

SECTION 7.0 SUNNYSLOPE COUNTY WATER DISTRICT WATER AND WASTEWATER SERVICES

7.1 Overview

The Sunnyslope County Water District (SSCWD) serves an area of approximately 3.5 square miles that includes the eastern portion of the City of Hollister and unincorporated area to the east and southeast of the city. SSCWD provides water for domestic, municipal, and limited industrial and agricultural uses within its water service area. The District provides wastewater services to a smaller area that includes the Ridgemark Estates community and the Oak Creek and Quail Hollow subdivisions. The District's Sphere of Influence (SOI) is generally coterminous with the District's boundary.

The District's main sources of water supply include local groundwater and Central Valley Project water delivered through a service contract between the San Benito County Water District (SBCWD) and the US Bureau of Reclamation (USBR). The imported water is treated at the LESSALT Water Treatment Plant, which is owned and operated through a Joint Powers Agreement between SSCWD and the City of Hollister. The groundwater basin is recharged through local surface water, SBCWD recharge programs, and municipal wastewater percolation.

SSCWD's wastewater system includes wastewater collection, treatment, and disposal services. The Ridgemark Estates Wastewater Treatment Plants uses treatment ponds and disposal occurs through 10.2 acres of evaporation ponds. Disposal capacity needs to be increased to meet future demand and decreasing percolation rates. In addition, a new treatment process will need to be implemented to meet more stringent water quality requirements. The District is considering several treatment and disposal alternatives as well as the option to connect to the new Hollister Regional Wastewater Treatment Plant.

SSCWD's profile for water and wastewater service is shown in *Table 7.1* and a map of the District's boundary and current SOI is shown in *Figure 7.1*.

**7.0 Sunnyslope County Water District
Water and Wastewater Services**

**Table 7.1
Sunnyslope County Water District
Water and Wastewater Service Information**

Service Area / Financial Summary	
District Office:	3570 Airline Highway Hollister, CA 95023-9702 (831) 637-4670 / (831) 637-1399 fax www.sscwd.org
Service Area:	3.5 square miles
Population:	Approx. 16,000 Average Annual Growth Rate = 2.2%
Operating Budget (2007/2008):	Projected revenues / expenditures: \$4,402,450 / \$4,095,010
Net Assets 06/30/2006:	\$9,142,451
Water Service Data	
Services	Water Treatment, Distribution
Water Supply	Groundwater: Hollister East and Tres Pinos Sub basins Surface Water: imported San Felipe Water
Number of Service Connections	5,300
Miles of Water Main / Number of Pump Stations	56.5 miles / 1 pump station
Average Age of Distribution System	Approximately 27 years
Treatment / Capacity	LESSALT Treatment Plant – 3 mgd (shared with Hollister)
Average Day Demand / Maximum Day Demand	2.5 mgd / 6.4 mgd
Storage Capacity	3 tanks / 5 mg
Wastewater Service Data	
Services	Wastewater collection, treatment, disposal
Number of Service Connections	1,207
Lift Stations / Sewer Line	3 lift stations / 27 miles sewer line
Age of Collection System	Approximately 19 years
Treatment / Capacity	2 treatment facilities – 370,000 gpd (permitted)
RWQCB Region	Region 3 – Central Coast
Orders	Order No. R3-2004-0065 – Waste Discharge Rqmts Order No. 2006-0003 – Statewide General Waste Discharge Requirements for Sanitary Sewer Systems

Figure 7.1
Sunnyslope County Water District Boundary



7.2 Growth and Population Projections

The Sunnyslope County Water District (SSCWD) serves the eastern portion of the City of Hollister and surrounding unincorporated area with an estimated population of 16,000 residents. The District's service area includes the Ridgemark Golf and Country Club community as well as the Oak Creek and Quail Hollow subdivisions. The primary land uses within this area are urban, rural residential, and agricultural/rural residential.

The District serves area within a population center for San Benito County. The State's population estimates at January 1, 2007 indicate a population of 37,120 residents for the City of Hollister and 38,945 residents in unincorporated areas.¹ The Association of Monterey Bay Area Governments (AMBAG) has adopted population projections through 2030 for San Benito County. Projected growth within the unincorporated area of the County is negligible, increasing from an estimated 18,099 residents in 2005 to 19,773 in 2030.² AMBAG projections for the City of Hollister include a population of 59,703 in 2030, with an average annual growth rate of 2.2 percent.

Future growth within SSCWD's service area will be limited by growth management policies for both the City of Hollister and the County of San Benito. For Hollister, the City adopted Ordinance No. 959 limiting growth to 244 residential units per year depending on the status and capacity of the City's domestic wastewater treatment facility. Currently there is a building moratorium until improvements to the plant are completed. In 2002, voters approved Measure U, which maintains the limit of 244 units per year and requires voter approval for changes to the program and General Plan. Similarly, the County of San Benito adopted a Growth Management System (Ordinance No. 751) that restricts population increases associated with new residential development to one percent per year.

7.3 Infrastructure Needs or Deficiencies

SSCWD provides water for domestic, municipal, and limited industrial and agricultural uses. The water system includes wells, distribution facilities, treatment, and storage. SSCWD also provides wastewater services within the southern portion of its service area. The District operates two wastewater treatment facilities in the Ridgemark community, along with the related collection, treatment, and disposal systems. The District has infrastructure needs for both water and wastewater systems and will need to implement improvements to maintain adequate service levels for existing and future customers as well as to meet increased regulatory requirements.

¹ California Department of Finance, Population Estimates for Cities, Counties and State, 2001-2007 (Table E-4)

² Association of Monterey Bay Area Governments, Projections adopted by the AMBAG Board of Directors April 14, 2004.

7.3.1 Water Supply and Demand

Water Supply

SSCWD's primary sources of water supply are groundwater and imported water delivered through the San Felipe Unit of the Central Valley Project. For 2006, the District obtained 72 percent of its potable drinking water from the District's four active deep groundwater wells, 20 percent from San Felipe surface water treated at the LESSALT Water Treatment Plant, and 8 percent through distribution system interties with the City of Hollister.

The District overlies the Hollister East and Tres Pinos sub basins which are part of the Gilroy-Hollister groundwater basin that extends from the northern part of San Benito County into southern Santa Clara County. The Hollister East sub basin area encompasses approximately 14,649 acres and the Tres Pinos sub basin is approximately 4,716 acres. The Gilroy-Hollister groundwater basin is not adjudicated; and therefore, there are no legal requirements regarding maintaining a safe yield, the amount and location of groundwater production, or recharge.

However, the groundwater basin is actively managed under the leadership of the San Benito County Water District (SBCWD) through an adopted Groundwater Management Plan. The Water Resources Association of San Benito County³ prepared the *Groundwater Management Plan Update for the San Benito County Part of the Gilroy-Hollister Groundwater Basin* (Revised, April 2004) with the SBCWD as the lead agency for environmental review and implementation. This Plan updates the *1998 Groundwater Management Plan* that was prepared by a consortium of water service providers within the county. The *1998 Groundwater Management Plan* and *2004 Update* were prepared voluntarily by the agencies and are intended to meet the State's requirements for Groundwater Management Plans as identified in California Water Code Section 10753 et seq. The *2004 Update* addresses issues related to water quantity and quality, including pending imbalance of supply and demand due to planned growth and constraints on adequate disposal of wastewater. In addition, SBCWD prepares an *Annual Groundwater Report* in accordance with its responsibilities to provide groundwater management within the county. Detailed information on the groundwater basin and subbasins is included in Appendix A.

Groundwater recharge occurs through local surface waters, San Felipe water released into local creek channels for percolation, and municipal wastewater percolation. According to the *Annual Groundwater Report for Water Year 2005*, the Hollister East and Tres Pinos sub basins are not in a state of overdraft due to current levels of water imports.⁴

³ The Water Resources Association of San Benito County was formed by the City of Hollister, City of San Juan Bautista, San Benito County Water District, and the Sunnyslope County Water District.

⁴ San Benito County Water District. Annual Groundwater Report for Water Year 2005

Groundwater quality throughout the region is variable, impacted by historic agricultural land use and municipal wastewater discharge through septic systems, percolation ponds, and land application. It should be noted that groundwater quality changes slowly; according to the SBCWD *Annual Groundwater Report for Water Year 2005*, “Salinity and nitrate concentrations in water supply wells will probably increase over the next several decades even if all sources of contamination were eliminated today.” In order to address groundwater quality issues, SSCWD and the City of Hollister began operating the LESSALT Water Treatment Plant during Water Year 2002, treating imported water from the San Felipe Unit of the Central Valley Project to deliver a higher water quality than groundwater. This Plant is intended to provide water quality benefits rather than increase water supplies for future growth. The environmental review for the Plant specified that the facility’s purpose is to “replace groundwater and to only allow for minimal increase in supply.” Furthermore, the Plant would “reduce the minerals and salts being reintroduced to the groundwater via the sewer systems’ percolation ponds.”

SBCWD is the Central Valley Project contractor within San Benito County and imports water for municipal and industrial (M&I) uses as well as for agricultural irrigation. SBCWD’s 40-year contract with the US Bureau of Reclamation is for a maximum of 8,250 acre feet per year (af/yr) for M&I use and 35,550 af/yr for agricultural use. The SBCWD agreement expires in 2027; the District is negotiating renewal of the contract.

Central Valley Project water includes regulated and unregulated flows from storage releases from Shasta, Folsom, and Clair Engle reservoirs into the Sacramento River. USBR contracts allow for delivery reductions during water shortages due to regulatory restrictions and drought. USBR’s Municipal and Industrial Water Shortage Policy was developed to establish CVP water supply levels that would sustain urban areas during severe or continuing droughts. The Policy provides for a minimum allocation of 75 percent of adjusted historical use until irrigation allocations fall below 25 percent. For Water Year 2007, urban contractors south of the Delta may receive a maximum allocation of 75 percent and agricultural contractors will receive 50 percent.

Water Demand

In 2006, SSCWD had 5,290 water service accounts of which 98 percent are residential, 1.0 percent are commercial/industrial, and 1.0 percent are for irrigation. Total demand was 2,950 acre-feet. An estimated 72 percent of the water delivered is used outdoors with only 28 percent used indoors. The average single family residential account uses 18 hundred cubic feet (hcf) per month. The SBCWD *Annual Groundwater Report for Water Year 2005* notes that domestic plus M&I use within the District’s Central Valley Project water use area has been increasing at an average rate of 401 af/yr since 1988.

The District encourages conservation and participates in the Best Management Plans (BMP) conservation programs offered through the Water Resources Association of San Benito County.

Although the *2004 Groundwater Management Plan Update* provides projections on future water demands and the *2004 Update* and *Annual Groundwater Reports* provide an assessment of current conditions within the groundwater basin, SSCWD (along with the City of Hollister and San Benito County Water District) has not adopted an *Urban Water Management Plan* as required in California Water Code Section 10610 et seq. The *2005 Urban Water Management Plan Update* was to be submitted to the State by December 31, 2005 on a five year update cycle. The Plan is required to include an analysis of water supply reliability, factoring in projected growth, water supply and demand, and scenarios that consider normal, single dry year, and multiple dry year conditions in the near term as well as a 20 year planning horizon. The three agencies are collaborating on the Plan, but it has not been completed. Until such time as the *2005 Hollister Area Urban Water Management Plan* undergoes public review and is adopted by SSCWD, it will be premature for LAFCO to determine that the District has adequate water supplies to meet future demands.

7.3.1 Water System Infrastructure

SSCWD's water system infrastructure includes wells, distribution, treatment, and storage systems for potable water. SSCWD also provides the water for fire suppression. *Table 7.5* summarizes the existing water system facilities:

Table 7.5
Sunnyslope County Water District
Water System Overview

	Quantity
Wells / production capacity	4 active wells / 3,500 gpm
Treatment Plant / Capacity	LESSALT Water Treatment Plant – 3 mgd
Avg Day Demand (ADD) / Max Day Demand (MDD)	Shared with City of Hollister 1.9 mgd ADD / 2.0 mgd MDD
Water Mains / Pump Stations	56.5 miles / 1 pump stations
Storage Capacity	3 tanks / 5 mg
Average Age of Distribution System	27-years

The District operates four deep groundwater wells that provide approximately 72 percent of the District's potable water supply. In addition, the District jointly owns and operates the LESSALT Water Treatment Plant with the City of Hollister through a Joint Powers Agreement. The District and City share equally in the Plant's capacity; current average day demands are 1.9 million gallons per day (mgd), and the City and SSCWD are planning to upgrade the treatment

process for water quality issues and install new pump systems to maximize treatment plant capacity.

There are five interties between the City of Hollister and SSCWD water systems that improve water service reliability for both agencies. Four of the water interties can supply the City of Hollister with treated surface water.

SSCWD has a Capital Improvement Program (CIP) that extends through 2010/2011. The CIP includes a number of projects to improve the water system and address water quality issues. Notable projects include the following:

- Design and construction of the LESSALT Water Treatment Plant Phase II to increase capacity to 3 to 5 mgd: \$4.2 million
- Three new wells: \$2.7 million
- New John Smith water tank (5 mg) and pipeline: \$2.1 million
- Groundwater Demineralization Facility: \$21.1 million
- Hollister Urban Area Water and Wastewater Master Plan Demineralization Facility: \$30.7 million

These projects will be funded through several options: revenue bonds, low interest state/federal loans, and future connection fees.

7.3.2 Wastewater System Infrastructure

SSCWD provides wastewater services for approximately 1,200 customers in the Ridgemark Golf and Country Club, Oak Creek, and Quail Hollow communities. *Table 7.6* summarizes the District's wastewater system facilities:

**Table 7.6
Sunnyslope County Water District
Wastewater System Overview**

	Quantity
Lift Stations / Sewer Line	3 lift stations / 19 miles sewer line
Average Age of Collection System	27 years
Treatment / Flows	Ridgemark Wastewater Treatment Plants – I and II 198,000 gpd ADWF

SSCWD's wastewater collection system includes lift stations, force mains, and gravity mains that collect and convey wastewater to the treatment facilities. The treatment facilities have a permitted capacity of 370,000 gallons per day. Average dry weather flows are currently 198,000 gallons per day; infiltration and inflow from wet weather does not increase the flows on average.

The effluent is treated through two separate treatment pond systems and discharged to 10.2 acres of evaporation ponds. In 2005, 254 acre-feet was discharged, of which 227 acre-feet were estimated to percolate into the groundwater. The treatment facilities received no effluent violations since 2000. In 2007, the District completed rehabilitation of three percolation/evaporation ponds at Ridgemark I to restore percolation capacity.

SSCWD is within the jurisdictional boundaries of the Central Coast Regional Water Quality Control Board (RWQCB) – Region 3. The Regional Board issued a new waste discharge permit for the District's wastewater facilities in December 2004. This permit significantly revised wastewater effluent discharge requirements that the current treatment process cannot meet. In particular, the District must improve wastewater effluent quality with respect to the following constituents: Total Dissolved Solids (TDS), sodium, chloride, nitrogen (ammonia and nitrate), and suspended solids.

In December 2006, the District completed a *Long-Term Wastewater Management Plan* (LTWMP) that identifies the major components and actions required by SSCWD to meet the new requirements of the Regional Board permit. The District is considering two options: 1) construct a new recycle facility at the existing Ridgemark I site that would combine flows from both facilities and provide recycled water to the Ridgemark Golf Course; or 2) connect the SSCWD sewer collection system to the City of Hollister Regional Wastewater Treatment Plant that will be completed by late 2008. The Hollister facility is being constructed with an ultimate design treatment capacity of 5 mgd and factors in flows from SSCWD by 2023. The estimated total project cost to continue with a Ridgemark recycle treatment project is estimated at \$13.6 million; the estimated total cost to buy-in to the new Hollister wastewater treatment system is \$16.9 million, including conveyance capital costs of \$2.5 million.

In 2006, the State Water Resources Control Board adopted the Statewide General Waste Discharge Requirements for Sanitary Sewer Systems (WQO No. 2006-003-DWQ) and SSCWD (as part of the Central Coast Region) has begun reporting all sanitary sewer overflows (SSOs) to the California Integrated Water Quality System (CIWQS) as of May 2, 2007. The database lists one (1) SSO that was caused by a contractor damaging a lateral line.

In addition, the Order requires that the District prepare a Sewer System Management Plan (SSMP) time table by August 2009. The SSMP provides a plan and schedule to manage, operate, and maintain all parts of the sanitary sewer system to reduce and prevent SSOs and mitigate any SSOs that do occur. SSCWD has prepared, adopted (August 2007), and submitted their SSMP per State requirements.

7.3.3 Summary

SSCWD provides potable water service for domestic, municipal, agricultural, and industrial uses throughout its service area. The District's primary sources of water supply are groundwater from the Hollister East and Tres Pinos sub basins, imported water from the Central Valley Project, and interties with the City of Hollister water distribution system. In addition, the District provides wastewater services for the Ridgemark, Quail Hollow, and Oak Creek communities.

SSCWD has not adopted an *Urban Water Management Plan Update* as required in California Water Code Section 10610 et seq. The Plan is required to include an analysis of water supply reliability, factoring in projected growth, water supply and demand, and scenarios that consider normal, single dry year, and multiple dry year conditions in the near term as well as a 20 year planning horizon. Therefore, until such time as the *2005 Hollister Area Urban Water Management Plan* undergoes public review and is adopted by SSCWD, it will be premature for LAFCO to determine that the District has adequate water supplies to meet future demands.

There are significant capital infrastructure needs for both the water and wastewater systems due to regulatory requirements related to water quality. The District has planned for improvements at the LESSALT Water Treatment Plant, evaluating alternatives for groundwater demineralization, and wastewater treatment and effluent disposal, including constructing a new recycle facility or connecting to the new Hollister wastewater treatment facility.

7.4 Financing Constraints and Opportunities

SSCWD uses an annual operating budget and accounts for its operations through enterprise funds, whereby the cost of providing the service is expected to be recovered through user charges. Non-operating revenues include connection fees and interest income. *Table 7.7* summarizes the financial history of the District.

Table 7.7
Sunnyslope County Water District
Financial Summary

	2004/2005 Actual	2005/2006 Actual	2006/2007 Actual	2007/2008 Budget
Operating Revenues	\$3,332,682	\$3,528,394	\$4,169,738	\$4,402,450
Operating Expenses (inc. depreciation)	\$3,136,867	\$3,309,367	\$3,431,311	\$4,095,010
Net Non-operating Revenues / (Expenses)	(\$213,694)	(\$198,288)	(\$127,256)	0
Capital Contributions	0	\$82,265	0	0
Change in Net Assets	(\$17,879)	\$103,004	\$611,171	\$307,440

**Table 7.7
Sunnyslope County Water District
Financial Summary**

	2004/2005 Actual	2005/2006 Actual	2006/2007 Actual	2007/2008 Budget
Beginning Balance	\$9,057,326	\$9,039,447	\$9,142,451	\$9,753,622
Net Assets, End of Year	\$9,039,447	\$9,142,451	\$9,753,622	\$10,061,062

At June 30, 2006, SSCWD had net assets of \$692,785 in restricted net assets and \$1.845 million unrestricted.

At June 30, 2006 the District had outstanding debt of \$4,875,607 million consisting of the 2002 Capital Projects Bond issue. The bonds were used to finance major construction projects for the LESSALT Water Treatment Plant, a new 3.5-mgd water storage tank, and District Office/Maintenance complex. The 30-year bonds bear interest rates ranging from 3.9 to 5.5 percent. Average annual debt service through 2011 is approximately \$344,000.

SSCWD has the financial resources to maintain adequate service levels and provide for capital needs, although additional sources of funding will be needed to complete larger projects. The District leverages the use of long term financing for major projects. The costs of planned improvements to the water and wastewater facilities are estimated to cost \$75 million; these will be funded by various options: revenue bonds, state/federal loans, and grants.

7.5 Cost Avoidance Opportunities

SSCWD uses a variety of means to avoid or control costs for operations and capital facilities, including sharing facilities and considering a range of alternatives for wastewater treatment and disposal. The District uses a Supervisory Control and Data Acquisition System (SCADA) to monitor system performance for the water and wastewater system.

7.6 Opportunities for Rate and Fee Restructuring

SSCWD's current water rates were approved in December 2003, and the wastewater rates were adopted in March 2007. The District recently completed a fee and rate study in preparation for upcoming capital project improvements and adopted new capacity fees for water and sewer connections in March 2007.

7.6.1 Water Rates and Fees

SSCWD's current water rate structure became effective December 21, 2006. The rates include a base charge plus a three-tiered consumption charge. Residential and commercial accounts pay

the same rates. Properties within the District but outside the SBCWD Zone 3 (Hernandez Dam and Reservoir Project benefit area), or properties outside the District, pay slightly higher rates and reimburse SBCWD for Zone 3 operations and maintenance and bond repayment.

The current water capacity charge (connection fee) for water service was approved in March 2007. The current fee is \$11,525.98 for a typical single family residential connection with a 5/8 inch meter.

7.6.2 Sewer Rates and Fees

SSCWD’s wastewater rates include a base charge, plus usage charge; the usage charge for residential accounts is based on average winter water usage for February and March. Commercial and industrial accounts do not pay a base charge but pay higher usage charges based on wastewater loading. The highest rate is for commercial and industrial properties at \$4.03 per hundred cubic feet (hcf).

The current sewer capacity charge (connection fee) for sewer service was approved in March 2007. The current fee is \$16,870.70 for a typical single family residential connection within Ridgemark and \$18,110.70 for properties within the Oak Creek and Quail Hollow developments.

7.6.3 Current Service Rates

SSCWD’s current water and wastewater rates for a single family residence are shown in *Table 7.8* below:

Table 7.8
Sunnyslope County Water District
2007 Single Family Residential Water and Wastewater Rates
(Monthly)

Type	All Accounts
Water Charge	
Base Charge (5/8" meter)	\$13.86
Water Consumption Fee	0 to 2,000 cf - \$1.68 per hcf Next 4,000 cf - \$2.37 per hcf Over 6,000 cf - \$5.74 per hcf
Wastewater Charge	
Basic Charge	\$31.58
Commodity Charge	\$1.87 per hcf (avg. winter water use)

With the rate structure above, an average single family residence using 1.8 hcf (hundred cubic feet) of water would pay \$44.10 monthly for water service and \$48.41 for sewer service.

7.7 Opportunities for Shared Facilities

SSCWD shares facilities and resources with SBCWD and the City of Hollister for water system infrastructure as well as water resource planning. SBCWD supplies San Felipe water and delivers this water under pressure to the LESSALT Water Treatment Plant; this Plant is jointly owned with the City of Hollister and operated by SSCWD. The use of SBCWD's existing pumping pressure enabled the SSCWD and City of Hollister to avoid several hundred thousand dollars in capital project costs. SSCWD rents a water tank from the City and is considering a wastewater alternative that would enable the District to share in the treatment and disposal capacity of the new Hollister wastewater treatment facility.

The District is a member of the Water Resources Association of San Benito County and is participating in various water conservation management practices. The District is not an official member of the Governance Committee, but senior management personnel participate in the development of the draft *Hollister Urban Area Water and Wastewater Master Plan*.

7.8 Evaluation of Management Efficiencies

SSCWD operates under the direction of the elected Board of Directors. The District's General Manager directs District operations; the General Manager's performance is reviewed by the Board annually. The District has completed the *Long-Term Wastewater Management Plan* to guide the decision-making process on future wastewater treatment and disposal alternatives. In addition, the District uses the budget and CIP to plan for and carry out operations and capital programs. The District should make it a priority to work with SBCWD and the City of Hollister to complete the required *2005 Urban Water Management Plan*.

7.9 Government Structure Options

SSCWD serves the eastern portion of the City of Hollister and surrounding unincorporated areas, including the Ridgemark Estates community and the Oak Creek and Quail Hollow subdivisions. The District has financial resources, is providing adequate service, and has planned for future water supply as well as operational and capital needs for the water and wastewater systems. No other government structure options were identified that would measurably improve the efficiency and cost-effectiveness of the services the District is providing to the community.

SSCWD is serving a few parcels outside district boundaries and should work with LAFCO to clean up boundary issues where necessary. These include the California Department of Forestry on Fairview Road and one property in the 500 block of Mansfield Road.

In the response to this service review, the District noted that it is possibly considering proposed changes to the Sphere of Influence boundaries. These include properties along Airline Highway

from Ridgemark Golf Course to Tres Pinos, properties along Southside Road from Union Road to Hospital Road, and properties along Union Road from Southside Road to Union Road Bridge.

7.10 Local Accountability and Governance

SSCWD is governed by a five-member Board of Directors elected at large by voters within the District. The last uncontested election was held in 2006. The District's authority is summarized in *Table 7.9*.

Table 7.9
Sunnyslope County Water District

Date Formed:	December 1954		
Statutory Authorization:	County Water District Act (Water Code §30000)		
Board Meetings:	District Office 3570 Airline Hwy, Hollister 2 nd Thursday of each month at 5:15 pm		
Member	Title	Term Expires	Compensation
Dawn Anderson	President	November 2010	\$100 per mtg, and payable up to only 6 meeting or \$600 per month No additional benefits are offered
Stephen B. Hailstone	Vice President	November 2008	
Marchel Nelson	Director	November 2010	
Dave Meraz	Director	November 2008	
Douglas C. Keck	Director	November 2010	

SSCWD's website (www.sscwd.org) includes information about the District including services, rates, and information on capital projects and conservation programs. District meetings are open and accessible to the public and meeting notices and Board agendas are posted at least 72 hours in advance at the District office. The District encourages public awareness and interest in its activities and programs.

7.11 Determinations

7.11.1 Growth and Population

Purpose: To evaluate service needs based upon existing and anticipated growth patterns and population projections.

The Sunnyslope County Water District serves the eastern portion of the City of Hollister and surrounding unincorporated area with an estimated population of 16,000 residents. The District's service area includes the Ridgemark Golf and Country Club community as well as the Oak Creek and Quail Hollow subdivisions. The primary land uses within this area are urban, rural residential, and agricultural/rural residential. Future growth within SSCWD's service area will be limited by growth management policies from both the City of Hollister and the County of San Benito General Plans.

7.11.2 Infrastructure Needs or Deficiencies

Purpose: To evaluate the infrastructure needs and deficiencies in terms of supply, capacity, condition of facilities, and service quality.

The Sunnyslope County Water District's primary sources of water supply are groundwater and imported water delivered through the San Felipe Unit of the Central Valley Project. For 2006, the District obtained 72 percent of its potable drinking water from the District's four active deep groundwater wells, 20 percent from San Felipe surface water treated at the LESSALT Water Treatment Plant, and 8 percent through distribution system interties with the City of Hollister. SSCWD has not adopted an *Urban Water Management Plan* as required in California Water Code Section 10610 et seq. Until such time as the *2005 Hollister Area Urban Water Management Plan* undergoes public review and is adopted by SSCWD, it will be premature for LAFCO to determine that SSCWD has adequate water supplies to meet future demands.

SSCWD provides water for domestic, municipal, and limited industrial and agricultural uses. The water system includes wells, distribution, treatment, and storage facilities.

SSCWD also provides wastewater services within the southern portion of its service area. The District operates two wastewater treatment facilities in the Ridgemark community, along with the related collection, treatment, and disposal systems.

The District has infrastructure needs for both water and wastewater systems and will need to implement improvements to maintain adequate service levels for existing and future customers as well as to meet increased regulatory requirements.

7.11.3 Financing Constraints and Opportunities

Purpose: To evaluate a jurisdiction's capacity to finance needed improvements and services.

SSCWD receives revenue through water and sewer sales (service charges) as well as capacity fees and interest income. The District has the financial resources to maintain adequate service levels and provide for capital needs. The District leverages the use of long term financing for major projects. The planned improvements to the water and wastewater systems are estimated to cost \$75 million; these will be funded through revenue bonds, state/federal loans, and grants.

7.11.4 Cost Avoidance Opportunities

Purpose: To identify practices or opportunities that may help eliminate unnecessary costs.

SSCWD uses a variety of means to avoid or control costs for operations and capital facilities, including sharing facilities and considering a range of alternatives for wastewater treatment and disposal.

7.11.5 Opportunities for Rate and Fee Restructuring

Purpose: To identify opportunities to impact rates positively without decreasing service levels.

SSCWD updated its water and wastewater rates in December 2006 and March 2007, respectively. The District recently completed a fee and rate study in preparation for upcoming capital improvements and adopted new capacity fees for water and sewer connections in March 2007. The District uses a tiered rate structure for water service and commodity charge for wastewater service.

7.11.6 Opportunities for Shared Facilities

Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.

SSCWD shares facilities and resources with SBCWD and the City of Hollister for water system infrastructure as well as water resource planning. SBCWD supplies San Felipe water to the LESSALT Water Treatment Plant; this Plant is jointly owned with the City of Hollister and operated by SSCWD. SSCWD is considering two wastewater alternatives: one would enable the District to share in the wastewater treatment and disposal capacity at the new Hollister wastewater treatment facility, and the second would construct a new recycle wastewater project at the existing Ridgemark wastewater treatment facility.

7.11.7 Evaluation of Management Efficiencies

Purpose: To evaluate management efficiencies of the jurisdiction.

SSCWD operates under the direction of the elected Board of Directors. The District uses the budget and CIP to plan for and carry out operations and capital programs. The District should make it a priority to work with SBCWD and the City of Hollister to complete the required 2005 *Urban Water Management Plan*.

7.11.8 Government Structure Options

Purpose: To consider the advantages and disadvantages of various government structures to provide public services.

SSCWD has financial resources, is providing adequate service, and has planned for water supply as well as operational and capital needs for current and future water and wastewater systems. No other government structure options were identified that would measurably improve the efficiency and cost-effectiveness of the services the District is providing to the community.

7.11.9 Local Accountability and Governance

Purpose: To evaluate the accessibility and levels of public participation associated with the agency's decision-making and management process.

SSCWD is governed by an elected Board of Directors. Meetings are noticed through posting in the District's office. The meetings are open and accessible to the public. SSCWD encourages public participation and interest in District activities through communications via the District's website.