



Hidden Valley Lake Community Services District

Regular Board Meeting

DATE: April 16, 2013
TIME: 7:00 p.m.
PLACE: Hidden Valley Lake CSD
Administration Office, Boardroom
19400 Hartmann Road
Hidden Valley Lake, CA

- 1) CALL TO ORDER
- 2) PLEDGE OF ALLEGIANCE
- 3) ROLL CALL
- 4) APPROVAL OF AGENDA
- 5) CONSENT CALENDAR
 - (A) MINUTES: Approval of the March 19, 2013 Regular Board Meeting, March 23 and 30, 2013 Special Meeting minutes is recommended
 - (B) WARRANTS: Approval of Warrant # 030729 - #037082 for a total of \$202,596.11 is recommended
 - (C) AUTHORIZATION FOR BOARD MEMBER ATTENDANCE at Spring ACWA Conference in Sacramento, California
- 6) 2011-2012 AUDIT REPORT PRESENTATION BY SMITH & NEWELL ACCOUNTANTS
- 7) BOARD COMMITTEE REPORTS (for information only, no action anticipated)
 - Personnel Committee
 - Finance Committee
 - Security and Disaster Preparedness Program Committee
 - Lake Water Use Agreement Review Committee – Ad Hoc Committee
- 8) BOARD MEMBER ATTENDANCE AT OTHER MEETINGS (for information only, no action anticipated)
 - ACWA Region 1
 - ACWA State Legislative Committee
 - County OES
 - Other meetings attended
- 9) STAFF REPORTS (for information only, no action anticipated)
 - Accountant/Controller's Report
 - General Manager's Report
- 10) DISCUSSION AND POSSIBLE ACTION: Development of guidelines for District sponsorship of community events
- 11) DISCUSSION AND POSSIBLE ACTION: HVLCSD Board of Directors General Rules for Board Committees
- 12) DISCUSSION AND POSSIBLE ACTION: Adoption of Resolution 2013-05 establishing Board committee meeting calendars for 2013
- 13) PUBLIC COMMENT
- 14) BOARD MEMBER COMMENT
- 15) ADJOURNMENT (Next Regular Board Meeting: May 21, 2013)



Hidden Valley Lake Community Services District

Regular Board Meeting

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

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

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



Hidden Valley Lake Community Services District

Regular Board Meeting Minutes

DATE: March 19, 2013
TIME: 7:00 p.m.
PLACE: Hidden Valley Lake CSD
Administration Office, Boardroom
19400 Hartmann Road
Hidden Valley Lake, CA

1) CALL TO ORDER:

Meeting of the Hidden Valley Lake Community Services District Board of Directors called to order on March 19, 2012 at the hour of 7:00 p.m. by President Mirbegian at 19400 Hartmann Road, Hidden Valley Lake, California.

2) PLEDGE OF ALLEGIANCE:

3) ROLL CALL:

Present – Directors Freeman, Graham, Herndon, Lieberman, and Mirbegian. Also present: Roland Sanford, General Manager; and Tami Ipsen, Administrative Assistant.

4) APPROVAL OF AGENDA:

Director Graham moved, Director Lieberman seconded to approve the March 19, 2013 agenda.

Motion approved by unanimous vote.

5) APPROVAL OF CONSENT CALENDAR:

A. WARRANTS: Approved warrants #030657 - 030728 for \$345,427.42.

6) BOARD COMMITTEE REPORTS:

Personnel Committee – There was no report.

Finance Committee Report – Director Freeman reported on the February 21, 2013 Finance Committee meeting.

Security and Disaster Preparedness Program Committee - There was no report.

7) BOARD MEMBER ATTENDANCE AT OTHER MEETINGS

ACWA Region 1 – Director Mirbegian reported there will be a conference call for Region 1 Board members on March 20, 2013.

ACWA State Legislative Committee – Director Herndon had nothing to add to the February 8, 2013 State Legislative Committee meeting minutes included in the Board packet.

County OES – Director Lieberman reported the OES Area Committee is reorganizing and there have been no meetings since the last Hidden Valley Lake CSD regular board meeting.

Other meetings attended – There were none.

8) STAFF REPORTS:

Accountant/Controller's Finance and Investment Report

Report enclosed in board packet. Mr. Sanford had nothing to add to the written report.

General Manager's Report:

In addition to the items discussed in his written report, Mr. Sanford reported that one of the District employees was involved in a serious motorcycle accident and will be convalescing for at least the next few weeks. He reported that he had participated in a telephone conference call with the Water Bond Coalition, a diverse group of largely Northern California water purveyors, previously formed to advocate on behalf of Northern California water interests during the implementation of State Proposition 50, but now potentially interested in reactivating in response to pending legislation that would define the scope of a forthcoming State water bond. Mr. Sanford also reported that Lake County LAFCO recently approved a revised Sphere of Influence (SOI) for LACOSAN and that the revised Sphere of Influence did not appear to impinge on the current or projected SOI for the District. He referenced the forthcoming Spring ACWA conference and requested that Board members wishing to attend the conference let staff know.

9) **DISCUSSION AND POSSIBLE ACTION:** Staff workload and work priorities for the next six months

Mr. Sanford provided a brief summary of the current staff workload and discussed the need to address routine but critically important work tasks that have been deferred or received insufficient attention over the last 12 months. He also identified several work tasks that must be completed in the short term, in order for the District to move forward with other projects and activities in the next one to three years. Mr. Sanford described staff work priorities for the next six months. The Board concurred with Mr. Sanford's prioritization of work tasks and acknowledged that in view of the substantial workload, completion of at least some less urgent work tasks and activities would be delayed.

10) **REVISIONS TO HVLCSD PERSONNEL POLICY MANUAL**

- 10A) Discussion and Possible Action: Adoption of revised Sick Leave Policy
- 10B) Discussion and Possible Action: Adoption of revised Nepotism Policy
- 10C) Discussion and Possible Action: Adoption of Americans with Disability (ADA) Policy
- 10D) Discussion and Possible Action: Adoption of revised Grievance Policy

After discussion, Director Herndon moved, Director Lieberman seconded to approve the revised sick leave and Grievance policies and the proposed Accommodations for Disability (ADA) policy as recommended by the Personnel committee, and also approved the revised Nepotism policy with the following modification: substitute "relative" for "immediate family".

Motion approved by unanimous vote.

11) **DISCUSSION AND POSSIBLE ACTION:** Development of guidelines for District sponsorship of community events

On motion by Director Graham, seconded by Director Lieberman this item was moved to the April 16, 2013 regular board meeting.

Motion approved by unanimous vote.

- 12) DISCUSSION AND POSSIBLE ACTION: Authorization for District to participate in Calpine's 2013 Earth Day Celebration

After discussion, Director Lieberman moved, Director Graham seconded to approve District participation in Calpine's Earth Day Celebration on April 27, 2013 and to spend up to \$500 to promote water awareness at the event.

Motion approved by unanimous vote.

- 13) DISCUSSION AND POSSIBLE ACTION: Adoption of Resolution 2013-04 authorizing Board member participation and District representation on regional committees for the 2013 calendar year

After discussion, Director Herndon moved, Director Lieberman seconded to approve resolution 2013-04, a Resolution Authorizing Board Member Participation and District Representation on Regional Committees for the 2013 Calendar Year.

Resolution approved by unanimous vote.

- 14) PUBLIC COMMENTS:

There were none.

- 15) BOARD MEMBER COMMENT:

Several Board members expressed their satisfaction with the first Strategic Planning workshop and commented they were looking forward to the second Strategic Planning workshop on March 30, 2013 at 8:00 a.m.

- 16) CLOSED SESSION: Consultation and advice from legal counsel regarding pending litigation (one case/multiple claims). California Government Code Section 54956.9(a)

The Board went into Closed Session at 8:30 p.m. and returned into Open Session at 9:47 p.m. Director Mirbegian stated there was no reportable action taken in Closed Session.

- 17) ADJOURNMENT: The meeting was adjourned at 9:55 p.m. on motion by Director Herndon, seconded by Director Freeman, and unanimously carried.

Roland Sanford Date
General Manager/Secretary to the Board

Judy Mirbegian Date
President of the Board



Hidden Valley Lake Community Services District

Special Meeting Report Strategic Planning Workshop

DATE: March 23, 2013
TIME: 9:00 a.m.
PLACE: Hidden Valley Lake CSD
Administration Office, Boardroom
19400 Hartmann Road
Hidden Valley Lake, CA

1) CALL TO ORDER:

Special Meeting of the Hidden Valley Lake Community Services District Board of Directors called to order on March 23, 2013 at the hour of 9:00 a.m. by Director Mirbegian at 19400 Hartmann Road, Hidden Valley Lake, California.

2) PLEDGE OF ALLEGIANCE:

3) ROLL CALL:

Present – Directors Graham, Freeman, Herndon, Lieberman and Mirbegian. Also present: Michael Wright, The Results Group, Roland Sanford, General Manager and Tami Ipsen, Administrative Assistant.

4) APPROVAL OF AGENDA:

Director Freeman moved, Director Herndon seconded to approve the March 23, 2013 agenda.

Motion approved by unanimous vote.

5) **DISCUSSION OF MISSION AND CORE VALUES *See attached HVLCSD Board Planning Session1: Notes***

- a) Development of vision statement
- b) Development of revised mission statement
- c) Identification of core values

6) **WORK PLAN FOR DEVELOPING STRATEGIC PLAN *See attached HVLCSD Board Planning Session1: Notes***

- a) Define role of Board, staff, facilitator, public and stakeholders
- b) Define work tasks and establish project schedule

7) PUBLIC COMMENTS:

There were none.

8) ADJOURNMENT:

The meeting was adjourned at 2:32 on motion by Director Herndon, seconded by Director Freeman, and unanimously carried.

HVLCSD Board Planning Session 1: Notes

MISSION STATEMENT

The mission of the Hidden Valley Lake Community Services District is to innovatively manage the natural resources with which the District is entrusted – to provide reliable, safe, high quality water and wastewater services in an economically and environmentally responsible manner.

FIVE YEAR VISION

In 2018, as the community has grown, so have Hidden Valley Lake Community Services District's services. The District continues to provide the best level of service possible using up-to-date technology and industry best practices. It has developed the infrastructure to meet changing community needs, and maintains low rates compared to other districts its size. This is possible because the District has:

- Continuously invested in ongoing capital improvements and infrastructure replacement.
- Maintained prudent financial reserves.
- Taken steps to ensure a secure water supply to maintain quantity and quality for its customers.
- Expanded its sphere of influence to cover anticipated growth for the next 50 years.
- Continued to earn the respect and loyalty of its customers by providing service that is fast, friendly, and professional.
- Added innovative revenue-generating activities utilizing its natural resources and organizational expertise, as well as strategic partnerships with other public and private entities.
- Implemented an effective resource conservation program, not only with its customers, but also in its internal operations.

CORE VALUES

<i>Public Health</i>	We provide a safe reliable water supply and wastewater treatment.
<i>Stewardship</i>	We protect our natural resources and the environment
<i>Integrity</i>	We conduct business with high ethical standards, promoting transparency and trust.
<i>Cost-Effectiveness</i>	We deliver the highest value at the lowest cost to ensure reasonable rates.
<i>Reliability</i>	We maintain and update infrastructure to ensure reliable service.
<i>Innovation</i>	We utilize our assets (infrastructure, natural resources and people) to maximize the value to the community and generate revenue to keep rates affordable.
<i>Organizational Excellence</i>	We practice good governance and support District employees to be productive and motivated.
<i>Customer Service</i>	We deliver customer-focused service and are responsive to our ratepayers.

Opportunities

TECHNOLOGY:

- Water and wastewater
- Administrative
- Social Media

POLITICAL TRENDS, ALLIANCES, AND NEW LEGISLATION:

- Nexus of water, energy, and greenhouse gasses
- District allies and organizational affiliations

REVENUE GENERATION:

- Broader geographic service area
- Potential for new development over next 5 years
- Additional services offerings and revenue generating ventures:
 - Charter services
 - Provide our expertise and intellectual capital to other organizations:
 - Lab sampling/ water quality lab services
 - Billing services
 - Consulting services
 - Rent out our heavy equipment
 - Utilize sludge
 - Rainwater recapture lending
 - Solar financing/installation for homeowners
 - Expand solar for our use and/or sale back to PG&E
 - Become an energy provider to our customers (Community Aggregate Program)
 - Become an Internet Service Provider (ISP)

Threats/Challenges

- Rising costs – health care, energy, etc.
- Regulatory
- Litigation
- Aging workforce
- Regional economy
- Climate change
- Water rights
- Terrorism

Strengths

- Organization – staff and board
- Water supply
- Facilities and assets
- Financial
 - Manageable debt
 - Balanced budget
 - Low delinquency rate
 - Positive audits
- Full use of discharge (Golf Course)
- Political geography, relationships, and organizational affiliations
- Solar array
- Low rates
- Defined, locked-in ratepayer community
- GH has clear priorities for next 6 months

Weaknesses

- Aging infrastructure/ I & I
- Underfunded reserves
- Lack of administrative infrastructure:
 - Data collection and analysis
 - Policies and procedures
- Small size
- Lack of succession plan
- Artificially low water rates
- Geography – access to service providers we need, lack of competitive pricing/bidding



Hidden Valley Lake Community Services District

Special Meeting Strategic Planning Workshop

DATE: March 30, 2013
TIME: 8:00 a.m.
PLACE: Hidden Valley Lake CSD
Administration Office, Boardroom
19400 Hartmann Road
Hidden Valley Lake, CA

1) CALL TO ORDER:

Special meeting of the Hidden Valley Lake Community Services District called to order on March 30, 2013 at the hour of 8:00 a.m. by Director Mirbegian at 19400 Hartmann Road, Hidden Valley Lake, California.

2) PLEDGE OF ALLEGIANCE:

3) ROLL CALL:

Present – Directors Freeman, Graham, Herndon, Lieberman and Mirbegian. Also present: Michael Wright, The Results Group, and Roland Sanford, General Manager.

4) APPROVAL OF AGENDA:

Director Lieberman moved, Director Graham seconded to approve the March 30, 2013 agenda.
Motion approved by unanimous vote.

5) RECAP OF MARCH 23, 2013 STRATEGIC PLANNING WORKSHOP

Mr. Wright, from the Results Group, summarized the items discussed and key outcomes of the March 23, 2013 Strategic Planning Workshop.

- 6) STRATEGIC DIRECTION DISCUSSION – *See attached HVLCSD Board Planning Session 2: Notes*
- a) Analysis of strengths, weaknesses, opportunities and challenges
 - b) Formulation of strategic goals
 - c) Identification of strategies

7) PUBLIC COMMENT

There were none.

8) ADJOURNMENT:

The meeting was adjourned at 11:00 a.m. on motion by Director Lieberman, seconded by Director Herndon, and unanimously carried.

HVLCSD Board Planning Session 2: Notes

GOALS

The District will continue to deliver the highest quality water and wastewater services.

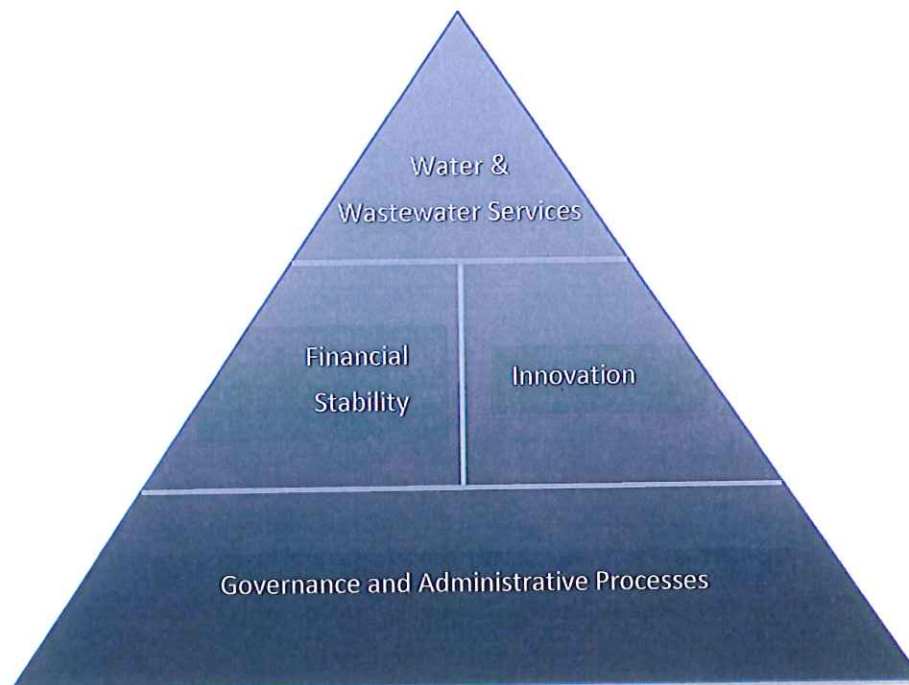
The District will maintain financial stability and equitable rates.

The District will innovate to maximize value to the community.

The District will continuously improve its governance and administrative processes to promote efficiency, transparency and customer service.

How the Goals Interact

As shown in the following graphic, the primary goal is to provide the highest quality water and wastewater services to our customers. In the next tier, we are committed to doing so in a manner that maintains the financial stability of the District and its equitable rates, as well as continuing to innovate to maximize our value to the community. All of this is based on a solid organizational foundation of good governance and efficient administrative processes.



Some Initial Ideas re: Strategies

[NOTE: The following were brainstormed by the Board as possible strategies under each goal. It is understood that the General Manager and District staff will develop strategies and specific action steps over the coming weeks).

GOAL: The District will continue to deliver the highest quality water and wastewater services.

- a. Water purity – upgrade to meet standards (Hex6, etc.)
- b. Maintenance
- c. Infrastructure replacement and capital improvement
- d. Water supply
- e. Sphere of influence
- f. Capacity to support future development

GOAL: The District will maintain financial stability and equitable rates.

- a. Prudent reserves
- g. Rates
- h. Fixed Assets
- i. Ability to track financial data; monitor and project trends
- j. Balanced budget
- k. Grants and fund development

GOAL: The District will innovate to maximize value to the community.

- a. Revenue generation
 - i. Lab
 - ii. Rainwater
 - iii. Solar
 - iv. Energy
 - v. ISP
- b. Use of sludge etc.
- c. Water conservation
- d. Partnerships and strategic alliances

GOAL: The District will continuously improve its governance and administrative process to promote efficiency, transparency and customer service.

- a. Policies and procedures
- b. Regulatory compliance and advocacy
- c. Data-driven decision making
- d. Utilizing staff capabilities
- e. Communication and public awareness
- f. Governance processes
- g. Communication and public awareness
- h. Partnerships and strategic alliances

**Hidden Valley Lake CSD
Warrant Summary Report
March 31, 2013**

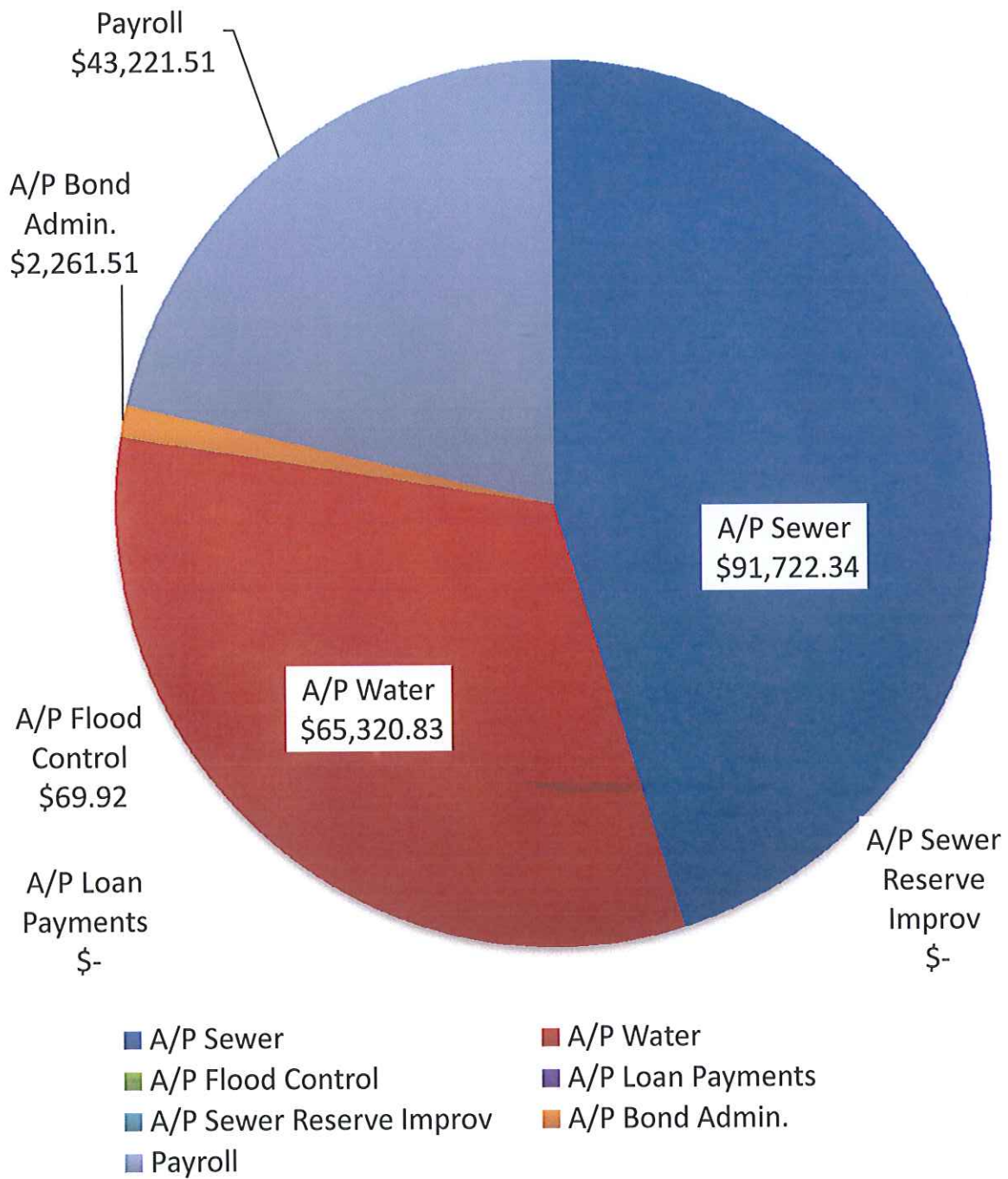
HVLCSD Deposit Summary

Cash	\$ 256,239.49
Transfers:	
Money Market	\$ -
Total Deposits	<u>\$ 256,239.49</u>

HVLCSD Expenditure Summary

Accounts Payable	
120 - Sewer	\$ 91,722.34
130 - Water	\$ 65,320.83
140 - Flood Control	\$ 69.92
175 - FEMA Fund	\$ -
215 - USDA Sewer Bond	\$ -
217 - State Loan	\$ -
218 - CIEDB	\$ -
219 - USDA Solar Project	\$ -
375 - Sewer Reserve Improvement	\$ -
711 - Bond Administration	\$ 2,261.51
Total AP	<u>\$ 159,374.60</u>
Payroll	\$ 43,221.51
Total Warrants	<u>\$ 202,596.11</u>

**Hidden Valley Lake CSD
Warrants
March 31, 2013
\$202,596**



COMPANY: 999 - POOLED CASH FUND
 ACCOUNT: 1010 CASH - POOLED
 TYPE: ALL
 STATUS: ALL
 FOLIO: ALL

CHECK DATE: 3/01/2013 THRU 3/31/2013
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 000000 THRU 999999

ACCOUNT	DATE	TYPE	NUMBER	DESCRIPTION	AMOUNT	STATUS	FOLIO	CLEAR DATE
BANK DRAFT:								
1010	3/08/2013	BANK-DRAFT		US DEPARTMENT OF THE TREASURY	4,464.86CR	POSTED	A	3/08/2013
1010	3/22/2013	BANK-DRAFT		US DEPARTMENT OF THE TREASURY	30.60CR	POSTED	A	3/22/2013
1010	3/22/2013	BANK-DRAFT000001		US DEPARTMENT OF THE TREASURY	4,414.37CR	POSTED	A	3/22/2013
1010	3/29/2013	BANK-DRAFT		US DEPARTMENT OF THE TREASURY	1,079.04CR	POSTED	A	3/29/2013
CHECK:								
1010	3/01/2013	CHECK	030729	ACTION SANITARY, INC.	1,912.50CR	POSTED	A	3/07/2013
1010	3/01/2013	CHECK	030730	BLUETARP FINANCIAL, INC.	579.63CR	POSTED	A	3/06/2013
1010	3/01/2013	CHECK	030731	BRELJE AND RACE LABS, INC.	814.80CR	POSTED	A	3/06/2013
1010	3/01/2013	CHECK	030732	KATHY FOWLER CHEVROLET	1,792.41CR	POSTED	A	3/04/2013
1010	3/01/2013	CHECK	030733	PACE SUPPLY CORP	1,200.56CR	POSTED	A	3/05/2013
1010	3/01/2013	CHECK	030734	PACIFIC GAS & ELECTRIC COMPANY	9,260.00CR	POSTED	A	3/06/2013
1010	3/01/2013	CHECK	030735	USA BLUE BOOK	282.01CR	POSTED	A	3/08/2013
1010	3/01/2013	CHECK	030736	WINE COUNTRY GOLF CARS	1,296.27CR	POSTED	A	3/07/2013
1010	3/01/2013	CHECK	030737	BRIAN CLAUSEN	150.00CR	POSTED	A	3/11/2013
1010	3/01/2013	CHECK	030738	CALIFORNIA MUTUAL WATER COMPAN	450.00CR	POSTED	A	3/12/2013
1010	3/01/2013	CHECK	030739	CALIFORNIA URBAN WATER	1,200.49CR	POSTED	A	3/05/2013
1010	3/01/2013	CHECK	030740	MICHELLE HAMILTON	550.00CR	POSTED	A	3/06/2013
1010	3/01/2013	CHECK	030741	OFFICE DEPOT	55.88CR	POSTED	A	3/05/2013
1010	3/01/2013	CHECK	030742	PATRICIA WILKINSON	74.58CR	POSTED	A	3/04/2013
1010	3/01/2013	CHECK	030743	REDFORD SERVICES	950.00CR	POSTED	A	3/19/2013
1010	3/01/2013	CHECK	030744	VOID CHECK	0.00	POSTED	A	3/01/2013
1010	3/01/2013	CHECK	030745	VOID CHECK	0.00	POSTED	A	3/01/2013
1010	3/01/2013	CHECK	030746	SAM GARCIA	200.00CR	POSTED	A	3/04/2013
1010	3/01/2013	CHECK	030747	TYLER TECHNOLOGY	121.00CR	POSTED	A	3/04/2013
1010	3/08/2013	CHECK	030748	CALPERS FISCAL SERVICES DIVISI	528.00CR	POSTED	A	3/19/2013
1010	3/08/2013	CHECK	030749	GHD	3,188.30CR	POSTED	A	3/14/2013
1010	3/08/2013	CHECK	030750	KAREN JENSEN	47.46CR	POSTED	A	3/08/2013
1010	3/08/2013	CHECK	030751	MEDIACOM	75.90CR	POSTED	A	3/13/2013
1010	3/08/2013	CHECK	030752	MERCHANTS INFORMATION INC.	117.00CR	POSTED	A	3/12/2013
1010	3/08/2013	CHECK	030753	SPECIAL DISTRICT RISK MANAGEME	5,267.00CR	POSTED	A	3/13/2013
1010	3/08/2013	CHECK	030754	TAMI IPSEN	73.53CR	POSTED	A	3/08/2013
1010	3/08/2013	CHECK	030755	VIRGIL & AUDRY SKINNER	150.00CR	POSTED	A	3/22/2013
1010	3/08/2013	CHECK	030756	ADVANCED SECURITY SYSTEMS SANT	264.00CR	POSTED	A	3/12/2013
1010	3/08/2013	CHECK	030757	LAKE COUNTY COURIER EXPRVOIDED	1,311.60CR	VOIDED	A	0/00/0000
1010	3/08/2013	CHECK	030758	LAKE LABS	1,716.00CR	POSTED	A	0/00/0000
1010	3/08/2013	CHECK	030759	MENDO MILL CLEARLAKE	86.89CR	POSTED	A	3/12/2013
1010	3/08/2013	CHECK	030760	NAPA AUTO PARTS	109.58CR	POSTED	A	3/12/2013
1010	3/08/2013	CHECK	030761	SHAPE INCORPORATED	20,114.40CR	POSTED	A	3/12/2013
1010	3/08/2013	CHECK	030762	SIERRA CHEMICAL CO.	520.61CR	POSTED	A	3/11/2013
1010	3/08/2013	CHECK	030763	TIRE PROS	191.36CR	POSTED	A	3/11/2013
1010	3/08/2013	CHECK	030764	WORK WORLD	227.18CR	POSTED	A	3/18/2013
1010	3/08/2013	CHECK	030765	CALIFORNIA PUBLIC EMPLOYEES RE	7,478.03CR	OUTSTND	A	0/00/0000
1010	3/08/2013	CHECK	030766	STATE OF CALIFORNIA EMPLOYMENT	1,378.43CR	POSTED	A	3/11/2013

COMPANY: 999 - POOLED CASH FUND
 ACCOUNT: 1010 CASH - POOLED
 TYPE: ALL
 STATUS: ALL
 FOLIO: ALL

CHECK DATE: 3/01/2013 THRU 3/31/2013
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 000000 THRU 999999

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1010	3/08/2013	CHECK	030767	VARIABLE ANNUITY LIFE INSURANC	150.00CR	POSTED	A	3/12/2013	
1010	3/15/2013	CHECK	030768	ACWA/JPIA	1,373.08CR	POSTED	A	3/19/2013	
1010	3/15/2013	CHECK	030769	AT&T	1,077.07CR	POSTED	A	3/21/2013	
1010	3/15/2013	CHECK	030770	LAKE COUNTY RECORD BEE	136.58CR	POSTED	A	3/20/2013	
1010	3/15/2013	CHECK	030771	MERRILL, ARNONE & JONES, LLP	901.61CR	POSTED	A	3/19/2013	
1010	3/15/2013	CHECK	030772	OFFICE DEPOT	322.49CR	POSTED	A	3/21/2013	
1010	3/15/2013	CHECK	030773	RICOH AMERICAS CORPORATION	4,068.87CR	POSTED	A	3/19/2013	
1010	3/15/2013	CHECK	030774	SPECIAL DISTRICT RISK MANAGEME	23,703.69CR	POSTED	A	3/20/2013	
1010	3/15/2013	CHECK	030775	WAGNER & BONSIGNORE	290.00CR	POSTED	A	3/28/2013	
1010	3/15/2013	CHECK	030776	ARMED FORCE PEST CONTROL, INC.	180.00CR	POSTED	A	3/20/2013	
1010	3/15/2013	CHECK	030777	EEL RIVER FUELS, INC.	611.89CR	POSTED	A	3/19/2013	
1010	3/15/2013	CHECK	030778	HARDESTER'S MARKETS & HARDWARE	200.54CR	POSTED	A	3/20/2013	
1010	3/15/2013	CHECK	030779	MIKSIS SERVICES, INC.	1,000.00CR	POSTED	A	3/21/2013	
1010	3/15/2013	CHECK	030780	POWER INDUSTRIES	80.27CR	POSTED	A	3/19/2013	
1010	3/15/2013	CHECK	030781	USA BLUE BOOK	963.57CR	POSTED	A	3/25/2013	
***	1010	3/22/2013	CHECK	030783	LAKE COUNTY COURIER EXPRESS, L	1,311.60CR	POSTED	A	3/25/2013
1010	3/22/2013	CHECK	030784	CARDMEMBER SERVICE	1,655.37CR	POSTED	A	3/27/2013	
1010	3/22/2013	CHECK	030785	CSG SYSTEMS	343.15CR	POSTED	A	3/26/2013	
1010	3/22/2013	CHECK	030786	PITNEY BOWES, INC.	634.56CR	POSTED	A	3/28/2013	
1010	3/22/2013	CHECK	030787	STATE OF CALIFORNIA EMPLOYMENT	5.40CR	POSTED	A	3/25/2013	
1010	3/22/2013	CHECK	030788	CALIFORNIA PUBLIC EMPLOYEES RE	7,478.03CR	POSTED	A	3/28/2013	
1010	3/22/2013	CHECK	030789	STATE OF CALIFORNIA EMPLOYMENT	1,297.67CR	POSTED	A	3/25/2013	
1010	3/22/2013	CHECK	030790	VARIABLE ANNUITY LIFE INSURANC	150.00CR	POSTED	A	3/26/2013	
1010	3/22/2013	CHECK	030791	RANZAU, WENDY G	105.82CR	POSTED	A	3/29/2013	
1010	3/22/2013	CHECK	030792	EEL RIVER FUELS, INC.	564.81CR	POSTED	A	3/26/2013	
1010	3/22/2013	CHECK	030793	HACH COMPANY	988.92CR	POSTED	A	3/26/2013	
1010	3/22/2013	CHECK	030794	NAPA AUTO PARTS	57.56CR	POSTED	A	3/26/2013	
1010	3/22/2013	CHECK	030795	PACE SUPPLY CORP	365.67CR	POSTED	A	3/26/2013	
1010	3/22/2013	CHECK	030796	POLYDYNE INC.	199.92CR	POSTED	A	3/26/2013	
1010	3/22/2013	CHECK	030797	TIRE PROS	381.73CR	POSTED	A	3/25/2013	
1010	3/22/2013	CHECK	030798	VERIZON WIRELESS	639.16CR	POSTED	A	3/27/2013	
1010	3/22/2013	CHECK	030799	WHITE, DENNIS E	3,009.26CR	POSTED	P	3/22/2013	
***	1010	3/29/2013	CHECK	030802	BARRY SILVA	44.27CR	CLEARED	A	4/03/2013
1010	3/29/2013	CHECK	030803	DEPT OF PUBLIC HEALTH DRINKING	340.20CR	CLEARED	A	4/05/2013	
1010	3/29/2013	CHECK	030804	FEDERAL EXPRESS CORPORATION	22.86CR	CLEARED	A	4/04/2013	
1010	3/29/2013	CHECK	030805	GEORGIA HOUSE GRAPHICS	250.00CR	CLEARED	A	4/04/2013	
1010	3/29/2013	CHECK	030806	MICHELLE HAMILTON	625.00CR	CLEARED	A	4/02/2013	
1010	3/29/2013	CHECK	030807	NBS GOVERNMENT FINANCE GROUP	2,261.51CR	CLEARED	A	4/03/2013	
1010	3/29/2013	CHECK	030808	OFFICE DEPOT	88.97CR	CLEARED	A	4/03/2013	
1010	3/29/2013	CHECK	030809	PATRICIA WILKINSON	67.80CR	POSTED	A	3/29/2013	
1010	3/29/2013	CHECK	030810	REDFORD SERVICES	950.00CR	OUTSTND	A	0/00/0000	
1010	3/29/2013	CHECK	030811	ROBERT & JOHN BIRUM	150.00CR	OUTSTND	A	0/00/0000	
1010	3/29/2013	CHECK	030812	SOUTH LAKE REFUSE COMPANY	157.14CR	CLEARED	A	4/03/2013	
1010	3/29/2013	CHECK	030813	SUCCEED.NET	92.20CR	OUTSTND	A	0/00/0000	

COMPANY: 999 - POOLED CASH FUND
 ACCOUNT: 1010 CASH - POOLED
 TYPE: ALL
 STATUS: ALL
 FOLIO: ALL

CHECK DATE: 3/01/2013 THRU 3/31/2013
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	---AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1010	3/29/2013	CHECK	030814	TAMI IPSEN	207.02CR	CLEARED	A	4/02/2013
1010	3/29/2013	CHECK	030815	TASHA KLEWE	49.58CR	OUTSTND	A	0/00/0000
1010	3/29/2013	CHECK	030816	UNDERGROUND SERVICE ALERT OF N	196.50CR	OUTSTND	A	0/00/0000
1010	3/29/2013	CHECK	030817	ANALYTICAL SCIENCES	1,609.50CR	CLEARED	A	4/02/2013
1010	3/29/2013	CHECK	030818	CASE EXCAVATING, INC.	3,362.00CR	OUTSTND	A	0/00/0000
1010	3/29/2013	CHECK	030819	EEL RIVER FUELS, INC.	728.27CR	CLEARED	A	4/02/2013
1010	3/29/2013	CHECK	030820	HACH COMPANY	230.44CR	CLEARED	A	4/02/2013
1010	3/29/2013	CHECK	030821	JAMES DAY CONSTRUCTION, INC.	1,743.00CR	OUTSTND	A	0/00/0000
1010	3/29/2013	CHECK	030822	PACE SUPPLY CORP	378.12CR	CLEARED	A	4/02/2013
1010	3/29/2013	CHECK	030823	PACIFIC GAS & ELECTRIC COMPANY	8,548.76CR	CLEARED	A	4/03/2013
1010	3/29/2013	CHECK	030824	TELSTAR INSTRUMENTS, INC	12,867.69CR	CLEARED	A	4/02/2013
1010	3/29/2013	CHECK	030825	STATE OF CALIFORNIA EMPLOYMENT	378.01CR	CLEARED	A	4/02/2013
1010	3/29/2013	CHECK	030826	HAMILTON, VERNON	185.06CR	CLEARED	A	4/02/2013
1010	3/29/2013	CHECK	030827	MCMILLEN, DAVID R	6.79CR	CLEARED	A	4/05/2013
1010	3/29/2013	CHECK	030828	BOMAN, LYMAN	182.21CR	OUTSTND	A	0/00/0000
*** 1010	3/22/2013	CHECK	037082	VOID CHECK	0.00	POSTED	A	3/22/2013
DEPOSIT:								
1010	3/01/2013	DEPOSIT		CREDIT CARD 3/01/2013	349.24	POSTED	C	3/05/2013
1010	3/01/2013	DEPOSIT	000001	CREDIT CARD 3/01/2013	1,864.19	POSTED	C	3/05/2013
1010	3/01/2013	DEPOSIT	000002	REGULAR DAILY POST 3/01/2013	774.29	POSTED	C	3/04/2013
1010	3/04/2013	DEPOSIT		CREDIT CARD 3/04/2013	323.14	POSTED	C	3/05/2013
1010	3/04/2013	DEPOSIT	000001	CREDIT CARD 3/04/2013	392.39	POSTED	C	3/07/2013
1010	3/04/2013	DEPOSIT	000002	REGULAR DAILY POST 3/04/2013	2,153.11	POSTED	C	3/05/2013
1010	3/05/2013	DEPOSIT		CREDIT CARD 3/05/2013	174.62	POSTED	C	3/12/2013
1010	3/05/2013	DEPOSIT	000001	CREDIT CARD 3/05/2013	280.53	POSTED	C	3/08/2013
1010	3/05/2013	DEPOSIT	000002	REGULAR DAILY POST 3/05/2013	1,294.00	POSTED	C	3/06/2013
1010	3/06/2013	DEPOSIT		CREDIT CARD 3/06/2013	423.50	POSTED	C	3/12/2013
1010	3/06/2013	DEPOSIT	000001	CREDIT CARD 3/06/2013	992.64	POSTED	C	3/11/2013
1010	3/06/2013	DEPOSIT	000002	REGULAR DAILY POST 3/06/2013	3,835.31	POSTED	C	3/07/2013
1010	3/07/2013	DEPOSIT		CREDIT CARD 3/07/2013	349.24	POSTED	C	3/08/2013
1010	3/07/2013	DEPOSIT	000001	CREDIT CARD 3/07/2013	1,319.04	POSTED	C	3/12/2013
1010	3/07/2013	DEPOSIT	000002	REGULAR DAILY POST 3/07/2013	10,081.09	POSTED	C	3/08/2013
1010	3/08/2013	DEPOSIT		CREDIT CARD 3/08/2013	174.62	POSTED	C	3/12/2013
1010	3/08/2013	DEPOSIT	000001	CREDIT CARD 3/08/2013	1,152.01	POSTED	C	3/12/2013
1010	3/08/2013	DEPOSIT	000002	REGULAR DAILY POST 3/08/2013	7,273.97	POSTED	C	3/11/2013
1010	3/08/2013	DEPOSIT	000003	CREDIT CARD 3/08/2013	248.88	POSTED	C	3/11/2013
1010	3/11/2013	DEPOSIT		CREDIT CARD 3/11/2013	572.02	POSTED	C	3/13/2013
1010	3/11/2013	DEPOSIT	000001	CREDIT CARD 3/11/2013	177.00	POSTED	C	3/14/2013
1010	3/11/2013	DEPOSIT	000002	CREDIT CARD 3/11/2013	153.47	POSTED	C	3/14/2013
1010	3/11/2013	DEPOSIT	000003	REGULAR DAILY POST 3/11/2013	17,396.92	POSTED	C	3/12/2013
1010	3/12/2013	DEPOSIT		CREDIT CARD 3/12/2013	248.88	POSTED	C	3/15/2013
1010	3/12/2013	DEPOSIT	000001	CREDIT CARD 3/12/2013	188.89	POSTED	C	3/15/2013
1010	3/12/2013	DEPOSIT	000002	REGULAR DAILY POST 3/12/2013	9,921.25	POSTED	C	3/13/2013

COMPANY: 999 - POOLED CASH FUND
 ACCOUNT: 1010 CASH - POOLED
 TYPE: ALL
 STATUS: ALL
 FOLIO: ALL

CHECK DATE: 3/01/2013 THRU 3/31/2013
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 000000 THRU 999999

ACCOUNT	DATE	TYPE	NUMBER	DESCRIPTION	AMOUNT	STATUS	FOLIO	CLEAR DATE
DEPOSIT:								
1010	3/13/2013	DEPOSIT		CREDIT CARD 3/13/2013	248.88	POSTED	C	3/19/2013
1010	3/13/2013	DEPOSIT	000001	CREDIT CARD 3/13/2013	1,016.31	POSTED	C	3/19/2013
1010	3/13/2013	DEPOSIT	000002	REGULAR DAILY POST 3/13/2013	6,323.91	POSTED	C	3/14/2013
1010	3/14/2013	DEPOSIT		CREDIT CARD 3/14/2013	349.24	POSTED	C	3/19/2013
1010	3/14/2013	DEPOSIT	000001	CREDIT CARD 3/14/2013	471.50	POSTED	C	3/19/2013
1010	3/14/2013	DEPOSIT	000002	REGULAR DAILY POST 3/14/2013	9,955.39	POSTED	C	3/15/2013
1010	3/15/2013	DEPOSIT		CC DRAFT POSTING	12,871.34	POSTED	U	3/19/2013
1010	3/15/2013	DEPOSIT	000001	DRAFT POSTING	5,505.98	POSTED	U	3/14/2013
1010	3/15/2013	DEPOSIT	000002	CREDIT CARD 3/15/2013	497.76	POSTED	C	3/19/2013
1010	3/15/2013	DEPOSIT	000003	CREDIT CARD 3/15/2013	545.06	POSTED	C	3/19/2013
1010	3/15/2013	DEPOSIT	000004	REGULAR DAILY POST 3/15/2013	10,290.60	POSTED	C	3/18/2013
1010	3/18/2013	DEPOSIT		CREDIT CARD 3/18/2013	497.76	POSTED	C	3/20/2013
1010	3/18/2013	DEPOSIT	000001	CREDIT CARD 3/18/2013	1,488.99	POSTED	C	3/21/2013
1010	3/18/2013	DEPOSIT	000002	REGULAR DAILY POST 3/18/2013	11,774.89	POSTED	C	3/19/2013
1010	3/19/2013	DEPOSIT		CREDIT CARD 3/19/2013	523.86	POSTED	C	3/22/2013
1010	3/19/2013	DEPOSIT	000001	CREDIT CARD 3/19/2013	323.14	POSTED	C	3/22/2013
1010	3/19/2013	DEPOSIT	000002	REGULAR DAILY POST 3/19/2013	13,016.23	POSTED	C	3/20/2013
1010	3/20/2013	DEPOSIT		CREDIT CARD 3/20/2013	248.88	POSTED	C	3/22/2013
1010	3/20/2013	DEPOSIT	000001	CREDIT CARD 3/20/2013	21.91	POSTED	C	3/25/2013
1010	3/20/2013	DEPOSIT	000002	CREDIT CARD 3/20/2013	349.24	POSTED	C	3/25/2013
1010	3/20/2013	DEPOSIT	000003	REGULAR DAILY POST 3/20/2013	5,530.55	POSTED	C	3/21/2013
1010	3/21/2013	DEPOSIT		CREDIT CARD 3/21/2013	148.52	POSTED	C	3/25/2013
1010	3/21/2013	DEPOSIT	000001	CREDIT CARD 3/21/2013	672.38	POSTED	C	3/25/2013
1010	3/21/2013	DEPOSIT	000002	REGULAR DAILY POST 3/21/2013	8,490.17	POSTED	C	3/22/2013
1010	3/22/2013	DEPOSIT		CREDIT CARD 3/22/2013	325.62	POSTED	C	3/26/2013
1010	3/22/2013	DEPOSIT	000001	CREDIT CARD 3/22/2013	1,072.60	POSTED	C	3/26/2013
1010	3/22/2013	DEPOSIT	000002	REGULAR DAILY POST 3/22/2013	3,484.68	POSTED	C	3/25/2013
1010	3/25/2013	DEPOSIT		CREDIT CARD 3/25/2013	1,021.62	POSTED	C	3/29/2013
1010	3/25/2013	DEPOSIT	000001	CREDIT CARD 3/25/2013	174.62	POSTED	C	3/31/2013
1010	3/25/2013	DEPOSIT	000002	CREDIT CARD 3/25/2013	2,615.95	POSTED	C	3/28/2013
1010	3/25/2013	DEPOSIT	000003	REGULAR DAILY POST 3/25/2013	23,113.45	POSTED	C	3/26/2013
1010	3/25/2013	DEPOSIT	000004	DAILY PAYMENT POSTING - ADJ	100.00CR	POSTED	U	3/25/2013
1010	3/26/2013	DEPOSIT		CREDIT CARD 3/26/2013	174.62	POSTED	C	3/29/2013
1010	3/26/2013	DEPOSIT	000001	CREDIT CARD 3/26/2013	1,370.86	POSTED	C	3/29/2013
1010	3/26/2013	DEPOSIT	000002	REGULAR DAILY POST 3/26/2013	7,886.44	POSTED	C	3/27/2013
1010	3/27/2013	DEPOSIT		CREDIT CARD 3/27/2013	503.27	POSTED	C	3/31/2013
1010	3/27/2013	DEPOSIT	000001	CREDIT CARD 3/27/2013	349.24	CLEARED	C	4/01/2013
1010	3/27/2013	DEPOSIT	000002	CREDIT CARD 3/27/2013	1,265.01	CLEARED	C	4/01/2013
1010	3/27/2013	DEPOSIT	000003	REGULAR DAILY POST 3/27/2013	7,248.28	POSTED	C	3/28/2013
1010	3/27/2013	DEPOSIT	000004	DAILY PAYMENT POSTING - ADJ	174.62CR	POSTED	U	3/27/2013
1010	3/27/2013	DEPOSIT	000005	DAILY PAYMENT POSTING	104.62	POSTED	U	3/27/2013
1010	3/28/2013	DEPOSIT		CREDIT CARD 3/28/2013	1,069.78	CLEARED	C	4/02/2013
1010	3/28/2013	DEPOSIT	000001	CREDIT CARD 3/28/2013	2,562.01	CLEARED	C	4/02/2013
1010	3/28/2013	DEPOSIT	000002	REGULAR DAILY POST 3/28/2013	14,432.59	POSTED	C	3/29/2013

4/08/2013 4:09 PM

CHECK RECONCILIATION REGISTER

PAGE: 5

COMPANY: 999 - POOLED CASH FUND
ACCOUNT: 1010 CASH - POOLED
TYPE: ALL
STATUS: ALL
FOLIO: ALL

CHECK DATE: 3/01/2013 THRU 3/31/2013
CLEAR DATE: 0/00/0000 THRU 99/99/9999
STATEMENT: 0/00/0000 THRU 99/99/9999
VOIDED DATE: 0/00/0000 THRU 99/99/9999
AMOUNT: 0.00 THRU 999,999,999.99
CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
DEPOSIT:								
1010	3/29/2013	DEPOSIT		CREDIT CARD 3/29/2013	1,777.17	CLEARED	C	4/02/2013
1010	3/29/2013	DEPOSIT	000001	CREDIT CARD 3/29/2013	8,982.77	CLEARED	C	4/02/2013
1010	3/29/2013	DEPOSIT	000002	REGULAR DAILY POST 3/29/2013	23,789.26	CLEARED	C	4/01/2013
MISCELLANEOUS:								
1010	3/08/2013	MISC.		PAYROLL DIRECT DEPOSIT	20,089.96CR	POSTED	P	3/08/2013
1010	3/08/2013	MISC.	030757	LAKE COUNTY COURIER EXPRVOIDED	1,311.60	VOIDED	A	0/00/0000
1010	3/19/2013	MISC.		PAYROLL DIRECT DEPOSIT	182.70CR	POSTED	P	0/00/0000
1010	3/22/2013	MISC.		PAYROLL DIRECT DEPOSIT	19,939.59CR	POSTED	P	3/22/2013
1010	3/31/2013	MISC.		Correct Web Payment	87.08CR	POSTED	G	3/29/2013
SERVICE CHARGE:								
1010	3/22/2013	SERV-CHG		February 2013 ETS Fees	584.06CR	POSTED	G	3/21/2013
1010	3/22/2013	SERV-CHG	000001	February 2013 ETS Fees	165.57CR	POSTED	G	3/21/2013
1010	3/22/2013	SERV-CHG	000002	February 2013 Analysis Fees	272.16CR	POSTED	G	3/21/2013
TOTALS FOR ACCOUNT 1010								
				CHECK	TOTAL:			153,706.59CR
				DEPOSIT	TOTAL:			256,326.57
				INTEREST	TOTAL:			0.00
				MISCELLANEOUS	TOTAL:			38,987.73CR
				SERVICE CHARGE	TOTAL:			1,021.79CR
				EFT	TOTAL:			0.00
				BANK-DRAFT	TOTAL:			9,988.87CR
TOTALS FOR POOLED CASH FUND								
				CHECK	TOTAL:			153,706.59CR
				DEPOSIT	TOTAL:			256,326.57
				INTEREST	TOTAL:			0.00
				MISCELLANEOUS	TOTAL:			38,987.73CR
				SERVICE CHARGE	TOTAL:			1,021.79CR
				EFT	TOTAL:			0.00
				BANK-DRAFT	TOTAL:			9,988.87CR

ACCOUNTS PAYABLE
DISBURSEMENT REPORT

VENDOR SET: 01 Hidden Valley Lake

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

SORTED BY CHECK

VENDOR	NAME	CHECK #	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-1722	US DEPARTMENT OF THE TREA	000000	9,988.87	N	120 2091	FIT PAYABLE	4,324.28
					120 2093	SOCIAL SECURITY PAYABL	76.28
					120 2094	MEDICARE PAYABLE	478.49
					120 5-10-5010	SALARIES & WAGES	251.50
					120 5-20-5010	SALARIES & WAGES	48.86
					120 5-30-5010	SALARIES & WAGES	247.59
					120 5-40-5010	DIRECTORS COMPENSATION	6.88
					130 2091	FIT PAYABLE	3,584.37
					130 2093	SOCIAL SECURITY PAYABL	77.52
					130 2094	MEDICARE PAYABLE	407.82
					130 5-10-5010	SALARIES & WAGES	251.47
					130 5-20-5010	SALARIES & WAGES	48.84
					130 5-30-5010	SALARIES & WAGES	176.55
					130 5-40-5010	DIRECTORS COMPENSATION	8.42
01-2636	ACTION SANITARY, INC.	030729	1,912.50	N	120 5-00-5150	REPAIR & REPLACE	1,912.50
01-2531	BLUETARP FINANCIAL, INC.	030730	579.63	N	120 5-00-5150	REPAIR & REPLACE	289.82
					130 5-00-5150	REPAIR & REPLACE	289.81
01-47	BRELJE AND RACE LABS, INC	030731	814.80	N	120 5-00-5195	ENV/MONITORING	814.80
01-2569	KATHY FOWLER CHEVROLET	030732	1,792.41	N	120 5-00-5061	VEHICLE MAINT	896.21
					130 5-00-5061	VEHICLE MAINT	896.20
01-2702	PACE SUPPLY CORP	030733	1,200.56	N	120 5-00-5150	REPAIR & REPLACE	600.28
					130 5-00-5150	REPAIR & REPLACE	600.28
01-9	PACIFIC GAS & ELECTRIC CO	030734	9,260.00	N	120 5-00-5192	ELECTRICITY	1,444.65
					130 5-00-5192	ELECTRICITY	7,790.35
					140 5-00-5192	ELECTRICITY	25.00
01-1751	USA BLUE BOOK	030735	282.01	N	120 5-00-5148	OPERATING SUPPLIES	282.01
01-2783	WINE COUNTRY GOLF CARS	030736	1,296.27	N	130 5-00-5061	VEHICLE MAINT	1,296.27
01-1	MISCELLANEOUS VENDOR	030737	150.00	N	130 5-00-5505	WATER CONSERVATION	150.00
01-2557	CALIFORNIA MUTUAL WATER C	030738	450.00	N	120 5-00-5020	EMPLOYEE BENEFITS	185.58
					130 5-00-5020	EMPLOYEE BENEFITS	263.84
					140 5-00-5020	EMPLOYEE BENEFITS	0.58
01-1442	CALIFORNIA URBAN WATER	030739	1,200.49	N	130 5-00-5080	MEMBERSHIP & SUBSCRIPT	1,200.49
01-2699	MICHELLE HAMILTON	030740	550.00	Y	120 5-00-5110	CONTRACTUAL SERVICES	264.00
					130 5-00-5110	CONTRACTUAL SERVICES	286.00
01-2684	OFFICE DEPOT	030741	55.88	N	120 5-10-5090	OFFICE SUPPLIES	27.94
					130 5-10-5090	OFFICE SUPPLIES	27.94
01-2607	PATRICIA WILKINSON	030742	74.58	N	120 5-20-5170	TRAVEL MILEAGE	13.98
					130 5-20-5170	TRAVEL MILEAGE	60.60

A C C O U N T S P A Y A B L E
 D I S B U R S E M E N T R E P O R T

SORTED BY CHECK

VENDOR	NAME	CHECK #	TOTAL		G/L		G/L	
			AMOUNT	1099	ACCT	NO#	NAME	AMOUNT
01-2700	REDFORD SERVICES	030743	950.00	Y	120	5-00-5110	CONTRACTUAL SERVICES	456.00
					130	5-00-5110	CONTRACTUAL SERVICES	494.00
01-2781	SAM GARCIA	030746	200.00	N	120	5-30-5020	EMPLOYEE BENEFITS	82.48
					130	5-30-5020	EMPLOYEE BENEFITS	117.26
					140	5-30-5020	EMPLOYEE BENEFITS	0.26
01-2585	TYLER TECHNOLOGY	030747	121.00	N	120	5-00-5110	CONTRACTUAL SERVICES	58.08
					130	5-00-5110	CONTRACTUAL SERVICES	62.92
01-1510	CALPERS FISCAL SERVICES D	030748	528.00	N	120	5-10-5021	RETIREMENT BENEFITS	66.00
					120	5-20-5021	RETIREMENT BENEFITS	44.00
					120	5-30-5021	RETIREMENT BENEFITS	154.00
					130	5-10-5021	RETIREMENT BENEFITS	66.00
					130	5-20-5021	RETIREMENT BENEFITS	44.00
					130	5-30-5021	RETIREMENT BENEFITS	154.00
01-2788	GHD	030749	3,188.30	N	130	5-00-5122	ENGINEERING SERVICES	3,188.30
01-2302	KAREN JENSEN	030750	47.46	N	120	5-20-5170	TRAVEL MILEAGE	8.90
					130	5-20-5170	TRAVEL MILEAGE	38.56
01-1392	MEDIACOM	030751	75.90	N	120	5-00-5110	CONTRACTUAL SERVICES	36.44
					130	5-00-5110	CONTRACTUAL SERVICES	39.46
01-1	MISCELLANEOUS VENDOR	030752	117.00	N	120	5-00-5123	OTHER PROFESSIONAL SER	4.68
					130	5-00-5123	OTHER PROFESSIONAL SER	112.32
01-1705	SPECIAL DISTRICT RISK MAN	030753	5,267.00	N	120	5-00-5020	EMPLOYEE BENEFITS	2,841.00
					130	5-00-5020	EMPLOYEE BENEFITS	2,426.00
01-1652	TAMI IPSEN	030754	73.53	N	120	5-10-5170	TRAVEL MILEAGE	13.79
					130	5-10-5170	TRAVEL MILEAGE	59.74
01-1	MISCELLANEOUS VENDOR	030755	150.00	N	130	5-00-5505	WATER CONSERVATION	150.00
01-2792	ADVANCED SECURITY SYSTEMS	030756	264.00	N	120	5-00-5110	CONTRACTUAL SERVICES	124.08
					130	5-00-5110	CONTRACTUAL SERVICES	139.92
01-129	LAKE LABS	030758	1,716.00	Y	120	5-00-5195	ENV/MONITORING	1,332.00
					130	5-00-5195	ENV/MONITORING	384.00
01-2541	MENDO MILL CLEARLAKE	030759	86.89	N	120	5-00-5150	REPAIR & REPLACE	43.45
					130	5-00-5150	REPAIR & REPLACE	43.44
01-2749	NAPA AUTO PARTS	030760	109.58	N	120	5-00-5061	VEHICLE MAINT	54.79
					130	5-00-5061	VEHICLE MAINT	54.79
01-2639	SHAPE INCORPORATED	030761	20,114.40	N	120	1286	FIELD EQUIPMENT	20,114.40
01-2736	SIERRA CHEMICAL CO.	030762	520.61	N	120	5-00-5148	OPERATING SUPPLIES	520.61
01-2719	TIRE PROS	030763	191.36	N	120	5-00-5061	VEHICLE MAINT	95.68

ACCOUNTS PAYABLE
DISBURSEMENT REPORT

SORTED BY CHECK

VENDOR	NAME	CHECK #	TOTAL AMOUNT	G/L 1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-2714	WORK WORLD	030764	227.18	N	120 5-30-5020	EMPLOYEE BENEFITS	112.45
					130 5-30-5020	EMPLOYEE BENEFITS	113.59
					140 5-30-5020	EMPLOYEE BENEFITS	1.14
01-21	CALIFORNIA PUBLIC EMPLOYE	030765	7,478.03	N	120 2088	SURVIVOR BENEFITS - PE	5.63
					120 2090	PERS PAYABLE	1,275.14
					120 5-10-5021	RETIREMENT BENEFITS	1,067.42
					120 5-20-5021	RETIREMENT BENEFITS	316.34
					120 5-30-5021	RETIREMENT BENEFITS	1,150.15
					130 2088	SURVIVOR BENEFITS - PE	5.53
					130 2090	PERS PAYABLE	1,230.37
					130 5-10-5021	RETIREMENT BENEFITS	1,067.39
					130 5-20-5021	RETIREMENT BENEFITS	316.32
					130 5-30-5021	RETIREMENT BENEFITS	1,043.74
01-11	STATE OF CALIFORNIA EMPLO	030766	1,378.43	N	120 2092	CIT PAYABLE	481.28
					120 2095	S D I PAYABLE	143.68
					120 5-10-5020	EMPLOYEE BENEFITS	9.13
					120 5-20-5020	EMPLOYEE BENEFITS	5.54
					120 5-30-5020	EMPLOYEE BENEFITS	17.90
					130 2092	CIT PAYABLE	548.19
					130 2095	S D I PAYABLE	140.16
					130 5-10-5020	EMPLOYEE BENEFITS	9.11
					130 5-20-5020	EMPLOYEE BENEFITS	5.52
					130 5-30-5020	EMPLOYEE BENEFITS	17.92
01-1530	VARIABLE ANNUITY LIFE INS	030767	150.00	N	120 2099	DEFERRED COMP - 457 PL	75.00
					130 2099	DEFERRED COMP - PLAN 4	75.00
01-1961	ACWA/JPIA	030768	1,373.08	N	120 5-00-5020	EMPLOYEE BENEFITS	613.13
					130 5-00-5020	EMPLOYEE BENEFITS	759.95
01-8	AT&T	030769	1,077.07	N	120 5-00-5191	TELEPHONE	538.54
					130 5-00-5191	TELEPHONE	538.53
01-122	LAKE COUNTY RECORD BEE	030770	136.58	N	120 5-00-5130	PRINTING & PUBLICATION	68.29
					130 5-00-5130	PRINTING & PUBLICATION	68.29
01-2754	MERRILL, ARNONE & JONES,	030771	901.61	Y	120 5-00-5121	LEGAL SERVICES	450.81
					130 5-00-5121	LEGAL SERVICES	450.80
01-2684	OFFICE DEPOT	030772	322.49	N	120 5-10-5090	OFFICE SUPPLIES	161.25
					130 5-10-5090	OFFICE SUPPLIES	161.24
01-2638	RICOH AMERICAS CORPORATIO	030773	4,068.87	N	120 5-00-5311	EQUIPMENT - OFFICE	2,034.44
					130 5-00-5311	EQUIPMENT - OFFICE	2,034.43
01-1705	SPECIAL DISTRICT RISK MAN	030774	23,703.69	N	120 5-00-5025	RETIREE HEALTH BENEFIT	849.92
					120 5-10-5020	EMPLOYEE BENEFITS	1,469.91
					120 5-20-5020	EMPLOYEE BENEFITS	1,469.91
					120 5-30-5020	EMPLOYEE BENEFITS	3,259.30
					120 5-40-5020	EMPLOYEE BENEFITS	3,486.02
					130 5-00-5025	RETIREE HEALTH BENEFIT	849.91

A C C O U N T S P A Y A B L E
D I S B U R S E M E N T R E P O R T

VENDOR SET: 01 Hidden Valley Lake

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

SORTED BY CHECK

VENDOR	NAME	CHECK #	TOTAL	G/L		G/L	G/L
			AMOUNT	1099	ACCT	NO#	NAME
01-1705	SPECIAL DISTRICT RISK MAN	030774	23,703.69	N	** (CONTINUED) **		
					130 5-20-5020	EMPLOYEE BENEFITS	2,089.74
					130 5-30-5020	EMPLOYEE BENEFITS	4,633.68
					130 5-40-5020	EMPLOYEE BENEFITS	3,486.01
					140 5-10-5020	EMPLOYEE BENEFITS	4.64
					140 5-20-5020	EMPLOYEE BENEFITS	4.64
					140 5-30-5020	EMPLOYEE BENEFITS	10.27
01-1659	WAGNER & BONSIGNORE	030775	290.00	N	130 5-00-5123	OTHER PROFESSIONAL SER	290.00
01-2283	ARMED FORCE PEST CONTROL,	030776	180.00	N	120 5-00-5155	MAINT BLDG & GROUNDS	90.00
					130 5-00-5155	MAINT BLDG & GROUNDS	90.00
01-112	EEL RIVER FUELS, INC.	030777	611.89	N	120 5-00-5060	GASOLINE, OIL & FUEL	279.61
					120 5-00-5145	EQUIPMENT RENTAL	26.34
					130 5-00-5060	GASOLINE, OIL & FUEL	279.60
					130 5-00-5145	EQUIPMENT RENTAL	26.34
01-2538	HARDESTER'S MARKETS & HAR	030778	200.54	N	120 5-00-5148	OPERATING SUPPLIES	17.19
					120 5-00-5585	FLOOD CONTROL EXPENSE	129.27
					130 5-00-5150	REPAIR & REPLACE	44.42
					130 5-00-5585	FLOOD CONTROL EXPENSE	9.66
01-2817	MIKSIS SERVICES, INC.	030779	1,000.00	N	120 5-00-5150	REPAIR & REPLACE	1,000.00
01-1621	POWER INDUSTRIES	030780	80.27	N	120 5-00-5150	REPAIR & REPLACE	40.14
					130 5-00-5150	REPAIR & REPLACE	40.13
01-1751	USA BLUE BOOK	030781	963.57	N	120 5-00-5010	SALARY & WAGES	696.31
					120 5-00-5148	OPERATING SUPPLIES	267.26
01-2743	LAKE COUNTY COURIER EXPRE	030783	1,311.60	N	120 5-00-5110	CONTRACTUAL SERVICES	1,311.60
01-2816	CARDMEMBER SERVICE	030784	1,655.37	N	120 1287	ROAD IMPROVEMENT	247.97
					120 5-00-5148	OPERATING SUPPLIES	44.84
					120 5-00-5179	ADM MISC EXPENSE	44.15
					120 5-10-5080	MEMBERSHIP & SUBSCRIPT	16.50
					130 5-00-5179	ADM MISC EXPENSE	44.15
					130 5-10-5080	MEMBERSHIP & SUBSCRIPT	16.50
					130 5-30-5175	EDUCATION / SEMINARS	1,241.26
01-2111	CSG SYSTEMS	030785	343.15	N	120 5-00-5110	CONTRACTUAL SERVICES	164.71
					130 5-00-5110	CONTRACTUAL SERVICES	178.44
01-148	PITNEY BOWES, INC.	030786	634.56	N	120 5-00-5110	CONTRACTUAL SERVICES	304.59
					130 5-00-5110	CONTRACTUAL SERVICES	329.97
01-11	STATE OF CALIFORNIA EMPLO	030787	5.40	N	120 2095	S D I PAYABLE	0.90
					120 5-40-5020	EMPLOYEE BENEFITS	1.54
					130 2095	S D I PAYABLE	1.10
					130 5-40-5020	EMPLOYEE BENEFITS	1.86
01-21	CALIFORNIA PUBLIC EMPLOYE	030788	7,478.03	N	120 2088	SURVIVOR BENEFITS - PE	5.53
					120 2090	PERS PAYABLE	1,252.73

A C C O U N T S P A Y A B L E
D I S B U R S E M E N T R E P O R T

SORTED BY CHECK

VENDOR	NAME	CHECK #	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-21	CALIFORNIA PUBLIC EMPLOYE	030788	7,478.03	N	** (CONTINUED) **		
					120 5-20-5021	RETIREMENT BENEFITS	316.33
					120 5-30-5021	RETIREMENT BENEFITS	1,096.95
					130 2088	SURVIVOR BENEFITS - PE	5.63
					130 2090	PERS PAYABLE	1,252.78
					130 5-10-5021	RETIREMENT BENEFITS	1,067.39
					130 5-20-5021	RETIREMENT BENEFITS	316.33
					130 5-30-5021	RETIREMENT BENEFITS	1,096.94
01-11	STATE OF CALIFORNIA EMPLO	030789	1,297.67	N	120 2092	CIT PAYABLE	467.40
					120 2095	S D I PAYABLE	141.36
					120 5-10-5020	EMPLOYEE BENEFITS	10.27
					120 5-30-5020	EMPLOYEE BENEFITS	2.25
					130 2092	CIT PAYABLE	523.85
					130 2095	S D I PAYABLE	140.01
					130 5-10-5020	EMPLOYEE BENEFITS	10.26
					130 5-30-5020	EMPLOYEE BENEFITS	2.27
01-1530	VARIABLE ANNUITY LIFE INS	030790	150.00	N	120 2099	DEFERRED COMP - 457 PL	75.00
					130 2099	DEFERRED COMP - PLAN 4	75.00
01-1	MISCELLANEOUS VENDOR	030791	105.82		130 1052	ACCTS REC WATER USE	105.82
01-112	EEL RIVER FUELS, INC.	030792	564.81	N	120 5-00-5060	GASOLINE, OIL & FUEL	282.41
					130 5-00-5060	GASOLINE, OIL & FUEL	282.40
01-1023	HACH COMPANY	030793	988.92	N	120 5-00-5148	OPERATING SUPPLIES	988.92
01-2749	NAPA AUTO PARTS	030794	57.56	N	120 5-00-5061	VEHICLE MAINT	15.89
					120 5-00-5150	REPAIR & REPLACE	12.90
					130 5-00-5061	VEHICLE MAINT	15.88
					130 5-00-5150	REPAIR & REPLACE	12.89
01-2702	PACE SUPPLY CORP	030795	365.67	N	120 5-00-5150	REPAIR & REPLACE	182.84
					130 5-00-5150	REPAIR & REPLACE	182.83
01-2713	POLYDYNE INC.	030796	199.92	N	120 5-00-5148	OPERATING SUPPLIES	199.92
01-2719	TIRE PROS	030797	381.73	N	120 5-00-5061	VEHICLE MAINT	190.87
					130 5-00-5061	VEHICLE MAINT	190.86
01-2598	VERIZON WIRELESS	030798	639.16	N	120 5-00-5191	TELEPHONE	319.58
					130 5-00-5191	TELEPHONE	319.58
01-2680	BARRY SILVA	030802	44.27	N	120 5-30-5175	EDUCATION / SEMINARS	44.27
01-78	DEPT OF PUBLIC HEALTH DRI	030803	340.20	N	130 5-00-5198	ANNUAL OPERATING FEES	340.20
01-1155	FEDERAL EXPRESS CORPORATI	030804	22.86	N	120 5-00-5092	POSTAGE & SHIPPING	11.43
					130 5-00-5092	POSTAGE & SHIPPING	11.43
01-1	MISCELLANEOUS VENDOR	030805	250.00	N	120 5-00-5123	OTHER PROFESSIONAL SER	125.00
					130 5-00-5123	OTHER PROFESSIONAL SER	125.00

A C C O U N T S P A Y A B L E
 D I S B U R S E M E N T R E P O R T

SORTED BY CHECK

VENDOR	NAME	CHECK #	TOTAL	G/L		G/L	G/L	
			AMOUNT	1099	ACCT	NO#	NAME	AMOUNT
01-2699	MICHELLE HAMILTON	030806	625.00	Y	120	5-00-5110	CONTRACTUAL SERVICES	312.50
					130	5-00-5110	CONTRACTUAL SERVICES	312.50
01-19	NBS GOVERNMENT FINANCE GR	030807	2,261.51	N	711	5-00-5110	CONTRACTUAL SERVICES	2,261.51
01-2684	OFFICE DEPOT	030808	88.97	N	120	5-10-5090	OFFICE SUPPLIES	44.49
					130	5-10-5090	OFFICE SUPPLIES	44.48
01-2607	PATRICIA WILKINSON	030809	67.80	N	120	5-20-5170	TRAVEL MILEAGE	33.90
					130	5-20-5170	TRAVEL MILEAGE	33.90
01-2700	REDFORD SERVICES	030810	950.00	Y	120	5-00-5110	CONTRACTUAL SERVICES	475.00
					130	5-00-5110	CONTRACTUAL SERVICES	475.00
01-1	MISCELLANEOUS VENDOR	030811	150.00	N	130	5-00-5505	WATER CONSERVATION	150.00
01-1579	SOUTH LAKE REFUSE COMPANY	030812	157.14	Y	120	5-00-5155	MAINT BLDG & GROUNDS	78.57
					130	5-00-5155	MAINT BLDG & GROUNDS	78.57
01-2784	SUCCEED.NET	030813	92.20	Y	120	5-00-5110	CONTRACTUAL SERVICES	46.10
					130	5-00-5110	CONTRACTUAL SERVICES	46.10
01-1652	TAMI IPSEN	030814	207.02	N	120	5-20-5170	TRAVEL MILEAGE	37.50
					120	5-20-5175	EDUCATION / SEMINARS	66.01
					130	5-20-5170	TRAVEL MILEAGE	37.50
					130	5-20-5175	EDUCATION / SEMINARS	66.01
01-2734	TASHA KLEWE	030815	49.58	N	120	5-00-5090	OFFICE SUPPLIES	24.79
					130	5-00-5090	OFFICE SUPPLIES	24.79
01-1249	UNDERGROUND SERVICE ALERT	030816	196.50	N	120	5-00-5080	MEMBERSHIP & SUBSCRIPT	98.25
					130	5-00-5080	MEMBERSHIP & SUBSCRIPT	98.25
01-2101	ANALYTICAL SCIENCES	030817	1,609.50	Y	120	5-00-5195	ENV/MONITORING	1,609.50
01-2818	CASE EXCAVATING, INC.	030818	3,362.00	N	120	1286	FIELD EQUIPMENT	2,732.00
					120	5-00-5150	REPAIR & REPLACE	630.00
01-112	EEL RIVER FUELS, INC.	030819	728.27	N	120	5-00-5060	GASOLINE, OIL & FUEL	364.14
					130	5-00-5060	GASOLINE, OIL & FUEL	364.13
01-1023	HACH COMPANY	030820	230.44	N	120	5-00-5148	OPERATING SUPPLIES	230.44
01-111	JAMES DAY CONSTRUCTION, I	030821	1,743.00	N	120	1286	FIELD EQUIPMENT	1,743.00
01-2702	PACE SUPPLY CORP	030822	378.12	N	130	5-00-5150	REPAIR & REPLACE	378.12
01-9	PACIFIC GAS & ELECTRIC CO	030823	8,548.76	N	120	5-00-5192	ELECTRICITY	1,181.05
					130	5-00-5192	ELECTRICITY	7,344.32
					140	5-00-5192	ELECTRICITY	23.39
01-2195	TELSTAR INSTRUMENTS, INC	030824	12,867.69	N	120	1286	FIELD EQUIPMENT	12,867.69

ACCOUNTS PAYABLE
DISBURSEMENT REPORT

VENDOR SET: 01 Hidden Valley Lake

VENDOR CLASS(ES): ALL CLASSES

SORTED BY CHECK

VENDOR	NAME	CHECK #	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-11	STATE OF CALIFORNIA EMPLO	030825	378.01	N	120 2092	CIT PAYABLE	333.97
					120 2095	S D I PAYABLE	44.04
01-1	MISCELLANEOUS VENDOR	030826	185.06		130 1052	ACCTS REC WATER USE	185.06
01-1	MISCELLANEOUS VENDOR	030827	6.79		130 1052	ACCTS REC WATER USE	6.79
01-1	MISCELLANEOUS VENDOR	030828	182.21		130 1052	ACCTS REC WATER USE	182.21
	1099 ELIGIBLE	9	7,551.45				
	1099 EXEMPT	85	<u>151,823.15</u>				
***	REPORT TOTALS	*** 94	159,374.60				

G / L EXPENSE DISTRIBUTION

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
120 1286	FIELD EQUIPMENT	37,457.09
120 1287	ROAD IMPROVEMENT	247.97
120 2088	SURVIVOR BENEFITS - PERS	11.16
120 2090	PERS PAYABLE	2,527.87
120 2091	FIT PAYABLE	4,324.28
120 2092	CIT PAYABLE	1,282.65
120 2093	SOCIAL SECURITY PAYABLE	76.28
120 2094	MEDICARE PAYABLE	478.49
120 2095	S D I PAYABLE	329.98
120 2099	DEFERRED COMP - 457 PLAN	150.00
120 5-00-5010	SALARY & WAGES	696.31
120 5-00-5020	EMPLOYEE BENEFITS	3,639.71
120 5-00-5025	RETIREE HEALTH BENEFITS	849.92
120 5-00-5060	GASOLINE, OIL & FUEL	926.16
120 5-00-5061	VEHICLE MAINT	1,253.44
120 5-00-5080	MEMBERSHIP & SUBSCRIPTIONS	98.25
120 5-00-5090	OFFICE SUPPLIES	24.79
120 5-00-5092	POSTAGE & SHIPPING	11.43
120 5-00-5110	CONTRACTUAL SERVICES	3,553.10
120 5-00-5121	LEGAL SERVICES	450.81
120 5-00-5123	OTHER PROFESSIONAL SERVICES	129.68
120 5-00-5130	PRINTING & PUBLICATION	68.29

A C C O U N T S P A Y A B L E
D I S B U R S E M E N T R E P O R T

VENDOR SET: 01 Hidden Valley Lake

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

SORTED BY CHECK

G/L EXPENSE DISTRIBUTION

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
120 5-00-5145	EQUIPMENT RENTAL	26.34
120 5-00-5148	OPERATING SUPPLIES	2,551.19
120 5-00-5150	REPAIR & REPLACE	4,711.93
120 5-00-5155	MAINT BLDG & GROUNDS	168.57
120 5-00-5179	ADM MISC EXPENSE	44.15
120 5-00-5191	TELEPHONE	858.12
120 5-00-5192	ELECTRICITY	2,625.70
120 5-00-5195	ENV/MONITORING	3,756.30
120 5-00-5311	EQUIPMENT - OFFICE	2,034.44
120 5-00-5585	FLOOD CONTROL EXPENSE	129.27
120 5-10-5010	SALARIES & WAGES	251.50
120 5-10-5020	EMPLOYEE BENEFITS	1,489.31
120 5-10-5021	RETIREMENT BENEFITS	2,200.84
120 5-10-5080	MEMBERSHIP & SUBSCRIPTION	16.50
120 5-10-5090	OFFICE SUPPLIES	233.68
120 5-10-5170	TRAVEL MILEAGE	13.79
120 5-20-5010	SALARIES & WAGES	48.86
120 5-20-5020	EMPLOYEE BENEFITS	1,475.45
120 5-20-5021	RETIREMENT BENEFITS	676.67
120 5-20-5170	TRAVEL MILEAGE	94.28
120 5-20-5175	EDUCATION / SEMINARS	66.01
120 5-30-5010	SALARIES & WAGES	247.59
120 5-30-5020	EMPLOYEE BENEFITS	3,474.38
120 5-30-5021	RETIREMENT BENEFITS	2,401.10
120 5-30-5175	EDUCATION / SEMINARS	44.27
120 5-40-5010	DIRECTORS COMPENSATION	6.88
120 5-40-5020	EMPLOYEE BENEFITS	3,487.56
	** FUND TOTAL **	91,722.34
130 1052	ACCTS REC WATER USE	479.88
130 2088	SURVIVOR BENEFITS - PERS	11.16
130 2090	PERS PAYABLE	2,483.15
130 2091	FIT PAYABLE	3,584.37
130 2092	CIT PAYABLE	1,072.04
130 2093	SOCIAL SECURITY PAYABLE	77.52
130 2094	MEDICARE PAYABLE	407.82
130 2095	S D I PAYABLE	281.27
130 2099	DEFERRED COMP - PLAN 457 PAYAB	150.00
130 5-00-5020	EMPLOYEE BENEFITS	3,449.79
130 5-00-5025	RETIREE HEALTH BENEFITS	849.91
130 5-00-5060	GASOLINE, OIL & FUEL	926.13
130 5-00-5061	VEHICLE MAINT	2,549.68
130 5-00-5080	MEMBERSHIP & SUBSCRIPTIONS	1,298.74
130 5-00-5090	OFFICE SUPPLIES	24.79
130 5-00-5092	POSTAGE & SHIPPING	11.43
130 5-00-5110	CONTRACTUAL SERVICES	2,364.31
130 5-00-5121	LEGAL SERVICES	450.80

SORTED BY CHECK

G/L EXPENSE DISTRIBUTION

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
130 5-00-5122	ENGINEERING SERVICES	3,188.30
130 5-00-5123	OTHER PROFESSIONAL SERVICES	527.32
130 5-00-5130	PRINTING & PUBLICATION	68.29
130 5-00-5145	EQUIPMENT RENTAL	26.34
130 5-00-5150	REPAIR & REPLACE	1,591.92
130 5-00-5155	MAINT BLDG & GROUNDS	168.57
130 5-00-5179	ADM MISC EXPENSE	44.15
130 5-00-5191	TELEPHONE	858.11
130 5-00-5192	ELECTRICITY	15,134.67
130 5-00-5195	ENV/MONITORING	384.00
130 5-00-5198	ANNUAL OPERATING FEES	340.20
130 5-00-5311	EQUIPMENT - OFFICE	2,034.43
130 5-00-5505	WATER CONSERVATION	450.00
130 5-00-5585	FLOOD CONTROL EXPENSE	9.66
130 5-10-5010	SALARIES & WAGES	251.47
130 5-10-5020	EMPLOYEE BENEFITS	2,109.11
130 5-10-5021	RETIREMENT BENEFITS	2,200.78
130 5-10-5080	MEMBERSHIP & SUBSCRIPTION	16.50
130 5-10-5090	OFFICE SUPPLIES	233.66
130 5-10-5170	TRAVEL MILEAGE	59.74
130 5-20-5010	SALARIES & WAGES	48.84
130 5-20-5020	EMPLOYEE BENEFITS	2,095.26
130 5-20-5021	RETIREMENT BENEFITS	676.65
130 5-20-5170	TRAVEL MILEAGE	170.56
130 5-20-5175	EDUCATION / SEMINARS	66.01
130 5-30-5010	SALARIES & WAGES	176.55
130 5-30-5020	EMPLOYEE BENEFITS	4,884.72
130 5-30-5021	RETIREMENT BENEFITS	2,294.68
130 5-30-5175	EDUCATION / SEMINARS	1,241.26
130 5-40-5010	DIRECTORS COMPENSATION	8.42
130 5-40-5020	EMPLOYEE BENEFITS	3,487.87
	** FUND TOTAL **	65,320.83
140 5-00-5020	EMPLOYEE BENEFITS	0.58
140 5-00-5192	ELECTRICITY	48.39
140 5-10-5020	EMPLOYEE BENEFITS	4.64
140 5-20-5020	EMPLOYEE BENEFITS	4.64
140 5-30-5020	EMPLOYEE BENEFITS	11.67
	** FUND TOTAL **	69.92
711 5-00-5110	CONTRACTUAL SERVICES	2,261.51
	** FUND TOTAL **	2,261.51

** TOTAL **

159,374.60

NO ERRORS

SELECTION CRITERIA

VENDOR SET: 01 Hidden Valley Lake
VENDOR: ALL
BANK: ALL
VENDOR CLASS(ES): ALL CLASSES

TRANSACTION SELECTION

REPORTING: PAID ITEMS ,G/L DIST

=====PAYMENT DATES===== =====ITEM DATES===== =====POSTING DATES=====
PAID ITEMS DATES : 3/01/2013 THRU 3/31/2013 0/00/0000 THRU 99/99/9999 0/00/0000 THRU 99/99/9999

PRINT OPTIONS

REPORT SEQUENCE: CHECK
G/L EXPENSE DISTRIBUTION: YES
CHECK RANGE: 000000 THRU 999999

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

DATE: April 16, 2013

AGENDA ITEM: Authorization for Board Member Attendance at Spring ACWA Conference in Sacramento, California

RECOMMENDATIONS:

Authorize Director Mirbegian to attend the Spring ACWA Conference on behalf of the District

FINANCIAL IMPACT:

Approximately \$1,000. Sufficient funding is available in the Director Training accounts (120-5176 and 130-5176)

BACKGROUND:

The Association of California Water Agencies (ACWA) annual spring conference will be held on May 7 through May 10 in Sacramento. Director Mirbegian is requesting Board authorization to attend the conference on behalf of the District.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, _____, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on (DATE) by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

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

DATE: April 16, 2013

AGENDA ITEM: Discussion and Possible Approval: 2011-2012 Audit Report

RECOMMENDATIONS:

Hear presentation by representatives of Smith & Newell Certified Public Accountants and the recommendations of the Board's Finance Committee, and accept 2011-2012 HVLCSD Audit Report prepared by Smith & Newell Certified Public Accountants as drafted or with any amendments deemed appropriate by the Board

FINANCIAL IMPACT:

None

BACKGROUND:

Smith & Newell Certified Public Accountants have completed the annual independent audit of the District's financial records and prepared a draft 2011-2012 HVLCSD Audit Report. Staff and the Board's Finance Committee have reviewed the draft report. Representatives of Smith & Newell and the Board's Finance Committee will brief the Board on their respective findings and recommendations. Key excerpts of the draft report are attached.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, _____, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on (DATE) by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Hidden Valley Lake Community Services District
Middletown, California

We have audited the accompanying financial statements of the business-type activities and each major fund of the Hidden Valley Lake Community Services District, Middletown, California (District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

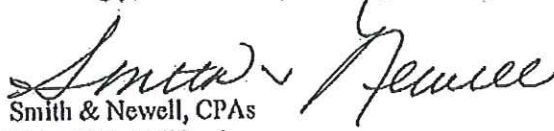
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the District as of June 30, 2012, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 26, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Board of Directors
Hidden Valley Lake Community Services District
Middletown, California

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The introductory section and combining fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.


Smith & Newell, CPAs
Yuba City, California
March 26, 2013

**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

This section of the Annual Financial Report contains a narrative overview and analysis of the Hidden Valley Lake Community Services District (District) financial activities for the year ended June 30, 2012. Readers are encouraged to consider the information presented here in conjunction with the Annual Financial Statements.

Overview of the Financial Statements

The financial section of this report consists of five parts.

- Independent Auditor's Report
- Management Discussion and Analysis (Required Supplementary Information)
- Basic Financial Statements, which include:
 - Government-Wide Financial Statements
 - Fund Financial Statements
 - Notes to Basic Financial Statements
- Required Supplementary Information
- Supplementary Information, which include:
 - Combining Fund Statements

Financial Highlights

Entity-wide:

- The District's total net assets were \$5,974,778 as of June 30, 2012. Of this total, \$1,790,380 was invested in capital assets, net of related debt.
- The District's total revenues include operating program revenues of \$3,304,012, capital program revenues of \$872,192, and general revenues of \$148,761 for a total of \$4,324,965.
- District expenses were \$3,810,744.

The Basic Financial Statements for the District are presented as "Government Wide" and Enterprise Fund financial statements.

Government Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business. The government-wide financial statements can be found on pages 6 and 7 of this report.

Fund Financial Statements

A "fund" is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has four proprietary funds: Water, Waste Water, Flood Control, and FEMA. The fund financial statements can be found on pages 8 through 13 of this report. Proprietary funds distinguish operating revenues and expenses from non-operating items. In addition, net assets are segregated amounts invested in capital assets, net of related debt and unrestricted.

Notes to Financial Statements

The notes provide additional information that is essential to fully understanding the data provided in the financial statements. The notes to the financial statements can be found on pages 14 through 30 of the Hidden Valley Lake Community Services District Annual Financial Statement.

Financial Analysis of the Fund Financial Statements Analysis of Net Assets

	<u>Total</u>	
	<u>2012</u>	<u>2011</u>
Assets:		
Current and other assets	\$ 6,641,656	\$ 5,115,009
Noncurrent assets	<u>12,209,039</u>	<u>11,742,457</u>
Total Assets	<u>18,850,695</u>	<u>16,857,466</u>
Liabilities:		
Current and other liabilities	3,256,471	1,505,596
Noncurrent liabilities	<u>9,619,446</u>	<u>9,891,313</u>
Total Liabilities	<u>12,875,917</u>	<u>11,396,909</u>
Net Assets		
Invested in capital asset, net of related debt	1,790,380	998,810
Restricted for Debt Service & Other	2,717,704	2,767,023
Restricted for Capital Facilities	435,228	432,879
Unrestricted	<u>1,031,466</u>	<u>1,261,845</u>
Total Net Assets	<u>\$ 5,974,778</u>	<u>\$ 5,460,557</u>

Net assets represent the difference between the District's resources and its obligations. At June 30, 2012, a significant portion of the District's total net assets, 17%, reflect the unrestricted net assets. Unrestricted net assets are considered the residual component of net assets, meaning they are not restricted or a part of the net investment in capital assets. Additionally, the District had 46% of its net assets restricted for debt service and 7% restricted for capital facilities. Finally, the District had 30% of its net assets invested in capital assets net of related debt. These capital assets are used by the District to provide services to citizens. Additional capital asset information can be found in the Capital Assets and Debt Administration section of this MD&A.

Statement of Changes in Net Assets

	Total	
	2012	2011
Operating Revenue		
Changes for Service	\$ 2,196,958	\$ 2,069,044
Miscellaneous	140,322	185,204
Assessments	1,107,054	1,061,296
Total Operating Revenues	3,444,334	3,315,544
Operating Expenses		
Salaries and benefits	1,171,105	1,182,622
Services and supplies	898,993	804,543
Depreciation	1,248,034	1,237,172
Total Operating Expenses	3,318,132	3,224,337
Operating Income (loss)	126,202	91,207
Non-Operating Revenue (Expenses)	388,019	(523,688)
Change in Net Assets	514,221	(432,481)
Total Net Assets - Beginning	5,460,557	5,792,300
Prior Period Adjustment	-	100,738
Total Net Assets - Beginning Restated	5,460,557	5,893,038
Total Net Assets, Ending	\$ 5,974,778	\$ 5,460,557

Capital Asset Administration

The District's net capital assets increased from \$11,702,986 to \$12,201,754 for the year ended June 30, 2012. The total increase was \$498,768 including additions and adjustment to capital assets of \$1,746,802 and additions and adjustments to accumulated depreciation of \$1,248,034. Details of the capital asset transactions can be found on page 22, Note 4.

Debt Administration

The District's long-term debt was for the infrastructure of water lines, sewer lines, pump stations and processing plant. At year end June 30, 2012 the long-term debt decreased from \$10,845,708 to \$10,625,508 due to payments. Details of the debt outstanding can be found on pages 23 through 25, Note 6.

Economic Factors and Next Year's Budget

National and local foreclosures continue to flood the market affecting projected revenues. For fiscal year 2011/2012, Hidden Valley Lake Community Services District had only one new water connections and one new sewer connection (compared to two water and one sewer hookup for 2010-2011 and two for each, water and sewer, in 2009/2010, three for each, water and sewer, in 2008/2009, and nine water and three sewer hookups in 2007/2008.) Foreclosures are expected to continue through calendar year 2012 and beyond.

Requests for Information

This financial report is designed to provide a general overview of the finances of the District. This report does not reflect the overall finances of operations. For that information, please refer to the separate audit reports. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Hidden Valley Lake Community Services District, 19400 Hartman Road, Hidden Valley Lake, CA 95467.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Single Audit Act
For the Year Ended June 30, 2012

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Hidden Valley Lake Community Services District
Middletown, California

We have audited the financial statements of the proprietary funds of Hidden Valley Lake Community Services District, California (District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 26, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies in internal control over financial reporting. (12-FS-01, 12-FS-02 12-FS-03 and 12-FS-04) A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

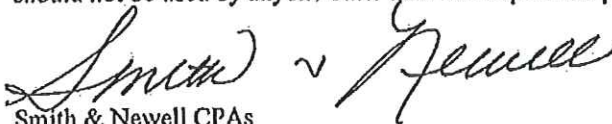
To the Board of Directors
Hidden Valley Lake Community Services District
Middletown, California

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the District's responses, and accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Board of Directors, others within the entity, and Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Handwritten signatures of Smith and Newell in cursive script.

Smith & Newell CPAs
Yuba City, California
March 26, 2013

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB
CIRCULAR A-133**

To the Board of Directors
Hidden Valley Lake Community Services District
Middletown, California

Compliance

We have audited Hidden Valley Lake Community Services District, California's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2012. The District's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 12-SA-01 and 12-SA-02.

Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

To the Board of Directors
Hidden Valley Lake Community Services District
Middletown, California

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

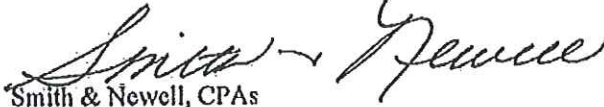
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the proprietary fund of Hidden Valley Lake Community Services District, California, as of and for the year ended June 30, 2012, and have issued our report thereon dated March 26, 2013, which contained unqualified opinions on those financial statements. Our audit was conducted for the purposes of forming our opinions on the financial statements that collectively comprise the District's financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

The District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the District's responses, and accordingly, we express no opinion on them.

The purpose of this report is solely to describe the scope of our testing of compliance with the types of compliance requirements applicable to each of the District's major programs and our testing of internal control over compliance and the results of our testing, and to provide an opinion on the District's compliance but not to provide an opinion on the effectiveness of the District's internal control over compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's compliance with requirements applicable to each major program and its internal control over compliance. Accordingly, this report is not suitable for any other purpose.


Smith & Newell, CPAs
Yuba City, California
March 26, 2013

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

<u>Federal Program/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Grantor/ Pass-Through Grantor Number</u>	<u>Disbursements/ Expenditures</u>
U.S. Department of Agriculture			
Direct Program:			
Water and Waste Disposal Systems for Rural Communities	10.760	-	<u>\$ 1,512,192</u>
Total U.S. Department of Agriculture			<u>1,512,192</u>
Total			<u><u>\$ 1,512,192</u></u>

See accompanying Notes to Schedule of Expenditures of Federal Awards

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

1. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Hidden Valley Lake Community Services District, Middletown, California. The Hidden Valley Lake Community Services District's reporting entity is defined in Note 1 to the District's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the Schedule of Expenditures of Federal Awards.

2. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. The accompanying schedule of expenditures of federal awards, is generally presented using the accrual basis of accounting for grants accounted for in the proprietary fund types, as described in the notes to the District financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

3. RELATIONSHIP TO FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the District's financial statements, federal award revenues are reported principally in the District's financial statements as intergovernmental revenue.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements	<u>Status</u>
1. Type of auditor's report issued	Unqualified
2. Internal controls over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified not considered to be material weaknesses?	Yes
3. Noncompliance material to financial statements noted?	No
Federal Awards	
1. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified not considered to be material weaknesses?	No
2. Type of auditor's report issued on compliance for major programs:	
All major programs	Unqualified
3. Any audit findings disclosed including those that are required to be reported in accordance with OMB Circular A-133 Section 510(a)?	Yes
4. Identification of major programs:	
10.760 Water and Waste Disposal Systems for Rural Communities	
5. Dollar threshold used to distinguish between Type A and Type B programs?	\$300,000
6. Auditee qualified as a low-risk auditee under OMB Circular A-133, Section 530?	No

II. FINANCIAL STATEMENT FINDINGS

- 12-FS-01 Account Balances (Significant Deficiency)
- 12-FS-02 Fund Equity Reserves (Significant Deficiency)
- 12-FS-03 CIEDB Debt Service Coverage (Significant Deficiency)
- 12-FS-04 Year-End Closing Process (Significant Deficiency)

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

12-SA-01	10,760	Water and Waste Disposal Systems for Rural Communities
12-SA-02	10,760	Water and Waste Disposal Systems for Rural Communities

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

12-FS-01 Account Balances (Significant Deficiency)

Condition

During our audit, we noted that various balance sheet accounts had not been adjusted to reflect current year end balances. This is a repeat of a prior year finding.

Cause

We noted that accounts receivable, assessments receivable, capital assets, accumulated depreciation, and Net OPEB obligation were not adjusted as necessary to accurately reflect current balances.

Criteria

Generally accepted accounting principles require that account balances be adjusted as necessary to reflect current balances.

Effect of Condition

Accounts were not properly adjusted prior to the start of the annual audit.

Recommendation

We recommend that the District reconcile and adjust account balances in a timely manner.

Corrective Action Plan

Prior to the close of the audit, all balance sheet accounts were reconciled and adjusted as necessary to reflect current balances.

12-FS-02 Fund Equity Reserves (Significant Deficiency)

Condition

We noted that in prior years the District had not established a reserve for connection fees. Although the District now has a reserve, the beginning carryover balance was not verified. This is a repeat of a prior year finding.

Cause

The connection fees in prior years had not been properly reserved when received.

Criteria

Generally accepted accounting principles require that revenues received that are legally restricted to be used only for specific purposes are to be appropriately reserved.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

12-FS-02 Fund Equity Reserves (Significant Deficiency) (Continued)

Effect of Condition

The reserve for connection fees established by the District did not include a beginning carryover balance.

Recommendation

We recommend that the District review the collection of connection fees in prior years and determine an appropriate carryover balance.

Corrective Action Plan

The District will review the carryover balance established in 2007 to determine if corrective action must be taken.

12-FS-03 CIEDB Debt Service Coverage (Significant Deficiency)

Condition

We noted that the Water enterprise fund debt service coverage calculation as required by the California Infrastructure and Economic Development Bank for the fiscal year ended June 30, 2012 did not meet the requirements of section 5.06(b) of the loan document. This is a repeat of a prior year finding.

Cause

The District has been unable to increase revenues adequate to produce a net system revenue equal to 110 percent of the annual debt service.

Criteria

The California Infrastructure and Economic Development Bank loan requirements require that system revenues meet the requirement so that revenues are in an amount sufficient to be at least equal to 110 percent of the annual debt service.

Effect of Condition

The District was required to establish a water rate stabilization account within the Water enterprise fund in the amount of \$201,000 to comply with the requirements of section 5.06(b).

Recommendation

We recommend that the District analyze options to ensure full compliance with the loan requirements of the California Infrastructure and Economic Development Bank.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

12-FS-03 CIEDB Debt Service Coverage (Significant Deficiency) (Continued)

Corrective Action Plan

This District is current on all outstanding obligations and will continue to make timely payments to CIEDB. In 2010, The District's Board of Directors adopted a multi-year rate increase to help meet debt requirements.

12-FS-04 Year End Closing Process (Significant Deficiency)

Condition

The audit fieldwork process was delayed because of significant delays in receiving critical schedules and source documents.

Cause

District accounting staff was still posting year-end closing entries in March 2013.

Criteria

Governmental Accounting Standards identify timeliness as a key characteristic and objective of financial reporting system. Financial reports should be published soon after the close of the District's fiscal year so as to balance the needs of reliable financial data with the needs of financial statements users to make timely decisions.

Effect of Condition

The audit process for the District was significantly delayed.

Recommendation

We recommend that the District develop more sufficient procedures for year-end closing processes and produce critical schedules and source documents in a timely manner so as to not delay the financial reporting of the District.

Corrective Action Plan

The District has implemented this recommendation.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

12-SA-01

Name:	Water and Waste Disposal Systems for Rural Communities
CFDA #:	10.760
Federal Grantor:	U.S. Department of Agriculture
Pass Through Entity:	None
Award No.:	N/A
Year:	2011/2012

Condition

The District did not obtain documentation from its vendors showing that laborers were being paid prevailing wage.

Cause

The District did not obtain weekly certified payrolls from contractors.

Criteria

For federally funded construction projects that exceed \$2,000, the Davis-Bacon Act requires contractors to pay federally prescribed prevailing wages to laborers. The Act requires recipients of federal funds to obtain weekly certified payrolls from all contractors and subcontractors to ensure prevailing wages are properly paid.

Effect of Condition

Without proper internal controls, the risk increases that laborers could be paid rates that did not meet federal regulations.

Questioned Costs

We could not determine whether the actual amounts paid to laborers met Federal requirements, as no certified weekly payrolls were obtained by the District for one contractor.

Recommendation

We recommend that the District establish internal controls to ensure it complies with the requirements of the Davis-Bacon Act. We further recommend that the District obtain certified weekly payrolls for the project to determine if federal prevailing wages were paid.

Corrective Action Plan

The District has received certified payroll and has ensured that prevailing wage was paid as required.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

12-SA-02

Name:	Water and Waste Disposal Systems for Rural Communities
CFDA #:	10.760
Federal Grantor:	U.S. Department of Agriculture
Pass Through Entity:	None
Award No.:	N/A
Year:	2011/2012

Condition

During our reconciliation of the general ledger and actual expenses to reimbursement requests we noted estimated expenses of \$27,000 claimed and the actual cost was \$25,500, and \$400 of expenses claimed as the result of an input error.

Cause

The District reported program expenses that could not be supported by expenses recorded on the general ledger or actual invoice.

Criteria

Good internal control over federal grant programs require that amounts reported and invoiced as grant expenses be based on actual expenses.

Effect of Condition

The District reported amounts as expended on the grant that could not be supported.

Questioned Costs

The District reported \$1,900 in expenses that could not be supported by expenses recorded on the general ledger or actual invoice.

Recommendation

We recommend that the District only claim reimbursement for grant expenses based on actual amounts expended.

Corrective Action Plan

The District will await response from The United States Department of Agriculture, Rural Development, USDARD, as to action necessary to correct the overstatement.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Status of Prior Year Recommendations
For the Year Ended June 30, 2012

<u>Audit Reference</u>	<u>Status of Prior Year Audit Recommendation</u>
11-FS-01	<p>Account Balances</p> <p>Recommendation</p> <p>We recommend that the District reconcile and adjust account balances in a timely manner.</p> <p>Status</p> <p>Not Implemented</p>
11-FS-02	<p>Fund Equity Reserves</p> <p>Recommendation</p> <p>We recommend that the District review the collection of connection fees in prior years and determine an appropriate carryover balance.</p> <p>Status</p> <p>Not Implemented</p>



Hidden Valley Lake Community Services District

Finance Committee Report

DATE: March 28, 2013
TIME: 6:30 p.m.
PLACE: Hidden Valley Lake CSD
Administration Office, Boardroom
19400 Hartmann Road
Hidden Valley Lake, CA

1) CALL TO ORDER:

Meeting of the Hidden Valley Lake Community Services District Finance Committee called to order on March 28, 2013 at the hour of 6:32 p.m. at 19400 Hartmann Road, Hidden Valley Lake, California.

2) PLEDGE OF ALLEGIANCE: There was no pledge.

3) ROLL CALL:

Present – Directors Graham and Freeman. Also present: Roland Sanford, General Manager; Tami Ipsen, Administrative Assistant.

4) APPROVAL OF AGENDA:

Director Graham moved, Director Freeman seconded to approve the March 28, 2013 agenda.

Motion approved by unanimous vote.

5) STATUS OF 2011-2012 AUDIT REPORT

Mr. Sanford reported the DRAFT 2011-2012 Audit will be ready for Board review and possible approval at the April 16, 2013 board meeting. Committee will review DRAFT audit before it goes to the Board.

6) RESULTS OF AUDIT SERVICES RFP SOLICITATION

The District received five bids for audit services. Mr. Sanford reviewed the three lowest bids and explained the most responsive and technically superior of the three bids was submitted by the firm currently providing audit services. The committee requested additional information on the two highest bids - whether their prices were negotiable - before making a recommendation. Staff will provide additional information at the next committee meeting.

7) DEVELOPMENT OF FINANCE COMMITTEE "CHARTER"

After review, there were no significant changes proposed to the current the Finance Committee policy.

8) PUBLIC COMMENTS:

There were none.

9) ADJOURNMENT:

The meeting was adjourned at 7:58 p.m. on motion by Director Graham, seconded by Director Freeman, and unanimously carried.



Hidden Valley Lake Community Services District

Personnel Committee Report

DATE: April 3, 2013
TIME: 11:00 a.m.
PLACE: Hidden Valley Lake CSD
Administration Office, Boardroom
19400 Hartmann Road
Hidden Valley Lake, CA

1) CALL TO ORDER:

Meeting of the Hidden Valley Lake Community Services District Personnel Committee called to order on April 3, 2013 at the hour of 11:00 a.m. by Director Mirbegian at 19400 Hartmann Road, Hidden Valley Lake, California.

2) PLEDGE OF ALLEGIANCE: There was no pledge.

3) ROLL CALL:

Present – Directors Herndon and Mirbegian. Also present: Roland Sanford, General Manager; Tami Ipsen, Administrative Assistant.

4) APPROVAL OF AGENDA:

Director Herndon moved to approve the agenda.

Motion approved.

5) CSDA 2000 POLICY SERIES REVIEW STATUS

Mr. Sanford reported that among the CSDA sample policies the committee was assigned to review, there are 50 policies that are not already incorporated, in one form or another, into the Hidden Valley Lake CSD Personnel Policy Manual. Mr. Sanford estimates it could take the remainder of the calendar year for the committee to complete its review of the CSDA sample policies.

6) USE OF COSTA MESA SANITARY DISTRICT "EMPLOYEE HANDBOOK" AS A MODEL FOR HVLCD EMPLOYEE HANDBOOK

Staff believes the Costa Mesa Sanitary District Employee Handbook, which was revised in January 2013 and undergone legal review, can serve as a useful template for the Hidden Valley Lake CSD Personnel Policy Manual. The committee agreed there were many policies in the Costa Mesa Sanitary District Handbook that could be readily incorporated into the Hidden Valley Lake CSD Personnel Policy Manual as written. The committee recommended Mr. Sanford to solicit District staffs' input regarding the format of the Costa Mesa Sanitary District Handbook.

7) REVIEW OF PERSONNEL COMMITTEE POLICY

The committee discussed various changes to the existing Personnel Committee policy and will submit proposed revisions to the Board for review and possible adoption.

8) FEASIBILITY OF IMPLEMENTING EMPLOYEE PERFORMANCE PROGRAMS

The committee discussed the potential benefits and pitfalls of performance programs and agreed the General Manager should be given the option of developing an employee performance program.

9) COMMITTEE MEMBER COMMENT

Director Herndon inquired about the status of the April newsletter and CPS HR Consulting salary survey for the remaining job descriptions.

10) PUBLIC COMMENTS:

There were none.

11) ADJOURNMENT:

The meeting was adjourned at 12:50 p.m.



Hidden Valley Lake Community Services District

Lake Water Use Agreement Review Ad Hoc Committee Report

DATE: March 20, 2013
TIME: 11:00 a.m.
PLACE: Hidden Valley Lake CSD
Administration Office, Boardroom
19400 Hartmann Road
Hidden Valley Lake, CA

1) CALL TO ORDER:

Meeting of the Hidden Valley Lake Community Services District Lake Water Use Agreement Review Ad Hoc Committee called to order on March 20, 2013 at the hour of 11:00 a.m. by Director Mirbegian at 19400 Hartmann Road, Hidden Valley Lake, California.

2) PLEDGE OF ALLEGIANCE:

3) ROLL CALL:

Present on behalf of Hidden Valley Lake CSD - Directors Herndon and Mirbegian; Roland Sanford, General Manager; Tami Ipsen, Administrative Assistant
Present on behalf of Hidden Valley Lake Association - Directors Surber and Waite; Bill Chapman, General Manager.

4) APPROVAL OF AGENDA:

Director Herndon moved and seconded to approve the March 20, 2013 agenda.

Motion approved by unanimous vote.

5) New Business:

a) Review of the Lake Water Use Agreement

Neither Hidden Valley Lake Association (Association) nor Hidden Valley Lake CSD (District) requested any changes to the existing Lake Water Use Agreement. Mr. Chapman reviewed the Hidden Valley Lake Association's tentative schedule for aquatic weed abatement by a to-be-determined contractor, and noted the Association will be forwarding a copy of the contractor's proposal to the District for review and comment. Mr. Chapman also explained the Association continues to investigate the feasibility of dredging in the vicinity of Little Beach.

b) Other Issues Related to the Hidden Valley Lake

Mr. Chapman reported the Association is assessing the risk of quagga mussel infestations, and actions the Association could take to minimize the potential for quagga mussel infestations at the lake. He also reported the Association had cleaned a number of culverts in the vicinity of the lake to minimize soil erosion at and near various water courses draining to the lake.

6) PUBLIC COMMENTS:

Mr. Chapman provided a brief update of the Association's plan to develop a trail system that would encompass all or part of the District's levee and explained the project has been put on hold due to the high costs associated with ADA (American's with Disability Act) compliance. He also noted the Association has completed an emergency evacuation plan addressing dam failure – complete or partial collapse of the Hidden Valley Lake dam.

7) ADJOURNMENT:

The meeting was adjourned at 11:48 a.m. on motion by Director Herndon and unanimously carried.

***ACWA Policy Principles
for
Improved Management of California's Headwaters***

For purposes of these policy principles, "headwaters" is defined as those upper portions of a watershed which contribute to or influence the surface and subsurface waters that give rise to or contribute to a river or other waters flowing to the lower reaches of the watershed.

A reliable supply of high quality water is fundamental to securing drinking water for all Californians, maintaining agricultural productivity, and supporting a vibrant and diverse economy. Headwaters -- from the Cascades, the Sierra Nevada, the coastal ranges and mountain foothills, and to the numerous ranges of the San Bernardino and Cleveland National Forests -- contribute to achieving this imperative for the State. However, if better managed, they could do much more.

Ultimately, managing California's headwaters is integral to optimizing the water supplies nature provides. Increasing water yield and quality; reducing the risk and impacts of catastrophic wildfire; and enhancing natural features and functions; are all benefits to be derived, locally and statewide, from improved headwaters stewardship. Enhancing the resiliency and adaptability of headwaters is overdue.

California can no longer afford to relegate management of its headwaters to the margin.

Local water management agencies/districts, working cooperatively with appropriate stakeholders, including state and federal resource agencies, should pursue headwaters management strategies consistent with the following principles that have been adopted by ACWA's Board of Directors.

Reverse: State and federal resource agencies should work cooperatively with local water management agencies/districts and appropriate stakeholders.

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IMPROVED PLANNING, COORDINATION AND IMPLEMENTATION

1. California needs to implement strategies that emphasize the resiliency and sustainability of California's headwaters.
2. Headwaters improvement and management strategies need to recognize that "one size does not fit all" and must account for variability among these areas throughout the State, and even within a particular watershed.

3. State and federal land and resource management agencies, in consultation with local water management agencies/districts and stakeholders, should increase coordination and integration as they plan and implement efforts to improve stewardship of California's headwaters.

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4. Local water management agencies/districts communities' priorities, knowledge and expertise should be addressed and used to the greatest extent feasible when developing and implementing management strategies for headwater areas.

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5. Projects and management practices designed to improve headwaters should yield benefits to local and downstream communities, and environmental resources that use water from the headwaters.

6. Planning and/or permitting processes on public and private lands should ensure that land-use proposals in the headwaters adequately assess potential significant adverse impacts on water supply and quality and minimize or mitigate those impacts.

MANAGING HEADWATERS' RESOURCES

7. The natural resources such as soil and vegetative cover infrastructure of the headwaters and the engineered water infrastructure throughout the State are too often considered unrelated and instead should be managed in an integrated manner.

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8. Public and private landowners and resource managers should be encouraged and assisted in their efforts to improve water quality and water supply reliability through headwaters stewardship.

9. Landowners and resource managers should be encouraged and assisted to manage and improve the resiliency of the natural features of the headwaters.

[Note from the Working Group Chair: As the headwaters framework is developed, opportunities will be identified to improve forests, rangeland, chaparral, meadows, wetlands and soils to provide for healthier and more resilient headwaters that will be less vulnerable to insect and disease epidemics, catastrophic wildfires and erosion which can have deleterious impacts on water supply and water quality.]

10. To maintain the integrity and improve the resiliency of the headwaters, public and private landowners and resource managers should implement actions that reduce the risk of catastrophic wildfire which also may reduce the adverse effects of such fires when they do occur.

11. Forest management tools as such forest thinning, biomass removal and controlled burns that reduce fuel loading, and consequently, the risk of catastrophic wildfires should be utilized to the extent feasible, taking into account other resources objectives, including water management, and public health and safety. Federal and state regulations that limit such efforts should be reassessed to better accommodate these management tools.
12. The U.S. Forest Service must reaffirm and commit to the charge Congress gave it in the Organic Act of 1897 "to improve and protect the forest within [and for] securing favorable water flows", and revise its policies and management practices necessary to prioritize and achieve those mandated goals.

RESEARCH

13. State and federal resource and land management agencies, in cooperation with academic institutions, water agencies/districts, the private sector and non-government organizations, should develop a prioritized applied research and monitoring program to gather data and design models to improve headwaters management and enhance [resource-ecosystem](#) services, particularly those related to water supply and quality.
14. Research and strategies to improve [the resiliency and sustainability of](#) headwaters should be based on the best available science that is, to the greatest degree feasible, peer reviewed.
15. Headwaters research programs should engage in the field testing of research hypotheses that may improve the resiliency and sustainability of California's headwaters and consequently, may contribute to improved water supply reliability and water quality.
16. State and federal land and resource management agencies, in collaboration with [water agencies/districts](#), private and public stakeholders, should pursue research to assess the impacts of climate change on [the resiliency and sustainability of](#) headwaters. They should determine the resource benefits the headwaters currently provide, create models to assess the impacts of climate change on these resources and develop strategies to adapt to those impacts.

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FINANCING HEADWATERS IMPROVEMENTS

17. It is imperative that Congress provide direction and appropriations to the Department of the Interior and the Department of Agriculture for the development and implementation of

| programs to enhance the ~~health and~~ resiliency and sustainability of federally managed headwaters to improve the supply and quality of water originating on federal lands.

| 18. The State has historically underinvested in headwaters stewardship. Future general obligation bonds should contribute funding to restore, manage and protect the resiliency and sustainability of California's headwaters to provide the statewide public benefits associated with healthy and resilient headwaters.

| 19. Private landowners should receive assistance in terms of education and information, technical expertise and incentives (e.g. tax credits, conservation easements, development agreements, etc.) to encourage their commitment to long-term protection and enhancement of the resiliency and sustainability of headwaters on their property.



Association of California Water Agencies

Since 1910

Leadership • Advocacy • Information • Service

State Legislative Committee

Friday, March 22, 2013
Sacramento, California

MEETING SUMMARY

Deputy Executive Director of Government Relations' Report – Cindy Tuck

- **California Water Bond** – ACWA supports avoiding earmarks and making the funding competitive, in order to reduce the size of the water bond. Additionally, there are areas of the current bond that could be funded at a regional level, which could increase the acceptability of a statewide bond and better serve specific regional issues. The ACWA Board will consider draft recommendations from the Finance Task Force on March 29.
- **Improved Management of California's Headwaters Initiative** – ACWA's working group, formerly known as the Watershed Initiative, has met five times since the beginning of the year, and a drafting team has met three times. The Board of Directors will consider draft policy principles on March 29.
- **AB 145 (Perea)** – An oversight hearing on March 18 focused on organization of the State's Drinking Water Program. DPH is improving their funding for the State Revolving Fund. Transparency in decision-making was one of the reasons cited by the environmental groups for transferring the Drinking Water program over to the Water Board. ACWA provided the lead testimony against moving the program to the Water Board. ACWA hosted a meeting with water organizations and the supporters of the bill on March 20.
- **Appointments** – The governor reappointed Tam Doduc and Frances Spivy-Weber to the Water Board. The Governor also appointed Dorene D'Adamo as a new member of the State Water Board. Felicia Marcus will assume the position of Chair when Charles Hoppin steps down in April. Former federal judge Frank Damrell has been appointed to the Delta Stewardship Council.

2013 Legislative Symposium – Wendy Ridderbusch

The 2013 Legislative Symposium was well-received, thanks in large part to its organizer, ACWA State Relations Analyst Rick Morin. We say goodbye to Rick, as he is leaving ACWA to start his own law practice. We wish him the best of luck. ACWA's Spring Conference will run from May 7 through May 10, we invite you to join us. A packet of information with the pertinent details was left on the back table.

Review of Bill Packets #1 and 2 – Points of Discussion

AB 1043 (Chau) Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006: groundwater contamination.

The Committee decided that this requires further clarification through amendments specifying terms or defining who will decide what is "appropriate and reasonable".

AB 1059 (Wieckowski) Public officers and employees: financial interests

The Committee was in favor of narrowing the bill, as its current wording would negatively impact many ACWA members, as many ACWA members rely on contracted workers who would be negatively affected by this bill.

AB 1235 (Gordon) Local agencies: financial management training.

The Committee would like to see a modification that does not impose a mandatory training on already trained ethical professionals, and would rather see this ethics training be offered on an as-needed or as-desired basis.

SB 42 (Wolk) The California Clean, Secure Water Supply and Delta Recovery Act of 2014.

The Committee had a great amount of discussion on this bill. The Committee did not find amendments that would work for ACWA members. The bill would need to be fleshed out more fully. Hearing other member agencies' comments and objections would be beneficial.

SB 425 (DeSaulnier) Public works: the Public Works Peer Review Act of 2013.

The Committee was of the opinion that expert review was beneficial to projects, but additional non-expert review was not beneficial.

SB 735 (Wolk) Sacramento-San Joaquin Delta Reform Act of 2009: covered actions.

The Committee decided that this would negatively affect a large part of the Delta plan, and that opting out of the plan before it is finalized would be ill-advised.

SB 750 (Wolk) Building standards: water meters: multiunit structures.

There were several issues with the bill. ACWA would want clarification that the Building Department is responsible for requiring sub-meters. Some additional amendments were sought by East Bay MUD.

Reminder: ACWA Spring Conference – May 7-10, 2013 (Sacramento Convention Center)

**Community experiences and perceptions of geothermal venting
and emergency preparedness in Lake County, California,**

November, 2012

Reported By:

Health Studies Branch, Division of Environmental Hazards and Health Effects, National Centers for
Environmental Health, Centers for Disease Control and Prevention (CDC)

Air Pollution and Respiratory Health Branch, Division of Environmental Hazards and Health Effects,
National Centers for Environmental Health, Centers for Disease Control and Prevention (CDC)

California Department of Public Health (CDPH), California

Lake County Public Health Division (LCPHD), California

CDC disclaimer

**The findings and conclusions in this report are those of the authors and do not necessarily represent the views of the Centers for
Disease Control and Prevention**

Acknowledgements

We would like to acknowledge the following persons for their contributions, without which, this endeavor would not have been possible.

Lake County Public Health Division and Air Quality Management District

Karen Tait, MD

Ray Ruminski

Doug Gearhart (AQMD)

Linda Fraser

California Department of Public Health

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Tracy Barreau, REHS

Lori Copan, RPh, MPH

Rebecca Cohen, MPH

Rick Kreutzer, MD

Svetlana Smorodinsky, MPH

Jason Wilken, PhD, MPH

Rebecca Lakew

Olga Martinez

Alberto Aparicio

Centers for Disease Control and Prevention

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Tesfaye Bayleyegn, MD

Sara Vagi, PhD

Amy Wolkin, MSPH

Matthew Lozier, PhD, MPH

Bryan Christensen, PhD, MEPC

Fuyuen Yip, PhD, MPH

Lauren Lewis, MD MPH

We also want to thank the interview teams and survey respondents for their contributions.

Executive Summary

Lake County, California is located on top of tectonic plate conjunctions and has had a long history of volcanic activity, with the last eruption having occurred 10,000 years ago (1). The geologic makeup of this region makes Lake County vulnerable to a variety of environment disasters and hazards such as earthquakes, volcanic eruptions, and geothermal venting of harmful gases such as hydrogen sulfide and methane. In addition, the area has also experienced frequent flooding and wild fires.

The California Department of Public Health (CDPH) and Lake County Public Health Division (LCPHD) requested the assistance of the Centers for Disease Control and Prevention (CDC) in conducting a Community Assessment for Public Health Emergency Response (CASPER) to assess disaster preparedness of the community and outdoor air measurement to determine the level of geothermal venting gases in the community. The Community Assessment for Public Health Emergency Response (CASPER) tool is an effective method to assess public health needs in both disaster and non-disaster settings. This information can then be used to initiate public health action during a disaster or for disaster planning in a non-disaster scenario.

The objectives of this CASPER were to assess and determine 1) the degree of disaster preparedness of the community, 2) the community experiences and perceptions associated with geothermal venting, 3) if hydrogen sulfide and methane are diffusing from the subsurface to help identify areas of potential concern for vapor intrusion and geothermal venting, and 4) the vulnerabilities of unregulated private well water use for drinking and household water testing practices.

On November 26-28, 2012, CDPH, LCPHD and CDC jointly conducted the CASPER and outdoor air sampling in Lake County. For the fourteen two-person CASPER interview teams and three two-person air sampling teams, this consisted of a half day just-in-time training for the field staff and two and half days of data collection in the field. Team members consisted of CDPH, LCPHD and CDC public health and environmental health staff. We conducted a total of 161 household interviews and collected a total of 510 air measurements in the 30 selected clusters. The key findings were:

- One in five households had experience with geothermal venting in or around their home, and one third have some concern regarding potential effects of geothermal gases.
- Households' preferred communication methods during a disaster were television, radio, cell phone, and Internet.
- One third of the households had at least one communication barrier; of these, two-thirds had hearing problems.
- Half of the households have made a family disaster plan while 10% have participated in neighborhood emergency planning.
- Majority of the households will take pets and livestock with them during an evacuation.
- One in three households drinking private well water never examined or last examined their wells more than 1 year ago.
- No locations had elevated levels of high concern (≥ 30 ppb of hydrogen sulfide or $\geq 50\%$ LEL ($\geq 2.5\%$ in air) of methane).

Recommendations:

- Provide information to the community regarding geothermal venting.
- Consider documenting community concerns regarding geothermal venting.

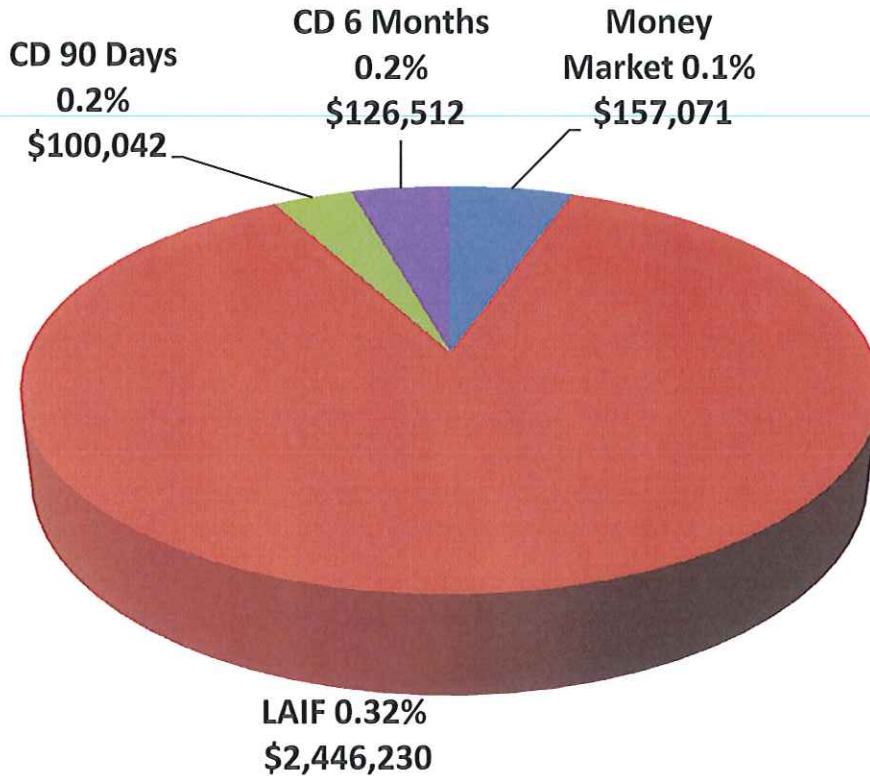
- Utilize multiple means of communication to the community during a disaster or emergency to address communication barriers.
- Consider ways to increase the number of households with family disaster plans.
- Consider having pet friendly shelters in the event of a disaster or emergency.
- Increase community awareness regarding testing and examining private wells to protect their well water supply.
- Conduct long-term air monitoring to more thoroughly understand seasonal variation and exposure risk to hydrogen sulfide and methane.

This CASPER provided valuable information for emergency planners in the state and county and demonstrated the efficiency and usefulness of the methodology in a non-disaster setting. In this report, we describe details of the methodologies used for this CASPER, additional findings, and potential limitations of the data.

**Hidden Valley Lake CSD
Pooled Cash
March 31, 2013**

Beginning Balance	\$ 324,772.76
Deposits	
Cash	\$ 256,239.49
Transfers	\$ -
Total Deposits	\$ 256,239.49
Expenditures	
Accounts Payable	\$ 159,374.60
Payroll	\$ 43,221.51
Bank Fees	\$ 1,021.79
Total Expenditures	\$ 203,617.90
Ending Balance	\$ 377,394.35

**HIDDEN VALLEY LAKE CSD
INVESTMENT REPORT
March 31, 2013
\$2,829,855**



Investment	Interest Rate	Interest Earned this Period	Funds Invested
Money Market	0.10%	\$ 12.65	\$ 157,071
LAIF	0.32%		\$ 2,446,230
90 Day CD	0.20%	4.67	\$ 100,042
6 Month CD	0.20%	16.73	\$ 126,512
Total Funds Invested			\$ 2,829,855

This report is in compliance with the investment policy set forth by the board of the Hidden Valley Lake Community Services District.

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
YEAR TO DATE MARCH 31, 2013

**120-SEWER ENTERPRISE FUND
REVENUE**

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-4020 PERMIT & INSPECTION FEES	0.00	0.00	200.00	(200.00)	0.00%
120-4036 DEVELOPER SEWER FEES	0.00	0.00	0.00	0.00	0.00%
120-4045 AVAILABILITY FEES	6,000.00	0.00	0.00	6,000.00	0.00%
120-4050 SALES OF RECLAIMED WATER	78,100.00	2,952.61	71,751.29	6,348.71	91.87%
120-4111 COMM SEWER USE	20,500.00	0.00	0.00	20,500.00	0.00%
120-4112 GOV'T SEWER USE	0.00	1,703.61	15,332.49	(15,332.49)	0.00%
120-4116 SEWER USE CHARGES	849,000.00	394.39	578,341.84	270,658.16	68.12%
120-4210 LATE FEE 10%	15,400.00	39.79	10,595.43	4,804.57	68.80%
120-4300 MISC INCOME	700.00	(77.42)	(95.11)	795.11	-13.59%
120-4310 OTHER INCOME	0.00	0.00	0.00	0.00	0.00%
120-4505 LEASE INCOME	8,400.00	30.45	785.90	7,614.10	9.36%
120-4550 INTEREST	0.00	0.00	(4.00)	4.00	0.00%
TOTAL REVENUES	978,100.00	5,043.43	676,907.84	301,192.16	69.21%

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
YEAR TO DATE MARCH 31, 2013

120-SEWER ENTERPRISE FUND
EXPENDITURES - ALL DEPTS

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5010 SALARY & WAGES	347,800.00	33,626.47	254,447.10	93,352.90	73.16%
120-5020 EMPLOYEE BENEFITS	123,000.00	13,751.03	93,970.03	29,029.97	76.40%
120-5021 RETIREMENT BENEFITS	57,000.00	5,278.61	37,726.91	19,273.09	66.19%
120-5025 RETIREE HEALTH BENEFITS	5,100.00	425.72	4,354.88	745.12	85.39%
120-5040 ELECTION EXPENSE	0.00	0.00	0.00	0.00	0.00%
120-5060 GASOLINE, OIL & FUEL	11,800.00	926.16	9,831.86	1,968.14	83.32%
120-5061 VEHICLE MAINT	8,000.00	1,253.44	5,236.05	2,763.95	65.45%
120-5062 TAXES & LIC	1,000.00	0.00	362.97	637.03	36.30%
120-5074 INSURANCE	17,700.00	0.00	0.00	17,700.00	0.00%
120-5075 BANK FEES	4,800.00	510.89	5,102.55	(302.55)	106.30%
120-5080 MEMBERSHIP & SUBSCRIPTIONS	3,600.00	114.75	2,563.56	1,036.44	71.21%
120-5090 OFFICE SUPPLIES	5,400.00	258.47	4,153.44	1,246.56	76.92%
120-5092 POSTAGE & SHIPPING	2,200.00	11.43	55.05	2,144.95	2.50%
120-5110 CONTRACTUAL SERVICES	29,000.00	3,553.10	30,551.34	(1,551.34)	105.35%
120-5121 LEGAL SERVICES	5,700.00	450.81	8,896.74	(3,196.74)	156.08%
120-5122 ENGINEERING SERVICES	7,500.00	0.00	0.00	7,500.00	0.00%
120-5123 OTHER PROFESSIONAL SERVICE	66,900.00	129.68	56,061.29	10,838.71	83.80%
120-5125 STRATEGIC PLANNING	5,000.00	0.00	0.00	5,000.00	0.00%
120-5126 RECRUITMENT	5,500.00	0.00	0.00	5,500.00	0.00%
120-5130 PRINTING & PUBLICATION	600.00	68.29	181.29	418.71	30.22%
120-5135 NEWSLETTER	700.00	0.00	0.00	700.00	0.00%
120-5140 RENTS & LEASES	0.00	0.00	0.00	0.00	0.00%
120-5145 EQUIPMENT RENTAL	0.00	26.34	26.34	(26.34)	0.00%
120-5148 OPERATING SUPPLIES	8,800.00	2,551.19	9,960.66	(1,160.66)	113.19%
120-5150 REPAIR & REPLACE	72,500.00	4,711.93	25,225.47	47,274.53	34.79%
120-5155 MAINT BLDG & GROUNDS	5,700.00	168.57	2,723.83	2,976.17	47.79%
120-5160 SLUDGE DISPOSAL	22,600.00	0.00	19,908.00	2,692.00	88.09%
120-5170 TRAVEL & MEETINGS	2,500.00	108.07	418.82	2,081.18	16.75%
120-5175 EDUCATION / SEMINARS	11,900.00	110.28	4,874.28	7,025.72	40.96%
120-5176 DIRECTOR TRAINING	5,000.00	0.00	263.89	4,736.11	5.28%
120-5179 ADM MISC EXPENSE	0.00	44.15	435.39	(435.39)	0.00%
120-5191 TELEPHONE	9,500.00	858.12	8,450.52	1,049.48	88.95%
120-5192 ELECTRICITY	34,000.00	2,625.70	14,687.49	19,312.51	43.20%
120-5195 ENV/MONITORING	35,400.00	3,756.30	22,662.50	12,737.50	64.02%
120-5198 ANNUAL OPERATING FEES	3,200.00	0.00	2,845.76	354.24	88.93%
120-5310 EQUIPMENT - FIELD	2,300.00	0.00	0.00	2,300.00	0.00%
120-5311 EQUIPMENT - OFFICE	3,400.00	2,034.44	2,833.38	566.62	83.33%
120-5312 TOOLS - FIELD	1,800.00	0.00	1,794.75	5.25	99.71%
120-5315 SAFETY EQUIPMENT	900.00	0.00	0.00	900.00	0.00%
120-5545 RECORDING FEES	200.00	0.00	127.88	72.12	63.94%
120-5580 TRANSFERS OUT	0.00	0.00	0.00	0.00	0.00%
120-5585 FLOOD CONTROL EXPENSE	0.00	129.27	129.27	(129.27)	0.00%
120-5590 NON-OPERATING OTHER	30,100.00	0.00	0.00	30,100.00	0.00%
120-5591 EXP APPLICABLE TO PRIOR YR	0.00	0.00	0.00	0.00	0.00%
120-5605 OPERATING CONTINGENCY	17,500.00	0.00	0.00	17,500.00	0.00%
120-5650 CAPITAL RESERVES	2,500.00	0.00	0.00	2,500.00	0.00%
TOTAL COMBINED EXPENDITURES	978,100.00	77,483.21	630,863.29	344,736.71	64.50%

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
YEAR TO DATE MARCH 31, 2013

**130-WATER ENTERPRISE FUND
REVENUES**

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-4035 RECONNECT FEES	13,000.00	80.00	7,860.00	5,140.00	60.46%
130-4038 COMM WATER METER INSTALL	0.00	0.00	0.00	0.00	0.00%
130-4039 WATER METER INST	0.00	0.00	300.00	(300.00)	0.00%
130-4040 RECORDING FEES INCOME	300.00	10.00	160.00	140.00	53.33%
130-4045 AVAILABILITY FEES	23,500.00	0.00	78.00	23,422.00	0.33%
130-4110 COMM WATER USE	13,800.00	1,151.03	10,359.27	3,440.73	75.07%
130-4112 GOV'T WATER USE	800.00	74.26	668.34	131.66	83.54%
130-4115 WATER USE CHARGES	1,024,800.00	452.17	691,386.81	333,413.19	67.47%
130-4117 WATER OVERAGE USE FEE	161,200.00	(113.33)	127,620.11	33,579.89	79.17%
130-4118 WATER OVERAGE COMM	7,400.00	159.12	7,894.41	(494.41)	106.68%
130-4119 WATER OVERAGE GOV	0.00	0.00	0.00	0.00	0.00%
130-4210 LATE FEE 10%	21,800.00	6.56	16,056.15	5,743.85	73.65%
130-4215 RETURNED CHECK CHARGE	800.00	25.00	400.00	400.00	50.00%
130-4300 MISC INCOME	200.00	9.68	93.51	106.49	46.76%
130-4310 OTHER INCOME	0.00	0.00	0.00	0.00	0.00%
130-4505 LEASE INCOME	0.00	615.71	5,675.62	(5,675.62)	0.00%
130-4550 INTEREST	100.00	0.00	(9.87)	109.87	-9.87%
130-4580 TRANSFER IN	0.00	0.00	0.00	0.00	0.00%
TOTAL REVENUES	1,267,700.00	2,470.20	868,542.35	399,157.65	68.51%

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
YEAR TO DATE MARCH 31, 2013

130-WATER ENTERPRISE FUND
EXPENDITURES - ALL DEPTS

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5010 SALARY & WAGES	377,300.00	28,743.25	252,289.69	125,010.31	66.87%
130-5020 EMPLOYEE BENEFITS	158,000.00	16,026.75	113,147.30	44,852.70	71.61%
130-5021 RETIREMENT BENEFITS	65,400.00	5,172.11	41,021.01	24,378.99	62.72%
130-5025 RETIREE HEALTH BENEFITS	6,300.00	425.70	4,354.77	1,945.23	69.12%
130-5040 ELECTION EXPENSE	0.00	0.00	0.00	0.00	0.00%
130-5050 DEPRECIATION	0.00	0.00	0.00	0.00	0.00%
130-5060 GASOLINE, OIL & FUEL	11,800.00	926.13	9,160.42	2,639.58	77.63%
130-5061 VEHICLE MAINT	8,000.00	2,549.68	10,001.67	(2,001.67)	125.02%
130-5062 TAXES & LIC	1,000.00	0.00	632.45	367.55	63.25%
130-5074 INSURANCE	15,500.00	0.00	0.00	15,500.00	0.00%
130-5075 BANK FEES	4,800.00	510.90	5,102.60	(302.60)	106.30%
130-5080 MEMBERSHIP & SUBSCRIPTIONS	16,600.00	1,315.24	13,052.67	3,547.33	78.63%
130-5090 OFFICE SUPPLIES	5,400.00	258.45	4,076.14	1,323.86	75.48%
130-5092 POSTAGE & SHIPPING	2,200.00	11.43	55.04	2,144.96	2.50%
130-5110 CONTRACTUAL SERVICES	37,800.00	2,364.31	29,539.88	8,260.12	78.15%
130-5121 LEGAL SERVICES	5,700.00	450.80	8,896.75	(3,196.75)	156.08%
130-5122 ENGINEERING SERVICES	33,800.00	3,188.30	51,840.30	(18,040.30)	153.37%
130-5123 OTHER PROFESSIONAL SERVICE	75,900.00	527.32	112,255.08	(36,355.08)	147.90%
130-5124 WATER RIGHTS	14,700.00	0.00	14,390.97	309.03	97.90%
130-5125 STRATEGIC PLANNING	5,000.00	0.00	0.00	5,000.00	0.00%
130-5126 RECRUITMENT	5,500.00	0.00	0.00	5,500.00	0.00%
130-5130 PRINTING & PUBLICATION	600.00	68.29	181.29	418.71	30.22%
130-5135 NEWSLETTER	700.00	0.00	0.00	700.00	0.00%
130-5140 RENT & LEASES	0.00	0.00	0.00	0.00	0.00%
130-5145 EQUIPMENT RENTAL	0.00	26.34	1,779.92	(1,779.92)	0.00%
130-5148 OPERATING SUPPLIES	1,000.00	0.00	1,548.02	(548.02)	154.80%
130-5150 REPAIR & REPLACE	60,000.00	1,591.92	44,226.20	15,773.80	73.71%
130-5155 MAINT BLDG & GROUNDS	2,500.00	168.57	3,439.90	(939.90)	137.60%
130-5170 MILEAGE	4,000.00	230.30	1,888.92	2,311.08	42.22%
130-5175 EDUC / SEMINARS	14,400.00	1,307.27	3,117.11	11,282.89	21.65%
130-5176 DIRECTOR TRAINING	5,000.00	0.00	299.74	4,700.26	5.99%
130-5179 ADM MISC EXPENSE	0.00	44.15	399.27	(399.27)	0.00%
130-5191 TELEPHONE	9,500.00	858.11	8,444.44	1,055.56	88.89%
130-5192 ELECTRICITY	108,500.00	15,134.67	125,497.15	(16,997.15)	115.67%
130-5195 ENV/MONITORING	6,200.00	384.00	5,554.50	645.50	89.59%
130-5198 ANNUAL OPERATING FEES	13,100.00	340.20	22,216.76	(9,116.76)	169.59%
130-5310 EQUIPMENT - FIELD	1,400.00	0.00	0.00	1,400.00	0.00%
130-5311 EQUIPMENT - OFFICE	3,400.00	2,034.43	2,833.37	566.63	83.33%
130-5312 TOOLS - FIELD	2,100.00	0.00	941.10	1,158.90	44.81%
130-5315 SAFETY EQUIPMENT	900.00	0.00	0.00	900.00	0.00%
130-5505 WATER CONSERVATION	10,000.00	450.00	4,674.88	5,325.12	46.75%
130-5545 RECORDING FEES	400.00	0.00	186.12	213.88	46.53%
130-5580 TRANSFERS OUT (CIEDB)	173,300.00	0.00	173,018.05	281.95	99.84%
130-5585 FLOOD CONTROL	0.00	9.66	94.92	(94.92)	0.00%
130-5590 NON-OPERATING OTHER	0.00	0.00	0.00	0.00	0.00%
130-5591 EXP APPLICABLE TO PRIOR YEAR	0.00	0.00	0.00	0.00	0.00%
TOTAL EXPENDITURES	1,267,700.00	85,118.28	1,069,958.40	197,741.60	84.40%

**Hidden Valley Lake CSD
Foreclosure Totals**

	<u>As of Jan 9, 2013</u>	<u>As of Feb 12, 2013</u>	<u>As of Mar 13, 2013</u>	<u>As of Apr 8, 2013</u>				
Total Foreclosures	135	\$9,031.83	133	\$4,488.87	136	\$7,787.74	134	\$4,208.21
# With Meter Locked	23	\$2,576.10	18	\$1,983.64	19	\$1,599.83	20	\$1,593.13
# On Active Status	47	\$6,455.73	26	\$2,505.23	45	\$6,187.91	26	\$2,615.08
# With \$0.00 Balance	12	\$0.00	36	\$0.00	18	\$0.00	34	\$0.00
# Property No Meter	53	\$0.00	53	\$0.00	54	\$0.00	54	\$0.00

Board of Directors

JIM FREEMAN
CAROLYN GRAHAM
LINDA HERNDON
JIM LIEBERMAN
JUDY MIRBEGIAN



General Manager
ROLAND SANFORD

Administrative Assistant
TAMI IPSEN

Accountant/Controller
TASHA KLEWE

*Hidden Valley Lake
Community Services District*

Memo

To: HVLCSD Board of Directors
From: Roland Sanford, General Manager
Date: April 16, 2013
RE: General Manager's Monthly Report

The remarkably dry weather experienced by California has and will most likely continue to dominate the news headlines as we head toward summer. Fortunately, as noted in previous reports, the District's water supply is robust by western water standards and largely insulated from the water supply challenges facing those dependent on the Sierra snowpack. That said, due to the lack of rain and the corresponding diminution of sewer inflow and infiltration, it appears likely that the District's reclaimed water supply will need to be augmented with groundwater in order to satisfy projected summer irrigation demands.

The District has advertised and will be hiring a temporary utility worker in late April to assist staff with a variety of projects this summer and fall. By definition, the temporary assignment cannot exceed six months. Speaking of projects:

District Website

KM Creative of Rocklin, California has been retained to develop a new website for the District. Staff is reviewing a second draft and anticipates that the new website will be online in late May.

Financial Wellness Evaluation

NHA Advisors of San Rafael, California has been retained to evaluate the financial position of the District vis-à-vis future borrowing for construction of capital improvement projects. The project is scheduled to begin in April, following completion of the District's 2012 audit report by Smith & Newell, and be completed by the end of June.

Water Master Plan/Capital Improvement Plan

Staff is compiling background information on the condition of the District's existing water and sewer infrastructure, and the infrastructure needed to accommodate projected population growth within and adjacent to the existing District boundaries. This information will be forwarded to an engineering firm for subsequent analysis and preparation of the Water Master Plan/Capital Improvement Plan. Work on the Water Master Plan/Capital Improvement Plan, by the yet-to-be-determined engineering firm, will begin in late May.

Water Rights Petition for Change

The District's water right consultants, Wagner & Bonsignore of Sacramento, California have submitted the District's water rights Petition for Change to the State Water Resources Control Board for review and processing - the first of three major steps that must be taken to amend the District's appropriative water rights. Later this calendar year preparation of an Environmental Impact Report, the second major step, is scheduled to begin. Completion of the Environmental Impact Report is tentatively scheduled for mid 2014, with the final step, a final ruling by the State Water Resources Control Board on the District's petition, occurring in late 2014. Although submitted nearly four months ago, staff has yet to receive comments on the Petition for Change from the State Water Resources Control Board. If the State Water Resources Control Board's comments are not received by September, initiation of the Environmental Impact Report will most likely be delayed until the first quarter of the 2014 calendar year. Staff was tentatively scheduled to provide a detailed report on the status and necessary steps completing the Water Rights Petition for Change at the April Board of Directors meeting. That presentation has been postponed until summer to allow staff to focus on other, time sensitive projects.

Treatment Plant Access Road Repair

Portions of the treatment plant access road, between Grange Road and the entrance to the treatment plant grounds, are failing. Accordingly, within the next few years extensive road repairs will most likely be needed to maintain all weather access to the treatment plant. A 200 foot-long segment of the treatment access road, between Grange Road and the entrance to the treatment plant grounds, will be repaired using a new "geo-fabric" that is designed to retain gravel and other road bed surface materials. Should this new geo-fabric treatment prove effective, staff will consider using it to repair larger road segments in lieu of the traditional but typically much more expensive chip seal or asphalt road repair options. Completion of this project has been delayed a month due to limited staff availability and other work commitments, and is currently scheduled for mid May.

Sewer Lift Station Backup Generator Installation

Staff continues to evaluate bids for the installation of two permanent backup generators, one at Lift Station # 1 and the other at Lift Station # 4. The generators are intended to provide power to the lift station pumps during electrical outages. During storm events, sewer infiltration and inflow, coupled with "base" sewer flows, can quickly accumulate and unless pumped through the sewer collection system, flood the respective lift stations and spill into adjacent surface drainages. Installation of the new generators is scheduled for completion in late spring or early summer.

Strategic Planning

Michael Wright of The Results Group – located in Santa Rosa, California – has facilitated two Board strategic planning workshops in March and is scheduled to facilitate a staff strategic planning workshop on April 18, followed by a final Board strategic planning workshop on May 25. Preparation of the draft strategic plan document is tentatively scheduled for June.

Crazy Creek Development/LAFCO MSR

No activity since May 2012. Staff has not heard from the developer or his consultants since May 2012.

Sewer System Management Plan Update

Preparation of a Sewer System Management Plan (SSMP) is required pursuant to State Water Resources Control Board (SWRCB) Order Number 2006-0003-DWQ. The current version of the of the District's SSMP is out of date and incomplete, and in order for the District to remain in compliance with SWRCB regulations, must be updated by May, 2013. Preparation of the SSMP update is progressing slowly due to other work commitments.



Hidden Valley Lake Community Services District

March 2013 Report

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March 2013

Wastewater

Operations and Maintenance Report

Wastewater Collection System:

Hardester's Lift Station had a receptacle installed so that the small generator can adapt and run the pumps during power outages.

Once located, Case Excavation raised the opposing manholes at Big Beach and filled the area back in to blend in with the new level.

FOG (fats, oil, & grease) control at Lifts 1, 2, 3, and 6. Cleaned floats at all Lift Stations.

Routine activities and maintenance.

Wastewater Treatment Plant:

Telstar installed a VFD for the alternate (801) Plant Lift Pump. This will give wider control range, and the ability to completely isolate either pump without creating additional problems. Controls will later be added to the SCADA system, giving an even wider range of control.

Industrial Electric installed the new W3 Pump that's used for Plant-wide operations. The existing Pump was taken back for repair. The Alum Mixer was also taken back for repairs.

It's that time of year when the Sludge Beds are at their fullest, and require more maintenance.

Due to the lack of rain this last winter, the Effluent Pond started the month as the 3rd lowest in its history. Supplemental water was started to aid in getting the level back before reclaim water demand shows its affect in the late summer.

Routine activities and maintenance.

The safety meeting was for Visual, SOP, & Mitigation of Water Treatment & Distribution.

Effluent Pond level – 13.0'

Plant Influent – 5.784 MG

Plant Influent/ year – 20.05 MG (million gallons)



Each of these are 2' extensions, both manholes were raised 4' (Big Beach area).



Installation of new Plant Reclaim Water pump. It's used for chlorine motive water, Plant wide hose bibs, and sprays.



2 variable frequency drives for the Plant Lift Station pumps.

March 2013

Water

Operations and Maintenance Report

Water

The District's distribution system requires annual valve exercising program. This takes field operations several months to complete due to tedious work involved in exercising the valves and the location of the valves are in the street.

According to AWWA, "Each valve should be operated through a full cycle and returned to its normal position on a schedule that is designed to prevent a buildup of tuberculation [rust formation in pipes as a result of corrosion] or other deposits that could render the valve inoperable or prevent a tight shutoff. The interval of time between operations of valves in critical locations or valves subjected to severe operating conditions should be shorter than for other less important installations, but can be whatever time period is found to be satisfactory based on local experience. The number of turns required to complete the operation cycle should be recorded and compared with permanent installation records to ensure that full gate travel (i.e., it can be opened and closed) is maintained." A full inspection should be performed and any problems should be reported immediately to the person responsible for necessary repairs.

Exercise Those Valves

So, what is a valve exercise program? Basically, there are four components to a valve exercise program:

1. locate the valves,
2. fully exercise valves,
3. maintain detailed valve records, and
4. schedule and perform needed repairs.

Field staff has been exercising the valves throughout the distribution system and there are a little over a hundred valves to go this year.

Took Well 4 off line for general maintenance at the end of March, is back on line and running good.



Monthly Report

March 2013

Rain/month

MONTHLY RAINFALL

1.9"

Overtime:

= 26.75 hours

\$969.77

SEASON RAINFALL

31.88"

(September 2012-April 2013)

WATER CONNECTIONS

WASTEWATER CONNECTIONS

RESIDENTIAL METERS

2412

RESIDENTIAL

1432

COMMERCIAL & GOVERNMENT METERS

34

COMMERCIAL & GOVERNMENT

33

TOTAL METERS

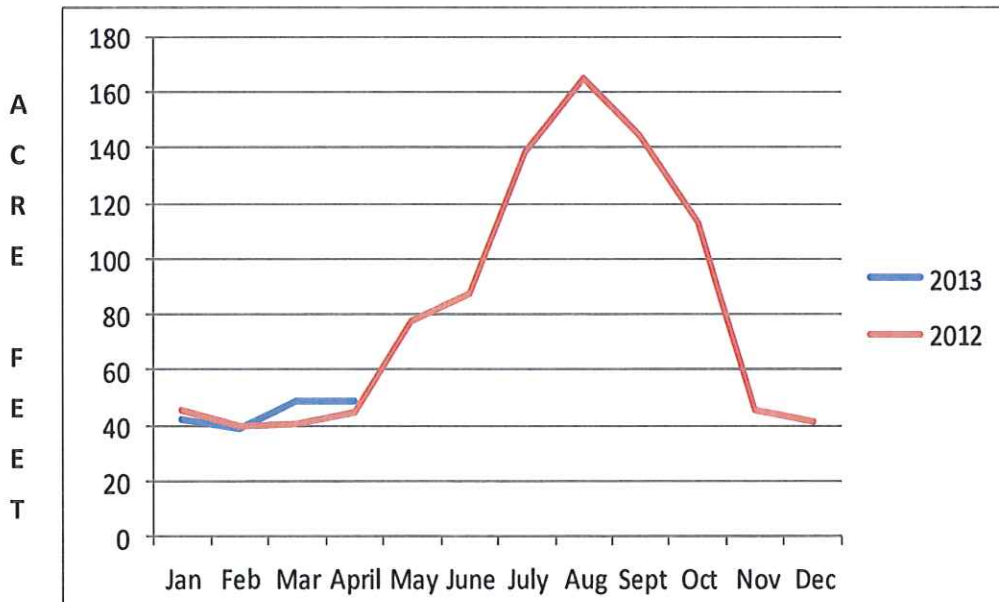
2446

TOTAL

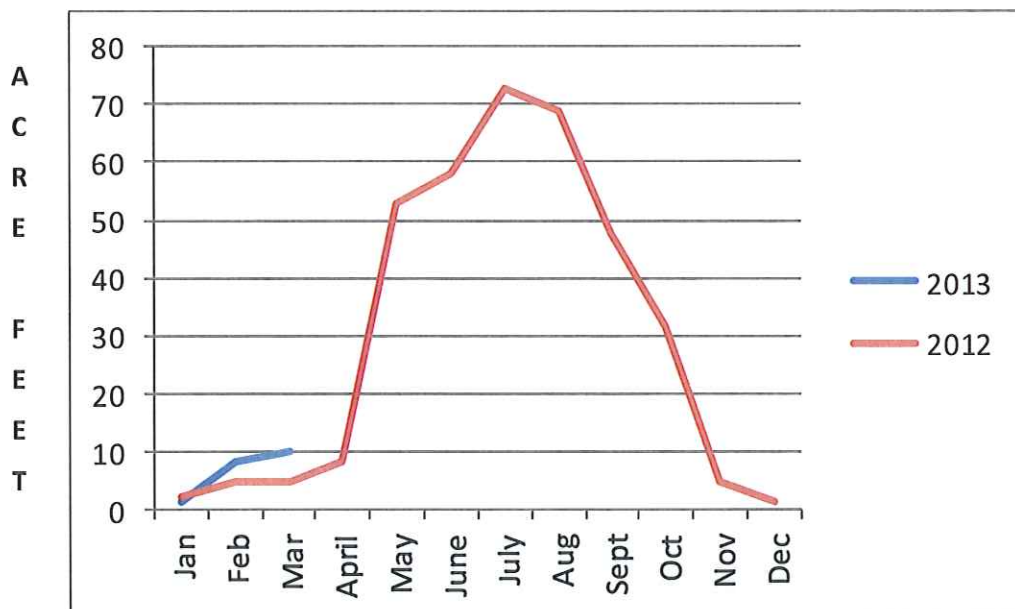
1465

MONTHLY SAFETY MEETING TOPIC - COMMUNICATION BREAKDOWN

WELL PRODUCTION



RECLAIMED WATER USE



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

DATE: April 16, 2013

AGENDA ITEM: Discussion and Possible Action: Development of guidelines for District sponsorship of community events

RECOMMENDATIONS:

Hear General Manager's report and provide direction to staff

FINANCIAL IMPACT:

None

BACKGROUND:

Within the current fiscal year the District has committed funding and/or staff time to three community events; the Coyote Elementary School's "Jog a Thon" held last October, the Lake County Miler's "Spring has Sprung 5K/10K Run" to be held on May 5, and Calpine's "Earth Day Celebration" to be held April 27, 2013. All three events provide a forum to promote water conservation.

The District, by virtue of its membership in the California Urban Water Conservation Council (CUWCC), is obligated to conduct public outreach and education programs pertaining to water conservation. Membership in the CUWCC is required pursuant to the District's State Revolving Fund loan (a loan used to fund improvements to the Water Reclamation Plant and expansion of the wastewater collection system). Due to funding limitations, staff has and unless directed otherwise will continue to limit participation to those community events that provide a venue for promoting water conservation.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, _____, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on (DATE) by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

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

DATE: April 16, 2013

AGENDA ITEM: Discussion and Possible Action: HVLCSD Board of Directors General Rules for Board Committees

RECOMMENDATIONS:

Review and consider adoption of General Rules for Board Committees.

FINANCIAL IMPACT:

None

BACKGROUND:

The HVLCSD Board of Directors, like the governing boards of most public agencies, relies heavily on the use of standing and ad hoc committees to perform the Board’s work. Because these committees are in many respects an extension of the full Board, their activities must be consistent with any directives given by the Board, and perhaps more importantly, they must conduct their meetings and complete their Board assignments in conformance with the Brown Act. The proposed General Rules for Board Committees is intended to provide a framework for appointing committee members, assigning work tasks, and reporting committee activities in an efficient and Brown Act compliant manner. The proposed General Rules for Board Committees, while currently articulated as a “stand alone” document, could at some point be incorporated into a “Board Policy Manual”, much like the District’s employee personnel policy manual.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, _____, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on (DATE) by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

DRAFT

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS General Rules for Board Committees

Each January the Board President shall appoint directors to the Board's standing committees; Personnel, Finance, Security and Disaster Preparedness, and on occasion may create Ad Hoc committees to perform specific tasks. The Board's standing committees, and any Ad Hoc committee that is created, shall function in accordance with their respective "Committee Charters", any specific guidance provided by the Board, and the following General Rules for Board Committees:

- Board members – other than the Board President – may concurrently serve on one or more standing committees. The Board President may appoint his or her self to no more than one standing committee.
- All standing and Ad Hoc committee meetings shall be conducted in accordance with the Brown Act
- Unless otherwise noticed, all standing committee meetings will occur on the date and time specified in the standing committee meeting schedule adopted by the Board each January
- Meeting agendas and all supporting documents will be made available to committee members and the public at the time that the agenda is published. Supporting documents shall be made available to the public through the District's website and as "hard copy", available for pick up at the District's office at 19400 Hartmann Road
- In the event that a Board member is unable to attend an assigned committee meeting, he/she shall notify the Board President at least 24 hours in advance.
- The Board President may serve as a member of any committee whenever a committee member is absent or unable to serve, except in those circumstances that would cause a violation of the Brown Act.
- No standing committee shall consider any matter outside the scope of its charter unless directed to do so by the full Board
- All committees shall provide the Board with a written report summarizing the committee activities that occurred since the prior regular monthly Board meeting
- Upon a majority vote of the Board, any matter referred to a committee may be withdrawn, and referred to another committee, unless said referral would cause a violation of the Brown Act

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

DATE: April 16, 2013

AGENDA ITEM: Discussion and Possible Action: Adoption of Resolution 2013-05 establishing Board committee meeting calendars for 2013.

RECOMMENDATIONS:

Adopt Resolution 2013-05 establishing standing Board committee meeting calendars for 2013

FINANCIAL IMPACT:

None

BACKGROUND:

The Board's standing committees; Personnel, Finance, and Security and Disaster Planning, are subject to the same Brown Act noticing requirements as the regular monthly Board meetings. Adoption of Resolution 2013-05 and the accompanying 2013 Standing Board Committees Master Schedule is recommended for Brown Act compliance purposes. While it is not necessary for the Board to adopt a resolution specifying the date and time of "external" committee meetings (committees that individual Board members participate on, but are noticed and managed by other organizations such as the Association of California Water Agencies), a master schedule for external committee meetings is attached for informational purposes.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, _____, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on (DATE) by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

Resolution 2013-05

RESOLUTION OF THE HIDDEN VALLEY LAKE COMMUNITY SERVICES
DISTRICT BOARD OF DIRECTORS SETTING THE TIME AND PLACE FOR
CONDUCTING BUSSINESS OF STANDING BOARD COMMITTEES

WHEREAS, the Hidden Valley Lake Community Services District Board has established three standing Board committees; Personnel, Finance, and Security and Disaster Preparedness Program Committee (aka Security and Disaster Planning); and

WHEREAS, Government Code Section 54954 requires that standing committees shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place of holding regular meetings.

NOW THEREFORE, BE IT RESOLVED that the Personnel, Finance, and Security and Disaster Preparedness Program Committee will meet and convene as necessary, as set forth in the attached 2013 Standing Board Committees Master Schedule, unless otherwise indicated following mandated noticing requirements.

BE IT FURTHER RESOLVED that said meetings will be held at the District administrative offices at 19400 Hartmann Road, Hidden Valley Lake, California unless otherwise indicated following mandated noticing requirements.

PASSED AND ADOPTED on April 16, 2013 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Judy Mirbegian
President of the Board of Directors

ATTEST:

Roland Sanford
Secretary to the Board of Directors

Hidden Valley Lake Community Services District 2013 Standing Board Committees Master Schedule

Standing Committee Assignments for 2013

Personnel	Finance	Security and Disaster Plan.
Members: Herndon, Mirbegian Meets: 1st Wednesday	Members: Graham, Freeman Meets: 4th Thursday	Members: Herndon, Lieberman Meets: 3rd Thursday

2013 Standing Committee Meeting Schedule

Personnel	Finance	Security and Disaster Plan.
January 2 February 6 March 6 April 3 May 8 June 5 July 3 August 7 September 4 October 2 November 6 December 4	January 24 February 28 March 28 April 25 May 23 June 27 July 25 August 22 September 26 October 24 November 28 December 26	January 17 February 21 March 21 April 18 May 16 June 20 July 18 August 15 September 19 October 17 November 21 December 19

Note: This schedule is subject to revision throughout the year, committees may not meet every month

Hidden Valley Lake Community Services District 2013 "External" Committees Master Schedule

"External" Committee Assignments for 2013

ACWA Region I	ACWA State Legislative	County OES
Member: Mirbegian Meets: semi-weekly	Member: Herndon Meets: Periodic	Member: Lieberman Meets: Every other 3rd Thursday

2013 "External" Committee Meeting Schedule

ACWA Region I	ACWA State Legislative	County OES
January 22, 29 February 6, 27 March 20, 27 April 1, 10 May 1, 9, 29 June 5, 26 July 19, 24, 29 August 14 September 24, 30 October 23 November 20, 27 December no meeting	January no meeting February 8 March 1, 22 April 12 May 3 June 7, 28 July no meeting August 16 September no meeting October 25 November no meeting December no meeting	January 17 February no meeting March 21 April no meeting May 16 June no meeting July 18 August no meeting September 19 October no meeting November 21 December no meeting

Note: This schedule is subject to revision throughout the year, committees may not meet every month

HVLA Lake Monitoring Report

April 8, 2013: (#6 for 2013)

Monitor: D'Agostini

Special thanks goes out to Aquatic Weed specialists Tyler and Bill from Clean Lakes, Inc., as well as Friend of the Lake members Rob Neves and Bill Watson, for the On-The-Water monitoring assistance they provided on the morning of April 3rd.



The following is primarily intended as a **SNAPSHOT** of conditions on and around our Lake.

SolarBees

SolarBee 'A' (North Cove):	Operational
SolarBee 'B' (Off Marina Cove):	Operational
SolarBee 'C' (Big Beach/South Cove):	Operational
SolarBee 'D' (Near Dam):	Operational

Maintenance Requests by Location:

Big Beach:

- One swim area warning buoy is missing. (3 out of 4 remain)
- Our **Welcome to Big Beach Park sign** has been knocked to the ground.
- Big Beach Park Stair Railing: Missing upper section

Lake Surface (Entire Lake): Possible Boating Hazard

- A 3' x 3' log could be seen floating on the Lake's surface on April 3rd.

Marina:

- **Marina Launch Ramp (Below Water Line): Needs to be cleaned regularly.**
There is a buildup of algae and sediment making the surface very slick.
 - I have already received some complaints regarding this issue.
- **Old Rental Pier:** Anchor Posts are coming loose and leaning to the side.
 - The protective white caps, meant to cover each post, are missing.
 - The pier's garbage can is missing.

Lake Water Observations

Weather Conditions @ 10:00 am:

4.03.13: Air Temp. : 53° Humidity: 76% Winds: Calm
 WX: Clear Lake Surface: Smooth

Moon Phase: Third Quarter / Waning Crescent (April 03rd to April 09th)



Lake Water Clarity [Seechi Disc] Measurements: 04/03/13

Overall Lake Clarity: 5 Locations	12.2'
Marine View	12.0'
North Shore Point	12.0'
Dam /SolarBee 'D'	12.0'
Big Beach	12.0'
SE Shoreline (Tintorri) site	13.0'

Lake Water Temperatures

Surface - 5' - 10' - 15' - 20' - 25' - 30' - 33' - 40' - 45' - 50'

4.03.13

Marine View	63.6°	62.1°	59.2°	54.5°	50.5°	48.2°	47.6°				
Little Beach	63.3°										
North Shore Point	63.4°	61.8°	60.0°	53.7°	50.0°	48.7°	47.6°	47.5°			
Dam /SolarBee 'D'	64.1°	62.2°	60.5°	53.8°	50.4°	48.3°	47.5°	47.4°	47.3°	47.2°	47.2°
Big Beach	64.0°	61.8°	59.8°	55.7°							
SE Shoreline (Tintorri)	64.3°	62.2°	59.4°	55.7°	50.2°	48.6°	47.6°				

	<u>The Maximum Temp at - 5':</u>		<u>The Minimum Temp at - 30':</u>		<u>Temp at - 50':</u>
04/03/13	62.2°	+4.0°	47.5°	+0.1°	47.2°
03/18/13	58.2°	+4.1°	47.4°	+0.5°	-----
03/02/13	54.1°	+3.8°	46.9°	+0.2°	-----
02/26/13	50.3°	+1.9°	46.7°	+0.9°	-----
02/04/13	48.4°	+1.5°	45.8°	+0.1°	-----
01/31/13	46.9°	-0.3°	45.7°	-0.3°	-----

Creek & Stream Inflows

Coyote Creek:	Flowing Slightly
Little Beach (Perennial):	Flowing
Marine View Creek:	Dry
Marina Cove (Perennial):	Flowing
North Cove Channel:	Flowing

Spillway: Lake Water Level on 4.03.13: (Full Pool)

- Spillway is overflowing slightly.
- The Lake Level rose to Full Pool on 11.30.12.
- The approximate water level is measured at the west shore marker pier and within the Coyote Creek Cove when possible.
- All Safety Buoys at Spillway are floating in place.

The Pond below the Dam

<u>Water Temperatures:</u>	<u>Surface</u>	<u>- 5'</u>	<u>- 10'</u>	<u>- 15'</u>	<u>- 20'</u>	<u>- 25'</u>
04/03/13	66.2°	62.0°	58.0°	53.3°	50.8°	50.6°
03/18/13	61.5°	58.2°	52.8°	50.8°	49.6°	49.5°
03/02/13	57.8°	53.5°	50.5°	49.2°	48.7°	48.6°
02/26/13	56.9°	51.8°	50.3°	49.0°	48.5°	48.4°
02/04/13	50.1°	48.5°	47.4°	47.1°	46.7°	46.7°

<u>Water Clarity [Sechi Disc] Measurements:</u>	<u>04/03/13</u>	<u>03/18/13</u>	<u>03/02/13</u>
	8.0'	7.0'	6.0'

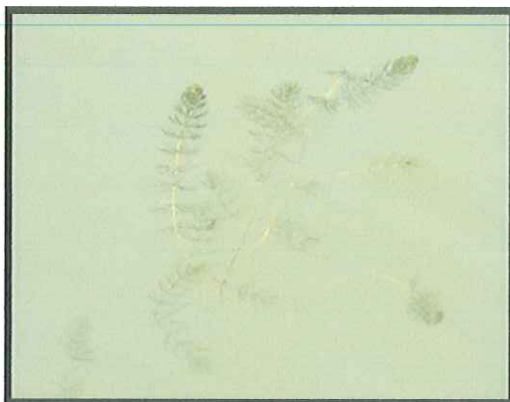
Recreational Water Sampling

California Water Quality Testing (Title 22) and Recreational Water Safety (Bacti) Sampling: CSD will now conduct Title 22 water Sampling and Testing on a three year cycle at three locations: At Marina; off Marine View Runoff Channel; and in Mouth of Coyote Creek. Next scheduled Title 22 Sampling will occur in 2013. CSD concluded their weekly Bacti water sampling at Little Beach and Big Beach around the middle of October 2012.

Aquatic Weeds: Current Status & Trends

On 4.03.13, Tyler and Bill from Clean Lakes, Inc. determined that we have very little Aquatic Weed growth at the moment. However, we will be closely monitoring our Lake for any new signs of Aquatic weed activity in the coming weeks.

***At the moment, subtle signs of new growth can be seen for the following Aquatic weeds:
(Reduced water clarity is providing very limited visibility)***



Coontail

This is a new Aquatic weed for our Lake. One small clump was observed growing in the South Cove.



Eurasian Water Milfoil

(One or two weeds can be seen next to the Big Beach Pier and North Shore Park Pier)

Other Aquatic Weeds we are tracking:

Elodea: No new growth to report.

Pondweed (American & Leafy): *Now new growth to report.*

Primrose: At present, Primrose can be seen starting to sprout in a few locations around the shoreline.

Tules, Cattail, and possibly Bulrush, or Reed Grass: Some green shoots can now be seen around our shoreline, especially with the Cattails growing in the Coyote Creek Cove.

Water Lilies: These can be seen growing within the shallow areas of the Coyote Creek Cove.

Observations by Location

- Lake Surface (103 Acres):** Currently there is a **slight increase** in water clarity; to just over 12'.
• A small 3'x3' floating log can also be seen floating on the Lake.

Non-Native weeds:

Planned Spray (non-Fish Habitat) Areas (North Shore Point north to Little Beach to North Cove; south along NE shoreline to Marina; Marina Cove west along SE shoreline to point at South Cove; and at Big Beach):

- The 1st Aquatic Weed treatment of 2012 occurred on May 17th.
- The 2nd Aquatic Weed treatment of 2012 occurred on June 9th.

- Marina conditions:** Clean
- Marina Park area:** Clean
- Marina's New Rental Pier:** Clean and Secure.
- Marina's Old Rental Pier:** Clean.
Most of the Anchor Polls are coming loose and leaning over.
There is a missing trash can.
- Marina Courtesy Pier:** Clean and Secure
- Marina Launch Ramp:** Clean above the water.
Below the water, the ramp's surface is very slick with Algae.
- Marine View Creek (annual):** *Dry*
Offshore Conditions: Clean
- North Cove: Run-Off Channel:** *Flowing*
Offshore Conditions: Clean
- Little Beach: Perennial Creek:** *Flowing*
- People present: None @ 10:30 am
 - Children's Swim Ropes (Lane Lines) remain in place for restricted swimming area.
 - All of the outer "Swim Area" warning Buoys are in place.
 - Beach sand is clean and a bit uneven.
 - Water: Mostly clean with some Algae within the swim area.
- North Shore Park:** People present: None @ 11:00 am
- The sand on the beach is clean and free of trash.
- Offshore Conditions:**
- A few Eurasian Water Milfoil weeds can now be seen growing next to the water's edge.
- North Shore Park Fishing Pier:** Clean and Secure.
- People present: None @ 11:00 am
- Coyote Creek:** *Flowing Slightly*
- The Coyote Creek Cove filled with water on 11.29.12 as the Lake approached Full Pool.
 - The top of the NE-side silt berm buildup is currently under 9 inches of water.
 - Some Primrose is starting to grow around the edges of Coyote Creek Cove.
 - Cattails along the NE side of the channel are showing some new green shoots.
 - Water Lilies can also be seen growing in the shallowest areas.

Dam / Spillway: One turtle was seen on the Dam.

Western Littoral / Levy Cove:
Offshore Conditions: Clean

Big Beach:

- Beach sand is clean somewhat smooth.
- One outer swim area buoy is missing. The remaining 3 are in place.

Big Beach Diving Platforms: Mostly Clean

Big Beach Cove Fishing Pier: Clean
Offshore Conditions:

- One Eurasian Water Milfoil weed can now be seen growing next to the Pier.

Big Beach Park:

- Our Welcome to Big Beach Park sign has been knocked to the ground.
- Big Beach Park Stair Railing: There is a missing upper section.

South Cove:

Offshore Conditions: Clean

- However, a small patch of Coontail was found growing next to a private pier.

Marina Cove: Main Perennial Creek: *Flowing*

Offshore Conditions: Clean

Boating/Fishing / Swimming Activity:

- 3 Boaters were seen on the Lake during the morning of 4.03.13.
- Three boat trailers parked at the Marina. Two have current Quaqqa Mussel stickers. (One boat trailer only had a sticker that showed April and not 2013.)

Lake Birds

04.08.13

- 2 Canadian Geese
- 1 Blue Heron
- 1 Double-crested Cormorant

Our next Lake Committee meeting will be held on Wednesday, April 10th @ 6:30 p.m. in our Association's Community Center. (This is a special date and location.) For those planning on attending, our Committee will be meeting for a few minutes at Little Beach before heading on over to the Community Center.

Sincerely,

Steve D'Agostini
dagostini18367@att.net
707-987-8747
2013 Lake Committee Member

Rave reviews for water savings in Windsor

By [CLARK MASON](#)

THE PRESS DEMOCRAT

Published: Wednesday, April 10, 2013 at 6:26 p.m.

An innovative water conservation program in Windsor is off to a promising start, drawing attention for saving millions of gallons while creating an immediate drop in residents' utility bills.

More than 300 residential customers have enrolled in the fledgling program, which is being touted as a model that could take off in other communities.

It allows residents to install devices such as low-flow toilets and showerheads, or to replace their water-guzzling lawns with drought-resistant plants, with no upfront costs or taking on debt.

Financed by the town, homeowners and renters pay for the upgrades over five to 15 years with a small surcharge on their utility bill.

The town guarantees the savings on the water bill will exceed monthly surcharges.

"The results are good. People are actually reducing usage and seeing savings," said Paul Piazza, Windsor's water conservation program coordinator.

Participating residents who are beginning to see a drop in their bills "get so excited," said Town Councilwoman Debora Fudge. "I would use the word 'ecstatic.'"

Fudge was in the majority of the 3-2 council vote that narrowly authorized the program last year. It's coming up again on Wednesday for a Town Council review of the pilot program.

Although individual household savings vary widely based on usage and the measures installed, officials say participants in the Windsor Efficiency PAYS, or Pay As You Save program, are saving an average of about \$30 on their bi-monthly utility bills — after factoring in the surcharge.

So far it's amounted to approximately 10,000 gallons in water savings per household per year, or about three million gallons a year among all current participants.

But about half those currently participating are apartment dwellers. Households of three or more that install landscape measures stand to benefit the most.

The turf replacement part of the program is just beginning to gain momentum, as the weather turns drier and people sign up to avoid summer irrigation.

If a family decides to rip out their lawn, the water savings can amount to an additional 30,000 gallons per house per year.

Windsor plans to expand the PAYS program to as many as 2,000 households, or one-quarter of the town's households, saving more than 30 million gallons annually as outdoor and indoor water uses are curtailed.



(Kent Porter / Press Democrat)

Carlos Ramirez of Sonoma Mountain Landscape digs holes for drought-tolerant plants that will replace part of a lawn at a Windsor residence, Wednesday April 10, 2013. The Town of Windsor offers a program in which customers can opt in to install water and energy saving measures and pay a small surcharge on their bills over several years. The cost savings on water usage is much greater than the surcharge.



Officials say it can help avoid having to develop other water sources to handle droughts and growth.

"That saves the potential of drilling another well," Fudge said.

The Windsor program was part of an initiative overseen by the Sonoma County Regional Climate Protection Campaign and financed with a three-year, \$650,000 federal grant to get Sonoma County cities to participate.

But so far, Windsor is the only one to commit.

"The Windsor program has gotten recognition at the state and national level. And now the region is looking to expand," said Lauren Casey, climate protection program manager, who said outreach is under way to get more Bay Area communities to launch their own versions of PAYS.

She said municipal utilities can be reticent because of rate and billing restructuring required and the staff time involved.

Windsor transferred \$4 million from its water and wastewater reserves to fund the program and pay for the water and energy conservation measures installed in homes.

Participating residents are responsible for a "program activity charge," the equivalent of 7 percent of the total installed cost, paid over a number of years.

That helps stabilize water and water reclamation revenues so nonparticipants don't experience large rate increases. It also is intended to offset the loss of revenue from water sales as customers conserve more.

If a resident moves, the next resident takes over paying the surcharge, but also enjoys the utility bill savings provided by the conservation measures.

Customers can choose to take with them appliances they may have purchased through the program — such as a clothes washer or refrigerator — and pay off the remaining surcharge payments.

Joanne Boucher, a teacher's assistant, saw her bill drop dramatically after she had low-flush toilets, more efficient showerheads and faucets installed in her Windsor home in November.

Her two-month combined water and sewer bill went from the usual \$220, down to \$119, a savings of \$101.

"I was very pleased," said the mother of three teenagers.

"I think it's a wonderful program. I've told all my friends about it," she said. "I save \$50 a month. When you're on your own with three kids, it's quite a significant saving."

Town officials say her bill apparently did not include a surcharge that will get tacked on to pay for the new toilets and other improvements, but her overall savings will still be greater because of less water used in her home.

Piazza said indoor water use can drop significantly with the newer versions of toilets that use half the amount of water of the older, 1.6 gallon, low-flush models.

Getting rid of a lawn can produce a big drop in the water bill, according to the contractor who is working with Windsor on the turf replacement program.

"On a typical conversion that we do, they probably save from \$10 to \$50 a month," said Bill Richardson, project manager for Sonoma Mountain Landscape.

Not only do residents conserve water, but they no longer have to deal with lawn fertilizers, pesticide and maintenance, he said.

One of the biggest misconceptions people have, according to Richardson, is that the drought-tolerant plants that replace the grass will make their yards look like a desert landscape. But the blooming plants can be colorful and appealing.

Richardson said at a minimum, participants in the program need to have 300 square feet or more of lawn that they want removed.

But there is still resistance to removing those green lawns. Some families, especially with younger children, like the grass as a play area. "They can kick a ball around," he said.

(You can reach Staff Writer Clark Mason at 521-5214 or clark.mason@pressdemocrat.com.)

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Pollution offset program proves difficult for Santa Rosa

By [KEVIN McCALLUM](#)
THE PRESS DEMOCRAT

Published: Tuesday, April 9, 2013 at 7:30 p.m.

A first-of-its-kind program in California requiring Santa Rosa to offset pollution from its wastewater treatment plant by cleaning up other problem properties in the watershed is struggling to find enough suitable projects.

The city's Board of Public Utilities voted last week not to pursue a once-promising project to clean up a former dairy property where massive piles of cow manure sit less than 100 feet from Windsor Creek.

During a closed session, the board voted 6-0 to terminate negotiations with Marvin Nunes, the owner of the 177-acre Ocean View Dairy property west of Windsor, and a Rocklin broker that had sought to sell offsetting credits to the city, Wildlands Capital Partners LLC.

The setback demonstrates how difficult it is proving for the city to meet some of the strictest pollution control regulations imposed on any treatment plant in the state, said board chairman Stephen Gale.

"We're the first in the state with this particular regulation, and there are always challenges when you are on the leading edge," Gale said.

The city recycles about 98 percent of its treated wastewater, most of it through a 42-mile pipeline to The Geysers geothermal power plants, where it is injected underground to create steam. But the Llano Road treatment plant still needs to discharge about 2 percent of its treated water to the Laguna de Santa Rosa in a typical year, depending on the weather.

The Laguna is listed as an "impaired waterway" because of its levels of pollution, sediment and high summer temperatures, all of which create an inhospitable environment for aquatic wildlife. Juvenile cold-water fish such as threatened steelhead trout and endangered coho salmon are particularly vulnerable to such conditions.

So while regulators at the state North Coast Water Quality Control Board study how much waste the city should be permitted to safely discharge into the Laguna, they are requiring the city to adhere to a "zero net load" policy. That means if the plant puts in 50,000 pounds of nitrogen and phosphorus in a year, which is typical, it has to prevent the same amount of pollution from reaching the Laguna from other parts of the watershed.

But finding those potential projects, analyzing their value to the Laguna and getting them approved by the water board is proving confounding for the city.

In one case, the city spent more than two years and \$300,000 trying to get regulators to approve a project to remove the invasive weed ludwigia from the Laguna. After what the city describes as a series of mixed signals from the board, the plan was never approved.

"We've put a lot of projects out there that we thought would be beneficial, and they have rejected them for various reasons," said David Guhin, director of the city's utilities department.

Two other projects continue to be pursued by the city with the water board's blessing.

One involves improvements to the way manure is managed at the Beretta Dairy on Llano Road. Upgrades include building impermeable areas to put manure from the farm's 450 head of cattle and creating buffer zones around Roseland Creek, which runs through the property.

The city is spending \$295,000 on the project to get 2,900 credits per year for 20 years, or \$5.55 per credit.

Another project involves improving the roads at Pepperwood Preserve, the 3,120-acre property atop the Mayacmas Mountains between Santa Rosa and Calistoga. The goal is to reduce erosion from the roads into creeks that feed into Mark West Creek, one of the main tributaries flowing into the Laguna and Russian River.

That project is expected to be far more cost effective, costing ratepayers \$374,000 and generating 12,300 credits for 25 years, or \$1.21 per credit.

But those credits aren't enough to offset the 50,000 pounds of nitrogen and phosphorus the city typically discharges annually. This year, an unusually dry one, the plant doesn't expect to discharge anything.

The city originally hoped it could receive 185,000 credits from the work at the Ocean View Dairy over four years. But water board staff only allowed the credits from the project to be accrued through January 2015, or an estimated 86,000 pounds.

That's because new regulations on dairies take effect in 2015, and the city can't generate credits for the improvements that landowners are otherwise required to do, explained Dave Smith, the city's wastewater permit consultant.

"This is new for us," Smith said. "This is new for the regulators. This is new for everyone."

To help it identify worthwhile watershed improvement projects, the city partnered with the Sotoyome Resource Conservation District, which last year won a \$600,000 federal grant to establish a water quality trading market.

Valerie Minton, program manager with the district, said she's optimistic it can help the city find enough beneficial projects to accrue the credits it needs to meet the regulations.

She noted there are plenty of paved roads in the upper watershed that could be upgraded. But the challenge, as the Nunes dairy project highlights, is that evaluating potential projects takes a lot of time and money.

"These projects are challenging because you have to put a lot of resources into them to see if a project is even feasible in terms of credits," she said.

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WALTERS: Reservoirs should stay in California water bond

DAN WALTERS

Published: Friday, April 5, 2013 at 6:02 p.m.

The bad news is that a dry winter means the Sierra snowpack is only half of its statistical normal as the annual spring runoff begins.

The good news is that we're still living off the unusually wet winter we had two years ago and major reservoirs — Shasta, Trinity, Oroville and Folsom — on the Sacramento River and its tributaries, plus the off-stream San Luis Reservoir, have very healthy leftover supplies, thereby cushioning the effects of the current shortfall.

That's what dams and reservoirs are supposed to do, in case anyone has forgotten why water users and taxpayers spent billions of dollars to construct them decades ago.

California is not a desert, or at least most of it isn't. In an average year, about 200 million acre-feet of water flow through the state. In a subpar year, flow might drop to 150 million acre-feet, but with total human use, including agriculture, only about 40 million acre-feet, the reservoirs allow us to even out the supply and keep water flowing to homes, fields and industry.

There are other benefits to reservoirs, such as flood control, fishing, water skiing and camping, but providing a dependable water supply for 38 million Californians is their primary purpose. Without them, 21st century life as we know it would be impossible.

Ironically, however, as those five big reservoirs, and dozens of smaller ones, do what they were designed to do — mitigate the negative effects of a dry winter — some Capitol politicians are talking about removing additional off-stream reservoirs from a controversial water bond issue. The reservoirs were included to get Republican votes for the bond measure, but now that Democrats have two-thirds supermajorities in the Legislature, they don't need GOP votes.

An election on that \$11.1 billion bond issue has been postponed three times already because it's loaded with pork, such as a quarter-billion-dollar handout to a power company owned by Warren Buffett and a park in the district of a former Assembly speaker, and politicians are worried that it would be rejected.

The pork should be removed and the bond issue reduced, as Gov. Jerry Brown wants.

However, two off-stream reservoirs to improve the reliability of California's water supply are not pork or at least shouldn't be.

They shouldn't be financed by taxpayers, as the current general obligation bond would do. They should be financed by water users, as dams and reservoirs have traditionally been financed. And if it makes more sense, surface storage reservoirs could be replaced with other forms of storage, such as underground.

However it's done and however it's financed, improving the reliability of California's vital water supply through more storage makes sense now and will make even more sense if, as many believe, more of our precipitation falls as rain, rather than snow, due to global warming.

Dan Walters is a columnist for the Sacramento Bee.

Fourth house red-tagged at Lakeside Heights

By Berenice Quirino -- Staff reporter Record Bee

Updated:

record-bee.com

LAKEPORT -- Homeowners at Lakeside Heights are beginning to find out it's a long slide from the top.

The backyard deck of one house can be seen sliding downward directly leading to a crack that goes down the hill it sits atop.

Late last month, three houses were red-tagged by the county, and as of Thursday afternoon, a fourth house has been condemned at the Lakeport subdivision, according to District 4 Supervisor Anthony Farrington, who represents the greater Lakeport area.

"Special Districts became aware of the situation when the movement of the hillside damaged a sewer line," according to a press release from senior administrative analyst Kevin Ingram sent Thursday afternoon.

"An emergency bypass was installed until we could ensure that a permanent repair would not be damaged again by further movement of the hillside."

About three weeks after the placement, one home was red-tagged on March 22, and two more were the following Monday.

The Lake County Board of Supervisors (BOS) then voted to take it up as an emergency item for its regular Tuesday meeting on March 26, and authorized a maximum \$25,000 contract with RGH Consultants to perform a geotechnical analysis.

"We are moving as fast as we can to deal with the problems that residents are confronted with," Farrington said in an email Thursday afternoon.

The geotechnical investigation is conducted by measuring movement of the hillside over a period of time, and results of the report will be made available in three to four weeks, Ingram stated.

"While inspecting the area, we noted a saturation of water and believed that this moisture was contributing to the unstable hillside. The water saturation could be from a leaking irrigation line, water line or a natural spring."

Special Districts then hired leak detection firm Specialized Utility Services Program, a subsidiary of California Rural Water Association, to test all lines within the public water system feeding the Lakeside Heights Subdivision, Ingram stated.

"There were no leaks detected in the district's lines, but the report did note a suspicion of a significant leak or leaks in the Homeowner's Association 2-inch irrigation line," he stated. "To prevent further damage, until the geotechnical report can determine the exact cause and magnitude of this issue, Special Districts is physically disconnecting the irrigation line until

it can be inspected and repaired as needed."

The leak detection report is available during normal business hours at Special District's office, located at 230 N. Main St. in Lakeport.

Berenice Quirino is a staff reporter for Lake County Publishing. She can be reached at 263-5636, ext. 36 or at bereniceq@record-bee.com.

PG&E says it has plan for polluted site on SR creek

By [KEVIN McCALLUM](#)

THE PRESS DEMOCRAT

Published: Monday, April 8, 2013 at 4:02 a.m.

Pacific Gas & Electric Co. officials began holding private meetings with members of the Santa Rosa City Council Thursday to assuage concerns about the utility's work on a contaminated property along Santa Rosa Creek.

A team of five PG&E environmental and government affairs specialists met with three council members at City Hall Thursday to answer questions and provide information about plans to address the polluted soil and ground water at the downtown site.

Councilwoman Julie Combs, who attended a meeting along with Councilman Gary Wysocky and Planning Commissioner Curtis Byrd, praised the utility for its willingness to meet, but said she was concerned the council hadn't been kept in the loop on the project.

"They agreed that they could have done a better job reaching out to the council members with information," Combs said.

Regulators have been pressing for 26 years to have pollution removed from the site of a former PG&E manufactured gas plant at First and B streets. The efforts, which have been under way for several years, were outlined in a March 24 story in The Press Democrat.

Waste products from the manufactured gas process, including lamp black and coal tar, have been found in significant volumes on the site, as well as leaking underground fuel storage tanks. The plant was dismantled in 1924, the waste products buried, and the property later sold to developers who built a four-story office building on it in 1989.

PG&E estimates it has spent tens of millions to clean up the site under the direction of the North Coast Water Quality Control Board.

Jake Ours, who met separately with PG&E officials, said they provided a significant amount of information but not enough to satisfy him that the project will fully protect the creek from the contaminants.

"My main concern is keeping the hydrocarbons out of the creek and out of the water that we worked so hard to clean up," Ours said, referring to the city's \$25 million Prince Memorial Greenway Project.

Part of the problem is that the utility hasn't decided exactly how to go about protecting the creek. It has considered building a 450-foot-long impermeable cutoff wall around the site, but officials are rethinking the \$9 million project.

Mayor Scott Bartley said he is meeting with PG&E officials Monday and fully expects them to return in the future for a full presentation to the council.

Brittany McKannay, spokeswoman for PG&E, said the utility has been in contact with neighbors about the project, but she couldn't say who at City Hall has been kept informed of the project's progress.

She said the meetings with council members were "a good opportunity for two-way communication between us and the city to make sure we're all on the same page."

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Sebastopol newsletter urges opposition to county fluoride plan

Posted by PD staff in [Cities](#), [County](#) on April 5th, 2013 **tags:** [Board of Supervisors](#), [City Council](#), [Dines](#), [fluoridation](#), [Fluoride](#), [Graves](#), [Kyes](#), [McLaughlin](#), [Robinson](#), [Sebastopol](#), [Sonoma County](#), [water](#)
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By GUY KOVNER
THE PRESS DEMOCRAT

Some Sebastopol residents, including a former city councilman, are objecting to a city-sponsored newsletter that urged people to oppose Sonoma County's consideration of a water fluoridation plan.

"Another embarrassment for Sebastopol," said Larry Robinson, a former three-term councilman who called the newsletter's article "totally inappropriate."



Robinson, who helped start the newsletter in 2000, said the article, headlined "Oppose Sonoma County Water Fluoridation," crossed a line between informing the public and engaging in advocacy.

"This does not represent city policy," Robinson said, noting that the newsletter, distributed six times a year in city water bills, "appears to represent the voice of the city."

Mayor Michael Kyes said he personally agreed with the article, but that the newsletter, "The Next Step" should not adopt "an advocacy position" until the council has done so first.

Asked about the ongoing practice under which no city official vets the newsletter's content, Kyes said: "I think that probably will change."

City Manager Larry McLaughlin said there is "no official city oversight" of the newsletter, which is "not intended to state city policy."

Sebastopol pays \$490 a year to cover the cost of paper and copying the newsletter, produced “rather independently” by the editor, McLaughlin said.

Volunteers stuff the newsletter into city water bills, which incur no added postal costs by carrying it, the manager said.

Sebastopol operates its own water system, which filters and chlorinates water, and would not be directly affected by the county’s proposal to fluoridate water delivered to 350,000 residents served by the Sonoma County Water Agency.

Kyes said there has been worry in the community about the prospect that water fluoridated by the county would get into Sebastopol’s system. The county and city water systems are geographically separate, and the county’s fluoridation report said that “no significant negative environmental impact of water fluoridation has been established.”

The council, Kyes said, may discuss the idea of sending a letter to county supervisors opposing fluoridation.

Public sentiment in Sebastopol is “strongly against” fluoridation, Kyes said.

Patricia Dines, a Graton freelance writer who has edited the newsletter since its inception in 2001, said complaints about the fluoridation article were “a tempest in a teapot.”

Dines, who donates her work on the newsletter, said it gets an approval rating of about 90 percent in annual surveys and is fulfilling its mission to “reduce the use of toxics in our community.”

The newsletter is “action-oriented,” often telling readers how they can avoid toxics, Dines said, asserting that recommending government action “to me is not advocacy.”

Complaints about the newsletter article likely come from fluoridation advocates who “refuse to allow the other side to be heard,” Dines said.

County supervisors, she said, aren’t getting the whole story from health officials who support fluoridation largely to reduce dental disease among children.

More than 200 million Americans are now receiving fluoridated water, a practice introduced in the nation nearly 70 years ago and supported by national and international health agencies.

In February, county supervisors authorized further studies of a fluoridation program that could cost up to \$8.5 million to implement, plus annual upkeep of about \$1 million.

Barbara Graves of Sebastopol, a former director of the county Department of Health Services Prevention and Planning Division, called the newsletter article “one-sided propaganda.”

“I would have hoped for a more balanced dialogue,” Graves said. “Communities have to think carefully and rationally about fluoridation.”

Robinson, who served on the council from 1998 to 2010, said that Dines has “done a wonderful job of educating people” and called the fluoridation article “an error in judgment.”

Dines said the article was “simply a statement of the facts.” She said that Dave Brennan, the former city manager who retired in 2009, told her he did not want to review the newsletter’s content.

In 2009, the council discussed but took no action on Robinson’s complaint that the newsletter was taking an “advocacy direction.”

Graves and Robinson said the city should make a public statement that the newsletter article does not reflect official policy.

You can reach Staff Writer Guy Kovner at 521-5457 or guy.kovner@pressdemocrat.com.

◀ Related articles

CPUC sets hearing in Lucerne for proposed water-rate hikes

By *Jeremy Walsh* -- Staff reporter *Record Bee*
Updated:

record-
bee.com

LUCERNE -- People interested in voicing their opinions on proposed water-rate hikes in Lucerne will have the chance to do so in front of a judge in the lakeside town next week.

The California Public Utilities Commission (CPUC) is holding a public-participation hearing April 12 at the Lucerne Alpine Senior Center to allow citizens the chance to learn about and comment on the request for a new rate structure submitted by Lucerne's private water provider.

San Jose-based California Water Service Co. (Cal Water) filed a general rate case with the CPUC last July asking for permission to implement a 77-percent rate increase over three years starting in 2014.

The company contends the restructuring is needed to cover operational and maintenance costs, fund needed system improvements and address sales decreases in the town of a little more than 2,000.

Many residents and business owners in Lucerne have expressed ire about the level of proposed increases on top of existing rates that they argue are already too high.

The Lake County Board of Supervisors opposed Cal Water's proposal in letters to state officials last summer. Administrative Law Judge Robert M. Mason III granted the county's request for party status in the rate case Tuesday.

An administrative law judge will preside over the April 12 hearing in Lucerne, scheduled to start at 6 p.m. at the senior center, 3985 Country Club Drive. Members of the public can speak and have their comments included as part of the official record.

Elected officials who attend the hearing will be allowed to speak first, according to the CPUC. If a large number of attendees sign up to talk, the judge might set a time limit.

CPUC representatives recommend people arrive at least 15 minutes before the hearing.

For more information, visit www.cpuc.ca.gov/puc/ or contact the CPUC Public Advisor's Office at 415-703-2074, toll-free at 866-849-8390 or via email at public.advisor@cpuc.ca.gov.

Light showers won't dispel concerns about rainfall totals in Sonoma County

By [MELODY KARPINSKI](#)

THE PRESS DEMOCRAT

Published: Thursday, April 4, 2013 at 6:37 p.m.

Sonoma County's record winter dry spell was briefly broken with light rain showers Wednesday, but ranchers and farmers remain concerned.

The severe lack of rainfall in the past three months puts agriculture in a very precarious position, said Lex McCorvey, executive director of the Sonoma County Farm Bureau.

"Even if we get substantial rainfall over the next six weeks, there's still going to be very limited forage and range grasses growing to feed animals in the fall," said McCorvey. "Ranchers will again be forced to purchase additional hay to feed their animals."

Precipitation for January-through-March in Sonoma County totalled 3.83 inches — the least rain for the period in the past 72 years, Press Democrat records show. The average rainfall for those winter months is around 16 inches.

"It's the driest start to the year on record in a lot of areas, even San Francisco, which is significant," said Logan Johnson, a meteorologist with the National Weather Service. "It's certainly concerning that we're starting out so dry."

February numbers put the month as the fourth-driest on record, with 0.40 inches of precipitation, a fraction of the 5.95 inches of rain during an average February, said Johnson.

While sporadic March rain showers managed to sprinkle the county with some water, ranchers and farmers are struggling to feed their herds due to lack of pasture.

"We've experienced virtually three months of drought-like conditions and very cold nights," said McCorvey. "It's cut the feed available for livestock down to 25 percent of normal."

The issue is magnified in part by several years of dry winters, which caused ranchers to reduce or even liquidate their herds, said McCorvey.

Valley Ford rancher Joe Pozzi, who raises sheep and cattle, says he hasn't had to reduce his livestock yet.

"That's not to say it wouldn't happen," said Pozzi, who has worked in ranching most of his life. "There's been widespread shortages in feed throughout the Western U.S."

For ranchers like Pozzi, that means buying expensive hay to feed their livestock to offset the lack of natural forage production, said McCorvey.

"It's a very serious economic dilemma for livestock and dairy farmers," said McCorvey, who noted competition from Japan for alfalfa hay also was driving up feed prices.

Norm Yenni, who owns Sears Point Farming near Sonoma, said hay costs are worrisome.

"The prices are already pretty darn high and they'll probably go up because of the lack of rain," said Yenni, whose grain crops are partially allocated for hay. "It's not good for me and it's not good for the consumers."

The low rainfall has caused the Sonoma County Water Agency to begin monitoring reservoir levels daily, said agency spokesman Brad Sherwood. The agency provides the domestic water supply to 600,000 people in Sonoma and Marin counties.

"We haven't received the amount of rainfall that we'd like to see and our reservoirs are dropping fairly significantly," said Sherwood. "We're mainly concerned with water shortage and levels dropping in Lake Mendocino." The Lake Mendocino reservoir is key to maintaining dry-season flows in the Russian River from just north of Ukiah to Healdsburg.

The weather conditions, however, haven't seriously affected the wine industry, said Karissa Kruse, president of the Sonoma County Winegrape Commission.

"We don't feel that it's a critical issue because the December rain was good," said Kruse. "Recent rains brought our soil profile to normal."

If no significant rainfall hits the county in the next few weeks, the agency will seek advice on water flow management from the state Water Resources Control Board, said Sherwood.

Pozzi is operating in wait-and-see mode.

"A couple of good rains in the next few weeks will really help," said Pozzi. "If we don't have that, we're in big trouble."

(News Researcher Janet Balicki contributed to this story.)

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THE TENNESSEAN

March 31, 2013

Aging sewer system halts Springfield growth

By Duane W. Gang
| *The Tennessean*

An aging sewer system in Springfield has brought a virtual halt to new building in the Robertson County city.

For developer Rusty Fox, that means a shutdown of his livelihood.

"Unless I go buy land somewhere else, I can't build anything," he said. "I can't sell anything."

The city of 16,000 people 25 miles north of Nashville is under an administrative order from the U.S. Environmental Protection Agency to fix problems in its sewer system.

The city has had too many sewer overflows in recent years and <http://www.tennessean.com/section/ROBERTSON/Robertson-County-Times> ran afoul of state and federal wastewater and water quality laws.

As a result, city officials have decided to stop issuing building permits for much of the city as they work on putting together a \$6 million repair plan.

"That has closed me down," said Fox, who developed the Oakland Farms subdivision off Oakland Road. "I can't make a living."

Fox said there are 76 lots still vacant in the subdivision of more than 200 homes and he was ready to request building permits on eight of them. But last month, the city said it could not issue any permits because of the sewer problems.

"This is stuff that has been going on for many years, and maybe it has just caught up with them," he said.

Roger Lemasters, director of the city Water and Wastewater Department, said Springfield's decades-old sewer system was constructed in a "shoddy manner."

In the past, the city had not properly reported sewer overflows, and Lemasters said when he took over the department nine years ago, he began documenting incidents.

Eventually, the EPA and the state began to ask why Springfield had so many overflows, caused by blockages in sewer lines from debris and grease, or from too much rain and runoff, Lemasters said.

About 2 1/2 years ago, the EPA began inspecting Springfield's sewer system and wastewater treatment plant and decided it needed to take enforcement action.

The city agreed to the EPA's administrative order, under which Springfield would avoid a hefty fine if it takes corrective action within five years, Lemasters said.

Repair work could begin by September

State regulators keep the pressure on Ross Valley Sanitary District to boost spending on pipe repair

Posted:

marinij.com

State regulators are keeping the heat on the Ross Valley Sanitary District to reduce the amount of sewage it spills by moving more quickly to fix its network of aging pipes.

The San Francisco Bay Regional Water Quality Control Board recently notified the district that it will hold a public meeting on May 8 to consider whether to issue a cease-and-desist order against it. Such an order would not result in any immediate penalties; but it would pave the way for enforcement action if the district failed to comply with provisions contained in the order.

In November, the board issued a notice of violation, notifying the district that it was violating state law by allowing sewage to overflow into local waterways and failing to allocate adequate resources for repair of its failing pipes. The board gave the district until Jan. 25 to submit a plan for bringing the district into compliance.

The district responded with a plan that calls for spending \$3 million to \$4 million to fix three miles of its most seriously deficient pipe in two phases by December 2013 and June 2014. The board also committed to coming up with a financing strategy for making pipe repairs at 737 additional locations over the next five years.

Explaining why the water board is considering a cease-and-desist order, board Division Chief Lila Tang said, "In this case we thought what the district was proposing would get them back on track, so what we wanted to do was issue this order which essentially memorializes what they said they're going to do."

Tang said if a jurisdiction fails to follow through on a correction plan, such orders give the board more leverage. Tang said the board can then issue a directive that becomes legally enforceable, "when we feel that we need to hold their feet to the fire."

The district and others wishing to comment on the proposed cease-and-desist order have until April 25 to submit comments in writing to the board. The district's interim general manager, Greg Norby, said he couldn't comment on whether the district would contest the order; Norby said the district's board discussed the matter in closed session.

Norby said the district was already planning to do most of the pipe repair detailed in the cease-and-desist order. "The timing and phasing of those projects would be revised under guidance of the order," he said.

The order specifies that beginning in fiscal year 2013-14, the district must "rehabilitate its collection system at an average rate of 4 miles per fiscal year, based on a three-year rolling average." It also states that the district must by July 1 put into place "adjusted sewer rates or other financing" to ensure adequate funding for pipe repair.

District board President Frank Egger said the board would discuss the proposed order publicly when it meets April 15.

"We appreciate that the water board is now working with us," Egger said. He added, however, "I'm concerned about the overall cost to implement their long-range plan."

New district board member Mary Sylla said, "This is just the next step in the process. We're happy with how it's going."

Contact Richard Halstead via e-mail at rhalstead@marinij.com

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Lakeside Heights homes red-tagged after sewer line rupture

By Rich Mellott -- Staff reporter Record Bee

Updated:

record-bee.com

LAKEPORT -- A month ago, Scott Spivey and his wife Robin were living comfortably in their home in Lakeside Heights north of Lakeport.

"It took us a long time to buy a house, and we took a lot of pride in owning our own home," said Scott Spivey, who said he bought the house on Lancaster Road in 2002.

About three weeks ago, Spivey said, his house started falling apart. First the doors wouldn't close and the sheetrock started cracking.

"I'm a former contractor and I was a building official for Clearlake for nine years before being laid off recently," Spivey said. "So I knew something was wrong. I was suspicious."

Officials from Lake County Special Districts visited the Spivey residence earlier this month -- Spivey estimated it was three weeks ago -- and told him there was a ruptured sewer line under his house that all 26 houses in Lakeside Heights were using, and they were installing a bypass line and a pump to remedy the problem.

The pump and bypass line were still there on Monday -- but the Spiveys weren't. Their home was one of three residences in the community red-tagged by the county, according to a county news release Monday evening.

"(Chief Building Official) David Jezek came out on Friday and said he wouldn't red-tag the house until Monday, which gave us the weekend to move out," Spivey said. "Other than that, he said there was a major problem but that he couldn't discuss (the details) with us."

Calls on Monday to county code enforcement director Richard Coel were directed to senior administrative analyst Kevin Ingram, who said he was also serving as the county's public information officer.

Ingram said he didn't know all the details yet, but was looking into the matter.

According to a County of Lake Community Development Department news release sent out Monday evening, "While an extensive landslide has not yet occurred, there are significant fractures in the ground service and extensive structural damage to several homes at the Lakeside Heights subdivision in North Lakeport. The potential landslide is threatening several homes, the community's public water system, sewer system and storm drainage system."

According to the news release, "Early in March of this year, Special Districts' staff performed a video inspection of the public sewer line serving residents of Lakeside Heights. During this inspection, it was discovered that a point repair that had been completed in December, 2012, had failed.

"While performing site inspections to determine the cause of the point repair failure, Special Districts' staff noticed significant surface ground cracking and structural damage to several homes. Due to the severity of the offset sewer pipe, Special Districts implemented an emergency temporary bypass. This was done to continue to provide sewer service to the community in Lakeside Heights."

According to the release, county officials red-tagged one home on Friday and two additional homes on Monday.

Spivey said early Monday, "They're keeping everyone up here in the dark."

Over the weekend, the Spiveys moved out of their home, put their belongings in storage, and moved in with an aunt.

"It's terrible," Spivey said. "It's very traumatic."

On Monday, according to the county news release, "Special Districts arranged to meet with a geotechnical engineer onsite."

According to the release, "Special Districts' staff is very concerned with the potential loss of the public water and sewer systems that serve the Lakeside Heights Community. There may also be damage to the storm drain system managed by the Lakeside Heights Property Owners Association."

Ingram said the Lake County Board of Supervisors will discuss this as an emergency item at its 9 a.m. meeting today in the board chambers at the Lake County Courthouse.

Rich Mellott is a staff reporter for Lake County Publishing. Reach him at 263-5636, ext. 14 or rmellott@record-bee.com.

Court deals blow to county energy retrofit program

By [BRETT WILKISON](#)

THE PRESS DEMOCRAT

Published: Tuesday, March 26, 2013 at 3:00 a.m.

A legal fight to protect a program that allows Sonoma County residents to pay for energy-saving retrofits to their homes through property taxes was dealt a significant and possibly final setback last week.

The court fight is over tighter federal lending requirements that Sonoma County officials and others say hamper such programs by scaring off homeowners.

The new guidelines were crafted by a federal agency in 2009 amid a historic wave of home foreclosures and were intended to minimize further default risks for the recession-wracked lenders Fannie Mae and Freddie Mac.

The move prompted lawsuits from Sonoma County, the state of California and other public and private entities who said those risks were overblown. Their combined case against the Federal Housing Finance Agency said its new guidelines undermined the government-financed retrofit programs and harmed participating homeowners.

The programs enable a range of energy and water-saving upgrades, including solar panels, plumbing and heating improvements on homes and businesses.

On March 19, a three-judge panel for the 9th U.S. Circuit Court of Appeals waded back into the case, ruling unanimously that the Federal Housing Finance Agency was acting within its authority when it directed Fannie and Freddie to tighten lending practices on homes associated with such retrofit programs.

The court panel dismissed the county-state lawsuit and upheld the housing agency's action, echoing similar decisions handed down in the past six months on related cases by two other U.S. appellate courts.

The outcome sets up a steep hurdle that could end the nearly three-year legal fight, county and state sources signaled Tuesday.

"I think we've all been through this enough times and don't want to chase good money after bad," said Board of Supervisors Chairman David Rabbitt.

County officials stressed they were not dropping their retrofit program. Upgrades for businesses have not been affected by the conflict.

The fight on lending practices for home retrofits now shifts back to Congress. A proposal by Rep. Mike Thompson, D-St. Helena, has failed to garner enough support in past years and could remain a longshot in the current session.

In the meantime, many observers are waiting to see if the Federal Housing Finance Agency follows through on a lower court's order to complete a formal rule-making process -- one it was set to finish in September but can now drop due to the appellate ruling.

The agency received a reported 40,000 comments in that process, an outpouring that supporters said showed broad support -- including from other arms of the Obama

administration -- for allowing so-called Property Assisted Clean Energy, or PACE programs.

But at least a half-dozen high-powered banking groups have backed the Federal Housing Finance Agency's stance on the retrofit programs, a lobbying campaign that could make a favorable resolution more elusive for program supporters.

In a written statement Tuesday, Alfred Pollard, the agency's general counsel, said it was "pleased" with the last week's court ruling. He did not respond to questions sent through an agency spokeswoman.

The Board of Supervisors is set to review its legal options with attorneys at its April 9 meeting.

A spokeswoman with the California Attorney General's Office said the state was also considering its next move. Those include a second look at the case by the same three-judge panel or the full appellate court, or a request for review by the U.S. Supreme Court.

News of the appellate court decision surfaced Tuesday in a semi-annual update to the Board of Supervisors on the county's 4-year-old Energy Independence Program.

To date, it has financed more than 1,800 energy upgrades on homes and businesses in the county. They include solar installations and other efficiency improvements -- new windows, furnaces and insulation -- worth more than \$60 million.

County officials say the program has created dozens of permanent jobs, supplying much-needed business to local contractors. Sonoma County was the first to launch a countywide effort in 2009. Similar programs were taking hold across the country *before the lending change*.

Federal housing finance officials say such programs pose a threat to the mortgage giants Fannie Mae and Freddie Mac because, in the event of a foreclosure, they put repayment of property tax liens for the upgrades ahead of home loans.

Program supporters point to records that show loan defaults are extremely rare among retrofit customers.

Still, to minimize the risk, in July 2010 Fannie and Freddie -- which together control more than half of all home mortgages in the country -- said they would stop buying loans on homes that are participating in PACE programs.

They also required homeowners with their mortgages to pay off retrofit liens before selling or refinancing their house.

The crackdown dropped monthly applications to Sonoma County's program by half and left its future, at least on the residential side, in some doubt.

In April last year, Supervisor Shirlee Zane said PACE programs including the county's would have "a real hard time moving forward" unless the lending rules were reversed.

This year the message is more optimistic as recent activity has rebounded somewhat. Applications for February surpassed those recorded in the same month over the past two years.

The applicants include homeowners without a mortgage or those with a loan controlled by a lender other than Fannie or Freddie, county officials said.

Combined with commercial applications, monthly financing requests have averaged about \$1.2 million.

If that level holds, county supervisors said, the program could be worthwhile even under the tighter lending requirements.

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"It's an uphill climb," Zane said. "It's not insurmountable."

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Possible leak opens 200-foot-long rift, puts Lake County homes at risk

By [MELODY KARPINSKI](#)

THE PRESS DEMOCRAT

Published: Tuesday, March 26, 2013 at 7:33 p.m.

Several Lakeport homes came under threat of landslide over the weekend, after a 200-foot long crack opened up in the earth and damaged multiple homes.

Lake County officials received emergency approval Tuesday from the Board of Supervisors to hire a geotechnical firm to determine the source of the problem, county deputy administrator Jan Coppinger said.

Fears the damage may be from a cracked or broken water main caused the county to start a leak detection survey on Monday. The results of the survey are expected to be released today.

Lake County Administrator Kevin Ingram cited two likely sources for a leak. One is a public water line and the second is a small irrigation line owned by the Lakeside Heights Homeowners Association, he said.

Three homes were red-tagged over the weekend after suffering severe structural damage, including one home that was pulled off of its foundation. All three homes are within Lakeside Heights, a neighborhood near Sutter Lakeside Hospital.

Ingram said the Community Development Department tagged one single-family dwelling, along with portions of a duplex and a fourplex.

Aside from the red-tagged houses, an additional 29 homes in the subdivision may also be in danger, Coppinger said. The neighborhood's water, sewage and storm drain systems are also threatened.

The "sizable" crack is approximately 200 feet long and is as wide as 10 feet in some places, Coppinger said. It stretches beneath several homes and empty lots in the neighborhood.

County staff discovered the first signs of ground movement during an unrelated inspection earlier in the month, and alerted Community Development on Thursday after damage began to surface.

Due to a damaged sewer pipe, the county set up an emergency temporary bypass system to pump sewage from the community.

Coppinger said the county contracted RGH Geotechnical Consultants of Santa Rosa to investigate the issue, and they began work Tuesday.

"They're very aware of the severity of it and are starting immediately," said Ingram. "We'll be monitoring the whole situation very carefully."

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Petaluma water rates set to rise

By *Janelle Wetzstein*

ARGUS-COURIER STAFF

Published: Monday, March 18, 2013 at 12:44 p.m.

Petaluma residents will see their water rates rise this July in response to the Sonoma County Water Agency increasing the amount it charges cities and retailers by 5 percent. For the average Petaluma household, this could translate to an increase of roughly \$0.70 in the winter months and \$1.50 in the summer months.

The agency only needs to increase rates by 1.5 percent to fund its rising operating costs, but has opted to raise rates an additional 3.5 percent to collect funding for several large capital projects SCWA is facing in the near future, like mandatory habitat protections for the local salmon population and replacement of sections of its aging pipeline for seismic safety standards.

"We discussed it with our retailers, including the city of Petaluma, and explained that we could do a very small increase now and see rates spike in the future, or we could smooth out the increases annually," said Michael Thompson, SCWA's assistant general manager. "The cities said they would rather see smaller increases each year, so that's what we're doing."

By increasing rates each year incrementally, Petaluma has chosen an option that will avoid major double-digit rate jumps, Thompson said. Petaluma's wholesale water rate will go from \$672 per acre-foot of water up to \$705.

Because of a Petaluma City Council resolution passed in December of 2011, midyear rate increases by the water agency are automatically passed onto the ratepayers and take effect on July 1. But while the city will be seeing a 5 percent rate increase from SCWA, Petaluma Public Works Director Dan St. John said that the ratepayers will probably only experience a 2 to 3 percent increase on their monthly bill.

"We haven't done the calculations yet, but we're anticipating a fairly low rate increase for our customers," said St. John.

In Santa Rosa, the City Council voted to raise rates by 2.1 percent last week, which translates to about 71 cents per month in the winter and \$1.49 per month in the summer for the average household. St. John said that Petaluma's rates would be very similar, though he did not know when the final calculations would be complete. He added that this midyear increase will be followed by an inflation and cost-of-living increase in January of 2014, which is calculated and set by national rate standards.

The additional revenue SCWA collects from the rate hikes will be used to fund several large-scale projects, most of them aimed at helping the area's struggling salmon population.

Thompson said that the majority of the funds, approximately \$30 million, will most likely be used for a habitat restoration project along Dry Creek, meant to protect young salmon in the creek. Those salmon are currently having trouble surviving high-volume summer water releases from Lake Sonoma to the Russian River, which are done to maintain recreational water supply levels in the Russian River. Dry Creek is

home to endangered coho salmon and threatened chinook salmon and steelhead that are having difficulty thriving with fast flow of water from the summer release.

The project, a requirement of the National Marine Fisheries Service, consists of restoring habitat along a six-mile stretch of Dry Creek that has been damaged during the high-volume releases. The first three miles of the project has already been funded through grants. The SCWA rate increases will be stored away and used to fund the second half of the project at a later date — provided that the first phase works the way it is supposed to.

After the water agency performs the first three-mile creek restoration, the National Marine Fisheries Service will assess it. If it has not adequately protected the area's salmon population, SCWA will instead be forced to build an additional pipeline to release water from Lake Sonoma to the Russian River to lessen the flow through Dry Creek. Building a second pipeline could cost as much as \$140 million.

Meanwhile, a smaller portion of the funds collected from the rate hike will go to replacing sections of the water agency's 52-year-old pipeline that currently runs from the Russian River to Novato. The water agency is planning to set aside \$3.2 million to replace sections of the pipeline in Santa Rosa for earthquake safety. Sections in Petaluma will also need to be seismically retrofitted, though no funding has been set aside for that project. St. John said that if Petaluma and other cities can reduce their amount of summertime peak water usage, it may extend the pipeline's estimated 50-year lifespan.

"Petaluma and other cities are going to begin looking at what they can do to increase water conservation and reuse," said St. John. "There are many opportunities out there, like (building water storage, facilities) that we could be looking at in the future."

Councilmember Mike Healy said that while he supports the agency's plans to fund later maintenance projects, he would like to see the city use more of its well water supply in order to reduce wear on the aging pipeline and save the city money. Two years ago, Healy proposed a measure to use 10 percent of the city's well water year-round, instead of just during extremely dry summer months. The motion failed, with dissenting councilmembers like Teresa Barrett saying that the city's groundwater supply should be for emergency use only. But Healy argues that when the city gets 10 percent of its water supply from wells, it does not significantly lessen the groundwater supply and pointed out that doing so is cheaper than purchasing water from SCWA.

Mayor David Glass said that he would like to see a balance struck between using well water to lessen wear-and-tear on the aging pipeline and saving groundwater for emergencies. "Water is extremely valuable to have in our reserves if we hit a drought," he pointed out. "But we have to keep in mind the (pipeline) equipment. There's a sweet spot that would be fiscally sound, without depleting our groundwater supply."

Healy said he intends to put the matter to the council again sometime this spring.

(Contact Janelle Wetzstein at janelle.wetzstein@arguscourier.com)

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70-year-old Sebastopol apple farm shut down, but plans to reopen

By *SEAN SCULLY*

THE PRESS DEMOCRAT

Published: Monday, March 18, 2013 at 5:23 p.m.

A beloved remnant of the west county apple industry is closed after state officials ordered the shutdown of a drinking water well in the rural outskirts of Sebastopol, but the owners vow to reopen by spring.



Conner Jay/The Press Democrat
General manager Bill DeHaas checks the health of the apple trees at Twin Hills Ranch on Monday.

"We found it a good time to retool, to be able to keep the farm going," said Jeff Palk, owner of Twin Hills Ranch. They will "keep the heritage of the apple operation alive while going forward with grapes, where the future really is."

He said he plans to expand wine grape growing on some nearby parcels, since grapes are more lucrative, but he will maintain the eight remaining historic acres of apples on the main ranch property.

Farm manager Bill DeHass, Palk's father-in-law, said he is particularly eager to open the orchard for families to come pick their own apples and watch the historic process of washing and packaging the Gravenstein apples that once flourished that part of the county.

"Kids have got to know what their ancestors did here in America," he said. "If we're not here, that's gone."

Regulators shut down the operation on Jan. 17 after a state inspector found that the ranch was drawing water from an unapproved well, said Bruce Burton, chief of the California Department of Public Health's Drinking Water Northern California Field Operations Branch. Without state-approved water on site, county health officials suspended the ranch's permit to sell food, the cornerstone of its business.

Palk said the water system was not operated by the ranch, but rather by a private water district, known as the Twin Hills Mutual Water Co. It was established by the previous owners decades ago as part of an abortive effort to build a residential subdivision, but the water system fell into disrepair after the plan was abandoned. At some point in recent months, the pump on the main well failed and the system switched to a backup well, which turned out not to have state approval.

"I didn't realize I was even a member of the water district ... as a customer, I basically had my water cut off," Palk said.

Details on how the switch came about, and who is in charge of the private water company, remain murky, with varying accounts told by people involved.

State regulators did not offer any evidence that the water from the backup well is contaminated or an immediate danger, but Burton said anytime water is coming from an unapproved source, there is the possibility of some threat to human health so the agency issues a "do not drink" order.

Twin Hills Ranch was established in 1942 by Darrel Hurst. He and wife Maggie raised 13 children, including eight adopted, on the property before his death in 1998. They built the ranch into not only a wholesale apple seller, but a well-loved tourist attraction, offering a variety of apples for sale in the summer and fall and developing a wide range of apple products, including pies, bread and cookies.

Jeff and Kelley Palk bought the ranch from the Hurst family in 2010 and vowed to maintain it as the founders had intended. The remaining 21-acre property is just a part of the Hurst's original farm; pieces were sold off by the family or donated to various causes over the years. In addition to the eight acres of apples there are about five acres of wine grapes, plus a large barn, a house, and several outbuildings.

Palk said he plans to expand his acreage of grapes on some nearby parcels, but intends to preserve the remaining apple acres as they are today.

The ranch has been a popular venue for events and a destination for school field trips for many years. It was also a frequent stop for families searching for Christmas trees at the area's once-numerous farms.

"The late Darrell Hurst was a really strong advocate for the apple industry . . . it is an ideal place to help educate people about agriculture and buy local products," said Lex McCorvey, executive director of the Sonoma County Farm Bureau.

The west county apple industry has declined significantly in recent decades, he said, *although it is having a small resurgence with the popularity of organically farmed apple such as those grown by the historic Dutton Ranch in Sebastopol.* The Christmas tree industry has declined in the area as well.

"It's cheaper to ship apples from Washington or China than grow them here in Sonoma County," McCorvey said. "I imagine the same is true for the trees."

Once Twin Hills reopens, the future for the ranch is likely to be more tourist-oriented than its working agricultural past, Palk said. When he bought the property, he had hoped to break even just on the wholesale apple growing and processing operation, but that dream has proven elusive.

"Let's be honest, you're trying to operate an old apple farm," he said. "I was trying to operate the way it had been in the past; it wasn't working."

State officials say the ownership of the water system is unclear, but regulators have issued a number of technical citations to the system in recent years, mostly for failing to pay fees or submit required test results.

The shutoff of the water system led the county Department of Health Services to suspend Twin Hill's license to sell food, said Christine Sosko, interim director of environmental health and safety. That license could be restored if the owners find a source of drinking water acceptable to state regulators.

The water system supplies three houses adjacent to the property and a nearby fire station and private school, according to the state. Former owner Ben Hurst, son of Darrell Hurst, said Monday that he had been running the water system informally since he sold off his interest in the property in 2010, though he had stepped away from that role by the time of the do-not-drink notice.

Water does continue to flow from the long-time backup well, he said, which is operational but not approved by the state. Plans are in place to replace the failed pump on the main well, which is approved for water company use.

None of the residents of the three houses has been forced out of their home, Hurst said; the school has switched its supply to pipes from a nearby public school.

Hurst said the residents of the houses are working to revitalize the management of the water system, taking it over themselves. No residents were at home when a reporter visited last week and one did not return a call for comment by phone on Monday.

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Chief Dan George of the Gold Ridge Fire District, which operates the nearby station, said water had not been interrupted to his station. The department is, however, moving ahead with a long-term plan to shift to a well on the station property so as not to be dependent on the Twin Hills system.

Palk said Friday that the ranch will reopen as early as the end of this month, returning to offering tours, school programs, and pick-your-own apples, and will once more sell the popular line of apple-themed products, including pies, cookies, and breads.

Business consultant Wayne Weisler, who is helping rebuild the ranch operation, said he has been astounded by the reaction to the temporary closure, with area markets calling to demand more of the apple goodies and teachers and other visitors stopping by to see when they will reopen.

"The demand for our products is going up, which blows me away," he said.

While the farm is closed, the owners are overhauling business practices, rebuilding and expanding facilities for visitors, such as a covered picnic area, sprucing up the barn where products are sold, and eyeing new product lines.

Weisler promised, however, that the business would continue making the popular baked goods and other products.

"Don't fix what isn't broken," he said.

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InteriorUS Dept of Interior

Here's what #Yosemite Valley looked like this week 2 years ago (L) & yesterday (R). @YosemiteNPS pic.twitter.com/S4VvwUyhKT

Details

29 Mar

Cloverdale council OKs slightly smaller spike in water rates

By [CLARK MASON](#)

THE PRESS DEMOCRAT

Published: Wednesday, March 13, 2013 at 3:00 a.m.

A crowd of more than 100 filled the Cloverdale City Council chamber Wednesday night, mostly to register objections to hefty water and sewer rate increases.

The City Council was able to lessen the sting by approving new rates that are a little less than what originally was proposed for the first year, but utility bills still will spike.

Water rates will increase 55 percent and sewer by 20 percent, beginning in April, part of a series of hikes recommended by consultants.

"No one likes what we're having to deal with. It's not an easy thing to resolve," Mayor Joe Palla said of the need for the increases, what he said was necessary for quality of life and economic development.

"We've had some tough votes. This is the toughest I've ever seen," Vice Mayor Carol Russell said before joining her colleagues in the 5-0 vote to approve the new rates.

The combined water and sewer bill for a typical residence, now \$58.92 per month, will increase to \$85.79, rather than the \$91.21 previously proposed.

"We are being responsive to the community and coming back with an adjusted lower rate," Public Works Director Craig Scott said of the smaller increase that ended up being approved.

But those who spoke Wednesday weren't appeased.

"It seems it will be a real heavy burden you're laying on us," said Ellie Strauss, a Cloverdale resident. "I'll never understand why you didn't do some incremental increase."

Resident Roberta Callahan told the City Council the rate hikes are "unbearable" and suggested the city instead sell surplus property to help offset the rate hikes.

"There has to be a way out of this. We cannot accept this," she said.

Others asked if there wasn't some discount that could be given to low-income households, but city officials said state law essentially prohibits some customers from subsidizing lower rates for others.

The city received more than 800 letters of protest from the approximate 2,900 parcels in Cloverdale, not enough for the majority needed to stop the rate increases.

Councilwoman Mary Ann Brigham said no one likes "getting bills that will affect them adversely," but said "our hands are tied."

Public Works Director Scott said larger rate hikes were avoided by postponing a new well project and replacement of a storage tank.

Many questioned why it's been more than seven years since the city raised rates, creating the need for such a large hike now.

Scott said staff reduction may have been a factor, particularly in the administrative finance department, which lost 35 percent of its personnel in recent years.

"The workforce was cut down dramatically, a contributing factor. Who is going to be there to raise the red flag?" he said of when revenues dip too much to cover debt obligations.

City officials noted that a combined Cloverdale monthly bill still will remain the lowest in Sonoma County. By comparison, the typical residential bill in Healdsburg is \$137, Santa Rosa is \$116 Sebastopol is \$111, Petaluma is \$96 and Rohnert Park is \$89, according to figures cited by the Reed Group consultants.

Cloverdale officials say the rate increases are urgently needed for maintenance and system upgrades, part of which will be paid for with a low-interest, long-term loan from the U.S. Department of Agriculture.

The utilities have been underfunded as a result of a number of factors, including a virtual halt in construction during the recession, leading to the loss of more than \$2 million in development impact fees that had been counted on to pay the debt on past sewer and water upgrades.

Future rate increases approved Wednesday call for another 13 percent increase for water in April 2014 followed by 5 percent each year in 2015 and 2016.

Sewer rates will go up another 9 percent in July 2014, followed by 5 percent annually in the succeeding two years.

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