

San Martin County Water District

Serving the San Martin Area East of Monterey Road



P.O. BOX 120, SAN MARTIN, CALIFORNIA 95046-0120

PHONE (408) 683-4101

March 13, 2012

VIA EMAIL

Neelima Palacherla
LAFCO Executive Officer
70 West Hedding Street
11th Floor, East Wing
San Jose, CA 95110

Dear Ms. Palacherla:

Listed below are the recommendations of LAFCO's 2011 Countywide Water Service Review Report and San Martin County Water District Board of Director's planned implementations and responses.

LAFCO: WEBSITE- Establish a website or publish a newsletter

SMCWD: The District previously maintained a website which received virtually no visitors. The District currently does not have anyone on the Board or Staff trained to maintain a website and does not feel the cost of hiring outside talent is justified. The District does include significant announcements in their monthly billing and has done special mailings of information when necessary, such as during the perchlorate incident and during construction projects. A regular "newsletter" is not justified at this time since little of significance happens on a month to month time scale. The District does mail an annual "Consumer Confidence Report" to all customers, which details water quality testing and other important information about the district.

LAFCO: AUDITS Submit audit for last 5 years to the County & establish audit schedule for future audits

SMCWD: The District agrees and will get up to date in the next few months.

LAFCO: ELECTIONS Widely advertise to fill extended board vacancies & to ensure contested elections

SMCWD: The District announces upcoming elections in their monthly bill and the annual Consumer Confidence Report. In July 2011, the District started paying a small meeting stipend (\$100.00) in an attempt to attract candidates. This past election we contacted people who had expressed an interest in the past and delivered a candidate package to one of those people. In the early years of the District, there was much more interest in serving on the Board because of some dissatisfaction with the service provided by the District and a desire to help correct deficiencies. Indeed, there was even a recall of most Board members in the first few years. We hope the current lack of interest in serving on the Board is because our customers are generally satisfied with the service the District provides. Here's what we mailed with the billing in the summer of 2011:

ATTENTION

This November, the San Martin County Water District will elect members to the Board of Directors. Three (3) full-term (4-year) positions and one short-term position (2-year) are available. We have candidates for two full-term positions, but none for the one long-term or the short-term position. Therefore, these two positions will be uncontested.

The minimum qualifications to serve as a San Martin County Water District Board Member are:

1. Board members must be registered voters.
2. Board members must live OR own property in the San Martin County Water District. (Either residence or property ownership qualifies.)
3. Board members must be available to attend Board Meetings on the third Tuesday of each month at 5:30 PM.

Meetings seldom last longer than 2 hours and usually are only one hour long. Board members receive a small stipend (payment) for attending meetings. There is no cost to you for filing as a candidate.

If you would be interested in serving your community as a San Martin County Water District Board of Directors member, please call Peter Forest, District Manager (408) 779-4633 and request a candidate package. The DEADLINE for filing nominations is August 12, 2011, so call soon!

LAFCO: PLANS / PROGRAMS Prepare master plan & project future water demands and storage needs. Establish multi-year capital improvement program

SMCWD: The District will update their master plan and capital improvement plan over the next few months. Note: There is no projected significant increase in future water demands and the District water source currently provides more than 20-times our current water demand.

LAFCO: OPERATIONAL PRACTICES Seek LAFCO approval before extending services outside District boundary

SMCWD: The District agrees and will seek LAFCO approval for all future connections outside the District boundary.

LAFCO: MANAGEMENT PRACTICES Track District & staff workload

For the last 11 years, the Board has received a monthly written "Manager's Report" detailing the activities of the contracted water treatment operator and manager with dates and time expended. Additionally, the Board receives monthly invoices detailing time expended and materials used. Activities that are the same every month (billing, routine customer contacts) are billed at a fixed monthly rate and therefore not tracked in detail. Extra-ordinary activities, such as customer contacts during the perchlorate incident and delinquent account collection activities are tracked and reported. Additionally, activities related to the Department of Health are recorded on written charts for the Department of Health.

RECOMMENDATIONS FOR JURISDICTIONAL BOUNDARY CHANGES TO IMPROVE SERVICES OR GOVERNANCE

Address Illegal Water Service Connections

SMCWD: The District will address all existing connections requiring authorization from LAFCO in a single application to be submitted with the next out-of-district service request received by the District.

Sincerely yours,



Secretary, SMCWD Board of Directors