

**LOS TRANCOS COUNTY WATER DISTRICT  
NOTICE OF PUBLIC MEETING  
Thursday, September 1, 2011 7:30pm**

**PV Town Center  
Buckeye Room  
765 Portola Road  
Portola Valley Ca.**



**AGENDA**

**0) Public Comment**

*Members of the public may address the Board on District relevant issues not listed on the agenda. Comments on matters that are listed on the agenda may be made at the time the Board is considering each item. Each speaker is allowed a maximum of three (3) minutes.*

- 1) Approval of Minutes for June, 2011** (10 min)
- 2) Financial Report/Audit update** (Tate – 10 minutes)
- 3) Program Updates** (Board – 45 minutes)
- 4) Update regarding 2011 LTCWD Board of Directors election/candidate roster** (Sherman – 10 minutes)
- 5) Possible request to LAFCo for Activation of Chartered Water Removal Responsibility** (Uridel/Smernoff – 30 minutes)
- 6) Discussion on recent Rich Gordon legal ruling pertaining to Special Districts** (Ward – 20 minutes)
- 7) Follow-up discussion regarding 2011/2012 budget; possible modifications** (Ward/Board – 20 minutes)
- 8) Community response from Incentive Coupon Book** (Sherman/Ward – 10 minutes)

- 9) Review Secretary Contract Agreement. Discussion on hiring procedures/protocol for LTCWD (Board – 20 minutes)**
- 10) Status on E-Signatures/email approvals of invoices and update on moving forward (Smernoff – 5 minutes)**
- 11) Correspondence & Communication (Board – 10 minutes)**
- 12) Set date, time, and place of next meeting**

6:50 PM

08/29/11

Accrual Basis

**Los Trancos County Water District**  
**Balance Sheet**  
As of June 30, 2011

	<u>Jun 30, 11</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Bank of California - Checking	7,096.82
LAIF Mutual fund	226,523.71
<b>Total Checking/Savings</b>	<u>233,620.53</u>
<b>Total Current Assets</b>	<u>233,620.53</u>
<b>TOTAL ASSETS</b>	<u><b>233,620.53</b></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
20000 · Accounts Payable	15,641.05
<b>Total Accounts Payable</b>	<u>15,641.05</u>
<b>Total Current Liabilities</b>	<u>15,641.05</u>
<b>Total Liabilities</b>	15,641.05
<b>Equity</b>	
30000 · Opening Balance Equity	175,649.69
32000 · Unrestricted Net Assets	32,546.28
Net Income	9,783.51
<b>Total Equity</b>	<u>217,979.48</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>233,620.53</b></u>

**Los Trancos County Water District**  
**Income Statement: Actual vs Budget by Account**  
 July 2010 through June 2011

	Jul '10 - Jun 11	Budget	Jul '10 - Jun 11	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
<b>43400 · Direct Public Support</b>	276,445.32	259,837.80	276,445.32	259,837.80	259,837.80
<b>45000 · Investments</b>	1,027.84	2,000.00	1,027.84	2,000.00	2,000.00
<b>46400 · Other Types of Income</b>	5,069.80		5,069.80		
<b>Total Income</b>	282,542.96	261,837.80	282,542.96	261,837.80	261,837.80
<b>Expense</b>					
<b>61100 · Water Use Efficiency</b>	4,866.67	28,730.00	4,866.67	28,730.00	28,730.00
<b>61200 · Emergency Preparedness</b>	107,184.46	103,000.00	107,184.46	103,000.00	103,000.00
<b>61900 · Offset Program</b>	45,680.00	30,000.00	45,680.00	30,000.00	30,000.00
<b>62800 · Lands</b>	24,759.98	25,000.00	24,759.98	25,000.00	25,000.00
<b>62900 · Water Movement Control</b>	52,677.02	142,000.00	52,677.02	142,000.00	142,000.00
<b>64800 · Contract Services</b>	23,546.25	20,000.00	23,546.25	20,000.00	20,000.00
<b>65000 · Operations</b>	5,100.08	3,480.97	5,100.08	3,480.97	3,480.97
<b>65100 · Other Types of Expenses</b>	8,428.32	4,361.26	8,428.32	4,361.26	4,361.26
<b>68300 · Travel and Meetings</b>	516.67	2,500.00	516.67	2,500.00	2,500.00
<b>Total Expense</b>	272,759.45	359,072.23	272,759.45	359,072.23	359,072.23
<b>Net Ordinary Income</b>	9,783.51	-97,234.43	9,783.51	-97,234.43	-97,234.43
<b>Net Income</b>	<b>9,783.51</b>	<b>-97,234.43</b>	<b>9,783.51</b>	<b>-97,234.43</b>	<b>-97,234.43</b>

**Los Trancos County Water District**  
**Income Statement: Actual vs Budget by Account**  
 July 2010 through June 2011

	Jul '10 - Jun 11	Budget	Jul '10 - Jun 11	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
<b>43400 · Direct Public Support</b>					
<b>43405 · Property Tax Revenue</b>	276,445.32	259,837.80	276,445.32	259,837.80	259,837.80
<b>Total 43400 · Direct Public Support</b>	276,445.32	259,837.80	276,445.32	259,837.80	259,837.80
<b>45000 · Investments</b>					
<b>45030 · Interest-Savings, Short-term CD</b>	1,027.84	2,000.00	1,027.84	2,000.00	2,000.00
<b>Total 45000 · Investments</b>	1,027.84	2,000.00	1,027.84	2,000.00	2,000.00
<b>46400 · Other Types of Income</b>					
<b>46430 · Miscellaneous Revenue</b>	5,069.80		5,069.80		
<b>Total 46400 · Other Types of Income</b>	5,069.80		5,069.80		
<b>Total Income</b>	282,542.96	261,837.80	282,542.96	261,837.80	261,837.80
<b>Expense</b>					
<b>61100 · Water Use Efficiency</b>					
<b>60904 · WUE Rebate - Exterior</b>	1,066.67	23,750.00	1,066.67	23,750.00	23,750.00
<b>61102 · WUE Rebate - Interior</b>	3,800.00	4,980.00	3,800.00	4,980.00	4,980.00
<b>Total 61100 · Water Use Efficiency</b>	4,866.67	28,730.00	4,866.67	28,730.00	28,730.00
<b>61200 · Emergency Preparedness</b>					
<b>61205 · Fire Safety Escape Routes</b>	39,653.87	35,000.00	39,653.87	35,000.00	35,000.00
<b>61207 · Fire Safety Community Buffer</b>	26,455.77	30,000.00	26,455.77	30,000.00	30,000.00
<b>61208 · Fire Safety Residential Program</b>	41,074.82	38,000.00	41,074.82	38,000.00	38,000.00
<b>Total 61200 · Emergency Preparedness</b>	107,184.46	103,000.00	107,184.46	103,000.00	103,000.00
<b>61900 · Offset Program</b>					
<b>61901 · Offset</b>	43,520.00	29,400.00	43,520.00	29,400.00	29,400.00
<b>61905 · Offset admin fee</b>	2,160.00	600.00	2,160.00	600.00	600.00
<b>Total 61900 · Offset Program</b>	45,680.00	30,000.00	45,680.00	30,000.00	30,000.00
<b>62800 · Lands</b>					
<b>62801 · Restrtn Supls, Plants Irrrgtn</b>	4,739.88	5,000.00	4,739.88	5,000.00	5,000.00
<b>62802 · Fuel load reduction/SOD treatme</b>	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
<b>62803 · Maintenance</b>	8,432.10	8,000.00	8,432.10	8,000.00	8,000.00
<b>62840 · Capital Projects</b>	8,385.00	8,000.00	8,385.00	8,000.00	8,000.00
<b>62850 · Contingency</b>	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
<b>62890 · Utilities - Water</b>	203.00	1,000.00	203.00	1,000.00	1,000.00
<b>Total 62800 · Lands</b>	24,759.98	25,000.00	24,759.98	25,000.00	25,000.00
<b>62900 · Water Movement Control</b>					
<b>62901 · Mapping, Drafting, Engineering</b>	17,923.98	50,000.00	17,923.98	50,000.00	50,000.00
<b>62903 · Water testing</b>	2,075.00	22,000.00	2,075.00	22,000.00	22,000.00
<b>62904 · Ramona Road Study</b>	28,814.45	40,000.00	28,814.45	40,000.00	40,000.00
<b>62905 · Residential Incentive Program</b>	3,863.59	30,000.00	3,863.59	30,000.00	30,000.00
<b>Total 62900 · Water Movement Control</b>	52,677.02	142,000.00	52,677.02	142,000.00	142,000.00

**Los Trancos County Water District**  
**Income Statement: Actual vs Budget by Account**  
 July 2010 through June 2011

	Jul '10 - Jun 11	Budget	Jul '10 - Jun 11	YTD Budget	Annual Budget
<b>64800 · Contract Services</b>					
64801 · Recording Secretary	5,060.00	5,200.00	5,060.00	5,200.00	5,200.00
64805 · Bookkeeping	6,200.00	6,300.00	6,200.00	6,300.00	6,300.00
64810 · Accounting Fees	4,725.00	4,500.00	4,725.00	4,500.00	4,500.00
64840 · Legal Fees	7,561.25	4,000.00	7,561.25	4,000.00	4,000.00
<b>Total 64800 · Contract Services</b>	<b>23,546.25</b>	<b>20,000.00</b>	<b>23,546.25</b>	<b>20,000.00</b>	<b>20,000.00</b>
<b>65000 · Operations</b>					
65020 · Postage, Mailing Service	46.73	26.97	46.73	26.97	26.97
65030 · Printing and Copying	3,398.42	2,300.00	3,398.42	2,300.00	2,300.00
65040 · Supplies	863.48	900.00	863.48	900.00	900.00
65050 · Telephone, Telecommunications	48.00	254.00	48.00	254.00	254.00
65060 · Technology	743.45		743.45		
<b>Total 65000 · Operations</b>	<b>5,100.08</b>	<b>3,480.97</b>	<b>5,100.08</b>	<b>3,480.97</b>	<b>3,480.97</b>
<b>65100 · Other Types of Expenses</b>					
65105 · Insurance, Liability	4,124.32	2,936.26	4,124.32	2,936.26	2,936.26
65120 · Insurance - D and O	2,045.00	1,195.00	2,045.00	1,195.00	1,195.00
65150 · Memberships and Dues	644.00		644.00		
65155 · Grants and Donations	1,000.00		1,000.00		
65160 · Other Costs	129.00	100.00	129.00	100.00	100.00
65170 · Staff Development	350.00		350.00		
65180 · LAFCO	136.00	130.00	136.00	130.00	130.00
<b>Total 65100 · Other Types of Expenses</b>	<b>8,428.32</b>	<b>4,361.26</b>	<b>8,428.32</b>	<b>4,361.26</b>	<b>4,361.26</b>
<b>68300 · Travel and Meetings</b>					
68310 · Conference, Convention, Meeting	313.63		313.63		
68320 · Travel	203.04	2,500.00	203.04	2,500.00	2,500.00
<b>Total 68300 · Travel and Meetings</b>	<b>516.67</b>	<b>2,500.00</b>	<b>516.67</b>	<b>2,500.00</b>	<b>2,500.00</b>
<b>Total Expense</b>	<b>272,759.45</b>	<b>359,072.23</b>	<b>272,759.45</b>	<b>359,072.23</b>	<b>359,072.23</b>
<b>Net Ordinary Income</b>	<b>9,783.51</b>	<b>-97,234.43</b>	<b>9,783.51</b>	<b>-97,234.43</b>	<b>-97,234.43</b>
<b>Net Income</b>	<b>9,783.51</b>	<b>-97,234.43</b>	<b>9,783.51</b>	<b>-97,234.43</b>	<b>-97,234.43</b>

6:52 PM

08/29/11

Accrual Basis

**Los Trancos County Water District**  
**Balance Sheet**  
As of August 31, 2011

	<u>Aug 31, 11</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Bank of California - Checking	7,222.27
LAIF Mutual fund	181,848.50
Total Checking/Savings	<u>189,070.77</u>
Total Current Assets	<u>189,070.77</u>
<b>TOTAL ASSETS</b>	<b><u>189,070.77</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
30000 · Opening Balance Equity	175,649.69
32000 · Unrestricted Net Assets	42,329.79
Net Income	<u>-28,908.71</u>
Total Equity	<u>189,070.77</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>189,070.77</u></b>

**Los Trancos County Water District**  
**Income Statement: Actual vs Budget by Account**  
**August 2011**

	Aug 11	Budget	Jul - Aug 11	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
43400 · Direct Public Support	0.00	0.00	5,074.17	7,052.00	272,878.00
45000 · Investments	0.00		324.79	300.00	1,200.00
<b>Total Income</b>	0.00	0.00	5,398.96	7,352.00	274,078.00
<b>Expense</b>					
61100 · Water Use Efficiency	200.00	2,193.34	988.07	4,386.68	26,320.00
61200 · Emergency Preparedness	13,603.61	7,666.66	17,401.11	15,333.32	92,000.00
61900 · Offset Program	0.00		0.00	10,000.00	40,000.00
62800 · Lands	425.00	1,916.68	425.00	3,833.36	23,000.00
62900 · Water Movement Control	4,811.25	13,750.00	12,973.23	27,500.00	165,000.00
64800 · Contract Services	1,083.50	3,729.16	2,394.56	7,458.32	49,500.00
65000 · Operations	123.70	1,020.84	123.70	2,042.68	12,251.00
65100 · Other Types of Expenses	0.00	4,500.00	2.00	4,500.00	11,480.00
68300 · Travel and Meetings	0.00	50.00	0.00	100.00	600.00
<b>Total Expense</b>	20,247.06	34,826.68	34,307.67	75,154.36	420,151.00
<b>Net Ordinary Income</b>	-20,247.06	-34,826.68	-28,908.71	-67,802.36	-146,073.00
<b>Net Income</b>	<b>-20,247.06</b>	<b>-34,826.68</b>	<b>-28,908.71</b>	<b>-67,802.36</b>	<b>-146,073.00</b>

**Los Trancos County Water District**  
**Income Statement: Actual vs Budget by Account**  
**August 2011**

	Aug 11	Budget	Jul - Aug 11	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
<b>43400 · Direct Public Support</b>					
43405 · Property Tax Revenue	0.00		5,074.17		
43400 · Direct Public Support - Other	0.00	0.00	0.00	7,052.00	272,878.00
<b>Total 43400 · Direct Public Support</b>	0.00	0.00	5,074.17	7,052.00	272,878.00
<b>45000 · Investments</b>					
45030 · Interest-Savings, Short-term CD	0.00		324.79		
45000 · Investments - Other	0.00		0.00	300.00	1,200.00
<b>Total 45000 · Investments</b>	0.00		324.79	300.00	1,200.00
<b>Total Income</b>	0.00	0.00	5,398.96	7,352.00	274,078.00
<b>Expense</b>					
<b>61100 · Water Use Efficiency</b>					
60904 · WUE Rebate - Exterior	0.00	1,441.66	0.00	2,883.32	17,300.00
61102 · WUE Rebate - Interior	200.00	623.34	988.07	1,246.68	7,480.00
61103 · WUE Residential Water Survey	0.00	128.34	0.00	256.68	1,540.00
<b>Total 61100 · Water Use Efficiency</b>	200.00	2,193.34	988.07	4,386.68	26,320.00
<b>61200 · Emergency Preparedness</b>					
61205 · Fire Safety Escape Routes	4,050.00	2,500.00	4,050.00	5,000.00	30,000.00
61207 · Fire Safety Community Buffer	1,419.28	2,666.66	1,419.28	5,333.32	32,000.00
61208 · Fire Safety Residential Program	8,134.33	2,500.00	11,931.83	5,000.00	30,000.00
<b>Total 61200 · Emergency Preparedness</b>	13,603.61	7,666.66	17,401.11	15,333.32	92,000.00
<b>61900 · Offset Program</b>					
61901 · Offset	0.00		0.00	8,950.00	35,800.00
61905 · Offset admin fee	0.00		0.00	1,050.00	4,200.00
<b>Total 61900 · Offset Program</b>	0.00		0.00	10,000.00	40,000.00
<b>62800 · Lands</b>					
62801 · Restrtn Supls, Plants Irrrgtn	375.00	250.00	375.00	500.00	3,000.00
62802 · Fuel load reduction/SOD treatme	0.00	250.00	0.00	500.00	3,000.00
62803 · Maintenance	0.00	500.00	0.00	1,000.00	6,000.00
62804 · Environmental review, document	0.00	83.34	0.00	166.68	1,000.00
62840 · Capital Projects	0.00	666.66	0.00	1,333.32	8,000.00
62850 · Contingency	0.00	83.34	0.00	166.68	1,000.00
62890 · Utilities - Water	50.00	83.34	50.00	166.68	1,000.00
<b>Total 62800 · Lands</b>	425.00	1,916.68	425.00	3,833.36	23,000.00
<b>62900 · Water Movement Control</b>					
62902 · Phase One Supplemental Budget	415.00	4,166.66	415.00	8,333.32	50,000.00
62903 · Water testing	890.00	1,250.00	9,051.98	2,500.00	15,000.00
62904 · Ramona Road Study	3,506.25	3,333.34	3,506.25	6,666.68	40,000.00
62905 · Residential Incentive Program	0.00	5,000.00	0.00	10,000.00	60,000.00
<b>Total 62900 · Water Movement Control</b>	4,811.25	13,750.00	12,973.23	27,500.00	165,000.00

**Los Trancos County Water District**  
**Income Statement: Actual vs Budget by Account**  
**August 2011**

	Aug 11	Budget	Jul - Aug 11	YTD Budget	Annual Budget
<b>64800 · Contract Services</b>					
64801 · Recording Secretary	0.00	416.66	0.00	833.32	5,000.00
64805 · Bookkeeping	1,000.00	512.50	1,000.00	1,025.00	6,150.00
64806 · Operations Manager	0.00	2,500.00	0.00	5,000.00	30,000.00
64810 · Accounting Fees	0.00		0.00		4,750.00
64840 · Legal Fees	83.50	300.00	1,394.56	600.00	3,600.00
<b>Total 64800 · Contract Services</b>	1,083.50	3,729.16	2,394.56	7,458.32	49,500.00
<b>65000 · Operations</b>					
65010 · Books, Subscriptions, Reference	0.00		0.00	1.00	1.00
65020 · Postage, Mailing Service	88.00	4.16	88.00	8.32	50.00
65030 · Printing and Copying	0.00	400.00	0.00	800.00	4,800.00
65040 · Supplies	35.70	75.00	35.70	150.00	900.00
65060 · Technology	0.00	208.34	0.00	416.68	2,500.00
65070 · Marketing and Communications	0.00	333.34	0.00	666.68	4,000.00
<b>Total 65000 · Operations</b>	123.70	1,020.84	123.70	2,042.68	12,251.00
<b>65100 · Other Types of Expenses</b>					
65105 · Insurance, Liability	0.00	4,500.00	0.00	4,500.00	4,500.00
65120 · Insurance - D and O	0.00		0.00		3,000.00
65130 · Election Costs	0.00		0.00		2,000.00
65150 · Memberships and Dues	0.00		0.00		644.00
65155 · Grants and Donations	0.00		0.00		1,000.00
65160 · Other Costs	0.00		2.00		
65180 · LAFCO	0.00		0.00		136.00
65190 · Departing Gifts	0.00		0.00		200.00
<b>Total 65100 · Other Types of Expenses</b>	0.00	4,500.00	2.00	4,500.00	11,480.00
<b>68300 · Travel and Meetings</b>					
68310 · Conference, Convention, Meeting	0.00	41.66	0.00	83.32	500.00
68320 · Travel	0.00	8.34	0.00	16.68	100.00
<b>Total 68300 · Travel and Meetings</b>	0.00	50.00	0.00	100.00	600.00
<b>Total Expense</b>	20,247.06	34,826.68	34,307.67	75,154.36	420,151.00
<b>Net Ordinary Income</b>	-20,247.06	-34,826.68	-28,908.71	-67,802.36	-146,073.00
<b>Net Income</b>	<b>-20,247.06</b>	<b>-34,826.68</b>	<b>-28,908.71</b>	<b>-67,802.36</b>	<b>-146,073.00</b>

**Los Trancos County Water District**  
**Profit & Loss Prev Year Comparison**  
 July 2010 through June 2011

	Jul '10 - Jun 11	Jul '09 - Jun 10	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>43400 · Direct Public Support</b>				
43405 · Property Tax Revenue	276,445.32	252,269.71	24,175.61	9.6%
<b>Total 43400 · Direct Public Support</b>	276,445.32	252,269.71	24,175.61	9.6%
<b>45000 · Investments</b>				
45030 · Interest-Savings, Short-term CD	1,027.84	0.00	1,027.84	100.0%
45000 · Investments - Other	0.00	1,517.21	-1,517.21	-100.0%
<b>Total 45000 · Investments</b>	1,027.84	1,517.21	-489.37	-32.3%
<b>46400 · Other Types of Income</b>				
46430 · Miscellaneous Revenue	5,069.80	0.00	5,069.80	100.0%
46400 · Other Types of Income - Other	0.00	4,381.00	-4,381.00	-100.0%
<b>Total 46400 · Other Types of Income</b>	5,069.80	4,381.00	688.80	15.7%
<b>Total Income</b>	282,542.96	258,167.92	24,375.04	9.4%
<b>Expense</b>				
<b>61100 · Water Use Efficiency</b>				
60904 · WUE Rebate - Exterior	1,066.67	13,565.24	-12,498.57	-92.1%
61102 · WUE Rebate - Interior	3,800.00	3,962.00	-162.00	-4.1%
61103 · WUE Residential Water Survey	0.00	430.00	-430.00	-100.0%
61106 · WUE - Other	0.00	606.14	-606.14	-100.0%
<b>Total 61100 · Water Use Efficiency</b>	4,866.67	18,563.38	-13,696.71	-73.8%
<b>61200 · Emergency Preparedness</b>				
61205 · Fire Safety Escape Routes	39,653.87	0.00	39,653.87	100.0%
61206 · Fire safety	0.00	84,969.28	-84,969.28	-100.0%
61207 · Fire Safety Community Buffer	26,455.77	0.00	26,455.77	100.0%
61208 · Fire Safety Residential Program	41,074.82	0.00	41,074.82	100.0%
<b>Total 61200 · Emergency Preparedness</b>	107,184.46	84,969.28	22,215.18	26.2%
<b>61900 · Offset Program</b>				
61901 · Offset	43,520.00	78,400.00	-34,880.00	-44.5%
61905 · Offset admin fee	2,160.00	1,600.00	560.00	35.0%
<b>Total 61900 · Offset Program</b>	45,680.00	80,000.00	-34,320.00	-42.9%
<b>62800 · Lands</b>				
62801 · Restrtn Supls, Plants Irrrgtn	4,739.88	3,975.90	763.98	19.2%
62802 · Fuel load reduction/SOD treatme	2,000.00	1,750.00	250.00	14.3%
62803 · Maintenance	8,432.10	5,373.91	3,058.19	56.9%
62804 · Environmental review, document	0.00	608.80	-608.80	-100.0%
62840 · Capital Projects	8,385.00	5,334.00	3,051.00	57.2%
62850 · Contingency	1,000.00	0.00	1,000.00	100.0%
62890 · Utilities - Water	203.00	464.55	-261.55	-56.3%
<b>Total 62800 · Lands</b>	24,759.98	17,507.16	7,252.82	41.4%

**Los Trancos County Water District**  
**Profit & Loss Prev Year Comparison**  
**July 2010 through June 2011**

	Jul '10 - Jun 11	Jul '09 - Jun 10	\$ Change	% Change
<b>62900 · Water Movement Control</b>				
62901 · Mapping, Drafting, Engineering	17,923.98	25,962.00	-8,038.02	-31.0%
62902 · Phase One Supplemental Budget	0.00	14,771.58	-14,771.58	-100.0%
62903 · Water testing	2,075.00	0.00	2,075.00	100.0%
62904 · Ramona Road Study	28,814.45	0.00	28,814.45	100.0%
62905 · Residential Incentive Program	3,863.59	0.00	3,863.59	100.0%
<b>Total 62900 · Water Movement Control</b>	52,677.02	40,733.58	11,943.44	29.3%
<b>64800 · Contract Services</b>				
64801 · Recording Secretary	5,060.00	2,450.00	2,610.00	106.5%
64805 · Bookkeeping	6,200.00	3,875.00	2,325.00	60.0%
64810 · Accounting Fees	4,725.00	8,000.00	-3,275.00	-40.9%
64840 · Legal Fees	7,561.25	3,429.75	4,131.50	120.5%
<b>Total 64800 · Contract Services</b>	23,546.25	17,754.75	5,791.50	32.6%
<b>65000 · Operations</b>				
65020 · Postage, Mailing Service	46.73	26.97	19.76	73.3%
65030 · Printing and Copying	3,398.42	2,302.15	1,096.27	47.6%
65040 · Supplies	863.48	936.24	-72.76	-7.8%
65050 · Telephone, Telecommunications	48.00	254.00	-206.00	-81.1%
65060 · Technology	743.45	0.00	743.45	100.0%
<b>Total 65000 · Operations</b>	5,100.08	3,519.36	1,580.72	44.9%
<b>65100 · Other Types of Expenses</b>				
65105 · Insurance, Liability	4,124.32	2,936.26	1,188.06	40.5%
65120 · Insurance - D and O	2,045.00	1,195.00	850.00	71.1%
65130 · Election Costs	0.00	1,945.94	-1,945.94	-100.0%
65150 · Memberships and Dues	644.00	0.00	644.00	100.0%
65155 · Grants and Donations	1,000.00	0.00	1,000.00	100.0%
65160 · Other Costs	129.00	71.57	57.43	80.2%
65170 · Staff Development	350.00	0.00	350.00	100.0%
65180 · LAFCO	136.00	130.00	6.00	4.6%
<b>Total 65100 · Other Types of Expenses</b>	8,428.32	6,278.77	2,149.55	34.2%
<b>66900 · Reconciliation Discrepancies</b>	0.00	0.00	0.00	0.0%
<b>68300 · Travel and Meetings</b>				
68310 · Conference, Convention, Meeting	313.63	0.00	313.63	100.0%
68320 · Travel	203.04	17.50	185.54	1,060.2%
<b>Total 68300 · Travel and Meetings</b>	516.67	17.50	499.17	2,852.4%
<b>Total Expense</b>	272,759.45	269,343.78	3,415.67	1.3%
<b>Net Ordinary Income</b>	9,783.51	-11,175.86	20,959.37	187.5%
<b>Net Income</b>	<b>9,783.51</b>	<b>-11,175.86</b>	<b>20,959.37</b>	<b>187.5%</b>

September X, 2011

C.G. Uhlenberg LLP  
333 Twin Dolphin Drive, Suite 230  
Redwood City, CA 94065

Subject: management's discussion and analysis of LTCWD 2010-2011 fiscal year

We are providing this letter in connection with your audit of the financial statements of Los Trancos County Water District as of June 30, 2011, and for the year then ended, for the purpose of describing variations in budget, and significant changes in operations.

Budget versus actual performance.

Fire Safety (104%) - within normal variation

Lands (99%) - within normal variation

Water Movement Control (37%)

WMC is in the early stages of launching several elements of their program, and it has taken longer than planned to gain full speed. These are moving ahead more strongly in fiscal year 2011-12. ???

Saving Water (17%)

Saving water anticipated higher uptake on its incentive programs than was realized. In recognition of that, an advertising and education program was launched for 2011-2012, and budgets were brought into line with anticipated results.

Water Cost Offset (145%)

Overages were caused by transitioning from a full connection fee offset to a minimum connection fee (fixed) offset for homes qualifying as Saving Water residences; and some variation is due to deposits made to Cal Water in conjunction with our agreement to keep funds in their hands in anticipation of distribution. These funds are unspent until needed, and actually LTCWD assets. This program is scheduled to sunset in 2013 per Resolution 202.

Since several programs are more interactive with District residents; Liability Insurance has been increased from \$1 million dollars to \$3 million dollars. D&O insurance ..???

The Blue Oaks Loan for \$617,762.00 at 0 interest until 32 homes are built is still carried. At this time there are xx homes built, and yy homes under construction or permitted.

Signed:

Title: LTCWD President,  
Tracy Sherman

Signed:

Title: : LTCWD Director,  
member Finance committee  
T. Michael Ward

Please include this e-mail in the packet for agenda item #3., Program Updates. Thank you.

-----Forwarded Message-----

From: Thomas

Sent: Aug 30, 2011 10:44 AM

To: John Noori , DavidS@Acterra.org

Cc: Mark Knudsen , charleskrenz@sbcglobal.net, DavidS@Acterra.org, keritate@ymail.com, mike@ostassoc.com, tasherman1@earthlink.net

Subject: Re: FW: LTCWD Scope

Hi John,

Thanks to you and S&W for the great assist. Let us look and think a bit. I believe the whole board probably needs to see and consider the draft proposal, and will include it our Sep. 1, meeting packet. To avoid future confusion, would you please ask S&W to refer to the DPI as the "**Downslope** Protection Initiative." Thanks, again.

Best regards,

Tom

-----Original Message-----

From: John Noori

Sent: Aug 30, 2011 6:49 AM

To: Thomas , DavidS@Acterra.org

Cc: Mark Knudsen

Subject: FW: LTCWD Scope

false false false EN-US X-NONE X-NONE

Tom/David,

Here is a draft of the scope prepared by S&W for all of their upcoming services. I think we may be able to minimize some of these but let me know your thoughts or any comments on these before I get back to them, thanks. ~J

Here is an overview of the expected scope of services provided by Schaaf & Wheeler:

Overall

- Gather rainfall data and topographic contours as needed to provide necessary 100 - year hydrology.
- Calculate peak flows at critical locations.

- Create a comprehensive plan in GIS format on one coordinate system (state plane), including all gathered information, peak flows, BAGG Engineering data and Keir and Wright topographic information.

#### Culvert Projects

- Provide peer review of Keir & Wright construction documents. Including written comment and suggestion memo.
- Provide peak flows at applicable driveways for K&W's use in sizing culverts. Appropriate return period to be determined.

#### Ramona Landslide

- Provide peak flow rates at headwall and catch basin across Ramona Road.
- Design new headwall, catch basins, and piping network to convey the 100 - year storm.
- Create documents for permitting and construction per the County of San Mateo Standards, including plan and profile, details, and project specific specifications.
- Provide a drainage report per the County requirements, including hydrologic and hydraulic analysis, if required by County.
- Does not include obtaining regulatory permits for pipe outfall below landslide that might be necessary, or roadway pavement design.
- Provide construction support services on a T&M basis.

#### Downstream Protection Initiative at properties 1203 to 1165 Los Trancos Road

- Calculate peak flows down roadway and to each inlet.
- Design solutions to the downslope drainage problems, these may include but are not limited to: Roadway Superelevation, Curb & Gutter, Drainage Swales, new Inlets and Underground Piping.
- K&W shall provide detailed topographic survey, utility locating (including depth), and soils report (including pavement recommendations).
- Create construction documents per the County of San Mateo guidelines, including specifications, details, plan and profile.
- Provide a drainage report per the County requirements, including hydrologic and hydraulic analysis, if required by County.
- Provide construction support services on a T&M basis.

## Water district could be severed if found wasteful

**Popular Los Trancos collects tax dollars for other services**

By Niko Kyriakou  
Examiner Staff Writer

Special districts that have outlived their original purpose or are seen as wasteful by public officials — such as the Los Trancos Water District, which no longer provides water — could be eliminated more easily than ever before under a new state law.

The state law passed last week gives the Peninsula's Local Agency Formation Commission, which regulates special districts, the power to get rid of any district, provided a majority of voters don't sign a petition to save it.

Peninsula Assemblyman Rich Gordon introduced the bill because he found it "frustrating that the [Local Agency Formation Commission] could make recommendations about inefficiencies in government, but there was no real way to implement them."

Gordon said the law removes complicated procedures and expensive special elections — which make nixing old districts difficult — and could return hundreds of thousands of dollars to county coffers around the state.

Among San Mateo County's 22 districts, Los Trancos, which includes the Vista Verde and Los Trancos Woods communities, is the most likely target for elimination, said Martha Poyatos, executive officer of LAFCO.

Less likely targets include the Sequoia and Peninsula healthcare districts, which collect money originally designated for hospital operators, yet no longer run hospitals. Although critics have called

for both to be eliminated, health districts statewide recently banded together to pass a law that allows them to collect property taxes for the purpose of making health-related grants to the community, regardless of whether they run hospitals, Poyatos said.

Los Trancos does not have such status and has come under fire from both LAFCO and the San Mateo County grand jury for continuing to collect property taxes even though it sold its water delivery system to CalWorks in 2005.

Without a water delivery system, the district has no legal right to collect taxes, according to Poyatos.

District board member Mike Ward said Los Trancos has hired legal counsel and is "copasetic in respect to all the laws." He said the volunteer-run district uses its \$225,000 revenue far more efficiently than the county would, adding that Los Trancos has just 10 percent overhead costs.

The district, which serves 270 households, gives nearly half its tax revenue back to residents via rebates for water conservation, and spends the rest on wildland fire prevention, emergency preparedness and other water-conservation work.

"We are doing programs that other organizations either aren't chartered to do or aren't able to do at this time because of their budgets, and that's why people are in favor of us staying in existence," said Ward, citing a June 2010 survey that found 69 percent of residents support keeping the district alive.

But Poyatos said the district's many services could be provided — or already are — by other organizations, such as the Woodside Fire Department and CalWorks.

"It's not about judging what they're doing for the community; it's about following the law," she said.

*nkyriakou@sfexaminer.com*



ALL: COURTESY PHOTOS

**Special purposes:** Wildland fire prevention is part of the work performed by the volunteer-run Los Trancos Water District.

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**Clearing:** Workers remove brush in the Los Trancos Water District. The district may be disbanded under a new state law if the state finds the district wasteful.

Hi, here at last is the Examiner Article; with the corrections they published contained in Niko's email below.

Regards,

Mike Ward

--- On Thu, 8/25/11, Niko Kyriakou <[nkyriakou@sfexaminer.com](mailto:nkyriakou@sfexaminer.com)> wrote:

From: Niko Kyriakou <[nkyriakou@sfexaminer.com](mailto:nkyriakou@sfexaminer.com)>  
Subject: RE: second request  
To: "T. Michael Ward" <[mike@ostassoc.com](mailto:mike@ostassoc.com)>  
Date: Thursday, August 25, 2011, 5:09 PM

Michael,

Our editor returned today from vacation and I asked him about reposting the story. He said he would “never” get around to that. However, I was able to get a PDF of the version which ran. I’m loathe to give it to you because there were so many errors in it. It was pulled because we wanted to incorporate the corrections into the text, since there were so many (by far the biggest disaster I’ve had since starting here three months ago). But since you’re so insistent, here it is. I’d appreciate it if you could include this correction with the article which we had up on the website and which ran in the paper. Sorry for the long delay.

In our Aug. 3 story about the future of the Los Trancos Water District there were several errors. The article incorrectly attributed statements to Martha Poyatos, the executive officer of the San Mateo Local Agency Formation Commission (LAFCO). Poyatos did not conclude that of San Mateo County’s 22 special district, Los Trancos was “the most likely target for elimination” under a new state law. Nor did Poyatos conclude Los Trancos “had no legal right to collect taxes.” This article also incorrectly reported that CalWorks bought Los Trancos’ water delivery system and that the district currently rebates nearly half its revenue to customers who participate in water conservation programs. In fact, CalWater bought Los Trancos' water delivery system and the district only rebates 5 percent of its revenues to customers. 40 percent of its revenues go towards fire safety.

**From:** T. Michael Ward [mailto:mike@ostassoc.com] **Sent:** Thursday, August 25, 2011 4:05 PM **To:** Niko Kyriakou **Subject:** RE: second request

Hi Niko My board is applying a bit of pressure on me to recover your article. At evening? I'd really appreciate it. Any idea why your editor took it off the archive

For packet - Agenda Item #5. Thank you.

-----Forwarded Message-----

From: Martha Poyatos

Sent: Aug 5, 2011 1:26 PM

To: Thomas

Cc: [DavidS@Acterra.org](mailto:DavidS@Acterra.org), [charleskrenz@sbcglobal.net](mailto:charleskrenz@sbcglobal.net),  
[keritate@ymail.com](mailto:keritate@ymail.com), [ss@jsmf.com](mailto:ss@jsmf.com), [tasherman1@earthlink.net](mailto:tasherman1@earthlink.net)

Subject: Re: Request for correction/ inaccuracies in story about AB912 in today's Examiner

Dear Mr. Uridel:

As discussed on the phone this morning, I wanted to acknowledge your e-mail and suggest that neither LAFCo or the Los Trancos County Water District Board base our interactions on the S.F. Examiner article as it is not accurate. The article was triggered by enactment of AB 912 which raises the protest threshold to require an election on dissolutions. For District initiated dissolutions, it allows LAFCo to order dissolution of a district if that district has a LAFCo adopted sphere designation of dissolution, without protest and without election. For dissolution applications initiated by another affected agency or LAFCo, it allows LAFCo to order completion of dissolution without election if at a protest hearing, less than 50% registered voter protest is received. The Bill was drafted to respond to issues LAFCOs face statewide and had support of the California Special Districts Association.

LAFCo completed the Municipal Service Review and Sphere update for LTCWD in 2006 at which time the District had already sold the water system to CalWater. The Commission reaffirmed the sphere designation for dissolution, identified that the District had no active powers and identified that activation of services authorized by enabling legislation but not previously provided requires an application by the District to LAFCo and LAFCo approval in order to active services (Section 56824.12)

I hope the District can appreciate that the Commission operates pursuant to the Cortese Knox Hertzberg Act, much of which is mandatory versus discretionary. Section 56824.12 of the Act is not a discretionary provision. It was enacted with the purpose of requiring Districts to hold a public hearing on an application to expand services and to give LAFCo the responsibility to regulate activation of powers to avoid overlapping boundaries of agencies providing the same services. As discussed with you

on the phone, the opportunity continues to exist for the District to apply to LAFCo to comply with Section 56824.12.

If you have questions regarding the process for application for activation of services please feel free to contact me.

Sincerely,

Martha Poyatos, Executive Officer  
San Mateo LAFCo  
455 County Center, 2nd Fl.  
Redwood City, CA 94063  
650/363-4224  
650/363-4849 (fax)



>>> Thomas <[tvuridel@earthlink.net](mailto:tvuridel@earthlink.net)> 8/4/2011 11:23 AM >>>

Dear Ms. Poyatos:

I forwarded your e-mail as requested. Your frustration with the article is shared by myself and other board members. Member Ward was apparently the only board representative with whom the reporter spoke prior to finalizing and submitting the article.

I am dissappointed to see little apparent change in LAFCo's attitude towards the District. I believe there have many positive changes since your last review. I hope that these changes will be fully and fairly considered as we go forward. It seems to me, that whether the District is, can, should serve one or more valid public purposes other than water delivery is more the real issue than an alleged non-compliance with a procedural technicality. I sincerely hope that a reasonable discourse on all these matters might be possible prior to further adverse action by LAFCo.

Please feel free to contact me or other board members with questions or concerns regarding the contents of this e-mail, the Examiner article or other District-related concerns.

Respectfully,

Tom Uridel  
851-7091

-----Original Message-----

From: Martha Poyatos

Sent: Aug 4, 2011 10:01 AM

To: Niko Kyriakou

Cc: [davids@acterra.org](mailto:davids@acterra.org), [sdrumwright@sfexaminer.com](mailto:sdrumwright@sfexaminer.com),  
[tvuridel@earthlink.net](mailto:tvuridel@earthlink.net)

Subject: Request for correction/ inaccuracies in story about AB912 in today's Examiner

Niko:

Re: "Water District could be severed if found wasteful", Page 9, 8/4 Examiner

I was disappointed and frustrated to read incorrect statements attributed to me in the above noted article.

In particular, I note the incorrect statement in which you write that I indicated Los Trancos County Water District is "the most likely target for elimination" followed by the words "said Martha Poyatos". As you recall, my statement to you was that AB912 would only have bearing in San Mateo County if residents, voters or another public agency applied to LAFCo to dissolve a District. I referred you to the LAFCo Municipal Service Review in which LAFCo found that a district that no longer provides the service for which it was formed should consider dissolution.

Nor did I say it was illegal for the District to collect property tax because it no longer operated a water system. I did explain the unintended consequences of Prop. 13 and that the spirit of Prop.13 was that property tax was intended for districts such as fire districts that could not charge a fee for service.

Also while it is not central to the issue, the water company that purchased the Los Trancos water system is CalWater (California Water Service Company) not CalWorks (which is a State funded program implemented by counties to provide food and financial assistance to very low income residents).

Lastly in an e-mail I explained the following:

1) Districts have a set of powers that are set forth in their enabling legislation and under LAFCo law these are either active powers and inactive powers. In the case of Los Trancos water code provides that a

water district can provide water, fire protection, sewer service and recreation related to water facilities.

2) In the case of Los Trancos LAFCo determined that in selling the water system they had no active powers.

3) In any event, State law (Government Code Section 56824.12) requires that before a district can activate inactive powers they must apply to LAFCo to do so. The application must have a plan for providing service and a budget. If the District believes that there are additional services they should be providing prior to doing so, this section requires they apply to LAFCo, which they have not done. This was discussed in the LAFCo report.

I understand that some local government issues are complex but your article contains gross misstatements and inaccuracies and rather than serving to inform the reader, creates controversy and misinformation. I therefore ask that you correct the incorrect statements in your article.

I am copying LTCWD Board Members Tom Uridel and David Smernoff and ask that they forward this e-mail to the balance of the board.

Sincerely,

Martha Poyatos, Executive Officer  
San Mateo LAFCo  
455 County Center, 2nd Fl.  
Redwood City, CA 94063  
650/363-4224  
650/363-4849 (fax)

>>> "Niko Kyriakou" <[nkyriakou@sfexaminer.com](mailto:nkyriakou@sfexaminer.com)> 7/28/2011 11:10 AM

>>>

Martha,

I have a couple questions about the local impact of AB 912. Could you give me a buzz if you get a chance today?

Thanks,

Niko Kyriakou  
Reporter  
The San Francisco Examiner  
(650) 216-9573  
(831) 239-9199 cell



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ZOE E. HUNTON

MEMORANDUM

**TO:** Los Trancos Water District Board

**FROM:** Sandy Sloan, District Counsel

**DATE:** August 30, 2011

**RE:** AB912 and Latent Powers

---

1. AB912. A summary of AB912 and a copy of the bill are attached. Previously if LAFCo wished to dissolve a district and a district did not want to be dissolved, an election of all registered voters in the district needed to be held. With AB912, under the same circumstances, LAFCo can dissolve a district without an election, BUT only if a majority of the registered voters do not protest. Under this new law, LAFCo would need to send out written notice of the possible dissolution and hold a public hearing. If a majority of registered voters protested by sending back a letter of protest or coming to the hearing and protesting, the district would not be dissolved. The end result is the same—the voters in the district need to agree to the dissolution.

I understand that the Special District Association supported this legislation because when a district wants to be dissolved, it saves the expense of the election.

2. Latent powers. As you know, I have previously opined that if the District wishes to spend money on handling storm water, that action is appropriate. The initial ordinance that the District adopted spoke of "water" without restricting this term to domestic water. Without a definition of water in the local ordinance, one would turn to the State Water Code, where water is defined as both domestic water and storm water. Even though the District did not deal with storm water in the past, I think it appropriate for the District to address storm water now, without LAFCo's "permission." See the attached memo.

If the District wants to go beyond improving storm water systems and protecting these, then it should seek LAFCo's approval, but I would not apply to LAFCo to deal with storm water. Before that step is taken, I would advise my speaking directly with LAFCo and LAFCo's counsel about this issue.

I'm sorry I can't join you at the meeting, but I would like to at a later date.

AB 912 (Gordon)

Local government: organization.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires a local agency formation commission, where the commission is considering a change of organization that consists of a dissolution, disincorporation, incorporation, establishment of a subsidiary district, consolidation, or merger, to either order a change of organization subject to confirmation of the voters, as specified, or order the change of organization without an election if the change of organization meets certain requirements.

This bill would authorize the commission, where the commission is considering a change of organization that consists of the dissolution of a district that is consistent with a prior action of the commission, to immediately order the dissolution if the dissolution was initiated by the district board, or if the dissolution was initiated by an affected local agency, by the commission, or by petition, hold at least one noticed public hearing on the proposal, and order the dissolution without an election, unless a majority protest exists, as specified.

BILL NUMBER: AB 912      CHAPTERED  
BILL TEXT

CHAPTER 109  
FILED WITH SECRETARY OF STATE JULY 25, 2011  
APPROVED BY GOVERNOR JULY 25, 2011  
PASSED THE SENATE JULY 1, 2011  
PASSED THE ASSEMBLY MAY 31, 2011  
AMENDED IN ASSEMBLY MAY 27, 2011  
AMENDED IN ASSEMBLY MAY 2, 2011

INTRODUCED BY Assembly Member Gordon

FEBRUARY 17, 2011

An act to amend Section 57077 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 912, Gordon. Local government: organization.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires a local agency formation commission, where the commission is considering a change of organization that consists of a dissolution, disincorporation, incorporation, establishment of a subsidiary district, consolidation, or merger, to either order a change of organization subject to confirmation of the voters, as specified, or order the change of organization without an election if the change of organization meets certain requirements.

This bill would authorize the commission, where the commission is considering a change of organization that consists of the dissolution of a district that is consistent with a prior action of the commission, to immediately order the dissolution if the dissolution was initiated by the district board, or if the dissolution was initiated by an affected local agency, by the commission, or by petition, hold at least one noticed public hearing on the proposal, and order the dissolution without an election, unless a majority protest exists, as specified.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 57077 of the Government Code is amended to read:

57077. (a) If a change of organization consists of a dissolution, disincorporation, incorporation, establishment of a subsidiary district, consolidation, or merger, the commission shall do either of the following:

(1) Order the change of organization subject to confirmation of the voters, or in the case of a landowner-voter district, subject to confirmation by the landowners, unless otherwise stated in the formation provisions of the enabling statute of the district or otherwise authorized pursuant to Section 56854.

(2) Order the change of organization without election if it is a change of organization that meets the requirements of Section 56854, 57081, 57102, or 57107; otherwise, the commission shall take the action specified in paragraph (1).

(b) Notwithstanding subdivision (a) or Section 57102, if a change of organization consists of the dissolution of a district that is consistent with a prior action of the commission pursuant to Section

56378, 56425, or 56430, the commission may do either of the following:

(1) If the dissolution is initiated by the district board, immediately order the dissolution without an election or protest proceeding pursuant to this part.

(2) If the dissolution is initiated by an affected local agency, by the commission pursuant to Section 56375, or by petition pursuant to Section 56650, order the dissolution after holding at least one noticed public hearing, and after conducting protest proceedings in accordance with this part. Notwithstanding any other law, the commission shall terminate proceedings if a majority protest exists in accordance with Section 57078. If a majority protest is not found the commission shall order the dissolution without an election.

(c) If a reorganization consists of one or more dissolutions, incorporations, formations, disincorporations, mergers, establishments of subsidiary districts, consolidations, or any combination of those proposals, the commission shall do either of the following:

(1) Order the reorganization subject to confirmation of the voters, or in the case of landowner-voter districts, subject to confirmation by the landowners, unless otherwise authorized pursuant to Section 56854.

(2) Order the reorganization without election if it is a reorganization that meets the requirements of Section 56853.5, 56853.6, 56854, 57081, 57102, 57107, or 57111; otherwise, the commission shall take the action specified in paragraph (1).

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JOHN D. JORGENSEN  
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MEMORANDUM

TO: Los Trancos Water District ("District") Board

From: Sandy Sloan, District Counsel

DATE: May 1, 2008

RE: District Powers

You have asked if the District may address wastewater and/or storm water issues under its current powers. I have concluded that it may do so. As you know from previous memos, a County Water District has numerous powers granted by the California Water Code ("Water Code"). However, when the District was formed in the mid-1950's, it adopted an ordinance setting out what its purview was; to expand that purview would require adoption of additional ordinances.

The District was formed before each county had a Local Agency Formation Commission ("LAFCO") and now each county's LAFCO controls not only the formation and dissolution of special districts, but also the powers granted to them. The current ordinances adopted by the District addressing the powers of the District all involve water. Therefore, I have advised you that if you wish to exercise powers other than those related to water (and taking care of the District's own property), and adopt new ordinances, you should seek the approval of LAFCO. However, if you wish to expand the water issues you wish to address, this expansion would be allowed under Ordinance 4 and would not need LAFCO approval.

Ordinance 4, Section 2, states:

"The District will furnish a system, plant, works and undertaking used for and useful in obtaining, conserving and disposing of water for public and private uses, including all parts of the enterprise, all appurtenances to it, and lands, easements, rights in land, water rights, contract rights, franchises, and other water supply, storage and distribution facilities and equipment."

This Section mentions not only "a system" and "plant," but also "works" and "undertakings", so the District's powers are not restricted to physical improvements but can include "undertakings" and programs. Though other terms used in the Ordinance are defined, "water" is not, and so it is instructive to look at the definitions of water set out in the Water Code that apply to a County Water District. The powers of a County Water District set out in the Water Code clearly embrace not only domestic water, but also storm water and sewage water. The powers include:

- "Controlling, distributing, storing, spreading, sinking, treating, purifying, recapturing and salvaging any water including sewage and storm waters, for the beneficial use of the district or its inhabitants or the owners of rights to water therein." Water Code § 31047, emphasis added.
- "A district may drain and reclaim lands within the district either by surface or underground works or both; and may acquire by appropriation or other lawful means, and divert, store, conserve, transport or dispose of water resulting from such operations; and may acquire, by appropriation or other lawful means, and divert store, conserve, transport or dispose of flood and storm water within the district, and flood and storm water of streams or watercourses outside of the district which flow into the district, for any beneficial purpose or use." Water Code § 31033, emphasis added.
- "A district may acquire, construct, and operate facilities for the collection, treatment and disposal of sewage, waste and storm water of the district and its inhabitants and may contract with any public agency including but not limited to sanitation districts for sewer outfall facilities. A district also may acquire, construct, and operate facilities for the collection, treatment and disposal of sewage, waste and storm water of inhabitants outside its boundaries; provided that it shall not furnish any such service to the inhabitants of any other public agency without the consent of such other public agency expressed by resolution or ordinance..." Water Code § 31100, emphasis added.

The Water Code gives broad powers to the District to address storm and sewage water, as well as domestic water. Ordinance 4 of the District, enacted before LAFCO was created, gives broad powers to the District with regard to water. Since water is not narrowly defined in this Ordinance, it is logical to conclude that the District may address all issues of water, as water is considered in the Water Code. No approval of LAFCO would be necessary to address storm and sewage water issues.

**CONSULTING AGREEMENT  
SECRETARY**

This Consulting Agreement Secretary ("Agreement") is made this \_\_\_ day of \_\_\_\_\_, 2011, by and between the Los Trancos County Water District ("District") and \_\_\_\_\_ ("Consultant").

RECITAL

The following recital is a substantive part of this Agreement:

A. The District wishes to contract for certain recording secretarial services. Consultant is qualified by virtue of experience, training, education, and expertise to accomplish these services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. TERM OF AGREEMENT. This Agreement shall cover services rendered from \_\_\_\_\_, 2011 until terminated as set forth below.

2. SERVICES AND COMPENSATION. The services ("Services") to be performed by Consultant are set out in Exhibit A attached hereto. Consultant's compensation for Services is set out in Exhibit B attached hereto.

2.1 Payment. Payment shall be made by District within thirty (30) days of District's receipt of an invoice. Invoices shall be submitted for Services on a monthly basis and shall include descriptions of the work performed.

2.2 Records. Consultant shall keep accurate records of work performed and expenses. These records shall be made available to District upon request and shall be kept for at least three (3) years after performance of the Services.

3. TERMINATION. District and Consultant shall each have the right to terminate this Agreement, without cause, by giving no less than fifteen (15) days written notice to the other party. Upon termination, all rights of the parties shall terminate, except as to payment, which shall be prorated based on a thirty (30) day month, for Consultant's Services performed prior to such termination.

4. INDEMNIFICATION. Consultant agrees to indemnify, defend, and hold harmless District and its elective or appointive boards, officers, agents, and employees from claims, liabilities, expenses, or damages of any nature, including attorneys' fees,

for injury or death of any person, or damage to property, arising out of, or in connection with, the performance of the Agreement by Consultant.

5. INSURANCE REQUIREMENTS. Consultant shall maintain automobile insurance against claims and liabilities for personal injury, death, or property damage, providing protection as required in California Insurance Code §11580.1b.

6. INDEPENDENT CONTRACTOR. Consultant, in the performance of Services under this Agreement, shall act as and be an independent contractor and not an agent or employee of District. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, nor shall Consultant receive holiday pay, sick leave, administrative leave, or pay for any other time not actually worked. The intent of the parties is that Consultant shall not be eligible for benefits and shall receive no compensation from District except as expressly set forth in this Agreement. Consultant shall be responsible for payments of all taxes due as a result of its compensation under this Agreement.

7. COMPLIANCE WITH LAW. Consultant shall comply with all applicable laws, ordinances, codes, and regulations of federal, state, and local governments.

8. OWNERSHIP OF WORK PRODUCT. All documents or other information developed or received by Consultant shall be the property of District. Consultant shall provide District with the originals (or copies, if no originals exist) of these items upon demand or upon termination of this Agreement.

9. CONFLICT OF INTEREST AND REPORTING. Consultant shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.

10. NOTICES. All notices shall be in writing and delivered by U.S. mail, postage prepaid, via first class mail to the addresses listed below.

Consultant:

District: Board President  
Los Trancos County Water District  
162 Los Trancos Circle  
Portola Valley, CA 94028

Notice shall be deemed communicated on the earlier of actual receipt or forty-eight (48) hours after deposit in the U.S. mail.

11. NO ASSIGNMENT. The parties agree that the expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign, transfer, or subcontract any interest in this Agreement, nor the performance of any of Consultant's obligations hereunder, without the prior written consent of District.

12. MODIFICATION. This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may be modified only by subsequent mutual written agreement executed by District and Consultant.

13. CALIFORNIA LAW. This Agreement shall be construed in accordance with the laws of the State of California.

14. WAIVER. The waiver by either party of any breach or violation of any provision of this Agreement by the other party shall not be deemed to be a waiver or a continuing waiver of any subsequent breach or violation of the same or any other provision of this Agreement.

15. SEVERABILITY. Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

16. SUCCESSORS. This Agreement is binding on heirs, successors, representatives, and assigns.

17. ATTORNEYS' FEES. In any legal action or proceeding brought for enforcement of this Agreement, the successful party shall be entitled to recover reasonable attorneys' fees and other costs incurred in addition to any other relief to which the successful party may be entitled.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year shown below.

ATTEST:

LOS TRANCOS COUNTY  
WATER DISTRICT:

\_\_\_\_\_  
District Counsel

By: \_\_\_\_\_  
President

CONSULTANT:

\_\_\_\_\_  
Consultant

**EXHIBIT A**  
**SCOPE OF SERVICES**  
**SECRETARY**

**Minute Keeping**

- Record minutes at all regular and special Board meetings
- Send draft minutes to all Board members 3-5 business days after each Board meeting
- Post draft meeting minutes on the website within 10 days
- Make corrections as needed for final approval at the next Board meeting

**Other Secretary Duties**

- Co-sign with the President all Board Resolutions and Ordinances and mail fully executed copies to legal counsel and President
- Respond to County government offices requests for information
- Process required government forms, and make the appropriate filings
- Bi-annually, notify the community of elections and request for candidates

**Record Keeping**

- Maintain paper records of minutes and all fully executed Resolutions and Ordinances
- Maintain fully executed copies of all contract agreements for Secretary, Finance Manager and all Hold Harmless/Indemnity Agreements for subcontractors and community members
- Maintain files on major events

**Meeting Place, Notification**

- Assure that space is available and ready for each month's official meeting
- Post meeting time/place/agenda on LTCWD.org, LTWVV Yahoo group and 3 designated public places 72 hours prior to each meeting.

**Web site maintenance [www.ltcwd.org](http://www.ltcwd.org)**

- Post information that will be presented in the meeting in the monthly Packet within 48 hours of each meeting
- Post the draft minutes
- Post supplemental packet of additional materials presented at each Board meeting that didn't make it in the packet within 72 hours of each meeting.
- Update the minutes following approval

- Assist program managers with their sections on the website
- Remove obsolete material as appropriate

### **Qualifications and Limitations**

- Broad understanding of public agencies functioning
- Able to gather and consolidate the essence of discussions and translate into concise, meaningful minutes

**EXHIBIT B  
COMPENSATION  
SECRETARY**

- Compensation for performance of above described services in months where a scheduled meeting is held \$500.00 (Five Hundred Dollars).
- Secretary compensation for months in which there is no scheduled meeting shall be for the provision of other recording secretary-related services requested by Board and agreed to by Consultant: \$50 (Fifty Dollars) per hour.
- In the case where Secretary is unable to cover a meeting; s/he will notify President one month in advance. President will secure a qualified replacement to attend meeting; take minutes, produce and edit said minutes. Board will reimburse replacement directly for these services in the amount of \$300 (Three Hundred Dollars). Secretary compensation shall be for other services performed in that month \$200.00 (Two Hundred Dollars).
- Compensation for the provision of other secretary-related services requested by Board and agreed to by Consultant: \$50 (Fifty Dollars) per hour.
- Compensation for use of personal vehicle: 50 cents per vehicle mile based on submission of written claim.
- Compensation for other incidental expenses: At reasonable cost based on submission of written claim and supporting documentation.

## **Timelines for Recording Secretary position**

- I. Agenda to be posted at 3 public locations (I will show you those locations) AND posted on ltcwd.org AND posted on the LTCVV Yahoo Group **within 72 hours of our scheduled meeting.**

- II. Write up/Review Cycle for minutes:

The draft minutes will first go to the directors for review/revision before posting on the LTCWD web site.

Once initial edits are received by some/all Board members within the below timeframes, the minutes will be posted on ltcwd.org as “draft” minutes.

Once approved by the Board hopefully at the following meeting (some changes may still be required), draft minutes will be changed to “final” minutes on ltcwd.org

- III. Timeframes for posting of minutes

- 3– 5 days for initial write up of minutes by RS after meeting
- Directors have 5 days to get back to RS with edits
- 2-3 days for RS to incorporate these edits and post minutes on ltcwd.org as “draft” minutes

Note: when a program has 2 people involved (i.e .Fire Safety or Water Movement Control) only 1 set of comments will be sent in for inclusion. Program coordinators will collaborate offline.