



**BETTY T. YEE**  
California State Controller

February 10, 2016

Mark Cowin, Director  
Department of Water Resources  
1416 Ninth Street, Room 1115-1  
Sacramento, CA 95814

Dear Mr. Cowin:

The State Controller's Office reviewed claims submitted by the City of Santa Cruz under the Flood Control Subventions Program. Our review objective was to determine whether the costs claimed as presented in the attached Summary of Project Costs are allowable and in compliance with the California Department of Water Resources' Guidelines for State Reimbursement on Flood Control Projects. Our review was limited to validating consultant costs.

The city claimed costs of \$29,913 for the San Lorenzo River Flood Control project for the period of July 24, 2014, through November 10, 2014. Our review found that the entire amount is allowable.

If you have any questions, please contact Mike Spalj, Chief, Local Government Audits Bureau, at (916) 324-6984.

Sincerely,

*Original signed by*

**JEFFREY V. BROWNFIELD, CPA**  
Chief, Division of Audits

JVB/lb

Attachment—Summary of Project Costs

cc: Patrick Luzuriaga, Chief  
Flood Control Subventions Program  
Division of Flood Management  
Department of Water Resources  
Don Lane, Mayor  
City of Santa Cruz  
Martin Bernal, City Manager  
City of Santa Cruz  
Joe Hall, Manager  
City of Santa Cruz

RE: S16-FLC-9000

**Attachment—  
Summary of Project Costs  
July 24, 2014, through November 10, 2014**

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Project/ Claim Number	District Claim Number	Costs Claimed and Reviewed	State Share of Eligibility Percentage <sup>1</sup>	State Share of Allowable Costs
San Lorenzo River/SLOR 2014-02	28	\$ 29,913	70%	\$ 20,939
Totals		\$ 29,913		\$ 20,939

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<sup>1</sup> The state share of allowable project costs represents the percentage of state funding, as stipulated in the California Water Code, for each project cost category.