 02_05_21C_030, to submit a schedule by December 31, 2021, for completing remaining corrective actions which also includes a main replacement program.	C	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directive 5	
Oct 2018	<b>Valve Exercising and Maintenance Program:</b> Failed to follow Directive 5 of the Citation 02_05_21C_030, to submit a schedule by December 31, 2021, for completing remaining corrective actions which also includes adding isolation valves to the distribution system.	C	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directive 5	
<b>BOOSTER STATIONS</b>				
Oct 2018	<b>Galleon Heights Booster Station:</b> A gate valve was found leaking, creating unsanitary conditions inside the pump station. Big Basin WC failed to follow Directive 2 of the Citation 02_05_21C_030. Directive 2 required submitting a corrective action plan by December 31, 2021, with a schedule for replacing the pumps and appurtenances and installing reliability features, such as alarms and backup power capabilities, with a final completion date no later than January 31, 2022.	A	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directive 2	

Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
Oct 2018	<b>Tradewinds Booster Station Waterlogged Pressure Tanks:</b> Valved-off pressure tanks that are waterlogged and need to be removed or replaced. Big Basin WC failed to submit a schedule for completing remaining corrective actions which also includes Tradewinds Booster Station improvements as per Directive 5 of Citation 02_05_21C_030.	C	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directive 5	
Oct 2018	<b>Tradewinds Booster Station Piping and Valving Corrosion:</b> Aged and corroded piping and valving associated with this booster station. Big Basin WC failed to submit a schedule for completing remaining corrective actions which also includes Tradewinds Booster Station improvements as per Directive 5 of Citation 02_05_21C_030.	C		
Feb 2022	<b>Tradewinds Booster Station Fire Pump:</b> Big Basin WC must ensure that there is adequate system pressure during emergencies. If the fire pump is required to maintain the system pressure for emergencies, it must be repaired.	C		
<b>STORAGE</b>				
July 2018	<b>Galleon Tank Overflow:</b> The airgap between overflow outlet and the ground is less than twice the pipe diameter. Big Basin WC failed to submit a schedule for completing remaining corrective actions which also includes Galleon Heights Tank improvements as per Directive 5 of Citation 02_05_21C_030.	C	Refer to Citation 02_05_21C_030 Directive 5	
Feb 2022	<b>Robin Hood Bolted Steel Tank Sample Tap:</b> The threaded sample tap must be replaced with an unthreaded sample to avoid potential cross-connections.	C	September 10, 2022	
Oct 2018	<b>Robin Hood Bolted Steel Tank Drain:</b> The tank does not have a drain. A drain must be installed during the next major tank rehabilitation or cleaning.	C	During next rehabilitation or cleaning	
Oct 2018	<b>Robin Hood Bolted Steel Tank Roof Hatch Seal:</b> The roof access hatch does not have a seal. Please install a seal or gasket to prevent the entry of insects. <b>OVERDUE</b> since March 10, 2019.	C	July 31, 2022	
Oct 2018	<b>Robin Hood Bolted Steel Tank Vent Screen:</b> The center roof vent does not have a fine mesh screen. A corrosion resistant fine mesh screen designed to prevent the entry of insects must be installed. <b>OVERDUE</b> since March 10, 2019.	C	July 31, 2022	
Feb 2022	<b>China Grade Tank:</b> There is no sample tap to collect samples from the tank. An unthreaded sample tap must be installed on the tank wall or discharge outlet.	C	December 31, 2022	



Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
Oct 2018	<b>Oberst Tank Replacement Plan:</b> Failed to follow Directive 5 of the Citation 02_05_21C_030, to submit a schedule by December 31, 2021, for completing remaining corrective actions which also includes replacing the Oberst Tank and installing a fence.	A	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directive 5	
February 2022	<b>Oberst Tank Sidewall:</b> The sidewall of the tank has a small hole that must be covered to ensure there are no unscreened opening on the tank that can potentially contaminate the tank water.	A	July 10, 2022	
Feb 2022	<b>Well Tank:</b> The threaded sample tap must be replaced with an unthreaded sample tap to avoid potential cross-connections.	B	September 10, 2022	
Oct 2018	<b>Storage Tank Inspections:</b> By Directive 6 of the Citation 02_05_21C_030, Big Basin WC was directed to submit by December 31, 2021, an O&M Plan including a schedule of routine tank inspections and procedures for tank cleaning. Division has not received the required plan.	A	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directive 6	
<b>CROSS CONNECTION CONTROL PROGRAM</b>				
June 2022	<b>Cross Connection Control Survey:</b> Big Basin WC must submit a copy to the Division of the cross-connection control survey done on the system on June 8, 2020, as per 2020 Annual Report.	N/A	July 31, 2022	
June 2022	<b>Backflow Prevention Assembly Inventory and 2021 Testing Reports:</b> Big Basin WC must submit to the Division their current backflow prevention assembly inventory and record of 2021 testing for all backflow assemblies in the service area. Failure to send backflow testing records will result in enforcement from the Division.	A	June 30, 2022	
<b>OTHER</b>				
Jun 2022	<b>2021 Consumer Confidence Report:</b> As per Citation 02_05_21C_047, Directive 1, Big Basin WC was required to submit the draft 2021 CCR to the Division for Review by June 1, 2022.	N/A	<b>OVERDUE</b>	
Jun 2022	<b>2021 Electronic Annual Report:</b> It was due by May 21, 2022.	C	<b>OVERDUE</b>	
Jun 2022	<b>Emergency Notification Plan (ENP):</b> As per 2020 Annual Report the ENP is not up to date. Big Basin WC must provide the Division with an updated Emergency Notification Plan using the form included in <b>Attachment C</b> of this report.	C	July 10, 2022	
Oct 2018	<b>Customer Complaint Program:</b> As required by CO 02_05_21R_001, Directive 4 and Citation 02_05_21C_030, Directive 6, Big Basin WC failed to submit the O&M Plan, including a plan and procedures for responding to water system emergencies and power	A	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directive 6	

Date Found	Description of Deficiency	Order of Hazard	Date to Address Deficiency	Date Corrected
	outages, customer complaints, etc. Big Basin WC has failed to submit the required O&M Plan for the system.			
Oct 2018	<b>Auxiliary Power Supply:</b> Big Basin WC failed to submit a O&M Plan which also includes a power outage response plan as per Directive 6 of Citation 02_05_21C_030.	A	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directive 6	
<b>DISTRIBUTION SYSTEM MONITORING</b>				
June 2022	<b>Chlorine Residual Monitoring:</b> Big Basin WC must submit the <b>Attachment B</b> , Quarterly summary of the chlorine residual in the distribution system by the 10 <sup>th</sup> day of the month following each calendar quarter.	C	July 10, 2022, and then by the beginning of each calendar quarter.	
<b>RESILIENCY AND PREPAREDNESS</b>				
Oct 2018	<b>Alternative or backup energy supply</b> – Back up power generators are not available at well and all booster stations, except Tradewinds Booster Station.	N/A	Refer to Auxiliary Power Supply deficiency above.	
June 2022	<b>Interconnection with other utilities (transfers, mutual aid agreements with neighboring utilities)</b> – Big Basin WC does not have an interconnection with neighboring utilities.	N/A	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directive 1	
June 2022	<b>Relocate facilities, construct, or install redundant facilities</b> – Big Basin WC reported in 2020 Annual Report that they are in progress, but no relocated or redundant facilities found during the 2022 sanitary survey or reported to the Division.	N/A	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directives 1, 3, and 4	
June 2022	<b>Conservation measures (demand management, enhanced communication and outreach)</b> – Big Basin WC reported in 2020 Annual Report that they plan to implement conservation measures, however, none are reported to the Division.	N/A	<b>OVERDUE</b> since June 21, 2022. Must be reported in 2021 Annual Report.	
June 2022	<b>Fire prevention (brush management, partnerships)</b> – Big Basin WC reported in 2020 Annual Report that they plan to implement fire prevention. However, none was reported to the Division or observed during the 2022 sanitary survey.	N/A	<b>OVERDUE</b> Refer to Citation 02_05_21C_030 Directive 6	

## 2022 SANITARY SURVEY – LIST OF RECOMMENDATIONS

Description of Recommendation	Recommended Date to Address Recommendation
<p><b>Photos</b> – Hill House and Bloom Grade tanks were not inspected during this sanitary survey as the water system did not identify as ones of its current storage tanks. If the tanks are in service, Big Basin WC must submit recent photos showing tank interior and exterior conditions, and all external features, including locked and closed access hatches, open access hatches, access ladders, vent screens, overflows, drains, sample taps, inlets and outlets, interior water quality, interior coating, and roof exterior paint. Please <b>confirm</b> in writing if the tanks are not in service.</p>	<p>July 31, 2022 (not a recommendation)</p>
<p><b>Records:</b> The Division does not have any information on Big Basin WC's current data retention program. To complete this sanitary survey report, Big Basin WC must provide information to the Division on the current record retention practices including methods and duration for all water quality monitoring data and all operational record of preventative maintenance programs including system flushing, valve exercising, and full tank inspections.</p>	<p>July 31, 2022 (not a recommendation)</p>
<p style="text-align: center;"><b>Recommendations Not Completed from 2018 Sanitary Survey</b></p>	
<p><b>Robin Hood Tank Foundation:</b> As noted in the 2018 Sanitary Survey Report, the cement foundation is in poor condition. A section of the dirt under the foundation washed away. The Division recommends a registered civil engineer with experience in tank foundations evaluate the current condition of the foundation and identify necessary improvements.</p>	<p>As budget allows</p>
<p><b>Hill House Tank Foundation:</b> The polyethylene tank does not have a foundation. As the budget allows, a more permanent foundation with seismic restraints should be installed.</p>	<p>As budget allows, if the tank wasn't destroyed in the 2020 CZU Lightning Fire, and still exist as a part of the water system.</p>
<p><b>Hill House Tank Fence:</b> The tank site is not fenced. The Division recommends the site is fenced.</p>	<p>As budget allows, if the tank still exists as a part of the water system</p>
<p><b>Bloom Grade Tank Fence:</b> The tank site is not fenced. The Division recommends the site is fenced.</p>	<p>As budget allows, if the tank still exists as a part of the water system.87.0</p>
<p><b>Operator Staffing:</b> According to Big Basin WC, the water system is not adequately staffed. The Division recommends Big Basin WC add additional certified operators to ensure coverage at the treatment plant and to complete preventative maintenance (valve exercise, dead end flushing), etc.</p>	<p>As budget allows</p>
<p><b>Emergency Response Plan:</b> As proposed in Section 4.11 of the Big Basin WC's response letter dated March 3, 2019, an Emergency Response Plan should be completed in 2022. Templates and references are available online at:  <a href="https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/Security.html">https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/Security.html</a></p>	<p>2022</p>

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**Quarterly Disinfectant Reporting Form**

Quarterly Report for Disinfectant Residuals Compliance For Systems Using Chlorine or Chloramines

System Name: 0663 System No.:          Year:          Quarter:         

Year:	2018				2019				2020				2021				2022			
Month	# of Samples	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	# of Samples	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	# of Samples	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	# of Samples	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
January																				
February																				
March																				
April																				
May																				
June																				
July																				
August																				
September																				
October																				
November																				
December																				
Quarterly Average																				
Running Annual Average (RAA)																				
Meets Standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl <sub>2</sub> )		Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>		Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>		Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>		Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
		No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>		No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>		No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>		No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>	No <input type="checkbox"/>

Comments:

Signature

Date

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**Emergency Notification Plan Form**



## State Water Resources Control Board

Division of Drinking Water

### WATER QUALITY EMERGENCY NOTIFICATION PLAN

Name of Utility/System No.: \_\_\_\_\_

Physical Location/Address: \_\_\_\_\_

The following persons have been designated to implement the plan upon notification by the State Water Resources Control Board (SWRCB) that an imminent danger to the health of the water users exists:

Water Utility: Contact Name & Title	Email Address	Day	Telephone Evening	Cell
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1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

The implementation of the plan will be carried out with the following State Water Resources Control Board and County Environmental Health Department personnel:

Division of Drinking Water Contacts		Telephone	
		Work	After-Hours
1.	Monterey District Office	(831) 655-6939	
2.	Jonathan Weininger, District Engineer	(831) 655-6932	(831) 595-0058
3.	Querube Moltrup, Associate Sanitary Engineer	(831) 655-6936	
4.	Shaminder Kler, Associate Sanitary Engineer	(831) 655-6938	
5.	Kyle Graff, Water Resource Control Engineer	(831) 655-6935	
6.	Anna Snyder, Water Resource Control Engineer	(831) 655-6934	
7.	Nicholas Garibaldi, Water Resource Control Engineer	(831) 655-6943	
8.	Lora Lyons, Environmental Scientist	(831) 655-6942	
	Santa Cruz County Environmental Health Contact		
9.	Nathan Salazar	(831) 359-0856	(831) 345-1382

If the above personnel cannot be reached, contact:

**Office of Emergency Services Warning Center (24 hrs)** **(800) 852-7550**

When reporting a water quality emergency to the Warning Center, please ask for the State Water Resources Control Board – Drinking Water Program Duty Officer.

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR



## NOTIFICATION PLAN

**On form included, provide a written description of the method or combination of methods to be used** (radio, television, door-to-door, sound truck, etc.) **to notify customers in an emergency.** For each section of your plan give an estimate of the **time required, necessary personnel, estimated coverage**, etc. Consideration must be given to special organizations (such as schools), non-English speaking groups, and outlying water users. Ensure that the notification procedures you describe are practical and that you will be able to actually implement them in the event of an emergency. Examples of notification plans are attached for large, medium, and small communities.

Report prepared by:

---

Signature and Title

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Date

**WATER QUALITY EMERGENCY NOTIFICATION PLAN:**

Please describe your water system's plan for emergency notification to all water users:

Date: \_\_\_\_\_

Report Prepared by: \_\_\_\_\_

Name of utility or water system: \_\_\_\_\_

### **(EXAMPLE) PLAN I (Medium Community)**

During regular working hours our people will contact the news media at television station KXYZ to broadcast the necessary warning. The local radio stations will also be contacted. The television and radio personnel are available at all hours. As a follow-up measure, we will also contact the Daily Bee, a local newspaper that serves both Ourtown and Hometown.

The warnings will be issued in both English and Spanish to cover all members of the community. Outlying areas of the water service area (such as Isolated Canyon and Lonesome Mountain subdivisions) will also be notified by sound truck and/or handbill distributed to their respective areas. Both of these areas are very small, and this can be done quite quickly.

A special telephone answering service can also be quickly set up at the utility headquarters (using the regular company numbers) to answer questions that will come in from consumers. Questions are anticipated, especially from the Hometown area, because that area is served by three different water companies. A map will be available to the telephone answering personnel to determine the water company serving the caller.

It is anticipated that the time for notification to the television and radio audiences will be very short. The areas served by handbill and sound truck will also be notified within an hour. For notification to be issued in other than normal hours, the same media will be contacted, and an announcement will be scheduled for as long as is necessary. A sound truck(s) will be used in the early morning hours to quickly alert the people not listening to their radio or television.

### **(EXAMPLE) PLAN II (Small Community)**

Our community is very small and the most efficient means of notification will be both sound truck and handbill. It is estimated that the entire service area can be covered in less than three hours.

### **(EXAMPLE) PLAN III (Large Community)**

The same plan as implemented in Plan I should be used here with the exceptions noted. All the news media will be contacted in the entire metropolitan area. This includes all television and radio stations and all local and general area newspapers. Maps have been prepared to be distributed to the media to locate the boundaries of the water company. This system is large enough that it may only be necessary to notify some of the water users. This information will be transmitted to the media and an answering service at the water company will respond to consumers' calls. Unless the problems are limited to isolated areas it is unreasonable to assume that contact can be made through sound truck or handbill.

**Stage 2 DBPR Compliance Monitoring Plan Template**

**STAGE 2 DISINFECTION BYPRODUCT RULE (DBPR)**  
**COMPLIANCE MONITORING PLAN**  
**SCHEDULE 4 – GROUNDWATER SYSTEMS (Population 500 – 9,999)**

Water System Name/ Number: \_\_\_\_\_

Population Served: \_\_\_\_\_

Residual Disinfectant Type: \_\_\_\_\_

**Part 1: Site Justification:** The system must select **2 compliance monitoring sites** for TTHM and HAA5 samples. The minimum sampling frequency is 2 dual sample sets per year. One site must be at the location of highest TTHM concentration and one site must be at the location of highest HAA5 concentration.

Site No.	Stage 2 Compliance Monitoring Site Address	Site Type (check one)	Site Justification
1		<input type="checkbox"/> Highest TTHM <input type="checkbox"/> Highest HAA5 <input type="checkbox"/> Representative of Service Area <input type="checkbox"/> Other (Water age, residence time, low residual, etc.)	
2		<input type="checkbox"/> Highest TTHM <input type="checkbox"/> Highest HAA5 <input type="checkbox"/> Representative of Service Area <input type="checkbox"/> Other (Water age, residence time, low residual, etc.)	

**Part 2: Proposed Stage 2 DBPR Compliance Monitoring Schedule:**

Peak Historical Month: \_\_\_\_\_ Justification for Peak Historical Month: \_\_\_\_\_  
(e.g., warmest water temperature or highest DBP concentrations)

**Yearly Sampling Date (during peak historical month):** \_\_\_\_\_ (Day of the month, or Week) (e.g., 1<sup>st</sup> week of peak historical month, or 1<sup>st</sup> Tuesday of peak historical month)

**Part 3 Compliance Calculation:**

Compliance is determined by the result of the annual sample at each sampling location. The system is in compliance if sample result < MCL for each location.

**Part 4: Required Attachments:**

- Attach a schematic of your distribution system including all storage tanks, water treatment plants, disinfection facilities, etc. Please clearly identify each Stage 2 DBPR monitoring site.
- **Optional:** Any additional supporting documentation.

**Part 5: Certification:**

\_\_\_\_\_  
Name (print)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

# EXHIBIT Q

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## State Water Resources Control Board

Division of Drinking Water

June 16, 2022

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

Dear Jim Moore:

**2022 SANITARY SURVEY SIGNIFICANT DEFICIENCY  
BIG BASIN WATER COMPANY (SYSTEM NO. 4410001)**

On February 10, 2022, Damian Moore and you accompanied Rick Rogers, James Furtado and Nate Gillespie of San Lorenzo Valley Water District and staff from the State Water Resources Control Board – Division of Drinking Water (Division) on a sanitary survey of the Big Basin Water Company's (Big Basin) water system. During the sanitary survey, the Division identified one significant deficiency, which is explained below:

**Oberst Finished Water Storage Tank**

The Oberst Tank is an aged 5,000-gallon welded steel storage tank. The interior and exterior of the tank are severely corroded. The tank sidewall has two holes that can potentially provide pathways to contaminants to the tank interior. Additionally, Large rust nodules were observed attached to the tank sidewall. The corrosion presents a sanitary and structural risk. Photographs showing the tank holes and exterior condition are enclosed with this letter.

Big Basin must notify the Division by **July 11, 2022**, if the significant deficiency has been resolved and submit a corrective action plan along with the corrective action deadlines for the significant deficiency that need more time to be corrected. Nonetheless, the significant deficiency must be resolved by **August 26, 2022**.



If you have any questions or concerns, please contact the Division at [DWPDIST05@waterboards.ca.gov](mailto:DWPDIST05@waterboards.ca.gov) or (831) 655-6939.

Sincerely,

**Jonathan Weininger**



Digitally signed by Jonathan Weininger

Date: 2022.06.16 11:55:16 -07'00'

Jonathan Weininger, P.E.  
District Engineer, Monterey District  
Division of Drinking Water

Enclosures: 2022 Sanitary Survey Photos of Oberst Tank

cc: Santa Cruz County Environmental Health Services  
Marilyn Underwood, [Marilyn.Underwood@santacruzcounty.us](mailto:Marilyn.Underwood@santacruzcounty.us)  
Nathan Salazar, [Nathan.Salazar@santacruzcounty.us](mailto:Nathan.Salazar@santacruzcounty.us)  
Sierra Ryan, [Sierra.Ryan@santacruzcounty.us](mailto:Sierra.Ryan@santacruzcounty.us)

California Public Utilities Commission (CPUC) Water Division  
[Water.Division@cpuc.ca.gov](mailto:Water.Division@cpuc.ca.gov)  
Moises Chavez, [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)  
Wilson Tsai, [wilson.tsai@cpuc.ca.gov](mailto:wilson.tsai@cpuc.ca.gov)

Rick Rogers, San Lorenzo Valley Water District, [rrogers@slvwd.com](mailto:rrogers@slvwd.com)

**Oberst Tank Photos**



Holes in the Tank Sidewall



Enlarged Image of Tank Sidewall Holes



Corrosion and Leaks in the Tank Sidewall

# EXHIBIT R





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## State Water Resources Control Board

### Division of Drinking Water

September 22, 2022

System No. 4410001

Jim Moore, Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

#### CITATION NO. 02\_05\_22C\_060

- **FAILURE TO PROVIDE A RELIABLE SUPPLY OF POTABLE WATER**
- **FAILURE TO COMPLY WITH COMPLIANCE ORDER NO. 02\_05\_21R\_001 AND CITATION NO. 02\_05\_21C\_030**
- **FAILURE TO PROVIDE BACKUP POWER AT WELL 4**

Enclosed is Citation No. 02\_05\_22C\_060 (Citation), issued to the Big Basin Water Company (Big Basin WC) public water system. Please note that there are legally enforceable deadlines associated with this Citation.

***This Citation imposes an administrative penalty in the amount of \$12,500; however, that penalty has been suspended and will only become due if Big Basin WC fails to comply with any of the directives set forth in the Citation by the deadlines indicated.***

Big Basin WC will be billed at the State Water Resources Control Board's (State Water Board) hourly rate for the time spent on issuing this Citation. California Health and Safety Code (Health & Saf. Code) section 116577 provides that a public water system must reimburse the State Water Board for actual costs incurred by the State Water Board for specified enforcement actions, including preparing, issuing and monitoring compliance with a citation. Big Basin WC will receive a bill sent from the State Water Board in August of the next fiscal year. This bill will contain fees for any enforcement time spent on Big Basin WC for the current fiscal year.

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E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

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1 Lower Ragsdale Drive, Bldg. 1, Suite 120, Monterey, CA 93940 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

A process exists by which a public water system can petition the State Water Board for reconsideration of this compliance order. Petitions sent to the State Water Board “shall include the name and address of the petitioner, a copy of the order or decision for which the petitioner seeks reconsideration, identification of the reason the petitioner alleges the issuance of the order or decision was inappropriate or improper, the specific action the petitioner requests, and other information as the state board may prescribe. The petition must be accompanied by a statement of points and authorities of the legal issues raised by the petition.” (Health & Saf. Code, § 116701, subd. (b).)

Petitions must be received by the State Water Board within 30 days of the issuance of this compliance order by the State Water Board. If the 30th day falls on a Saturday, Sunday, or state holiday, the petition is due the following business day by 5:00 p.m. Information regarding filing petitions may be found at:

[Drinking Water Petitions for Reconsideration](https://www.waterboards.ca.gov/drinking_water/programs/petitions/instructions.html)

[https://www.waterboards.ca.gov/drinking\\_water/programs/petitions/instructions.html](https://www.waterboards.ca.gov/drinking_water/programs/petitions/instructions.html)

If you have any questions regarding this matter, please contact the Division of Drinking Water at [dwpdist05@waterboards.ca.gov](mailto:dwpdist05@waterboards.ca.gov) or (831) 655-6939.

Sincerely,

**Jonathan Weininger**



Digitally signed by Jonathan Weininger

Date: 2022.09.22 14:27:42 -07'00'

Jonathan Weininger, PE  
District Engineer, Monterey District  
Division of Drinking Water

Enclosures

Certified Mail No. 7021-0950-0000-7399-9605

cc:

Santa Cruz County Environmental Health Services  
Marilyn Underwood, [Marilyn.Underwood@santacruzcounty.us](mailto:Marilyn.Underwood@santacruzcounty.us)  
Nathan Salazar, [Nathan.Salazar@santacruzcounty.us](mailto:Nathan.Salazar@santacruzcounty.us)  
Sierra Ryan, [Sierra.Ryan@santacruzcounty.us](mailto:Sierra.Ryan@santacruzcounty.us)

Santa Cruz County Board of Supervisors,  
[BoardOfSupervisors@santacruzcounty.us](mailto:BoardOfSupervisors@santacruzcounty.us)

Santa Cruz County Supervisor Bruce McPherson's Office  
[Fifth.District@santacruzcounty.us](mailto:Fifth.District@santacruzcounty.us), [jm.brown@santacruzcounty.us](mailto:jm.brown@santacruzcounty.us)

California Public Utilities Commission (CPUC) Water Division  
Moises Chavez, [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)  
Wilson Tsai, [wilson.tsai@cpuc.ca.gov](mailto:wilson.tsai@cpuc.ca.gov)  
Bruce Deberry, [bruce.deberry@cpuc.ca.gov](mailto:bruce.deberry@cpuc.ca.gov)



STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER

**Name of Public Water System:** Big Basin Water Company

**Water System No:** 4410001

**Attention:** Jim Moore, Manager

PO Box 197

Boulder Creek, CA 95006

**Issued:** September 22, 2022

**CITATION FOR NONCOMPLIANCE**  
**FAILURE TO PROVIDE A RELIABLE SUPPLY OF POTABLE WATER**  
**FAILURE TO PROVIDE BACKUP POWER AT WELL 4**  
**FAILURE TO COMPLY WITH COMPLIANCE ORDER NO. 02\_05\_21R\_001 AND**  
**CITATION NO. 02\_05\_21C\_030**

Section 116650 of the California Health and Safety Code authorizes the State Water Resources Control Board (State Water Board), to issue a citation to a public water system when the State Water Board determines that the public water system has violated or is violating the California Safe Drinking Water Act (California SDWA) (Health & Saf. Code, division 104, part 12, chapter 4, commencing with section 116270), or any regulation, standard, permit, or order issued or adopted thereunder.

The State Water Board, acting by and through its Division of Drinking Water (Division), and the Deputy Director for the Division, pursuant to section 116650 of the Health and Safety Code, hereby issues Citation No. 02\_05\_22C\_060 (Citation), to the Big Basin Water Company (Big Basin WC), for violation of Compliance Order No. 02\_05\_21R\_001 and Citation No. 02\_05\_21C\_030, and for violation of Health and Safety Code section 116555 and section 64602 of title 22 of the California Code of Regulations.

### **STATEMENT OF FACTS**

Big Basin WC is classified as a community water system and serves a population of 1,120 through 482 connections (information from the 2020 Electronic Annual Report to the Division of Drinking Water (EAR)). The population and service connections listed in the 2020 EAR reflect reduced numbers following the August 2020 CZU Lightning Complex Fire, which destroyed or damaged a portion of Big Basin WC's customer connections. Big Basin WC operates under Domestic Water Supply Permit No. 02-05-44-94P-001, issued by the State Water Board on February 11, 1994.

On April 9, 2021, the State Water Board issued Compliance Order No. 02\_05\_21R\_001 for noncompliance with California Code of Regulations, title 22, section 64554(a)(2) and Health and Safety Code, section 116555 (a)(3); and failure to comply with the 2018 Sanitary Survey Deficiency List. On October 28, 2020, the State Water Board issued Citation No. 02\_05\_21C\_030 for noncompliance with Compliance Order No. 02\_05\_21R\_001 and Citation No. 02\_05\_21C\_021.

Big Basin WC has not provided the following items required in previous enforcement actions, and most recently described in Citation No. 02\_05\_21C\_030:

- By December 31, 2021, completion of a temporary or permanent approved water supply source, as described in Directive 1 of Citation No. 02\_05\_21C\_030.

- By December 31, 2021, a compliance action plan for replacing the pumps and appurtenances at the Galleon Heights booster station, as described in Directive 2 of Citation No. 02\_05\_21C\_030.
- By December 31, 2021, a permit amendment application package requesting to add at least one additional permanent water source, in accordance with Directive 3.
- By December 31, 2021, a compliance action plan for adding additional source capacity, removing and replacing all fire damaged infrastructure, and an analysis of Big Basin WC's financial capacity to complete the projects, in accordance with Directive 4.
- By December 31, 2021, a schedule for completing the corrective actions identified in Big Basin WC's March 3, 2019 response to the 2018 sanitary survey letter, in accordance with Directive 5.
- By December 31, 2021, a Water System Operations and Maintenance Plan in accordance with Directive 6.
- Monthly progress reports to the State Water Board in accordance with Directive 7 of Compliance Order No. 02\_05\_21R\_001.

This citation specifically addresses the noncompliance with Directive 6 of Citation No. 02\_05\_21C\_030

Health & Safety Code, section 116555, subdivision (a)(3) requires any person who owns a public water system to ensure that the system provides a reliable and adequate supply of pure, wholesome, healthful, and potable water.

California Code of Regulations, title 22, section 64602 states that each distribution system must be operated in a manner to assure that a minimum operating pressure in

the water main at the user service line connection throughout the distribution system is not less than 20 pounds per square inch at all times.

The State Water Board has been made aware of recurring water outages that occur during power outages due to the lack of backup power at Big Basin WC's sole water source, Well 4. On July 21, 2022, the State Water Board received a customer complaint notifying the State Water Board about frequent water outages. On July 24, 2022, Big Basin WC issued a precautionary boil water notice and on July 26, 2022, by email, Big Basin WC stated: "About 25 homes were effected by the 2 hour power outage. Kler new we were working on the the problem. He told Jim to do the boil water notice. Yes everyone has water now. Jim hand delivered the notice to every customer effected. I also told anyone that called about outage or low pressure to boil water."

In a phone conversation with the Jonathan Weininger of the State Water Board on July 27, 2022, Jim Moore of Big Basin WC described to the State Water Board that during power outages, Well 4 cannot pump and the Well 4 tank quickly runs dry, which leads to water outages in the higher elevations of the distribution system. By email dated July 29, 2022, in response to the State Water Board's inquiry about the status of installing a generator at Well 4, Shirley Moore of Big Basin WC stated "We are also trying to rent one. Until we buy one." When asked for a timeline by the State Water Board, Shirley Moore responded "As soon as we can locate one."

On August 23, 2022, the State Water Board sent an email to Big Basin WC requesting an update about the installation of a generator at Well 4. Big Basin WC did not respond.

On August 31, 2022, the State Water Board sent an email to Big Basin WC requesting an update about the installation of a generator at Well 4. Big Basin WC did not respond.

On September 15, 2022, after a customer complaint of a water outage in the Tradewinds / Galleon Heights pressure zone, the State Water Board sent an email to Big Basin WC requesting an update about the installation of a generator at Well 4. Jim Moore of Big Basin WC responded by email dated September 15, 2022: "Generator is on back order, hopefully soon."

### **DETERMINATION**

The State Water Board has determined that Big Basin WC has failed to comply with Directive 4, due July 10, 2022, of Compliance Order No. 02\_05\_21R\_001, dated April 9, 2021, and Directive 6, due December 31, 2022, of Citation No. 02\_05\_21C\_030, dated October 28, 2021, and Health and Safety Code, section 116555, subdivision (a)(3) and California Code of Regulations, title 22, section 64602 by not having backup power installed at Big Basin WC's sole water source, Well 4, and therefore not providing a reliable supply of potable water and not assuring that the minimum operating pressure in the water main at the user service line connection throughout the distribution system exceeds 20 pounds per square inch at all times.

### **PENALTY PURSUANT TO HEALTH AND SAFETY CODE SECTION 116650**

The State Water Board hereby assesses upon Big Basin WC an administrative penalty in the amount of **\$12,500**. This penalty, however, has been suspended and will only come due on October 21, 2022, if Big Basin WC fails to comply with this citation by the deadlines indicated herein to the satisfaction of the State Water Board. As this penalty can be avoided only through compliance with this citation, it is especially important for Big Basin WC to adhere to the deadlines in this citation. The State Water Board will inform Big Basin WC by letter that the suspension of the penalty has been revoked and the penalty is due by October 21, 2022, should Big Basin WC fail to meet the deadlines in this citation.

**DIRECTIVES**

Big Basin WC is hereby directed to take the following actions:

1. By **October 21, 2022**, install a generator at the Well 4 site and provide the State Water Board with proof that the generator is installed and ready to operate. The generator must be sized to fully power Well 4 and the onsite chlorinator, and Big Basin WC must provide proof that adequate fuel is stored and available for sustained power outages. Proof of installation must include photos or video of the generator installed at the Well 4 site and of fuel storage; and written correspondence certifying installation and terms of the rental agreement or ownership.
2. By **October 21, 2022**, submit to the State Water Board for review and approval a Water System Operations and Maintenance Plan (O&M plan) pursuant to section 64600 of title 22 of the California Code of Regulations. The O&M plan must include the following elements:
  - a. A plan and procedures for responding to water supply emergencies, which also includes a power outage response plan that describes how Big Basin WC will supply water during a power outage. As a minimum, the power outage response plan must include the following items:
    - i. Preparation protocol for an anticipated, planned power shutoff including filling storage tanks, site visits, water conservation notification, etc.
    - ii. Identification of critical sites requiring backup power to supply all pressure zones with a system pressure no less than 20 psi during a power outage.
    - iii. Documentation demonstrating ownership and/or rental contracts to obtain backup power at Well 4 and other identified critical sites

- before a planned power outage and at the onset of an unplanned power outage.
- iv. The process for transporting and installing portable backup power during a power outage at the locations identified as critical for sustained operation in all pressure zones but do not have on-site back power generators.
  - v. Contact information for neighboring water systems, the State Water Board, Santa Cruz County Environmental Health, emergency response networks, and other contacts needed during a power outage.
  - vi. The procedure for initiating and distributing public notification with State Water Board review and approval and in accordance with sections 64663 and 64665 of title 22 of the California Code of Regulations.
- b. An operations and maintenance schedule for Well 4 and the chlorination system;
  - c. A schedule and procedure for flushing dead end mains, and procedures for disposal of the flushed water including dechlorination;
  - d. A schedule for routine inspection of tanks, and procedures for cleaning tanks;
  - e. A schedule and procedures for inspecting, repairing, and replacing water mains;
  - f. A plan and procedures for responding to consumer complaints;
  - g. A schedule and procedures for routine exercising of water main valves;
  - h. A schedule and program for maintenance and calibration of source flow meters and other online instruments used to determine the quality or quantity of water;



- i. The qualifications and training of operating personnel;
3. Submit to the State Water Board by **November 19, 2022**, a check for the administrative penalty of **\$12,500** imposed by this Citation and a copy of the form, which is attached as Appendix 4, hereto entitled "Notice of Administrative Penalty." The Citation number must be written on the check. The check must be made payable to the **State Water Resources Control Board** and submitted to:

SWRCB Accounting Office  
ATTN: Drinking Water Program Fees  
P.O. Box 1888  
Sacramento, CA 95812-1888

The State Water Board will send a letter to Big Basin WC following the expiration of the substantive due dates set forth in this citation, in which it will either make permanent the suspension of these penalties due to Big Basin WC's compliance with this citation, in which case no penalty would be due, or will revoke the suspension of the penalties at which point they will be due in full as set forth in this citation.

All submittals required by this Citation, unless otherwise specified in the directives above, must be electronically submitted to the State Water Board at the following address. The subject line for all electronic submittals corresponding to this Citation must include the following information: Water System name and number, citation number and title of the document being submitted.

Jonathan Weininger, Monterey District Engineer  
[Dwpdist05@waterboards.ca.gov](mailto:Dwpdist05@waterboards.ca.gov)

The State Water Board reserves the right to make modifications to this Citation as it may deem necessary to protect public health and safety. Such modifications may be issued as amendments to this Citation and shall be effective upon issuance.

Nothing in this Citation relieves Big Basin WC of its obligation to meet the requirements of the California SDWA (Health & Saf. Code, division 104, part 12, chapter 4, commencing with section 116270), or any regulation, standard, permit or order issued or adopted thereunder.

### **PARTIES BOUND**

This Citation shall apply to and be binding upon Big Basin WC, its owners, shareholders, officers, directors, agents, employees, contractors, successors, and assignees.

### **SEVERABILITY**

The directives of this Citation are severable, and Big Basin WC shall comply with each and every provision thereof notwithstanding the effectiveness of any provision.

### **FURTHER ENFORCEMENT ACTION**

The California SDWA authorizes the State Water Board to: issue a citation or order with assessment of administrative penalties to a public water system for violation or continued violation of the requirements of the California SDWA or any regulation, permit, standard, citation, or order issued or adopted thereunder including, but not limited to, failure to correct a violation identified in a citation or compliance order. The California SDWA also authorizes the State Water Board to take action to suspend or revoke a permit that has been issued to a public water system if the public water system has violated applicable law or regulations or has failed to comply with an order of the State Water Board, and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the

State Water Board. The State Water Board does not waive any further enforcement action by issuance of this Citation.

Stefan  
Cajina

Digitally signed by  
Stefan Cajina

Date: 2022.09.22  
14:54:30 -07'00'

September 22, 2022  
Date

Stefan Cajina, P.E., Chief  
North Coastal Section  
State Water Resources Control Board  
Division of Drinking Water

Appendices (1):

1. Notice of Administrative Penalty Form

Certified Mail No. 7021-0950-0000-7399-9605

APPENDIX 1 - NOTICE OF ADMINISTRATIVE PENALTY FORM

STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER

Notice of Administrative Penalty

System Name: Big Basin Water Company

System Number: 4410001

Background

On September 22, 2022, the State Water Resources Control Board, Division of Drinking Water issued Citation 02\_05\_22C\_060 to the Big Basin Water Company. The Citation carried a civil penalty in the amount of **\$12,500**.

Method of Payment

A check for the total amount of the civil penalty and a copy of this form must be submitted to the State Water Board by **November 19, 2022**. The Citation number must be written on the check, the check made payable to the **State Water Resources Control Board**, and submitted to:

SWRCB Accounting Office  
ATTN: Drinking Water Program Fees  
P.O. Box 1888  
Sacramento, CA 95812-1888

---

Attach check below:

# EXHIBIT S



## State Water Resources Control Board

### Division of Drinking Water

October 21, 2022

System No. 4410001

Shirley Moore, Office Manager  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

Dear Shirley Moore:

### **PERMANENT SUSPENSION OF CITATION NO. 02\_05\_22C\_060 ADMINISTRATIVE PENALTIES**

On September 22, 2022, the State Water Resources Control Board, Division of Drinking Water (Division) issued Citation No. 02\_05\_22C\_060 to Big Basin Water Company (Big Basin WC), which also assessed an administrative penalty in the amount of \$12,500. The penalty had been suspended to only come due on October 21, 2022 if Big Basin WC fails to comply with Citation No. 02\_05\_22C\_060 by the deadlines to the satisfaction of the State Water Board.

Based on a response letter dated September 29, 2022, submitted by Big Basin WC on October 3, 2022, the Division has determined that Big Basin WC has substantially complied with Citation 02\_05\_22C\_060 directives, and accordingly, pursuant to the terms of that Citation, the penalty issued to Big Basin WC in the Citation is permanently suspended. Big Basin WC therefore does not owe any penalty to the Division pursuant to Citation 02\_05\_22C\_060.

If you have any questions, please contact the Division of Drinking Water at [dwpdist05@waterboards.ca.gov](mailto:dwpdist05@waterboards.ca.gov) or (831) 655-6939.

Sincerely,

**Jonathan Weininger** Digitally signed by Jonathan Weininger  
Date: 2022.10.21 12:41:16 -07'00'

Jonathan Weininger, PE  
District Engineer, Monterey District  
Division of Drinking Water

**E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR**

1 Lower Ragsdale Drive, Bldg. 1, Suite 120, Monterey, CA 93940 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

Enclosures: Big Basin WC Response Letter Dated September 29, 2022

cc: Santa Cruz County Environmental Health Services  
Marilyn Underwood, [Marilyn.Underwood@santacruzcounty.us](mailto:Marilyn.Underwood@santacruzcounty.us)  
Nathan Salazar, [Nathan.Salazar@santacruzcounty.us](mailto:Nathan.Salazar@santacruzcounty.us)  
Sierra Ryan, [Sierra.Ryan@santacruzcounty.us](mailto:Sierra.Ryan@santacruzcounty.us)

Santa Cruz County Board of Supervisors,  
[BoardOfSupervisors@santacruzcounty.us](mailto:BoardOfSupervisors@santacruzcounty.us)

Santa Cruz County Supervisor Bruce McPherson's Office  
[Fifth.District@santacruzcounty.us](mailto:Fifth.District@santacruzcounty.us), [jm.brown@santacruzcounty.us](mailto:jm.brown@santacruzcounty.us)

California Public Utilities Commission (CPUC) Water Division  
Moises Chavez, [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)  
Wilson Tsai, [wilson.tsai@cpuc.ca.gov](mailto:wilson.tsai@cpuc.ca.gov)  
Bruce Deberry, [bruce.deberry@cpuc.ca.gov](mailto:bruce.deberry@cpuc.ca.gov)



**Big Basin Water**  
**P.O. Box 197**  
**Boulder Creek CA 95006**  
**831-818-4477**

**Sept. 29, 2022**

Jonathan,

Citation 02-05-22c-060

We have a 45K portable generator on site at well #4. This will run our 30HP 100-amp pump and one 20-amp breaker for cl2. This same generator will be towed to Branson Ranch and Camino booster stations to power all critical areas. That is the best we can do under our current rates.

We are working with Earth Flow and CAWA to obtain funding and to drill another well. We will update you when we have our permit.

Please be aware that there is no way to prevent leaks There will always be power outages beyond our control as we see during natural disasters. We have Damian volunteering his time to be on call to address any issues as they arise. Overtime is not in our rates, nor is there the ability to have an emergency account. See our profit and loss report for last year.

In the interest of public health, we ask you to waive all fines as all of violations were directly related to lack of money. We will serve our customers better and safer if we can spend the little money, we do bring in on addressing the issues you bring up.

We will do our very best to comply with all violations within our financial capabilities, but rate cases are a lengthy process we don't completely control. We are shutting down leaky valves and pumps at Gallion booster station for the time being as other violations are an obvious priority. Gallion will be overhauled when grant money or rates allow it.

## O and M Plan

- a) i. Tanks are checked upon notice of PPO and at the time of unplanned power outages.
- ii. Well #4. Branson Ranch and Camino Verde powered by portable 45kw Gallion generator is on site.
- iii. Generator is mutual aid from SLV Water.
- iv. A truck will tow the portable 45 kw to each critical site.
- v. James Furtado from SLV water 831-246-1744  
SCEH 831-454-2022, BC Fire Chief 831-234-5206
- vi. Signage, social media and or door postings.
- b) Well #4 Cl2 maintenance\*
  - 3 daily residual and operation checks
  - Feeder tubes flushed as needed
- c) Flushing done annually in the spring. Decolonization method will be  
By SLV water 1 dead end at coffeeberry.
- d) Tanks are visually inspected weekly by staff. Please advise us on a  
Cleaning schedule that meets your requirements.
- e) Mains are inspected when exposed for repair. No money for  
replacement program currently. All repairs are done by staff as soon as  
possible.
- F) Office will take water quality complaints and record them for staff for  
resolution.
- G) Valves are exercised annually unless used to isolate a repair.
- H) Well #4 flow meter is checked daily, read monthly and calibrated  
annually (Not a year old yet) Method of calibration yet to be  
determined.

- i) Damian Moore T2 23880 and D3 21734  
Jim Moore civil engineer  
Shirley Moore Office







## BIG BASIN WATER COMPANY

## Profit &amp; Loss

January through December 2021

	Jan - Dec 21
Ordinary Income/Expense	
Income	
400 · Operating revenues	322,498.74
460.1 · Residential single-family multi	480.20
470 · Metered water revenue	
470.5 · Safe drinking water bond surchg	29,144.44
Total 470 · Metered water revenue	29,144.44
Total Income	352,123.38
Gross Profit	352,123.38
Expense	
Taxes other than income taxes	
408.3 · Other Taxes and licenses	
408.1 · Property Taxes	5,065.01
408.2 · Payroll Taxes	28,464.79
Total 408.3 · Other Taxes and licenses	33,529.80
Total Taxes other than income taxes	33,529.80
Timber Credit	0.00
403 · Depreciation Expense	11,305.00
407 · SDWBA Loan Amortization	34,499.00
409 · State corporate income tax	800.00
427 · Interest expense	
427.1 · Interest on Other Liab	1,032.33
427 · Interest expense - Other	18,875.55
Total 427 · Interest expense	19,907.88
615 · Power	48,509.78
630 · Employee Labor	88,622.09
640 · Materials	31,556.20
650 · Contract Work	11,000.00
660 · Transportation Expense	
660b · Fuel	7,132.25
660 · Transportation Expense - Other	2,400.28
Total 660 · Transportation Expense	9,532.53
66000 · Payroll Expenses	0.00
664 · Other Plant Maintenance	112,926.81
66900 · Reconciliation Discrepancies	-0.50
671 · Management Salaries	134,661.96
674 · Employee Pension & Benefits	45,981.92
678 · Office Services & Rentals	4,018.77
681 · Office Supplies & Expenses	11,329.85
682 · Professional Services	3,060.00
684 · Insurance	32.58
688 · Regulatory Compliance Expense	13,615.53
689 · General Expenses	1,039.37
690 · Testing	2,215.50
Total Expense	618,144.07
Net Ordinary Income	-266,020.69

9:39 AM

09/29/22

Accrual Basis

## BIG BASIN WATER COMPANY

## Profit &amp; Loss

January through December 2021

	Jan - Dec 21
Other Income/Expense	
Other Income	
421 · Non-utility income	
interest income	35.10
421 · Non-utility income - Other	138,152.96
Total 421 · Non-utility income	138,188.06
Total Other Income	138,188.06
Other Expense	
426 · Misc. non-utility expense	4,017.79
Total Other Expense	4,017.79
Net Other Income	134,170.27
Net Income	-131,850.42

# EXHIBIT T



From: [Denise Bukowski](#)  
To: [Garvin, Cosmo@Waterboards](#); [Melendez, Ana@Waterboards](#)  
Cc: [Kler, Shaminder@Waterboards](#); [Weininger, Jonathan@Waterboards](#); [Deryk Bukowski](#)  
Subject: lack of water in neighborhood  
Date: Sunday, June 27, 2021 3:34:58 PM

---

EXTERNAL:

To CA State waterboard,

We live at 303 Crows Nest Drive in Boulder Creek, of Santa Cruz County. No water has come out of our spigots for the past 2-3 hours (starting at 1:15pm this afternoon). This is the second time in 14 days where water has halted for several hours, and has impacted all 39 homes of the Galleon Heights neighborhood. We are serviced by Big Basin Water.

Can we please get state help to alleviate this problem that keeps occurring under the Big Basin Water system?

Best regards,

Denise & Deryk Bukowski

Denise Bukowski, [REDACTED]

Deryk Bukowski, [REDACTED]

303 Crows Nest Drive  
Boulder Creek, CA 95006

From: [Kler, Shaminder@Waterboards](mailto:Kler,Shaminder@Waterboards)  
To: [gmcguy](mailto:gmcguy) [REDACTED]  
Cc: [Weininger, Jonathan@Waterboards](mailto:Weininger,Jonathan@Waterboards)  
Subject: FW: Big basin water  
Date: Friday, October 1, 2021 8:53:00 AM

---

Hello,

Could you please provide more information on your address and the number you called the Big Basin Water Company that is invalid?

Thanks,

**Shaminder Kler, P.E.**  
Associate Sanitary Engineer  
SWRCB Division of Drinking Water – Monterey District  
ph: 831-655-6938 fax: 831-655-6944

**From:** WB-DWPDIST05 <DWPDIST05@waterboards.ca.gov>  
**Sent:** Friday, October 1, 2021 8:50 AM  
**To:** Kler, Shaminder@Waterboards <Shaminder.Kler@waterboards.ca.gov>  
**Cc:** Weininger, Jonathan@Waterboards <Jonathan.Weininger@waterboards.ca.gov>  
**Subject:** FW: Big basin water

**From:** Brad Bright [REDACTED]  
**Sent:** Thursday, September 30, 2021 9:16 PM  
**To:** WB-DWPDIST05 <[DWPDIST05@waterboards.ca.gov](mailto:DWPDIST05@waterboards.ca.gov)>  
**Subject:** Big basin water

EXTERNAL:

We have no water starting at 9pm and the number for big basin water is not valid. We need answers thank you

[Sent from Yahoo Mail on Android](#)

From: [WB-DWPDIST05](#)  
To: [Kler.Shaminder@Waterboards](mailto:Kler.Shaminder@Waterboards)  
Cc: [Weininger.Jonathan@Waterboards](mailto:Weininger.Jonathan@Waterboards)  
Subject: FW: Big Basin Water Company Concerns  
Date: Wednesday, October 20, 2021 7:29:14 AM

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**From:** Dan Hughes [REDACTED]  
**Sent:** Tuesday, October 19, 2021 10:26 PM  
**To:** WB-DWPDIST05 <DWPDIST05@waterboards.ca.gov>; Fifth.District@santacruzcounty.us  
**Subject:** Big Basin Water Company Concerns

EXTERNAL:

Greetings,

I'm writing to express my concern about the Big Basin Water Company. The owners are a single family owned private company (retirement age husband and wife along with their son) that hundreds of customers rely on. Being private they disclose the bare minimum and many of us have concerns about the short and long term viability of the water system we so rely on.

There are many leaks (currently all system water is shut off due to another leak). They barely communicate and use Facebook posts or Nextdoor posts to provide minimal information. such as... There is a leak and we are trying to locate and fix it...Such information should be in one site and that's their website, and with greater detail...Half of the customers have personal ties to the Moore's and blindly back them regardless of the issues at hand. The other half have concerns such as mine. They've provided no information on the status of the system since the CZU fire and to my knowledge have not applied for FEMA assistance or any other assistance. We also understand they have been running solely on an emergency back-up well...and with the drought, what happens when that runs dry? There's been rumors of selling, but due to many systematic and stipulation issues, there have been no takers.

I've felt the need to get bottled water delivered at about \$50/Month due to foul (chemical) tasting water and frequent outages and I have buckets so I can go to the pond and get water to flush toilets. It's bad enough that PGE power is constantly going out, but I literally fear this water system is eventually going to disintegrate and we'll all be stuck with condos and homes with no services and no property value in the macro and too many inconveniences in the micro.

I pay \$8k in taxes (and many pay more) and \$5k in HOA and feel like I'm living in a 3rd world country more times than I'd prefer.

Feel free to contact me with any information or questions.

Sincerely,  
Dan Hughes

From: [REDACTED]  
To: [Weininger, Jonathan@Waterboards](mailto:Weininger,Jonathan@Waterboards)  
Subject: Big Basin Water in Boulder Creek, Ca.  
Date: Wednesday, October 20, 2021 10:21:37 AM

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EXTERNAL:

Jonathan,

The purpose of my e-mail is to see if you are the State agency that oversees Big Basin Water company in Boulder Creek, Ca. I wish to be anonymous in my complaint because I know the family who owns it and it is a very small town. Our water was out for a few days just over a week ago and now as of yesterday it is out again. The phone number I have for the water company has been disconnected. There is no communication as to when the water will be restored. The information I see on neighbors social media as that they are hearing it could be a number of days until it is restored.

The issue I see with Big Basin Water is that they are a small mom and pop shop. When the water is out there is only two or three people working on the issue so many hours a day. There should be an around the clock crew working on an issue until it is restored. I appreciate them for their hard work however water is a necessity and health and safety issue. I need to be able to go to work and take a shower and have drinkable water. What happens if we have another fire like we did a little over a year ago and there is no water for the fire department ? It makes no sense that if there is a leak in one area that they cannot shut off that leg and keep the rest of the customers online vs. shutting the entire water system down for everyone.

Something needs to be done by the State since this is been an ongoing issue for several years and it is getting worse. Is it possible for the State to help fund Big Basin Water so they can hire a crew to work on a loss of water issue 24/7 until it was restored like any other water company or public utility?

Can the State force or encourage them to let another local and larger water company take them over?

Thank you,

From: [WB-DWPDIST05](#)  
To: [Kler\\_Shaminder@Waterboards](mailto:Kler_Shaminder@Waterboards)  
Cc: [Weininger\\_Jonathan@Waterboards](mailto:Weininger_Jonathan@Waterboards)  
Subject: FW: Big Basin Water  
Date: Friday, October 22, 2021 7:35:26 AM  
Attachments: [drinking water.jpg](#)

---

**From:** Penny Ellis [REDACTED]  
**Sent:** Thursday, October 21, 2021 9:37 PM  
**To:** WB-DWPDIST05 <DWPDIST05@waterboards.ca.gov>  
**Subject:** Big Basin Water

EXTERNAL:

Hi,

I'm contacting you to let you know that I am very displeased with Big Basin Water and their inability to repair their infrastructure after the CZU Fire wiped out a good portion of it. I live at the BC Golf Club and our water has been undrinkable since the fire. The taste and smell is very different from before the fire... and more recently they had a major leak that SLV Water had to step in and repair for them, and here going on 3 days & we still have tan colored water.

**Something must be done to ensure the quality of water that gets distributed to Big Basin Water customers is clean and safe to drink.** We cannot continue to put up with substandard service, unsafe water & lack of communication for what is going on. **Big Basin Water does not communicate to their customers when there is an issue with their system.** The only way I find out anything is through the BC Golf Course Facebook page! You can see all the angry comments that people have at:

Big Basin Water needs to be acquired by a company that will be able to provide our community with clean water. We should not have to wait for them to find someone to purchase their company, which continues to place the health of our entire community at risk. This is not acceptable and I suggest the county step in to take control of this situation ASAP before it significantly affects our health and property values. No one is going to want to live here & put up with constant water issues.

Please let me know what further actions I can take to make this a priority. With the most recent leak and 3 days of tan colored water... tensions are extremely high among my neighbors right now and this can't continue to get further out of control...

Thanks for your understanding and please feel free to contact me if you have any questions.

Penny Ellis  
133 E. Hilton Dr.

BC. CA. 95006







From: [Linda Moore](#)  
To: [Kler, Shaminder@Waterboards](mailto:Kler, Shaminder@Waterboards)  
Subject: No water  
Date: Monday, October 25, 2021 11:25:38 AM

---

EXTERNAL:

We have no water and Big Basin Water refuses to fix the problem. My husband, Alston Channing Moore (Chan) was the Licensed Small Water Systems Engineer for Bracken Brae before we moved to our present home on Rosita Drive in Boulder Creek. We lost our water last evening. Because it was dark and raining so heavily (according to our Weather Station, we received 10.25 inches in 24 hrs), my husband waited till this morning to walk our water line and check our meter and the Big Basin Water connection to our meter. He found that there was no water in our line nor any coming into our meter from the Big Basin Water's main line on Rosita. He called and left a message with BBW's message service, then drove over to the BBW's "office" and left a note explaining the problem and asking them to fix it. Jim Moore's son Damian, who is Jim's only paid assistant and employee to my knowledge, drove up to Rosita behind my husband, so Chan told Damian that the problem was from the BBW connection at the bottom of Rosita up to their/our meter. When Chan asked Damian not to drive up the back access road because it was so muddy that his vehicle would make it impassably rutted afterwards, Damian blew up at Chan, called us terrible customers, etc., then drove away without doing anything to identify or fix the problem. Damian could have driven up on our concrete driveway to our house and walked back to the meter (the way Chan does and did) or walked directly up to the meter from Rosita along their line, or actually checked their main line on Rosita. Instead, he drove away and left us with no prospect of having our water restored. We need your help in contacting Jim Moore, the owner of Big Basin Water, and getting him to fix the problem so that we can have water. I can be contacted at [REDACTED] by phone or text or by email and would appreciate your response ASAP. Thank you for your assistance. Linda K Moore, 280 Rosita Dr, Boulder Creek, Ca. 95006

From: [Weininger, Jonathan@Waterboards](mailto:Weininger,Jonathan@Waterboards)  
To: [Gregg.schlaman](mailto:Gregg.schlaman)  
Cc: [Kler, Shaminder@Waterboards](mailto:Kler,Shaminder@Waterboards)  
Subject: RE: big basin water  
Date: Tuesday, July 26, 2022 2:12:10 PM

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Good Afternoon Gregg Schlaman,

Thank you for reaching out to us. We are sorry that you are experiencing these issues. To help us better understand how to follow up with your complaint against Big Basin Water Co, would you mind providing us with your phone number so we can give you a call?

Thank you,  
Jonathan Weininger, PE  
Monterey District Engineer  
[State Water Resources Control Board - Division of Drinking Water](#)  
Office: (831) 655-6939 or Direct: (831) 655-6932

**From:** Gregg schlaman [REDACTED]  
**Sent:** Tuesday, July 26, 2022 12:12 PM  
**To:** Weininger, Jonathan@Waterboards <Jonathan.Weininger@waterboards.ca.gov>  
**Subject:** big basin water

EXTERNAL:

Hi. I am writing to you today as this is the tenth time this year and countless number of times since the CZU fires that we have lost water pressure at our home in boulder creek and have been unable to use basic services in our home because of lack of water.

Our home is located on the west side of the Boulder Creek Golf Course and near the top of this side of the Big Basin water system, so whenever they have issues with their system for whatever reason, we are the first to lose water and the last to get it back.

Repeated calls to Big Basin Water have been fruitless as they never respond to calls unless there is a full system failure.

I am deeply concerned that this problem will only become worse once many of the homes in this area are rebuilt.

We have repeatedly asked Big Basin Water what they plan to do about this issue since they lost over half their water processing from CZU and as far as we can tell have done little to nothing to rebuild their water system since the fires. when the power goes out they have no backup plan to ensure water flow, which was a huge problem during CZU as the water system was useless for fire fighting during CZU. THIS IS A HUGE PROBLEM THAT NEEDS TO BE ADDRESSED AND IS SA PUBLIC SAFETY

ISSUE.

We struggle with what to do about these issues as we really appreciate all of the hard work that the Moore Family has provided over the years but it is clear that they are barely able to support the existing infrastructure let alone make any improvements.

Thank you for your time and we would appreciate a response as soon as possible.

From: [Kris Taylor](#)  
To: [Antonia Bradford](#)  
Cc: [Julie Lucia](#); [Kler, Shaminder@Waterboards](#); [Christopher Bradford](#); [Chris Lucia](#); [Genomurdock](#); [rachelquerrero](#); [bates.robin](#); [Bill Hassell](#); [Julia Wuest](#); [Vince Cortinas](#); [Tina Pena Cortinas](#); [Lisa Carrell](#); [junechristmar](#)  
Subject: Re: Big Basin Water and Sewage: Fallen Leaf Neighborhood  
Date: Thursday, January 19, 2023 10:20:07 AM

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EXTERNAL:

Thank you Antonia, for your persistent advocacy for the community on this issue.

My experience is far less egregious than this most recent effort to squeeze money from our neighbors who have lost their homes, but I feel like it reflects a similar approach to the customers - that we are expected to pay for their failure to manage their business effectively.

We are a very small HOA at the golf course and I serve on the board. For several years around the time we moved here (2017) the HOA would suspend our service in the winter months as the sole purpose of the HOA's meter was to provide water to our landscape sprinklers. We do not have a pool, a clubhouse, not even a hose bib - just the irrigation system. In 2019, the Moores decided we couldn't do that anymore and informed a board member verbally that we had to pay the service charge whether we used the service or not. Their rationale was that it supports maintenance of the pipes and hydrants and we need those for our fire protection.

It is important to note that individual homeowners in the HOA also pay that service charge on their meter billing, we are all paying to support the service of pipes and hydrants for the protection of our homes. In some ways, it seems like we are being charged twice, since we're paying our own bills and then HOA dues to cover an additional \$5,000 annually for service charges on a water meter that has not been used since before the CZU fire.

Their business practices have been questionable for a long time. They have a responsibility to their customers that they have failed to honor too many times to be ignored.

Sincerely,  
Kris Taylor

On Thu, Jan 19, 2023 at 8:41 AM Antonia Bradford wrote:

Hello Mr Kler,

I am adding a fellow BBW water customer who is dealing with very similar antics from BBW. Their name  
Is Kris Taylor and they can elaborate on their specific situation which has a very similar flavor as ours.

Thank you very much for your time and attention to this matter.

Best,

Antonia Bradford

Sent from my iPhone

On Jan 19, 2023, at 8:20 AM, Julie Lucia [REDACTED] wrote:

Hello Mr. Kler and fellow neighbors,

Thank you, Antonia, for starting this conversation and summing up our disappointing meeting with the State Water Board. I would like to add that it seems like almost daily now we are hearing more stories from BBW customers about BBW's unethical practices (refusing to supply water, threats, forcing customers to pay for unused services, etc.). I'd also like to address the fact that we are still under a boil water order because BBW fails to monitor and test the water in a timely manner. My family is currently experiencing some gastrointestinal issues. I can't help but to think this could be caused by the water. Every time I bathe my kids I am thinking, "Is this water even safe?" That's a horrible feeling and not one any of us should have to endure. By owning BBW the Moore's have a civic duty to provide quality water and sewer services to their customers. Their mission statement states, "As a provider of water, we take pride in offering the best water and service. We are dedicated to serving the needs of our customers each and every day." It is my hope that someone can help us hold them to this statement and make it true.

Thank you.  
-Julie Lucia

On Wed, Jan 18, 2023 at 10:24 PM Antonia Bradford [REDACTED] wrote:

Dear Kler,

I am writing to you this evening on behalf of myself and my neighborhood, Fallen Leaf (aka Big Basin Woods subdivision) and I've added a handful of my neighbors to this email. Our neighborhood was destroyed in the CZU fire and only a fraction of us are rebuilding thus far. We rely on Big Basin Water for our water and treatment of sewage. Their business was not managed properly even before the fire, and their systems incurred significant damage during the fire.

Jim and Teri Moore, the owners, have been refusing to cooperate with state and local agencies regarding the damage to their infrastructure. And as a consequence we are left holding the bag, at least that is what the state is telling us. Our neighborhood had a meeting with Jennifer Epps of the CPUC (with other people present) and county officials recently and here are some of the highlights of that meeting:

1. Jim Moore refused to attend
2. The county states they have no agency over the situation

3. The CPUC tried to tell a fire victim she could not move back into her home because of the state of disrepair of BBW sewer system even though the county knew the system was a mess but gave permits anyways
4. The CPUC has issued letters to Jim Moore and he blatantly ignores them.
5. The CPUC told us Jim Moore has not had his operators permit in over ten years
6. The CPUC told us they haven't regulated his systems in decades
7. The CPUC has not levied any fines or any other type of consequence for these infractions

The CPUC has also told us that they want us, fire victims that lost everything, to not only pay for the repair of the damaged systems, but the required upgrades even though according to Ms. Epps the CPUC didn't require him to make those upgrades like they were supposed to.

So instead of Jim Moore paying to repair his business, he allows sewage to pool at the intersection of 236 and Fallen Leaf to be pumped out at various intervals. Almost three years later he still has not had the damage properly assessed. As a consequence our sewer system is not functioning in a way that protects our waterways and our water quality is dubious at best. He also constantly misses testing date requirements and his customers find out way after the fact.

I am sure you are aware that many BBW water customers have been without water for weeks now, after the storm on New Years. BBW has stated they simply don't have the money to repair the pipes, and that is all they say. No water for weeks? How is this acceptable?


Needless to say, all of this is an absolute mess.

But the latest offense you will see attached to this email. Fire victims are being extorted to pay for sewage services that they are not using or have been threatened with sewer never being installed at their properties, making their parcels unbuildable and absolutely useless.

What can be done about this? The CPUC seemingly has no teeth to force Jim Moore into accountability and the county claims there is nothing they can do. We can't get any state money for repairs because its a privately held company but the answer CAN NOT be that fire victims who are vastly underinsured be responsible for the repairs and certainly not BBW extorting money from fire victims for services they are not currently receiving.

I was given your information from other BBW customers who reached out to me after I shared this letter on social media calling out BBW. They say you are responsive and helpful and I am praying that is the case because we are all exhausted and just need someone, anyone to please help us with this.

I look forward to your kind reply. Have a beautiful evening. Neighbors, if I missed anything please feel free to reply and add.

Best,  
Antonia Bradford  
  
285 Fern Rock Way  
Boulder Creek, CA 95006



From: [Graff, Kyle@Waterboards](mailto:Graff, Kyle@Waterboards)  
To: [Jeannette Larson](#)  
Subject: RE: Big Basin Water outage  
Date: Tuesday, February 28, 2023 3:17:00 PM

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Hello Jeanette,

Thank you for reaching out and notifying our office of the outage. I understand your frustration and our office is working with other State and local agencies to figure out a long-term plan for Big Basin Water Company. Please be aware of a precautionary boil water notice that was issued to all Big Basin Water Company customers approximately 1 hour ago in response to the recent outages - I don't believe it has been posted to their website yet. We are working with Big Basin Water Company to resolve this boil water notice as quickly as possible. If you have health related concerns regarding the drinking water, we recommend you talk to your health care provider.

Please let me know if you have any other questions or comments.

Thank you,  
Kyle Graff

-----Original Message-----

From: Jeannette Larson [REDACTED]  
Sent: Tuesday, February 28, 2023 12:25 PM  
To: Graff, Kyle@Waterboards <Kyle.Graff@Waterboards.ca.gov>  
Subject: Big Basin Water outage

EXTERNAL:

Dr sir, our water is off again this morning. We are so tired of this problem and haven't stopped boiling water since December. Am always afraid t drink it because we o not have any communication from big basin water ever. If there is something you can do about this, I would sure appreciate it. Thank you Jeannette larson 140 Coffeeberry Dr., Boulder Creek.  
Sent from my iPhone

From: [Graff, Kyle@Waterboards](mailto:Graff, Kyle@Waterboards)  
To: [Lauren Tranchita](#)  
Cc: [Matthew Tranchita](#)  
Subject: RE: Big Basin Water Outage  
Date: Friday, March 3, 2023 11:23:00 AM

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Hello Lauren,

According to Big Basin Water Company, they needed to hire a contractor to complete the necessary repairs due to the difficulty of the repair. They said the contractor began working on the repairs this morning but stopped because the roads were busy and they needed to get a traffic control crew. They did not provide a time for when work will resume. Please let me know if you have any other questions or comments.

Thank you,  
Kyle Graff

-----Original Message-----

From: Lauren Tranchita [REDACTED]  
Sent: Thursday, March 2, 2023 4:25 PM  
To: Graff, Kyle@Waterboards <Kyle.Graff@Waterboards.ca.gov>  
Cc: Matthew Tranchita [REDACTED]  
Subject: Re: Big Basin Water Outage

EXTERNAL:

Hi Kyle,

Thank you for your prompt response. I appreciate you taking the time.

As of today 3/2/23, we're still without water. Today is day 8. I contacted BBW on Tuesday and haven't received any updates.

Address: 150 Midway Ranch rd, boulder creek, 95006

I know of one other neighbor on our road who is currently out as well. However most neighbors have water storage tanks so it's hard to tell if others are actually out as well.

Thanks.

Lauren Tranchita  
RN, BSN

> On Mar 1, 2023, at 10:33, Graff, Kyle@Waterboards <Kyle.Graff@waterboards.ca.gov> wrote:

>

> Hello Lauren,

>

> Thank you for the email. Our office is aware of widespread outages that occurred on the morning of February 28th in Big Basin Water Company's service area. Big Basin Water Company stated the cause of the outages was located, isolated, and the rest of the water system was back in service. A system-wide Boil Water Notice was issued yesterday afternoon (February 28th) in response to the outages. A copy of the boil water notice is posted on Big Basin Water Company's website.

>

> I'm unaware of any outages dating all the way back to February 22nd. Are you still experiencing an outage today? Can you provide your address so we can investigate this further? Do you know if other customers on your road are

also experiencing a water outage still?

>

> The State Water Board is working with other State and local agencies to determine the best short and long-term plan forward for Big Basin Water Company and its customers. The Division of Drinking Water continues to regulate Big Basin Water Company and enforce drinking water regulations. Please continue to contact our office and other State and local agencies and representatives if you have further comments or questions.

>

> Thank you,

> Kyle Graff

> Water Resource Control Engineer

> Division of Drinking Water

> State Water Resources Control Board

>

>

>

> -----Original Message-----

> From: Lauren Tranchita [REDACTED]

> Sent: Tuesday, February 28, 2023 6:28 PM

> To: Graff, Kyle@Waterboards <Kyle.Graff@Waterboards.ca.gov>

> Cc: Matthew Tranchita [REDACTED]

> Subject: Big Basin Water Outage

>

> EXTERNAL:

>

>

> Hi Kyle,

>

> I was given your email from another big basin water customer.

>

> We've been without water since Wednesday 2/22. I've contacted Big Basin Water twice and have been told they're not able to make the necessary repairs due to the rain, despite having a 2 day break in the storm. I understand safety comes first, however I'm feeling frustrated that this has lasted so long.

>

> In addition, we've been out of water at least 3 other times this year. Usually lasting between 1-3 days.

>

> I'm curious what the water board can do to support our small community.

>

> Thank you.

>

> Lauren Tranchita

> RN, BSN

From: [Graff, Kyle@Waterboards](mailto:Graff, Kyle@Waterboards)  
To: [sue.welsh](mailto:sue.welsh)  
Subject: RE: Big Basin Water outage  
Date: Wednesday, March 1, 2023 11:07:00 AM

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Hello Sue,

Thank you for the email. The Division of Drinking Water is aware of widespread outages that occurred on the morning of February 28th in Big Basin Water Company's service area. Big Basin Water Company stated the cause of the outages was located, isolated, and the rest of the water system was back in service. A system-wide precautionary Boil Water Notice was issued yesterday afternoon (February 28th) in response to the outages. A copy of the boil water notice is posted on Big Basin Water Company's website. Big Basin Water Company is required to complete delivery of boil water notices within 24 hours via a direct method such as mail, phone call, or email.

The State Water Board is working with other State and local agencies to determine the best short and long-term plan forward for Big Basin Water Company and its customers. The Division of Drinking Water continues to regulate Big Basin Water Company and enforce drinking water regulations. Please let me know if you have any other questions or comments.

Thank you,  
Kyle Graff

**From:** sue.welsh [REDACTED]  
**Sent:** Tuesday, February 28, 2023 7:57 PM  
**To:** Graff, Kyle@Waterboards <Kyle.Graff@Waterboards.ca.gov>  
**Subject:** Big Basin Water outage

EXTERNAL:

HI, I LIVE IN BOULDER CREEK AT 211 COMPASS CT., I RENT A STUDIO AT THIS ADDRESS. WE ARE ONCE AGAIN WITHOUT POTABLE WATER AND WERE NOT NOTIFIED OF THE PROBLEM OR THE BOIL WATER NOTICE UNTIL IT WAS SEVERAL HOURS OLD. NO ONE IS CERTAIN IF WE'RE GOING TO RUN OUT OF WATER OR HOW LONG THIS BOIL WATER NOTICE WILL TAKE. THIS IS NOT NEW AND TRUST THE WATER BOARD, BUT NOT BBW. IF YOU HAVE ANY INFORMATION ABOUT THIS, I'LL SHARE WITH THE OTHER FAMILIES. THANK YOU, SUE WELSH [REDACTED]

From: [Graff, Kyle@Waterboards](mailto:Graff, Kyle@Waterboards)  
To: [John Arrasjid](#)  
Subject: RE: Big Basin Water outage  
Date: Friday, March 3, 2023 11:59:00 AM

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Hello John,

My office – the Division of Drinking Water of the State Water Resources Control Board – has issued enforcement actions, some with fines, to Big Basin Water Company. In the enforcement actions, the Division of Drinking Water directed Big Basin Water Company to increase source capacity and reliability (by drilling new wells for example). Big Basin Water Company has not yet complied with this directive and we continue to pursue further enforcement.

Regarding installing a private well for your residence, that would have to be discussed with Big Basin Water Company as it may violate their cross-connection control ordinance. The County of Santa Cruz is responsible for permitting new private wells, so you may want to reach out to them. My office does not have any jurisdiction over the construction of new private wells.

I hope this helps. Let me know if you have any other questions.

Kyle Graff

**From:** John Arrasjid [REDACTED]  
**Sent:** Thursday, March 2, 2023 11:23 AM  
**To:** Graff, Kyle@Waterboards <Kyle.Graff@Waterboards.ca.gov>  
**Subject:** Re: Big Basin Water outage

EXTERNAL:

Thank you. I do have a follow up. We are aware that there are many things that need to be fixed and the county (or PUC) has issued fines related to this. Big Basin Water says they are looking at selling some of their watershed property, but given we have only one well and no surface water (due to the 2020 CZU fires), we are all concerned if that will make the situation worse. This last outage is only one of many that have happened. We average outages about once every 1-2 months, in some cases for several days.

Any help your team can provide would be greatly appreciated. Is there any way you can step in and allow residents to also put their own wells in place, especially for people that have medical conditions? Right now when water is out, we've been luck to have San Lorenzo Valley allow us to fill water barrels in town, but this has been going on for 2 years now.

Thank you for your help on this. We understand this is a challenging problem to solve given it is family owned and operated, they have not had sufficient insurance coverage, and have infrastructure that needs to be fixed.

john

On Thu, Mar 2, 2023 at 9:06 AM Graff, Kyle@Waterboards <[Kyle.Graff@waterboards.ca.gov](mailto:Kyle.Graff@waterboards.ca.gov)> wrote:

Hello John,

Thank you for the email. The Division of Drinking Water is aware of the widespread outages that occurred on February 28th in Big Basin Water Company's service area. A system-wide precautionary Boil Water Notice was issued in response to the outages. A copy of the boil water notice is currently posted on Big Basin Water Company's website.

The State Water Board is working with other State and local agencies to determine the best short and long-term plan forward for Big Basin Water Company and its customers. The Division of Drinking Water continues to regulate Big Basin Water Company and urges them to complete the required sampling to lift the boil water notice as soon as possible. Please let me know if you have any other questions or comments. We appreciate your input.

Thank you,  
Kyle Graff

-----Original Message-----

From: John Arrasjid [REDACTED]  
Sent: Wednesday, March 1, 2023 1:23 PM  
To: Graff, Kyle@Waterboards <[Kyle.Graff@Waterboards.ca.gov](mailto:Kyle.Graff@Waterboards.ca.gov)>  
Subject: Big Basin Water outage

EXTERNAL:

FYI. Yesterday we had another water outage at our house tied to Big Basin Water. This continues to be a recurring issue where water goes out and it takes a long time to repair, followed by a multi day boil order. If I was allowed to do it, I would pay to get a well installed. We are not allowed, yet the county is not helping resolve our water crisis that was bad before the CZU fires, and is now much worse. Every time there is a power outage, we are told a to conserve water as we will run out for extended power outages.

Thank you for taking this input to help us relieve the issues we've been facing for several years.

From: [Graff, Kyle@Waterboards](mailto:Graff, Kyle@Waterboards)  
To: [Kelton Shields](#)  
Subject: RE: Big Basin Water Company boil water notification  
Date: Monday, March 6, 2023 10:26:00 AM

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Hello Kelton,

Thank you for letting us know. We are aware of Big Basin Water Company's failures to adequately notify its customers of boil water notices. We plan to include these violations of the notification requirements in a future enforcement action to Big Basin Water Company.

Thank you,  
Kyle Graff

**From:** Kelton Shields [REDACTED]  
**Sent:** Monday, March 6, 2023 9:51 AM  
**To:** Graff, Kyle@Waterboards <Kyle.Graff@Waterboards.ca.gov>  
**Subject:** Re: Big Basin Water Company boil water notification

EXTERNAL:

Hey Kyle,  
I wanted to let you know that they never distributed any such letter to me or any of my neighbors. This is the same as what happened the last time there was an outage. I wanted to see if there was a way you guys can follow up with them as this this ongoing issue. It's caused us to not feel safe about drinking the water because we don't know when there is a boil water notice.

Sincerely,  
Kelton Shields

On Mon, Mar 6, 2023 at 9:37 AM Graff, Kyle@Waterboards <[Kyle.Graff@waterboards.ca.gov](mailto:Kyle.Graff@waterboards.ca.gov)> wrote:

Hello Kelton,

Thank you for the email. Drinking water regulations require Big Basin Water Company to follow its emergency notification plan. Their emergency notification plan states they will complete hand delivery of the notice to all affected customers.

Other acceptable direct delivery methods could include a direct phone call, email, or a mailed or hand delivered hard copy of the notice. The notice must be distributed as soon as possible and within 24 hours.

Secondary (non-direct) delivery methods, such as posting the notice to the water company's website or to Facebook or Nextdoor, do not meet the requirements for direct delivery.



The Division of Drinking Water has notified Big Basin Water Company that posting boil water notices to its website and social media sites is not adequate. Big Basin Water Company has reportedly been asking customers for their email and phone numbers to build a database of contact info so they can properly notify customers quickly and directly.

Please let me know if you have any other questions or comments. Thank you,  
Kyle Graff

**From:** Kelton Shields [REDACTED]  
**Sent:** Sunday, March 5, 2023 6:05 PM  
**To:** Graff, Kyle@Waterboards <[Kyle.Graff@Waterboards.ca.gov](mailto:Kyle.Graff@Waterboards.ca.gov)>  
**Subject:** Big Basin Water Company boil water notification

EXTERNAL:

Hey Kyle,

I was wondering what forms of notification Big Basin Water Company needs to provide when there's a boil water notice. They didn't send out any letters or anything with the boil water notice that is in effect. They just posted on their website a day after the water went out. It seems like they're using the Nextdoor app as what they consider as official forms of notification, and have set up a new page there. I wanted to see if this was the correct method of notifying, because many of their customers are not on that app.

Is Big Basin supposed to send letters to each other affected residences?

Sincerely,  
Kelton Shields

From: [Graff, Kyle@Waterboards](mailto:Graff, Kyle@Waterboards)  
To: [Trudi James](#)  
Subject: RE: Big Basin Water outage  
Date: Monday, May 8, 2023 2:17:00 PM

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Hello Trudi,

Thank you for notifying us of the outage and I apologize for the frustrating situation. Big Basin Water Company reports that water service is restored to all customers. Please be aware areas that experienced the outage are under a precautionary boil water notice until Big Basin WC completes testing to show the water is safe to drink. A copy of the boil water notice is currently on Big Basin WC's website. Please continue to report any further outages directly to Big Basin WC. We appreciate your comments.

Let me know if you have any other comments or questions.

Thank you,  
Kyle Graff, P.E.  
Division of Drinking Water  
State Water Resources Control Board

**From:** Trudi James [REDACTED]  
**Sent:** Saturday, May 6, 2023 6:35 PM  
**To:** Graff, Kyle@Waterboards <Kyle.Graff@Waterboards.ca.gov>  
**Subject:** Big Basin Water outage

EXTERNAL:

Fortunately I got some texts from my condo association notifying me that the water was out. None of us were notified by Big Basin Water even though many, including me, had given Big Basin Water our email and phone numbers.

There is a posting on the website which the condo group text directed me too. It says the water will be out until a leak is fixed with no estimates. And no information if the water I had already drawn, sitting on my counter is safe.

There was no notice when the water was gritty and discolored recently, and no follow up to my phone call reporting it, and no notice if I should be boiling water again. Therefore I have no confidence I will be told if and when the water is safe after this leak is fixed.

Have to rely on San Lorenzo Water for drinking and cooking, the access which is 10 minutes drive away. And have no water for flushing, shower or laundry.

I realize that it is a big job for a family to run a water service for a growing town. And, I expect that if I am paying for a service, that the service, that what I am paying for will be delivered. In this case, I am paying for reliable and, most importantly, safe water. At the very least, even a small company can put things in place to communicate with the community, again, a factor of safety as well as convenience.

Thank you for reading

Trudi James

Boulder Creek Golf Course Condos Unit 2.

## Mooney, Laura@Waterboards

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**From:** Graff, Kyle@Waterboards  
**Sent:** Monday, May 8, 2023 2:16 PM  
**To:** sseeger [REDACTED]  
**Subject:** RE: Water Outage

Hello Sue,

Thank you for notifying us of the outage and I apologize for the frustrating situation. Big Basin Water Company reports that water service is restored to all customers. Please be aware areas that experienced the outage are under a precautionary boil water notice until Big Basin WC completes testing to show the water is safe to drink. A copy of the boil water notice is currently on Big Basin WC's website. Please continue to report any further outages directly to Big Basin WC. We appreciate your comments.

Let me know if you have any other comments or questions.

Thank you,  
Kyle Graff, P.E.  
Division of Drinking Water  
State Water Resources Control Board

-----Original Message-----

From: sseeger@ [REDACTED]  
Sent: Saturday, May 6, 2023 5:12 PM  
To: Graff, Kyle@Waterboards <Kyle.Graff@Waterboards.ca.gov>  
Subject: Water Outage

EXTERNAL:

Big Basin Water Co. has shut off the water to Boulder Creek Country Club Villa II due to a water leak. He is the owner of a private company of 3 people and said he isn't going to work on the weekend to find the problem. We won't have water until problem is found and fixed. How can this be? If it is your company don't you need to work sometimes? It affects 22 dwellings. We have handicapped, young and old people that need a toilet at the very least. Nothing is being provided for us. Just no water.

Warm Regards,  
Sue Seeger, Realtor  
CalBRE #01716913  
David Lyng Real Estate  
(831)227-1344

<https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.sueseeeger.com%2F&data=05%7C01%7CKyle.Graff%40waterboards.ca.gov%7Cce5d22710c8e4f79325808db4e8fc055%7Cfe186a257d4941e6994105d2281d36c1%7C0%7C0%7C638190151538853651%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Ikh1aWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&sdata=NwyhrH70J%2FnsV%2ByTvGXS0KjRz02OrFxOSmT%2BBhT9Fzo%3D&reserved=0>

# EXHIBIT U

## State Water Resources Control Board

February 28, 2023

(Via email and Certified Mail)

**CERTIFIED MAIL**

**NO. 7022 0410 0001 5229 6096**

Thomas James Moore, Owner  
Shirley Moore, Owner  
Big Basin Water Company  
PO Box 197  
Boulder Creek, CA 95006  
[sjm16595@gmail.com](mailto:sjm16595@gmail.com)

**SUBJECT: BIG BASIN WATER COMPANY (SYSTEM 4410001)**

Dear Mr. and Mrs. Moore:

The State Water Resources Control Board (State Water Board) Division of Drinking Water (Division) has engaged the Office of Enforcement regarding Big Basin Water Company's (BBWC) continued violations of the California Safe Drinking Water Act and its implementing regulations, as well as multiple Citations and a Compliance Order issued to BBWC by the Division. Despite the Division's repeated enforcement efforts, there has been no improvement in the condition of BBWC's water system.

Ownership and operation of a public water system constitutes a significant public responsibility. As you know, BBWC must ensure a reliable and adequate supply of water at all times that is pure, wholesome, potable, and does not endanger the health of its consumers. BBWC is not currently satisfying that obligation as it does not have the technical, managerial, and financial capacity to operate a public water system, and it is unresponsive to the rules and orders of the Division. We summarize these issues below to provide context for our proposed solution and ask that you agree to attend a meeting with us on March 14, 2023, to discuss an immediate and long-term solution to BBWC's continued violations.

**Lack of Technical Capacity: BBWC's Source Capacity Deficiency and Persistent Water Outages and Boil Water Notices**

Although there is a history of regulatory compliance issues at BBWC, we confine our discussion to events that began with the Division's issuance of 2018 Sanitary Survey Report for BBWC, which identified deficiencies in the water system and made recommendations for corrective action. Among other deficiencies, the Division identified BBWC's noncompliance with source capacity regulations. At that time, BBWC's primary water source was surface water from Corvin Creek and Jamison Springs as well as a horizontal well. Surface water was treated at BBWC's surface water treatment plant (SWTP). BBWC's second water source was groundwater from Well 4, which supply is limited and was used only as a backup source.

Office of Enforcement | 801 K Street, Suite 2300 | Sacramento, CA 95814 | 916.341.5272

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

On March 3, 2019, BBWC provided its written response to the 2018 Sanitary Survey Report, setting forth corrective actions for each deficiency identified by the Division. In total, BBWC estimated that its planned corrective actions would cost **\$2,877,900.00**. Included within that estimate were costs to address BBWC's source capacity deficiency.

Nearly four years later, BBWC has not taken action to increase its source capacity and the problem has grown much worse. Without adequate source capacity, BBWC cannot consistently supply safe drinking water to its customers and public health is endangered. Other deficiencies in BBWC's system amplify this danger, including BBWC's failure to secure adequate backup power for its system and its failure to repair and replace storage and distribution facilities. The threat to public health became a reality in October 2019, when Pacific Gas & Electric instituted a public safety power shutoff due to high fire danger. Despite ample notice of the planned power outage, BBWC was unable to adequately respond and experienced a water outage on October 28 and 29, 2019, which required BBWC to issue a boil water notice to affected customers. BBWC thereafter did not comply with the Division's repeated requests that BBWC provide a power outage response plan to eliminate the recurrence of the problem.

In February 2020, the Division issued another report documenting deficiencies at BBWC's SWTP. The report was rendered moot when the CZU Lightning Complex Fire destroyed the SWTP and damaged other parts of BBWC's system in August 2020. As a result, BBWC was left with only one water source – Well 4 – and its source capacity deficiency became even more dire. Well 4, alone, cannot satisfy BBWC's source capacity requirement under any scenario. Moreover, reliance on a single water source is rarely acceptable because there is no backup in the event of a failure, such as a problem with Well 4's operation. Following the fire, BBWC's system deficiencies and fire-related water quality impacts resulted in BBWC's customers being under a do not drink / do not boil notice from August 2020 through January 2021. Because BBWC failed to take any steps to address the source capacity deficiency, the Division issued Compliance Order 02\_05\_21R\_001 on April 9, 2021. The Compliance Order directed BBWC to obtain a second water source or establish a permanent interconnection to a nearby water system in the event Well 4 fails or is out of service for any reason. In response, BBWC first suggested it would install a temporary surface water treatment plant at the site of the former SWTP and then later proposed it would drill another well. In 2021, after the Division spent significant time reviewing the temporary surface water treatment plant proposal, BBWC notified the Division the project was not moving forward. To date, no progress has been made on constructing these or any other long-term solution.

The deleterious impact on BBWC's customers from BBWC's failures has been continuous. On June 27, 2021, BBWC experienced another water outage, leading to issuance of a boil water notice and the Division's issuance of Citation 02\_05\_21C\_021. The Division directed BBWC to take specific actions to reliably provide water without outages, including by replacing pumps and appurtenances. BBWC did not comply. In October 2021, BBWC experienced more water outages, leading to another boil water notice and the Division's issuance of Citation 02\_05\_21C\_021. In the cover letter



enclosing that citation, the Division informed BBWC that it was considering additional enforcement options, including seeking the appointment of a receiver. BBWC then agreed in writing to pursue consolidation with San Lorenzo Valley Water District (SLVWD) as a permanent long-term solution. However, BBWC did not enter into an interim management or other agreement with SLVWD, leaving BBWC responsible for continued operations of its system. In July 2022, BBWC customers notified the Division they were experiencing frequent water outages, leading to another boil water notice on July 26, 2022. BBWC reported to the Division that the outages were caused by the absence of any backup power for Well 4, which nearly two years after the CZU Lightning Complex Fire had still not been addressed by BBWC. In September 2022, BBWC customers again complained to the Division about a water outage. The Division's repeated inquiries to BBWC regarding securing a back-up power generator were met with delay and no action, leading the Division to issue Citation 02\_05\_22C\_060 on September 22, 2022. Only then did BBWC take limited action—it obtained the necessary generator, which it did not purchase or lease but instead received as a loan from SLVWD.

BBWC did not take any other action to address its technical deficiencies, and the danger to public health continued to grow. Over the New Year holiday and throughout the month of January and into February 2023, BBWC's system was plagued with problems and water outages, necessitating multiple boil water notifications. While the precipitating event was a series of storms that struck California, the duration and seriousness of BBWC's water outages went far beyond what would be experienced by a functioning water system and was exacerbated by BBWC's inaction in response to the Division's prior enforcement efforts. BBWC's failures required issuance of a system-wide boil water notice. Many customers suffered water outages that lasted two weeks or more. SLVWD and BBWC reported to the Division that the motor starter in Well 4 failed, demonstrating why reliance on a single water source is dangerous and requires corrective action. This issue was resolved because of mutual aid provided by SLVWD.

The seriousness and extent of the system failures BBWC experienced would not have occurred if it had complied with the Division's past enforcement actions, including directives that BBWC (1) comply with source capacity requirements of the California Code of Regulations, title 22, section 64554(a)(2);<sup>1</sup> (2) maintain and follow a Water System Operations and Maintenance (O&M) Plan pursuant to the California Code of Regulations, title 22, section 64600, including a plan and procedure for responding to water supply emergencies caused by a power outage and having a power outage response plan that provides for a backup power supply;<sup>2</sup> (3) secure backup water supply in the event of an outage or failure of Well 4;<sup>3</sup> and (4) address the corrective actions identified in the 2018 Sanitary Survey Report, including correct or replace existing storage tank, booster station, and distribution system deficiencies.<sup>4</sup> Of equal

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<sup>1</sup> See Compliance Order 02\_05\_21R\_001; Citation 02\_05\_21C\_030.

<sup>2</sup> See Compliance Order 02\_05\_21R\_001; Citation 02\_05\_21C\_030; Citation 02\_05\_22C\_060.

<sup>3</sup> See Compliance Order 02\_05\_21R\_001; Citation 02\_05\_21C\_030.

<sup>4</sup> See Compliance Order 02\_05\_21R\_001; Citation 02\_05\_21C\_021; Citation 02\_05\_21C\_030.

concern is that BBWC's multiple water outages and system failures would not have been fixed but for the technical knowledge and volunteer work performed by SLVWD.

BBWC's failure to comply with California's Safe Drinking Water Act and the Division's orders have led to a system on brink of collapse. BBWC's consolidation with SLVWD—the only viable long-term solution offered to date by BBWC—is now off the table, as SLVWD's Board of Directors has suspended efforts to pursue a consolidation with BBWC and terminated negotiations, as decided at SLVWD's Board of Directors meeting held February 16, 2023. Even if BBWC were to finally take on the work that is needed to correct all technical deficiencies, including obtaining the massive capital investment that is required to fund necessary improvements, BBWC's corrective actions will take years. BBWC's crumbling water system does not have years of operation left in it, and relying solely on SLVWD's continued voluntary aid is not only questionable given SLVWD Board of Director's recent decision but it is also not a viable long term technical plan. In the view of the Division and the Office of Enforcement, necessary change begins with resolving the managerial and resource challenges that BBWC has faced for some time.

#### **Lack of Managerial Capacity: BBWC's O&M Failures and Its Inability to Adequately Staff Operations**

Managerial capacity includes developing and implementing the appropriate planning and written policies for ordinary operations as well as emergency and disaster situations. Some of BBWC's managerial failings with respect to required O&M plans and implementation are summarized above, as is BBWC's current reliance on free aid from SLVWD to maintain operations. With only the two of you, as well as your son performing any work on behalf of the company, BBWC is plainly understaffed, both as to ordinary and emergency operations, as well as with respect to providing the customer service required of a public water system.

In recent years, BBWC has been crippled by poor communication with customers and with the Division. Although it is BBWC's obligation to inform the Division of water outages as they occur, it has become common that the Division first learns of BBWC water outages through complaints it receives from BBWC's customers. Those customers also often complain that BBWC does not respond at all to their customer inquiries. Not only is BBWC unwilling to communicate with its customers, but it also lacks the capacity to do so when required, as demonstrated in January 2023, when BBWC was unable to deliver boil water notices in accordance with the California Code of Regulations, title 22, section 64463.1, because BBWC does not maintain a list of customer contact information. BBWC's solution was to post the boil water notices on its website, which is not an authorized method of public notification under section 64463.1 and is particularly inappropriate because BBWC's website is not regularly maintained and often includes outdated information. BBWC's methods of communication, including its failures to communicate, create confusion and present a danger to public health.

Maintaining managerial capacity also includes the ability to follow through on consolidation, sale, or other long-term solutions to critical operations problems. There is a history of BBWC having a proposed plan for a large-scale improvement project, a consolidation, or a sale of the company that never comes to fruition. BBWC has also demonstrated that it does not have the managerial capacity to follow through on the Division's orders and directives. While the Moore family no doubt believes it is doing its best under challenging circumstances, it is not nearly enough. Additional resources, including managerial expertise, are needed to get a long-term plan over the finish line and bring BBWC's system back into compliance.

**Lack of Financial Capacity: BBWC's Failure to Fund and Invest the Monies Needed to Operate a Public Water System**

BBWC is a privately held, for-profit corporation operating a drinking water utility. It is charged with knowing and observing all applicable statutory and regulatory requirements not only to ensure that it provides safe drinking water but also to ensure it accurately budgets for current and future O&M costs and secures the funds necessary for regulatory compliance. Standard financial management would include seeking timely and appropriate rate increases from the California Public Utilities Commission (CPUC), applying for assistance from federal, state, and industry programs as assistance becomes available, raising capital through debt and/or equity financing, obtaining insurance, selling, leasing, or encumbering corporate assets, such as the hundreds of acres of watershed land owned by BBWC, and otherwise maximizing corporate assets.

Instead of adopting these practices, BBWC has operated for years without making necessary repairs, without replacing outdated infrastructure, without resolving known and serious source capacity issues, and without making any capital investments in the system or financial contributions to the corporation. The necessary costs to continue to operate BBWC are substantial—BBWC estimated those costs at \$2,877,900.00 in 2019, which amount has likely increased substantially given the 2020 CZU Lightning Fire and continuing problems with the system. BBWC's consistent response to the Division's enforcement actions, as well as compliance related inquiries prior to 2018, has been to claim that BBWC's current rate structure does not allow for the work needed to bring the water system back into compliance. That response ignores that BBWC's suppressed rate structure, which is far lower than any comparable water system, is a function of BBWC's managerial decisions as to how the corporation has been operated for decades. For too long BBWC has failed to seek appropriate rate increases from the CPUC, access programs available to assist public utilities, or pursue other ways to raise necessary capital. BBWC's failure to maintain the financial capacity to operate its water system does not exempt BBWC from regulatory requirements, as BBWC seems to suggest. It is BBWC's obligation to operate its water system in a manner that ensures all financial requirements can be and are met, including costs that must be incurred to stay in compliance with California's Safe Drinking Water Act and implementing regulations.

### **BBWC's Water System Must Return to Compliance**

The Division and the Office of Enforcement recognize that for decades BBWC and the Moore family have been important members of the Boulder Creek community and provided drinking water that met the primary drinking water standards. However, BBWC has demonstrated it can no longer operate its water system in compliance with California's Safe Drinking Water Act and all regulatory requirements. The Division's next enforcement step could be issuance of a new citation with administrative penalties for BBWC's continued non-compliance with the existing Compliance Order and Citations. By statute, those penalties could total more than \$2,900,000.00.<sup>5</sup> That amount does not include new violations occurring in January 2023.

We nevertheless recognize that penalties alone will not fix the problems with BBWC's water system. We ask that you agree to work with us in formulating a plan for BBWC's water system and the approximately 1,120 Californians that it serves. In our view, a receiver should be appointed to assume possession and operate BBWC's drinking water system for the purpose of bringing BBWC back into compliance and ensure the public has reliable access to safe drinking water. That would include a receiver heading any effort by BBWC to sell the water system to an available buyer. If you are willing to work with our offices, we can jointly implement that solution. Alternatively, the Division and Office of Enforcement will recommend that the State Water Board file an action in the superior court seeking appointment of a receiver. If you have a different proposal that would immediately achieve the same goal, we want to hear and consider it.

We ask that you agree to a meeting at **11:00 a.m. on March 14, 2023**, at the Santa Cruz Board of Supervisor's Meeting Room located at **701 Ocean Street, Room 500, Santa Cruz** to discuss these matters. I will attend that meeting along with Division representatives Jonathan Weininger and Stefan Cajina. Please call me at 916-341-5891 or email me at [Laura.Mooney@waterboards.ca.gov](mailto:Laura.Mooney@waterboards.ca.gov) to confirm your agreement to a meeting. If I do not hear from you by **March 8, 2023**, we will proceed with the next enforcement steps. I look forward to hearing from you.

Sincerely,

 Digitally signed by Laura Mooney  
Date: 2023.02.28 15:33:57 -08'00'

Laura M. Mooney  
Attorney  
**Office of Enforcement**

cc: See next page.

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<sup>5</sup> Pursuant to Health & Safety Code section 116650, BBWC is subject to a penalty of \$1,000.00 a day for each continuing violation, including 423 days of non-compliance of Directives 1, 2, and 5 in Citation 02\_05\_21C\_030, 392 days of non-compliance of Directive 4 in Citation 02\_05\_21C\_030, and 1,246 days of non-compliance of Directive 5 in Citation 02\_05\_19C\_012.

cc: *(via email only)*

Stefan Cajina  
Supervising Sanitary Engineer  
Division of Drinking Water  
[stefan.cajina@waterboards.ca.gov](mailto:stefan.cajina@waterboards.ca.gov)

Jonathan Weininger  
Monterey District Engineer  
Division of Drinking Water  
[jonathan.weininger@waterboards.ca.gov](mailto:jonathan.weininger@waterboards.ca.gov)

Matt Carr, Attorney  
Office of Chief Counsel  
[matthew.carr@waterboards.ca.gov](mailto:matthew.carr@waterboards.ca.gov)

# EXHIBIT V



## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("*Agreement*") is made as of the 9<sup>th</sup> day of March, 2023 by and between CENTRAL STATES WATER RESOURCES, INC., a Missouri corporation, or its assigns ("*Buyer*"), and BIG BASIN WATER COMPANY, INC., a California corporation qualified and registered to transact business in the State of California (individually and collectively "*Seller*"), collectively ("*Parties*").

### ARTICLE I ACQUISITION OF THE PROPERTY

Section I.1 The Property. Subject to the terms and provisions of this Agreement, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, all of the following described property (the "*Property*");

(a) All immovable property, including all right, title and interest therein, described in **EXHIBIT A**, to be attached hereto prior to the conclusion of the Feasibility Period (as hereafter defined) and made a part hereof, including but not limited to any mineral and other subsurface rights, together with all buildings and improvements located thereon, and all appurtenant rights relating thereto, including, but not limited to, warranties and guaranties, access easements and other easements and rights relating thereto, access to utilities, rights of way and similar rights located on or within or relating to any of the foregoing (collectively, the "*Immovable Property*");

(b) All movable property and intangible property used in connection with the ownership and/or operation of the Immovable Property, including, but not limited to, all such property described in **EXHIBIT B**, to be attached hereto prior to the conclusion of the Feasibility Period (as hereafter defined) and made a part hereof, however expressly excluding any and all cash, cash equivalents and banking deposits in existence prior to the Closing, any and all accounts receivable accrued prior to the Closing, and any customer deposits held by Seller (collectively, the "*Movable Property*");

(c) All of Seller's right, title, and interest in and to the area that the System (as defined below) services (the "*Service Area*"), as determined by Buyer and set forth in **EXHIBIT C**, to be attached hereto prior to the Closing (as hereinafter defined) and made a part hereof, including but not limited to, all real property interests such as easements, rights of way, permits and leases related to the System, and including any and all water and sewer facilities, equipment, lines, plants, pipes, manholes, meters, lift or pump stations and appurtenances; and

(d) All property or rights of whatever nature and kind that Seller owns which in any way is used or is useful in the operation of a water and sewer utility system located in Santa Cruz County, California (the "*System*").

#### Section I.2 Purchase Price.

(a) The purchase price (the "*Purchase Price*") for the Property shall be **Two Million Five Hundred Thousand and 00/100 Dollars (\$2,500,000.00)**. The reasonable allocation of the Purchase Price between the categories in Sections 1.01(a) and 1.01(b) of the Property shall be set forth in **EXHIBIT D** prior to the Closing.

(b) The Purchase Price less any Earnest Money shall be payable in cash at Closing by wired funds and shall be paid by Buyer to Seller (to the account notified by Seller to Buyer prior to the Closing Date) on the Closing Date as defined in Section 4.01.

Section I.3 Earnest Money. Within fifteen (15) days after the Effective Date (as defined below), Buyer shall deposit with a title company of its choice (the "*Title Company*") the sum of **Twenty Five Thousand and 00/100 Dollars (\$25,000.00)** as the earnest money under this Agreement (the "*Earnest Money*"). The Earnest Money shall be returned to Buyer or paid to Seller in accordance with the terms and conditions of this Agreement.

Section I.4 Independent Consideration. A portion of the Earnest Money in the amount of One Hundred and No/100 Dollars (\$100.00) (the "*Independent Consideration*") will be distributed to Seller upon any termination of this Agreement as full payment and independent consideration for Seller's execution of this Agreement, for the right of Buyer to review the Property as set out in Article II herein and for the right of Buyer to



purchase the Property upon the terms set forth herein which are granted by Seller and fully vested to Buyer at the time of the deposit of the Earnest Money with the Title Company. The Independent Consideration shall be, under all circumstances, nonrefundable to Buyer and shall be applicable to the Purchase Price.

## **ARTICLE II**

### **SURVEY AND TITLE REVIEW**

Section 2.01 Survey. Buyer shall have the right, for its own benefit, to procure one or more ALTA surveys of the Immovable Property, subject to Section 2.03 (the "*Survey*"). The Survey shall be current, staked, and shall be made on-the-ground and signed, sealed, and certified in favor of Buyer by a duly licensed surveyor selected or approved by Buyer and receipt of the Survey by Buyer prior to Closing, subject to Section 2.03, is a condition to Closing. The cost of the Survey shall be borne by the Buyer.

Section 2.02 Title Insurance. The Buyer shall, within fifteen (15) days after the Effective Date, order and must receive prior to the Closing, subject to Section 2.03, as a condition to Closing, a commitment for title insurance and complete, legible copies of all exception documents (the "*Title Commitment*") issued by the Title Company covering the Immovable Property, binding the Title Company to issue to Buyer at Closing an owner's policy of title insurance paid for by Buyer (the "*Title Policy*") on the standard form of policy in the amount specified by Buyer insuring good, merchantable, and insurable fee simple title to the Immovable Property in Buyer, free and clear of all restrictions, easements, encumbrances, mortgages, liens, claims and other matters except any Permitted Exceptions as defined in Section 2.03.

Section 2.03 Buyer's Review. Buyer shall have until the expiration of the Feasibility Period to examine the Title Commitment and the Survey, and to deliver to Seller in writing Buyer's objections to any items contained or set forth in the Title Commitment or the Survey (the "*Unacceptable Exceptions*"). If Seller is unable or unwilling to eliminate and remove all of the Unacceptable Exceptions, then within fifteen (15) days after receipt of Buyer's written notice, Seller shall notify Buyer in writing of its inability or unwillingness to remove the Unacceptable Exceptions (and such notice shall set forth which Unacceptable Exceptions that Seller is unable or unwilling to remove) and Buyer may terminate this Agreement by giving written notice of such election delivered to Seller. If Buyer so terminates this Agreement, the Earnest Money shall be promptly returned to Buyer, after which neither Party shall have any further rights, duties or obligations hereunder, except as expressly provided in this Agreement to the contrary. If Buyer does not so terminate this Agreement after receiving Seller's written notice, then the Unacceptable Exceptions together with other exceptions not objected to by Buyer shall become Permitted Exceptions (the "*Permitted Exceptions*").

#### Section 2.04 Feasibility Period.

(a) Seller shall allow Buyer and its agents, employees, contractors, and consultants access to the Property to conduct soil and engineering tests, inspections of equipment, personal property, lines and other components of the System and to conduct any other tests Buyer deems necessary or appropriate in its sole and absolute discretion to determine the feasibility of the Property for Buyer's intended use (the "*Feasibility Study*"), for a period of **One Hundred Eighty (180) days** after the Effective Date (the "*Feasibility Period*"). Buyer shall bear all costs and expenses of its investigation and restore the Property to its condition prior to such investigation, ordinary wear and tear excepted.

(b) If Buyer finds the Property unacceptable for any reason or no reason, then Buyer, in its sole and absolute discretion, may terminate this Agreement by written notice to Seller on or before the expiration of the Feasibility Period. If Buyer so terminates this Agreement, the Title Company shall, upon demand by Buyer, promptly return the Earnest Money to Buyer and thereafter neither Party shall have any further rights, duties or obligations to the other hereunder.

(c) Seller shall deliver to Buyer within ten (10) business days after the Effective Date of this Agreement, the most recent title commitments, title policies, surveys, environmental site assessments, preliminary plats and site plans, any cross access and easement documents in connection with the Property, any development

agreements affecting the Property, lease agreements affecting the Property, any customer lists for the System and any other documents Buyer may reasonably request related to the Property and/or the System.

Section 2.05 Other Termination Rights. In addition to any other rights and remedies set out herein (including but not limited to the termination rights in Sections 2.03, 2.04, 3.02(b) and 5.02), the Buyer shall have the right to terminate this Agreement as set out below:

(a) At any time up to and including the Closing Date if the regulatory bodies required to approve the sale of the System and the Property to the Buyer have not fully and unconditionally approved the sale upon the terms set out herein. In Buyer's sole and absolute discretion, Buyer may terminate this Agreement if the necessary regulatory approvals are not fully and unconditionally granted to Buyer in a form reasonably satisfactory to Buyer (as determined in Buyer's sole and absolute discretion) prior to the Closing by giving written notification of such termination to Seller, and upon such termination the Buyer shall receive a prompt return of the Earnest Money.

(b) In the event that, prior to the Closing, all or any portion of the Property is taken, condemned, expropriated, or made the subject of any eminent domain proceedings, or any of the foregoing is threatened (interchangeably, a "Taking"), Buyer may elect to either move to Closing and receive any Taking proceeds, plus an assignment of Seller's right, title, and interest thereto and claim therefor, as full satisfaction for the Taking, or Buyer may terminate this Agreement, and upon such termination the Buyer shall receive a prompt return of the Earnest Money. Buyer shall notify Seller as to which option it elects within five (5) days prior to the Closing. If Buyer does not receive written notice of a Taking more than five (5) days prior to the Closing, the Closing Date shall be postponed to a date that is not less than five (5) days after Buyer's receipt of written notice of a Taking.

Section 2.06. Effect of Termination. Subject to Article V, upon the termination of this Agreement, the Title Company shall pay the Earnest Money to the appropriate party in accordance with the terms and conditions of this Agreement, and upon such payment being made the Parties shall have no further liability hereunder (except with respect to liabilities of Seller accruing prior to such termination and those obligations hereunder which survive the termination of this Agreement).

### ARTICLE III REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 3.01 Representations, Warranties and Covenants of Seller. Seller hereby represents and warrants to Buyer that the facts recited below are true, complete and accurate as of the date hereof and will continue to be true, complete and accurate at Closing:

(a) Seller is a corporation duly formed and in good standing under the laws of the State of California, is qualified to conduct business in the State of California and has the requisite power and authority to enter into and to perform the terms of this Agreement without obtaining any further consents or approvals from, or the taking of any other actions with respect to, any third parties. Seller to the best of its knowledge is not subject to any law, order, decree, restriction or agreement that prohibits or would be violated by this Agreement or the consummation of the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby have been duly authorized by all requisite action of Seller. This Agreement constitutes, and each document and instrument contemplated hereby to be created and delivered by Seller, when executed and delivered, shall constitute the legal, valid, and binding obligation by Seller, enforceable against Seller in accordance with its respective terms (subject to bankruptcy, reorganization and other similar laws affecting the enforcement of creditors' rights generally).

(b) Neither the execution, delivery and performance of this Agreement, nor the consummation of the transactions contemplated hereby is in violation of any other agreement executed by Seller, is prohibited by, or requires Seller to obtain any consent, authorization, approval or registration under any law, statute, rule, regulation, judgment, order, writ, injunction or decree which is binding upon Seller, other than any regulatory approvals disclosed in writing to Buyer.



(c) Seller has and will have at Closing good, merchantable, and insurable title, in fee simple, to the Property, free and clear of all mortgages, liens, claims, or other encumbrances (except those required by the Title Company in the Title Commitment to be fully satisfied with the Purchase Price at the Closing).

(d) To be best of Seller's Knowledge there are no pending or threatened condemnation, liens, claims, other encumbrances, special assessments, or similar proceedings or charges affecting the Property or Seller by any governmental authority.

(e) Seller is not a foreign corporation, foreign partnership, foreign trust, or foreign estate, or non-resident alien for purposes of US income taxation, pursuant to Section 1445 of the Internal Revenue Code.

(f) Seller has not: (i) filed any voluntary or had involuntarily filed against it in any court or with any governmental body pursuant to any statute either of the United States or of any State, a petition in bankruptcy or insolvency or seeking to effect any plan or other arrangement with creditors, or seeking the appointment of a receiver; (ii) had a receiver, conservator or liquidating agent or similar person appointed for all or a substantial portion of its assets; (iii) suffered the attachment or other judicial seizure of all, or substantially all of its assets; (iv) given notice to any person or governmental body of insolvency; or (v) made an assignment for the benefit of its creditors or taken any other similar action for the protection or benefit of its creditors. Seller is not insolvent and will not be rendered insolvent by the performance of its obligations under this Agreement.

(g) There are no leases affecting any portion of the Property except such leases disclosed to Buyer in writing by Seller and there are no options, rights of first refusal or contracts granting any rights to acquire any right, title or interest in any portion of the Property, except as listed in the Title Commitment, if any.

(h) Seller has not received any notice of any violation of any ordinance, regulation, law or statute of any government agency or instrumentality pertaining to the Property and/or the System or any portion thereof which has not been complied with in all respects.

(i) There is no action, suit, proceeding or claim affecting Seller, the Property and/or the System, relating to or arising out of any lease, option or contract affecting the Property or the System, or the ownership, operation, use or occupancy of the Property or the System, pending or being prosecuted in any court or by or before any agency or other governmental instrumentality nor, to the best of Seller's Knowledge, has any such action, suit, proceeding or claim been threatened or asserted. There is no proceeding pending or presently being prosecuted in connection with the assessed valuation or taxes of other impositions payable in respect of any portion of the Property.

(j) No work has been performed or is in progress at, and no materials have been furnished to, the Property which might give rise to mechanic's, materialman's or other liens against the Property.

(k) The Property currently has or will have at Seller's sole cost and expense prior to the Closing cross access and easements rights and benefits providing pedestrian and vehicular access to and from the Property and all components within the System necessary to operate the same.

(l) The buildings and improvements, if any, that constitute part of the Immovable Property are structurally sound and there are no defects known to Seller that have not been disclosed to the Buyer in writing by Seller.

(m) To the best of Seller's Knowledge, there are no pending or contemplated zoning changes, variances, special zoning exceptions, conditions or agreements affecting, or potentially affecting the Property or any part thereof.

(n) To the best of Seller's knowledge, and except as has been disclosed to Buyer in writing by Seller, the Property complies with all applicable laws of all governmental or quasi-governmental authorities having jurisdiction over, against or affecting the Property. Seller has not received written notice of any, and there are no violations of any laws, similar rules and regulations relating and/or applicable to the ownership, use and operation of

the Property as it is now operated, and/or other licenses or permits, which remain uncured. All governmental or quasi-governmental occupancy and use permits, licenses, consents, approvals, permits, authorizations, certificates, and other requirements of the authorities necessary or required for the continued use and operation of the System and/or the Property for the purposes for which the same are intended (collectively, "Approvals"), if any, have been unconditionally and finally issued and paid for and are in full force and effect in accordance with the respective terms thereof. All work or conditions required to be performed or fulfilled pursuant to the Approvals (on or off-site) have been fully performed in accordance with the requirements thereof and the Property fully complies with the Approvals.

(o) To the best of Seller's Knowledge, there is no fact or condition which materially and adversely affects the business, operations, affairs, properties or condition of Seller or the Property, which has not been set forth in this Agreement or in the other documents, certificates or written statements furnished to Buyer in connection with the transactions contemplated hereby.

(p) To the best of Seller's Knowledge, no representation or warranty made by Seller in this Agreement, in any Exhibit attached hereto, or in any letter or certificate furnished to Buyer pursuant to the terms hereof, each of which is incorporated herein by reference and made a part hereof, contains any untrue statement of a fact or omits to state a fact necessary to make the statements contained herein or therein not misleading.

(q) Environmental Matters.

(i) Except as disclosed on the attached **EXHIBIT E**, to be attached hereto at least thirty (30) days prior to the conclusion of the Feasibility Period and made a part hereof, to the best of Seller's Knowledge, the Property is currently and has been in compliance with all Environmental Laws (as defined below) and Seller has not received any: (i) Environmental Notice (as defined below) or Environmental Claim (as defined below); or (ii) written request for information pursuant to Environmental Law, which, in each case, either remains pending or unresolved, or is the source of ongoing obligations or requirements as of the Closing.

(ii) Except as disclosed on the attached **EXHIBIT F**, to be attached hereto at least thirty (30) days prior to the conclusion of the Feasibility Period and made a part hereof, to the best of Seller's Knowledge, Seller has obtained and is in material compliance with all Environmental Permits (as defined below) (each of which is disclosed on **EXHIBIT F**) necessary for operating the System or use of the Property and all such Environmental Permits are in full force and effect and shall be maintained in full force and effect by Seller through the Closing in accordance with Environmental Law, and Seller is not aware of any condition, event or circumstance that might prevent or impede, after the Closing, the operation of the System as currently conducted or the ownership, lease, operation or use of the Property. With respect to any such Environmental Permits, Seller has undertaken, or will undertake prior to the Closing, all measures necessary to facilitate transferability of the same, and Seller is not aware of any condition, event or circumstance that might prevent or impede the transferability of the same and has not received any Environmental Notice or written communication regarding any material adverse change in the status or terms and conditions of the same.

(iii) None of the Property is listed on, or to the best of Seller's Knowledge, has been proposed for listing on, the National Priorities List (or CERCLIS) under CERCLA (as defined below), or any similar state list.

(iv) To the best of Seller's Knowledge, there has been no Release of Hazardous Materials (as defined below) in contravention of Environmental Law with respect to the Property or any real property currently or formerly owned, leased or operated by Seller in connection with the System, and Seller has not received an Environmental Notice that any of the Property or real property currently or formerly owned, leased or operated by Seller in connection with the System (including soils, groundwater, surface water, buildings and other structure located thereon) has been contaminated with any Hazardous Material which could reasonably be expected to result in an Environmental Claim against, or a violation of Environmental Law or term of any Environmental Permit by, Seller.



(v) To the best of Seller's Knowledge, no underground storage tanks are located on the Immovable Property and no construction debris has been buried on or under the Immovable Property.

(vi) **EXHIBIT G**, to be attached hereto at least thirty (30) days prior to the conclusion of the Feasibility Period and made a part hereof, contains a complete and accurate list of all off-site Hazardous Materials treatment, storage, or disposal facilities or locations used by Seller and, to the best of Seller's Knowledge, any predecessors in connection with the System or the Property as to which Seller may retain liability, and none of these facilities or locations has been placed or proposed for placement on the National Priorities List (or CERCLIS) under CERCLA, or any similar state list, and Seller has not received any Environmental Notice regarding potential liabilities with respect to such off-site Hazardous Materials treatment, storage, or disposal facilities or locations used by Seller.

(vii) Seller has not retained or assumed, by contract or operation of Law, any liabilities or obligations of third parties under Environmental Law.

(viii) Seller has provided or otherwise made available to Buyer, within thirty (30) days of the Effective Date, and listed in **EXHIBIT H**, to be attached hereto within thirty (30) days of the Effective Date and made a part hereof: (i) any and all environmental reports, studies, audits, records, sampling data, site assessments, risk assessments, economic models and other similar documents with respect to the Property or any real property currently or formerly owned, leased or operated by Seller in connection with the System which are in the possession or control of Seller related to compliance with Environmental Laws, Environmental Claims or an Environmental Notice or the Release of Hazardous Materials; and (ii) any and all material documents concerning planned or anticipated capital expenditures required to reduce, offset, limit or otherwise control pollution and/or emissions, manage waste or otherwise ensure compliance with current or future Environmental Laws (including, without limitation, costs of remediation, pollution control equipment and operational changes).

(ix) Seller is not aware of nor reasonably anticipates, as of the Closing, any condition, event or circumstance concerning the Release or regulation of Hazardous Materials that might, after the Closing, prevent, impede or materially increase the costs associated with the ownership, lease, operation, performance or use of the System and Property as currently carried out.

#### Section 3.02 Covenants of Seller.

(a) Seller will own, operate, use and manage the System and the Property only in the ordinary course of business consistent with past practice and in any event will ensure that, any provisions of this Agreement to the contrary notwithstanding, (i) the physical and environmental condition of the Property is the same at the time of the Closing as it is as of the Effective Date, only ordinary wear and tear as to the physical condition excepted, and (ii) Seller's title to the Immovable Property and the survey condition of the Immovable Property is the same at the time of the Closing as it is as of the Effective Date, only improvements to the title condition or survey condition performed or undertaken by Seller to address Unacceptable Exceptions excepted.

(r) Seller shall maintain current hazard insurance in force on the Property until the Closing Date. The risk of loss to the Property shall not pass to Buyer unless and until delivery of possession of the Property is delivered to Buyer. If an event of casualty occurs to the Property prior to Closing, the Buyer may elect to either move to Closing and accept any insurance proceeds and deductible, plus an assignment of all of Seller's right, title, and interest in and to any and all insurance claims, as full satisfaction for the damage to the Property or the Buyer may terminate this Agreement. Buyer shall notify Seller as to which option it elects within five (5) days prior to the Closing, but if Buyer does not receive written notice of such casualty more than five (5) days prior to the Closing, the Closing Date shall be postponed to a date that is not less than five (5) days after Buyer's receipt of written notice of such casualty.

(s) Seller agrees to execute any documents required by the controlling governing authority to replat or rezone the Property.

(t) Seller agrees that from the Effective Date until either the termination of this Agreement or until after the Closing that Seller will not file any notices, requests, compliance documents, pleadings, or any other documents with any governmental or quasi-governmental authority that has jurisdiction over Seller in the operation, regulation or oversight of the System or any other endeavors of Seller (whether related to the System or not) without first providing at least ten (10) days prior notice to the Buyer for review and comment on such filing. In addition, Seller agrees to comply with all reasonable requests to participate in and to reply with requests from either Buyer or any governmental or quasi-governmental authority that has jurisdiction over Seller in the operation, regulation or oversight of the System or any other endeavors of Seller (whether related to the System or not) in order to facilitate approval from such authorities to transfer the System to Buyer.

### Section 3.03. Certain Definitions.

The following definitions apply in this Agreement:

(a) "*CERCLA*" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.

(b) "*Environmental Claim*" means any action, governmental order, lien, fine, penalty, or, as to each, any settlement or judgment arising therefrom, by or from any person alleging liability of whatever kind or nature (including liability or responsibility for the costs of enforcement proceedings, investigations, cleanup, governmental response, removal or remediation, natural resources damages, property damages, personal injuries, medical monitoring, penalties, contribution, indemnification and injunctive relief) arising out of, based on or resulting from: (a) the presence, Release (as defined below) of, or exposure to, any Hazardous Materials; or (b) any actual or alleged non-compliance with any Environmental Law or term or condition of any Environmental Permit.

(c) "*Environmental Notice*" means any applicable law, and any governmental order or binding agreement with any governmental authority: (a) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (b) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials.

(d) "*Environmental Laws*" means any written directive, notice of violation or infraction, or notice respecting any Environmental Claim relating to actual or alleged non-compliance with any Environmental Law or any term or condition of any Environmental Permit. The term "Environmental Laws" includes, without limitation, the following (including their implementing regulations and any state analogs): the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 et seq.; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 et seq.; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 et seq.; and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §§ 651 et seq.

(e) "*Environmental Permits*" means any permit, letter, clearance, consent, waiver, closure, exemption, decision or other action required under or issued, granted, given, authorized by or made pursuant to Environmental Law.

(f) "*Hazardous Materials*" means: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, mineral or gas, in each case, whether naturally occurring or manmade, that is hazardous, acutely hazardous, toxic, or words of similar import or regulatory effect under Environmental Laws; and (b) any petroleum or petroleum-derived products, radon, radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea formaldehyde foam insulation and polychlorinated biphenyls.



(g) "*Knowledge*" or "*Seller's Knowledge*" means the actual knowledge of Seller and each of Seller's Representatives; in each case, after due inquiry.

(h) "*Release*" means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing or allowing to escape or migrate into or through the environment (including, without limitation, ambient air (indoor or outdoor), surface water, groundwater, land surface or subsurface strata or within any building, structure, facility or fixture).

(i) "*Representatives*" in relation to a person means such person's managers, shareholders, members, officers, directors, employees, agents, advisors, affiliates, successors, and permitted assigns and for the avoidance of doubt the Representatives of Seller.

Section 3.04 Indemnification. From and after the Closing, Seller shall defend, hold harmless and indemnify the Buyer and/or Buyer's Representatives (as defined below) (collectively, "*Indemnified Party*") from and against any and all losses, damages, diminutions in value, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of any kind, including professional fees and attorneys' fees, that are suffered or incurred by the Indemnified Party or to which the Indemnified Party may otherwise become subject to at any time (collectively, "*Losses*") arising out of or as a result of: (i) any inaccuracy in or breach of any representation, warranty and/or covenant made by Seller in this Agreement; (ii) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Seller pursuant to this Agreement; (iii) any actual or alleged liability of Seller and/or Seller's Representatives, or any actual or alleged liability of Buyer that derives from any such liability of Seller and/or Seller's Representatives, whether such liability arises before or after the Closing; and (d) any claim by a third party based upon, resulting from or arising out of (A) the business, operations, properties, assets or obligations of Seller conducted, existing or arising on or prior to the Closing; (B) any inaccuracy in or breach of any representation or warranty made by Seller in this Agreement, or any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Seller pursuant to this Agreement; (C) any negligent or more culpable act or omission of Seller or its Representatives (including any reckless or willful misconduct) in connection with the performance of its obligations under this Agreement; or (D) any failure by Seller or its Representatives to comply with any applicable federal, state or local laws, regulations or codes in the performance of its obligations under this Agreement. Notwithstanding anything to the contrary in this Agreement, Seller is not obligated to indemnify, hold harmless, or defend Indemnified Party against any claim (whether direct or indirect) if such claim or corresponding Losses arise out of or result from Indemnified Party's gross negligence or more culpable act or omission (including recklessness or willful misconduct).

Section 3.05 Representations, Warranties and Covenants of Buyer.

Buyer hereby represents and warrants to Seller that the facts recited below are true, complete and accurate as of the date hereof and will continue to be true, complete and accurate at the Closing:

(a) Buyer is a corporation duly formed and in good standing under the laws of the State of Missouri, and has the requisite power and authority to enter into and to perform the terms of this Agreement without obtaining any further consents or approvals from, or the taking of any other actions with respect to, any third parties. Buyer is not subject to any law, order, decree, restriction or agreement that prohibits or would be violated by this Agreement or the consummation of the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby have been duly authorized by all requisite action of Buyer. This Agreement constitutes, and each document and instrument contemplated hereby to be created and delivered by Buyer, when executed and delivered, shall constitute the legal, valid, and binding obligation by Buyer, enforceable against Buyer in accordance with its respective terms (subject to bankruptcy, reorganization and other similar laws affecting the enforcement of creditors' rights generally).

(u) Neither the execution, delivery and performance of this Agreement, nor the consummation of the transactions contemplated hereby is in violation of any other agreement executed by Buyer, is prohibited by, or requires Buyer to obtain any consent, authorization, approval or registration under any law, statute, rule, regulation, judgment, order, writ, injunction or decree which is binding upon Buyer, other than any regulatory approvals disclosed in writing to Seller.



## ARTICLE IV CLOSING

### Section 4.01 Closing.

(a) Subject to the terms and conditions of this Agreement, the Closing of the purchase and sale of the Property pursuant to this Agreement (the "*Closing*") shall take place at the Title Company forty-five (45) days after the later of the expiration of the Feasibility Period and the approval by any regulatory bodies in a form satisfactory to Buyer as set forth in more detail in Section 2.05(a), or (i) such earlier date as is elected by Buyer by giving not less than three (3) days prior notice to Seller, or (ii) such later date as agreed in writing by Seller and Buyer (the "*Closing Date*").

(b) At the Closing, Seller shall deliver to Buyer the following:

(i) A certificate of good standing for Seller plus the requisite duly executed corporate approvals for the sale;

(ii) A general warranty deed in executed form, conveying good, merchantable, and insurable title in fee simple to all of the Immovable Property, free and clear of any and all mortgages, liens, encumbrances, claims, conditions, easements, assessments, and restrictions, except for the Permitted Exceptions, if any;

(iii) A duly executed bill of sale, conveying all of the Movable Property described in **EXHIBIT B**, free and clear of any and all mortgages, liens, claims, restrictions, and encumbrances;

(iv) A duly executed termination of lease, terminating any existing lease agreements encumbering or relating to the Property;

(v) A duly executed assignment of any interest in any other Property used and/or useful in the operation of the System that is owned by Seller;

(vi) Such other instruments and documents that are customarily executed by a seller of immovable property in the county in which the Property is located, including, but not limited to, resolutions or unanimous written consents of the Board of Directors of Seller, and if required the shareholders of Seller, to authorize the sale of the Property to Buyer pursuant to this Agreement;

(vii) Tax statements for calendar year of the Closing;

(viii) Possession of the Property;

(ix) If requested by Buyer, and to the extent assignable, duly executed, conveyances and assignments to Buyer of any and all consents, authorizations, variances, waivers, licenses, permits, and approvals from any federal, state, county, municipal, or other governmental or quasi-governmental agency, department, board, commission, bureau, or other entity or instrumentality relating to the Property, including, without limitation, those relating to environmental, foundation, use, utilities, building, fire, traffic, and zoning heretofore or hereafter held by or granted to Seller (collectively, the "*Approvals*"). No additional consideration shall be due by Buyer for the Approvals, it being understood and agreed by Seller that the Purchase Price covers the Property, the Approvals, and the Claims (as hereinafter defined); and

(x) If requested by Buyer, duly executed assignments to Buyer, with full substitution and subrogation, of any and all claims, actions, rights, causes of action, rights of action, and warranties, whether arising in contract, tort, or otherwise, including, but not limited to, environmental claims, actions, rights, causes of action, rights of action, and warranties, that Seller has or may have against any and all persons and entities as a result of any apparent or non-apparent damage to, destruction of, or diminution in value of the Property, or any part thereof, occurring prior to the Closing (collectively, the "*Claims*"). No additional

consideration shall be due by Buyer for the Claims, it being understood and agreed by Seller that the Purchase Price covers the Property, the Approvals, and the Claims.

(c) At the Closing, Buyer shall deliver to Seller the following:

(i) The Purchase Price; and

(ii) Such other instruments and documents that are customarily executed by a buyer of immovable property in the county in which the Property is located.

Section 4.02 Closing Costs and Prorations. Buyer and Seller hereby covenant and agree that:

(a) Seller shall pay the costs of any roll back taxes, one-half (1/2) of the escrow fee charged by the Title Company, and Seller's attorneys' fees and expenses. Seller shall also pay all fees, costs, and expenses for title curative work and any other work that Seller agrees to perform or undertake in order to address any Unacceptable Exceptions and/or to otherwise enable Seller to sell and deliver to Buyer good, merchantable, and insurable fee simple title to the Property as required by this Agreement.

(b) Buyer shall pay all remaining title fees charged by the Title Company, recording fees, and Buyer's attorneys' fees.

(c) All ad valorem real estate taxes and assessments levied or assessed against the Property shall be prorated according to the calendar year as of the Closing Date, based on the most recent tax bill and assessments levied for the same.

## ARTICLE V DEFAULTS AND REMEDIES

Section 5.01 Buyer's Default and Seller's Remedies.

(a) Buyer's Default. Buyer shall be in default under this Agreement if and only if any and all conditions to be satisfied under the terms of this Agreement prior to the Closing have been satisfied (or duly waived) and Buyer fails or refuses to perform Buyer's obligations at the Closing for any reason other than a default by Seller. For the avoidance of doubt, a termination under Section 2.04 will not constitute an event of default by Buyer.

(b) Seller's Remedies. If Buyer is in default under this Agreement, the sole and exclusive remedy of Seller, shall be receipt of the Earnest Money. Buyer and Seller agree that in such case the Earnest Money shall be liquidated or stipulated damages under California law for a breach or default by Buyer under this Agreement and/or any other actions or claims that could arise out of or are related to this Agreement because of the difficulty, inconvenience, and uncertainty of ascertaining actual damages for such default. Therefore, in no event shall Buyer be liable for or Seller be entitled to any actual damages or any other type of damages or remedy under any action or claim that could arise out of or that could any way relate to this Agreement other than the right to receive the stipulated amount of the Earnest Money as full satisfaction of Seller's claims.

Section 5.02 Seller's Defaults and Buyer's Remedies.

(a) Seller's Defaults. Seller shall be in default under this Agreement on the occurrence of any of one or more of the following events:

(i) Any breach of a representation or warranty made by Seller in this Agreement or failure of any such representation or warranty to be true, accurate and complete; or

(ii) Any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Seller pursuant to this Agreement.

(b) Buyer's Remedies. If Seller defaults under this Agreement (whether before or after the Closing or before termination or after termination in relation to provision that survive termination) Buyer may:

(i) If such default is identified prior to the Closing, terminate this Agreement by written notice to Seller and Title Company, in which event the Title Company shall promptly refund the Earnest Money to Buyer;

(ii) Enforce specific performance of this Agreement against Seller; and/or

(iii) Pursue such other remedies as may be available at law or in equity, including a suit for any damages and the right to recover attorneys' fees and costs.

Section 5.03 Attorneys' Fees. If either party defaults under this Agreement, and the nondefaulting party employs an attorney to enforce the terms hereof, such nondefaulting party shall be entitled to reasonable attorneys' fees and costs from the defaulting party.

Section 5.04 Survival. The provisions of this Section 5 and of Article III, Article VI, Article VII shall survive the termination of this Agreement. The provisions of Article III shall survive the Closing for a period of five (5) years, except that the representations and warranties in Sections 3.01(a), (b), and (c), and Section 3.04 shall survive indefinitely. All other provisions of this Agreement shall survive Closing unless otherwise expressly stated.

#### **ARTICLE VI** **COMMISSIONS**

Section 6.01 Commission. No commissions are due and/or owing for the procurement of this Agreement to any third parties. Seller shall defend, indemnify, and hold harmless Buyer from and against any and all claims by any person or entity for brokerage fees, brokerage commissions, finder's or other fees, which shall include, but shall not be limited to, any and all court costs, attorneys' fees and other costs and expenses relating thereto, alleged to be due to any broker and/or agent with whom Seller has dealt in connection with this Agreement or the sale of the Property to Buyer, and Buyer shall defend, indemnify, and hold harmless Seller from and against any and all claims by any person or entity for brokerage fees, brokerage commissions, finder's or other fees, which shall include, but shall not be limited to, any and all court costs, attorneys' fees and other costs and expenses relating thereto, alleged to be due to any broker and/or agent with whom Buyer has dealt in connection with this Agreement or the purchase of the Property by Buyer.

#### **ARTICLE VII** **MISCELLANEOUS PROVISIONS**

Section 7.01 Effective Date of Agreement. The term "Effective Date" as used herein shall mean the date this Agreement has been fully executed by Seller and Buyer, as indicated by their signatures below, and a signed copy thereof is delivered to and acknowledged by the Title Company.

Section 7.02 Notices. All notices, demands and requests which may be given or which are required to be given by either party to the other, and any exercise of a right of termination provided by this Agreement, shall be in writing and shall be deemed effective when sent to the address or telecopy number of the party to receive such notice set forth below if effected by telecopy, e-mail or other electronic transmission, hand delivery, by Federal Express or other reputable courier service, or when deposited in any post office or mail receptacle regularly maintained by the United States Government, certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

If to Buyer:

Josiah M. Cox, President  
Central States Water Resources, Inc.  
1630 Des Peres Road, Suite 140  
St. Louis, MO 63131



with a copy to:

James A. Beckemeier  
Beckemeier LeMoine Law  
13421 Manchester Rd., Suite 103  
Saint Louis, Missouri 63131  
Phone: (314) 965-2277  
Facsimile: (314) 965-0127  
E-mail: jim@bl-stl.com

If to Seller:

Thomas Moore, President  
Big Basin Water Company Inc.  
Big Basin Sanitation Company  
PO Box 197  
Boulder Creek, CA 95006  
Phone: (831) 252-3478  
Facsimile: \_\_\_\_\_  
E-Mail: sjm16595@gmail.com

with a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

Section 7.03 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA AND ALL PROCEEDINGS OR OBLIGATIONS HEREUNDER SHALL BE MADE AND ARE PERFORMABLE IN SANTA CRUZ COUNTY, CALIFORNIA.

Section 7.04 Successors and Assigns. This Agreement shall apply to, inure to the benefit of and be binding upon and enforceable against the Parties hereto and their respective heirs, administrators, successors and assigns. Buyer shall have the right to assign this Agreement to another entity or affiliate by providing written notice to Seller of such assignment. However, Seller shall not have the right to assign this Agreement without the written consent of the Buyer.

Section 7.05 Counterparts and Amendments. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. This Agreement may only be amended by a written document signed by each of the Parties hereto, which document shall make specific reference to this Agreement.

Section 7.06 Time. Time is of the essence in the performance of each term, condition, and covenant contained in this Agreement. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act. If any date for performance of any term, condition or provision hereof shall fall on a Saturday, Sunday or legal holiday, then the time of such performance shall be extended to the next business day.

Section 7.07 Severability. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Agreement or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby but shall be enforced to the greatest extent permitted by law.

Section 7.08 Entire Agreement. Buyer and Seller each acknowledges and agrees that at all times each have intended that none of the preliminary negotiations concerning this Agreement would be binding on any party. This Agreement and the Exhibits attached hereto prior to the Closing Date contain all the covenants, conditions, agreements and understandings between the Parties and shall supersede all prior covenants, conditions, agreements,

letters of intent, term sheets, and understandings between Seller and Buyer with respect to the purchase and sale of the Property and all other matters contained in this Agreement.

Section 7.09 Final Exhibits. The legal description of the Immovable Property contained in the Survey shall be substituted for the legal description of the Immovable Property used in **EXHIBIT A** as of the date hereof without the necessity of the Parties executing any additional amendments to this Agreement. **EXHIBIT C** shall be included as part of this Agreement when, and in the form, notified to Seller by Buyer in writing. **EXHIBIT D** shall be included as part of this Agreement if and when it is in the form, agreed by Seller and Buyer in writing prior to Closing. With regard to **EXHIBITS E, F, and G**, in the event Seller fails to provide a list of all relevant information for the respective Exhibit at least thirty (30) days prior to the end of the Feasibility Period, Buyer will assume there is no such relevant information and the respective Exhibit will be marked "None."

Section 7.10 Buyer Exchange. Seller and Buyer agree to cooperate should the other elect to purchase the Property or other real property as part of a like-kind exchange under IRC section 1031. Any contemplated exchange shall not impose upon the cooperating party any additional liability or financial obligation, and Buyer or Seller, as appropriate agrees to hold the other harmless from any liability that might arise from such exchange. This Agreement is not subject to or contingent upon either party's ability to acquire a suitable exchange property or effectuate an exchange. In the event any exchange contemplated by Buyer or Seller should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.

Section 7.11 Rollback Taxes, Standby Fees and Special Assessments. If this sale results in the assessment after Closing of additional taxes, standby fees or special assessments for periods of Seller's ownership (including taxes assessed as a result of a change in ownership or usage), the additional taxes, fees or assessments plus any penalties and interest shall be paid by Seller to Buyer within fifteen (15) days of receipt by Buyer of a statement for such taxes, fees or assessments.

Section 7.12 Ambiguities Not to Be Construed against Party Who Drafted Agreement. The rule of construction that ambiguities in a document will be construed against the party who drafted it will not be applied in interpreting this Agreement.

Section 7.13 No Special Relationship. The Parties' relationship is an ordinary commercial relationship of seller and buyer, and they do not intend to create and have not created the relationship of principal and agent, partnership, joint venture, or any other special relationship.

Section 7.14 Confidentiality. The Parties will keep confidential this Agreement, this transaction, and all information learned in the course of this transaction, except to the extent disclosure is required by law or court order or to enable third parties to advise or assist Buyer to investigate the Property or either party to close this transaction.

Section 7.15 Business Day. As used in this Agreement, the term "business day" means Monday through Friday of each week, except for days on which banks in Santa Cruz County, California are closed for business. If the final date of any period which is set out in any section of this Agreement falls upon a day which is not a business day, then, and in such event, the time of such period will be extended to the next business day.

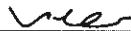
Section 7.16 Further Assurances. From the date hereof, Seller and Buyer each agrees to do such things, perform such acts and make, execute, acknowledge and deliver such documents as may be reasonably necessary and customary to complete the transactions contemplated by this Agreement. In particular, Seller and Buyer each agrees to do such things as may be reasonably necessary with respect to the transfer of the Property.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed under proper authority and effective and binding as of the date first set above.

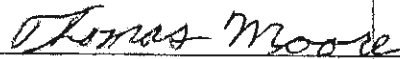
**BUYER:**

CENTRAL STATES WATER RESOURCES, INC.,  
a Missouri corporation

By:   
Josiah M. Cox, President

**SELLER:**

BIG BASIN WATER COMPANY, INC.,  
a California corporation

By:   
Thomas Moore, President

Name: \_\_\_\_\_

Title: President

**RECEIPT OF EARNEST MONEY**

The undersigned Title Company hereby acknowledges its receipt of an executed copy of this Agreement and, the Earnest Money provided herein and, further, agrees to comply with and be bound by the terms and provisions of this Agreement, without demand, including, without limitation, those terms relating to the disposition of the Earnest Money.

\_\_\_\_\_  
Name of Title Company

By:

Name:

Title:

Date:

## EXHIBIT A

### Description of the Immovable Property

(The legal description(s) of the Land, Improvements thereon, Easements, & Rights of Way shall be determined by survey and title commitments, which shall be inserted prior to the Closing).

### [TO BE INSERTED PRIOR TO CONCLUSION OF THE FEASIBILITY PERIOD]

The following described lots, tracts or parcels of land, lying, being and situate in the County of Santa Cruz State of California:

All interests in land used or useful in operation of the Water and Sewer Systems that services the area set forth on **EXHIBIT C**, including but not limited to easements, rights of way and permits, and including the real property described in a title commitment (such detail for said commitment to be substituted by Title Company when the commitment is issued as Commitment File No. [FILE NUMBER], issued by [TITLE COMPANY], as agent for [UNDERWRITER]).

Upon receipt of a detailed description associated with the survey or surveys obtained by Buyer pursuant to Section 2.01 hereof, or any update thereto, the Title Company shall update the Commitment to modify the legal description of the Property to reference the description of the Property set forth in description (the "New Legal Description"). Seller and Buyer agree that the New Legal Description shall be the description of the Property contained in the transfer documents (as each are defined herein) delivered by Seller to Buyer at Closing and any other closing documents executed by the parties in connection with the Closing. Because Seller and Buyer desire this Agreement to provide for the right of enforcement, Seller and Buyer agree that: (i) they are experienced in transactions of this nature, (ii) they are familiar with the location of the Property, (iii) each party waives any and all claims of an insufficient legal description, including, but not limited to, any and all claims under the Statute of Frauds, and (iv) upon receipt of the New Legal Description, this Agreement shall be amended to substitute the New Legal Description of the Property for the description of the Property set forth in this Exhibit "A" to the Agreement.



**EXHIBIT B**

Description of the Movable Property  
(tools, devices, equipment, furniture, fixtures, machinery, supplies, and other tangible items)

**[TO BE PROVIDED BY SELLER PRIOR TO CONCLUSION OF THE FEASIBILITY PERIOD]**

All Property set forth herein shall be transferred to Buyer free and clear of all liens, pledges, leases, options, rights of first refusal, conditional sales agreements or any other such encumbrances.

All personal property comprising the Sewer System that services the area set forth on **EXHIBIT C**, including but not limited to, the sewer lines, pipes, lagoon(s), treatment plant(s), pump/lift station(s), tanks, meters, valves, and any other appurtenances of the Sewer System, and all machinery, equipment, supplies and other tangible items used in connection with the Sewer System; AND All personal property comprising the Water System that services the area set forth on **EXHIBIT C**, including but not limited to, the water lines, pipes, wells, well house, tanks, pumps, meters, valves, and any other appurtenances of the Water System, and all machinery, equipment, supplies and other tangible items used in connection with the Water System.

Additional Personal Property	

**EXHIBIT C**

**Service Area Map**

(area in which the System service lines, plant, pipes, manholes, meters, lift or  
pump stations and appurtenances, utility facilities, etc. are located)

**[SERVICE AREA MAP & LEGAL DESCRIPTION TO BE INSERTED PRIOR TO CLOSING]**

**EXHIBIT D**  
**[Purchase Price Allocation]**  
**[TO BE INSERTED PRIOR TO CLOSING]**

**EXHIBIT E**  
[Environmental Non-Compliance]

**[TO BE PROVIDED BY SELLER THIRTY (30) DAYS PRIOR TO CONCLUSION OF THE FEASIBILITY PERIOD; IF NOT PROVIDED DURING THIS PERIOD, ASSUMED TO BE "NONE"]**

**EXHIBIT F**

[List of Permits and Non-Compliance with Permits]

[TO BE PROVIDED BY SELLER THIRTY (30) DAYS PRIOR TO CONCLUSION OF THE FEASIBILITY PERIOD; IF NOT PROVIDED DURING THIS PERIOD, NON-COMPLIANCE WILL BE ASSUMED TO BE "NONE"]

**EXHIBIT G**  
[Off-site Hazardous Materials Locations]

**[TO BE PROVIDED BY SELLER THIRTY (30) DAYS PRIOR TO CONCLUSION OF THE FEASIBILITY PERIOD; IF NOT PROVIDED DURING THIS PERIOD, ASSUMED TO BE "NONE"]**

**EXHIBIT H**

[Reports, Studies, Audits, Records, Data, Site Assessment, Economic Models, etc.,]

**[TO BE PROVIDED BY SELLER WITHIN THIRTY (30) DAYS OF THE EFFECTIVE DATE; IF NOT PROVIDED DURING THIS PERIOD, ASSUMED TO BE "NONE"]**








# signed purchase agreement

Final Audit Report

2023-03-10

Created:	2023-03-10
By:	Kimberly Faulkner (kfaulkner@cswrgroup.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAATikrHFsCnWLBGgftlf2vWDd6To6fjJle

## "signed purchase agreement" History

-  Document created by Kimberly Faulkner (kfaulkner@cswrgroup.com)  
2023-03-10 - 10:14:49 AM GMT- IP address: 68.3.235.228
-  Document emailed to Josiah Cox (jcox@cswrgroup.com) for signature  
2023-03-10 - 10:15:27 AM GMT
-  Email viewed by Josiah Cox (jcox@cswrgroup.com)  
2023-03-10 - 3:29:27 PM GMT- IP address: 104.47.66.126
-  Document e-signed by Josiah Cox (jcox@cswrgroup.com)  
Signature Date: 2023-03-10 - 3:29:51 PM GMT - Time Source: server- IP address: 107.127.21.36
-  Agreement completed.  
2023-03-10 - 3:29:51 PM GMT



Adobe Acrobat Sign

0457

# EXHIBIT W

From: [Graff, Kyle@Waterboards](mailto:Graff, Kyle@Waterboards)  
To: [Enrique Chavez, Jr.; Weininger, Jonathan@Waterboards](mailto:Enrique Chavez, Jr.; Weininger, Jonathan@Waterboards)  
Cc: [Jake Freeman](mailto:Jake Freeman)  
Subject: RE: CA\_Big Basin Correspondence  
Date: Friday, April 28, 2023 9:26:47 AM  
Attachments: [TMF Assessment.doc](#)  
[image001.png](#)  
[image002.png](#)  
[image003.png](#)  
[image004.png](#)  
[Well Data Sheet.xls](#)  
[A6 - Chlorination Data Sheet.doc](#)  
[Tank Data Sheet.docx](#)  
[Booster Station Data Sheet - Copy.docx](#)  
[2022.02.02 Statewide ENP-Santa Cruz County.pdf](#)  
[rTCR BSSP Small Systems-GW C & NTNC-Santa Cruz.docx](#)  
[DBPR Compliance Monitoring Plan.docx](#)  
[image005.jpg](#)

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Hello Enrique and Jake,

As we previously discussed, this email contains the list of documentation and information required for us to evaluate the permit request for the change of ownership for Big Basin Water Company (BBWC). This information must be submitted by a registered civil engineer in the State of California with experience in water supply engineering (California Code of Regulations, title 22, section 64552 (b)).

1. Completed Technical, Managerial, and Financial (TMF) Assessment Form (attached) and associated documentation.
2. If applicable: copy of the filed CEQA documentation and associated documentation.
3. Other Facility Requirements
  - System map with facilities, pressure zones, etc.
  - Well Data Sheet (template attached)
  - Chlorination Data Sheet (attached)
  - Completed Drinking Water Source Assessment Program documentation. Information and templates are found on the Divisions website at:  
[http://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/DWSAP.shtml](http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/DWSAP.shtml)
  - Information on storage tanks including completed Tank Data Sheets (template attached) and piping schematic.
  - Information about booster station and pressure tanks including completed Booster Station Data Sheets (template attached).
  - List of backflow prevention assemblies and the most recent testing report. Installed backflow assemblies must comply with California Code of Regulations, title 17 requirements and be selected from the University of Southern California (USC) list of approved backflow prevention devices.
  - Operations Plan including description of operational controls, system pressure, pressure zones, dead ends, system isolation valves, etc.
4. Completed Emergency Notification Plan (ENP) (attached)
5. Copy of the agreement between the water system and contract operator. The

agreement must include the contract operator duties and site visit frequency. The contract operator must have at least a D3 certification.

6. Bacteriological Sample Siting Plan (template attached) and map that clearly shows routine, repeat, and well locations.
7. Organizational Chart
8. Contact List
9. Copy of cross connection control operating rules or ordinance and name/qualifications of cross connection control coordinator.
10. Written summary of completed cross connection control survey.
11. Complaint Response Program – A Customer Complaint Program must be developed, and a copy of the program must be provided. The program must detail how complaints from BBWC customers will be received, tracked, responded to, and addressed.
12. Enforcement Actions – provide a compliance action plan with specific action items and deadlines that will be followed to address outstanding enforcement actions that have been issued to BBWC.
13. Optional: Updated Disinfection Byproducts Rule (DBPR) Compliance Monitoring Plan that complies with California Code of Regulations, title 22, Sections 64534.8 (a) and (e). A template is attached. *Note: Big Basin Water Company has an existing plan that must continue with any system manager. We will provide CSWR with a copy of that plan, at your request.*

Please let me know if you have any questions regarding this list. Thank you,



Kyle Graff, P.E.

Water Resource Control Engineer  
Division of Drinking Water  
State Water Resources Control Board  
1 Lower Ragsdale Dr, Bldg 1, Ste 120, Monterey, CA 93940  
(831) 655-6935 | [Kyle.Graff@Waterboards.ca.gov](mailto:Kyle.Graff@Waterboards.ca.gov)

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**From:** Enrique Chavez, Jr. <echavez@cswrgroup.com>

**Sent:** Tuesday, April 25, 2023 8:59 AM

**To:** Weininger, Jonathan@Waterboards <Jonathan.Weininger@waterboards.ca.gov>

**Cc:** Jake Freeman <jfreeman@cswrgroup.com>; Graff, Kyle@Waterboards  
<Kyle.Graff@Waterboards.ca.gov>

**Subject:** RE: CA\_Big Basin Correspondence

EXTERNAL:

Jonathan,

Good feedback! I visited Big Basin last week and we determined that we would need anything available from DDW. Kimley-Horn is our third-party engineer assigned to BBWC and they are currently onsite performing the initial condition assessment reporting.

If you any additional information with regards to permitting, compliance and water rights in CA, feel free to share that information.

Thank you,

If you have any comments, questions and/or concerns, feel free to contact me at your earliest convenience,

**Enrique Chavez Jr.**

Program & Compliance Manager

Email: [echavez@cswrgroup.com](mailto:echavez@cswrgroup.com)

Office: (314) 380-8043

Mobile: (314) 437-5714



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**From:** Weininger, Jonathan@Waterboards <[Jonathan.Weininger@waterboards.ca.gov](mailto:Jonathan.Weininger@waterboards.ca.gov)>

**Sent:** Monday, April 24, 2023 4:56 PM

**To:** Enrique Chavez, Jr. <[echavez@cswrgroup.com](mailto:echavez@cswrgroup.com)>

**Cc:** Jake Freeman <[jfreeman@cswrgroup.com](mailto:jfreeman@cswrgroup.com)>; Graff, Kyle@Waterboards <[Kyle.Graff@Waterboards.ca.gov](mailto:Kyle.Graff@Waterboards.ca.gov)>

**Subject:** RE: CA\_Big Basin Correspondence

Hi Enrique, sorry for the delayed response.

We are planning to send something to CSWR this week about the documents required for a change of ownership permit application. We are still running at a delay due to emergency response.

Included in this email are the enforcement actions that are still current. DDW has issued Big Basin Water Co. a total of 10 enforcement actions since 2019; some of these enforcement actions are considered closed following monitoring and other actions done by BBWC.

Do you need any other documents?

Can you please include Kyle Graff on all correspondence? Kyle is the DDW engineer assigned to Big Basin Water Company.

Thanks,  
Jonathan Weininger

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**From:** Enrique Chavez, Jr. <[echavez@cswrgroup.com](mailto:echavez@cswrgroup.com)>  
**Sent:** Friday, April 21, 2023 11:40 AM  
**To:** Weininger, Jonathan@Waterboards <[Jonathan.Weininger@waterboards.ca.gov](mailto:Jonathan.Weininger@waterboards.ca.gov)>  
**Cc:** Jake Freeman <[jfreeman@cswrgroup.com](mailto:jfreeman@cswrgroup.com)>  
**Subject:** CA\_Big Basin Correspondence

EXTERNAL:

Jonathan,

Per our conversation during the meeting between CSWR and CAWB, I was wondering if you can send me the documentation and non-compliance correspondence sent to Big Basin Water Co. I met the current owner yesterday and performed a site visit. My third party engineering firm plans to be on-site next week and I would very much like to have any available documents for CAWB.

If you have any comments, questions and/or concerns, feel free to contact me at your earliest convenience,

**Enrique Chavez Jr.**

Program & Compliance Manager

Email: [echavez@cswrgroup.com](mailto:echavez@cswrgroup.com)

Office: (314) 380-8043

Mobile: (314) 437-5714



**STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER  
STORAGE TANK DATA SHEET**

**System Name:** \_\_\_\_\_ **System No.:** \_\_\_\_\_  
**Source of Information:** \_\_\_\_\_  
**Collected by:** \_\_\_\_\_ **Date:** \_\_\_\_\_

<b>Number or Name:</b>	
Date constructed/refurbished:	
Purpose (storage, etc.):	
Capacity (Design and Operating):	
<b>Location (specific):</b>	
Cross-Street:	
Controlled Access:	
Lot Dimensions:	
Fencing Type:	
<b>Construction: Material:</b>	
Sides:	
Floor:	
Cover or roof:	
Type of Interior Coating:	
Height of tank walls above ground (ft):	
Dimensions (ft):	
Tank Bottom Elevation (ft):	
Surface drainage to tank possible?	
Ventilation:	
Screening:	
Cathodic Protection?	
<b>Inlet &amp; Outlet Arrangement:</b>	
<u>Inlet Type/size:</u> Location:	
Inlet: Distance above bottom:	
<u>Outlet type/size:</u> Distance from inlet:	
Outlet: Distance above bottom:	
Drain to where:	
Drain distance above floor	
Overflow to where:	
Overflow height (ft):	
Overflow/Drain air gap to discharge?	
Estimated maximum residence time?	
<b>Relation to system:</b>	
Inlet receives from:	
Outlet delivers to:	
Pressure Zone Served:	
<b>Tank Maintenance:</b>	
Inspection Frequency?	
<b>Defects, Remarks, or Other Comments:</b> (Include statements on cleaning practices, condition of structure, overflow condition, etc.)	



**BACTERIOLOGICAL SAMPLE SITING PLAN (BSSP)**  
**Groundwater Systems**

**Water System Information**

Water System Name: [Click here to enter text.](#)

System Number: CA [Click here to enter text.](#)

Water System Classification:

☐ **Community**

☐ **Nontransient-Noncommunity**

[Seasonal Water System?:](#)

☐ **NO**

☐ **YES\***

\*Refer to your Start-up/Shut-down Procedure Document for special monitoring requirements.

\*Seasonal Operational Period: [Click here to enter text.](#)

Physical Address: [Click here to enter text.](#)

Mailing Address: [Click here to enter text.](#)

Water System Ph. No.: [Click here to enter text.](#) Fax: [Click here to enter text.](#)

Email Address: [Click here to enter text.](#)

No. of Service Connections: [Click here to enter text.](#)

Population Served: [Click here to enter text.](#)

Person responsible to report coliform-positive samples to the DDW Monterey District Office:  
[Click here to enter text.](#)

Day/Evening Phone No: [Click here to enter text.](#)

Water System #:

### Sample Collection Information

Name of Trained Sampler(s): [Click here to enter text.](#)

Sampler Phone No.: [Click here to enter text.](#)

Name of Analyzing Laboratory: [Click here to enter text.](#)

Mailing Address: [Click here to enter text.](#)

State Lab Code: [Click here to enter text.](#) Phone #: [Click here to enter text.](#)

Fax #: [Click here to enter text.](#)

Email Address: [Click here to enter text.](#)

Laboratory was sent a copy of BSSP: ☐Yes ☐No

### Distribution System Sampling Frequency

The water system is required to collect a minimum of [Click here to enter text.](#) routine bacteriological sample(s) every MONTH

Is the water system served by more than one pressure zone or separate service areas?

☐ NO

☐ YES

## Water System #:

### Raw Water Sampling

Does the water system provide continuous disinfection treatment (i.e. chlorine, UV, etc.)?

☐ Yes ☐ No

Water systems that provide continuous disinfection treatment are required to take bacteriological samples prior to disinfection (raw water samples) for all sources on a ☐ **quarterly** or ☐ **monthly** frequency and analyze for total coliform.

List the source(s) with disinfection treatment and the months when raw water samples will be taken.

1. **Source Name**

Months sampled: ☐ Jan ☐ Feb ☐ Mar ☐ Apr ☐ May ☐ Jun ☐ Jul ☐ Aug ☐ Sep ☐ Oct ☐ Nov ☐ Dec

2. **Source Name**

Months sampled: ☐ Jan ☐ Feb ☐ Mar ☐ Apr ☐ May ☐ Jun ☐ Jul ☐ Aug ☐ Sep ☐ Oct ☐ Nov ☐ Dec

3. **Source Name**

Months sampled: ☐ Jan ☐ Feb ☐ Mar ☐ Apr ☐ May ☐ Jun ☐ Jul ☐ Aug ☐ Sep ☐ Oct ☐ Nov ☐ Dec

### Map of System

A map of the distribution system is required to show all routine sample locations, follow-up (repeat) sample locations, source location (well, spring, etc.), storage tanks, treatment facilities, and distribution piping (pressure zones, booster stations, pressure reducing stations, and dead ends).

A distribution map is attached: ☐ Yes ☐ No

**Water System #:**

**Consecutive Water System (if applicable under the Ground Water Rule)**

Does the water system obtain groundwater from another water system? ☐ Yes ☐ No

If yes, contact the wholesaler within 24 hours of notification of a TC+ Distribution Sample.

Wholesaler Name: [Click here to enter text.](#)

Contact: [Click here to enter text.](#)

Phone No.: [Click here to enter text.](#)

**Wholesaler Water System (if applicable under the Ground Water Rule)**

Does the water system provide groundwater to another water system? ☐ Yes ☐ No

If yes, collect a raw water source sample(s) within 24 hours upon being notified by a retailer who received a TC+ sample. If source sample is *E. coli* positive, contact all consecutive systems within 24 hours\*.

Retailer Name: [Click here to enter text.](#)

Contact: [Click here to enter text.](#)

Phone No.: [Click here to enter text.](#)

Retailer Name: [Click here to enter text.](#)

Contact: [Click here to enter text.](#)

Phone No.: [Click here to enter text.](#)

***\*A Tier 1 notice is required for all E.coli positive source samples.***

## Sample Locations

The following describes each routine sample location, what months the location will be sampled, and where follow-up (repeat) samples will be taken in the event of a “positive” routine sample. A routine sample site must be designated for each pressure zone or separate area served by the water system. The routine samples sites must be rotated such that they are all sampled on a regular basis. If this water system must designate more than one routine sample site, please do so below:

A system using ground water must collect the triggered source sample(s) for Ground Water Rule compliance (in accordance with the approved Representative Monitoring Plan or sample all sources in use if there is no approved Representative Monitoring Plan). A system using a single groundwater (not GWUDI) well, serving 1,000 or fewer persons may use the triggered source sample as one of the repeat samples, if approved by the State Board.

### Routine No. 1 Sample Location:

[Click here to enter text.](#)

Water samples will be collected during the months of:

- ☐ Jan. ☐ Feb. ☐ Mar.  
☐ Apr. ☐ May ☐ Jun.  
☐ Jul. ☐ Aug. ☐ Sept.  
☐ Oct. ☐ Nov. ☐ Dec.

### Routine Sample Site Description:

[Click here to enter text.](#)

(hose bib, sink faucet, etc.)

### Routine No. 2 Sample Location: (if required)

[Click here to enter text.](#)

Water samples will be collected during the months of:

- ☐ Jan. ☐ Feb. ☐ Mar.  
☐ Apr. ☐ May ☐ Jun.  
☐ Jul. ☐ Aug. ☐ Sept.  
☐ Oct. ☐ Nov. ☐ Dec.

### Sample Site Description:

[Click here to enter text.](#)

(hose bib, sink faucet, etc.)

### Follow-up (repeat) Sample Locations:

1. [Click here to enter text.](#)

(routine no.1 sample location name/address)

2. [Click here to enter text.](#)

(up-stream within 5 connections)

3. [Click here to enter text.](#)

(down-stream within 5 connections)

### Triggered Source Sample(s)

[Click here to enter text](#)

### Follow-up (repeat) Sample Location:

1. [Click here to enter text.](#)

(routine no.2 sample location name/address)

2. [Click here to enter text.](#)

(up-stream within 5 connections)

3. [Click here to enter text.](#)

(down-stream within 5 connections)

### Triggered Source Sample(s)

[Click here to enter text.](#)

Water System #:

## Sample Locations

### Routine No. 3 Sample Location: (if required)

[Click here to enter text.](#)

(routine no. 3 sample location name/address)

Water samples will be collected during the months of:

- ☐ Jan. ☐ Feb. ☐ Mar.  
☐ Apr. ☐ May ☐ Jun.  
☐ Jul. ☐ Aug. ☐ Sept.  
☐ Oct. ☐ Nov. ☐ Dec.

Sample Site Description:

[Click here to enter text.](#)

(hose bib, sink faucet, etc.)

### Follow-up (repeat) Sample Location:

1. [Click here to enter text.](#)

(routine no. 3 sample location name/address)

2. [Click here to enter text.](#)

(up-stream within 5 connections)

3. [Click here to enter text.](#)

(down-stream within 5 connections)

### Triggered Source Sample(s)

[Click here to enter text.](#)

## Notification to the DDW - Monterey District Office

The water system must notify the DDW-Monterey District Office, by the end of the day upon determination that an *E. coli* MCL has occurred (*Defined in Title 22, Chapter 15, Section 64426.1*).

The water system must notify the DDW-Monterey District Office by the end of the next business day of an exceedance of a coliform treatment technique trigger (*Defined in Title 22, Chapter 15, Section 64426.6*)

**Jonathan Weininger, P.E.**  
**District Engineer, Monterey District**

Daytime Phone: **(831) 655-6939**  
Evening Cell: **(831) 595-0058**

**DDW – Monterey District Office**

Day or Night-Leave a Message: **(831)-655-6939**

**Nathan Salazar**  
**Environmental Health Specialist**  
**Drinking Water Program**  
**County of Santa Cruz Health Services Agency,**  
**Environmental Health Division**

Daytime Phone : **(831) 359-0856**  
Evening Cell: **(831) 345-1382**

Office: **(831) 454-2022**

## Prepared By:

Water System Representative Name: [Click here to enter text.](#)

Title: [Click here to enter text.](#)

Signature: \_\_\_\_\_

Date: [Click here to enter a date.](#)

**Water System #:**

### **BSSP Approval**

The SWRCB-Division of Drinking Water has reviewed and approved this BSSP. Any plans on file dated prior to [Click here to enter a date.](#) are void. The water system must sample their distribution system and raw water special purpose source samples (quarterly/monthly) for bacteriological quality in accordance with the approved BSSP beginning [Click here to enter a date.](#)

Per the California Code of Regulations-Title 22 §64422, a water system is required to submit an updated plan to the State Board at least once every ten years and at any time the plan no longer ensures representative monitoring of the system.

Electronic Signature with Date: \_\_\_\_\_

Jonathan Weininger, P.E.  
Monterey District Engineer



**STAGE 2 DISINFECTION BYPRODUCT RULE (DBPR)**  
**COMPLIANCE MONITORING PLAN**  
**SCHEDULE 4 – GROUNDWATER SYSTEMS (Population 500 – 9,999)**

Water System Name/ Number: \_\_\_\_\_

Population Served: \_\_\_\_\_

Residual Disinfectant Type: \_\_\_\_\_

**Part 1: Site Justification:** The system must select **2 compliance monitoring sites** for TTHM and HAA5 samples. The minimum sampling frequency is 2 dual sample sets per year. One site must be at the location of highest TTHM concentration and one site must be at the location of highest HAA5 concentration.

Site No.	Stage 2 Compliance Monitoring Site Address	Site Type (check one)	Site Justification
1		<input type="checkbox"/> Highest TTHM <input type="checkbox"/> Highest HAA5 <input type="checkbox"/> Representative of Service Area <input type="checkbox"/> Other (Water age, residence time, low residual, etc.)	
2		<input type="checkbox"/> Highest TTHM <input type="checkbox"/> Highest HAA5 <input type="checkbox"/> Representative of Service Area <input type="checkbox"/> Other (Water age, residence time, low residual, etc.)	

**Part 2: Proposed Stage 2 DBPR Compliance Monitoring Schedule:**

Peak Historical Month: \_\_\_\_\_ Justification for Peak Historical Month: \_\_\_\_\_  
 (e.g., warmest water temperature or highest DBP concentrations)

**Yearly Sampling Date (during peak historical month):** \_\_\_\_\_ (Day of the month, or Week) (e.g., 1<sup>st</sup> week of peak historical month, or 1<sup>st</sup> Tuesday of peak historical month)

**Part 3 Compliance Calculation:**

Compliance is determined by the result of the annual sample at each sampling location. The system is in compliance if sample result < MCL for each location.

**Part 4: Required Attachments:**

- Attach a schematic of your distribution system including all storage tanks, water treatment plants, disinfection facilities, etc. Please clearly identify each Stage 2 DBPR monitoring site.
- **Optional:** Any additional supporting documentation.

**Part 5: Certification:**

\_\_\_\_\_  
 Name (print)

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

**STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER**

**BOOSTER STATION DATA**

**System Name:** \_\_\_\_\_ **System No.:** \_\_\_\_\_  
**Source of Information:** \_\_\_\_\_

<b>Number or Name</b>			
Date Constructed			
Purpose (boost to storage, maintain pressure, raw water, etc)			
<b>Location (general, not specific)</b>			
Fencing			
<b>Housing</b>			
Insulation			
Heating			
Pit Depth (if any)			
Drainage			
<b>Relation to System</b>			
Receives From			
Delivers To			
Discharge Pressure			
Last Efficiency Test			
Flood Hazard			
<b>Pump Name</b>	<b>Booster A</b>	<b>Booster B</b>	<b>Booster C</b>
Make			
Type			
Capacity (gpm)			
Lubrication			
Power			
Motor			
Auxiliary Power			
Control			
Frequency of Use			
<b>Defects and Remarks</b>			

# DIVISION OF DRINKING WATER

## BOOSTER STATION DATA

System Name: \_\_\_\_\_ System No.: \_\_\_\_\_  
 Source of Information: \_\_\_\_\_

<b>Number or Name</b>			
Date Constructed			
Purpose (boost to storage, maintain pressure, raw water, etc)			
<b>Location (general, not specific)</b>			
Fencing			
<b>Housing</b>			
Insulation			
Heating			
Pit Depth (if any)			
Drainage			
<b>Relation to System</b>			
Receives From			
Delivers To			
Discharge Pressure			
Last Efficiency Test			
Flood Hazard			
<b>Pump Name</b>	<b>Booster A</b>	<b>Booster B</b>	<b>Booster C</b>
Make			
Type			
Capacity (gpm)			
Lubrication			
Power			
Motor			
Auxiliary Power			
Control			
Frequency of Use			
<b>Defects and Remarks</b>			

SWRCB  
Drinking Water Field  
Operations Branch

# Chlorination Data

Division of Drinking Water  
Monterey District

**System Name:** \_\_\_\_\_ **System No.:** \_\_\_\_\_

**Source of Information:** \_\_\_\_\_

**Collected by:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Reason for chlorination (emergency, mandatory, optional): \_\_\_\_\_  
 Water Source: \_\_\_\_\_ Water treated (raw/filtered etc.): \_\_\_\_\_  
 Chlorine demand character: \_\_\_\_\_ Dosage: \_\_\_\_\_  
 Point of application: \_\_\_\_\_ Mixing, adequate?: \_\_\_\_\_  
 Contact time before use: \_\_\_\_\_ Contact time for residual test: \_\_\_\_\_

## Water Flow

Variation: \_\_\_\_\_ How measured \_\_\_\_\_

## Equipment

Type: \_\_\_\_\_  
 Make: \_\_\_\_\_ Model: \_\_\_\_\_  
 Capacity: \_\_\_\_\_ Condition: \_\_\_\_\_  
 Auto. switchover capability? \_\_\_\_\_ Portable emergency chlorinator available? \_\_\_\_\_  
 Chlorine residual monitored continuously? \_\_\_\_\_ Low level residual alarm? \_\_\_\_\_  
 At what level of chlorine residual is the alarm activated? \_\_\_\_\_  
 How often are residual analyses conducted? \_\_\_\_\_  
 Type of residual measured (free or combined): \_\_\_\_\_  
 Type of residual test used: \_\_\_\_\_

**Chemical added** (Product Name and Manufacturer, % available chlorine, form): \_\_\_\_\_

Cylinder or crock capacity: \_\_\_\_\_

Stock on hand/days supply: \_\_\_\_\_

## Housing and Safety Features

Housing: \_\_\_\_\_  
 Insulation: \_\_\_\_\_  
 Heating: \_\_\_\_\_  
 Locks: \_\_\_\_\_  
 Lighting: \_\_\_\_\_  
 Ventilation: \_\_\_\_\_  
 Leak detector with alarm: \_\_\_\_\_  
 Switches outside chlorination room: \_\_\_\_\_  
 Gas mask: \_\_\_\_\_  
 Is an emergency plan of action posted? \_\_\_\_\_

## Operation and maintenance

Lapse during changes: \_\_\_\_\_  
 Ability to make repairs: \_\_\_\_\_  
 How often is the equipment inspected? \_\_\_\_\_  
 Operations records kept: \_\_\_\_\_  
 Condition of scales: \_\_\_\_\_

**Remarks and deficiencies:**



# WELL DATA SHEET (Page 1 of 3)

Complete as much information as possible. Leave blank if information is not available, use N.A. if not applicable.

\* Indicates items required for Source Water Assessment

\*\* Indicates additional items required for assessments and Ground Water Rule

	(separate multiple entries in field with semi-colon)	Actual, Estimated or Default?
<b>DATA SHEET GENERAL INFORMATION</b>		
System Name		from SWRCB database
System Number		from SWRCB database
Source of Information (well log, SWRCB/County files, system, etc)		
Organization Collecting Information (SWRCB, County, System, other)		
Date Information Collected/Updated		
<b>WELL IDENTIFICATION</b>		
* Well Number or Name		from SWRCB database
* SWRCB Source Identification Number (PS Code)		
DWR Well Log on File? ("YES" or "NO")		
State Well Number (from DWR)		
Well Status (Active, Standby, Inactive)		from SWRCB database
<b>WELL LOCATION</b>		
Latitude		from SWRCB database
Longitude		from SWRCB database
Ground Surface Elevation (ft above Mean Sea Level)		
Street Address		
Nearest Cross Street		
City		
County		
* Neighborhood/Surrounding Area (see Note 1)		
Site plan on file? ("YES" or "NO")		
DWR Ground Water Basin		to come from DWR
DWR Ground Water Sub-basin		to come from DWR
<b>SANITARY CONDITIONS</b>		
** Distance to closest Sewer Line, Sewage Disposal, Septic Tank (ft)		
Distance to Active Wells (ft)		
Distance to Abandoned Wells (ft)		
Distance to Surface Water (ft)		
** Size of controlled area around well (square feet)		
* Type of access control to well site (fencing, building, etc)		
* Surface Seal? (Concrete slab)("YES", "NO" or "UNKNOWN")		
* Dimensions of concrete slab: Length(ft)/ Width(ft)/ Thick(in)		
* Within 100 year flood plain? ("YES", "NO" or "UNKNOWN")		
* Drainage away from well? ("YES" or "NO")		
<b>ENCLOSURE/HOUSING</b>		
Enclosure Type (building, vault, none, etc.)		
Floor material		
Located in Pit? ("YES" or "NO")		
Pit depth (feet) (if applicable)		
<b>WELL CONSTRUCTION</b>		
Date drilled		
Drilling Method		
Depth of Bore Hole (feet below ground surface)		
Casing Beginning Depth/Ending Depth(ft below surface); 2nd Casing Beginning Depth/Ending Depth; 3rd Casing, etc.		
Casing Diameter (inches); 2nd Casing Diameter; 3rd Casing, etc.		
Casing Material; 2nd Casing Material; 3rd Casing, etc.		
Conductor casing used? ("YES", "NO" or "UNKNOWN") (See Note 2)		
Conductor casing removed? ("YES", "NO" or "UNKNOWN")		
* Depth to highest perforations/screens (ft below surface) (or "UNKNOWN")		

# WELL DATA SHEET (Page 2 of 3)

Complete as much information as possible. Leave blank if information is not available, use N.A. if not applicable.

\* Indicates items required for Source Water Assessment

\*\* Indicates additional items required for assessments and Ground Water Rule

	(separate multiple entries in field with semi-colon)	Actual, Estimated or Default?
<b>WELL CONSTRUCTION (continued)</b>		
Screened Interval Beginning Depth/Ending Depth (ft below surface); 2nd Screened Interval Beg. Depth/Ending Depth; 3rd Screened Interval, etc.		
* Total length of screened interval (ft) (default = 10% pump capacity in gpm) (or "UNKNOWN")		
* Annular Seal? ("YES", "NO" or "UNKNOWN") (See Note 3)		
* Depth of Annular Seal (ft)		
Material of Annular Seal (cement grout, bentonite, etc.)		
Gravel pack, Depth to top (ft below ground surface)		
Total length of gravel pack (ft)		
<b>AQUIFER</b>		
* Aquifer Materials (list all that apply: sand, silt, clay, gravel, rock, fractured rock)		
* Effective porosity (decimal percent) (default = 0.2) (or "UNKNOWN")		
* Confining layer (Impervious Strata) above aquifer? ("YES", "NO" or "UNKNOWN")		
Thickness of confining layer, if known (ft)		
Depth to confining layer, if known (ft below ground)		
* Static water level (ft below ground surface)		
Static water level measurement: Date/Method		
Pumping water level (ft below ground surface)		
Pumping water level measurement: Date/Method		
<b>WELL PRODUCTION</b>		
Well Yield (gpm)		
Well Yield Based On (i.e., pump test, etc.)		
Date measured		
Is the well metered? ("YES" or "NO")		
Production (gallons per year)		
Frequency of Use (hours/year)		
Typical pumping duration (hours/day)		
<b>PUMP</b>		
Make		
Type		
Size (hp)		
* Capacity (gpm)		
Depth to suction intake (ft below ground surface)		
Lubrication Type		
Type of Power: (i.e., electric, diesel, etc.)		
Auxiliary power available? ("YES" or "NO")		
Operation controlled by: (i.e., level in tank, pressure, etc.)		
Pump to Waste capability? ("YES" or "NO")		
Discharges to: (i.e., distribution system, storage, etc.)		
<b>REMARKS AND DEFECTS (use additional sheets as necessary)</b>		
<b>NOTES</b>		
1. Neighborhood/Surrounding Area (list all that apply): A= Agricultural, Ru = Rural, Re = Residential, Co = Commercial, I = Industrial, Mu = Municipal, P = Pristine, O = Other		
2. Conductor Casing - Oversized casing used to stabilize bore hole during well construction. Should be removed during installation of annular seal.		
3. Annular Seal - Seal of grout in the space between the well casing and the wall of the drilled hole. Sometimes called "sanitary seal".		



# WELL DATA SHEET (Page 3 of 3)

Complete as much information as possible. Leave blank if information is not available, use N.A. if not applicable.

\* Indicates items required for Source Water Assessment

\*\* Indicates additional items required for assessments and Ground Water Rule

## Please Note:

The information on this Well Data Sheet is considered confidential. To allow the information to be included in the permit report, or made available subject to a public information act request, the waiver clause below has to be signed and dated by the owner (public water system). In lieu of this signature, the WDS has to be retained in a confidential file, or the information shown in the shaded rows has to be "blacked out."

I/We, (Name) \_\_\_\_\_, certify that I/We are the present owners of the well described on this well data sheet. I/We have reviewed the information presented on this well data sheet and I/We take no exception to having the information included in the Department of Public Health's Engineering Report. I/We understand that by including the well data sheet in the Engineering Report, it will be part of a public document that can be reviewed and copied subject to the public information act request.

(Signature)

(Date)

## Well Data Sheet Supplement

### REMARKS AND DEFECTS

(Use or note these items as appropriate)

(\*\* indicates items pertinent to Ground Water Rule)

Distance (ft) to other sanitary concerns:

\*\* Type of Sanitary Concern: \_\_\_\_\_

\*\* Type of Sanitary Concern: \_\_\_\_\_

\*\* Type of Sanitary Concern: \_\_\_\_\_

\*\* Type of Sanitary Concern: \_\_\_\_\_

Raw Water Quality concerns? (Yes or No)

\*\* Microbiological (coliform)

Chemicals

Other (list)

\*\* Continuous Chlorination provided? (Yes or No)

Condition of enclosure or housing

Pit Drained? (if applicable)

Pitless Adaptor? Make and Model

Height of pump base (inches)

Casing Vent? (yes or no)

Air/Vacuum Release? (yes or no)

Sampling Taps? (yes or no)

Location of sampling taps

Wellhead Riser? (yes or no); height above well

Other

# State Water Resources Control Board

## TMF Assessment Form

ASSESSMENT TYPE: ☐ Financing Project ☐ New System ☐ Change of Ownership

WATER SYSTEM CLASSIFICATION: ☐ Community Water System  
☐ Nontransient Noncommunity Water System  
☐ Transient Noncommunity (TNC) Water System  
You may be eligible to use the TNC EZ Form

### A. WATER SYSTEM INFORMATION

Water System Name:
Water System Number: CA _____
Water System Physical Address: _____ _____
City: _____ Zip: _____
County:
Division of Drinking Water Office or Local Primacy Agency:

### B. PERSON COMPLETING THIS TMF ASSESSMENT (\*Required fields)

*Name:	*Signature:
*Title :	*Date Assessment Completed:
*Phone Number:	Email Address:
*Company Name and Address: _____ _____	
City: _____ Zip: _____	

### C. MAIN WATER SYSTEM CONTACT PERSON INFORMATION (To be completed only if it's different from B. above)

Name:	Title:
Phone Number:	Email Address:
Water System Mailing Address: _____ _____	
City: _____ Zip: _____	

## TMF Assessment Instructions

In California the technical, managerial, and financial (TMF) assessment must be completed by public water systems that are applicants for State Water Resources Control Board (SWRCB) funding programs, new water systems, and changes of water system ownership.

To complete this assessment refer to the guidance and explanations in the Criteria For TMF Assessment document located on the SWRCB web site at:

[http://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/TMF.shtml](http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/TMF.shtml)

If requested information has already been submitted directly to the SWRCB division of drinking water office or the LPA, note the location of that information on the assessment form in the comments space. Required documentation may be submitted electronically on a compact disk (if submission is electronic indicate on assessment).

For each TMF element described below place the required information in the appendix and identify it by an attachment number that corresponds to the TMF element number. For example, documentation required for element number seven, Water Rights, should be identified in the appendix as Attachment 7, Water Rights. In addition, in the comments section of each TMF element list the actual documents that are provided in the appendix. For example, under the Water Rights comments section indicate that in the appendix Attachment 7 contains copies of the deeds to Wells 1 and 2 and the State Water Resources Control Board surface water. Check all boxes that are applicable. If the item is not applicable check the NA box to show that these items have been considered.

## TMF Elements

### 1. Consolidation Feasibility

[Funding Projects, New Systems, Change of Ownership - **Mandatory**]

Each public water system applying for construction funding or a refinancing loan must perform an evaluation, including costs and feasibility, of physically consolidating with another public water system. Guidelines for when a consolidation is most feasible include, but are not limited to:

- when one of the water systems is located within another's established service area,
- when one of the water systems is within an existing General Plan's zone of influence of the other,
- Or when the water system is within five miles of another public water system.

If the water system applying for construction funding or a refinancing loan is a "small community water system" (which is defined as: a community water system that serves no more than 3,300 service connections or a yearlong population of no more than 10,000 persons) and the water system is considered "disadvantaged" (which is defined as: the entire service of area of a community water system, or a community therein, in which the median household income is less than 80 percent of the statewide average), consolidation is *highly*

*encouraged* and the water system may be allowed funding for a consolidation feasibility study and/or may be giving priority when seeking construction funding.

- ☐ List all large water systems and the number of connections that are within five miles of the system.  
Record NA if there is no water system in the vicinity. ☐ NA

\_\_\_\_\_

\_\_\_\_\_

- ☐ Submit a consolidation assessment that includes the name of all water systems contacted, and the results of any consolidation discussions conducted with at least one system within the five mile radius. ☐ NA

Comments \_\_\_\_\_

\_\_\_\_\_

## 2. System Description

[Funding Projects - **Necessary**; New Systems and Change of Ownership - **Mandatory**]

Provide a system map that illustrates the location of all of the components of the water system including the:

- |   |                             |
|---|-----------------------------|
| <input type="checkbox"/> Current service area boundary        | <input type="checkbox"/> NA |
| <input type="checkbox"/> Sources                              | <input type="checkbox"/> NA |
| <input type="checkbox"/> Treatment facilities                 | <input type="checkbox"/> NA |
| <input type="checkbox"/> Pumping stations                     | <input type="checkbox"/> NA |
| <input type="checkbox"/> Pressure zones                       | <input type="checkbox"/> NA |
| <input type="checkbox"/> Storage tanks                        | <input type="checkbox"/> NA |
| <input type="checkbox"/> Potential contamination hazards      | <input type="checkbox"/> NA |
| <input type="checkbox"/> Projected ten-year growth boundaries | <input type="checkbox"/> NA |

Comments \_\_\_\_\_

\_\_\_\_\_

## 3. Certified Operators

[Funding Projects - **Necessary**; New Systems and Changes of Ownership- **Mandatory**]

The regulating agency has determined that this water system needs a:

- |   |                             |
|---|-----------------------------|
| <input type="checkbox"/> Certified distribution operator, Grade _____ | <input type="checkbox"/> NA |
| <input type="checkbox"/> Certified treatment operator, Grade _____    | <input type="checkbox"/> NA |

- ☐ Provide copies of current certificates with operator names and grades as documentation that the distribution and treatment operators are certified for the appropriate level that is required for the water system.

- ☐ For a contract certified operator, provide a copy of the contract that describes the: ☐ NA
- Level of certification that the operator will be required to maintain
  - Specific duties for which the operator will be responsible
  - Time to be spent serving the water system
  - Procedures to follow for complaints, compliance discrepancies, and emergencies

Comments \_\_\_\_\_

\_\_\_\_\_

#### 4. Source Capacity

[Funding Projects - **Necessary**; New Systems and Changes of Ownership - **Mandatory**]

At all times a water system must have the capacity to meet the system's maximum day demand and to ensure that it has suitably adequate sources of water supply to serve the needs of its constituents in the future. Develop and submit the following:

- ☐ Documentation which demonstrates that the water system has a sufficient water supply as described in California Code of Regulations, Section 64554.
- ☐ A water conservation plan to address potential drought conditions.
- ☐ A plan to install water meters on all connections as well as a master meter on each source in order to accurately measure water consumption. [Note that all water systems applying for SWRCB funds must consider the feasibility of installing meters at each service connection that lacks a meter. Additionally, the funding requirements for the project must include conditions that the system will incorporate provisions into its operating procedures and expenses to read the meters and to charge rates based on usage.
- ☐ N/A – System is metered
- ☐ A map of the existing service area and surrounding locations that includes the location of all water sources as well as sources of potential contamination such as waste disposal sites, landfills, feedlots, underground storage tanks, out-of-service wells, and other potential contaminants.
- ☐ Documentation that demonstrates the water sources are protected from vandalism, tampering, contamination, or other threats.
- ☐ Ten year potential growth plans consistent with local land use plans and projected water demand. Describe how the system will ensure that potential water sources will meet all water quality standards.
- ☐ A plan to start the process to obtain additional water rights for new water sources if needed. ☐ NA

Comments \_\_\_\_\_

---

## 5. Operations Plan

[Funding Projects-**Necessary**; New Systems and Changes of Ownership- **Mandatory**]

This operations plan describes all of the activities needed to maintain the water system in compliance with all drinking water standards. This plan describes the daily, weekly, monthly, and yearly tasks that would enable another qualified operator to assume the operation of the water system in an emergency. The plan also describes non-routine activities such as positive analytical results, responses to complaints, emergency operational practices, record keeping, and other duties. The operations plan will be updated as needed whenever changes occur. The date of the latest operations plan review was \_\_\_\_\_.

Provide an operations plan that describes the tasks that would enable another qualified operator to assume the operation of the system in an emergency. Include tasks that will be completed:

- ☐ Daily
- ☐ Weekly
- ☐ Monthly
- ☐ Yearly

Include non-routine activities relating to:

- ☐ Positive analytical results
- ☐ Complaints
- ☐ Emergency operational practices
- ☐ Record keeping
- ☐ Other duties

Templates for a number of sample operations plan can be found on the SWRCB web site at:

[http://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/TMF.shtml](http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/TMF.shtml)

Comments \_\_\_\_\_

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## 6. Training

[Funding Projects, New Systems, and Changes of Ownership - **Necessary**]

Submit a plan describing the training that will be provided to ensure that everyone associated with the water system has the knowledge to competently comply with existing requirements and to be informed about new compliance requirements, new technologies, and newly identified hazards. The plan needs to describe the training for the following:

- ☐ Certified operators: Contact hours needed to maintain operator certification at the required grade for the system and other related training.
- ☐ Governing board and managers: Training that covers board and management roles and responsibilities including ethics and financial management.
- ☐ Other staff: Pertinent training to enable all staff to competently perform activities necessary to the operation and maintenance of the system.

Comments \_\_\_\_\_

## 7. Ownership

[Funding Projects; New Systems, and Changes of Ownership - **Mandatory**]

Ownership must be clearly identified for all components of the water system. Check the type of water system ownership:

- ☐ Sole proprietorship
- ☐ Partnership
- ☐ Corporation
- ☐ Mutual
- ☐ Governmental agency
- ☐ Other formation type

A copy of the deed for any well locations may document both ownership and water rights. Provide the following ownership documentation as hard copies or in electronic format:

- ☐ Formation papers such as incorporation articles, partnership documentation, by-laws, and governing ordinances. ☐ NA
- ☐ Deeds and other ownership documentation of all system property including land, buildings, wells, storage tanks, treatment facilities, and other system components. ☐ NA
- ☐ Easements, leases, or agreements for long term use regarding land or system components that are not owned by the water system. Specify the duration of the authorization. ☐ NA
- ☐ Encumbrances, trust indentures, bankruptcies, decrees, legal orders, or other items that may affect the owner's control of the water system. ☐ NA
- ☐ If the water system is under temporary ownership such as a developer, describe the timing for the change in ownership and the contact information for the eventual owner. ☐ NA
- ☐ If the owner of the water system has owned or managed any other public water system within the last ten years, list these systems by name and number. ☐ NA



- ☐ For a sole proprietor submit a plan that describes how the system will continue to be operated in the event the owner becomes incapable of carrying out this responsibility. ☐ NA

Comments \_\_\_\_\_

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## 8. Water Rights

[Funding Projects; New Systems, and Changes of Ownership - **Mandatory**]

Provide the following documentation as hard copies or electronic format:

- ☐ List the current and emergency water sources that will be used to operate the system including groundwater, surface water, purchased water, and any other sources.

- ☐ Describe the long-term availability of the sources used by the water system to meet a projected 10-year water demand. \_\_\_\_\_
- 

Groundwater: ☐ Yes ☐ No

- Unadjudicated Basin: Provide the following: ☐ NA
  - ☐ A statement that the groundwater is extracted from a basin that is not adjudicated.
  - ☐ Copies of the deeds for the parcels of each unadjudicated groundwater source used by the system.
- Adjudicated Basin: Attach the deed for the parcels of each adjudicated groundwater source that notes the adjudication or provide documentation of the Basin Water Master's terms of the adjudication as they relate to the water system's right to extract water from the adjudicated basin. ☐ NA

Surface Water: ☐ Yes ☐ No

Circle the type of water rights the water system holds for surface water from the list below:

- a. Appropriative
  - 1) Pre-1914
  - 2) State Water Resources Control Board (SWRCB) Permit or License
- b. Riparian

Appropriative

- ☐ If Pre-1914, provide a statement that water rights were established prior to 1914. ☐ NA
- ☐ If after 1914, provide a copy of the SWRCB water rights permit or license. Note that an application to the SWRCB does not document water rights. ☐ NA

Riparian

- ☐ Provide a statement that water is derived from a surface source pursuant to a riparian right. ☐ NA

Purchased Water: ☐ Yes ☐ No

- ☐ Provide a copy of the water service agreement for purchased water that specifies the duration of the authorization. Note that for funding projects the long term use agreements must extend for the life of the loan or a minimum of 20 years for grant funded projects. ☐ NA

Comments \_\_\_\_\_  
\_\_\_\_\_

## 9. Organization

[Funding Projects – **Necessary**; New Systems, and Changes of Ownership - **Mandatory**]

In order to establish the lines of authority and communication between employees and management including the governing board, managers, certified operators, and clerical staff, provide a:

- ☐ Structural organizational chart for positions associated with the water system that indicates the lines of authority. Specify the frequency of board meetings where appropriate.
- ☐ Separate chart that lists the names and phone numbers of the specific people who fill those positions. Update this information as needed.
- ☐ List on the organization charts information on any contract certified operators the system may utilize. Indicate the level of certification and the number of hours for which the services of a certified operator are contracted. ☐ NA

Comments \_\_\_\_\_  
\_\_\_\_\_

## 10. Emergency Response Plan

[Funding Projects – **Necessary**; New Systems, and Changes of Ownership - **Mandatory**]

A sample emergency response plan template is located on the CDPH website at:

Ensure that the emergency response plan for the water system includes:

- ☐ A list of all disasters and emergencies that is likely to occur in the water system's service area. Include earthquakes, fires, and disinfection failure at minimum as well as flooding, water outages, water contamination, power outages, and other potential local emergencies.
- ☐ The names and contact information of water system personnel including the decision makers. Identify responsibilities, and provide a clear chain of command.
- ☐ An inventory of system resources used for normal operations and available for emergencies including maps and schematic diagrams, lists of emergency equipment and suppliers, emergency contract agreements, and emergency water interconnections or sources.
- ☐ A communication network that describes a designated location for an emergency operations center, emergency contact information for equipment suppliers, emergency phone and radio communication capabilities, coordination procedures with governmental agencies for health and safety protection, technical and financial assistance, and public notification procedures.
- ☐ Emergency procedures to quickly assess damage to water system facilities including logistics for emergency source activation and repairs, procedures for monitoring progress of repairs and restoration, and procedures for documenting damage and repairs.
- ☐ Describe steps that will be taken to resume normal operations and to submit reports to appropriate agencies.

Comments \_\_\_\_\_

\_\_\_\_\_

## 11. Policies

[Funding Projects; New Systems, and Changes of Ownership - **Necessary**]

- ☐ A policy manual has been adopted that describes procedures pertinent to the management of the water system. At a minimum the policies described should cover:
  - a. Nonpayment of water charges
  - b. Unauthorized use of water
  - c. Hours worked and overtime
  - d. Complaint responses
  - e. Contract operators, if applicable
  - f. Governing board activities such as regulatory responsibilities, expenditure allowances, meeting notifications, resolution adoptions, and other issues as applicable

Comments \_\_\_\_\_  
\_\_\_\_\_

**12. Budget Projection / Capital Improvement Plan**

[Funding Projects; New Systems, and Changes of Ownership - **Mandatory**]

Use the sample 5-year budget projection/capital improvement plan (CIP) template, or an equivalent alternative, that is located on the CDPH website at

[http://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/TMF.shtml](http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/TMF.shtml)

This file consists of guidelines for completing this spreadsheet on the first Excel tab, the 5-year budget projection on the second tab, and the CIP on the third tab.

Submit the following:

- ☐ 5-Year budget projection/CIP template
- ☐ Documentation that reserve funds have been created for the CIP, operations and maintenance expenses, potential emergency needs, and any other reserve accounts necessary for the management of the system.
- ☐ Documentation of the current rate structure. ☐ NA
- ☐ Documentation of the average annual cost of water per connection for the last calendar year. ☐ NA
- ☐ Documentation that revenues cover expenses including the CIP reserve, or describe the plan to increase revenues to cover these expenditures? ☐ NA
- ☐ Where appropriate, include the Proposition 218 voter approval process that will be followed if a rate increase is planned. ☐ NA
- ☐ For investor owned systems documentation from the California Public Utilities Commission of an approved budget, CIP, and rate schedule. ☐ NA
- ☐ NEW SYSTEMS OR FUNDING PROJECTS ONLY: Proposed rate structure. ☐ NA
- ☐ NEW SYSTEMS OR FUNDING PROJECTS ONLY: Estimated average annual cost of water per connection based on the proposed new funding amount. ☐ NA

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### 13. Budget Control

[Funding Projects - **Necessary**; New Systems, and Changes of Ownership - **Mandatory**]

A financial policy that includes:

- ☐ Budget control procedures in which one person records a transaction and a manager review and approves it. Describe budget controls for:
  - a. Cash receipts and disbursements
  - b. Bank accounts
  - c. Payroll
- ☐ Financial reports prepared for review by governing board such as:
  - a. Customer Receivables Report
  - b. Check Register Review
  - c. Bank Reconciliation Report
  - d. Budget Comparison Report
  - e. Quarterly Comparative Balance Sheet
  - f. Tax Returns
- ☐ Criteria and withdrawal guidelines for the maintenance of reserve accounts including:
  - a. CIP Reserve
  - b. Operations and Maintenance Reserve
  - c. Contingency or Emergency Reserve
  - d. Other Reserves
- ☐ Reporting procedures to appropriate levels of authority to ensure that there is no commingling of revenue sources. ☐ NA
- ☐ Periodic reviews of the budget status by a Certified Public Accountant or appropriately qualified financial officer of the water system to ensure continuing financial viability. Three years of the most current audited financial reports must be submitted for all CDPH funding projects. ☐ NA

Comments \_\_\_\_\_  
\_\_\_\_\_

## State Water Resources Control Board

Division of Drinking Water

### WATER QUALITY EMERGENCY NOTIFICATION PLAN

Name of Utility/System No.: \_\_\_\_\_

Physical Location/Address: \_\_\_\_\_

The following persons have been designated to implement the plan upon notification by the State Water Resources Control Board (SWRCB) that an imminent danger to the health of the water users exists:

Water Utility: Contact Name & Title	Email Address	Day	Telephone Evening	Cell
--	---------------	-----	----------------------	------

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

The implementation of the plan will be carried out with the following State Water Resources Control Board and County Environmental Health Department personnel:

Division of Drinking Water Contacts		Telephone	
		Work	After-Hours
1.	<b>Monterey District Office</b>	(831) 655-6939	
2.	<b>Jonathan Weininger, District Engineer</b>	(831) 655-6932	(831) 595-0058
3.	<b>Querube Moltrup, Associate Sanitary Engineer</b>	(831) 655-6936	
4.	<b>Shaminder Kler, Associate Sanitary Engineer</b>	(831) 655-6938	
5.	<b>Kyle Graff, Water Resource Control Engineer</b>	(831) 655-6935	
6.	<b>Anna Snyder, Water Resource Control Engineer</b>	(831) 655-6934	
7.	<b>Nicholas Garibaldi, Water Resource Control Engineer</b>	(831) 655-6943	
8.	<b>Lora Lyons, Environmental Scientist</b>	(831) 655-6942	
	<b>Santa Cruz County Environmental Health Contact</b>		
9.	<b>Nathan Salazar</b>	(831) 359-0856	(831) 345-1382

If the above personnel cannot be reached, contact:

**Office of Emergency Services Warning Center (24 hrs)** **(800) 852-7550**

When reporting a water quality emergency to the Warning Center, please ask for the State Water Resources Control Board – Drinking Water Program Duty Officer.

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

## NOTIFICATION PLAN

**On form included, provide a written description of the method or combination of methods to be used** (radio, television, door-to-door, sound truck, etc.) **to notify customers in an emergency.** For each section of your plan give an estimate of the **time required, necessary personnel, estimated coverage**, etc. Consideration must be given to special organizations (such as schools), non-English speaking groups, and outlying water users. Ensure that the notification procedures you describe are practical and that you will be able to actually implement them in the event of an emergency. Examples of notification plans are attached for large, medium, and small communities.

Report prepared by:

---

Signature and Title

---

Date



**WATER QUALITY EMERGENCY NOTIFICATION PLAN:**

Please describe your water system's plan for emergency notification to all water users:

Date: \_\_\_\_\_

Report Prepared by: \_\_\_\_\_

Name of utility or water system: \_\_\_\_\_

### **(EXAMPLE) PLAN I (Medium Community)**

During regular working hours our people will contact the news media at television station KXYZ to broadcast the necessary warning. The local radio stations will also be contacted. The television and radio personnel are available at all hours. As a follow-up measure, we will also contact the Daily Bee, a local newspaper that serves both Ourtown and Hometown.

The warnings will be issued in both English and Spanish to cover all members of the community. Outlying areas of the water service area (such as Isolated Canyon and Lonesome Mountain subdivisions) will also be notified by sound truck and/or handbill distributed to their respective areas. Both of these areas are very small, and this can be done quite quickly.

A special telephone answering service can also be quickly set up at the utility headquarters (using the regular company numbers) to answer questions that will come in from consumers. Questions are anticipated, especially from the Hometown area, because that area is served by three different water companies. A map will be available to the telephone answering personnel to determine the water company serving the caller.

It is anticipated that the time for notification to the television and radio audiences will be very short. The areas served by handbill and sound truck will also be notified within an hour. For notification to be issued in other than normal hours, the same media will be contacted, and an announcement will be scheduled for as long as is necessary. A sound truck(s) will be used in the early morning hours to quickly alert the people not listening to their radio or television.

### **(EXAMPLE) PLAN II (Small Community)**

Our community is very small and the most efficient means of notification will be both sound truck and handbill. It is estimated that the entire service area can be covered in less than three hours.

### **(EXAMPLE) PLAN III (Large Community)**

The same plan as implemented in Plan I should be used here with the exceptions noted. All the news media will be contacted in the entire metropolitan area. This includes all television and radio stations and all local and general area newspapers. Maps have been prepared to be distributed to the media to locate the boundaries of the water company. This system is large enough that it may only be necessary to notify some of the water users. This information will be transmitted to the media and an answering service at the water company will respond to consumers' calls. Unless the problems are limited to isolated areas it is unreasonable to assume that contact can be made through sound truck or handbill.

# EXHIBIT X

---

Central Coast Regional Water Quality Control Board

November 21, 2022

Thomas James Moore  
Big Basin Water Company, Inc.  
16595 Jamison Creek Road  
Boulder Creek, CA 95006  
Email: [bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

**Via Certified and Electronic Mail  
7020 1810 0002 0773 8217**

Dear Thomas James Moore:

**BIG BASIN WATER COMPANY, INC., BIG BASIN WOODS SUBDIVISION  
WWTP, HWY 236 AND FALLEN LEAF DRIVE, BOULDER CREEK, SANTA  
CRUZ COUNTY– CLEANUP AND ABATEMENT ORDER NO. R3-2022-0077**

The California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) is a state regulatory agency with responsibility for protecting the quality of the waters of the state within its area of jurisdiction. The Central Coast Water Board has authority to require submission of information, direct action, establish regulations, levy penalties, and bring legal action when necessary to protect water quality. The purpose of this letter is to transmit Cleanup and Abatement Order No. R3-2022-0077, which requires Big Basin Water Company, Inc. to address imminent threats to human health and water quality, and abate the condition, or threatened condition, of pollution or nuisance by taking necessary remedial action to prevent the accumulation and discharge of additional raw sewage.

Big Basin Water Company, Inc. is collecting untreated wastewater at the Big Basin Woods Subdivision wastewater treatment plant (WWTP), providing no treatment, and the WWTP components are overflowing and posing an imminent threat to waters of the state.

Big Basin Water Company, Inc. is regulated by Central Coast Water Board Order No. 97-26, *Waste Discharge Requirements for Big Basin Water Company, Inc., Big Basin Woods Subdivision, Santa Cruz County* (Permit) for the discharge of wastewater at the WWTP.

Big Basin Water Company, Inc. is in violation of Permit requirements. The conditions at the WWTP are causing or threatening to cause a condition of nuisance and are threatening to cause a condition of pollution in groundwater underlying and near the WWTP, in an ephemeral watercourse south of the WWTP, and in Boulder Creek.

---

JANE GRAY, CHAIR | MATTHEW T. KEELING, EXECUTIVE OFFICER

Central Coast Water Board staff has made numerous attempts to contact Big Basin Water Company, Inc. personnel regarding the need to pump accumulated raw sewage from the basins at Big Basin Woods Subdivision WWTP. Big Basin Water Company, Inc. has failed to provide records that indicate regular pumping of accumulated raw sewage while repair work takes place to bring the Big Basin Woods Subdivision WWTP back into operation. On multiple occasions, staff from the Central Coast Water Board, County of Santa Cruz, and the California Department of Fish and Wildlife have visited the site and found the WWTP basins to be full of raw sewage and overflowing on to the ground.

Consequently, enclosed is the cleanup and abatement order, directing Big Basin Water Company, Inc. to:

- Reduce wastewater levels in the WWTP basins,
- Not accept any additional wastewater until certain conditions are met,
- Abate any and all conditions that enable mosquito breeding, and
- Submit weekly progress reports to the Central Coast Water Board.

If you have a questions, please contact Central Coast Water Board staff **Danial Woldearegay** at (805) 549-3892, [Danial.Woldearegay@Waterboards.ca.gov](mailto:Danial.Woldearegay@Waterboards.ca.gov), or Mark Lemus at (805) 549-3703, [Mark.Lemus@Waterboards.ca.gov](mailto:Mark.Lemus@Waterboards.ca.gov), or Jennifer Epp at (805) 594-6181, [Jennifer.Epp@Waterboards.ca.gov](mailto:Jennifer.Epp@Waterboards.ca.gov).

Sincerely,

Matthew T. Keeling

Digitally signed by Matthew T.  
Keeling  
Date: 2022.11.21 10:41:54 -08'00'

Matthew T. Keeling  
Executive Officer

Enclosures: CAO No. R3-2022-0077

cc:

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ECM/CIWQS = 147027

GeoTracker No. = WDR100027894

**STATE OF CALIFORNIA  
CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD  
CENTRAL COAST REGION  
895 Aerovista Place, Suite 101  
San Luis Obispo, California**

**CLEANUP AND ABATEMENT ORDER NO. R3-2022-0077  
ISSUED TO**

**BIG BASIN WATER COMPANY, INC. &  
THOMAS JAMES MOORE**

**FOR THE  
BIG BASIN WOODS SUBDIVISION WASTEWATER TREATMENT  
PLANT  
HIGHWAY 236 AND FALLEN LEAF DRIVE, BOULDER CREEK  
SANTA CRUZ COUNTY**

This Cleanup and Abatement Order No. R3-2022-0077 (Order) is issued to Big Basin Water Company, Inc., and Thomas James Moore pursuant to provisions of California Water Code (Water Code) sections 13304 and 13267, which authorize the California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) to issue this Cleanup and Abatement Order and require the submittal of technical reports.

This Order requires the Big Basin Water Company, Inc., and Thomas James Moore to immediately reduce the accumulated raw sewage from the Big Basin Woods Subdivision wastewater treatment plant to address imminent threats to human health and water quality and take necessary remedial action to prevent the accumulation and discharge of additional raw sewage and abate the condition, or threatened condition, of pollution or nuisance.

**FINDINGS**

The Central Coast Water Board finds that:

1. Big Basin Water Company, Inc. (Big Basin Water Company) and Thomas James Moore (Mr. Moore) (collectively, Dischargers) have caused or permitted, or threaten to cause or permit, waste to be discharged or deposited where it is, or probably will be, discharged into waters of the state, which creates, or threatens to create, a condition of pollution or nuisance.
2. The Big Basin Woods Subdivision wastewater treatment plant (Big Basin Woods Subdivision WWTP or WWTP) is located at Highway 236 and Fallen Leaf Drive, Boulder Creek, Santa Cruz County, California, Assessor's Parcel Number 083-293-01 (Site). A Site map is provided in the Attachment to this Order.



3. The Big Basin Woods Subdivision WWTP collects and treats wastewater from a 28-home residential community located approximately 2.5 miles north of Boulder Creek on Big Basin Way (Highway 236) in Santa Cruz County.
4. The Big Basin Woods Subdivision WWTP is regulated by Central Coast Water Board Order No. 97-26, *Waste Discharge Requirements for Big Basin Water Company, Inc., Big Basin Woods Subdivision, Santa Cruz County* (Permit), as amended by Resolution No. R3-2013-0052 (Resolution) and the Revised Standard Provisions and Reporting Requirements (Revised Standard Provisions) adopted therein.<sup>1</sup>
5. The WWTP is a package activated sludge plant with a designed capacity of 35,000 gallons per day (gpd), receiving at the time of Permit issuance approximately 4,000 gpd and permitted for 7,000 gpd. The WWTP system consists of an activated sludge package plant leachfield disposal system. The WWTP is designed for treated wastewater to be pumped to a leachfield for disposal located approximately one-half mile south and uphill of the WWTP.
6. Mr. Moore is the WWTP operator and Big Basin Water Company's Chief Executive Officer. According to the State Water Resources Control Board Office of Operator Certification's database, Mr. Moore's grade II operator certification has been expired since 2013.<sup>2</sup>
7. A significant portion of the residential community homes served by the WWTP and portions of the WWTP were damaged or destroyed in the CZU lightning complex wildfire in August 2020 (2020 wildfire). The WWTP suffered a long-term loss of power, and several vital pieces of process and transmission equipment were destroyed.
8. After the 2020 wildfire, Central Coast Water Board staff contacted Mr. Moore. Mr. Moore explained that the WWTP's electrical system sustained damage during the 2020 wildfire; the WWTP did not have power and could not operate. Mr. Moore stated that collected wastewater would be pumped regularly from the WWTP and disposed of appropriately while the electrical system was being repaired.
9. According to the County of Santa Cruz, three properties (two homes located on Assessor's Parcel Numbers 083-291-13 and 083-291-14 and a nearby fire station) have been discharging wastewater to the WWTP since the 2020 wildfire.
10. On September 9, 2021, Santa Cruz County Department of Public Works (DPW) visited the site and observed raw sewage overflowing onto the ground from one of the WWTP basins. Santa Cruz County DPW notified Central Coast Water Board staff of the Site

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<sup>1</sup> The Resolution and Revised Standard Provisions are accessible at the following link: [2013-0052 resolution standard provisions.pdf \(ca.gov\)](#)

<sup>2</sup> Central Coast Water Board staff determined in October 2022 that the WWTP requires a grade III operator. Going forward, the WWTP must be supervised and operated by a grade III operator.

conditions on October 24, 2022.

11. On November 22, 2021, Central Coast Water Board staff spoke to Mr. Moore about the conditions at the WWTP. Central Coast Water Board staff sent at least two follow-up emails to Mr. Moore after the call to request submission of several items, including WWTP pumping records and missing monitoring reports for 2020 and 2021. Mr. Moore failed to respond to the follow-up emails.
12. On June 1, 2022, Central Coast Water Board staff received an email from Santa Cruz County Environmental Health Director Marilyn Underwood. Director Underwood explained that during a meeting she recently had with Mr. Moore that Mr. Moore said he was pumping the WWTP weekly.
13. On September 20, 2022, Central Coast Water Board staff reviewed the Santa Cruz County septic hauling online database and did not find any reports of septic hauling from the Big Basin Woods Subdivision WWTP. Central Coast Water Board staff have not been able to verify whether regular pumping has occurred at the WWTP since the 2020 wildfires.
14. On August 29, 2022, Santa Cruz County Environmental Health staff contacted the County's Mosquito Abatement and Vector Control Division regarding evidence of significant mosquito breeding within the WWTP basins. On August 30, 2022, the Santa Cruz County Mosquito and Vector Control Division inspected the Site and documented dense breeding of mosquitos at the WWTP and raw sewage overflowing from one of the WWTP basins onto the ground. On August 30, 2022, Santa Cruz County sent an email to Central Coast Water Board staff regarding the mosquito breeding at the WWTP. After their inspection, Santa Cruz County Mosquito Abatement and Vector Control Division sent a report to Mr. Moore stating that the large quantities of Culex species mosquitoes breeding at the WWTP constitute a public health concern as the mosquitoes can transmit West Nile virus. The report was later shared with Central Coast Water Board staff.
15. Santa Cruz County Mosquito Abatement and Vector Control Division has recommended continuously circulating or aerating the water within all chambers of the WWTP to prevent mosquito breeding. Mosquito Abatement and Vector Control Division staff has stated that mosquitos can breed in as little as one-fourth inch of stagnant water.
16. On September 22, 2022, Central Coast Water Board staff inspected the Big Basin Woods Subdivision WWTP and observed Permit violations explained below.
17. Santa Cruz County Mosquito Abatement and Vector Control Division has been performing regular treatment of larvicide at the WWTP at two-to-three-week intervals since August 29, 2022, and has continually observed full and overflowing WWTP basins.
18. On November 2, 2022, a California Department of Fish and Wildlife warden visited the

site and observed raw sewage overflowing one of the WWTP basins.

19. On November 10, 2022, the Central Coast Water Board issued a notice of violation to Big Basin Water Company for Permit violations. The November 10, 2022 notice of violation identified several Permit violations that relate to nuisance and the threat of pollution to underlying groundwater and surface waters, including the following:
- a. Permit section D.6 requires, “*Stand by and/or portable generators shall be available to assure compliance with requirements during power failure.*” Big Basin Water Company did not have generators on the Site that would allow the WWTP to operate without electrical service.
  - b. Permit section A.1 states, “*Discharge to areas other than the designated leachfield disposal area . . . is prohibited.*” Big Basin Water Company discharged raw sewage onto the ground adjacent to the WWTP basins. On multiple occasions, Santa Cruz County, Central Coast Water Board, and California Department of Fish and Wildlife staff observed evidence of basin overflow.
  - c. Revised Standard Provisions section A.7 states, “*Collection, treatment, or discharge of waste shall not create a nuisance or pollution, as defined by Section 13050 of the California Water Code.*” Conditions at the Site have created a nuisance. Under Water Code section 13050(m), a “nuisance” means anything which meets all of the following requirements: (1) is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property; (2) affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal; and (3) occurs during, or as a result of, the treatment or disposal of wastes. The WWTP has been left inoperable and is effectively functioning as open holding basins that have collected stagnant raw sewage. Santa Cruz County mosquito and vector control staff visited the site on August 30, 2022, and reported “*confirmed dense breeding of Culex species of mosquitoes which can transmit West Nile virus. The large quantities of mosquitoes produced by this wastewater treatment facility constituted a public health concern to the surrounding residents*”. There is no evidence that Big Basin Water Company has removed or treated wastewater since the 2020 wildfire.
  - d. Revised Standard Provision section A.10 states, “*The discharger shall prevent formation of habitat for carriers of pathogenic microorganisms in any part of the treatment and disposal system.*” Big Basin Water Company failed to prevent the formation of habitat for carriers of pathogenic microorganisms. The WWTP has been left inoperable and is collecting stagnant raw sewage that has become a breeding ground for mosquitos.
  - e. Revised Standard Provision section A.12 states, “*The discharger shall at all times properly operate and maintain all facilities and systems of treatment and control (and*

*related appurtenances) that are installed or used by the discharger to achieve compliance with the conditions of this order. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staff and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. Proper operation and maintenance shall be described in an Operation and Maintenance Manual.*” Big Basin Water Company has failed to properly operate and maintain all facilities and systems of treatment and control. The WWTP has neither treated wastewater nor operated system components since the 2020 wildfire, but it continues to accept raw sewage daily. The WWTP is in a status of disrepair and is not a functioning system that can prevent basin overflow and nuisance.

- f. Revised Standard Provisions section A.23 states, *“The discharger shall take all reasonable steps to minimize or prevent any discharge or sludge use or disposal in violation of this order that has a reasonable likelihood of adversely affecting human health or the environment.”* Big Basin Water Company has failed to take reasonable steps to minimize or prevent discharges in violation of the Permit. The collected raw sewage at the WWTP is overflowing on to the ground and will likely continue to spill on a daily basis as flows are added to the system from the connected homes. In addition, the WWTP conditions pose a significant threat of a spill reaching nearby surface waters.
- g. Revised Standard Provisions section A.27 requires safeguards *“be provided to ensure maximal compliance with all terms and conditions of this order. Safeguards shall include preventative and contingency plans and may also include alternative power sources, stand-by generators, retention capacity, operating procedures, or other precautions. . . .”* Big Basin Water Company has failed to have safeguards in place to ensure compliance with the terms and conditions of the Permit. It has not prevented or minimized overflow.

- 20. Mr. Moore is a discharger because his actions or inactions as the WWTP operator have caused or permitted, or threaten to cause or permit, waste to be discharged or deposited where it is, or probably will be, discharged into waters of the state, which creates, or threatens to create, a condition of pollution or nuisance.
- 21. Big Basin Water Company is a discharger because, as the current owner of the Site, it has caused or permitted, or threatens to cause or permit, waste to be discharged or deposited where it is, or probably will be, discharged into waters of the state, which creates, or threatens to create, a condition of pollution or nuisance. As the current owner of the Site, Big Basin Water Company has the legal ability to control the discharge or threatened discharge of waste.
- 22. Groundwater underlying and near the WWTP are waters of the state. An unnamed ephemeral watercourse directly south of the WWTP is tributary to Boulder Creek, located immediately across Highway 236 from the WWTP. The ephemeral watercourse and Boulder Creek are waters of the state. Boulder Creek is a water of the state and/or

United States.

23. Raw sewage contains pollutants that could cause or contribute to exceedances of water quality standards when introduced to receiving waters.
24. By receiving wastewater into a nonfunctioning wastewater treatment system and allowing raw sewage to overflow the WWTP basins onto the ground, the Dischargers are causing or threatening to create a condition of pollution because the overflowing raw sewage is altering or may alter the water quality to a degree that unreasonably affects the beneficial uses of the groundwater underlying and near the WWTP and in the ephemeral watercourse and Boulder Creek.
25. The Dischargers are causing, or threatening to cause, a condition of nuisance by allowing the stagnant WWTP basins to become a mosquito breeding habitat, posing an imminent threat to public health.

### **LEGAL AUTHORITY**

26. The Big Basin Woods Subdivision WWTP is in the Big Basin Hydrological Unit (306), as described in the *Water Quality Control Plan for the Central Coastal Basin, June 2019 Edition* (Basin Plan).
27. The Basin Plan designates beneficial uses of waters of the state, sets narrative and numerical water quality objectives to protect those beneficial uses, and establishes implementation plans to implement water quality objectives.
28. The Basin Plan has established the following potential and designated beneficial uses of groundwater in the vicinity of Big Basin Woods Subdivision WWTP:
  - a. Municipal and domestic supply
  - b. Agricultural water supply
29. Beneficial uses of Boulder Creek and the San Lorenzo River that could be affected by the discharge include all of the following:
  - c. Municipal and domestic supply
  - d. Groundwater recharge
  - e. Contact and non-contact water recreation
  - f. Wildlife habitat
  - g. Cold freshwater habitat
  - h. Fish migration
  - i. Fish spawning
  - j. Agricultural supply
  - k. Commercial and sports finishing

30. Water Code section 13304, subdivision (a), states, in relevant part:



Any person who has discharged or discharges waste into the waters of this state in violation of any waste discharge requirement or other order or prohibition issued by a regional board or the state board, or who has caused or permitted, causes or permits, or threatens to cause or permit any waste to be discharged or deposited where it is, or probably will be, discharged into the waters of the state and creates, or threatens to create, a condition of pollution or nuisance, shall upon order of the regional board, clean up the waste or abate the effects of the waste, or, in the case of threatened pollution or nuisance, take other necessary remedial action, including, but not limited to, overseeing cleanup and abatement efforts.

31. Water Code section 13050 states, in relevant part:

(k) "Contamination" means an impairment of the quality of the waters of the state by waste to a degree which creates a hazard to the public health through poisoning or through the spread of disease. "Contamination" includes any equivalent effect resulting from the disposal of waste, whether or not waters of the state are affected.

(l)(1) "Pollution" means an alteration of the quality of the waters of the state by waste to a degree which unreasonably affects either of the following:

(A) The waters for beneficial uses.

(B) Facilities which serve these beneficial uses.

(2) "Pollution" may include "contamination."

(m) "Nuisance" means anything which meets all of the following requirements:

(1) Is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property.

(2) Affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.

(3) Occurs during, or as a result of, the treatment or disposal of wastes.

32. Water Code section 13267, subdivision (b)(1), states:

In conducting an investigation . . . , the regional board may require that any person who has discharged, discharges, or is suspected of having discharged or, discharging, or who proposes to discharge waste within its region . . . shall furnish, under penalty of perjury, technical or monitoring program reports which the regional board requires. The burden, including costs, of these reports shall bear a reasonable relationship to the need for the report and the benefits to be obtained from the reports. In requiring those reports, the regional board shall provide the person with a written explanation with regard to the need for the reports, and shall identify the evidence that supports requiring that person to provide the reports.

33. As detailed in the above findings, the Dischargers are causing, or threatening to cause, a condition of nuisance by allowing untreated domestic wastewater to collect at the Big Basin Woods Subdivision WWTP and remain stagnant, which is resulting in the

formation of habitat for carriers of pathogenic microorganisms. The conditions at the Site are a result of the treatment or disposal of wastes, are injurious to health or indecent or offensive to the senses, and affect at the same time the entire community or neighborhood served by and surrounded by the WWTP, although the extent of the annoyance or damage inflicted upon individuals may be unequal. Additionally, the Dischargers are causing, or threatening to cause, a condition of pollution in the waters of the state due to the overflow of raw sewage from ongoing contributions of untreated domestic wastewater to the WWTP, exacerbated by rainfall. Receipt of additional domestic wastewater to the WWTP while it is nonfunctioning will likely increase the overflow of raw sewage and further cause, or threaten to cause, a condition of pollution. Therefore, the Central Coast Water Board is authorized to order the Dischargers to clean up the waste, abate the effects of the waste, and to take other necessary remedial action, pursuant to Water Code section 13304.

**IT IS HEREBY ORDERED**, pursuant to Water Code sections 13304 and 13267, that the Dischargers must:

1. Immediately (no later than two days after the effective date of this Order) reduce wastewater levels in all the WWTP basins so that at all times there is a minimum of two feet of freeboard and more if necessary such that daily inflow and precipitation events will not result in basin overflow and discharge of raw sewage, and will not create a condition of pollution or nuisance. Compliance with this requirement may be accomplished through regular pumping of the raw sewage at the WWTP and disposal at a facility that has a current wastewater disposal permit from the Central Coast Water Board or another Regional Water Quality Control Board, and by continuously monitoring weather reports and regularly conducting visual inspections of the WWTP to assess conditions and levels of wastewater in the WWTP basins, especially prior to forecasted rain events, during rain events, and immediately following rain events.
2. Not accept any additional wastewater from properties other than the properties currently sending wastewater to the WWTP at the date of this CAO, until the Central Coast Water Board, or its delegate, certifies that one of the following conditions have been met:
  - The WWTP is meeting Permit conditions or any permit that supersedes the existing Permit.
  - An alternative plan for the treatment and or disposal of wastewater from the Big Basin Woods Subdivision has been approved by the Central Coast Water Board.
3. Abate any and all conditions that enable mosquito breeding by continuously circulating or aerating the wastewater within all chambers of the WWTP or other appropriate action.
4. Until notified otherwise by the Central Coast Water Board Executive Officer, submit weekly reports starting on Friday, November 25, 2022, and every Friday thereafter, on the status of cleanup and abatement efforts, including, at a minimum, the following



elements:

- a. Daily influent flow to the WWTP in gallons per day.
- b. Photo documentation of the levels of wastewater in all of the WWTP basins.
- c. Freeboard measurements of the levels of wastewater in all of the WWTP basins.
- d. Pumping records from the pumping service provider, including the date pumping occurred, the volume of wastewater pumped, the entity performing the pumping, and the location where the pumped wastewater was disposed of.
- e. Actions taken to prevent mosquito breeding habitat.
- f. Weekly rain totals received and predicted in the following week.
- g. In addition to the weekly documentation, the reports must provide photos and freeboard measurements before, during and after rain events.

Central Coast Water Board enforcement staff will assess progress towards compliance with this Order when determining whether to pursue further enforcement, such as issuance of an administrative civil liability complaint pursuant to Water Code sections 13350 or 13385 for noncompliance with the Permit and for any unauthorized discharge of waste to waters of the state and/or U.S. Days of violation and the associated potential civil liability continue to accrue for each day of noncompliance.

### **PROVISIONS**

1. The Central Coast Water Board's requirement that the Big Basin Water Company submit weekly status reports is made pursuant to Water Code section 13267. The Central Coast Water Board needs the required information to ensure compliance with this Order and the Permit. The evidence supporting this requirement is described in the findings of this Order. The cost of preparing and submitting the reports is estimated to be in the range of \$300 to \$750 per week.<sup>3</sup> The collection of weekly reports on the flows into the WWTP, status of pumping, levels of wastewater in the WWTP basins, and the prevention of mosquito habitat will enable an evaluation of the current risk of pollution from the WWTP and the condition of nuisance at the WWTP. Thus, the burden, including costs, of the status reports bears a reasonable relationship to its need and the benefits to be obtained.
2. Big Basin Water Company must submit a written 30-day advance notice to the Central Coast Water Board of any planned changes in name, ownership, control of the WWTP, or any planned physical changes to the WWTP that may affect compliance with this CAO. In the event of a change in ownership or operator, the Big Basin Water Company also must provide a 30-day advance notice, by letter, to the succeeding owner/operator of the existence of this CAO and shall submit a copy of this advance notice to the Central Coast Water Board.
3. All submittals required in conjunction with this Order must include a signed statement by the legally responsible party of the Big Basin Water Company, certifying under penalty

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<sup>3</sup> Two to five hours a week at \$150 per hour.

of perjury under the laws of the State of California that the submitted document is true, complete, and accurate. The statement must read as follows:

*I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.*

All submittals required by this Order must be submitted electronically to the email addresses below:

[Danial.Woldearegay@waterboards.ca.gov](mailto:Danial.Woldearegay@waterboards.ca.gov)  
and  
[RB3-WDR@waterboards.ca.gov](mailto:RB3-WDR@waterboards.ca.gov)

4. Pursuant to Water Code section 13304, the Central Coast Water Board is entitled to, and may seek reimbursement for, all reasonable costs it actually incurs to investigate discharges of waste and to oversee cleanup of such wastes, abatement of the effects thereof, or other remedial action, required by this Order. If directed by the Central Coast Water Board, Big Basin Water Company must reimburse the Central Coast Water Board for such costs.
5. This Order does not limit the authority of the Central Coast Water Board to institute additional enforcement actions or to require additional investigation and cleanup of the site consistent with the Water Code.
6. The Central Coast Water Board, through its Executive Officer, may revise this Order as additional information becomes available. Upon request by Big Basin Water Company, and for good cause shown, the Executive Officer may defer, delete, or extend the date of compliance for any action required of Big Basin Water Company under this Order. The authority of the Central Coast Water Board, as expressed in the Water Code, to order investigation and cleanup, in addition to that described herein, is in no way limited by this Order.
7. Failure to comply with the terms or conditions of this Order may subject Big Basin Water Company to further enforcement action, including, but not limited to, assessment of civil liability pursuant to Water Code sections 13268, 13350, and/or 13385, and/or referral to the attorney general of the state of California. The Central Coast Water Board reserves its right to take any enforcement action authorized by law.
8. Any person aggrieved by this action of the Central Coast Water Board may petition the State Water Resources Control Board (State Water Board) to review the action in accordance with Water Code section 13320 and California Code of Regulations, title 23,

sections 2050 and following. The State Water Board must receive the petition by 5:00 p.m., 30 days after the date of this Order, except that if the thirtieth day following the date of this Order falls on a Saturday, Sunday, or state holiday, the petition must be received by the State Water Board by 5:00 p.m. on the next business day. Copies of the law and regulations applicable to filing petitions will be provided upon request or may be found on the Internet at:

[http://www.waterboards.ca.gov/public\\_notices/petitions/water\\_quality](http://www.waterboards.ca.gov/public_notices/petitions/water_quality)

This Order is issued under authority delegated to its executive officer by the Central Coast Water Board and is effective upon signature.

Ordered by:

Matthew T. Keeling, Executive Officer

Attachment – Site Location Map





Figure 1: Site Location Map

# EXHIBIT Y

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



December 14, 2022

Thomas J Moore  
Big Basin Water Company, Inc.  
16595 Jamison Creek Road  
Boulder Creek, CA 95006

**SUBJECT:** Notice of Violation

Mr. Moore:

The Water Division of the California Public Utilities Commission (Commission) has determined that Big Basin Water Company (BBWC) is in violation of Public Utilities (PU) Code § 451 and Commission's General Order 103-A, for the following reasons and as further discussed in this Notice of Violation (NOV): 1) failing to furnish and maintain safe and reliable wastewater service to its customers and the public; 2) failing to comply with the Central Coast Regional Water Quality Board's (Central Coast Water Board) permit requirements, NOVs,<sup>1</sup> and Cleanup and Abatement Order (CAO).<sup>2</sup>

**California Public Utilities Code § 451 states:**

*"Every public utility shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities, including telephone facilities, as defined in Section 54.1 of the Civil Code, as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public."*

BBWC violated PU Code § 451 by failing to regularly pump and/or treat the collected wastewater at BBWC's inoperable wastewater treatment plant (WWTP) since the CZU Lightning Complex fire in August 2020. This failure has resulted in filling of the WWTP basins and subsequent discharge onto the ground adjacent to the basins which have been documented in periodic visits by Santa Cruz County, Central Coast Water Board, and Department of Fish and Wildlife staff, most recently on November 2, 2022. The WWTP wastewater basins and surrounding area have now become a significant breeding ground for mosquitos which is continuing to be treated by Santa Cruz County mosquito and vector control. BBWC's failure to regularly pump its wastewater, now poses a health and safety hazard to BBWC's customers and to the public and should immediately be rectified.

**General Order 103-A, Section II.1-A states:**

*"Subject to the Commission's oversight, each utility shall operate its system so as to deliver reliable, high quality service to its customers at reasonable cost."*

<sup>1</sup> Notice of Violation #1 issued on November 10, 2022 and Notice of Violation #2 issued on November 29, 2022.

<sup>2</sup> Cleanup and Abatement Order No. R3-2022-0077 issued on November 21, 2022.



BBWC continues to receive wastewater from its customers while the WWTP remains inoperable. BBWC is in violation of the Commission's General Order 103-A, Section II.1-A by failing to deliver reliable, high-quality service to its customers since BBWC's WWTP went out of service after the August 2020 fire.

**General Order 103-A, Section II.1-C** states:

*"Each wastewater utility shall ensure that it complies with the State Board, Regional Board, and County Health Department<sup>3</sup> permit requirements and all applicable regulations."*

**General Order 103-A, Section III.1-A(1)** states in part:

*"Each system shall be designed and operated so as to provide reasonably adequate and safe service to its customers and shall conform to the requirements of the Department and this General Order."*

BBWC is in violation of General Order 103-A, Section III.1-A(1) as the Central Coast Water Board issued a Notice of Violation on November 10, 2022 citing numerous WWTP permit violations. Subsequently, the Central Coast Water Board issued Cleanup and Abatement Order (CAO) No. R3-2022-0077 on November 21, 2022, ordering BBWC to reduce wastewater levels in the WWTP basins such that overflow and discharge will not occur, to abate any and all conditions that enable mosquito breeding, and to submit weekly reports to Water Board staff. On November 29, 2022, the Central Coast Water Board issued a second Notice of Violation to BBWC for failing to reduce wastewater levels and submit weekly reports as required in the CAO.

**General Order 103-A, Section VII.5-A** states in part:

*"The utility shall ensure that all water treatment and water distribution facilities are operated by personnel appropriately certified by the Department."*

The current owner and WWTP operator for BBWC is Thomas J Moore. According to the State Water Resources Control Board, Mr. Moore's Grade II wastewater treatment operator certification expired in 2013 and has not been renewed. Additionally, the Central Coast Water Board determined in October 2022 that the BBWC WWTP requires a Grade III operator to comply with Department requirements and the Commission's General Order 103-A, Section VII.5-A.

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<sup>3</sup> The Department as defined by General Order 103-A is, "The Division of Drinking Water and Environmental Management of the Department of Public Health of the State of California, or its successor; or the County Health Department, that has jurisdiction over the utility."



The Commission's Water Division Corrective Action Directives:

BBWC is directed to comply with the following directives listed under Table 1:

<b>Directive</b>	<b>Statute(s)</b>	<b>Due Date</b>
1. Abate any and all existing and potential conditions for mosquito breeding as specified in CAO No. R3-2022-0077.	PU Code § 451	December 21, 2022
2. Restore service to the WWTP or provide a Corrective Action Plan (CAP) for the WWTP including a timeline for funding requests to be submitted to the Commission.	G.O. 103-A Section II.1-A	January 9, 2023
3. Comply with all permit requirements and outstanding Central Coast Water Board Notice of Violations and Cleanup and Abatement Orders.	G.O. 103-A Section III.1-A(1)	January 9, 2023
4. Procure a certified Grade III wastewater treatment operator or certification consistent with Department requirements for the BBWC WWTP.	G.O. 103-A Section VII.5-A	January 9, 2023


As specified under the penalty schedule in Commission Resolution (Res.) W-4799, failing to comply with a directive may result in a penalty of \$500 per event with a maximum of \$2,000 in total for the directives specified in Table 1. In accordance with Res. W-4799 and M-4846, BBWC must either comply with the directives by the deadlines specified herein or informally contest the alleged violations within 30 days of issuance of this notification letter. BBWC may request an extension of time to achieve compliance, based on a showing of good cause.

If BBWC chooses to contest any of the alleged violations specified in this NOV, its response shall include a statement of the facts for the basis of each dispute; a plan to correct any undisputed violations; confirmation that BBWC will correct any undisputed violations by the dates specified in this letter or a proposal for a later date with an explanation of the need for such an extension, and confirmation that a penalty assessed will be paid within 30 days of issuance of this notification letter or a proposal for a lower penalty amount with an explanation of why the lower amount is appropriate.

Res. M-4846 also authorizes Commission staff to take additional enforcement actions upon receipt of BBWC's response including, but not limited to, issuing a Citation, Administrative Consent Order, and/or Administrative Enforcement Order if staff determines the utility's response to be inadequate.

If you have any questions, please contact Wilson Tsai at (415) 703-1359 or [WT1@cpuc.ca.gov](mailto:WT1@cpuc.ca.gov).

Sincerely,

  
Terence Shia  
Director  
Water Division

Attachments: 1) Central Coast Regional Water Quality Control Board, Notice of Violation, November 10, 2022, 2) Central Coast Regional Water Quality Control Board, Cleanup and Abatement Order No. R3-2022-0077, November 21, 2022, 3) Central Coast Regional Water Quality Control Board, Notice of Violation, November 29, 2022.

CC: Bruce DeBerry, Project Manager, Water Division, CPUC  
Moises Chavez, Program and Project Supervisor, Water Division, CPUC  
Adam Thaler, Utilities Engineer, Water Division, CPUC  
Danial Woldearegay, Water Resource Control Engineer, Central Coast Water Board  
Thea S. Tryon, Assistant Executive Officer, Central Coast Water Board  
Jennifer Epp, Supervisor, Central Coast Water Board  
Laura Mooney, Attorney, Office of Enforcement, State Water Resources Control Board



## Central Coast Regional Water Quality Control Board

November 10, 2022

Thomas J Moore  
Big Basin Water Company, Inc.  
16595 Jamison Creek Road  
Boulder Creek, CA 95006  
Email: [bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

**Via Certified and Electronic Mail  
No. 7019 1640 0000 7909 9994**

Dear Thomas J Moore:

**BIG BASIN WATER COMPANY, INC., BIG BASIN WOODS SUBDIVISION WWTP,  
HWY 236 AND FALLEN LEAF DRIVE, BOULDER CREEK, SANTA CRUZ COUNTY –  
NOTICE OF VIOLATION FOR WASTEWATER TREATMENT SYSTEM  
OPERATIONS, WASTE DISCHARGE REQUIREMENTS ORDER NUMBER 97-26,  
WDID # 3 441001001**

The California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) is a state regulatory agency with the responsibility for protecting the quality of the waters of the state within its area of jurisdiction. The Central Coast Water Board has authority to require submission of information, direct action, establish regulations, levy penalties, and bring legal action when necessary to protect water quality. The purpose of this letter is to notify Big Basin Water Company, Inc. (Big Basin Water Company) of alleged violations of state law at its Big Basin Woods Subdivision Wastewater Treatment Plant (WWTP), require a written response describing the actions taken or planned to be taken to address violations and prevent future violations, and explain the potential civil administrative liability for non-compliance with state and federal laws for any unauthorized discharges of waste to waters of the state and waters of the United States.

Big Basin Water Company is collecting untreated wastewater at the WWTP, providing no treatment, and the WWTP components are overflowing and posing an imminent threat to waters of the state and waters of the United States.<sup>1</sup> Big Basin Water Company must immediately cease any unpermitted discharge and must clean up and remove untreated wastewater.

<sup>1</sup> An unnamed ephemeral watercourse directly south of the WWTP is tributary to Boulder Creek, located immediately across Highway 236 from the WWTP. The ephemeral watercourse and Boulder Creek are waters of the state. Boulder Creek is a water of the United States. Groundwater beneath the WWTP is waters of the state. See Attachment 2, Figure 8.

**Background**

Big Basin Water Company is a private utility company that owns and operates the WWTP. The WWTP collects and treats wastewater from a 28-home residential community located approximately 2.5 miles north of Boulder Creek on Big Basin Way (Highway 236) in Santa Cruz County. The Central Coast Water Board regulates the WWTP pursuant to Order No. 97-26, *Waste Discharge Requirements for Big Basin Water Company Inc., Big Basin Woods Subdivision, Santa Cruz County* (Permit),<sup>2</sup> for the discharge of domestic wastewater to land.

A significant portion of the residential community homes and portions of the WWTP were damaged or destroyed in the CZU lightning complex fire in August 2020. The WWTP suffered a long-term loss of power, and several vital pieces of process and transmission equipment were destroyed. Two homes in the subdivision were not destroyed during the fire and have occupancy permits through Santa Cruz County. In addition, the nearby fire station is believed to be connected to the WWTP. Big Basin Water Company has stated that these homes have continued to send wastewater to the inoperable WWTP since the fire. During an inspection on September 22, 2022, Central Coast Water Board staff observed that some residents are living semi-permanently in recreational vehicles on their lots. There are also several new homes under construction in the community. See Attachment 2, Figure 5 for a map from Santa Cruz County that indicates which lots are currently connected to the WWTP and under construction.

After the wildfire, Central Coast Water Board staff contacted Mr. Thomas J (Jim) Moore, Big Basin Water Company's chief executive officer and WWTP operator. Mr. Moore explained that the WWTP's electrical system sustained damage during the fire and the WWTP did not have power to operate. Mr. Moore stated that collected wastewater would be pumped regularly from the WWTP and disposed of appropriately while the electrical system was being repaired.

Central Coast Water Board staff has not been able to verify whether regular pumping has occurred at the WWTP over the last two years and three months. During visits from Santa Cruz County staff on September 9, 2021, August 30, 2022, and October 27, 2022, Central Coast Water Board staff on September 22, 2022, and California Department of Fish and Wildlife staff on November 2, 2022, the WWTP basins were full of untreated wastewater and showed evidence of overflowing. See photographs provided in Attachment 1, Figures 3 – 5 and Attachment 2, Figures 4, 6, and 7. Central Coast Water Board staff has requested pumping reports from Big Basin Water Company multiple times (via email on November 22, 2021, and January 11, 2022) and has not received a response. On September 20, 2022, Central Coast Water Board staff reviewed the Santa Cruz County septic hauling online database and did not find any

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<sup>2</sup> On December 5, 2013, the Central Coast Water Board amended the Permit via Resolution No. R3-2013-0052 to incorporate the December 5, 2013 Standard Provisions and Reporting Requirements for Waste Discharge Requirements (December 2013 Standard Provisions). The December 2013 Standard Provisions are accessible at the following link:

[https://www.waterboards.ca.gov/centralcoast/board\\_decisions/docs/wdr\\_standard\\_provisions\\_2013.pdf](https://www.waterboards.ca.gov/centralcoast/board_decisions/docs/wdr_standard_provisions_2013.pdf)

reports of septic hauling from the Big Basin Woods subdivision. The database conflicts with a communication Mr. Moore had with Santa Cruz County, which indicates that Big Basin Water Company has pumped the wastewater on a weekly basis. Big Basin Water Company has also failed to submit all quarterly reports required by the Permit monitoring and reporting program since the second quarter of 2019, despite receiving a notice of violation sent by the Central Coast Water Board on May 31, 2022 (Attachment 5).

On May 20, 2022, the Central Coast Water Board sent Big Basin Water Company a directive pursuant to Water Code section 13260 (Attachment 4), requiring it to submit a new permit application by June 20, 2022, because the Central Coast Water Board must update the 30-year-old Permit. Over the last several years, the Central Coast Water Board has been sending directives to all facilities with outdated wastewater permits and delayed the directive to Big Basin Water Company to give it time to recover from the fire. Big Basin Water Company has failed to submit an application in response to the directive.

On August 29, 2022, the County of Santa Cruz contacted Central Coast Water Board staff regarding their public health concerns related to the significant mosquito breeding within the wastewater treatment basins at the WWTP. On August 30, 2022, Santa Cruz County mosquito and vector control staff confirmed dense breeding of mosquitos at the WWTP and applied a larvicide to the basins. Santa Cruz County mosquito and vector control staff have continued to treat the basins with larvicide on a regular basis (September 16, 2022, September 30, 2022, and October 27, 2022). See Attachment 3 for Santa Cruz County's inspection report and Attachment 2, Figures 1-3, and 7 for photos.

In September 2022, Central Coast Water Board staff (Water Resource Control Engineers Mark Lemus and Danial Woldearegay) conducted a desk review of available information on file and inspected the WWTP. Central Coast Water Board staff observed violations of the Permit. See Attachment 1 for a copy of the inspection report.

On October 24, 2022, Central Coast Water Board staff met with Santa Cruz County Public Works and Environmental Health staff and California Public Utilities Commission staff to discuss the status of the WWTP. Santa Cruz County provided photos from their site visit on September 9, 2021 (see Attachment 2, Figure 4), and a map showing the status of each parcel in the Big Basin Subdivision (see Attachment 2, Figure 5). California Public Utilities Commission staff stated that they have not received the 2021 annual report from Big Basin Water Company and have not received any recent requests for rate increases to fund facility operations and/or improvements.

On November 2, 2022, a California Department of Fish and Wildlife warden inspected the WWTP. The warden observed the basin on the south side of the WWTP overflowing (see Attachment 2, Figure 6).

**Alleged Violations**

The Central Coast Water Board alleges that Big Basin Water Company is in violation of Permit requirements. Details of the alleged violations are described below.

1. **Permit Section D, Provisions, Item 6** requires “*Stand by and/or portable generators shall be available to assure compliance with requirements during power failure.*”

Big Basin Water Company is violating Permit section D.6 by not having generators on the site that would allow the facility to operate without electricity service to maintain permit compliance. During the September 22, 2022 inspection, Central Coast Water Board staff did not observe a standby generator at the site. Big Basin Water Company personnel stated that the WWTP was without power and have not operated any WWTP system components since the fire in 2019.

2. **Permit Section A, Prohibitions, Item 1** prohibits “*Discharge to areas other than the designated leachfield disposal area.*”

Big Basin Water Company violated Permit section A.1 by discharging untreated wastewater onto the ground adjacent to the basins. On September 9, 2021, Santa Cruz County staff observed evidence of untreated wastewater overflowing one of the basins (see Attachment 2, Figure 4). On August 30, 2022, and October 27, 2022, Santa Cruz County mosquito and vector control staff observed that one of the basins holding untreated wastewater was overflowing (see Attachment 2, Figure 7). Photos from the September 22, 2022 Central Coast Water Board inspection show evidence of basin overflow (see Attachment 1, Figure 4). On November 2, 2022, California Department of Fish and Wildlife staff observed untreated wastewater overflowing one of the basins (see Attachment 2, Figure 6).

3. **Permit Section D, Provisions, Item 3** requires compliance with “*Standard Provisions and Reporting Requirements for Waste Discharge Requirements.*”<sup>3</sup> **December 2013 Standard Provisions<sup>3</sup> Section A, General Permit Conditions, Provision 7** states, “*Collection, treatment, or discharge of waste shall not create a nuisance or pollution, as defined by Section 13050 of the California Water Code.*”

Big Basin Water Company violated standard provision A.7 by creating a nuisance. Pursuant to Water Code section 13050(m), a “nuisance” means anything which meets all of the following requirements: (1) is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property; (2)

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<sup>3</sup> California Regional Water Quality Control Board Central Coast Region, Standard Provisions and Reporting Requirements for Waste Discharge Requirements, December 5, 2013.



affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal; and (3) occurs during, or as a result of, the treatment or disposal of wastes.

The WWTP has been inoperable and is currently just collecting untreated wastewater in open basins. On August 30, 2022, Santa Cruz County mosquito and vector control staff visited the site and reported big stagnant basins of wastewater that had become concentrated mosquito larvae breeding habitat. Santa Cruz County staff reported, *“confirmed dense breeding of Culex species of mosquitoes which can transmit West Nile virus. The large quantities of mosquitoes produced by this wastewater treatment facility constituted a public health concern to the surrounding residents.”* See Attachment 3 for Santa Cruz County’s inspection report and Attachment 2 Figures 1-3 for photos taken by mosquito and vector control staff. Big Basin Water Company has collected untreated wastewater over an extended period of time and there is no evidence of wastewater removal or treatment.

- 4. Permit Section D, Provisions, Item 3** requires compliance with “ ‘*Standard Provisions and Reporting Requirements for Waste Discharge Requirements.*’ ” **December 2013 Standard Provisions Section A, General Permit Conditions, Provision 10** states, *“The Discharger shall prevent formation of habitat for carriers of pathogenic microorganisms in any part of the treatment and disposal system.”*

Big Basin Water Company violated standard provision A.10 by not preventing the formation of habitat for carriers of pathogenic microorganisms. As described in item 3 above, the WWTP has been left inoperable and is collecting stagnant wastewater that has become a breeding ground for mosquitos. See Attachment 3 for Santa Cruz County’s inspection report and Attachment 2 Figures 1-3 for photos taken by county mosquito and vector control staff.

- 5. Permit Section D, Provisions, Item 3** requires compliance with “ ‘*Standard Provisions and Reporting Requirements for Waste Discharge Requirements.*’ ” **December 2013 Standard Provisions Section A, General Permit Conditions, Provision 12** states, *“The discharger shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) that are installed or used by the discharger to achieve compliance with the conditions of this order. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staff and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. Proper operation and maintenance shall be described in an Operation and Maintenance Manual.”*

Big Basin Water Company violated standard provision A.12 by not properly operating and maintaining all facilities and systems of treatment and control. The WWTP is inoperable and cannot provide adequate wastewater treatment to be



discharged to the environment. Big Basin Water Company has stated that it does not have adequate funding to repair and replace equipment necessary to bring the WWTP back into compliance with the Permit. California Public Utilities Commission staff have stated that they have not received any request over the last several years from Big Basin Water Company to increase rates so that funds are available to operate the WWTP. It has been over two years since the CZU complex fire, and it appears no significant progress has been made by Big Basin Water Company to bring the facility into an operating condition and into compliance with the Permit.

- 6. Permit Section D, Provisions, Item 3** requires compliance with “*Standard Provisions and Reporting Requirements for Waste Discharge Requirements.*” **December 2013 Standard Provisions Section A, General Permit Conditions, Provision 23** states, “*The discharger shall take all reasonable steps to minimize or prevent any discharge or sludge use or disposal in violation of this order that has a reasonable likelihood of adversely affecting human health or the environment.*”

Big Basin Water Company violated standard provision A.23 by not taking reasonable steps to minimize or prevent discharge in violation of the Permit. Central Coast Water Board staff has requested proof that the wastewater has been pumped from the WWTP; however, Big Basin Water Company has not furnished any proof that wastewater has been pumped from the system on a regular frequency. Visits from Santa Cruz County staff on September 9, 2021, August 30, 2022, and October 27, 2022, Central Coast Water Board staff on September 22, 2022, and California Department of Fish and Wildlife staff on November 2, 2022, showed full basins, which indicate that adequate pumping has not occurred on a regular basis. This collected wastewater within the WWTP is overflowing the WWTP facilities and will likely continue to spill on a daily basis as flows are added to the system from the connected properties. In addition, the WWTP conditions pose a significant threat of a spill reaching nearby surface waters<sup>4</sup> during the next significant precipitation event if no action is taken. It has been over two years since the CZU complex fire, and it appears no significant progress has been made by Big Basin Water Company to bring the facility into an operating condition and into compliance with the Permit.

- 7. Permit Section D, Provisions, Item 3** requires compliance with “*Standard Provisions and Reporting Requirements for Waste Discharge Requirements.*” **December 2013 Standard Provisions Section A, General Permit Conditions, Provision 27**, states that *safeguards, “shall be provided to ensure maximal compliance with all terms and conditions of this order. Safeguards shall include preventative and contingency plans and may also include alternative power sources, stand-by generators, retention capacity, operating procedures, or other*

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<sup>4</sup> An unnamed ephemeral watercourse lies directly south of the WWTP and is tributary to Boulder Creek, located immediately across Highway 236 from the WWTP. See Attachment 2, Figure 8.

*precautions. Preventative and contingency plans for controlling and minimizing the effect of accidental discharges shall:*

*a. Identify possible situations that could cause "upset," "overflow," "bypass," or other noncompliance. (Loading and storage areas, power outage, waste treatment unit outage, and failure of process equipment, tanks, or pipes should be considered.)*

*b. Evaluate the effectiveness of present facilities and procedures and describe procedures and steps to minimize or correct any adverse environmental impact resulting from noncompliance with the order."*

Big Basin Water Company violated standard provision A.27 by not having any safeguards in place to ensure compliance with the terms and conditions of the Permit. Big Basin Water Company has not prevented or minimized overflow.

- 8. Permit Section D, Provisions, Item 2** requires compliance with " 'Monitoring and Reporting Program No. 97-26' as specified by the Executive Officer." Monitoring and Reporting Program No. 97-26 requires submittal of quarterly reports to the Central Coast Water Board.

Big Basin Water Company violated Permit section D.2 by failing to submit quarterly reports between April and October 2022. The Central Coast Water Board sent a notice of violation to Big Basin Water company on May 31, 2022, for missing quarterly reports with due dates from October 20, 2019, through January 20, 2022 (see Attachment 5). In addition to the reports identified in the May 31, 2022 notice of violation, the Central Coast Water Board has not received quarterly reports for:

Quarter 1, 2022 due April 20, 2022  
Quarter 2, 2022 due July 20, 2022  
Quarter 3, 2022 due October 20, 2022

- 9. Permit Section B, Discharge Specifications, Item 2** requires effluent discharged to the leachfield disposal area to not exceed a settleable solids maximum of 0.7 mL/L.

Big Basin Water Company violated Permit section B.2 by discharging effluent that exceeds the settleable solids limit. In reports provided by Big Basin Water Company, the settleable solids exceeded the limit on March 1, 2019, and April 1, 2019.

- 10. Permit Section D, Provisions, Item 3** requires compliance with " 'Standard Provisions and Reporting Requirements for Waste Discharge Requirements.' " **December 2013 Standard Provisions Section A, General Permit Conditions, Provision 19** states, "Wastewater treatment plants shall be supervised and operated by persons possessing certificates of appropriate grade pursuant to the California Water Code and Title 23 of the California Code of Regulations."

Big Basin Water Company violated standard provision A.19. According to the State Water Resources Control Board Office of Operator Certification's database, Thomas J Moore's grade II operator certification expired in 2013, and the certification has not been renewed. In addition, Central Coast Water Board staff determined in October 2022 that the WWTP requires a grade III operator. Going forward, the WWTP will need to be supervised and operated by a grade III operator to be in compliance with standard provision A.19.

### Requirements for Written Response to Alleged Violations

Big Basin Water Company must address the alleged violations described above and perform immediate and regular pumping. Big Basin Water Company must **submit by November 28, 2022**, a written response describing the actions taken or planned to address the above alleged violations and prevent future violations. For violations that Big Basin Water Company has not addressed immediately, the response must include a time schedule for corrective actions to bring the WWTP back into compliance with the requirements of the Permit.

Responses must be submitted electronically to the email addresses below:

[Danial.Woldearegay@waterboards.ca.gov](mailto:Danial.Woldearegay@waterboards.ca.gov)

and

[RB3-WDR@waterboards.ca.gov](mailto:RB3-WDR@waterboards.ca.gov)

This notice of violation is intended to facilitate a timely remedy to address the Big Basin Water Company's alleged Permit violations. Central Coast Water Board staff will determine the need to recommend further enforcement actions based upon Big Basin Water Company, Inc.'s responses and future compliance with the Permit, Water Code, and Clean Water Act.

### Potential Administrative Civil Liability

Big Basin Water Company is hereby on notice that each discharge of waste to waters of the state in violation of the Permit or Water Quality Control Plan for the Central Coastal Basin (Basin Plan)<sup>5</sup> subjects Big Basin Water Company to liability under Water Code section 13350(e). Water Code section 13350(e) authorizes the Central Coast Water Board to impose administrative civil liability of up to \$5,000 per day of violation or \$10 per gallon of waste discharged. Alternatively, the superior court may impose civil liability for each violation of up to \$15,000 per day or \$20 per gallon of waste discharged.

Big Basin Water Company does not have a permit to discharge pollutants to waters of the United States. Unpermitted discharges of pollutants to waters of the United States are violations of federal Clean Water Act (Clean Water Act) section 301. Clean Water

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<sup>5</sup> Water Quality Control Plan for the Central Coast Region, June 2019 edition, [https://www.waterboards.ca.gov/centralcoast/publications\\_forms/publications/basin\\_plan/index.html](https://www.waterboards.ca.gov/centralcoast/publications_forms/publications/basin_plan/index.html) (Section 5.4.2.2 prohibits discharges containing fecal material from humans to waters of the state)

Act section 301 violations are subject to liability under Water Code section 13385, which authorizes the Central Coast Water Board to impose administrative civil liability of up to \$10,000 per day of violation and \$10 per gallon discharged but not cleaned up over 1,000 gallons. Alternatively, a court may impose civil liability of up to \$25,000 for each day the violation occurs, and up to \$25 per gallon of waste discharged but not cleaned up over 1,000 gallons.

Big Basin Water Company's failure to submit quarterly reports between April and October 2022, is a violation of Water Code section 13267. Pursuant to Water Code section 13268, any person failing or refusing to furnish technical or monitoring program reports required under Water Code section 13267, or falsifying any information provided therein, is guilty of a misdemeanor and subject to an administrative civil liability of up to one thousand dollars (\$1,000) for each day the report is late. Liability for each late reports continues to accrue until the report is submitted to the Central Coast Water Board.

Furthermore, the Central Coast Water Board reserves the right to take any enforcement action authorized by law including, but not limited to, the issuance of a cleanup and abatement order pursuant to Water Code section 13304 or a cease and desist order pursuant to Water Code sections 13301 and 13303.

### Conclusion

Big Basin Water Company must ensure compliance with the Permit and must perform immediate and regular pumping of the wastewater at the WWTP to ensure protection of human health and the environment. Big Basin Water Company must not allow additional connections to the system until the WWTP is fully operational and can appropriately treat wastewater in compliance with the Permit. The facility currently poses a threat to human health and the environment by allowing wastewater to continue to overflow the basins, threatening to reach waters of the state and/or waters of the United States.

If you have a questions, please contact Central Coast Water Board staff **Mark Lemus at (805) 549-3703, [Mark.Lemus@Waterboards.ca.gov](mailto:Mark.Lemus@Waterboards.ca.gov), Danial Woldearegay at (805) 549-3892, [Danial.Woldearegay@Waterboards.ca.gov](mailto:Danial.Woldearegay@Waterboards.ca.gov)**, or Jennifer Epp at (805) 594-6181, [Jennifer.Epp@Waterboards.ca.gov](mailto:Jennifer.Epp@Waterboards.ca.gov).

Sincerely,

*for* Thea S. Tryon  
Assistant Executive Officer

### Attachments:

Attachment 1 – Report of Central Coast Water Board Inspection on September 22, 2022

Attachment 2 – Photos and Figures Provided by Santa Cruz County

- Attachment 3 – Santa Cruz County Vector Inspection Authorization and Report  
Dated August 30, 2022.
- Attachment 4 – Requirement to Submit Report of Waste Discharge Dated May  
20, 2022
- Attachment 5 – Notice of Violation for Failure to Submit Quarterly Monitoring  
reports dated May 31, 2022.

cc:

DeBerry, Bruce [bruce.deberry@cpuc.ca.gov](mailto:bruce.deberry@cpuc.ca.gov)  
Chavez, Moises [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)  
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Paul Ciccarelli, [Paul.Ciccarelli@Waterboards.ca.gov](mailto:Paul.Ciccarelli@Waterboards.ca.gov)  
WDR Program, [RB3-WDR@Waterboards.ca.gov](mailto:RB3-WDR@Waterboards.ca.gov)

ECM/CIWQS = 147027

GeoTracker No. = WDR100027894

Rev 7/26/2021

ECM Subject Name = Big Basin Woods Subdivision WWTP NOV

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**STATE OF CALIFORNIA  
CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD  
CENTRAL COAST REGION  
895 Aerovista Place, Suite 101  
San Luis Obispo, California**

**CLEANUP AND ABATEMENT ORDER NO. R3-2022-0077  
ISSUED TO**

**BIG BASIN WATER COMPANY, INC. &  
THOMAS JAMES MOORE**

**FOR THE  
BIG BASIN WOODS SUBDIVISION WASTEWATER TREATMENT  
PLANT  
HIGHWAY 236 AND FALLEN LEAF DRIVE, BOULDER CREEK  
SANTA CRUZ COUNTY**

This Cleanup and Abatement Order No. R3-2022-0077 (Order) is issued to Big Basin Water Company, Inc., and Thomas James Moore pursuant to provisions of California Water Code (Water Code) sections 13304 and 13267, which authorize the California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) to issue this Cleanup and Abatement Order and require the submittal of technical reports.

This Order requires the Big Basin Water Company, Inc., and Thomas James Moore to immediately reduce the accumulated raw sewage from the Big Basin Woods Subdivision wastewater treatment plant to address imminent threats to human health and water quality and take necessary remedial action to prevent the accumulation and discharge of additional raw sewage and abate the condition, or threatened condition, of pollution or nuisance.

**FINDINGS**

The Central Coast Water Board finds that:

1. Big Basin Water Company, Inc. (Big Basin Water Company) and Thomas James Moore (Mr. Moore) (collectively, Dischargers) have caused or permitted, or threaten to cause or permit, waste to be discharged or deposited where it is, or probably will be, discharged into waters of the state, which creates, or threatens to create, a condition of pollution or nuisance.
2. The Big Basin Woods Subdivision wastewater treatment plant (Big Basin Woods Subdivision WWTP or WWTP) is located at Highway 236 and Fallen Leaf Drive, Boulder Creek, Santa Cruz County, California, Assessor's Parcel Number 083-293-01 (Site). A Site map is provided in the Attachment to this Order.



3. The Big Basin Woods Subdivision WWTP collects and treats wastewater from a 28-home residential community located approximately 2.5 miles north of Boulder Creek on Big Basin Way (Highway 236) in Santa Cruz County.
4. The Big Basin Woods Subdivision WWTP is regulated by Central Coast Water Board Order No. 97-26, *Waste Discharge Requirements for Big Basin Water Company, Inc., Big Basin Woods Subdivision, Santa Cruz County* (Permit), as amended by Resolution No. R3-2013-0052 (Resolution) and the Revised Standard Provisions and Reporting Requirements (Revised Standard Provisions) adopted therein.<sup>1</sup>
5. The WWTP is a package activated sludge plant with a designed capacity of 35,000 gallons per day (gpd), receiving at the time of Permit issuance approximately 4,000 gpd and permitted for 7,000 gpd. The WWTP system consists of an activated sludge package plant leachfield disposal system. The WWTP is designed for treated wastewater to be pumped to a leachfield for disposal located approximately one-half mile south and uphill of the WWTP.
6. Mr. Moore is the WWTP operator and Big Basin Water Company's Chief Executive Officer. According to the State Water Resources Control Board Office of Operator Certification's database, Mr. Moore's grade II operator certification has been expired since 2013.<sup>2</sup>
7. A significant portion of the residential community homes served by the WWTP and portions of the WWTP were damaged or destroyed in the CZU lightning complex wildfire in August 2020 (2020 wildfire). The WWTP suffered a long-term loss of power, and several vital pieces of process and transmission equipment were destroyed.
8. After the 2020 wildfire, Central Coast Water Board staff contacted Mr. Moore. Mr. Moore explained that the WWTP's electrical system sustained damage during the 2020 wildfire; the WWTP did not have power and could not operate. Mr. Moore stated that collected wastewater would be pumped regularly from the WWTP and disposed of appropriately while the electrical system was being repaired.
9. According to the County of Santa Cruz, three properties (two homes located on Assessor's Parcel Numbers 083-291-13 and 083-291-14 and a nearby fire station) have been discharging wastewater to the WWTP since the 2020 wildfire.
10. On September 9, 2021, Santa Cruz County Department of Public Works (DPW) visited the site and observed raw sewage overflowing onto the ground from one of the WWTP basins. Santa Cruz County DPW notified Central Coast Water Board staff of the Site

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<sup>1</sup> The Resolution and Revised Standard Provisions are accessible at the following link: [2013-0052 resolution standard provisions.pdf \(ca.gov\)](#)

<sup>2</sup> Central Coast Water Board staff determined in October 2022 that the WWTP requires a grade III operator. Going forward, the WWTP must be supervised and operated by a grade III operator.



conditions on October 24, 2022.

11. On November 22, 2021, Central Coast Water Board staff spoke to Mr. Moore about the conditions at the WWTP. Central Coast Water Board staff sent at least two follow-up emails to Mr. Moore after the call to request submission of several items, including WWTP pumping records and missing monitoring reports for 2020 and 2021. Mr. Moore failed to respond to the follow-up emails.
12. On June 1, 2022, Central Coast Water Board staff received an email from Santa Cruz County Environmental Health Director Marilyn Underwood. Director Underwood explained that during a meeting she recently had with Mr. Moore that Mr. Moore said he was pumping the WWTP weekly.
13. On September 20, 2022, Central Coast Water Board staff reviewed the Santa Cruz County septic hauling online database and did not find any reports of septic hauling from the Big Basin Woods Subdivision WWTP. Central Coast Water Board staff have not been able to verify whether regular pumping has occurred at the WWTP since the 2020 wildfires.
14. On August 29, 2022, Santa Cruz County Environmental Health staff contacted the County's Mosquito Abatement and Vector Control Division regarding evidence of significant mosquito breeding within the WWTP basins. On August 30, 2022, the Santa Cruz County Mosquito and Vector Control Division inspected the Site and documented dense breeding of mosquitos at the WWTP and raw sewage overflowing from one of the WWTP basins onto the ground. On August 30, 2022, Santa Cruz County sent an email to Central Coast Water Board staff regarding the mosquito breeding at the WWTP. After their inspection, Santa Cruz County Mosquito Abatement and Vector Control Division sent a report to Mr. Moore stating that the large quantities of Culex species mosquitoes breeding at the WWTP constitute a public health concern as the mosquitoes can transmit West Nile virus. The report was later shared with Central Coast Water Board staff.
15. Santa Cruz County Mosquito Abatement and Vector Control Division has recommended continuously circulating or aerating the water within all chambers of the WWTP to prevent mosquito breeding. Mosquito Abatement and Vector Control Division staff has stated that mosquitos can breed in as little as one-fourth inch of stagnant water.
16. On September 22, 2022, Central Coast Water Board staff inspected the Big Basin Woods Subdivision WWTP and observed Permit violations explained below.
17. Santa Cruz County Mosquito Abatement and Vector Control Division has been performing regular treatment of larvicide at the WWTP at two-to-three-week intervals since August 29, 2022, and has continually observed full and overflowing WWTP basins.
18. On November 2, 2022, a California Department of Fish and Wildlife warden visited the

site and observed raw sewage overflowing one of the WWTP basins.

19. On November 10, 2022, the Central Coast Water Board issued a notice of violation to Big Basin Water Company for Permit violations. The November 10, 2022 notice of violation identified several Permit violations that relate to nuisance and the threat of pollution to underlying groundwater and surface waters, including the following:
- a. Permit section D.6 requires, “*Stand by and/or portable generators shall be available to assure compliance with requirements during power failure.*” Big Basin Water Company did not have generators on the Site that would allow the WWTP to operate without electrical service.
  - b. Permit section A.1 states, “*Discharge to areas other than the designated leachfield disposal area . . . is prohibited.*” Big Basin Water Company discharged raw sewage onto the ground adjacent to the WWTP basins. On multiple occasions, Santa Cruz County, Central Coast Water Board, and California Department of Fish and Wildlife staff observed evidence of basin overflow.
  - c. Revised Standard Provisions section A.7 states, “*Collection, treatment, or discharge of waste shall not create a nuisance or pollution, as defined by Section 13050 of the California Water Code.*” Conditions at the Site have created a nuisance. Under Water Code section 13050(m), a “nuisance” means anything which meets all of the following requirements: (1) is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property; (2) affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal; and (3) occurs during, or as a result of, the treatment or disposal of wastes. The WWTP has been left inoperable and is effectively functioning as open holding basins that have collected stagnant raw sewage. Santa Cruz County mosquito and vector control staff visited the site on August 30, 2022, and reported “*confirmed dense breeding of Culex species of mosquitoes which can transmit West Nile virus. The large quantities of mosquitoes produced by this wastewater treatment facility constituted a public health concern to the surrounding residents*”. There is no evidence that Big Basin Water Company has removed or treated wastewater since the 2020 wildfire.
  - d. Revised Standard Provision section A.10 states, “*The discharger shall prevent formation of habitat for carriers of pathogenic microorganisms in any part of the treatment and disposal system.*” Big Basin Water Company failed to prevent the formation of habitat for carriers of pathogenic microorganisms. The WWTP has been left inoperable and is collecting stagnant raw sewage that has become a breeding ground for mosquitos.
  - e. Revised Standard Provision section A.12 states, “*The discharger shall at all times properly operate and maintain all facilities and systems of treatment and control (and*

*related appurtenances) that are installed or used by the discharger to achieve compliance with the conditions of this order. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staff and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. Proper operation and maintenance shall be described in an Operation and Maintenance Manual.*” Big Basin Water Company has failed to properly operate and maintain all facilities and systems of treatment and control. The WWTP has neither treated wastewater nor operated system components since the 2020 wildfire, but it continues to accept raw sewage daily. The WWTP is in a status of disrepair and is not a functioning system that can prevent basin overflow and nuisance.

- f. Revised Standard Provisions section A.23 states, *“The discharger shall take all reasonable steps to minimize or prevent any discharge or sludge use or disposal in violation of this order that has a reasonable likelihood of adversely affecting human health or the environment.”* Big Basin Water Company has failed to take reasonable steps to minimize or prevent discharges in violation of the Permit. The collected raw sewage at the WWTP is overflowing on to the ground and will likely continue to spill on a daily basis as flows are added to the system from the connected homes. In addition, the WWTP conditions pose a significant threat of a spill reaching nearby surface waters.
- g. Revised Standard Provisions section A.27 requires safeguards *“be provided to ensure maximal compliance with all terms and conditions of this order. Safeguards shall include preventative and contingency plans and may also include alternative power sources, stand-by generators, retention capacity, operating procedures, or other precautions. . . .”* Big Basin Water Company has failed to have safeguards in place to ensure compliance with the terms and conditions of the Permit. It has not prevented or minimized overflow.

- 20. Mr. Moore is a discharger because his actions or inactions as the WWTP operator have caused or permitted, or threaten to cause or permit, waste to be discharged or deposited where it is, or probably will be, discharged into waters of the state, which creates, or threatens to create, a condition of pollution or nuisance.
- 21. Big Basin Water Company is a discharger because, as the current owner of the Site, it has caused or permitted, or threatens to cause or permit, waste to be discharged or deposited where it is, or probably will be, discharged into waters of the state, which creates, or threatens to create, a condition of pollution or nuisance. As the current owner of the Site, Big Basin Water Company has the legal ability to control the discharge or threatened discharge of waste.
- 22. Groundwater underlying and near the WWTP are waters of the state. An unnamed ephemeral watercourse directly south of the WWTP is tributary to Boulder Creek, located immediately across Highway 236 from the WWTP. The ephemeral watercourse and Boulder Creek are waters of the state. Boulder Creek is a water of the state and/or

United States.

23. Raw sewage contains pollutants that could cause or contribute to exceedances of water quality standards when introduced to receiving waters.
24. By receiving wastewater into a nonfunctioning wastewater treatment system and allowing raw sewage to overflow the WWTP basins onto the ground, the Dischargers are causing or threatening to create a condition of pollution because the overflowing raw sewage is altering or may alter the water quality to a degree that unreasonably affects the beneficial uses of the groundwater underlying and near the WWTP and in the ephemeral watercourse and Boulder Creek.
25. The Dischargers are causing, or threatening to cause, a condition of nuisance by allowing the stagnant WWTP basins to become a mosquito breeding habitat, posing an imminent threat to public health.

### **LEGAL AUTHORITY**

26. The Big Basin Woods Subdivision WWTP is in the Big Basin Hydrological Unit (306), as described in the *Water Quality Control Plan for the Central Coastal Basin, June 2019 Edition* (Basin Plan).
27. The Basin Plan designates beneficial uses of waters of the state, sets narrative and numerical water quality objectives to protect those beneficial uses, and establishes implementation plans to implement water quality objectives.
28. The Basin Plan has established the following potential and designated beneficial uses of groundwater in the vicinity of Big Basin Woods Subdivision WWTP:
  - a. Municipal and domestic supply
  - b. Agricultural water supply
29. Beneficial uses of Boulder Creek and the San Lorenzo River that could be affected by the discharge include all of the following:
  - c. Municipal and domestic supply
  - d. Groundwater recharge
  - e. Contact and non-contact water recreation
  - f. Wildlife habitat
  - g. Cold freshwater habitat
  - h. Fish migration
  - i. Fish spawning
  - j. Agricultural supply
  - k. Commercial and sports finishing

30. Water Code section 13304, subdivision (a), states, in relevant part:

Any person who has discharged or discharges waste into the waters of this state in violation of any waste discharge requirement or other order or prohibition issued by a regional board or the state board, or who has caused or permitted, causes or permits, or threatens to cause or permit any waste to be discharged or deposited where it is, or probably will be, discharged into the waters of the state and creates, or threatens to create, a condition of pollution or nuisance, shall upon order of the regional board, clean up the waste or abate the effects of the waste, or, in the case of threatened pollution or nuisance, take other necessary remedial action, including, but not limited to, overseeing cleanup and abatement efforts.

31. Water Code section 13050 states, in relevant part:

(k) "Contamination" means an impairment of the quality of the waters of the state by waste to a degree which creates a hazard to the public health through poisoning or through the spread of disease. "Contamination" includes any equivalent effect resulting from the disposal of waste, whether or not waters of the state are affected.

(l)(1) "Pollution" means an alteration of the quality of the waters of the state by waste to a degree which unreasonably affects either of the following:

(A) The waters for beneficial uses.

(B) Facilities which serve these beneficial uses.

(2) "Pollution" may include "contamination."

(m) "Nuisance" means anything which meets all of the following requirements:

(1) Is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property.

(2) Affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.

(3) Occurs during, or as a result of, the treatment or disposal of wastes.

32. Water Code section 13267, subdivision (b)(1), states:

In conducting an investigation . . . , the regional board may require that any person who has discharged, discharges, or is suspected of having discharged or, discharging, or who proposes to discharge waste within its region . . . shall furnish, under penalty of perjury, technical or monitoring program reports which the regional board requires. The burden, including costs, of these reports shall bear a reasonable relationship to the need for the report and the benefits to be obtained from the reports. In requiring those reports, the regional board shall provide the person with a written explanation with regard to the need for the reports, and shall identify the evidence that supports requiring that person to provide the reports.

33. As detailed in the above findings, the Dischargers are causing, or threatening to cause, a condition of nuisance by allowing untreated domestic wastewater to collect at the Big Basin Woods Subdivision WWTP and remain stagnant, which is resulting in the



formation of habitat for carriers of pathogenic microorganisms. The conditions at the Site are a result of the treatment or disposal of wastes, are injurious to health or indecent or offensive to the senses, and affect at the same time the entire community or neighborhood served by and surrounded by the WWTP, although the extent of the annoyance or damage inflicted upon individuals may be unequal. Additionally, the Dischargers are causing, or threatening to cause, a condition of pollution in the waters of the state due to the overflow of raw sewage from ongoing contributions of untreated domestic wastewater to the WWTP, exacerbated by rainfall. Receipt of additional domestic wastewater to the WWTP while it is nonfunctioning will likely increase the overflow of raw sewage and further cause, or threaten to cause, a condition of pollution. Therefore, the Central Coast Water Board is authorized to order the Dischargers to clean up the waste, abate the effects of the waste, and to take other necessary remedial action, pursuant to Water Code section 13304.

**IT IS HEREBY ORDERED**, pursuant to Water Code sections 13304 and 13267, that the Dischargers must:

1. Immediately (no later than two days after the effective date of this Order) reduce wastewater levels in all the WWTP basins so that at all times there is a minimum of two feet of freeboard and more if necessary such that daily inflow and precipitation events will not result in basin overflow and discharge of raw sewage, and will not create a condition of pollution or nuisance. Compliance with this requirement may be accomplished through regular pumping of the raw sewage at the WWTP and disposal at a facility that has a current wastewater disposal permit from the Central Coast Water Board or another Regional Water Quality Control Board, and by continuously monitoring weather reports and regularly conducting visual inspections of the WWTP to assess conditions and levels of wastewater in the WWTP basins, especially prior to forecasted rain events, during rain events, and immediately following rain events.
2. Not accept any additional wastewater from properties other than the properties currently sending wastewater to the WWTP at the date of this CAO, until the Central Coast Water Board, or its delegate, certifies that one of the following conditions have been met:
  - The WWTP is meeting Permit conditions or any permit that supersedes the existing Permit.
  - An alternative plan for the treatment and or disposal of wastewater from the Big Basin Woods Subdivision has been approved by the Central Coast Water Board.
3. Abate any and all conditions that enable mosquito breeding by continuously circulating or aerating the wastewater within all chambers of the WWTP or other appropriate action.
4. Until notified otherwise by the Central Coast Water Board Executive Officer, submit weekly reports starting on Friday, November 25, 2022, and every Friday thereafter, on the status of cleanup and abatement efforts, including, at a minimum, the following

elements:

- a. Daily influent flow to the WWTP in gallons per day.
- b. Photo documentation of the levels of wastewater in all of the WWTP basins.
- c. Freeboard measurements of the levels of wastewater in all of the WWTP basins.
- d. Pumping records from the pumping service provider, including the date pumping occurred, the volume of wastewater pumped, the entity performing the pumping, and the location where the pumped wastewater was disposed of.
- e. Actions taken to prevent mosquito breeding habitat.
- f. Weekly rain totals received and predicted in the following week.
- g. In addition to the weekly documentation, the reports must provide photos and freeboard measurements before, during and after rain events.

Central Coast Water Board enforcement staff will assess progress towards compliance with this Order when determining whether to pursue further enforcement, such as issuance of an administrative civil liability complaint pursuant to Water Code sections 13350 or 13385 for noncompliance with the Permit and for any unauthorized discharge of waste to waters of the state and/or U.S. Days of violation and the associated potential civil liability continue to accrue for each day of noncompliance.

### **PROVISIONS**

1. The Central Coast Water Board's requirement that the Big Basin Water Company submit weekly status reports is made pursuant to Water Code section 13267. The Central Coast Water Board needs the required information to ensure compliance with this Order and the Permit. The evidence supporting this requirement is described in the findings of this Order. The cost of preparing and submitting the reports is estimated to be in the range of \$300 to \$750 per week.<sup>3</sup> The collection of weekly reports on the flows into the WWTP, status of pumping, levels of wastewater in the WWTP basins, and the prevention of mosquito habitat will enable an evaluation of the current risk of pollution from the WWTP and the condition of nuisance at the WWTP. Thus, the burden, including costs, of the status reports bears a reasonable relationship to its need and the benefits to be obtained.
2. Big Basin Water Company must submit a written 30-day advance notice to the Central Coast Water Board of any planned changes in name, ownership, control of the WWTP, or any planned physical changes to the WWTP that may affect compliance with this CAO. In the event of a change in ownership or operator, the Big Basin Water Company also must provide a 30-day advance notice, by letter, to the succeeding owner/operator of the existence of this CAO and shall submit a copy of this advance notice to the Central Coast Water Board.
3. All submittals required in conjunction with this Order must include a signed statement by the legally responsible party of the Big Basin Water Company, certifying under penalty

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<sup>3</sup> Two to five hours a week at \$150 per hour.



of perjury under the laws of the State of California that the submitted document is true, complete, and accurate. The statement must read as follows:

*I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.*

All submittals required by this Order must be submitted electronically to the email addresses below:

[Danial.Woldearegay@waterboards.ca.gov](mailto:Danial.Woldearegay@waterboards.ca.gov)  
and  
[RB3-WDR@waterboards.ca.gov](mailto:RB3-WDR@waterboards.ca.gov)

4. Pursuant to Water Code section 13304, the Central Coast Water Board is entitled to, and may seek reimbursement for, all reasonable costs it actually incurs to investigate discharges of waste and to oversee cleanup of such wastes, abatement of the effects thereof, or other remedial action, required by this Order. If directed by the Central Coast Water Board, Big Basin Water Company must reimburse the Central Coast Water Board for such costs.
5. This Order does not limit the authority of the Central Coast Water Board to institute additional enforcement actions or to require additional investigation and cleanup of the site consistent with the Water Code.
6. The Central Coast Water Board, through its Executive Officer, may revise this Order as additional information becomes available. Upon request by Big Basin Water Company, and for good cause shown, the Executive Officer may defer, delete, or extend the date of compliance for any action required of Big Basin Water Company under this Order. The authority of the Central Coast Water Board, as expressed in the Water Code, to order investigation and cleanup, in addition to that described herein, is in no way limited by this Order.
7. Failure to comply with the terms or conditions of this Order may subject Big Basin Water Company to further enforcement action, including, but not limited to, assessment of civil liability pursuant to Water Code sections 13268, 13350, and/or 13385, and/or referral to the attorney general of the state of California. The Central Coast Water Board reserves its right to take any enforcement action authorized by law.
8. Any person aggrieved by this action of the Central Coast Water Board may petition the State Water Resources Control Board (State Water Board) to review the action in accordance with Water Code section 13320 and California Code of Regulations, title 23,

sections 2050 and following. The State Water Board must receive the petition by 5:00 p.m., 30 days after the date of this Order, except that if the thirtieth day following the date of this Order falls on a Saturday, Sunday, or state holiday, the petition must be received by the State Water Board by 5:00 p.m. on the next business day. Copies of the law and regulations applicable to filing petitions will be provided upon request or may be found on the Internet at:

[http://www.waterboards.ca.gov/public\\_notices/petitions/water\\_quality](http://www.waterboards.ca.gov/public_notices/petitions/water_quality)

This Order is issued under authority delegated to its executive officer by the Central Coast Water Board and is effective upon signature.

Ordered by:

Matthew T. Keeling, Executive Officer

Attachment – Site Location Map



Figure 1: Site Location Map





## Central Coast Regional Water Quality Control Board

November 29, 2022

Thomas J Moore  
Big Basin Water Company, Inc.  
16595 Jamison Creek Road  
Boulder Creek, CA 95006  
Email: [bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

**Via Certified and Electronic Mail  
No. 7020 1810 0002 0773 8224**

Dear Thomas J Moore:

**ENFORCEMENT PROGRAM: BIG BASIN WOODS SUBDIVISION WWTP, HWY 236 AND FALLEN LEAF DRIVE, BOULDER CREEK, SANTA CRUZ COUNTY – NOTICE OF VIOLATION FOR NOT REDUCING WASTEWATER LEVELS IN WWTP BASINS AND MISSING WEEKLY REPORT, CLEANUP AND ABATEMENT ORDER NO. R3-2022-0077**

The California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) issued Cleanup and Abatement Order No. R3-2022-0077 (CAO No. R3-2022-0077) to Thomas James Moore and Big Basin Water Company, Inc. (collectively, Dischargers) on November 21, 2022. CAO R3-2022-0077 requires the Dischargers to address imminent threats to human health and water quality, and abate the condition, or threatened condition, of pollution or nuisance by taking necessary remedial action to prevent the accumulation and discharge of additional raw sewage at the Big Basin Woods Subdivision Wastewater Treatment Plant (WWTP). The purpose of this letter is to notify the Dischargers of alleged violations of CAO No. R3-2022-0077 and potential liabilities associated with those violations.

### **Background**

During a phone call on November 22, 2022, with Central Coast Water Board staff, Thomas James Moore confirmed that he received CAO No. R3-2022-0077. Thomas James Moore explained that he was unable to find a service provider to perform pumping at the WWTP the week of November 21, 2022, due to the short holiday work week and that he planned to pump a total of 10,000 gallons of wastewater out of the WWTP basins by November 29, 2022. In an email on November 23, 2022, Central Coast Water Board staff explained to Thomas James Moore that if the wastewater levels in all the WWTP basins are not kept at a minimum of two feet of freeboard, and more if necessary, before November 24, 2022, the Dischargers would be out of

compliance with CAO No. R3-2022-0077 and subject to potential additional enforcement, including monetary penalties. Central Coast Water Board staff also reminded Thomas James Moore that the first weekly status report for CAO No. R3-2022-0077 would be due on November 25, 2022.

### **Alleged Violations**

The Central Coast Water Board issues this notice of violation to inform the Dischargers of the following alleged violations of CAO No. R3-2022-0077:

1. ***Violation of Requirement 1 of CAO No. R3-2022-0077 (page 8)*** – Requirement 1 of CAO No. R3-2022-0077 (Requirement 1) requires the Dischargers to *“immediately (no later than two days after the effective date of this Order) reduce wastewater levels in all the WWTP basins so that at all times there is a minimum of two feet of freeboard and more if necessary such that daily inflow and precipitation events will not result in basin overflow and discharge of raw sewage, and will not create a condition of pollution or nuisance.”* Based on Central Coast Water Board staff’s conversation with Thomas James Moore on November 22, 2022, it is the Central Coast Water Board’s understanding that the Dischargers were not planning to reduce wastewater levels in the WWTP basins to a minimum of two feet of freeboard until November 29, 2022, at the earliest. Therefore, the Dischargers violated Requirement 1 from at least November 24, 2022 through November 28, 2022. The days of violation will continue to accrue until WWTP basins are at levels required by Requirement 1.
2. ***Violation of Requirement 4 of CAO No. R3-2022-0077 (pages 8-9)*** – Requirement 4 of CAO No. R3-2022-0077 (Requirement 4) requires the Dischargers to *“...submit weekly reports starting on Friday, November 25, 2022, and every Friday thereafter, on the status of cleanup and abatement efforts [reporting elements omitted] ...”* As of November 29, 2022, the Dischargers have not submitted the first weekly status report due on November 25, 2022.

### **Potential Administrative Civil Liabilities**

The Dischargers are hereby on notice that their failure to immediately reduce wastewater levels in all WWTP basins, is a violation of Requirement 1 made pursuant to California Water Code (Water Code) [section 13304](#). Pursuant to Water Code [section 13350](#), subdivisions (a) and (e), any person who violates a cleanup and abatement order issued by a regional water quality control board may be subject to administrative civil liability up to \$5,000 per day for each day in which the violation occurs. The Dischargers’ failure to comply with Requirement 1 from November 24, 2022 to November 28, 2022, subjects the Dischargers to a maximum administrative civil liability of \$25,000 (five days of violation times \$5,000) under Water Code section 13350. The administrative civil liability will continue to accrue up to \$5,000 per day of violation until wastewater levels in all WWTP basins are reduced so that at all times there is a minimum of two feet of freeboard and more if necessary such that daily inflow and

precipitation events will not result in basin overflow and discharge of raw sewage, and will not create a condition of pollution or nuisance.

The Dischargers are hereby on notice that their failure to submit the first weekly report by November 25, 2022, is a violation of Requirement 4 made pursuant to Water Code [section 13267](#). Pursuant to Water Code [section 13268](#), any person failing or refusing to furnish technical or monitoring program reports required under Water Code section 13267, is guilty of a misdemeanor and subject to an administrative civil liability of up to \$1,000 for each day in which the violation occurs. The Dischargers' failure to submit the weekly report from November 26, 2022 to November 28, 2022, subjects them to a maximum administrative civil liability of \$3,000 (three days of violation times \$1,000). The administrative civil liability will continue to accrue up to \$1,000 per day of violation until the Dischargers submit a complete and adequate first weekly status report. The Dischargers will also be subject to a potential maximum administrative civil liability up to \$1,000 per day for all future weekly reports that are not submitted by the required due date.

Please be advised that the Dischargers' failure to comply with CAO No. R3-2022-0077 gives the Central Coast Water Board the authority to refer the matter to the Attorney General of the State of California. If such referral is made, the Attorney General shall petition the Superior Court of Santa Cruz County for the issuance of an injunction requiring the Dischargers to comply with CAO No. R3-2022-0077. Pursuant to Water Code section 13350, subdivision (d), the court may also impose a civil liability up to \$15,000 for each day a violation of CAO No. R3-2022-0077 occurs.

If you have a questions, please contact Central Coast Water Board staff **Mark Lemus** at (805) 549-3703, [Mark.Lemus@Waterboards.ca.gov](mailto:Mark.Lemus@Waterboards.ca.gov), **Danial Woldearegay** at (805) 549-3892, [Danial.Woldearegay@Waterboards.ca.gov](mailto:Danial.Woldearegay@Waterboards.ca.gov), or Jennifer Epp at (805) 594-6181, [Jennifer.Epp@Waterboards.ca.gov](mailto:Jennifer.Epp@Waterboards.ca.gov).

Sincerely,

Thea S. Tryon  
Assistant Executive Officer

cc:

DeBerry, Bruce [bruce.deberry@cpuc.ca.gov](mailto:bruce.deberry@cpuc.ca.gov)  
Chavez, Moises [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)  
Carolyn Burke [Carolyn.Burke@santacruzcounty.us](mailto:Carolyn.Burke@santacruzcounty.us)  
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Todd Stanley, Todd.Stanley@Waterboards.ca.gov  
Paul Ciccarelli, Paul.Ciccarelli@Waterboards.ca.gov  
WDR Program, RB3-WDR@Waterboards.ca.gov

ECM/CIWQS = 147027

GeoTracker No. = WDR100027894

ECM Subject Name = Big Basin Woods Subdivision WWTP CAO NOV

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Basin CAO\_NOV.docx



# EXHIBIT Z

## State Water Resources Control Board

December 29, 2022

*(Via email and Certified Mail)*

**CERTIFIED MAIL**

**NO. 7021 2720 0003 2610 9480**

Mr. Thomas J. Moore  
Big Basin Water Company, Inc.  
16595 Jamison Creek Road  
Boulder Creek, California 95006  
[bbwater197@yahoo.com](mailto:bbwater197@yahoo.com)

**SUBJECT: NOTICE OF VIOLATION – EMPLOYING OPERATORS WITHOUT A VALID, UNEXPIRED OPERATOR CERTIFICATE; FAILURE TO MAINTAIN A CHIEF PLANT OPERATOR AT THE CORRECT GRADE LEVEL; AND ALLOWING PERMIT VIOLATIONS OF ORDER 97-26**

Dear Mr. Moore:

The State Water Resources Control Board's (State Water Board) Office of Enforcement (OE) has determined that Big Basin Water Company, Inc. (hereafter, Discharger), owner and operator of the Big Basin Sewage Treatment Plant (Big Basin STP), violated the Wastewater Operator Certification Regulations.<sup>1</sup>

On October 28, 2022, the Central Coast Regional Water Quality Control Board (Central Coast Water Board) reached out to the Office of Operator Certification (OOC) to confirm system classification and operator requirements for Big Basin STP. The investigation revealed that Big Basin STP has a Wastewater Treatment Plant (WWTP) Classification Data Form dated December 10, 2009, received by OOC on December 15, 2009, that classified Big Basin STP as a Grade II WWTP. Changes to the Wastewater Operator Certification Regulations in 2013 would have reclassified the Big Basin STP as a Grade III WWTP. On November 22, 2022, OOC issued a reclassification form to Big Basin STP and informed the Discharger that the WWTP requires a Grade III Chief Plant Operator (CPO). OOC also informed OE that the WWTP does not have a certified operator.

On November 28, 2022, OE staff met with Central Coast Water Board staff to discuss Big Basin STP. Central Coast Water Board staff provided documents and information which is summarized below:

---

<sup>1</sup> The State Water Resources Control Board's Wastewater Operator Certification regulations are codified in the California Code of Regulations, title 23, division 3, chapter 26, section 3670 et seq.

- You, Mr. Moore, owner of Big Basin Water Company Inc. and operator for the Big Basin STP, previously held a Grade II Wastewater Operator Certificate that expired on June 30, 2013.
- You are the only operator for Big Basin STP.
- Big Basin STP was operational until the CZU Lightning Complex Fire in August 2020, at which point you indicated that wastewater collected at the WWTP would be pumped and disposed of regularly since the WWTP would not be able to treat the waste.
- The Central Coast Water Board has not been able to verify that regular pumping has occurred since you failed to provide pumping records, and the Central Coast Water Board has not been able to find any reports of septic hauling from the Santa Cruz County septic hauling online database.
- The Central Coast Water Board inspected the WWTP in September 2022 and observed numerous violations of the Big Basin STP's permit, Order 97-26, which are noted below:
  - Not having a generator on site allowing to operate without electricity.
  - Discharge to areas other than the designated leachfield disposal area.
  - Discharge creating a nuisance or pollution.
  - Discharge allowing the formation of habitat for carriers of pathogenic microorganisms.
  - Failing to properly operate and maintain the WWTP.
  - Failing to take all reasonable steps to minimize or prevent discharge in violation of the permit.
  - Failure to provide safeguards to ensure maximal compliance, such as preventative and contingency plans, alternative power sources, retention capacity, and operating procedures.
  - Failure to submit quarterly reports.
  - Effluent exceedances of settleable solids.
  - Failure to ensure operations are done by an operator with a valid, unexpired operator certificate.
- The Central Coast Water Board issued a Notice of Violation to the Discharger on November 10, 2022, for the permit violations, and Cleanup and Abatement Order R3-2022-0077 on November 21, 2022, requiring the Discharger to reduce the accumulated raw sewage from the WWTP to address imminent threats to human health and water quality and take necessary remedial action to prevent the accumulation and discharge of additional raw sewage and abate the condition, or threatened condition, of pollution or nuisance

OE has determined that the Big Basin STP is in violation of the Wastewater Operator Certification Regulations by failing to maintain a CPO at the correct grade level, employing operators without a valid, unexpired certificate, and willfully or negligently violating waste discharge requirements.

OE demands that you comply with all wastewater operator certification regulations. Further instances of non-compliance may result in additional penalties or enforcement actions by OE.

### **STATUTORY AND REGULATORY AUTHORITY**

California Code of Regulations, title 23, division 3, chapter 26, section 3709, states, in part, the following:

“(b) The State Water Board may impose administrative civil liability in an amount not to exceed \$100 for each day of violation upon:

- (1) Any person who operates a wastewater treatment plant without holding a valid, unexpired certificate at the appropriate grade level as required by this chapter; or,
- (2) Any person who owns or operates a wastewater treatment plant that employs, or allows the employment of, any person as an operator who does not hold a valid, unexpired certificate of the appropriate grade level as required by this chapter.

(c) The State Water Board may impose administrative civil liability in an amount not to exceed \$5,000 for each violation upon any person for any of the following acts:

- (2) Failing to use reasonable care of judgment in the operation of a wastewater treatment plant;
- (3) Willfully or negligently violating or causing, or allowing the violation of waste discharge requirements.”

If you have any questions regarding this matter, please contact Mr. German Myers at [german.myers@waterboards.ca.gov](mailto:german.myers@waterboards.ca.gov).

Sincerely,

**Bryan K. Elder**  Digitally signed by Bryan K. Elder  
Date: 2022.12.29 12:51:41 -08'00'

Bryan Elder, PE  
Supervising Water Resource Control Engineer  
Office of Enforcement

cc: See next page.

cc: (via email only)

**Big Basin Woods Subdivision WWTP**

Thomas J Moore, Big Basin Water Company, Inc.  
[sjm16595@gmail.com](mailto:sjm16595@gmail.com)

**California Public Utilities Commission**

Bruce DeBerry  
Water Division Program Manager  
[bruce.deberry@cpuc.ca.gov](mailto:bruce.deberry@cpuc.ca.gov)

Moises Chavez  
Water Division Program and Project Supervisor  
[moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)

**Santa Cruz County**

Matthew Machado  
Director of Community Development & Infrastructure  
[matt.machado@santacruzcounty.us](mailto:matt.machado@santacruzcounty.us)

Carolyn Burke  
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Community Development & Infrastructure Permit Center  
[carolyn.burke@santacruzcounty.us](mailto:carolyn.burke@santacruzcounty.us)

Kent Edler  
Assistant Director  
Community Development & Infrastructure, Sanitations  
and Engineering  
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David Reid  
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Andrew Strader  
Interim Director of Environmental Health  
[andrew.strader@santacruzcounty.us](mailto:andrew.strader@santacruzcounty.us)

**Central Coast Water Board**

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Harvey Packard  
[harvey.packard@waterboards.ca.gov](mailto:harvey.packard@waterboards.ca.gov)

Tamara Anderson  
[tamara.anderson@waterboards.ca.gov](mailto:tamara.anderson@waterboards.ca.gov)

cc: *(continued)*

Thea Tryon

[thea.tryon@waterboards.ca.gov](mailto:thea.tryon@waterboards.ca.gov)

**State Water Board**

Neal Funston, OOC

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Paul Ciccarelli, OE

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Laura Mooney, OE

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German Myers, OE

[german.myers@waterboards.ca.gov](mailto:german.myers@waterboards.ca.gov)

# EXHIBIT AA





## Central Coast Regional Water Quality Control Board

January 19, 2023

Thomas James Moore  
Big Basin Water Company, Inc.  
16595 Jamison Creek Road  
Boulder Creek, CA 95006  
Email: [sjm16595@gmail.com](mailto:sjm16595@gmail.com)

**Via Electronic Mail**

and

Big Basin Water Company, Inc.  
c/o Thomas James Moore  
16595 Jamison Creek Road  
Boulder Creek, CA 95006  
Email: [sjm16595@gmail.com](mailto:sjm16595@gmail.com)

**Via Electronic Mail**

Dear Thomas James Moore:

### **ENFORCEMENT PROGRAM: BIG BASIN WOODS SUBDIVISION WWTP, HWY 236 AND FALLEN LEAF DRIVE, BOULDER CREEK, SANTA CRUZ COUNTY – NOTICE OF VIOLATION FOR NOT REDUCING WASTEWATER LEVELS IN WWTP BASINS AND MISSING WEEKLY REPORTS, CLEANUP AND ABATEMENT ORDER NO. R3-2022-0077**

On November 21, 2022, the California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) issued Cleanup and Abatement Order No. R3-2022-0077 (CAO No. R3-2022-0077) to Thomas James Moore and Big Basin Water Company, Inc. (collectively, Dischargers). CAO No. R3-2022-0077 requires the Dischargers to address imminent threats to human health and water quality, and abate the condition, or threatened condition, of pollution or nuisance by taking necessary remedial action to prevent the accumulation and discharge of additional raw sewage at the Big Basin Woods Subdivision Wastewater Treatment Plant (WWTP). The purpose of this letter is to notify the Dischargers of alleged violations of CAO No. R3-2022-0077 and potential liabilities associated with those violations.

### **Background**

On November 29, 2022, the Central Coast Water Board sent a notice of violation (NOV) to the Dischargers for the following violations: 1) Violation of Requirement 1 of CAO No.

R3-2022-0077 for the failure to reduce wastewater levels in all WWTP basins to maintain a minimum of two feet of freeboard from at least November 24, 2022 through November 28, 2022; and 2) Violation of Requirement 4 of CAO No. R3-2022-0077 for the failure to submit the first weekly status report on November 25, 2022.

On November 29, 2022, Santa Cruz County (County) notified the Central Coast Water Board that the Dischargers had pumped the WWTP basins to at least two feet of freeboard; the County provided photo documentation to confirm freeboard levels.

From November 30, 2022, to the date of this NOV, the Central Coast Water Board is aware of multiple instances when the WWTP basins did not have a minimum of two feet of freeboard, which is a violation of Requirement 1 of CAO No. R3-2022-0077. For example, photo documentation provided by the County shows less than two feet of freeboard on December 8, 2022, and December 12, 2022.

The County informed the Central Coast Water Board that they hired a contractor to conduct periodic pumping and hauling of the WWTP basins starting on December 9, 2022. On January 1, 2023, the County informed the Central Coast Water Board that it had suspended all pumping and hauling of the WWTP basins due to storms. On January 12, 2023, the County confirmed it had not conducted any pumping and hauling of the WWTP basins to date in January 2023. From January 1, 2023 to January 12, 2023, there have been multiple precipitation events. Due to the Dischargers' failure to submit weekly status reports, the Central Coast Water Board has no evidence to demonstrate that the WWTP basins had sufficient freeboard prior to the precipitation events to prevent overflow and discharge of raw sewage from the WWTP basins.

### **Alleged Violations for Not Meeting WWTP Basin Freeboard Requirements**

#### **Alleged Violations of Requirement 1 of CAO No. R3-2022-0077 (page 8)**

Requirement 1 of CAO No. R3-2022-0077 (Requirement 1) requires the Dischargers to *"immediately (no later than two days after the effective date of this Order) reduce wastewater levels in all the WWTP basins so that at all times there is a minimum of two feet of freeboard and more if necessary such that daily inflow and precipitation events will not result in basin overflow and discharge of raw sewage, and will not create a condition of pollution or nuisance."* From November 30, 2022, to the date of this NOV, it is the Central Coast Water Board's understanding that the Dischargers have failed to maintain a minimum of two feet of freeboard in the WWTP basins for multiple days.

Although the County has performed some pumping of the WWTP as a courtesy to the landowners, the Dischargers are ultimately responsible for maintaining a minimum of two feet of freeboard at all times, regardless of whether the County pumps wastewater from the WWTP.

#### **Potential Administrative Civil Liability**

The Dischargers are hereby on notice that their failure to reduce wastewater levels in all WWTP basins so that at all times there is a minimum of two feet of freeboard, and more

if necessary such that daily inflow and precipitation events will not result in basin overflow and discharge of raw sewage, and will not create a condition of pollution or nuisance, is a violation of Requirement 1 made pursuant to California Water Code (Water Code) [section 13304](#). Pursuant to Water Code [section 13350](#), subdivisions (a) and (e), any person who violates a cleanup and abatement order issued by a regional water quality control board may be subject to administrative civil liability up to \$5,000 per day for each day in which the violation occurs.

### **Alleged Violations for Missing Weekly Reports**

#### **Alleged Violations of Requirement 4 of CAO No. R3-2022-0077 (pages 8-9)**

Requirement 4 of CAO No. R3-2022-0077 (Requirement 4) requires the Dischargers to “*submit weekly reports starting on Friday, November 25, 2022, and every Friday thereafter, on the status of cleanup and abatement efforts* [reporting elements omitted] ...” From the issuance of the November 29, 2022 NOV to the date of this NOV, the Dischargers have not submitted the weekly status reports due on December 2, 2022, December 9, 2022, December 16, 2022, December 23, 2022, December 30, 2022, January 6, 2023, and January 13, 2023.

#### **Potential Administrative Civil Liability**

The Dischargers are hereby on notice that their failure to submit the weekly reports due December 2, 2022, December 9, 2022, December 16, 2022, December 23, 2022, December 30, 2022, January 6, 2023, and January 13, 2023 are violations of Requirement 4 made pursuant to Water Code [section 13267](#). Pursuant to Water Code [section 13268](#), any person failing or refusing to furnish technical or monitoring program reports required under Water Code section 13267, is guilty of a misdemeanor and subject to an administrative civil liability of up to \$1,000 for each day in which the violation occurs. As of the date of this NOV, the Dischargers’ failure to submit the weekly reports due December 2, 2022, December 9, 2022, December 16, 2022, December 23, 2022, December 30, 2022, January 6, 2023, and January 13, 2023, subjects them to a maximum administrative civil liability of \$189,000 (189 days of violation times \$1,000). The administrative civil liability will continue to accrue up to \$1,000 per day of violation until the Dischargers submit complete and adequate weekly status reports for the missing reports. The Dischargers will also be subject to a potential maximum administrative civil liability up to \$1,000 per day for all future weekly reports that are not submitted by the required due dates.

Please be advised that the Dischargers’ failure to comply with CAO No. R3-2022-0077 gives the Central Coast Water Board the authority to refer this matter to the Attorney General of the State of California. If such referral is made, the Attorney General shall petition the Superior Court of Santa Cruz County for the issuance of an injunction requiring the Dischargers to comply with CAO No. R3-2022-0077. Pursuant to Water Code section 13350, subdivision (d), the court may also impose a civil liability up to \$15,000 for each day a violation of CAO No. R3-2022-0077 occurs.

If you have a questions, please contact Central Coast Water Board staff **Mark Lemus** at (805) 549-3703, [Mark.Lemus@Waterboards.ca.gov](mailto:Mark.Lemus@Waterboards.ca.gov), **Danial Woldearegay** at (805) 549-3892, [Danial.Woldearegay@Waterboards.ca.gov](mailto:Danial.Woldearegay@Waterboards.ca.gov), or Jennifer Epp at (805) 594-6181, [Jennifer.Epp@Waterboards.ca.gov](mailto:Jennifer.Epp@Waterboards.ca.gov).

Sincerely,

 Digitally signed by Thea S. Tryon  
Date: 2023.01.19 07:48:28 -08'00'

Thea S. Tryon  
Assistant Executive Officer

cc:

**Santa Cruz County (County)**

Matthew Machado, Director of Community Development & Infrastructure

[matt.machado@santacruzcounty.us](mailto:matt.machado@santacruzcounty.us)

Carolyn Burke, Assistant Director of Community Development & Infrastructure, Permit Center, [Carolyn.Burke@santacruzcounty.us](mailto:Carolyn.Burke@santacruzcounty.us)

Kent Edler, Assistant Director of Community Development & Infrastructure, Sanitations and Engineering, [Kent.Edler@santacruzcounty.us](mailto:Kent.Edler@santacruzcounty.us)

David Reid, Director Office of Response, Recovery & Resilience, [David.Reid@santacruzcounty.us](mailto:David.Reid@santacruzcounty.us)

Andrew Strader, Interim Director of Environmental Health, [andrew.strader@santacruzcounty.us](mailto:andrew.strader@santacruzcounty.us)

**California Public Utilities Commission (CPUC)**

Bruce DeBerry, Water Division Program Manager, [bruce.deberry@cpuc.ca.gov](mailto:bruce.deberry@cpuc.ca.gov)

Moises Chavez, Water Division Program and Project Supervisor, [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)

**Santa Cruz District Attorney's Office**

Edward T. Browne, Assistant District Attorney, [Edward.Browne@santacruzcounty.us](mailto:Edward.Browne@santacruzcounty.us)

**California Department of Fish and Wildlife (CDFW)**

Jeff Heitzenrater, Lieutenant Supervisor [Jeff.Heitzenrater@wildlife.ca.gov](mailto:Jeff.Heitzenrater@wildlife.ca.gov)

Kristy Emershay, Warden, [Kristy.Emershay@wildlife.ca.gov](mailto:Kristy.Emershay@wildlife.ca.gov)

Megan Indermill, Warden, [Megan.Indermill@Wildlife.ca.gov](mailto:Megan.Indermill@Wildlife.ca.gov)

**Central Coast Regional Water Quality Control Board (Central Coast Water Board)**

Mark Lemus, [Mark.Lemus@Waterboards.ca.gov](mailto:Mark.Lemus@Waterboards.ca.gov)

Danial Woldearegay, [Danial.Woldearegay@Waterboards.ca.gov](mailto:Danial.Woldearegay@Waterboards.ca.gov)

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Harvey Packard, [Harvey.Packard@waterboards.ca.gov](mailto:Harvey.Packard@waterboards.ca.gov)

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Tamara Anderson, [Tamara.Anderson@waterboards.ca.gov](mailto:Tamara.Anderson@waterboards.ca.gov)

Todd Stanley, [Todd.Stanley@waterboards.ca.gov](mailto:Todd.Stanley@waterboards.ca.gov)

Jesse Woodard, [Jesse.Woodard@Waterboards.ca.gov](mailto:Jesse.Woodard@Waterboards.ca.gov)

WDR Program, [RB3-WDR@Waterboards.ca.gov](mailto:RB3-WDR@Waterboards.ca.gov)

**State Water Resources Control Board (State Water Board) Office of Enforcement**

Paul Ciccarelli (attorney representing Central Coast Water Board for wastewater issues), [Paul.Ciccarelli@Waterboards.ca.gov](mailto:Paul.Ciccarelli@Waterboards.ca.gov)

Laura Mooney (attorney representing DDW for water issues),  
[Laura.Mooney@Waterboards.ca.gov](mailto:Laura.Mooney@Waterboards.ca.gov)

**State Water Board Division of Drinking Water (DDW)**

Jonathan Weininger, [Jonathan.Weininger@waterboards.ca.gov](mailto:Jonathan.Weininger@waterboards.ca.gov)

Stefan Cajina, [Stefan.Cajina@waterboards.ca.gov](mailto:Stefan.Cajina@waterboards.ca.gov)

Shaminder Kler, [Shaminder.kler@waterboards.ca.gov](mailto:Shaminder.kler@waterboards.ca.gov)

ECM/CIWQS = 147027

GeoTracker No. = WDR100027894

ECM Subject Name = Big Basin Woods Subdivision WWTP CAO NOV2

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CAO\_NOV\_2.docx

# EXHIBIT BB



## Central Coast Regional Water Quality Control Board

January 19, 2023

Big Basin Water Company, Inc.  
c/o Thomas J Moore  
16595 Jamison Creek Road  
Boulder Creek, CA 95006  
Email: [sjm16595@gmail.com](mailto:sjm16595@gmail.com)

**Via Electronic Mail**

Dear Thomas J Moore:

### **ENFORCEMENT PROGRAM: BIG BASIN WOODS SUBDIVISION WWTP, HWY 236 AND FALLEN LEAF DRIVE, BOULDER CREEK, SANTA CRUZ COUNTY – NOTICE OF VIOLATION FOR FAILURE TO SUBMIT REPORT OF WASTE DISCHARGE**

The California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) is a state regulatory agency with the responsibility for protecting the quality of the waters of the state within its area of jurisdiction. The Central Coast Water Board has authority to require submission of information, direct action, establish regulations, levy penalties, and bring legal action when necessary to protect water quality. This notice of violation is to notify Big Basin Water Company, Inc. of an alleged violation for failing to comply with the requirement to submit a report of waste discharge and potential monetary penalties for this violation.

### **Background**

The Central Coast Water Board regulates the treatment and disposal of wastewater from the Big Basin Woods Subdivision Wastewater Treatment Plant (WWTP), located at Hwy 236 and Fallen Leaf Drive, Boulder Creek, Santa Cruz, California, under Central Coast Water Board's *Waste Discharge Requirements Order No. 97-26* (Permit No. 97-26). Big Basin Water Company, Inc. is responsible for complying with Permit No. 97-26 requirements.

On May 20, 2022, the Central Coast Water Board issued a requirement for Big Basin Water Company, Inc. to submit a report of waste discharge (also known as an application or a notice of intent) to enroll in the *State Water Resources Control Board General Waste Discharge Requirements for Small Domestic Wastewater Treatment Systems Order WQ 2014-0153-DWQ* (Small General Permit). The Big Basin Water Company Inc. was required to submit the report of waste discharge by June 20, 2022, pursuant to California Water Code section 13260 (13260 Order). A copy of the 13260 Order is attached to this notice of violation for reference.

JANE GRAY, CHAIR | MATTHEW T. KEELING, EXECUTIVE OFFICER



### **Alleged Violation**

To date, the Central Coast Water Board has not received a report of waste discharge from the Big Basin Water Company, Inc. to enroll waste discharges from the WWTP in the Small General Permit. During the September 22, 2022 inspection, Central Coast Water Board staff reminded the representative for Big Basin Water Company, Inc. about the 13260 Order. In the November 10, 2022 notice of violation for wastewater treatment system operations, the Central Coast Water Board again reminded Big Basin Water Company, Inc. of the outstanding 13260 Order. Big Basin Water Company, Inc.'s failure to submit the report of waste discharge to enroll in the Small General Permit is a violation of California Water Code section 13260.

### **Potential Liabilities**

To avoid continued accrual of civil administrative liability penalties of up to \$1,000 per day for each day the violations occurs, the Big Basin Water Company, Inc. must immediately submit a completed report of waste discharge to enroll waste discharges from the WWTP in the Small General Permit as described in the attached 13260 Order. Failure to provide the required information may subject the Big Basin Water Company, Inc. to enforcement action by the Central Coast Water Board, including civil administrative liability penalties of up to \$1,000 per day for each day the violation occurs, pursuant to California Water Code section 13261.

California Water Code section 13261 states, in relevant part:

- (a) Any person failing to furnish a report or pay a fee under section 13260 when so requested by a regional board is guilty of a misdemeanor and may be liable civilly in accordance with subdivision (b).
- (b) (1) Civil liability may be administratively imposed by a regional board ... in an amount that may not exceed one thousand dollars (\$1,000) for each day in which the violation occurs.

If the Central Coast Water Board imposes a penalty, the Big Basin Water Company, Inc. must still submit a completed report of waste discharge to enroll in the Small General permit. As of the date of this notice of violation, the Big Basin Water Company, Inc. is 213 days late in submitting a completed report of waste discharge to enroll in the Small General Permit and subject to a maximum penalty of \$213,000.

The Central Coast Water Board reserves its right to take any enforcement action authorized by law, including seeking penalties for unauthorized discharges.

If you have a questions, please contact Central Coast Water Board staff **Danial Woldearegay at (805) 549-3892, [Danial.Woldearegay@Waterboards.ca.gov](mailto:Danial.Woldearegay@Waterboards.ca.gov)**, or Mark Lemus at (805) 549-3703, [Mark.Lemus@Waterboards.ca.gov](mailto:Mark.Lemus@Waterboards.ca.gov), or Jennifer Epp at (805) 594-6181, [Jennifer.Epp@Waterboards.ca.gov](mailto:Jennifer.Epp@Waterboards.ca.gov).

Sincerely,

**Thea S. Tryon**

Digitally signed by Thea S. Tryon

Date: 2023.01.19 07:44:14

-08'00'



for Thea S. Tryon  
Assistant Executive Officer

Attachment: May 20, 2022 California Water Code section 13260 Requirement to Submit Report of Waste Discharge

cc:

**Santa Cruz County**

Matthew Machado, Director of Community Development & Infrastructure

[matt.machado@santacruzcounty.us](mailto:matt.machado@santacruzcounty.us)

Carolyn Burke, Assistant Director of Community Development & Infrastructure, Permit Center, [Carolyn.Burke@santacruzcounty.us](mailto:Carolyn.Burke@santacruzcounty.us)

Kent Edler, Assistant Director of Community Development & Infrastructure, Sanitations and Engineering, [Kent.Edler@santacruzcounty.us](mailto:Kent.Edler@santacruzcounty.us)

David Reid, Director of the Office of Response, Recovery & Resilience, [David.Reid@santacruzcounty.us](mailto:David.Reid@santacruzcounty.us)

Andrew Strader, Interim Director of Environmental Health, [andrew.strader@santacruzcounty.us](mailto:andrew.strader@santacruzcounty.us)

**Santa Cruz District Attorney's Office**

Edward T. Browne, Assistant District Attorney, [Edward.Browne@santacruzcounty.us](mailto:Edward.Browne@santacruzcounty.us)

**California Public Utilities Commission**

Bruce DeBerry, Water Division Program Manager, [bruce.deberry@cpuc.ca.gov](mailto:bruce.deberry@cpuc.ca.gov)

Moises Chavez, Water Division Program and Project Supervisor, [moises.chavez@cpuc.ca.gov](mailto:moises.chavez@cpuc.ca.gov)

**California Department of Fish and Wildlife**

Jeff Heitzenrater, Lieutenant Supervisor [Jeff.Heitzenrater@wildlife.ca.gov](mailto:Jeff.Heitzenrater@wildlife.ca.gov)

Kristy Emershay, Warden, [Kristy.Emershay@wildlife.ca.gov](mailto:Kristy.Emershay@wildlife.ca.gov)

Megan Indermill, Warden, [Megan.Indermill@Wildlife.ca.gov](mailto:Megan.Indermill@Wildlife.ca.gov)

**State Water Resources Control Board**

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Shaminder Kler, [Shaminder.kler@waterboards.ca.gov](mailto:Shaminder.kler@waterboards.ca.gov)

**Central Coast Water Board**

Mark Lemus, [Mark.Lemus@Waterboards.ca.gov](mailto:Mark.Lemus@Waterboards.ca.gov)  
Danial Woldearegay, [Danial.Woldearegay@Waterboards.ca.gov](mailto:Danial.Woldearegay@Waterboards.ca.gov)  
Jennifer Epp, [Jennifer.Epp@Waterboards.ca.gov](mailto:Jennifer.Epp@Waterboards.ca.gov)  
Harvey Packard, [Harvey.Packard@waterboards.ca.gov](mailto:Harvey.Packard@waterboards.ca.gov)  
Thea Tryon, [Thea.Tryon@waterboards.ca.gov](mailto:Thea.Tryon@waterboards.ca.gov)  
Tamara Anderson, [Tamara.Anderson@waterboards.ca.gov](mailto:Tamara.Anderson@waterboards.ca.gov)  
Todd Stanley, [Todd.Stanley@waterboards.ca.gov](mailto:Todd.Stanley@waterboards.ca.gov)  
Jesse Woodard, [Jesse.Woodard@waterboards.ca.gov](mailto:Jesse.Woodard@waterboards.ca.gov)  
WDR Program, [RB3-WDR@Waterboards.ca.gov](mailto:RB3-WDR@Waterboards.ca.gov)

ECM/CIWQS = 209483

GeoTracker No. = WDR100027894

ECM Subject Name = NOV for failure to comply with 13260 directive for Big Basin  
Woods Subdivision

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## Central Coast Regional Water Quality Control Board

May 20, 2022

Big Basin Woods Subdivision  
Po Box 197  
Boulder Creek, CA 95006  
Email: bbwater197@yahoo.com

**Sent Via Electronic Mail**

Dear Big Basin Woods Subdivision,

### **BIG BASIN WOODS SUBDIVISION, HWY 236 AND FALLEN LEAF DRIVE, BOULDER CREEK, SANTA CRUZ COUNTY – REQUIREMENT FOR NOTICE OF INTENT / REPORT OF WASTE DISCHARGE FOR DISCHARGES OF DOMESTIC WASTEWATER**

Big Basin Water Company is currently enrolled in Order No. 97-026, individual waste discharge requirements for discharges of domestic wastewater to land from the Big Basin Woods Subdivision (individual permit). On September 23, 2014, the State Water Quality Control Board adopted *Order WQ 2014-0153-DWQ, General Waste Discharge Requirements for Small Domestic Wastewater Treatment Systems (Small General Permit)* which provides regulatory coverage for wastewater systems with a monthly average flow rate of 100,000 gallons per day or less. Central Coast Regional Water Quality Control Board (Central Coast Water Board) staff reviewed the available documents associated with your wastewater system and determined that your facility would be more appropriately regulated under the Small General Permit.

A copy of the **Small General Permit** can be obtained at the following link:

[https://www.waterboards.ca.gov/centralcoast/board\\_decisions/adopted\\_orders/2014/2014%20small%20domestic%20GP.pdf](https://www.waterboards.ca.gov/centralcoast/board_decisions/adopted_orders/2014/2014%20small%20domestic%20GP.pdf)

### **REQUIREMENT FOR A NOTICE OF INTENT**

The Central Coast Water Board requires that the Big Basin Water Company submit a notice of intent serving as an application (also referred to as a report of waste discharge) for enrollment of Big Basin Water Company in the Small General Permit for discharges from the Big Basin Woods Subdivision by **June 20, 2022**.

The notice of intent must be completed electronically using the application form found at the following web location, under the heading "Permit Application to Discharge Less than 100,000 GPD of Domestic Wastewater (Central Coast Region)":

[https://www.waterboards.ca.gov/centralcoast/water\\_issues/programs/wastewater\\_permitting/](https://www.waterboards.ca.gov/centralcoast/water_issues/programs/wastewater_permitting/)

The web location above also includes a link to the application questions and instructions on how to apply.

The Central Coast Water Board's requirement that Big Basin Water Company submit a notice of intent is made pursuant to section 13260 of the California Water Code.

Once the Central Coast Water Board deem Big Basin Water Company's application complete, the Central Coast Water Board will terminate the individual permit and issue a notice of applicability. Issuance of the notice of applicability authorizes coverage and enrollment of the Big Basin Water Company in the Small General Permit for discharges from the Big Basin Woods Subdivision. Big Basin Water Company must comply with the conditions of the Small General Permit upon receipt of the notice of applicability.

#### SUMMARY OF REGULATORY PERMIT COVERAGE

The permit history for Big Basin Water Company's, Big Basin Woods Subdivision, is provided in Table 1.

**Table 1:** Big Basin Woods Subdivision Permit History

Order No.	Start Date	End Date
Waste Discharge Requirements Order No. 97-026 for Big Basin Water Company	12/5/1997	Present <sup>1</sup>

- <sup>1</sup>. Big Basin Water Company's existing individual permit will be terminated upon the Central Coast Water Board's issuance of a notice of applicability enrolling the wastewater facility into the Small General Permit.

#### PERMIT FEES

No application fee is required, as Big Basin Water Company paid its annual fee on March 15, 2022 for coverage under the existing individual permit. Big Basin Water Company must continue to pay an annual fee to maintain permit coverage. The facility is currently assigned a threat and complexity rating of 3B which currently has an associated permit fee of \$3,743. Fees are charged (and updated) annually and are based on threat and complexity ratings, and the treatment technology employed. Threat and complexity ratings are defined in the fee schedule listed in California Code of Regulations, title 23, section 2200 and available at:

[https://www.waterboards.ca.gov/resources/fees/water\\_quality/#wdr](https://www.waterboards.ca.gov/resources/fees/water_quality/#wdr)

## LEGAL REQUIREMENTS

Pursuant to California Water Code section 13260, Big Basin Water Company must file a report of waste discharge (also referred to as a notice of intent) serving as an application for enrollment in the Small General Permit. Pursuant to California Water Code section 13261, failure to furnish a notice of intent by **June 20, 2022**, may subject Big Basin Water Company to administrative civil liability (monetary penalties) of up to \$1,000 for each day of violation. If the Central Coast Water Board imposes a penalty, the required information still needs to be submitted. The Central Coast Water Board reserves the right to take any enforcement action authorized by law.

The Central Coast Water Board recommends that Big Basin Water Company immediately review the Small General Permit and coordinate with the Central Coast Water Board to determine the site-specific effluent limitations for their treatment technology and underlying groundwater basin. For questions regarding this letter, please contact Central Coast Water Board staff **Danial Woldearegay at (805) 549-3892** or [Danial.Woldearegay@Waterboards.ca.gov](mailto:Danial.Woldearegay@Waterboards.ca.gov), or Jennifer Epp at (805) 594-6181.

Sincerely,

**Jennifer Epp**  Digitally signed by Jennifer Epp  
Date: 2022.05.20 12:37:54 -07'00'

for Matthew T. Keeling  
Executive Officer

cc:

Danial Woldearegay, [danial.woldearegay@waterboards.ca.gov](mailto:danial.woldearegay@waterboards.ca.gov)  
Jennifer Epp, [Jennifer.Epp@Waterboards.ca.gov](mailto:Jennifer.Epp@Waterboards.ca.gov)  
WDR Program, [RB3-WDR@Waterboards.ca.gov](mailto:RB3-WDR@Waterboards.ca.gov)

ECM/CIWQS = 209483

GeoTracker No. = WDR100027894

Rev 5/10/2022

ECM Subject Name = 13260 for Big Basin Woods Subdivision

R:\RB3\Shared\WDR\WDR Facilities\Santa Cruz Co\Big Basin Woods Subdiv\2022

1 ROB BONTA  
Attorney General of California  
2 MYUNG J. PARK  
Supervising Deputy Attorney General  
3 TIFFANY S. YEE, SBN 197861  
COREY M. MOFFAT, SBN 305620  
4 Deputy Attorneys General  
1515 Clay Street, 20th Floor  
5 Oakland, CA 94612  
Telephone: (510) 879-1020  
6 Fax: (510) 622-2270  
E-mail: Tiffany.Yee@doj.ca.gov  
7 *Attorneys for Petitioner, California State Water  
Resources Control Board, Division of Drinking Water*

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
10 COUNTY OF SANTA CRUZ

13 **CALIFORNIA STATE WATER  
14 RESOURCES CONTROL BOARD,  
15 DIVISION OF DRINKING WATER,**

Petitioner,

17 **v.**

18 **BIG BASIN WATER COMPANY, INC.,  
19 THOMAS JAMES MOORE, and  
20 SHIRLEY MOORE,**

Respondents.

Case No. \_\_\_\_\_

**DECLARATION OF CURTIS WRIGHT  
IN SUPPORT OF APPLICATION FOR  
RECEIVER OVER BIG BASIN WATER  
COMPANY**



1                   **DECLARATION OF COURT RECEIVER SILVER & WRIGHT LLP**

2                   **MANAGING PARTNER CURTIS WRIGHT**

3  
4           I, Curtis Wright, as the managing partner of Silver & Wright LLP (“S&W”), declare as follows:

5           1. S&W is a California based law firm primarily dedicated to the abatement of nuisances and  
6 dangerous conditions on private commercial and residential properties throughout the State with  
7 significant specialization in court receiverships.

8           2. I am an attorney duly authorized to practice before all courts of the State of California. I  
9 submit this Declaration on behalf of S&W in connection with the California State Water Resources  
10 Control Board, Division of Drinking Water’s (“Division”) receivership action regarding the public water  
11 system known as the Big Basin Water Company (“System”).

12           3. S&W has been involved in hundreds of health and safety receivership actions in California  
13 over the past ten years. The experience of S&W with rehabilitating dilapidated and decaying properties  
14 ranges from industrial properties to large condominium developments, apartment complexes, single-  
15 family homes, and vacant parcels. S&W has been involved in health and safety receiverships in  
16 jurisdictions throughout the State.

17           4. In the course of its involvement in court receiverships, S&W has obtained or facilitated the  
18 securing of millions in rehabilitation funding for rehabilitation projects. I am familiar with most of the  
19 major funding sources for receivership rehabilitation projects in California, and I have the preexisting  
20 relationships that should make hundreds of thousands in funding available for this matter.

21           5. I am an expert in nuisance abatement law and have been published, taught classes, and  
22 presented on virtually all aspects of nuisance abatement, especially health and safety receiverships, for  
23 numerous public agencies, law enforcement agencies, and municipal organizations all over the State—  
24 including presenting to the California Receivers Forum specifically on health and safety receiverships.  
25 A true and correct copy of my Curriculum Vitae is attached to this Declaration as Exhibit A and it is  
26 incorporated herein.

27           6. I have been given some preliminary information on the System, and I and my staff have done  
28 some preliminary research on the System. Although I lack the comprehensive knowledge of the System

1 necessary to form a complete professional opinion about what rehabilitation efforts and funding may be  
2 necessary for this appointment, my preliminary analysis indicates that the System is undercapitalized  
3 and generating insufficient revenues. Upon appointment, I will need to obtain comprehensive  
4 information about the System to develop a plan to raise capital to fund the receivership estate, increase  
5 revenues, make infrastructure improvements, improve operational reliability, and transition the System  
6 to a reliable operator.

7 7. Based upon the current owners' operation of the System, appointing a court receiver over the  
8 System seems appropriate and necessary to bring the System back into compliance with legal operational  
9 standards and best practices for safe drinking water.

10 8. S&W is willing to serve as court receiver for the System, to assess the System to develop a  
11 funding, operations, and improvement plan, to retain a System operator to manage the System, to  
12 increase water rates as appropriate and as approved by the California Public Utilities Commission, to  
13 raise capital as necessary and available to fund improvements and repairs to the System, to repair and  
14 remedy the existing substandard conditions as feasible, and to facilitate a transfer of the System to a  
15 long-term reliable operator, as directed by the Court.

16 9. S&W's rates are \$385 per hour for services rendered by its staff.

17 10. No one at S&W is a party to these proceedings, nor an attorney for any party in these  
18 proceedings. To the best of my knowledge, no one at S&W is related to, nor affiliated with, any party  
19 to these proceedings nor any attorney for any party. To the best of my knowledge, no one at S&W is  
20 related to any judge of this Court by consanguinity or affinity within the third degree.


21 11. There exists no contract, agreement, arrangement, nor understanding between S&W and any  
22 party, person, nor third-party concerning:

- 23 a. What S&W's role as court receiver will be during or after the receivership.
- 24 b. Whether S&W, or any company that S&W works with, will receive any listing or right  
25 to manage the System after termination of the receivership.
- 26 c. How S&W will administer the receivership, other than in lawful compliance with this  
27 Court's orders.
- 28

1 d. What capital expenditures will be made with respect to the System, other than as  
2 necessary to operate the System in compliance with the law and best practices.  
3

4 I declare under penalty of perjury under the laws of the State of California that the foregoing is  
5 true and correct.  
6

7 Dated: July 5, 2023

  
Curtis R. Wright, Esq.  
for SILVER & WRIGHT LLP  
*Court Receiver*

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**EXHIBIT A**

**COURT RECEIVER SILVER & WRIGHT LLP  
MANAGING PARTNER CURTIS WRIGHT  
CURRICULUM VITAE**



**SILVER & WRIGHT LLP**  
Attorneys at Law  
COURT RECEIVERS

**CURTIS R. WRIGHT**

California Bar Number 273323

949-529-5922 | CWright@SilverWrightLaw.com

3 Corporate Park, Suite 100, Irvine, California 92606

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**LEGAL EXPERIENCE**

**SILVER & WRIGHT LLP**

***Managing Partner***

California

2013–Present

Statewide Court Receiver appointment and litigation counsel. Specializing in health and safety receiverships, nuisance abatement, code enforcement, municipal law, and enforcement of judgments. Personally involved in abating dangerous nuisance conditions on hundreds of properties throughout the State as well as overseeing the rehabilitation of hundreds more properties statewide.

**BEST BEST & KRIEGER LLP**

***Attorney***

Ontario, California

2009–2013

Extensive experience with civil, criminal, state, and federal court litigation. Collaborated directly with clients to intake, manage, and prosecute cases. Extensively worked on litigation investigations, pleadings, discovery, law and motion, oral argument, settlement negotiations, bench trials, and jury trials. Practiced municipal, code enforcement, receivership, criminal, administrative, constitutional, business, real estate, and redistricting law.

**UNITED STATES DISTRICT COURT**

***Judicial Extern***

Riverside, California

Spring 2009

Drafted opinions, reports, and recommendations. Assisted in legal research, analysis, and decision making. Discussed legal principles and decision making factors with the judge. Observed trials, hearings, and settlement conferences. Ascertained the practical aspects of how to effectively advocate in court.

**OSBORN & CARTER APC**

***Law Clerk***

Rancho Cucamonga, California

2008–2009

Composed motions, research papers, office memoranda, and legal correspondence. Reviewed files and records to identify and sequence events in preparation for pleadings and discovery. Observed depositions and client consultations. Worked on insurance, medical malpractice, legal malpractice, real estate, and administrative law cases.

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## WORK EXPERIENCE

**SEARS—STORE & AUTO**

Moreno Valley, California

***Store General Manager***

2006–2007

Managed a \$30 million annual revenue location with over 150 employees. Responsibilities included: profit and loss accountability, operations, customer relations, marketing, internal and external hiring, training, human resources, loss prevention, and investigations.

**K. HOVNANIAN HOMES**

Inland Empire, California

***Construction Manager***

2006

Conducted planning, purchasing, land development, construction management, and vendor contract negotiations on nine communities encompassing single family homes, multi-unit dwellings, and retirement communities.

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## MILITARY EXPERIENCE

**UNITED STATES ARMY**

Various Locations

***Captain, Ranger, Combat Veteran***

2002–2010

Served in multiple positions including: Fire Support Officer, Infantry Platoon Leader, Artillery Platoon Leader, Battery Executive Officer, and Classified War Plans Officer. Stationed in multiple locations around the world including: Iraq, Japan, Korea, Washington, Oklahoma, Georgia, and Florida. Commanded units of up to 82 men and was responsible for over \$6 million worth of weapons, equipment, and armored vehicles. Fought in Iraq as part of Operation Iraqi Freedom and led over 150 combat patrols, raids, and civil-military operations without sustaining a single casualty to my unit. Ranger School graduate surviving an intense combat leadership course composed predominantly of field operations in forest, swamp, and mountainous terrain involving planning and executing attacks on widely dispersed objectives, training over 22 hours per day, sleeping less than two hours per night, and eating only the minimum food necessary to sustain function.

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## EDUCATION

**UNIVERSITY OF LA VERNE, COLLEGE OF LAW (ULV)**

Ontario, California

***Juris Doctorate, magna cum laude***

May 2010

Rank: Third in Class; Dean's List; Full Tuition Scholarship.

Awards: Best Appellate Brief; Best Appellate Oralist; CALI—Estate Planning, Contract Drafting, Civil Procedure, Evidence, Appellate Advocacy.

Clubs: Law Review; Peer Mentoring; Faculty Curriculum Committee; American Constitutional Society; Delta Theta Phi International Law Fraternity.

**UNIVERSITY OF SOUTHERN CALIFORNIA (USC)**

Los Angeles, California

***Bachelor of Science, Business Entrepreneurship***

May 2002

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**PUBLICATIONS & PRESENTATIONS****\*Representative Sampling\***

*Health & Safety Code Receiverships*, CACEO—CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Numerous Cities, California, 2013–Present.

*Code Enforcement Receiverships*, CoCo—COUNTY COUNSELS’ ASSOCIATION OF CALIFORNIA, Monterey, California, 2022.

*Health & Safety Receiverships*, ICC—INTERNATIONAL CODE COUNCIL EDUCODE CONFERENCE, Las Vegas, Nevada, 2022.

*Post-Pandemic Nuisance Abatement*, IMLA—INTERNATIONAL MUNICIPAL LAWYERS ASSOCIATION, Minneapolis, Minnesota, 2021.

*Receiverships & Nuisance Abatement*, COUNTY OF LAKE, Lakeport, California, 2018.

*Nefarious Building Abatement—Drugs, Gangs, & Prostitution*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Various Cities, California, 2017–Present.

*Health & Safety Receiverships*, INLAND EMPIRE CRIME FREE COLLABORATIVE, Rancho Cucamonga, California, 2015.

*Health & Safety Code Receiverships Panel*, CALIFORNIA RECEIVERSHIP FORUM, Los Angeles, California, 2013.

*Municipal Receiverships & Cost Recovery*, CITY OF MURRIETA, Murrieta, California, 2015.

*Substandard Buildings & Hoarders*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Anaheim, California, 2015.

*Nuisance Abatement Enforcement Tools*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Various Cities, California, 2015–Present.

*Public Entity Receiverships of Blighted and Foreclosed Properties*, 35 PUB. L.J. 21, no. 4, Fall 2012 at 21.

*Nuisance Abatement Legislative Update*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Various Cities, California, 2018–Present.

*Legal Aspects of Code Enforcement—Certification Academy Courses Modules 1–3*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Numerous Cities, California, 2015–Present.

*Cannabis Laws, Regulation, & Enforcement*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Various Locations & Webinars, 2014–Present.

*Privacy Rights, Fourth Amendment, Search & Seizure, Inspection & Abatement Warrants*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Various Cities, California, 2016–Present.

*Homeless Issues*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Various Cities, California, 2017–Present.



*Sober Living & Groups Homes Enforcement*, SANTIAGO CANYON COLLEGE, Orange, California, 2023.

*Defending Lawsuits Against Code Enforcement*, SANTIAGO COMMUNITY COLLEGE, Santa Ana, California, 2021.

*Sober Living & Group Home Facilities*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Virtual Conference, 2020 & 2021.

*Rent Control & The Tenant Protection Act of 2019*, THE CALIFORNIA MUNICIPAL LAW HANDBOOK 2020, § 9.59.

*Code Enforcement During a Pandemic*, LEAGUE OF CALIFORNIA CITIES, Virtual Conference, 2020.

*Code Enforcement During a Pandemic*, WESTERN CITY, September 2020.

*Pandemics: Code Enforcement's Role*, SAN JOAQUIN VALLEY HOUSING COLLABORATIVE, Webinar for Public Agencies & Organizations throughout California, 2020.

*Drugs, Gangs, & Human Trafficking*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Virtual Conference, 2020.

*Sober Living & Group Home Facilities*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Virtual Conference, 2020.

*Sidewalk Vending & Microenterprise Home Kitchens*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Virtual Conference, 2020.

*Safe & Affordable Housing Via Code Enforcement*, SAN JOAQUIN VALLEY HOUSING COLLABORATIVE CODE ENFORCEMENT SYMPOSIUM, Virtual Conference, 2020.

*Nuisance Abatement*, SILVER & WRIGHT LLP, Webinars for Public Agencies & Organizations throughout California, 2020.

*Cannabis Enforcement*, COUNTY COUNSEL ASSOCIATION OF CALIFORNIA, Santa Rosa, California, 2019.

*Hot Topics in Code Enforcement*, SAN JOAQUIN VALLEY HOUSING COLLABORATIVE CODE ENFORCEMENT SYMPOSIUM, Various Cities, California, 2019.

*Keynote Speaker*, SAN JOAQUIN VALLEY HOUSING COLLABORATIVE CODE ENFORCEMENT SYMPOSIUM, Madera, California, 2018.

*SB 946 Sidewalk Vendors*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Bell, California, 2018.

*Law Enforcement Evidence & Testimony*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Monterey Bay, California, 2018.

*Code Enforcement Symposium Panelist*, SAN JOAQUIN VALLEY HOUSING COLLABORATIVE, Stockton, California, 2017.

*California Cannabis Law, Regulation, and Enforcement*, CALIFORNIA BUILDING OFFICIALS, Newport, California, 2017.

*Emerging Issues in Code Enforcement*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Claremont, California, 2017.

*Criminal Prosecutions & Substandard Housing Enforcement*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Pasadena, Santa Rosa, Redding, & Fresno, California, 2017.

*Vacation Rentals & Transient Housing*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Palm Springs, California, 2017.

*Code Officer Liability*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Palm Springs, California, 2017.

*Proposition 64—the Adult Use of Marijuana Act*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Various Cities, California, 2016–17.

*Resources & Strategies to Fight Blight*, CALIFORNIA STATE UNIVERSITY FRESNO, Visalia, California, 2016.

*Marijuana Laws, Regulation, & Enforcement*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Rohnert Park, California, 2016.

*Public Governance Ethics*, CITY OF ADELANTO, Adelanto, California, 2016.

*STEP, DAA, & RLAA Enforcement*, DESERT ENFORCEMENT NETWORK, Palm Desert, California, 2016.

*Marijuana Tax & Regulation Workshop*, CITY OF ADELANTO, Adelanto, California, 2016.

*Graffiti Vandalism: Legal Enforcement & Cost Recovery*, ZERO GRAFFITI INTERNATIONAL, Santa Ana, California, 2015.

*Warrants, Prosecution, & Cost Recovery*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Livermore, California, 2015.

*Realignment & Code Enforcement: Tools To Survive*, DESERT ENFORCEMENT NETWORK, Palm Desert, California, 2015.

*Municipal Code Criminal Prosecution and Cost Recovery*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Salinas, California, 2014.

*Crime-Free Housing*, COUNTY OF SAN BERNARDINO, Various Cities, California, 2013–14.

*Health & Safety Code Receiverships*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Fremont, California, 2013.

*Regulating Sober Living Facilities*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Lake Tahoe, California, 2013.

*Regulating Medical Marijuana Dispensaries*, INSPECTION ENFORCEMENT TRAINING INSTITUTE, Various Cities throughout California, 2013.

*Nuisance Abatement Cost Recovery*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Fremont, California, 2013.

*Responding to Realignment Impacts*, LEAGUE OF CALIFORNIA CITIES, Ontario, California, 2013.

*New California Law Strengthens Municipal Powers To Fight Blight On Foreclosed Homes*, THE PUBLIC RECORD, Sept. 18, 2012, at 15.

*Redistricting Law for Water Agencies*, ASSOCIATION OF CALIFORNIA WATER AGENCIES, Monterey, California, 2012.

Scott Talkov, *Barristers President's Message—Honoring Our Veterans: Army Ranger & Barrister Curtis Wright*, RIVERSIDE LAWYER, October 2011, at 6.

*Obtaining Citizenship Through Military Service*, RIVERSIDE LAWYER, October 2011, at 12.

*Medical Marijuana Dispensaries*, CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICERS, Monterey, California, 2011.

*Code Enforcement Criminal Prosecutions*, CITY OF FONTANA, Fontana, California, 2011.

*Metadata Mining and Scrubbing: Potential Ethical Pitfalls California Attorneys Need To Know*, RIVERSIDE LAWYER, June 2010, at 25.

*Quanta of Solace?: The Patent Exhaustion Doctrine and Method Patents After Quanta v. LGE*, 30 U. LA VERNE L. REV. 494 (2009).

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## PROFESSIONAL ORGANIZATIONS, BAR ADMISSIONS, & AWARDS

Organizations: Leo A. Deegan Inn of Court (2009–10); Riverside County Bar Association (2009–20); Riverside Barristers Association (2009–13); California Association of Code Enforcement Officers, Instructor (2010–Present); United States Army Ranger Association, Southwest Region Deputy Director (2010–13); Veterans of Foreign Wars (2010–Present); American Legion (2010–Present); Inland Empire Federal Bar Association (2011–13); Stop Urban Blight & Zero Graffiti International, Board of Directors (2013–16); Inland Empire Hoarder Task Force, Legal Counsel (2013–16); Orange County Hoarder Task Force (2013); Los Angeles Hoarder Task Force (2013); San Diego Hoarder Task Force (2013); San Bernardino Crime-Free Housing Program, Legal Counsel (2013–14); Inland Empire Crime Free Collaborative, Legal Counsel (2013–16); American Association of Code Enforcement, Board of Directors (2015–16); University of Southern California Veterans Alumni Council (2017–18); Orange County Bar Association (2018–Present); Altair Landscape Committee (2020–Present); PTSA Board of Directors Parliamentarian (2021–Present).

Bar Admissions: State Bar of California (2010–Present); Supreme Court of California (2010–Present); United States Court of Appeals, Ninth Circuit (2010–Present); United States District Court for the Central, Southern, Northern, and Eastern Districts of California (2010–Present).

Awards: National Lawyer of Distinction (2020); ULV Law Graduation Keynote Speaker (2013); Ranger Tab (2003); Combat Action Badge (2003); Army Commendation Medal with Oak Leaf (2002–2006); National Defense Service Medal with Bronze Star (2004); Global War on Terrorism Expeditionary Medal and Service Medal (2003); Army Service Ribbon (2002); Overseas Service Ribbon (2003).



Santa Cruz Local Agency Formation Commission

Date: March 6, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Public Member Selection Process**

### SUMMARY OF RECOMMENDATION

Santa Cruz LAFCO has representatives from the county, cities, independent special districts, and the general public. Pursuant to Government Code Section 56334, the term of office for each member shall be four years or until the appointment and qualification of a successor. The term limits for both the Regular and Alternate Public Member are set to expire in May 2024. The Commission is now tasked with selecting two public representatives for terms ending in May 2028.

It is recommended that the Commission select the Regular and Alternate Public Members in accordance with the Cortese-Knox-Hertzberg Act and the Commission's Policies.

### EXECUTIVE OFFICER'S REPORT:

The current policy regarding the selection of a regular and alternate public member required the solicitation of candidates. Several steps were taken to solicit applications: (1) a notice was posted on LAFCO's website and throughout the County building, (2) a notice was shared with all cities and special districts, and (3) a notice was published in the Sentinel Newspaper. The notice indicated that applications were due on February 23, 2024. Staff received a total of nine applications before the February deadline. This report provides an overview of the candidates and the next steps in the selection process.

### Statutory Qualifications

Government Code Section 56331 states that "no person appointed as a public member or alternate public member pursuant to this chapter shall be an officer or employee of the county or any city or district with territory in the county..." LAFCO law also requires the candidates to be registered voters within Santa Cruz County. **Table A** summarizes the nine submitted applications which meet the statutory qualifications to become a public member on LAFCO.

**Table A: List of Candidates**

Name of Candidates (Alphabetical Order)	Length of County Residency	Interested Position (Regular, Alternate, or Both)
1. Roger Anderson	55 years	Both
2. Jane Barr	48 years	Both
3. Adam Hensleigh	5 years	Both
4. John Hunt	42 years	Both
5. Lowell Hurst	46 years	Regular Seat Only
6. JoAnn Segroe	30 years	Both
7. Renee Shepherd	35 years	Both
8. Michael Shulman	38 years	Both
9. Becky Steinbruner	38 years	Both

**Attachments 1-9** provide copies of each candidates' applications, which include past achievements, local government experience, and reasons for their desire to serve on LAFCO.

### **Next Steps**

In accordance with the Public Member Selection Process Policy<sup>1</sup>, the Commission shall choose one of the following courses of action during this open session:

1. Make an appointment from the list of candidates;
2. Invite all candidates to make oral presentations at a subsequent LAFCO meeting (April 3, 2024); or
3. Reopen the application period.

Since the terms for both seats are set to expire in May, staff is recommending that the Commission make a selection during today's open session. Candidates will have up to three (3) minutes to address the Commission during public comments, if desired. The Chairperson, unless otherwise changed by a motion and vote from the Commission, may set a different time limit. If the Commission takes action today, the selected candidates will begin their terms during the May 1st, 2024 LAFCO Meeting.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

### **Attachments:**

1. Roger Anderson Application (received on February 20, 2024)
2. Jane Barr Application (received on February 22, 2024)
3. Adam Hensleigh Application (received on February 23, 2024)
4. John Hunt Application (received on February 14, 2024)
5. Lowell Hurst Application (received on February 22, 2024)
6. JoAnn Segrue Application (received on February 22, 2024)
7. Renee Shepherd Application (received on February 16, 2024)
8. Michael Shulman Application (received on February 9, 2024)
9. Becky Steinbruner Application (received on February 2, 2024)

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<sup>1</sup> LAFCO Policy Handbook: <https://santacruzlafco.org/wp-content/uploads/2023/09/Santa-Cruz-LAFCO-Policy-Handbook-9-6-23.pdf>



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FEB 20 2024



Santa Cruz LAFCO

**LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
APPLICATION FOR POSITION OF  
REGULAR AND ALTERNATE PUBLIC MEMBER**

If you are interested in serving as the Regular or Alternate Public Member on LAFCO, please complete the following application and return it to LAFCO, 701 Ocean Street, Room 318-D, Santa Cruz, California 95060. The application deadline is **3:00 p.m. on Friday, February 23, 2024**. Please note that you may apply for both positions.

Thank you for your interest in the Local Agency Formation Commission of Santa Cruz County.

I am applying for (CHECK ONE):

Regular Public Member ONLY	<input type="checkbox"/>
Alternate Public Member ONLY	<input type="checkbox"/>
Either Position	<input checked="" type="checkbox"/>

NAME: Roger Anderson

MAILING ADDRESS: 311 Dickens Way, Santa Cruz, CA 95064

PHONE (Home): (831) 426-0522 (Business): \_\_\_\_\_

EMAIL: anderso@ucsc.edu

LENGTH OF RESIDENCE IN AREA: 55 years

ARE YOU A REGISTERED VOTER? Yes

**PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED:**

<u>Organization</u>	<u>Term</u>
Santa Cruz LAFCO Public Member	1994 - 2024
Chairperson, CALAFCCO Board	2008 - 2010
CALAFCO Board	2002 - 2010
Member: City Council, Scotts Valley, CA	1984 - 1988

**WORK / VOLUNTEER EXPERIENCE:**

<u>Organization</u>	<u>Term</u>
Member Systemwide UC Healthcare Advisory Committee	2019 - 2020
Member Systemwide UC Working on Retiree Healthcare	2018
Chair, Joint Benefits Committee (CUCEA / CUCRA)	2017 -
Chair, Council of UC Emeriti Associations	2014 - 2016
Professor and Emeritus Professor of Chemistry UCSC	1968 - 2011 and 2011 -

Some other relevant experience: Member UC Retirement System Advisory Board; Chair, Academic Senate Chair UCSC; Chair, UC Systemwide Committee of Planning and Budget

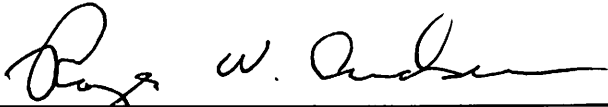
**STATEMENT OF QUALIFICATIONS:**

Please attach a brief statement indicating why you are interested in serving on LAFCO and why you are qualified for the appointment.

**CERTIFICATION:**

I certify that I am not an officer or employee of the County of Santa Cruz, any city in Santa Cruz County, or any district in Santa Cruz County.

I certify that this information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

	2/20/24
Signature	Date



## **Statement of Qualification: Application of Roger Anderson, February 19,2024**

I want to continue as either the Public Member or the Alternate Public Member of the Santa Cruz LAFCO. In California LAFCO is an incredible organization that encourages orderly boundaries, discourages urban sprawl, preserves agriculture and open space, and promotes efficient and sustainable public services. I think that the Santa Cruz LAFCO has a good record with promoting the missions of LAFCO, but there is little doubt that future challenges remain. One of these challenges is population growth, and the total population of Santa Cruz County has more than doubled between 1970 and 2020. Surprisingly this percentage growth is slightly greater than the population growth in the entire State of California! Although I suspect that the growth rate will decrease, there will be a significant population increase in the next 50 years. This will greatly affect the aspects of growth that concern LAFCO.

There will be increased need for LAFCO work on orderly boundaries and more proactive work on infill development. Population growth will certainly require LAFCO action on the preservation of agriculture and open space, and probably most importantly the provision of services. Although planning for water and emergency response for the present and future will involve most of the public agencies in the County, the concerns need constructive proactive LAFCO evaluation and action.

I have demonstrated my abilities to represent the public on the Commission, and I am confident that I have been effective in my work on LAFCO. I believe that I have excellent qualifications for these positions, and most of the present members of LAFCO have observed my work on the Commission. I bring many skills and much experience to the Commission, and I have briefly listed them on earlier pages of this application.

I believe that my strengths are important for the Commission, and I would like to continue to apply them to the issues that come before the Santa Cruz LAFCO. I have strong quantitative and financial skills, and although I no longer have an experimental research program at UCSC, I continue to use these skills in research that uses discrete orthogonal polynomials to smooth and compress data in any number of dimensions. I have a passion for news about local issues and how LAFCO can evaluate, negotiate, and contribute to solutions and the public dialog. I also have both the interest and the ability to ask hopefully good and useful questions at the Commission meetings.

I will not be at the April LAFCO meeting, because I will be on a cruise to Mexico where part of the itinerary includes the observation of the total eclipse of the sun. I am sorry to miss this meeting, but I believe the Commission has everything that they need to evaluate my application.

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FEB 22 2024



Santa Cruz LAFCO

## LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

APPLICATION FOR POSITION OF  
REGULAR AND ALTERNATE PUBLIC MEMBER

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Thank you for your interest in the Local Agency Formation Commission of Santa Cruz County.

I am applying for (CHECK ONE):

Regular Public Member ONLY	<input type="checkbox"/>
Alternate Public Member ONLY	<input type="checkbox"/>
Either Position	<input checked="" type="checkbox"/>

NAME: Jane Royer Barr

MAILING ADDRESS: 860 AVOCADO RD CORRALITOS, CA 95076

PHONE (Home): 831-840-3500 (Business): NA

EMAIL: janebarre@aol.com

LENGTH OF RESIDENCE IN AREA: 48 years

ARE YOU A REGISTERED VOTER? yes

## PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED:

Organization

Term

Pajaro Valley Unified School District 1992-2000

Santa Cruz County Office of Education 2012-2020

Pajaro Valley Shelter Services 1985-2020 (Bd + Advisory Bd)

Monterey Bay Economic Partnership - member of Housing Advisory Committee  
2016 (original) - 2023

Coalition of Homeless Services Providers - 2018-2023

Bd + Co-Chair - Housing Pipeline Committee

Monterey County LAFCO Application - Regular & Alternate Public Member

Page 1 of 2

TNC, Inc - Bd Member (radio + newspaper organization) 1992-2022

**WORK / VOLUNTEER EXPERIENCE:**

Organization

Term

Eden Harvey - Assoc. Dir. R.E. Development 2016-2023

Monterey County - Housing Program Manager 2009-2016

Mildred Harvey - Sr. Project Manager 1996-2009

Housing Authority of Santa Cruz County - Analyst 1990-1996

Volunteer Work - field volunteer Monterey e Salvation Army (Wetserville);  
recruiter for my college (Smith) for decades until 2000's; Treasurer for  
3 road water associations; fundraiser for Wetserville Hospital  
repurchase

**STATEMENT OF QUALIFICATIONS:**

Please attach a brief statement indicating why you are interested in serving on LAFCO and why you are qualified for the appointment.

**CERTIFICATION:**

I certify that I am not an officer or employee of the County of Santa Cruz, any city in Santa Cruz County, or any district in Santa Cruz County.

I certify that this information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

Jan Rye Bar  
Signature

2/22/24  
Date

Jane Royer Barr  
860 Avocado Rd  
Corralitos, CA 95076

### Statement of Qualifications

I have recently retired from a 30+ year career in affordable housing. I feel fortunate to have worked in this sector where there is so much need. I am now in the position of having time to volunteer and give back to my community.

I am familiar with LAFCO through my previous work in regard to spheres of influence as well as closely following news about mergers of agencies. In talking with both the Executive Director and Analyst and reviewing agendas and minutes of past meetings, I feel that I have a good sense of what the work entails. Also, I was impressed that LAFCO reviews all 80 agencies on a revolving basis.

I feel that I am qualified for the appointment based upon the following:

- Financial Analysis Skills: These have been developed and honed in my years of work as well sitting on boards.
- Analytical Skills: I am a very logical person, can decipher large amounts of data, and have a knack for asking the right questions.
- Governance and Leadership: This has been learned from the many boards I have served on. One example is the Pajaro Valley Unified School Board District. I was elected, sworn in, and elected President five minutes later. Within two months, we declared bankruptcy, were taken over by the State, and fired the Superintendent. We worked with the employees to get a 2% temporary decrease in salary and were able to turn the district around financially within 14 months and repay the employees. This involved many meetings, overseeing top district staff, working with the Santa Cruz County Office of Education (COE) and State FICMAT team, negotiating with unions, and managing and responding to community concerns. I continued to add to my governing skills during my two terms on the COE board which also included a change of Superintendents.
- Brown Act: I have had training in this and abided by it for 16 years while in office. and
- Time and Desire: I have time now to focus on things of interest to me and would like to further contribute to this place I call home and in which I feel privileged to live.



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FEB 23 2024



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

Santa Cruz LAFCO

APPLICATION FOR POSITION OF  
REGULAR AND ALTERNATE PUBLIC MEMBER

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Thank you for your interest in the Local Agency Formation Commission of Santa Cruz County.

I am applying for (CHECK ONE):

Regular Public Member ONLY	<input type="checkbox"/>
Alternate Public Member ONLY	<input type="checkbox"/>
Either Position	<input checked="" type="checkbox"/>

NAME: Adam Hensleigh

MAILING ADDRESS: 241 Terrace Way Felton 95018

PHONE (Home): 831-535-3008 (Business):

EMAIL: aj.hensleigh@gmail.com

LENGTH OF RESIDENCE IN AREA: 5 years

ARE YOU A REGISTERED VOTER? Yes

PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED:

Organization

Term

- FireSafe Council of Santa Cruz County 07/23-06/25  
Board of Directors
- FireSafe Council of Santa Cruz County 06/23-present  
Advisory Committee Chair

**WORK / VOLUNTEER EXPERIENCE:**

Organization

IntelliPay (remote)

Term

08/11 - Present

**STATEMENT OF QUALIFICATIONS:**

Please attach a brief statement indicating why you are interested in serving on LAFCO and why you are qualified for the appointment.

See attachment

**CERTIFICATION:**

I certify that I am not an officer or employee of the County of Santa Cruz, any city in Santa Cruz County, or any district in Santa Cruz County.

I certify that this information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

Adam Hensley

Signature

2/22/24

Date

### **Adam Hensleigh Statement of Qualifications**

The biggest qualification I have is the perspective I will bring to LAFCO. I have lived in different parts of the country (Montana, Alabama, Arizona & California). Additionally, I have worked in various industries (sports, death care products/services and financial services. All of which has exposed me to people from all walks of life.

My day job of selling credit card processing to government agencies all over the country compliments my volunteering with the FireSafe Council of Santa Cruz County. I started out as a Home Ignition Zone Assessor in September of 2022. Now I am the Vice President, a board member and the Advisory Committee Chair.

Thank you for your consideration.





**LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
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Thank you for your interest in the Local Agency Formation Commission of Santa Cruz County.

I am applying for (CHECK ONE):

Regular Public Member ONLY	<input type="checkbox"/>
Alternate Public Member ONLY	<input type="checkbox"/>
Either Position	<input checked="" type="checkbox"/>

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FEB 14 2024

Santa Cruz LAFCO

NAME: John W. Hunt

MAILING ADDRESS: 21 Benito Avenue, La Selva Beach, CA 95076

PHONE (Home): 831-684-1203 (Business): 831-566-0044

EMAIL: jwhunt@ucdavis.edu

LENGTH OF RESIDENCE IN AREA: 42 years

ARE YOU A REGISTERED VOTER? Yes

**PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED:**

<u>Organization</u>	<u>Term</u>
Santa Cruz LAFCO, Alternate Public Member, Chair	2019 to present
SC County Commission on Environment, Member, Chair	2013 to present
Research Activity Panel, MBNM Sanctuary, Chair	2007 to present

Approximately 25, total. Please see attached resume with Statement of Qualifications

**WORK / VOLUNTEER EXPERIENCE:**

<u>Organization</u>	<u>Term</u>
La Selva Beach Recreation District, Chair and Treasurer	2010 to 2018
Sanctuary Advisory Council, MBNMS, Research Primary	2008 to 2010; 2012 to 2022.
East San Joaquin Water Quality Expert Panel, Chair	2019
Research Toxicologist, UC Davis	1987 to present
Chief Science Officer, Aqaix	2018 to present
Please see resume attached to the Statement of Qualifications	

**STATEMENT OF QUALIFICATIONS:**

Please attach a brief statement indicating why you are interested in serving on LAFCO and why you are qualified for the appointment.

**CERTIFICATION:**

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I certify that this information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.



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Signature

February 13, 2024

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Date

## **Statement of Qualifications**

John Hunt

Application for Position of Alternate Public Member

Local Agency Formation Commission of Santa Cruz County

I am interested in serving as the alternate public member on the Local Agency Formation Commission of Santa Cruz County because LAFCO performs a number of essential functions for the long-term prosperity of the County, and I believe I can provide independent, objective and considerate representation for the public in the Commission's deliberations. LAFCO's core mission of facilitating efficient public services and guiding orderly development are best served by commissioners with a breadth of knowledge and experience covering natural resources, social issues, regional economic drivers and cultural heritage. The cities and special districts that LAFCO supports must be able to adapt to changing conditions as they provide public services, and LAFCO commissioners must consider a variety of evolving interrelationships to administer organizational improvements by existing and newly created agencies.

I have lived in Santa Cruz County for 42 years and have served on several commissions, councils, boards, and advisory committees. These range from the board of directors of a special district to the County Commission on the Environment and the Advisory Council of the Monterey Bay National Marine Sanctuary. I have served and continue to serve on many scientific advisory committees for local, state and federal programs addressing water pollution research and policy. My education has been focused on the varied and complex interactions between society and the natural world, including a bachelor's degree in Geography from UC Berkeley, a master's degree in Marine Science from the Moss Landing Marine Laboratories and a Ph.D. in Environmental Studies from UC Santa Cruz. Please see the attached resume for details.

I have enjoyed serving as the alternate public member on LAFCO this past year and have learned much about the commission's regulatory and planning functions by talking with commissioners and staff, studying the thorough agenda packets, participating in meetings, and attending the CALAFCO annual conference last fall. I currently serve as LAFCO Chair, having been unanimously elected by the commissioners at the January 10, 2024, regular LAFCO meeting.

Thank you for considering this application and for your service to the County.

## CURRICULUM VITAE

John W. Hunt

### Education

1979 **B.A.**, Geography, University of California, Berkeley

1987 **M.S.**, Marine Science, Moss Landing Marine Laboratories

2009 **Ph.D.** Environmental Studies, University of California, Santa Cruz

**Dissertation:** *Monitoring and resource management: Streams, land cover, and the use of water quality information in public policy*

- US EPA Science to Achieve Results (STAR) Fellowship
- University of California Regents Fellowship

### **Professional Employment**

**Research Toxicologist**, UC Davis Dept of Environmental Toxicology (2012 to present)

Project lead for central coast regional assessments of landscape and aquatic habitat health. Coordinate with staff and managers of the Central Coast Regional Water Quality Control Board to assess landscape, habitat, water quality and ecological data to address the Board's vision goals and management information needs. Translate resource management objectives into specific assessment questions, select appropriate metrics and indices to interpret monitoring data collected over the past decade, devise schema to aggregate metrics into broad indicators of habitat and landscape health, and present the results in an automatically updating website that makes the most vital information readily available to Regional Board and other water resource managers and the public.

**Proposal Lead**, California Marine Sanctuary Foundation (2023 to present)

Serve as one of two lead proposal writers for a \$75,000,000 grant to the NOAA Climate Resilience Regional Challenge program. Write a successful Letter of Intent resulting in an invitation for a full proposal. Coordinate 22 partners including cities, counties, colleges, universities, agencies, conservation districts and non-profit organizations to guide their development of a complimentary suite of climate adaptation projects to increase resilience of Monterey Bay area communities threatened by sea level rise, storm surge, river flooding and wildfire. Review all submitted materials, organize drafts, and write the final proposal. Awards to be announced spring 2024.

**Project Manager**, Greater Monterey County Storm Water Resource Plan (2017 to 2019)

Write a successful proposal and manage the project to use hydrologic modeling and quantitative analysis to identify opportunities and evaluate projects to characterize, capture, treat, store and reuse urban and agricultural storm water to provide benefits for water supply, water quality, flood protection, habitat enhancement and social opportunity.

**Chief Science Officer**, Aqaix (current)

Provide scientific direction, conceptual models, data sets and connections to the scientific community to develop a water data cloud platform that integrates information from multiple sources to drive advanced analytics of water management issues.

**Co-Director**, Marine Pollution Studies Laboratory at Granite Canyon (1995 – 2011), and **Specialist** (Research Faculty), Dept of Environmental Toxicology, UC, Davis (1997 – 2011)  
Manage a small marine laboratory (staffing level from 8 to 23 over the years), including program planning, budget development, staff supervision, maintenance oversight, proposal writing and journal publication for an entirely grant-funded research facility that has operated successfully for over 25 years.

Design, obtain funding for, and conduct research projects to assess ambient water and sediment quality in marine, estuarine, and freshwater environments. Design regional and statewide water quality monitoring programs and facilitate their external scientific review. Provide coordination between State and Regional Water Boards, stakeholders, and partner programs to integrate goals and data from multiple sources into policy-relevant information for resource management.

**Associate Specialist**, University of California, Santa Cruz. (1992 – 1997)  
Conduct research projects on the toxicity of estuarine sediments and evaluate contaminant sources in tributary watersheds. Develop experimental approaches to compare field-collected test sediments with those from reference sites. Develop toxico/chemical techniques to identify chemicals causing toxicity in environmental samples containing complex chemical mixtures.

**Assistant Specialist**, University of California, Santa Cruz. (1987 – 1992)  
Develop toxicity test methods for abalone, mysids, topsmelt, and giant kelp, and produce protocols for those tests that are currently used in US EPA and California State Water Resources Control Board waste-water monitoring programs.

**Deputy Superintendent**, Monterey Bay National Marine Sanctuary (2011 – 2012)  
Direct the MBNMS resource protection and science programs to promote ecosystem-based management of the sanctuary. Supervise resource protection and water quality protection staff, direct the coordination of research program objectives with resource protection needs, assist the superintendent and national office directors with decisions on program direction, and collaborate with outside scientists, agency managers, and stakeholders to advance the mission of the sanctuary.

### **Service and Scientific Advisory Committees**

Expert Review Panel, California Pesticide Best Management Practices Model, sponsored by the California Department of Pesticide Management, Member, 2022.

Expert Review Panel for the Eastern San Joaquin Surface Water Monitoring Program, Chair, 2020 – 2021.

Santa Cruz County Local Agency Formation Commission, Chair and Public Alternate Member, 2019 to present.

Science and Land Management Advisory Council, Big Sur Land Trust, Member, current.

Pesticides Visualization Advisory Team, San Francisco Estuary Institute, Member, current.

Santa Cruz County Commission on the Environment, Chair and Commissioner for 2<sup>nd</sup> District, 2013 to present.

Research Activity Panel, Monterey Bay National Marine Sanctuary, Chair and Water Quality

Representative, 2007 to present.

Sanctuary Advisory Council, Monterey Bay National Marine Sanctuary, Research Primary Member, 2008 to 2010; 2012 to 2022.

Regional Transportation Commission Bicycle Advisory Committee, member, current

La Selva Beach Recreation and Park District, Chair (2012 to 2018) and Treasurer (2010 – 2012)

Pinto Lake Restoration Project, Technical Advisory Committee, Member, 2017 to 2018.

Water Quality Protection Program Committee, Monterey Bay National Marine Sanctuary, Research Member, 2012 to present.

California Water Quality Monitoring Council, Ocean Health Workgroup member, 2012 to 2014.

Central Coast Regional Water Quality Control Board, Technical Advisory Committee for Rapid Assessment Methodology, Member, 2013 to 2015.

US EPA and CA State Water Resources Control Board Healthy Streams Partnership, Technical Advisory Panel Member, 2012 to 2015.

Monterey Bay Integrated Regional Ocean Discharge Monitoring Program, core technical planning team member (2012 to 2014).

Agricultural Advisory Panel, Agricultural Waiver Order, Regional Water Quality Control Board, Central Coast Region, Science Member, 2004 and 2009 permit cycles

Farm Water Quality Planning Project, UC Cooperative Extension, Committee Member

Statewide Aquatic Life Assessment Monitoring Design Committee, California Surface Water Ambient Monitoring Program, Member

Technical Advisory Committee, Central Coast Water Quality Data Synthesis, Assessment, and Management (SAM) Project, Member

Technical Advisory Committee, Non-point Source Pollution Projects Fund and Monitoring Fund, Regional Water Quality Control Board, Central Coast Region, Member

Scientific Planning and Review Committee, California Surface Water Ambient Monitoring Program, State Water Resources Control Board, Organizer and Facilitator

La Selva Beach Improvement Association, President, 2001 – 2002

Board of Directors, Society of Env Toxicology and Chemistry, N California Chapter, Elected Member

Annual Meeting Committee, Society of Env Toxicology and Chemistry, N California Chapter, Member

Technical Advisory Committee, Pescadero-Butano Watershed Assessment Project, San Mateo County Resource Conservation District, Invited Member

Scientific Advisory Group, Surface Waters Ambient Monitoring Program, California State Water Resources Control Board, Invited Member

Society of Environmental Toxicology and Chemistry Technical Workshop on Toxicity Identification and Reduction Evaluations, held at Pensacola, Florida, sponsored by the U.S. EPA and American Petroleum Institute, Invited Participant.

U.S. EPA and Society of Environmental Toxicology and Chemistry course on whole effluent toxicity testing, Instructor.

**Peer-Reviewed Publications**

Author or co-author of 60 scientific journal articles. List available on request.

**Reports**

Author or co-author of 43 reports to resource management agencies and other organizations. List available on request.

**Presentations at Scientific Meetings**

First author and presenter on 50 presentations at scientific conferences, agency meetings and other public venues.

**Personal Information**

I am a US citizen, born in Santa Monica, California, on August 22, 1955. I have lived in Santa Cruz County and worked in the Monterey Bay area for 42 years. I am happily married to Teresa Clayton, who has been a bilingual teacher in the area for over 30 years. We have two children: Meghan is a research consultant with Engage R&D, advising nonprofit organizations in the US; Rylan recently graduated from UC Berkeley (Physics and Mathematics) and is currently teaching in Santa Cruz County. We travel as a family whenever we can. (Aside from being accomplished distance runners, Teresa, Meghan and Rylan are all fluent in Spanish. My Spanish is rusty but passable.) For five years in my 20s I was a whitewater river guide in the Sierra, Oregon, and Idaho, and still row whitewater trips a few times a year. Other favorite pursuits include rowing an ocean dory, surfing, biking, diving, and playing bass in various bands with friends.



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FEB 22 2024

Santa Cruz LAFCO



**LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
APPLICATION FOR POSITION OF  
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Thank you for your interest in the Local Agency Formation Commission of Santa Cruz County.

I am applying for (CHECK ONE):

Regular Public Member ONLY	<input checked="" type="checkbox"/>
Alternate Public Member ONLY	<input type="checkbox"/>
Either Position	<input type="checkbox"/>

NAME: Lowell Hurst

MAILING ADDRESS: 23 Magnolia Court Watsonville CA 95076

PHONE (Home): 831-334-5774 (Business): \_\_\_\_\_

EMAIL: Lhurst@baymoon.com

LENGTH OF RESIDENCE IN AREA: 46 years

ARE YOU A REGISTERED VOTER? YES  )

**PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED:**

<u>Organization</u>	<u>Term</u>
City of Watsonville-Council Member	20 years
SC County RTC	several terms
LAFCO	2 terms
Integrated Waste Management Task Force	10 years
Monterey Bay Air Resources District	2 years

**WORK / VOLUNTEER EXPERIENCE:**

<u>Organization</u>	<u>Term</u>
Pajaro Valley Schools- teacher	32 years
Juvenile Justice Commission	1990's
California Federation of Teachers	25 years of leadership
Future Farmers of America Advisor	25 years
Area Agency on Aging	10 years

**STATEMENT OF QUALIFICATIONS:**

Please attach a brief statement indicating why you are interested in serving on LAFCO and why you are qualified for the appointment.

**CERTIFICATION:**

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I certify that this information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

Lowell E Hurst  
\_\_\_\_\_  
Signature

Feb. 21, 2024  
\_\_\_\_\_  
Date

## **LAFCO public member statement of qualifications:**

My interest in the public member position stems from my previous experience on LAFCO as a City representative, and my desire to see good public planning county wide.

Now that I am totally retired and out of public office I have the time the time and freedom to pursue other services for the community that I love. I grew up on a farm, studied agricultural science. taught that subject in the Pajaro Valley for over thirty years and know the importance of prime Ag land preservation and urban sprawl prevention. As a public policy maker for twenty years I, also know the importance of the efficient delivery of governmental services such as water, sewer, flood control, recreation, fire protection, and open space preservation.

I am experienced in the public hearing process, reviewing proposals, I understand the powers and duties of LAFCO, municipal service reviews, the creation of and modification of spheres of influence, reporting requirements and the avoidance of conflicts of interest.

If selected as the Public Member I pledge to be a good steward by supporting the public's interest within LAFCO's jurisdiction.

Lowell Hurst

23 Magnolia Court

Watsonville CA 95076

(831) 334-5774

Lhurst@baymoon.com

## Joe Serrano

---

**From:** Lowell Hurst <lhurst@baymoon.com>  
**Sent:** Monday, February 26, 2024 2:57 PM  
**To:** Joe Serrano  
**Cc:** Francisco Estrada  
**Subject:** Fwd: Hurst Bio

\*\*\*\***CAUTION:**This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email.\*\*\*\*

I was born and raised on a farm. I am a graduate of the School of Agronomy-Purdue University with a Bachelor's of Science degree. I served in the Kingdom of Nepal as a Peace Corps Volunteer and later taught agricultural subjects for the Pajaro Valley Schools for over 32 years.

I am a former Watsonville City Council Member. I was first elected to the Watsonville City Council in 1989 after the historic voter rights court challenge and Loma Prieta Earthquake and served as Mayor Pro Tempore in '92 & '93. I was selected as Mayor in 1994 and reelected to the Council for a second term. I termed-out in 1998 and was reappointed to the Council in 2011, elected to a short term in 2012 and again selected as Mayor In 2013, and reelected by the Watsonville voters of District 3 for another 4yr term in 2014. I was elected again for one more term in 2018, served a 3rd time as Mayor and was termed out in December of 2022.

I have served on the Countywide Integrated Waste Task Force, have been the Chairman of the Regional Area Agency on Aging Council, and have served on the Community Action Board Finance Committee, the City Inter Governmental Committee, and held the position of Alternate to the Regional Transportation Commission, the South County Bike & Pedestrian Work Group, and have assisted on numerous community agencies. Over the years I have participated in AMBAG, LAFCO, FOCUS-AG, water environmental and land use issues, airport planning, downtown redevelopment, housing and job creation efforts.

I hold a Masters Of Arts Degree in Administrative Leadership from the University of San Francisco, a Lifetime California Teaching Certificate, an Honorary lifetime membership with the Agricultural Teachers Association, and have numerous certificates, awards, and have received commendations from the Future Farmers Of America and various other community agencies.

I am married to my wife Wendy of Grosse Pointe Michigan for 48 years and am father of two adult children and I have two grandchildren.

I enjoy supporting youth empowerment activities, international travel, politics, natural resources, environmental and outdoor adventures.

LOWELL HURST  
WATSONVILLE, CA 95076  
Cell 831-334-5774

## Joe Serrano

---

**From:** Lowell Hurst <lhurst@baymoon.com>  
**Sent:** Monday, February 26, 2024 3:09 PM  
**To:** Joe Serrano  
**Cc:** Francisco Estrada  
**Subject:** Hurst references

\*\*\*\***CAUTION:**This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email.\*\*\*\*

Here are some folks that are familiar and knowledgeable about my abilities, and possible fit as the Public Member.

Carlos Palacios  
Zach Friend  
Fred Keeley  
Pat McCormick

Thank you for your consideration.

LOWELL HURST  
[WATSONVILLE, CA 95076](#)  
Cell [831-334-5774](#)

RECEIVED

FEB 22 2024

Santa Cruz LAFCO



**LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
APPLICATION FOR POSITION OF  
REGULAR AND ALTERNATE PUBLIC MEMBER**

If you are interested in serving as the Regular or Alternate Public Member on LAFCO, please complete the following application and return it to LAFCO, 701 Ocean Street, Room 318-D, Santa Cruz, California 95060. The application deadline is **3:00 p.m. on Friday, February 23, 2024**. Please note that you may apply for both positions.

Thank you for your interest in the Local Agency Formation Commission of Santa Cruz County.

I am applying for (CHECK ONE):

Regular Public Member ONLY	<input type="checkbox"/>
Alternate Public Member ONLY	<input type="checkbox"/>
Either Position	<input checked="" type="checkbox"/>

NAME: JO ANN SEGRUE

MAILING ADDRESS: 307 Belle Monte Avenue

PHONE (Home): 831-688-9234 (Business): Cell - 831-254-0464

EMAIL: jo@cdmre.com

LENGTH OF RESIDENCE IN AREA: 30+ years

ARE YOU A REGISTERED VOTER? Yes

**PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED:**

Organization

Term

See Attached - Part I

**WORK / VOLUNTEER EXPERIENCE:**

Organization

Term

See attached > PART III

PART II > Professional Experience & Academic Studies

PART II > Statement of Qualifications [Interest in Service]

PART II > Applicant's Perspective as Community Representative

**STATEMENT OF QUALIFICATIONS:**

*Addendum*

Please attach a brief statement indicating why you are interested in serving on LAFCO and why you are qualified for the appointment.

**CERTIFICATION:**

I certify that I am not an officer or employee of the County of Santa Cruz, any city in Santa Cruz County, or any district in Santa Cruz County.

I certify that this information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

*Jo Ann Segura*  
Signature

2-21-24  
Date



Addendum to JoAnn Segreue's Application  
Santa Cruz County LAFCO Commission  
Application Date: February 21, 2024

TO: Joe A. Serrano, Executive Officer  
LAFCO Selection Team

FROM: Applicant: JoAnn Segrue [Fry]

387 Belle Monti Avenue  
Aptos, CA 95003

E- mail: [jo@cdmre.com](mailto:jo@cdmre.com)  
Telephone 831- 688-9234 [residence]  
831- 254-0464 [cell]

RE: Application Responses -**Addendum**

I believe I am qualified to be considered a Regular or Alternate Public Member on the Santa Cruz County LAFCO Commission [Local Agency Formation Commission]. My application responses below will assist in your decision-making process. Having appeared before various agencies in my project management career provides me a circumspect understanding of public agencies and their formations economic benefits to the community.

Responses to Application Questionnaire:

Item I. Previous Board, Commissions, and Committees Served:

- Civil Grand Jury -Santa Cruz County, 2016-2017
- Cabrillo College Bond Oversight Committee, 2008 – 2011
- University of San Francisco –Trustee’s Finance & Faculties Committee
- Pajaro Valley Women’s Shelter - Board Member & Finance Committee Member

Item II. Professional Experience & Academic Studies:

### (a) Work Experience

- CDM/ Crocker- Fry, Inc. [Project Management - Entrepreneurial Ventures]
- Current assignment- Managing Director for Start-up Ventures

During my work career I have led executive teams in the sectors of real estate development, entrepreneurial business start-ups, and university administration. My assignments span 50+ projects in the USA and Canada with contracts exceeding \$720 million in economic value of \$1.3 billion.

### (b) Academic Studies & Professional Certificates

My studies include: Master's Degree in Business Administration [MBA], Sana Clara University; and, Doctorate in Management [D. Mgt.], George Fox University. The requisite course work prepared me to evaluate management protocols, and how to evaluate an organization's performance to support and achieve their objectives. I am referred to as a practitioner-academician. My adjunct professor teaching assignments included the subjects of project management, financial feasibility analysis, and field-agile management practices.

Professional Certifications include:

- Project Management Professional [PMP] - Project Management Institute
- Owners/ Presidents Executive Program [OPM- 16] -Harvard Business School

Item III Volunteer Experience. I have a “local” social and cultural perspective. I take pride in my community servant-leadership roles.

- Santa Cruz Diversity Center – Triangle Speakers Panel, 2017 - 2024
- Santa Cruz City School District, Facilities Task Force - Master Plan, 2020
- Santa Cruz County Sheriff’s Advisory Committee, 2018 - 2019
- Urban Land Institute, Instructor, Public Officials Urban Plan Seminar, 2017- 2023

Item IV Statement of Qualifications [Interest in Service]

My professional and academic background provides a broad and balanced exposure to operational and management organizational oversight, monitoring, auditing, and governance.. This is grounded in my accounting, financial modeling, and statistical analysis skills to assure guidance for program delivery and performance.

I have found that my professional work, community volunteering, and academic studies would be in alignment for the LAFCO Commission’s considerations. My skill set brings helpful experience to effectively represent the community and the Commission’s deliberation for public service effective governance.

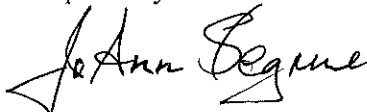
Item V Applicant’s Perspective as Community Representative

As a LAFCO Commission Member, I would bring a perspective representing Santa Cruz County residents. My motivation to volunteer (a social risk being a transgender woman) is to provide a competent voice with a LGBT+ Community perspective. Such representation needs to be considered on the LAFCO Commission.

My service would serve without agenda, with a perspective for social service that is grounded, and having applied practical experience. I am knowledgeable in the skill set needed in this arena of governmental oversight, and know how to avoid “extremes,” while listening and presenting at Committee meetings. My experience offers informed insights with financial understanding that takes into consideration the LAFCO Commission’s review of complexities. I understand what it takes to deliver governmental agency service and performance.

Should you choose, I welcome an interview to discuss my qualifications. I appreciate the opportunity to be considered for serve on the LAFCO Commission.

Respectfully Submitted:

  
JoAnn Segrue

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FEB 16 2024



**LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
APPLICATION FOR POSITION OF  
REGULAR AND ALTERNATE PUBLIC MEMBER**

Santa Cruz LAFCO

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Thank you for your interest in the Local Agency Formation Commission of Santa Cruz County.

I am applying for (CHECK ONE):

Regular Public Member ONLY	<input checked="" type="checkbox"/>
Alternate Public Member ONLY	<input type="checkbox"/>
<i>OR</i> Either Position	<input checked="" type="checkbox"/>

NAME: Renee Shepherd

MAILING ADDRESS: 7389 West Zayante rd. Felton CA 95018

PHONE (Home): 831 818 5951 (Business): 831 335 5912

EMAIL: renee@reneesgarden.com

LENGTH OF RESIDENCE IN AREA: 35 years

ARE YOU A REGISTERED VOTER? yes

**PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED:**

Organization

Term

Santa Cruz County Planning Commission 4 terms

Friends Of Quail Hollow Board Member 2 terms

Home Garden Seed Association Board Member 3 terms

National Garden Bureau Board Member 2 terms

**WORK / VOLUNTEER EXPERIENCE:**

Organization

Term

Founder Renees Garden Seeds

current

Shepherds Garden Publishing

current

**STATEMENT OF QUALIFICATIONS:**

Please attach a brief statement indicating why you are interested in serving on LAFCO and why you are qualified for the appointment.

**CERTIFICATION:**

I certify that I am not an officer or employee of the County of Santa Cruz, any city in Santa Cruz County, or any district in Santa Cruz County.

I certify that this information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

Signature

*Renee Shepherd*

*Feb 9, 2024*

Date

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FEB 09 2024

Santa Cruz LAFCO



**LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
APPLICATION FOR POSITION OF  
REGULAR AND ALTERNATE PUBLIC MEMBER**

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Thank you for your interest in the Local Agency Formation Commission of Santa Cruz County.

I am applying for (CHECK ONE):

Regular Public Member ONLY	<input type="checkbox"/>
Alternate Public Member ONLY	<input type="checkbox"/>
Either Position	<input checked="" type="checkbox"/>

NAME: Michael Shulman

MAILING ADDRESS: 15 Kerry Ct., Scotts Valley CA 95066

PHONE (Home): 831 438 4513 (Business): \_\_\_\_\_

EMAIL: ms.ks@comcast.net

LENGTH OF RESIDENCE IN AREA: 38 years

ARE YOU A REGISTERED VOTER? Yes

**PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED:**

Organization	Term
<u>Scotts Valley Unified School District Trustee</u>	<u>2008-Present</u>
<u>Scotts Valley Planning Commission</u>	<u>1991-92, 1997-2008</u>
<u>Scotts Valley City Council</u>	<u>1992-1996</u>
<u>Scotts Valley Water District</u> <u>Engineering &amp; Resources Advisory Committee</u>	<u>2022-2023</u>
<u>Santa Cruz County Democratic Central Committee</u>	<u>2010-2020</u>



**WORK / VOLUNTEER EXPERIENCE:**OrganizationTermUL (Underwriters Laboratories) 1980 - PresentNEPA 101 (Life Safety Code) Technical Committee 1998 - Present

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**STATEMENT OF QUALIFICATIONS:**

Please attach a brief statement indicating why you are interested in serving on LAFCO and why you are qualified for the appointment.

**CERTIFICATION:**

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I certify that this information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

  
Signature2-7-24  
Date

Michael Shulman  
LAFCO Statement of Interest

At the end of 2024, I will be winding down my 45-year engineering career. But I would like to continue serving in local public governance. Most of my service has been confined to Scotts Valley area issues. The LAFCO opening offers the opportunity to broaden my horizons and explore a more diverse range and geography of issues. As a road cyclist and county resident since 1986, I have a reasonably good ground-level familiarity with most areas in the county.

The work of LAFCO is very appealing to me in part because I love maps and the richness of information they contain. As a citizen and advocate for good governance, I also enjoy the challenge of finding equitable and reasonable compromises where there are competing interests in the public domain. I have considerable experience, in both the public and private sector, with regulatory decisions where risks, costs, and benefits must be balanced between parties. I am comfortable reading regulatory guidelines (i.e., California Code of Regulations, CEQA documents, building and fire codes, etc.). I am always prepared for meetings, understand the benefits of seeking technical clarifications before a public meeting, and know how to participate in the dialogue and decision-making process in a civil and constructive manner.

Over my 30+ years of local governance service, I most enjoyed my time on the SV planning commission addressing land use issues and pursuing the best way for our community to make use of our shared resources. I see the work of LAFCO as in a similar vein; for example, decisions whether to allow unincorporated land to be annexed by an adjacent city so it can be rezoned and developed in a more urban style than would be permitted under county jurisdiction. I expect some LAFCO decisions to be relatively easy and uncontested, while others may be high stakes with plenty of community attention. I am comfortable working in both environments.





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FEB 02 2024



Santa Cruz LAFCO

**LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
APPLICATION FOR POSITION OF  
REGULAR AND ALTERNATE PUBLIC MEMBER**

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Thank you for your interest in the Local Agency Formation Commission of Santa Cruz County.

I am applying for (CHECK ONE):

Regular Public Member ONLY	<input type="checkbox"/>
Alternate Public Member ONLY	<input type="checkbox"/>
Either Position	<input checked="" type="checkbox"/>

NAME: BECKY STEINBRUNER

MAILING ADDRESS: 3441 REDWOOD DRIVE, APTOS, CA 95003

PHONE (Home): 831-685-2915 (Business): —

EMAIL: KI6TKB@yahoo.com

LENGTH OF RESIDENCE IN AREA: 38 years

ARE YOU A REGISTERED VOTER? yes

**PREVIOUS BOARD, COMMISSION, OR COMMITTEE SERVED:**

Organization

Term

- 1) SANTA CRUZ COUNTY WATER ADVISORY 2022  
COMMISSION'S SB552 DROUGHT RESPONSE COMMITTEE
- 2) Santa Cruz County Fire Safe Council 2018-2020
- 3) SOQUEL FIRE SAFE Council 2010-2014
- 4) CSA 33 Liaison 1989-2000
- 5) Santa Cruz County Community Wildfire Protection Plan (CWPP) Review 2014  
LAFCO Application - Regular & Alternate Public Member committee
- 6) Santa Cruz County Amateur Radio Club Board
- 7) American Rhododendron Society, Santa Cruz Chapter 1990-1999
- 8) Cabrillo Host Lions Club Secretary - 2022 to present

## WORK / VOLUNTEER EXPERIENCE:

### Organization

### Term

- Volunteer {
- 1) Redwood/Cathedral Firewise leader 2020 to present
  - 1a) amateur radio communication public service 2012 to present
  - 2) Santa Cruz County Fire Dept. Co. 45 1989-1992
  - 3) Work experience = various <sup>domestic</sup> horticultural jobs including assistant plant breeder, plant nursery work, landscape design & maintenance, greenhouse floriculture - international
  - 4) Cabrillo Host Lions Club - fundraising and public outreach.
  - 5) 4-H volunteer work with other parents and kids - fundraising, Summit Fire relief, County Fair, Camp Loma

### **STATEMENT OF QUALIFICATIONS:**

Please attach a brief statement indicating why you are interested in serving on LAFCO and why you are qualified for the appointment.

### **CERTIFICATION:**

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I certify that this information is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for the appointment.

                      
Signature

2/2/2024  
Date



Dear Commissioners,

I appreciate the opportunity for your consideration to serve on the LAFCO as either a Regular or Alternate Public Member.

Having attended many of your Commission's meetings and public hearings, I appreciate the thoughtful work you do to ensure that our County, cities and special districts are functioning effectively and efficiently to best serve the needs of the people in a transparent manner.

I would enjoy serving the public as a working member of your Commission.

Because I am a long-time resident of rural Santa Cruz County, have raised our family here, and have been actively involved in many political and social causes, I feel that my skills and local knowledge would blend well in assisting the Commission's duties. I care deeply about the health and well-being of our County, its residents and the environment we all treasure. I am naturally curious and enjoy learning, while being respectful of others, and mindful of the regulatory setting of local government and staff.

I am flexible and have the time available to serve the public as a member of LAFCO and would be honored to do so.

Thank you for your service to the public, and for your consideration of my application.

Sincerely,



Becky Steinbruner



Santa Cruz Local Agency Formation Commission

Date: March 6, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **City of Capitola Annexation Plan**

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**SUMMARY OF RECOMMENDATION**

The Commission adopted a service and sphere review for the City of Capitola in May 2022 and included a recommendation to develop an annexation plan before their next service review cycle (May 2027). The City of Capitola is in the process of hiring an outside consultant to produce an annexation plan. LAFCO received a letter from the City requesting assistance to share the cost to complete the analysis. This request was originally considered by the Commission on February 7 but was continued to March 6 for further discussion.

It is recommended that the Commission consider collaborating with the City of Capitola and provide financial assistance to hire an outside consultant and complete an annexation plan.

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**EXECUTIVE OFFICER'S REPORT:**

In May 2022, the Commission adopted a service and sphere review for the City of Capitola. The report found that the City provides multiple services to an estimated 10,000 constituents, is financially stable, and is operating efficiently. The report also indicated that the City's sphere boundary goes beyond its city limits and includes 2,200 parcels totaling approximately 600 acres. The Commission recommended that the City develop a plan to determine if and when these parcels should be annexed. If no plan is submitted prior to their next service review cycle in May 2027, then the Commission may consider reducing their sphere boundary to better reflect the City's future growth plans.

Financial Assistance Request

Since the adoption of the 2022 service and sphere review, the City Manager and LAFCO staff have worked closely to develop a draft outline of the proposed plan as well as a request for proposal (RFP). The City sent a letter to LAFCO on January 5 requesting that the Commission match their earmarked allocation of \$30,000 to help cover the cost of hiring an outside consultant. The Commission considered the City's request during their February 7th LAFCO Meeting<sup>1</sup> and ultimately directed staff to develop a policy outlining clear guidance when considering requests for financial assistance.

Proposed Policy Language

The Commission established a fee schedule policy in accordance with the allowances provided by the State of California under California Government Code Sections 56383 and 66014. In some cases, a fee waiver or some type of financial assistance may be

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<sup>1</sup> 2/7/24 LAFCO Staff Report: [https://santacruzlafco.org/wp-content/uploads/2024/01/7b.0-Capitola-Annexation-Plan-Staff-Report\\_Hyperlinked.pdf](https://santacruzlafco.org/wp-content/uploads/2024/01/7b.0-Capitola-Annexation-Plan-Staff-Report_Hyperlinked.pdf)

considered and approved by the Commission, if warranted. The following language directs the setting and criteria when considering financial assistance:

*“A city or special district may also request financial assistance in hiring an outside consultant to explore possible changes of organization based on recommendations found in LAFCO’s adopted service and sphere reviews. Examples include but are not limited to the completion of an annexation plan. If the Commission chooses to provide financial assistance, the total amount towards this type of request shall not exceed \$15,000 during the current fiscal year.”*

The draft policy language was presented to the Commission during the March 6th LAFCO Meeting. Staff is recommending that the Commission consider the request under the new policy (if approved). If the Commission wishes to provide fiscal aid, staff is also recommending that the amount not exceed \$15,000. At present, LAFCO’s budget has approximately \$32,000 remaining under the “professional services” budget category.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

cc: Jaime Goldstein, City of Capitola



Santa Cruz Local Agency Formation Commission

Date: March 6, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Legislative Update (New Legislative Session)**

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**SUMMARY OF RECOMMENDATION**

LAFCO staff tracks bills during the legislative session and provides periodic updates. The Commission may take a position on any tracked bill, if deemed necessary.

It is recommended that the Commission take a “Support” position on Assembly Bill 3277 and direct the Executive Officer to submit a letter to the bill’s author declaring the Commission’s position.

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**EXECUTIVE OFFICER’S REPORT:**

The State Legislature reconvened from the winter recess on January 3, 2024. Approximately 2,100 bills were introduced during the 2024 legislative session, which included an estimated 1,500 bills in the Assembly and 600 in the Senate<sup>1</sup>. The deadline to introduce a bill was February 17. All bills must pass out of their house of origin (Assembly or Senate) no later than May 17. Afterwards, all bills must pass through both houses by August 31 with a 30-day period for the Governor to either sign or veto passed bills. **Attachment 1** provides an overview of this year’s legislative calendar. The website for additional bill information is <http://leginfo.legislature.ca.gov/>.

LAFCO staff, through participation on the California Association of LAFCOs (CALAFCO) Legislative Committee, monitors proposed LAFCO-related legislation. During the January 12th and February 16th Committee Meetings, CALAFCO provided an update on bills continued from the 2023 legislative session and this year’s Omnibus Bill. Reports were also given on the completion of the appointments to the committee and the current lack of activity in Sacramento. While there is anticipation that the pace of the Legislature will pick up in the coming weeks, the 2024 Omnibus Bill looks different than in prior years because it only has a single proposed change to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH Act”). A summary of the proposed Omnibus Bill and an overview of activities on the horizon involving legislation of LAFCO interest are provided in the following section.

Assembly Bill 3277 (Annual Omnibus Bill)

CALAFCO and the Assembly Committee on Local Government regularly co-sponsor the annual Omnibus Bill to propose technical and non-substantive amendments to the CKH Act. The 2024 Omnibus Bill initially included five proposed amendments to the CKH Act to clarify LAFCO processes and authority. However, through a recent review by the

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<sup>1</sup> CalMatters Article: <https://calmatters.org/newsletter/california-bills-2024/#:~:text=With%20the%20dust%20settled%20after,according%20to%20lobbyist%20Chris%20Micheli.>



legislative staff of the proposed amendments, only one was deemed qualified to be in this year's Omnibus Bill – the other four proposals were determined to have substantive changes to the CKH Act and therefore unqualified to move forward. As a result, this year's bill will only include proposed language that would clarify the tax exchange process for special district boundary changes explicitly when subject agencies waive the exchange of property tax revenue, as described below. This bill is currently in print and is scheduled to be presented to the floor in April.

Government Code Section 56810 provides the process and authority for LAFCO to determine the amount of property tax revenue to be exchanged by an affected local agency involving the formation of a new special district. However, current law is unclear on guidelines for agencies seeking or not seeking a share of the ad valorem property taxes. The proposed change under the Omnibus Bill would add language maintaining the authority and requirement for a LAFCO to determine the property tax revenues to be exchanged for an affected agency in applications involving the formation of a special district whereby the affected agency is seeking a share of the 1% ad valorem property taxes, while excluding this requirement for a LAFCO if the applicant has indicated that the agency will not seek a share of the 1% ad valorem property taxes. The bill's language is shown in **Attachment 2** for further review.

**Commission Action:** *As CALAFCO's Legislative Liaison, staff is recommending that the Commission adopt a "Support" position and send a letter to the bill's author. **Attachment 3** is a draft letter of support for Commission consideration.*

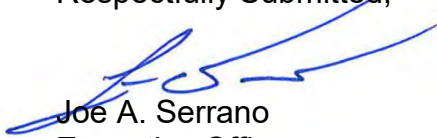
### CALAFCO Efforts

During the recent legislative committee meetings, LAFCO members received a refresher on CALAFCO's legislative policies and guidelines. The crash course session was intended to remind committee members of CALAFCO's key areas of interest on the legislative front and to assist in reviewing and adopting positions on legislation of LAFCO interest. Additionally, CALAFCO discussed one key area of interest: the indemnification of LAFCOs when considering applications. CALAFCO's effort to require applicants to indemnify LAFCOs has become a two-year legislative process, and on February 5, 2024, Senator Dave Cortese of Santa Clara County agreed to author a bill to clarify this requirement. The proactive approach represents a significant accomplishment by CALAFCO and the legislative committee. **Attachment 4** provides more information on other CALAFCO efforts in their latest quarterly report.

### Tracked Bills

CALAFCO monitors legislative matters that may impact the Commission's ability to effectively administer its regulatory responsibilities. At present, there are 15 bills that directly or indirectly impact LAFCOs. An overview of each of the tracked bills is shown in **Attachment 5**. Staff is currently watching these bills, including the two bills already mentioned in this report. The Commission may consider adopting an official position on the identified bills or other proposed legislation once staff retrieves all the necessary information to make a recommendation. Further information on these tracked bills will be made available during the next legislative update (tentatively scheduled for April 3, 2024). In the interim, LAFCO staff will continue to monitor and provide periodic updates on all tracked bills and any new LAFCO-related bills introduced as the legislative session unfolds.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachments:

1. State Legislative Calendar
2. AB 3277 (Omnibus Bill)
3. AB 3277 Letter of Support (Draft Version)
4. CALAFCO Quarterly Report
5. Tracking List of LAFCO-related Bills (as of February 28, 2024)

JANUARY							
	S	M	T	W	TH	F	S
Wk. 1		1	2	3	4	5	6
Wk. 2	7	8	9	10	11	12	13
Wk. 3	14	15	16	17	18	19	20
Wk. 4	21	22	23	24	25	26	27
Wk. 1	28	29	30	31			

FEBRUARY							
	S	M	T	W	TH	F	S
Wk. 1					1	2	3
Wk. 2	4	5	6	7	8	9	10
Wk. 3	11	12	13	14	15	16	17
Wk. 4	18	19	20	21	22	23	24
Wk. 1	25	26	27	28	29		

MARCH							
	S	M	T	W	TH	F	S
Wk. 1						1	2
Wk. 2	3	4	5	6	7	8	9
Wk. 3	10	11	12	13	14	15	16
Wk. 4	17	18	19	20	21	22	23
Spring Recess	24	25	26	27	28	29	30
Wk. 1	31						

APRIL							
	S	M	T	W	TH	F	S
Wk. 1		1	2	3	4	5	6
Wk. 2	7	8	9	10	11	12	13
Wk. 3	14	15	16	17	18	19	20
Wk. 4	21	22	23	24	25	26	27
Wk. 1	28	29	30				

MAY							
	S	M	T	W	TH	F	S
Wk. 1				1	2	3	4
Wk. 2	5	6	7	8	9	10	11
Wk. 3	12	13	14	15	16	17	18
No Hrgs.	19	20	21	22	23	24	25
Wk. 4	26	27	28	29	30	31	

DEADLINES

- Jan. 1

Statutes take effect (Art. IV, Sec. 8(c)).
- Jan. 3

Legislature reconvenes (J.R. 51(a)(4)).
- Jan. 10

Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- Jan. 12

Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the odd-numbered year (J.R. 61(b)(1)).
- Jan. 15

Martin Luther King, Jr. Day.
- Jan. 19

Last day for any committee to hear and report to the **Floor** bills introduced in that house in the odd-numbered year. (J.R. 61(b)(2)).  
  
Last day to submit **bill requests** to the Office of Legislative Counsel.
- Jan. 31

Last day for each house to pass bills introduced in that house in the odd-numbered year (J.R. 61(b)(3)) (Art. IV, Sec. 10(c)).

- Feb. 16

Last day for bills to be **introduced** (J.R. 61(b)(4), J.R. 54(a)).
- Feb. 19

Presidents' Day.

- Mar. 21

**Spring Recess** begins upon adjournment (J.R. 51(b)(1)).
- Mar. 29

Cesar Chavez Day observed.

- Apr. 1

Legislature reconvenes from **Spring Recess** (J.R. 51(b)(1)).
- Apr. 26

Last day for **policy committees** to hear and report to fiscal committees **fiscal bills** introduced in their house (J.R. 61(b)(5)).

- May 3

Last day for **policy committees** to hear and report to the Floor **nonfiscal** bills introduced in their house (J.R. 61(b)(6)).
- May 10

Last day for **policy committees** to meet prior to May 28 (J.R. 61(b)(7)).
- May 17

Last day for **fiscal committees** to hear and report to the **Floor** bills introduced in their house (J.R. 61 (b)(8)).  
  
Last day for **fiscal committees** to meet prior to May 28 (J.R. 61 (b)(9)).
- May 20-24

**Floor session only.** No committee may meet for any purpose except for Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(b)(10)).
- May 24

Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).
- May 27

Memorial Day.
- May 28

Committee meetings may resume (J.R. 61(b)(12)).

\*Holiday schedule subject to final approval by Rules Committee.

JUNE							
	S	M	T	W	TH	F	S
Wk. 4							1
Wk. 1	2	3	4	5	6	7	8
Wk. 2	9	10	11	12	13	14	15
Wk. 3	16	17	18	19	20	21	22
Wk. 4	23	24	25	26	27	28	29
Wk. 1	30						

**June 15** Budget Bill must be passed by midnight (Art. IV, Sec. 12(c)).

**June 27** Last day for a legislative measure to qualify for the Nov. 5 General Election ballot (Elections Code Sec. 9040).

JULY							
	S	M	T	W	TH	F	S
Wk. 1		1	2	3	4	5	6
Summer Recess	7	8	9	10	11	12	13
Summer Recess	14	15	16	17	18	19	20
Summer Recess	21	22	23	24	25	26	27
Summer Recess	28	29	30	31			

**July 3** Last day for **policy committees** to meet and report bills (J.R. 61(b)(13)).

**Summer Recess** begins upon adjournment, provided Budget Bill has been passed (J.R. 51(b)(2)).

**July 4** Independence Day.

AUGUST							
	S	M	T	W	TH	F	S
Summer Recess					1	2	3
Wk. 2	4	5	6	7	8	9	10
Wk. 3	11	12	13	14	15	16	17
No Hrgs.	18	19	20	21	22	23	24
No Hrgs.	25	26	27	28	29	30	31

**Aug. 5** Legislature reconvenes from **Summer Recess** (J.R. 51(b)(2)).

**Aug. 16** Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(14)).

**Aug. 19 – 31 Floor session only.** No committee may meet for any purpose except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(b)(15)).

**Aug. 23** Last day to **amend** bills on the Floor (J.R. 61(b)(16)).

**Aug. 31** Last day for each house to pass bills (Art. IV, Sec 10(c), J.R. 61(b)(17)).

**Final Recess** begins upon adjournment (J.R. 51(b)(3)).

### IMPORTANT DATES OCCURRING DURING FINAL RECESS

#### 2024

- Sept. 30 Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor's possession on or after Sept. 1 (Art. IV, Sec. 10(b)(2)).
- Oct. 2 Bills enacted on or before this date take effect January 1, 2025. (Art. IV, Sec. 8(c)).
- Nov. 5 General Election.
- Nov. 30 Adjournment *sine die* at midnight (Art. IV, Sec. 3(a)).
- Dec. 2 2025-26 Regular Session convenes for Organizational Session at 12 noon. (Art. IV, Sec. 3(a)).

#### 2025

- Jan. 1 Statutes take effect (Art. IV, Sec. 8(c)).

\*Holiday schedule subject to final approval by Rules Committee.


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## AB-3277 Local agency formation commission: districts: property tax. (2023-2024)

SHARE THIS:



Date Published: 02/27/2024 09:00 PM

CALIFORNIA LEGISLATURE— 2023–2024 REGULAR SESSION

### ASSEMBLY BILL

**NO. 3277**
**Introduced by Committee on Local Government**
**February 27, 2024**

An act to amend Section 56810 of the Government Code, relating to local government.

### LEGISLATIVE COUNSEL'S DIGEST

AB 3277, as introduced, Committee on Local Government. Local agency formation commission: districts: property tax.

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, establishes the sole and exclusive authority and procedures for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. Existing law requires proceedings for the formation of a district to be conducted as authorized by the principal act of the proposed district, and authorizes the local agency formation commission in each county to serve as the conducting authority, as specified. Existing law requires a commission to determine the amount of property tax revenue to be exchanged by an affected local agency, as specified, if the proposal includes the formation of a district, as defined.

This bill would, instead, require a commission to determine the amount of property tax revenue to be exchanged by an affected local agency if the proposal includes the formation of a district and the applicant is seeking a share of the 1% ad valorem property taxes. By adding to the duties of a local agency formation commission, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 56810 of the Government Code is amended to read:

**56810.** (a) (1) If the proposal includes the incorporation of a city, as defined in Section 56043, the commission shall determine the amount of property tax revenue to be exchanged by the affected local agency pursuant to this section and Section 56815.

(2) If the proposal includes the formation of a district, as defined in Section 2215 of the Revenue and Taxation Code, *and if the applicant is seeking a share of the 1 percent ad valorem property taxes*, the commission shall determine the amount of property tax to be exchanged by the affected local agency pursuant to this section.

(b) The commission shall notify the county auditor of the proposal and the services which the new jurisdiction proposes to assume within the area, and identify for the auditor the existing service providers within the area subject to the proposal.

(c) If the proposal would not transfer all of an affected agency's service responsibilities to the proposed city or district, the commission and the county auditor shall do all of the following:

(1) The county auditor shall determine the proportion that the amount of property tax revenue derived by each affected local agency pursuant to subdivision (b) of Section 93 of the Revenue and Taxation Code bears to the total amount of revenue from all sources, available for general purposes, received by each affected local agency in the prior fiscal year. For purposes of making this determination and the determination required by paragraph (3), "total amount of revenue from all sources available for general purposes" means the total amount of revenue which an affected local agency may use on a discretionary basis for any purpose and does not include any of the following:

(A) Revenue which, by statute, is required to be used for a specific purpose.

(B) Revenue from fees, charges, or assessments which are levied to specifically offset the cost of particular services and do not exceed the cost reasonably borne in providing these services.

(C) Revenue received from the federal government which is required to be used for a specific purpose.

(2) The commission shall determine, based on information submitted by each affected local agency, an amount equal to the total net cost to each affected local agency during the prior fiscal year of providing those services which the new jurisdiction will assume within the area subject to the proposal. For purposes of this paragraph, "total net cost" means the total direct and indirect costs that were funded by general purpose revenues of the affected local agency and excludes any portion of the total cost that was funded by any revenues of that agency that are specified in subparagraphs (A), (B), and (C) of paragraph (1).

(3) The commission shall multiply the amount determined pursuant to paragraph (2) for each affected local agency by the corresponding proportion determined pursuant to paragraph (1) to derive the amount of property tax revenue used to provide services by each affected local agency during the prior fiscal year within the area subject to the proposal. The county auditor shall adjust the amount described in the previous sentence by the annual tax increment according to the procedures set forth in Chapter 6 (commencing with Section 95) of Part 0.5 of Division 1 of the Revenue and Taxation Code, to the fiscal year in which the new city or district receives its initial allocation of property taxes.

(4) For purposes of this subdivision, in any county in which, prior to the adoption of Article XIII A of the California Constitution, and continuing thereafter, a separate fund or funds were established consisting of revenues derived from the unincorporated area of the county and from which fund or funds services rendered in the unincorporated area have been paid, the amount of property tax revenues derived pursuant to paragraph (3), may, at the discretion of the commission, be transferred to the proposed city over a period not to exceed 12 fiscal years following its incorporation. In determining whether the transfer of the amount of property tax revenues determined pursuant to paragraph (3) shall occur entirely within the fiscal year immediately following the incorporation of the proposed city or shall be phased in over a period not to exceed 12 full fiscal years following the incorporation, the commission shall consider each of the following:

(A) The total amount of revenue from all sources available to the proposed city.

(B) The fiscal impact of the proposed transfer on the transferring agency.

(C) Any other relevant facts which interested parties to the exchange may present to the commission in written form.

The decision of the commission shall be supported by written findings setting forth the basis for its decision.

(d) If the proposal would transfer all of an affected agency's service responsibilities to the proposed city or district, the commission shall request the auditor to determine the property tax revenue generated for the affected service providers by tax rate area, or portion thereof, and transmit that information to the commission.

(e) The executive officer shall notify the auditor of the amount determined pursuant to paragraph (3) of subdivision (c) or subdivision (d), as the case may be, and, where applicable, the period of time within which and the procedure by which the transfer of property tax revenues will be effected pursuant to paragraph (4) of subdivision (c), at the time the executive officer records a certificate of completion pursuant to Section 57203 for any proposal described in subdivision (a), and the auditor shall transfer that amount to the new jurisdiction.

(f) The amendments to this section enacted during the 1985–86 Regular Session of the Legislature shall apply to any proposal described in subdivision (a) for which a certificate of completion is recorded with the county recorder on or after January 1, 1987.

(g) For purposes of this section, "prior fiscal year" means the most recent fiscal year for which data on actual direct and indirect costs and revenues needed to perform the calculations required by this section are available preceding the issuance of the certificate of filing.

(h) An action brought by a city or district to contest any determinations of the county auditor or the commission with regard to the amount of property tax revenue to be exchanged by the affected local agency pursuant to this section shall be commenced within three years of the effective date of the city's incorporation or the district's formation. These actions may be brought by any city that incorporated or by any district that formed on or after January 1, 1986.

(i) This section applies to any city that incorporated or district that formed on or after January 1, 1986.

(j) The calculations and procedures specified in this section shall be made prior to and shall be incorporated into the calculations specified in Section 56815.

**SEC. 2.** If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.





Santa Cruz Local Agency Formation Commission  
701 Ocean Street # 318D  
Santa Cruz CA 95060  
Phone: (831) 454-2055  
Email: [info@santacruzlafco.org](mailto:info@santacruzlafco.org)  
Website: [www.santacruzlafco.org](http://www.santacruzlafco.org)

March 6, 2024

Honorable Cecilia Aguiar-Curry, Chair  
Assembly Local Government Committee  
California State Assembly  
1021 O Street, Room Suite 6350  
Sacramento, CA 95814

Subject: **Support of Assembly Bill 3277 (Omnibus Bill)**

Dear Chair Aguiar-Curry:

The Local Agency Formation Commission of Santa Cruz County is pleased to support the Assembly Local Government Committee Bill (**AB 3277**), sponsored by the California Association of Local Agency Formation Commissions (CALAFCO), which makes technical, non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH Act").

This annual bill includes technical changes to the CKH Act which governs the work of LAFCOs. These changes are necessary as Commissions implement the CKH Act and small inconsistencies are found or clarifications are needed to make the law as unambiguous as possible. AB 3277 currently makes minor technical corrections to language used in the CKH Act. Santa Cruz LAFCO is grateful to your Committee members and staff, and CALAFCO, all of whom worked diligently on this language to ensure there are no substantive changes while creating a significant increase in the clarity of the CKH Act for all stakeholders.

This legislation helps ensure the Cortese-Knox-Hertzberg Act remains a vital and practical law that is consistently applied around the State. We appreciate your Committee's authorship and support of this bill, and your support of the mission of LAFCOs.

Sincerely,

Joe A. Serrano  
Executive Officer

cc: Members, Assembly Local Government Committee  
Jimmy MacDonald, Consultant, Assembly Local Government Committee  
William Weber, Consultant, Assembly Republican Caucus  
René LaRoche, Executive Director, CALAFCO

## FROM THE BOARD CHAIR

**Dear Board of Directors and esteemed  
LAFCO members,**

I am honored by your invitation to serve as the Chair of the CALAFCO Board for 2024. I sincerely appreciate your trust and confidence in me, and I look forward to working with you to advance our organization's mission and vision.

As the Chair of the Board, I will strive to uphold the highest standards of leadership, integrity, and accountability. I will also seek to foster a culture of collaboration, innovation, and excellence among our board members, staff, and stakeholders. I believe that together, we can overcome any challenges and seize any opportunities that may arise in our dynamic environment.

I am excited about the prospects of our organization and the potential impact we can have on our communities and beyond. I am eager to hear your ideas, insights, and feedback on improving our performance and achieving our goals. I invite you to



contact me anytime with your suggestions, concerns, or questions.

Thank you once again for this incredible opportunity. I am grateful to Bill Connelly and would like to thank him for his leadership in 2023. I wish you all a productive and prosperous year ahead.

Sincerely,

**Margie Mohler, Chair**

Watch for our New Look

[www.calafco.org](http://www.calafco.org)

## BOARD BRIEF

Retirements and other circumstances saw five members cycle off the Board after the October elections. Our profoundest thanks go to Southern region reps Jo MacKenzie (San Diego) and Mike Kelley (Imperial), Coastal Region rep Shane Stark (Santa Barbara), Northern region rep Debra Lake (Humboldt), and Central Region rep Daniel Parra (Fresno) for the time and expertise that they devoted to CALAFCO—some of them for many years. We are confident that we will see many of you in future endeavors.

In their place, we were also honored to install the five new members. Southern Region: Kimberly Cox (San Bernardino) and Yxstian Gutierrez (Riverside); Coastal Region: Kenneth Leary (Napa); Northern Region: Gordon Mangel (Nevada); and Central Region: Tamara Wallace (El Dorado). We look forward to the many contributions that we know our new Board members will make to CALAFCO. Welcome aboard, everyone!

While the end and beginning of a year are typically full of holiday happenings, the CALAFCO Board was still hard at work. Actions taken during the December and January meetings included approval of the following items:

- CALAFCO 2024 Legislative Policies and Priorities. (Those were unchanged from 2023.)
- 2024 Board meeting schedule (see the Schedule of Events on page 9 for more information.)
- FY 2024-2025 Member dues (approved with a 3.1% CPI

*(Continued on page 4)*

## BOARD MEMBERS

Margie Mohler, Chair  
Acquanetta Warren, Vice Chair  
Gay Jones, Treasurer  
Black Inscore, Secretary  
Bill Connelly  
Kimberly Cox  
Rodrigo Espinosa  
Yxstian Gutierrez  
Kenneth Leary  
Gordon Mangel  
Michael McGill  
Derek McGregor  
Anita Paque  
Wendy Root Askew  
Josh Susman  
Tamara Wallace

## CALAFCO Staff

René LaRoche, Exec. Director  
Clark Alsop, Legal Counsel  
Stephen Lucas, Exec. Officer  
José Henriquez, Dep. Exec. Ofc.  
Dawn Longoria, Dep. Exec. Ofc.  
Gary Thompson, Dep. Exec. Ofc.  
Jeni Tickler, Administrator





## FROM THE EXECUTIVE DIRECTOR

### Happy 2024!

It absolutely boggles my mind to be saying that because it seems like we just launched into 2023. Where *did* the year go?

As we bid farewell to 2023 and welcome the new year, I am filled with gratitude for the incredible community that is CALAFCO. Your enthusiasm, volunteerism, commitment, and support have made the past year truly remarkable.

We've developed a new brand and have some exciting plans in the pipeline – from our engaging events and enriching workshops, to a new website and staff photo contest – and all are designed to make the CALAFCO experience even more fantastic for our members. Stay tuned for updates and get ready to make this year the best one yet!

Of course, it wouldn't be a new year without a toast! So, here's to new beginnings, shared laughter (and lots of it), and the continued growth of our wonderful association. My wish for each of you is that the year ahead is filled with

accomplishments, health, happiness, and countless reasons to celebrate.

May we all embark on 2024 with boundless energy, fresh perspectives, and a shared spirit of collaboration, and may this year bring you nothing but joy, success, and memorable moments!

Here's to making the new year all that we want it to be!

Happy New Year!!

**René LaRoche, Executive Director**



## BOARD COMMITTEE ASSIGNMENTS

The following Board member committee assignments were made on January 5, 2024:

### AWARDS COMMITTEE:

Rodrigo Espinosa (Central), Blake Inscore (Northern), Kenneth Leary (Coastal), and Derek McGregor (Southern)

### CONFERENCE COMMITTEE:

Kenneth Leary (Coastal), Gordon Mangel (Northern), Anita Paque (Central), and Acquanetta Warren (Southern)

### ELECTIONS COMMITTEE:

Bill Connelly (Northern), Kimberly Cox (Southern), Kenneth Leary (Coastal), and Anita Paque (Central)

### LEGISLATIVE COMMITTEE:

Bill Connelly (Northern), Yxstian Gutierrez (Southern), Gay Jones (Central), Mike McGill (Coastal), Derek McGregor (Southern), Margie Mohler, Anita Paque, Wendy Root Askew (Coastal), Josh Susman (Northern), and Tamara Wallace (Central)

### AD HOC MODERNIZATION COMMITTEE:

Gordon Mangel (Northern), Margie Mohler (Coastal), Tamara Wallace (Central), Acquanetta Warren (Southern)

#### **BOARD BRIEF, Continued from page 2**

adjustment.)

- Amended CALAFCO Policy 4.5, pertaining to the Legislative Committee (Now defines a quorum as 7 of the Board and Staff voting members, requires the committee to disband within 15 minutes of the start time when no quorum exists, and has been reformatted for easier reading.)
- A new CALAFCO brand.
- Authorization to move association funds into higher yielding accounts.
- Appointment of members to committees.

Additional information for any Board item can be found in the agenda packets posted on the website, or by contacting the Executive Director.



## NEW BRAND UNVEILED

### NEW LOOK

It's here! It's here! After a process that started with our Strategic Planning in February, 2023, we are thrilled to share our revitalized CALAFCO brand! As our first ever professionally designed logo, this brand represents a significant milestone in our journey towards modernization and innovation under Phase I of our Strategic Plan.

Our new brand provides us with a **Refreshed Visual Identity** in a simple, modern design to better represent our professionalism, as well as **Enhanced Messaging** that builds on CALAFCO's new Mission Statement. We've also added a new tag line to better communicate the supportive position that CALAFCO plays for its members.

While operational enhancements have been happening, and continue to happen, behind the scenes, the new logo is our first public-facing change. As such, it also symbolizes our transition into a streamlined, more efficient, and modernized association.

The rebranding will soon be accompanied by a new website, which is currently under development. The new website is expected to complement our new brand with a similar modern aesthetic, while also providing us with the technological platform to take event



registrations, and administer dues and payments.

As the hub for all CALAFCO information and resources, we look forward to enhanced website features that will serve up information with an intuitive and friendly user experience. Watch for that unveiling soon!

Of course, work of this magnitude does not occur in a vacuum. Thank you to the Board of Directors for their effort to develop the 2023-2026 Strategic Plan which outlined rebranding as an action item, as well as for the input they provided to develop the logo Design Brief that guided our consultant, Tara Bravo Mulally with CV Strategies.

Also, our sincere thanks to the EOs who took the polls which provided us with needed feedback.

Finally, special thanks to our Ad Hoc Rebranding Committee members who guided the development of this new brand through multiple meetings, discussions, and polls. Those members were Mike Kelley (Southern), Steve Lucas (Northern), Margie Mohler (Coastal), and Anita Paque (Central).



## YEAR 1 END

2023 marked the end of the first-year of this two year legislative cycle. During the year, a total of 3,030 bills were introduced – 1,974 in the Assembly and 1,056 in the Senate. Of those, CALAFCO reviewed nearly all at least once, tracked 21 bills, and took formal positions on 7 bills.

Support positions were taken by CALAFCO on AB 1753 (Assembly Local Government Committee) which was CALAFCO's Omnibus bill, SB 360 (Blakespear) regarding the California Coastal Commission membership, and SB 878, 879, and 880, the Senate Governance and Finance Committee annual validations.

Positions in Opposition were taken on AB 399 (Boerner) County Water Authority Act, AB 530 (Boerner) the first iteration of the County Water Authority Act bill that missed deadlines, and AB 918 (Garcia) the Imperial County Healthcare District.

The call for legislative proposals went out in July and culminated in the receipt of five new Omnibus proposals. To be Omnibus material, the proposal must seek to institute minor or technical changes that are not of concern to other stakeholders.

The collection of Omnibus proposals was

submitted to the Assembly Local Government Committee Consultant for the 2024 session. However, after review and stakeholder outreach, the Committee Consultant approved only one proposal to move forward.

Consequently, CALAFCO starts 2024 with 10 active bills in tracking (all currently marked as watch, neutral or no position), and an Omnibus bill. Thank you to Joe Serrano (Santa Cruz) for spearheading the Omnibus effort.

## NEW LAWS

**AB 1753 (ALGC) CALAFCO's Omnibus bill** adds two new provisions. The first addition is to Government Code Section 56658(d) where a cross reference to existing Revenue and Taxation Code Section 99 was added. The second change is to GC Sec. 56882, changes "mail" to "transmit" and adds subsection (b), which requires a confirmation of receipt for resolutions transmitted by email or electronic means.

**SB 360 (Blakespear) California Coastal Commission** - Allows members of JPAs, LAFCOs, and the San Diego Association of

(Continued on page 7)





## HAPPY TRAILS, JURG!!



The End of the year brought with it the retirement of long-time Imperial EO, Jurg Heuberger - a life change to which Jurg was looking forward! Displaying their characteristic solidarity, Southern Region EOs and staffers traveled to El Centro on December 13th where they wined and dined Jurg, and then hailed him the next day at his last LAFCO meeting. Respect takes many forms, and this display was certainly one of the sweetest! **Congratulations to Jurg on this new journey!**

### Associate Member SPOTLIGHT

#### NEW GOLD ASSOCIATE!

Thank you to Planwest Partners for upgrading to a **Gold Membership!**

Planwest Partners provides contract LAFCO staffing services to multiple LAFCOs - and Collette is a regular presenter at workshops and conferences! Many thanks!

Also, **WELCOME** to our new Associate member, **David Scheurich!** David is Staff Chief of Cooperative Fire Protection for CAL FIRE. His primary activities include review and assistance in coordination of Cooperative Fire Protection agreements.



### TRACKS AROUND THE STATE

Only one month into the year and we have two new EOs!

**Congratulations to Paula Graf**, who traded in the "Assistant" mantle to become the new Imperial LAFCO EO on January 1st.

And in Shasta, Krystle Heaney replaces George Williamson who happily stepped aside as EO. **Congratulations, Krystle!**

### NEW LAWS

(Continued from page 6)

Governments to serve on the Coastal Commission.

**AB 557 (Hart) Brown Act teleconferencing** - Revises the rules for teleconferencing during a proclaimed emergency by removing the sunset date, removing references to social distancing, and extending the time between legislative findings of a continued emergency from the previous 30-day period to 45 days. Does not affect regular teleconferencing rules.





## 2023 CONFERENCE – MONTEREY



### “The best conference, yet!”

We heard that refrain repeatedly from attendees during the October, 2023, Annual Conference. But, it's hard NOT to get it right when you've got the location, weather, and volunteers that we had to help put it all together! Thank you to the 40 or so volunteers who had our backs to make everything happen from planning to execution! It definitely takes a village to provide for 270 attendees (nearly 23% higher than our previous high) but you all nailed it!

And, a special thank you to Director Wendy Root Askew, EO Kate McKenna, and the fabulous crew from Monterey LAFCO for providing SOOOO much assistance! You guys rock!

### Award Winners

Of course, the much anticipated highlight of the event was the Achievement Awards that were presented at the Association Dinner on Thursday night. Congratulations to all of our winners!

**OUTSTANDING VOLUNTEER:** *Anita Paque (Calaveras)*

**OUTSTANDING ASSOCIATE MEMBER:** *Colantuono, Highsmith & Whatley*

**OUTSTANDING COMMISSIONER:** *Richard Bettencourt (San Benito)*

**OUTSTANDING LAFCO PROFESSIONAL:** (two-way tie)

*Andrea Ozdy (Ventura), and José Henriquez (Sacramento)*

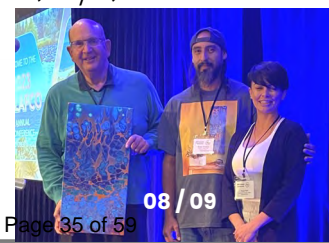
**MIKE GOTCH EXCELLENCE IN PUBLIC SERVICE AWARDS,**

- **AGRICULTURE CATEGORY:** *Napa LAFCO*

- **INNOVATION CATEGORY:** *Tom Cooley (Plumas)*

**LIFETIME ACHIEVEMENT AWARD:** *Dawn Mittleman Longoria (Napa)*

And, a special congratulations to *Commissioner Fred Sheriff* from *Tulare LAFCO* who won the evening's door prize - a spectacular painting donated by Anwar Fonseca. Congrats, Fred!



SCHEDULE OF UPCOMING EVENTS

Tenaya Lodge, Fish Camp, CA  
2024 Annual Conference Site

JANUARY	5	CALAFCO Board of Directors Meeting (Virtual)*
	12	CALAFCO Legislative Committee (Virtual)†
FEBRUARY	16	CALAFCO Legislative Committee (Virtual)†
MARCH	5	CALAFCO U -
	22	CALAFCO Legislative Committee (Virtual)†
APRIL	12	CALAFCO Board of Directors Meeting (Virtual)*
	24-26	CALAFCO Staff Workshop (Pleasanton)
MAY	10	CALAFCO Legislative Committee (Virtual)†
JUNE	14	CALAFCO Legislative Committee (Virtual)†
JULY	12	CALAFCO Legislative Committee (Virtual)†
	19	CALAFCO Board of Directors Meeting (Virtual)*
AUGUST	23	CALAFCO Legislative Committee (Virtual), if needed†
SEPTEMBER		Let's get ready for the Conference!
OCTOBER	16-18	CALAFCO Annual Conference (Yosemite)
	17	CALAFCO Annual Business Meeting (Yosemite)
	18	CALAFCO Board of Directors Meeting (Yosemite)
NOVEMBER	1	CALAFCO Legislative Committee (Virtual)†
DECEMBER	6	CALAFCO Legislative Committee (Virtual), if needed†



\* 10:00 AM Start time  
† 9:00 AM Start time



## CALAFCO Daily Legislative Report as of Wednesday, February 28, 2024

### [AB 817](#) ([Pacheco D](#)) **Open meetings: teleconferencing: subsidiary body.**

**Current Text:** Amended: 1/17/2024 [html](#) [pdf](#)

**Introduced:** 2/13/2023

**Last Amended:** 1/17/2024

**Status:** 1/25/2024-Read third time. Passed. Ordered to the Senate. (Ayes 54. Noes 8.) In Senate. Read first time. To Com. on RLS. for assignment.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

#### **Summary:**

The Ralph M. Brown Act requires, with specified exceptions, each legislative body of a local agency to provide notice of the time and place for its regular meetings and an agenda containing a brief general description of each item of business to be transacted. The act also requires that all meetings of a legislative body be open and public, and that all persons be permitted to attend unless a closed session is authorized. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. Current law authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency (emergency provisions) and, until January 1, 2026, in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met (nonemergency provisions). This bill, until January 1, 2026, would authorize a subsidiary body, as defined, to use similar alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. In order to use teleconferencing pursuant to this act, the bill would require the legislative body that established the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter.

**Position:** Watch

**Subject:** Brown Act

**CALAFCO Comments:** 1/25/2024; Moved out of the Assembly. Waiting on assignment from Senate Rules Committee.

1/17/2024: Amended to add a Sunset date of January 1, 2026.

3/16/2023: The bill was amended to speak specifically to teleconferenced meetings of subsidiary bodies, defined as a body that serves exclusively in an advisory capacity, and is not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements. For qualifying bodies, this bill would remove the requirement to post an agenda at the location of the subsidiary body member who was participating from off site-providing that the legislative body that formed the subsidiary body has previously made findings noting that teleconferenced meetings of the subsidiary body would enhance public access, and would promote the attractions, retention and diversity of the subsidiary body. The superior legislative body would need to revisit the matter and repeat those finding every 12 months thereafter. This bill also reaffirms that other provisions of the Brown Act are applicable to subsidiary bodies.

Failed to meet deadlines and now a 2 year bill that cannot be acted upon until January, 2024.

**AB 828 (Connolly D) Sustainable groundwater management: managed wetlands.****Current Text:** Amended: 1/11/2024 [html](#) [pdf](#)**Introduced:** 2/13/2023**Last Amended:** 1/11/2024**Status:** 1/29/2024-Read third time. Passed. Ordered to the Senate. (Ayes 47. Noes 15.) In Senate. Read first time. To Com. on RLS. for assignment.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. Current law defines various terms for purposes of the act. This bill would add various defined terms for purposes of the act, including the terms "managed wetland" and "small community water system."

**Position:** None at this time**Subject:** Water

**CALAFCO Comments:** 1/11/24: Amended to strike provisions regarding small community water systems serving disadvantaged communities and pivots to groundwater sustainability agencies with provisions that go into effect on January 1, 2028, that address spacing requirements on new groundwater wells, extraction controls, authorization for temporary and permanent transfers with an agency's boundaries, and to establish accounting rules.

4/17/2023: Amended to define agencies and entities required or excluded from existing 10726.4 (a)(4). Amends Water Code section 10730.2 to add language regarding fees, and amends Water Code section 10733 to address groundwater sustainability plans. Failed to make April policy committee deadline and now cannot be acted upon until January 2024.

As introduced, would add definitions for Managed Wetlands, and Small community water system to Water Code Section 10721.

**AB 930 (Friedman D) Local government: Reinvestment in Infrastructure for a Sustainable and Equitable California (RISE) districts.****Current Text:** Amended: 1/22/2024 [html](#) [pdf](#)**Introduced:** 2/14/2023**Last Amended:** 1/22/2024**Status:** 1/29/2024-Read third time. Passed. Ordered to the Senate. (Ayes 52. Noes 16.) In Senate. Read first time. To Com. on RLS. for assignment.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would authorize the legislative bodies of 2 or more cities or counties to jointly form a Reinvestment in Infrastructure for a Sustainable and Equitable California district (RISE district) in accordance with specified procedures. The bill would authorize a special district to join a RISE district, by resolution, as specified. The bill would require the Office of Planning and Research (OPR) to develop guidelines for the formation of RISE districts no later than November 30, 2026. The bill would provide for the establishment of a governing board of a RISE district with representatives of each participating local government.

**Position:** Neutral**Subject:** Special District Principle Acts

**CALAFCO Comments:** 1/22/2024 Amended to remove section of definitions, change the word "standards" to "guidelines", and to strike section 62412 relative to the elements of a RISE development plan to be reviewed.

Missed 2023 deadlines and because 2 year bill.

This bill has a similar overtone to SB 852 Dodd in 2022 regarding the formation of climate

resilience districts outside of the LAFCo process. As introduced, it focuses on the generation of funding and the governance of the expenditure of those funds. However, it should be carefully tracked in case that mission is expanded.

**AB 1928 (Sanchez R) Worker classification: employees and independent contractors.**

**Current Text:** Introduced: 1/25/2024 [html](#) [pdf](#)

**Introduced:** 1/25/2024

**Status:** 2/12/2024-Referred to Coms. on L. & E. and JUD.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law, as established in the case of *Dynamex Operations W. v. Superior Court* (2018) 4 Cal.5th 903 (*Dynamex*), creates a presumption that a worker who performs services for a hirer is an employee for purposes of claims for wages and benefits arising under wage orders issued by the Industrial Welfare Commission. Current law requires a 3-part test, commonly known as the "ABC" test, to determine if workers are employees or independent contractors for those purposes. This bill would repeal the above-described provisions that codify the ABC test. The bill would declare that its purpose is to suspend and nullify the California Supreme Court's decision in *Dynamex* and provide that this decision does not apply for purposes of California law.

**CALAFCO Comments:** Of interest to CALAFCO because of its potential effect on operations. 1/25/2024, bill introduced. AB 1928 would repeal the provisions that were enacted by the passage of AB 5 in 2019. Known as the Gig Worker law, AB 5 reclassified which workers could be considered as contractors. A limited number of professional categories were set aside and excluded from the law. However, those not included in the exclusions were required, under new reclassification requirements, to be considered as employees regardless of whether they were performing the services in connection to an ongoing business. The shift required CALAFCO to amend its internal practices to re-classify its contractors to employees, resulting in increased costs, as well as extra reporting requirements.

**AB 1987 (Bennett D) Local government.**

**Current Text:** Introduced: 1/30/2024 [html](#) [pdf](#)

**Introduced:** 1/30/2024

**Status:** 1/31/2024-From printer. May be heard in committee March 1.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law sets forth provisions for the formation, duties, and other authorizations, among other things, relating to cities, counties, cities and counties, and other local agencies. This bill would state the intent of the Legislature to enact legislation relating to local government.

**Position:** None at this time

**CALAFCO Comments:** Spot holder bill relative to local government. Monitoring because of its topic.

**AB 2557 (Ortega D) Local agencies: legislative bodies.**

**Current Text:** Introduced: 2/14/2024 [html](#) [pdf](#)

**Introduced:** 2/14/2024

**Status:** 2/15/2024-From printer. May be heard in committee March 16.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law defines the term "legislative body" for purposes of laws relating to cities, counties, and other local agencies. This bill would make a nonsubstantive change to that definition.

**Position:** Placeholder - Spot Bill

**CALAFCO Comments:** Spotholder relative to GC section 53000. Monitoring.

**AB 2596 (Lee D) Government operations.**

**Current Text:** Introduced: 2/14/2024 [html](#) [pdf](#)

**Introduced:** 2/14/2024

**Status:** 2/15/2024-From printer. May be heard in committee March 16.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law establishes the Government Operations Agency, which consists of several departments, including the Department of General Services. Current law requires the department to develop and enforce policy and procedures and institute or cause the institution of those investigations and proceedings as it deems proper to assure effective operation of all functions performed by the department and to conserve the rights and interests of the state. This bill would state the intent of the Legislature to enact legislation related to government operations.

**Position:** Placeholder - Spot Bill

**CALAFCO Comments:** Spotholder as introduced on 2/14/2024. Monitoring for changes as the Leg Counsel description mentions CKH.

**[AB 2715](#) ([Boerner D](#)) **Ralph M. Brown Act: closed sessions.****

**Current Text:** Introduced: 2/14/2024 [html](#) [pdf](#)

**Introduced:** 2/14/2024

**Status:** 2/15/2024-From printer. May be heard in committee March 16.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Ralph M. Brown Act generally requires that all meetings of a legislative body of a local agency be open and public and that all persons be permitted to attend and participate. Current law authorizes a legislative body to hold a closed session on, among other things, matters posing a threat to the security of essential public services, as specified. This bill would additionally authorize a closed session to consider or evaluate matters related to cybersecurity, as specified, provided that any action taken on those matters is done in open session.

**Position:** None at this time

**Subject:** Brown Act

**CALAFCO Comments:** As introduced on 2/14/2024, would make minor changes in the Brown Act. Monitoring.

**[AB 3152](#) ([Jones-Sawyer D](#)) **Local government.****

**Current Text:** Introduced: 2/16/2024 [html](#) [pdf](#)

**Introduced:** 2/16/2024

**Status:** 2/17/2024-From printer. May be heard in committee March 18.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. This bill would make nonsubstantive changes to those provisions.

**Position:** Placeholder - Spot Bill

**CALAFCO Comments:** Spotholder bill that references GC 56000.

**[SB 537](#) ([Becker D](#)) **Open meetings: multijurisdictional, cross-county agencies: teleconferences.****

**Current Text:** Amended: 9/5/2023 [html](#) [pdf](#)

**Introduced:** 2/14/2023

**Last Amended:** 9/5/2023

**Status:** 9/14/2023-Ordered to inactive file on request of Assembly Member Bryan.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**



Current law, until January 1, 2024, authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency or in other situations related to public health that exempt a legislative body from the general requirements (emergency provisions) and impose different requirements for notice, agenda, and public participation, as prescribed. The emergency provisions specify that they do not require a legislative body to provide a physical location from which the public may attend or comment. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met, including restrictions on remote participation by a member of the legislative body. These circumstances include if a member shows "just cause," including for a childcare or caregiving need of a relative that requires the member to participate remotely. This bill would expand the circumstances of "just cause" to apply to the situation in which an immunocompromised child, parent, grandparent, or other specified relative requires the member to participate remotely. The bill would authorize the legislative body of a multijurisdictional, cross-county agency, as specified, to use alternate teleconferencing provisions if the eligible legislative body has adopted an authorizing resolution, as specified. The bill would also require the legislative body to provide a record of attendance of the members of the legislative body, the number of community members in attendance in the teleconference meeting, and the number of public comments on its internet website within 10 days after a teleconference meeting, as specified. The bill would require at least a quorum of members of the legislative body to participate from one or more physical locations that are open to the public and within the boundaries of the territory over which the local agency exercises jurisdiction.

**Position:** Watch

**Subject:** Brown Act

**CALAFCO Comments:** This is a spotholder bill that states an intent to expand local government's access to hold public meetings through teleconferencing and remote access.

3/22/2023: was amended and fleshed out to add teleconferencing provisions to allow legislative bodies of multijurisdictional agencies to meet remotely. Multijurisdictional agencies are defined as boards, commissions, or advisory bodies of a multijurisdictional, cross county agency, which is composed of appointed representatives from more than one county, city, city and county, special district, or a joint powers entity.

The bill is sponsored bu Peninsula Clean Energy, a community choice aggregator with a board comprised of local elected officials from the County of San Mateo and its 20 cities, as well as the City of Los Banos.

4/24/2023: The bill was amended to further clarify definitions and the requirements needed for members of an eligible legislative body to meet remotely.

The bill passed Senate Judiciary on 5/2/23, and had its third reading in the Senate on 5/30/2023.

7/12/23: The bill passed the Assembly Local Government Committee.

Amended on August 14, 2023, to require eligible legislative bodies that receive compensation to participate from a physical location that is open to the public.

9/14/2023, the bill was moved into the inactive file.

**SB 768 (Caballero D) California Environmental Quality Act: State Air Resources Board: vehicle miles traveled: study.**

**Current Text:** Amended: 1/11/2024 [html](#) [pdf](#)

**Introduced:** 2/17/2023

**Last Amended:** 1/11/2024

**Status:** 1/29/2024-Read third time. Passed. (Ayes 34. Noes 4.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. Current law requires the Office of Planning and Research to prepare, develop, and transmit to the Secretary of the Natural Resources Agency for certification and adoption proposed revisions to guidelines establishing criteria for determining the significance of transportation impacts of projects within transit priority areas to promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses. Current law creates the State Air Resources Board as the state agency charged with coordinating efforts to attain and maintain ambient air quality standards, to conduct research into the causes of and solution to air pollution, and to systematically attack the serious problem caused by motor vehicles, which is the major source of air pollution in many areas of the state. Existing law authorizes the state board to do those acts as may be necessary for the proper execution of the powers and duties granted to, and imposed upon, the state board. This bill would require the state board, by January 1, 2026, to conduct and submit to the Legislature a study on how vehicle miles traveled is used as a metric for measuring transportation impacts pursuant to CEQA, as specified.

**Subject:** CEQA

**CALAFCO Comments:** Introduced as a spotholder bill that noted an intent to enact subsequent legislation that would create a new transportation impact analysis for rural areas for purposes of the California Environmental Quality Act.

3/22/2023: The bill was amended and would add language into the Public Resource Code to provide that a public agency, in approving or carrying out certain types of projects, is not required to issue a statement of overriding consideration for significant effects on the environment identified by a project's vehicle miles traveled if the lead agency has imposed all feasible mitigation measures on the project and it finds no feasible alternatives to the project.

Failed to meet deadlines and now a 2 year bill that cannot be acted upon until January, 2024.

1/11/2024: Gutted and Amended. Topic now specific to a study by the state regarding vehicle miles traveled in CEQA studies. Continuing to monitor for any detrimental changes to CEQA but, at this time, bill is not a concern to CALAFCO.

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**1**

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**[AB 3277](#) (Committee on Local Government) Local agency formation commission: districts: property tax.**

**Current Text:** Introduced: 2/27/2024 [html](#) [pdf](#)

**Introduced:** 2/27/2024

**Status:** 2/27/2024-Read first time. To print.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapters
1st House				2nd House							

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 establishes the sole and exclusive authority and procedures for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. Current law requires proceedings for the formation of a district to be conducted as authorized by the principal act of the proposed district, and authorizes the local agency formation commission in each county to serve as the conducting authority, as specified. Current law requires a commission to determine the amount of property tax revenue to be exchanged by an affected local agency, as specified, if the proposal includes the formation of a district, as defined. This bill would, instead, require a commission to determine the amount of property tax revenue to be exchanged by an affected local agency if the proposal includes the formation of a district and the applicant is seeking a share of the 1% ad valorem property taxes.

**Position:** Sponsor

**Subject:** Incorporation Proceedings

**CALAFCO Comments:** CALAFCO's 2024 Omnibus bill.

**[SB 1209](#) (Cortese D) Local agency formation commission: indemnification.****Current Text:** Introduced: 2/15/2024 [html](#) [pdf](#)**Introduced:** 2/15/2024**Status:** 2/16/2024-From printer. May be acted upon on or after March 17.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 continues in existence in each county a local agency formation commission (LAFCO) that consists of members appointed, as specified, and oversees those changes of organization and reorganization. The act authorizes a LAFCO to, among other things, review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, as specified. This bill would authorize a LAFCO to require, as a condition for, among other things, processing a change of organization or reorganization, that the applicant agrees to defend, indemnify, and hold harmless the LAFCO, its agents, officers, and employees from and against any claim, action, or proceeding, as specified, arising from or relating to the action or determination by the LAFCO.

**Position:** Sponsor**Subject:** LAFCo Administration

**CALAFCO Comments:** CALAFCO sponsored bill in response to a 2022 appellate decision out of San Luis Obispo that held that LAFCOs could not use indemnification provisions in applications because indemnifications are a form of agreement that LAFCOs are currently not authorized to enter into. As introduced, the bill would allow LAFCOs to use provisions similar to counties and cities.

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**3**

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**[AB 805](#) (Arambula D) Sewer service: disadvantaged communities.****Current Text:** Amended: 1/22/2024 [html](#) [pdf](#)**Introduced:** 2/13/2023**Last Amended:** 1/22/2024**Status:** 1/30/2024-Read third time. Urgency clause adopted. Passed. Ordered to the Senate. (Ayes 76. Noes 0.). In Senate. Read first time. To Com. on RLS. for assignment.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Under current law, the State Water Resources Control Board and the 9 California regional water quality control boards regulate water quality in accordance with the Porter-Cologne Water Quality Control Act and the federal Clean Water Act. Current law authorizes a regional board to order the provision of sewer service by a receiving sewer system, as defined, to a disadvantaged community served by an inadequate onsite sewage treatment system, as defined. This bill would authorize the state board to require a sewer service provider to contract with an administrator designated or approved by the state board for administrative, technical, operational, legal, or managerial services to assist a designated sewer system with the provision of adequate sewer service, as defined. The bill would also authorize the state board to order a designated sewer system to accept those services, including full management and control of all aspects of the designated sewer system, from an administrator. The bill would define "designated sewer system" for these purposes as a sewer system that serves a disadvantaged community and that the state board finds to be either an inadequate sewage treatment system or a sewer system that has demonstrated difficulty in maintaining technical, managerial, and financial capacity to prevent fraud and mismanagement, or a sewer system that voluntarily accepts financial assistance for the provision of adequate sewer service.

**Position:** Support if Amended**Subject:** Disadvantaged Communities, Waste Water

**CALAFCO Comments:** 1/26/2024: Support, if amended, approved. Amendment requested is the inclusion of language requiring the state board to consult with the local LAFCO.

1/22/2024: Gutted and amended. No longer addresses consolidation of waste water systems but, rather, would set up a program in which the state would provide technical, managerial, administrative, and financial assistance, where applicable, to disadvantaged communities. Position changed to support if amended to include a provision requiring the state board to consult with the local LAFCO regarding the system.

As introduced, this bill would have authorized the state board, if sufficient funds are available, to order consolidation of sewer service along with an order of consolidation of drinking water systems when both of the receiving and subsumed water systems provide sewer service and after the state board engages in certain activities. It failed to meet 2023 deadlines and became a 2 year bill that cannot be acted upon until January, 2024.

**AB 2302 (Addis D) Open meetings: local agencies: teleconferences.**

**Current Text:** Introduced: 2/12/2024 [html](#) [pdf](#)

**Introduced:** 2/12/2024

**Status:** 2/26/2024-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Ralph M. Brown Act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in specified circumstances if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law imposes prescribed restrictions on remote participation by a member under these alternative teleconferencing provisions, including establishing limits on the number of meetings a member may participate in solely by teleconference from a remote location, prohibiting such participation for a period of more than 3 consecutive months or 20% of the regular meetings for the local agency within a calendar year, or more than 2 meetings if the legislative body regularly meets fewer than 10 times per calendar year. This bill would revise those limits, instead prohibiting such participation for more than a specified number of meetings per year, based on how frequently the legislative body regularly meets.

**Position:** Watch

**Subject:** Brown Act

**CALAFCO Comments:** Introduced on 2/12/2024, this bill would enact changes to Brown Act provisions that allow members of legislative bodies to teleconference for meetings. Currently, the law limits teleconferencing to no more than 3 consecutive months, 20% of the regular meetings in a calendar year, or 2 meetings for bodies that meet less than 10 times in a calendar year. This bill redefines those limits as 2 meetings per year for bodies meeting monthly or less; 5 meetings per year for those meeting twice per month; or 7 meetings per year if the body meetings three times or more per month.

Total Measures: 15

Total Tracking Forms: 15

2/28/2024 12:00:38 PM



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Santa Cruz Local Agency Formation Commission

Date: March 6, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Press Articles during the Month of February**

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### **SUMMARY OF RECOMMENDATION**

LAFCO staff monitors local newspapers, publications, and other media outlets for any news affecting local agencies or LAFCOs around the State. Articles are presented to the Commission on a periodic basis. This agenda item is for informational purposes only and does not require any action. Therefore, it is recommended that the Commission receive and file the Executive Officer's report.

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### **EXECUTIVE OFFICER'S REPORT**

The following is a summary of recent press articles. Full articles are attached.

**Article #1: "I'm retiring as Santa Cruz's water department director – but your water remains safe"**: The article, dated February 2, was a farewell piece written by Rosemary Menard who retired on February 1, 2024. Ms. Menard was the water director for the City of Santa Cruz for over a decade. She shared her final words as a City employee and expressed optimism towards the City's future.

**Article #2: "Why Isn't Water Free"**: The article, dated February 6, discusses the efforts by the Soquel Creek Water District to explore possible rate increases to ensure the delivery of safe, reliable water to their constituents. The article also explains the District's current and future costs to deliver this essential service.

**Article #3: "State grant to support Big Basin Water Co."**: The article, dated February 8, announces that the Office of Response, Recovery and Resilience has awarded the County a \$850,000 state grant to help secure access to safe drinking water for the Big Basin community as the privately-owned company (Big Basin Water) operates under the court-appointed receiver (Serviam by Wright LLP). The receivership was sought by the County and obtained by the State Water Resources Control Board and Office of the Attorney General due to water outages, chronic supply shortfalls and substandard infrastructure.

**Article #4: "Supervisor Zach Friend reappointed to lead statewide health committee"**: The article, dated February 8, notes that Commissioner Zach Friend was reappointed by the California State Association of Counties to serve another year-long stint as chair of its Health and Human Services Committee. This board is responsible for the development of policies and proposals related to various issues, including but not limited to: aging and long-term care, substance use disorder, behavioral health services, CalFresh, foster care, child welfare services, and homelessness.

**Article #5: “California American Water Appeals Ruling on LAFCO Decision”:** The article, dated February 12, states that the private water company will appeal the Superior County’s December 2023 decision to vacate the decision made by Monterey LAFCO to deny the Monterey Peninsula Water Management District’s (MPWMD) application for authorization to become a retail water supplier. The article also notes that Monterey LAFCO plans to file a separate and similar appeal.

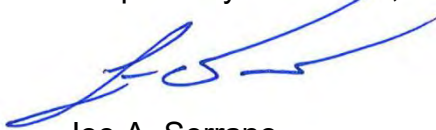
**Article #6: “Watsonville City Council ends zoom participation option at public meetings”:** The article, dated February 12, indicates that the City of Watsonville will no longer offer remote participation for future city council meetings due to previous disruptions known as “Zoom-bombs.” Members of the public will still have the opportunity to attend and participate in future city council meetings physically at the City Chambers.

**Article #7: “LAFCO’s Pivotal Review of San Diego County Water Authority: A Path Towards Sustainable Water Management”:** The article, dated February 16, provides insight into San Diego LAFCO’s upcoming service and sphere review regarding a large water agency. The article explains the importance of this report and how it may “set the stage for transformative changes.”

**Article #8: “San Lorenzo Valley Water District Board Approves Rate Increase in Response to Fire and Storm Recovery Costs”:** The press release, dated February 16, states that the water district voted to approve a proposed rate increase following the Prop 218 process. The additional revenue will help address impacts from the CZU Lightning Complex Fire, COVID, the destructive winter storms and increased costs to provide services to their customers. The new rates for water and wastewater services will go into effect on March 1, 2024.

**Article #9: “Soquel Creek Water approves new rate structure”:** The article, dated February 22, notes that the water district voted to approve a new four-year rate increase plan which will be implemented on March 1, 2024. The new rate structure is designed to foster equity and fairness amid shifting needs as the district works to ward off seawater intrusion threatening their groundwater basin water supply.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachments:

1. “I’m retiring as Santa Cruz’s water department director – but your water remains safe”
2. “Why Isn’t Water Free?”
3. “State grant to support Big Basin Water Co.”
4. “Supervisor Zach Friend reappointed to lead statewide health committee”
5. “California American Water Appeals Ruling on LAFCO Decision”
6. “Watsonville City Council ends zoom participation option at public meetings”
7. “LAFCO’s Pivotal Review of San Diego County Water Authority...”
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[lookout.co](https://lookout.co)

# I'm retiring as Santa Cruz's water department director – but your water remains safe

*Rosemary Menard*

~4 minutes



Rosemary Menard retired Feb. 1 as the City of Santa Cruz's water director. Credit: Kevin Painchaud / Lookout Santa Cruz

## Quick Take

Rosemary Menard bids farewell as she retires after a decade as



water director in Santa Cruz. Heidi Luckenbach, who has worked in the department for 25 years, is taking over. As she leaves, Menard reminds us of the unpredictability of climate change and the need to diversify our sources of water.

***Have something to say? Lookout welcomes letters to the editor, within our policies, from readers. Guidelines [here](#).***

As I pen my final words to you as City of Santa Cruz Water Department director, it's with a mix of nostalgia, pride and excitement for the future of your drinking water. Over the past decade, I've had the privilege to lead the dedicated team behind your tap as they provide safe, clean drinking water through one of the toughest challenges we've ever faced – climate change.

On Thursday, I passed the torch to Heidi Luckenbach, a 25-year veteran of our department, whose passion and expertise will undoubtedly lead us into a climate change-driven and adaptable water future. Her vision is rooted in extensive groundwork conducted over the past decade and will equip the department with a resilient water management strategy to ensure you continue to get the water you need.

## **PREVIOUS OPINION FROM ROSEMARY MENARD**

In the pursuit of securing our water future, it's crucial to recognize [the reality of weather whiplash](#), the unpredictable oscillation between extreme weather patterns. While we might experience a year of ample rainfall, we must remain vigilant, understanding that this does not guarantee immunity from future droughts. Our entire water supply is local. One year without rain can have dire impacts.

The unpredictability of climate change requires us to adapt

continuously. Our commitment to diversifying our water supply and implementing innovative solutions is a necessary proactive response. We must prepare ourselves for shifting from abundance to scarcity, ensuring that Santa Cruz remains resilient and capable of weathering our environmental complexities for generations to come.

Comprehensive technical studies highlight the urgency to diversify our portfolio and add new, reliable sources of water. We're focused on a strategic blend of solutions outlined in [the city council's Securing Our Water Future policy guidance](#) – interagency water transfers, aquifer storage and recovery, recycled/purified water, [and even desalination](#). These solutions build on Santa Cruz's commitment to using water as efficiently as possible.

Our success in addressing the looming threats of climate change and water scarcity hinges on community support, a shared understanding of the issue's significance, and a commitment to collaboration.

The team behind your tap looks forward to working with you, project by project, to secure our water future.

*Rosemary Menard is the retiring director of the Santa Cruz Water Department. She has over 40 years' experience as a water utility executive, working in four states — California, Oregon (Portland), Nevada (Reno) and Washington (Seattle). She has a master's degree in public policy from the University of Washington. She has been Santa Cruz's water director for 10 years.*

[tpgonlinedaily.com](https://tpgonlinedaily.com)

## Why Isn't Water Free?

*See Below*

5–6 minutes

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Since 1961, Soquel Creek Water District has been a faithful and reliable service provider to our Santa Cruz Mid-County customers. As a local, not-for-profit water district, we take great pride in providing safe, reliable water and dependable customer service.



The District is in the process of studying the rates and considering rate increases in an open, transparent manner. We understand that these rates, like other utility charges, directly impact our customers and the community.

The Board of Directors and several of our staff are also rate-paying customers, and all of us truly care about this community that we serve. Our staff take their jobs and responsibility to serve our customers very seriously and we are committed to ensuring the District can provide safe, high-quality water and protect the groundwater basin for decades to come.

Our costs to deliver service that customers expect are rising and changing. We are not alone; utility costs have increased across California. Costs have risen for critical capital projects, as well as for energy, fuel, equipment, parts, labor, and toward meeting regulatory requirements. Just like any business, as these costs

change, our rates and charges must reflect the cost of providing the service.



Here are several important factors to consider about the water and services we provide and the essential role of water rates:

1. **Water rates are more than just a financial transaction; they reflect our societal values.**

Investing in vital infrastructure — mostly invisible in our daily lives — ensures clean, safe, and reliable water for over 40,000 people in the District, along with essential services to schools, parks, and businesses.

2. **It's important that aging pipelines, groundwater wells, distribution systems, and storage tanks are regularly maintained so that we can provide reliable water, 24 hours a day/ 365 days a year.**

Our customers rely on us for meeting their daily water needs and for providing water for fire protection. We also have interties with neighboring agencies to provide aid in times of emergencies.

3. **Our groundwater basin remains critically overdrafted with seawater intrusion and contamination at our coastline.**

The Pure Water Soquel project is sorely needed and will remedy this trend. In 2014 the state of California designated our basin as critically overdrafted (1 of 21 in the state) and it must reach a state mandate of sustainability by 2040.

Pure Water Soquel will help meet this mandate and protect our basin from further seawater intrusion.

**4. We proudly meet state and federal regulatory requirements.**

Stringent regulations ensure that treatment adheres to the highest standards, guaranteeing the delivery of water free from contaminants.

Compliance with these regulations means adapting to new requirements, implementing ongoing technological advancements, rigorous water quality monitoring, and skilled personnel, all of which come at a considerable cost.

**5. The rate setting process was data driven with customer input: The process of setting rates is not arbitrary; it's based on data analysis, financial planning, and social considerations.**

We engaged a Water Rates Advisory Committee comprised of 10 customers and two board members during this process to incorporate diverse perspectives and ensure that decisions are grounded in the principles of equity and community needs.

This approach was insightful when considering water costs are shared fairly among all customers based on their collective uses [or demands on the system], and collective responsibility towards environmental stewardship and basin sustainability.

**6. The proposed revised rate structure is partially driven by the District's guiding principles of increased equitability and fairness.**

Basin-wide benefits of replenishment of the overdrafted condition, protection against further seawater intrusion, and aiding in meeting the state basin sustainability mandate are now also included in our fixed charge.

The environmental stewardship of protection against further

seawater intrusion and aiding in meeting the state basin sustainability mandate are now more proportionally included for all customers, not just the high-water users (which includes large families).

## **7. The rates include several measures to reduce expenses for our customers.**

We are a 'small but mighty' staff that has implemented new technology to improve our operational efficiency such as smart meters.

We've also secured more than \$95 million in state and federal grants and lower-interest loans, saving another \$45 million in debt service.

Water rates are not just about covering operating costs; they are about valuing our water, our community, and our planet. We have an obligation and broader environmental responsibility to use water efficiently.

This instills in us that every drop counts and that every decision we make in managing resources is guided by the principles of sustainability, equity, and shared responsibility for our collective future.

...

*Join us at our Water Rates Open House on Feb. 8 at Temple Beth El in Aptos. Visit [www.soquelcreekwater.org/ratestudy](http://www.soquelcreekwater.org/ratestudy) for all the details.*

(Visited 63 times, 1 visits today)



[pressbanner.com](https://pressbanner.com)

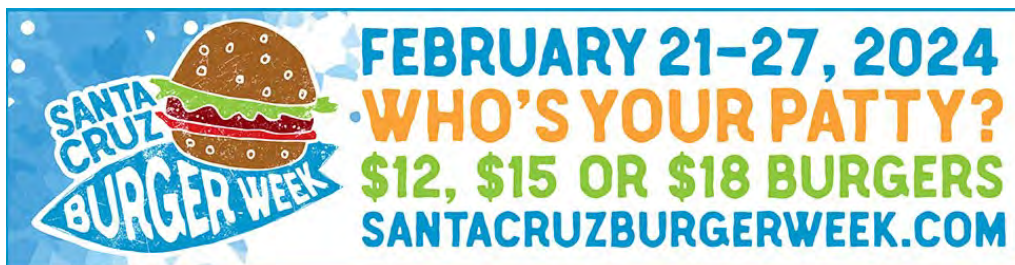
## State grant to support Big Basin Water Co. - Press Banner | Scotts Valley, CA

*Staff Report*

2-3 minutes



(Photo via Shutterstock)



The County of Santa Cruz has announced an \$850,000 state grant to help assure access to safe drinking water for the community served by Big Basin Water Company for the immediate future.

The emergency one-time grant was sought by the Office of Response, Recovery and Resilience in response to the urgent



drinking water supply, safety and reliability situation faced by ratepayers of Big Basin Water, a privately-owned utility now operated under a court-appointed receiver, Serviam by Wright LLP.

The receivership was sought by the County and obtained by the State Water Resources Control Board and Office of the Attorney General due to water outages, chronic supply shortfalls and substandard infrastructure.

“This funding is good news for Big Basin customers, but we still have a long way to go as we work together for permanent and positive change,” said Supervisor Bruce McPherson. “I’d like to thank the state and members of our delegation who advocated for this grant, including Sen. John Laird and Assemblymember Gail Pellerin.”

The funding may be used to address system deficiencies, including drinking water shortages and necessary system upgrades.

“This funding, which my office has worked to secure for many months alongside State and County officials, helps address some but not all of the operational deficiencies facing the Big Basin drinking water system,” said Serviam’s Nicolas Jaber, attorney and project manager for the court-appointed receiver overseeing Big Basin Water Company. “The grant also funds overdue retrofits for failing infrastructure and key engineering and investigative efforts, which will provide the foundation for a transition of ownership and control to a responsible entity. On behalf of Big Basin’s drinking water customers, I express my gratitude for this critical showing of support.”

The grant is available through the Department of Water Resources’ Small Community Drought Relief Program, and can be used for expenditures incurred between Oct. 31, 2023, and Dec. 31, 2024. The program was created by the Budget Act of 2021.

[santacruzsentinel.com](https://www.santacruzsentinel.com)

## Supervisor Zach Friend reappointed to lead statewide health committee

*PK Hattis*

3–4 minutes

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SANTA CRUZ — A local official has been again tapped to lead a commission focused on developing policies that translate to better physical and behavioral health outcomes for residents across the state.

Santa Cruz County 2nd District Supervisor Zach Friend has been reappointed by the California State Association of Counties to serve another year-long stint as chair of its Health and Human Services Committee. The term is set to expire in January of next year, according to a release from the Santa Cruz County Health Services Agency.

“I am honored to continue serving the Health and Human Services Committee as chair and remain committed to bringing forth policies that will address critical issues faced by our community and beyond,” said Friend in the release.

In his tenure as chair, Friend has often advocated, on behalf of the state’s 58 counties, for several mental health initiatives such as the Mental Health Services Act during public testimony at legislative hearings. As a communications professional and former spokesperson for Santa Cruz Police, Friend also makes media appearances and advocates directly with legislative members.

“We congratulate Supervisor Friend on his reappointment and are

thankful for his dedication and support of mental health initiatives,” said Santa Cruz County Health Services Agency Director Mónica Morales. “His ongoing advocacy enhances our local voice in crucial funding discussions at both the state and federal levels, addressing systemic challenges related to behavioral health services and support for individuals experiencing homelessness.”

Last year, both Friend and Robert Ratner, the county’s Housing for Health director, were recognized with the Circle of Service Award by the association of counties. The award is given to county officials, employees and other members whose service to county government and the association goes above and beyond the norm. Friend and Ratner were two of only eight award recipients statewide.

Friend, who as a supervisor represents regions in Aptos, Seacliff, Corralitos, Freedom and a section of the city of Watsonville, has also pushed for policy changes at the federal level as a boardmember at the National Association of Counties. Last summer, he sponsored a resolution that called on the U.S. Army Corps of Engineers to update its cost-benefit analysis for flood control projects that have historically disadvantaged communities such as Watsonville.

He has also served on several local and regional agencies such as the Monterey Bay Air Resources Board, Pajaro Regional Flood Management Agency and Oral Health Access Santa Cruz County.

Friend will step down from his seat on the county Board of Supervisors later this year after 12 years as a supervisor.

[finance.yahoo.com](https://finance.yahoo.com)

## California American Water Appeals Ruling on LAFCO Decision

*Business Wire*

5–6 minutes



**PACIFIC GROVE, Calif., February 12, 2024--**([BUSINESS WIRE](#))--

California American Water is appealing the Superior Court's December 11, 2023 decision to vacate a Monterey County Local Agency Formation Commission (LAFCO) December 2021 resolution denying the Monterey Peninsula Water Management District (MPWMD) application for authorization to become a retail water supplier. This is a requirement for MPWMD to serve Monterey customers. If the Superior Court's decision to vacate stands, the matter would potentially be sent back to LAFCO for reconsideration.

LAFCO has filed a separate and similar appeal.

"The court set aside the resolution and allowed MPWMD to seek further review by LAFCO, but no additional review is necessary because the facts are the same," said Evan Jacobs, Senior Director of External Affairs for California American Water. "MPWMD does not have the experience or capacity to operate one of the most complex water systems in the country, and its proposal would impose an undue burden on Monterey residents."

The LAFCO decision stems from the Measure J ballot initiative that was approved in 2018 to explore the "feasibility" of MPWMD acquiring California American Water's Monterey assets and operating the system. Proponents of Measure J predicted an acquisition of these assets would be quick and inexpensive. Five years later, MPWMD has spent more than \$3 million of Monterey Peninsula residents' money on legal and consulting fees.

"Our hope is that MPWMD would focus on securing new water supplies and protecting the Carmel River and its ecosystem," said Jacobs. "It's frustrating that these needless legal costs are steadily increasing as California American Water continues to manage this system prudently and provide local communities with safe and reliable service."

California American Water has owned and operated the water system serving parts of Seaside, Sand City, Monterey, Pacific Grove, Del Ray Oaks, Pebble Beach, Carmel-by-the-Sea and unincorporated Carmel Valley for more than 60 years. The company employs about 100 people who live and work in Monterey County, including licensed water treatment and distribution operators, engineers and water quality experts.

### **About American Water**

American Water (NYSE: AWK) is the largest regulated water and wastewater utility company in the United States. With a history dating back to 1886, We Keep Life Flowing® by providing safe,

clean, reliable, and affordable drinking water and wastewater services to more than 14 million people across 14 regulated jurisdictions and 18 military installations. American Water's 6,500 talented professionals leverage their significant expertise and the company's national size and scale to achieve excellent outcomes for the benefit of customers, employees, investors, and other stakeholders.

For more information, visit [amwater.com](https://amwater.com) and join American Water on LinkedIn, Facebook, X and Instagram.

### **About California American Water**

California American Water, a subsidiary of American Water, provides high-quality and reliable water and wastewater services to approximately 700,000 people.

### **Cautionary Statement Concerning Forward-Looking Statements**

Certain statements in this press release are forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements relate to, among other things, the outcome, timing and results of the District's condemnation efforts with respect to California American Water's Monterey peninsula water system. These statements are based on the current expectations of management of California American Water. There are a number of risks and uncertainties that could cause actual results to differ materially from these forward-looking statements, including with respect to (1) the outcome of the eminent domain litigation filed by the District, and the timing of its resolution; (2) the continued success by California American Water of challenges to the District's authority to own and operate the Monterey peninsula water system; (3) the result of California American Water's efforts to dismiss the District's eminent domain litigation; (4) unexpected costs, liabilities

or delays that may be incurred by California American Water in connection with the defense of this eminent domain litigation and other associated proceedings and actions; (5) other regulatory, legislative, local, municipal or other actions adversely affecting California American Water specifically or the water and wastewater industries generally, including with respect to the ongoing Monterey Peninsula Water Supply Project; and (6) other economic, business and other factors.

View source version on businesswire.com: <https://www.businesswire.com/news/home/20240212726188/en/>

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[pajaronian.com](https://pajaronian.com)

## Watsonville City Council ends zoom participation option at public meetings - The Pajaronian | Watsonville, CA

*Todd Guild*

3–4 minutes

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The Watsonville City Council on Tuesday voted to end public comment via Zoom at its meetings, a decision spurred by two racist ‘zoom bomb’ calls made anonymously on Oct. 24.

The city of Capitola also experienced so-called [“Zoom-bombs”](#) around the same time.

In the calls, both laden with racist language, one person insulted Jewish people and the other one falsely connected young black men to crime. The council voted 5–2 to end Zoom participation, with Mayor Vanessa Quiroz-Carter and Mayor Pro-Tem Maria Orozco dissenting.

Both said their decision came from the importance of free speech, and of making the public meetings accessible to as wide an audience as possible.

“Hate speech, unfortunately, is protected speech,” said Quiroz-Carter. “It’s protected by law.”

“I don’t think that limiting public comment is a good thing, because then those hateful, ugly losers win, and who wants that?”

Councilwoman Kristal Salcedo said she is “adamantly opposed” to bringing back the meetings. She explained that the incidents—which are likely to happen again—prevent the council from conducting its business.

“I think what we all had to sit through during the Zoom bombing was horrendous,” she said. “I find it abhorrent and I never want to see it again.”

Councilman Casey Clark, said the decision to end Zoom participation was difficult for him.

“I want everybody to be included,” he said.

Clark pointed out that any rules of decorum the council sets for call-in participants can—and should—pertain also to those in council chambers.

Councilwoman Ari Parker suggested adding a “kill switch” that would allow city staff to shut down Zoom bombing incidents, a suggestion City Attorney Samantha Zutler said she would look into.

Parker said she was disappointed in the incident over Zoom, a platform whose anonymity makes people more comfortable with uttering hate speech.

“When people come here can they call me those names? Sure,” Parker said. “But do they? No, because they are standing right here looking at us.”

In other action, the council approved an increase to their monthly compensation from \$670 to \$1,600, which will take effect in January 2025. The increase came thanks to [Senate Bill 329](#), which took effect in January and increases the amount elected leaders can receive.

Councilman Jimmy Dutra said he hopes the compensation will be an incentive for young people to consider serving on the council in the future.

“This is a volunteer job, and we’re traveling here, there, everywhere,” Dutra said. “And I think this will hopefully open up the pool to get more people involved in our city and our city council.”

[bnnbreaking.com](https://bnnbreaking.com)

# LAFCO's Pivotal Review of San Diego County Water Authority: A Path Towards Sustainable Water Management

*BNN Correspondents*

4–5 minutes

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Amidst the complex tapestry of Southern California's water management issues, the Local Agency Formation Commission (LAFCO) embarks on a pivotal municipal service review (MSR) of the San Diego County Water Authority (CWA). This comprehensive analysis, set against the backdrop of the region's intricate water needs and challenges, aims to reassess the CWA's voting and rate structures, scrutinize the alignment of its projects with actual community needs, and propose actionable recommendations for regional water agencies. Initiated in the fiscal year 2023-24, this review not only underscores LAFCO's commitment to sustainable water management but also addresses stakeholder concerns over the CWA's operational and financial frameworks.

## Reassessing the Foundations

The core of the review zeroes in on the **San Diego County Water**

**Authority's voting and rate structures**, pivotal elements that determine how decisions are made and how costs are distributed among the population it serves. Stakeholders have voiced their need for a transformation in these areas, seeking a model that ensures fair representation and equitable cost sharing. In this light, the LAFCO's MSR is more than a routine check; it's a crucial step toward aligning the CWA's mechanisms with the principles of fairness and sustainability. Additionally, the review's scope extends to evaluating the sufficiency of revenue in covering fixed costs, a fundamental aspect of the CWA's financial health and operational efficiency.

## Aligning Projects with Needs

Another significant facet of the MSR involves dissecting the **alignment between CWA's projects and the actual water needs** of the region it serves. This aspect is vital, as it directly impacts the Authority's ability to optimize its facilities and manage its 'take or pay' contracts effectively. By closely examining whether the CWA's future production plans mirror future demand, the review aims to ensure that the investments made today do not become the financial burdens of tomorrow. The inclusion of the Metropolitan Water District of Southern California's operations in the review underscores the interconnectedness of the region's water management strategies and the necessity for a coordinated approach to address the challenges ahead.

## Stakeholder Voices and Future Directions

The emphasis on **stakeholder input** in shaping the review's outcomes cannot be overstated. Their concerns and suggestions

highlight the pressing need for changes in the CWA's governance and financial structures. This participatory approach not only enriches the review process with diverse perspectives but also ensures that the resulting recommendations reflect the collective vision of a more efficient, equitable, and sustainable water management system. As the LAFCO continues to navigate through the complexities of the CWA's operations, the insights gained from this exhaustive review are poised to chart a new course for water governance in San Diego County and beyond.

In closing, the LAFCO's municipal service review of the San Diego County Water Authority marks a critical juncture in the region's journey toward addressing its water management challenges. By scrutinizing the CWA's voting and rate structures, assessing the alignment of its projects with real-world needs, and incorporating stakeholder feedback, the review sets the stage for transformative changes. These changes hold the promise of fostering a water management framework that is not only responsive to today's demands but also resilient in the face of tomorrow's uncertainties.

[slvwd.com](https://www.slvwd.com)

# San Lorenzo Valley Water District Board Approves Rate Increase in Response to Fire and Storm Recovery Costs

~3 minutes

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Posted on: February 16, 2024 - 3:04pm



FEB 16, 2024 — BOULDER CREEK, CA — The San Lorenzo Valley Water District (the District) today announced the Board of Directors voted 4-1 to approve a proposed rate increase following a Proposition 218 process. The vote was taken at the District's regularly scheduled Board of Directors meeting on Thursday, Feb. 15, 2024.

The new rates for water and Bear Creek Estates wastewater services will go into effect March 1, 2024. The additional revenue

will help address impacts from the CZU Lightning Complex Fire, COVID, the destructive storms of winter 2022/2023 and increased costs to provide service for customers.

The rate increases are the result of a rate study process that began in March 2023 and included eight public meetings.

A Proposition 218 notice was sent to customers in late December. Per Proposition 218, property owners and customers were allowed to file written protests about the proposed rate increase.

### **Additional Background**

The District depends on income from ratepayers for 85% of its total revenue. This revenue funds both ongoing operating costs and major infrastructure improvements (essential maintenance, critical upgrades, and storm/fire repairs and replacements).

Expenses over the past decade have been increasing faster than inflation due to rising cost of operations and maintenance and state-mandated expenses beyond the District's control.

The rate increase for water service will be spread over a 5-year period. The specific water rate increase for each customer will depend on their meter size, the amount of water used — including seasonal variations in water use — and their user category (e.g., residential vs. industrial).

The new rates for Bear Creek Estates wastewater customers also will be implemented on March 1, 2024.

For more information about the rate changes, including frequently asked questions, financial plans and presentations, visit:

[www.slvwd.com/prop218](https://www.slvwd.com/prop218).



## ABOUT THE SAN LORENZO VALLEY WATER DISTRICT

The San Lorenzo Valley Water District is located in the mountains of northern Santa Cruz County. The District serves more than 7,900 metered connections. Established in 1941, the District supplies water to the communities of Boulder Creek, Brookdale, Ben Lomond, Zayante, Quail Hollow, Scotts Valley, Whispering Pines, Manana Woods, and Felton. For more information, visit [www.slvwd.com](http://www.slvwd.com) or follow the District on [Facebook](#), [Instagram](#), [X](#) and [Nextdoor](#).

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[santacruzsentinel.com](https://www.santacruzsentinel.com)

## Soquel Creek Water approves new rate structure

*PK Hattis*

6–7 minutes

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CAPITOLA — New water rates for about 14,000 customers in Santa Cruz’s Mid County region are slated to take effect next month after receiving the green light from the provider’s governing board.

At its meeting Tuesday, the Soquel Creek Water District Board of Directors unanimously approved a new four-year rate increase plan that will be implemented March 1 for the district’s customers in Aptos, La Selva Beach, Opal Cliffs, Rio Del Mar, Seascapes, Soquel and a portion of Capitola.

“I’m a ratepayer and my rates are going to go up,” said Board President Bruce Jaffe, also a candidate for 2nd District Santa Cruz County supervisor, before the vote at the Capitola City Council chambers. “This is an investment in the future and I’m willing to do that.”

The new rate structure, district officials have said, is designed to foster equity and fairness amid shifting needs as the district works to ward off seawater intrusion threatening the Santa Cruz Mid-County Groundwater Basin. For years, water has been drawn out

of the basin faster than it can be replenished and the state has mandated that it be made sustainable by 2040.

The current structure was implemented in 2019 and penalized users that consumed more than the district's sustainable rate of less than six units — about 4,488 gallons or 90 bathtubs — of water each month. Residential customers who use less than six units are charged \$9.10 per month while those who use any more pay \$41.23.

The new structure will establish three tiers: users consuming 3.99 units or less per month, users with four to 7.99 units and those using more than eight units. Tier 1 users will be charged \$9.16, tier 2 is \$10.27 and tier 3 is \$16.22, with fees increasing incrementally for the remaining three years.

The district also seeks to even the scales when it comes to its fixed costs, which total more than 90%. The approved fixed fee per month for the first year of the plan for a 5/8 inch meter, the most common size for a single-family home, will go from \$52.34 to \$80.44.

Though Director Tom LaHue acknowledged no one likes increasing rates, he does view the new structure as increasing fairness.

“One of the things that bothered me in the previous rates is that a family of four would just necessarily bump into a really high tier,” said LaHue. “This takes care of that. Everybody is paying more in that service charge to pay for basin sustainability.”

But some customers are upset about the new rates, believing that they no longer encourage conservation and will negatively impact elderly or disabled customers who are on fixed incomes.

“I don’t understand why the households that use the least amount of water are going to get hit the hardest,” said Aptos resident Antonia Astone during public comment. “I was brought up to always conserve water and a policy that doesn’t respect the idea that water is a valuable resource that we must all conserve does not make sense to me.”

To stop the increase, more than 50% of district customers would have needed to submit a written objection to the new fees before the end of the public hearing. After tallying the letters received by Tuesday’s hearing, district staff announced 569 protests — some of which had not yet been verified — had been received, which was well short of the 7,127 needed to constitute a majority protest.

District officials have said that the current rates were designed to penalize high-usage customers as a means for, in part, funding sustainability projects such as Pure Water Soquel, which is capable of further purifying treated wastewater and injecting it into underground wells that replenish and protect the basin. The project is expected to come online later this year, securing a major supplemental water source that will set the basin on the path to sustainability, though officials stressed there is still much work to do before 2040.

Leslie Strohm, the district’s financial/business services manager, added at the meeting that the district received almost \$100,000 through a state program a couple of years ago that went to financial assistance for customers in need and recently reapplied to that program. The district has also enrolled, Strohm said, in another state low-income household water assistance program that allows low-income customers to apply for one-time assistance from the state. The program is slated to sunset at the end of

March, though Strohm has high hopes it will be renewed.

“Being conservation-minded is holistic. I think in the years past it has been a lot about using less and really restricting use,” said district Assistant General Manager Melanie Mow Schumacher at the meeting. “As we go forward we really want to embrace more of an environmental conservation sustainability mindset of not just using less but also about ways we can promote sustainability in many different ways.”

## **San Lorenzo Valley water**

Soquel Creek isn’t the only agency that has increased prices in recent days.

The San Lorenzo Valley Water District approved, through a 4-1 vote, a rate increase of its own at a Feb. 15 board meeting. The new rates for water and Bear Creek Estates wastewater will also take effect March 1, according to a release from the district.

The revenues will help the district address impacts from the CZU Lightning Complex Fire, the COVID-19 pandemic, heavy storm damage from last winter and service to customers.

The rate increase will be spread across a five-year implementation plan and, similar to Soquel Creek, came after a nearly yearlong study and design process that included eight public meetings. The revenue will help fund both ongoing operating costs and major infrastructure improvements, according to the release.

Information about the rate change is at [slvwd.com/prop218](https://slvwd.com/prop218).