



SCOTTS VALLEY WATER DISTRICT

AGENDA PACKET

REGULAR BOARD MEETING

5/8/25 at 6:00 p.m.

Santa Margarita Community Room
2 Civic Center Drive, Scotts Valley, California

This meeting is conducted in a hybrid setting.

Public participation is encouraged. Members of the public may attend in person or remotely through this link <https://us06web.zoom.us/j/86757235890> or by phone: 253-215-8782 Meeting ID: 867 5723 5890.

The public has opportunities to make comments throughout the meeting: to comment online, use the raise hand option, by phone press *9.

BOARD OF DIRECTORS

Danny Reber, President
Ruth Stiles, Vice President
Bill Ekwall, Director
Wade Leishman, Director
Chris Perri, Director

Alex Schulz, Associate Director
Jasmin Schulz, Associate Director

David McNair, General Manager

Water Industry Acronyms

AF – Acre Foot

AFY – Acre Foot per Year

ACWA – Association of California Water Agencies

ACWA JPIA – ACWA Joint Powers Insurance Authority

AWWA – American Water Works Association

BMP – Best Management Practices

CCR – Consumer Confidence Report

CD – Certificate of Deposit

CEQA - California Environmental Quality Act

CSDA – California Special District Association

DHS – Department of Health Services

DWR – Department of Water Resources

EIR – Environmental Impact Report

EPA – Environmental Protection Agency

FY – Fiscal Year

GASB – Governmental Accounting Standards Board

IRWM – Integrated Regional Water Management

JPA – Joint Powers Agreement

LAIF – Local Agency Investment Fund

LAFCO – Local Agency Formation Commission

LID – Low Impact Development

MCL – Maximum Containment Level

MGD – Million Gallons per Day

MGY – Million Gallons per Year

MOU – Memorandum of Understanding

O&M – Operations and Maintenance

PERS – Public Employees Retirement System

PHG – Public Health Goal

PPB – Parts Per Billion

PRV – Pressure Relief Valve

PVC Pipe – Polyvinyl Chloride Pipe

RWMF – Regional Water Management Foundation

RFP – Request for Proposals

ROW – Right-of-way

RWQCB – Regional Water Quality Control Board

SCWD – Santa Cruz Water Department (City of)

SDWA – Safe Drinking Water Act

SGMA – Sustainable Groundwater Management Act

SLVWD – San Lorenzo Valley Water District

SMGWA – Santa Margarita Groundwater Agency

SqCWD – Soquel Creek Water District

SWRCB – State Water Resources Control Board

TP – Treatment Plant

WY – Water Year



SCOTTS VALLEY WATER DISTRICT

Board of Director

Regular Meeting

5/8/25 at 6:00 p.m.

Santa Margarita Community Room
2 Civic Center Drive, Scotts Valley, California

BOARD OF DIRECTORS
PRESIDENT Danny Reber
VICE PRESIDENT Ruth Stiles
Bill Ekwall
Wade Leishman
Chris Perri
ASSOCIATE DIRECTORS
Alex Schulz
Jasmin Schulz
GENERAL MANAGER
David McNair

Agenda

This meeting is conducted in a hybrid setting. Public participation is encouraged, members of the public may attend in person, remotely through this link <https://us06web.zoom.us/j/86757235890> or by phone: 253-215-8782 Meeting ID: 867 5723 5890. The public has opportunities to make comments throughout the meeting. To comment online, use the raise hand option, by phone press *9. If experiencing technological difficulties online, join the meeting via phone.

1. Convene

- 1.1. Call to Order and Roll Call
- 1.2. Pledge of Allegiance and Invocation
- 1.3. Closed Session Report
- 1.4. Additions/Deletions to the Agenda
- 1.5. Oral Communications

2. Presentation (None)

3. Administrative

Items are informational in nature and do not include an agenda report.

- 3.1. Summer Meeting Schedule
- 3.2. **Committee and Other Agency Meeting Reports**
 - Engineering & Water Resource Committee 4/28/25
 - Finance & Personnel Committee 4/23/25
 - Executive & Public Affairs Committee (4/23/25)
 - Santa Margarita Groundwater Agency Board (none)

4. Consent

Items are routine in nature, may include agenda reports and be approved by one motion.

4.1. [Approval of Minutes – Regular Board Meeting 4/10/25](#)

Recommendation: Approve the minutes of the 4/10/25 Board Meeting.

4.2. [Think Twice Program](#)

Recommendation: Approve the Think Twice Program effective 07/01/2025.

4.3. [Rate Assistance Program](#)

Recommendation: Approve the Rate Assistance Program effective 07/01/2025.

4.4. [Identity Theft Prevention Program](#)

Recommendation: Approve the Identity Theft Prevention Program.

4.5. [Surplus Vehicles](#)

Recommendation: Declare the following Equipment as surplus and authorize the advertisement of the vehicle and equipment for public sale: 2012 Ford F250 VIN 1FDBF2AT3CEA12142, Wachs Vac Trailer VIN 1E9PT13179C297275, Trailer Frame VIN 5TUS1411RF116297

5. **Public Hearings (None)**

Items include an agenda report with recommendations, an oral staff report or presentation.

5.1. [AB2561 Public Hearing – Vacancy Reporting](#)

Recommendation: Receive information.

6. **Business**

Items are complex in nature, considered individually, and each item includes an agenda report with recommendation and an oral staff report or presentation.

6.1. [Proposed FY2026 Budget Review](#)

Recommendation: Review proposed budget and provide direction.

6.2. [FY2026 Strategic Work Plan](#)

Recommendation: Approve the updated Management Objectives and accept the FY2026 Work Plan.

6.3. [Water Supply Conditions & Demand Strategies, WY2025](#)

Recommendation: Establish Stage 1 Water Supply Conditions effective 06/01/25.

7. **Staff Reports**

7.1. Legal

District Counsel

7.2. Administrative

General Manager – oral

7.3. Finance

Finance Manager – oral

Quarterly Financials

Financial Report 7/1/24 – 3/31/25

- 7.4. Operations
Operations Report – oral

8. Directors Reports

9. Written Correspondence (None)

10. Community Relations

- April Newsletter
- LAFCO Run-Off Election Results
- ACWA Call for '26 – '27 President/Vice President

11. Closed Session (None)

11. Report on Closed Session and Additional Items (None)

12. Future Items

- Water Waste Policy
- Rebates Program
- FY2026 Budget
- Regulations Review Schedule
- Board Compliance Tracker

14. Meetings and Event Calendar

| | |
|----------------|---|
| Board Meetings | Committee Meetings |
| 6/12/25 | 5/28/25 Finance and Personnel |
| 7/10/25 | 5/28/25 Engineering and Water Resources |
| 8/14/25 | 7/23/25 Executive and Public Affairs |

Santa Margarita Groundwater Agency

Board Meeting 5/22/25

15. Events (None)

16. Adjourn

AVAILABILITY OF PUBLIC RECORDS PROVIDED TO THE BOARD OF DIRECTORS: THE DISTRICT MAKES ANY PUBLIC RECORD PROVIDED TO THE BOARD OF DIRECTORS AVAILABLE FOR PUBLIC REVIEW AT WWW.SVWD.ORG AND AT THE DISTRICT OFFICE DURING NORMAL BUSINESS HOURS AT THE SAME TIME IT IS PROVIDED TO THE BOARD OF DIRECTORS.

PUBLIC ACCESS – ACCOMMODATIONS UNDER THE ADA: PURSUANT TO TITLE II OF THE AMERICANS WITH DISABILITIES ACT OF 1990, THE DISTRICT REQUESTS THAT ANY PERSON IN NEED OF ANY TYPE OF SPECIAL EQUIPMENT, ASSISTANCE OR ACCOMMODATION(S) IN ORDER TO EFFECTIVELY COMMUNICATE AT THIS MEETING MAKE A REQUEST AT THE ABOVE ADDRESS OR BY CALLING (831) 438-2363 AT LEAST THREE (3) WORKING DAYS BEFORE THE MEETING TO ALLOW TIME TO MAKE ARRANGEMENTS.



SCOTTS VALLEY WATER DISTRICT

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Engineering and Water Resources Committee

Santa Margarita Community Room

2 Civic Center Drive, Scotts Valley, California

4/28/25 at 4:00 p.m.

Meeting Report

1. Convene

The meeting convened at 4:03 p.m. in the Conference Room. It was conducted in a hybrid format.

Present: Committee Members Leishman, Stiles, Kassner, and Violante

Staff: Operations Manager Gillespie, General Manager McNair, and Executive Assistant/Board Clerk Jensen

2. Oral Communications

None.

3. Business Items

None.

4. Discussion Items

4.1. Program Review: Think Twice

General Manager McNair presented the program review. The committee discussed.

4.2. Program Review: Rebates

McNair presented the program review. The committee discussed and suggested changes, to be reviewed again at the May committee meeting.

5. District Updates

McNair provided a Water Supply Update, current rainfall totals place the District in Stage 1. McNair let the committee know that John Dillon had accepted the role of Finance & Customer Service Manager. Operations Manager Gillespie provided a projects status update.

6. Committee Member Reports

None.

7. Future Agenda Items

Rebate Program

8. Adjourn

The meeting adjourned at 4:43 p.m.



SCOTTS VALLEY WATER DISTRICT

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Finance and Personnel Committee
District Conference Room
2 Civic Center Drive, Scotts Valley, California
4/23/25 11:00 a.m.
Meeting Report

1. Convene

The meeting convened at 11:01 a.m. in the District Conference Room. It was conducted in a hybrid setting.

Present: Committee Members Perri, Ekwall, and Hunt

Staff: General Manager McNair, Customer Service & Finance Manager Dillon,
Executive Assistant/Board Clerk Jensen, and Operations Manager Gillespie

Guests: Daisy Williams

Absent: Committee Member Corstorphine

2. Oral Communications

None.

3. Action Items

3.1. FY26 Budget Draft

Interim Finance & Customer Service Manager Dillon presented the FY26 Budget draft. The committee discussed.

4. Discussion Items

4.1. Leak Adjustment Request: 38 Willis Rd

Guest Williams presented her request for a leak adjustment. The committee discussed and stated that the District no longer has a leak adjustment program.

4.2. Financials 07.01.24 – 3.31.25

Interim Finance and Customer Service Manager Dillon presented the financials, the committee received information.

4.3. Program Review: Rate Assistance

Dillon presented the Rate Assistance Program with no changes for review. The committee discussed.

5. District Updates

None.

6. Reports or Information from Committee Members

None.

7. Future Agenda Items

8. Adjourn

The meeting adjourned at 11:44 a.m.



SCOTTS VALLEY WATER DISTRICT

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Executive and Public Affairs Committee
District Conference Room
2 Civic Center Drive, Scotts Valley, California
4/23/25 12:00 p.m.
Meeting Report

1. Convene

The meeting convened at 12:08 p.m. in the District Conference Room.

Present: Committee Member Reber

Staff: General Manager David McNair

Absent: Committee Member Stiles

2. Business Items

None.

3. Discussion Items

3.1. Inter-District Meeting

The committee discussed the planning of an inter-district meeting.

3.2. Finance Manager Vacancy

The committee discussed the Customer Service & Finance Manager vacancy.

4. Oral Communications

None.

5. Future Agenda Items

None.

6. Adjournment

The meeting adjourned at 12:25 p.m.

Board of Directors

Regular Meeting

4/10/25 at 6:00 p.m.

Santa Margarita Community Room
2 Civic Center Drive, Scotts Valley, California

Minutes

1. Convene

1.1. Call to Order and Roll Call

Vice President Stiles called the meeting to order at 6:00 p.m. in the Santa Margarita Community Room. The meeting was conducted in a hybrid setting.

Directors

Wade Leishman

Chris Perri

Ruth Stiles

Junior Board

Alex Schulz

Jasmin Schulz

Absent

Bill Ekwall

Danny Reber

Staff

Terry Rein, Legal Counsel

Nate Gillespie, Operations Manager

John Dillon, Interim Finance & Customer Service Manager

David McNair, General Manager

Rahni Jensen, Executive Assistant/Board Clerk

Guests

Pete Dennehy, Montgomery & Associates

Jim Anderson, LAFCO candidate

1.2. Pledge of Allegiance and Invocation

Director Perri led the pledge, and Director Leishman led the invocation.

1.3. Closed Session Report

None.

1.4. Additions/Deletions to the Agenda

Vice President Stiles suggested that item 6.1 be moved directly after the Annual Water Update presentation by Montgomery & Associates.

1.5. Oral Communications

None.

2. Presentation

Montgomery & Associates Annual Water Update

Guest Pete Dennehy with Montgomery & Associates presented the Annual Water Update. The Board discussed.

Item 6.1 moved to presentation. See item 6.1 for related minutes.

3. Administrative

Items are informational in nature and do not include an agenda report.

3.1. Committee and Other Agency Meeting Reports

Engineering & Water Resource Committee 3/24/25

Nothing to add to the written report.

Finance & Personnel Committee 3/26/25

Nothing to add to the written report.

Executive & Public Affairs Committee (None)

Santa Margarita Groundwater Agency Board (None)

4. Consent

Items are routine in nature, may include agenda reports and be approved by one motion.

4.1. Approval of Minutes – Regular Board Meeting 3/13/25

Approved the minutes of the 3/13/25 Regular Board Meeting.

MOTION Perri/Leishman carried to approve the consent agenda, by unanimous voice vote, Ekwall and Reber absent.

5. Public Hearings (None)

Items include an agenda report with recommendation, an oral staff report or presentation.

6. Business (None)

Items are complex in nature, considered individually, and each item includes an agenda report with recommendation and an oral staff report or presentation.

6.1. LAFCO Run Off Election

This item was presented during section 2. Presentations after the Annual Water Update by Montgomery & Associates.

General Manager McNair presented the item. Candidate Anderson introduced himself and provided an oral presentation to the Board. The Board discussed. The Board decided to vote for candidate Anderson to fill the main seat, and for candidate Faulkner to fill the alternate seat.

MOTION Leishman/Perri carried to designate the General Manager to execute the ballot on behalf of the District for Jim Anderson as the LAFCO Special District regular member representative and Alani Faulkner for an alternate member, by unanimous voice vote, Ekwall and Reber absent.

6.2. Proposed FY36 Project Budget
Operations Manager Gillespie presented, the Board discussed and received information.

6.3. FY25 Budget Assumptions
Interim Finance & Customer Service Manager Dillon presented, the Board discussed and received information.

7. Staff Reports

7.1. Legal
Legal Counsel Rein summarized a recent Executive order regarding shower head GPM flow rates, and the potential impact locally given State level regulations.

7.2. Administrative
General Manager McNair reported on current rainfall, a meeting with the Region 5 ACWA representative, and the County Hazard Mitigation Planning meetings.

7.3. Finance
Financial Report 7/1/24 – 2/28/24
Dillion presented the financial report.

7.4. Operations
Operations Report
Operations Manager Gillespie provided an update on Grace Way Well, upcoming flushing, the Annual Quality Report, and pre-construction meetings for the Granite Creek main replacement project.

8. Directors Reports

Director Perri and Leishman are participating in an education course regarding groundwater and watershed sustainability via UC Davis.

9. Written Correspondence (None)

10. Community Relations

March Newsletter

11. Closed Session (None)

12. Report on Closed Session and Additional Items (None)

13. Future Items

Think Twice Program

Rebate Program

Rate Assistance Program

AB2561 Presentation

14. Meetings and Event Calendar

Board Meetings

5/8/25

6/12/25

7/10/25

Committee Meetings

4/23/25 Finance & Personal

4/28/25 Engineering & Water Resource

4/23/25 Executive & Public Affairs

Santa Margarita Groundwater Agency

Board Meeting 5/22/25

15. Events (None)

16. Adjourn

The meeting adjourned at 8:01 p.m.

Approved:

Attest:

Danny Reber, Board President

David McNair, Board Secretary

AGENDA REPORT

Scotts Valley Water District

Date: 05/08/25

To: Board of Directors

Item: Business 4.2

Subject: **Think Twice Program**

Reason: Supports District's Strategic Goal – Water Resource Management

SUMMARY

Recommendation: Approve the Think Twice program effective 07/1/2025.

Fiscal Impact: Direct cost of the activities for the 2025 Think Twice Program is approximately \$5,000. Indirect costs of \$65,000 are projected from related customer rebates.

Previous Related Action: On 05/09/24 the Board approved the 2024 Think Twice Program.

On 04/28/25 the Engineering and Water Resources Committee reviewed and discussed the proposed 2025 Think Twice Program.

BACKGROUND

The District has persistently and continuously promoting water use efficiency for years. In 2020 the District collaborated with San Lorenzo Valley Water District (SLVWD) to prepare a regional Urban Water Management Plan (UWMP) since the two adjacent agencies rely on the shared groundwater basin. The joint 2020 UWMP includes a Water Shortage Contingency Plan (WSCP) which stipulates a five-stage demand reduction plan with corresponding actions to address the gap between supply and demand.

DISCUSSION

The District's Think Twice and Rebate Programs are the main tools that guide District activities in support of maximizing the efficient use of water and achieving the demand reduction goals as determined by the Water Shortage Contingency Plan.

An activity added to the Think Twice program last year was to implement the State ban on the irrigation of non-functional turf. Other activities such as the 2 days a week irrigation requirement and enforcement of the Water Waste Policy remain in effect.

Public outreach will remain focused on water use efficiency, lawn and non-functional turf replacement, project updates, and driving more customers to the WaterSmart portal.

Submitted,

David McNair
General Manager

Enclosed: Think Twice Program 2025



| | | | |
|----------------------|---|------------------------|----------|
| Type: | Water Use Efficiency | | |
| Title: | Think Twice | | |
| Description: | Establishes a set of activities to support the District's long-term sustainable water supply planning efforts and its Water Shortage Contingency Plan | | |
| Review Date: | 05/08/54 | Initial Date: | 05/14/15 |
| Review Cycle: | 1 Year | Effective Date: | 07/01/25 |

The program outlines a multi-pronged approach that increases awareness about water use, promotes water efficient behaviors, and continuously reduces water waste.

Program Components:

1. Education & Outreach

- Optimize WaterSmart data and features for catching and stopping leaks early
- Create community "billboards" for awareness building
- Use social and local media placements to promote efficient water use

2. Rebates

Offer rebates on a variety of activities and equipment and free devices, which enhance water use efficiencies, that are available to District's customers in good standing (see Rebate Program). Continue promoting Turf's Up \$2/Sq. Ft. Lawn Replacement rebate.

3. Restrictions & Prohibitions

- Institute two times per week watering schedule
- Implement and enforce State ban on irrigation of non-functional turf
- Mandatory pool covers
- Promote requirements for restaurants to serve water only per request and hotels to offer an option to reuse bedding

4. Water Waste Policy

Implement and enforce District Policy on Water Waste (P500-15-1)

AGENDA REPORT

Scotts Valley Water District

Date: 05/08/25

To: Board of Directors

Item: Business 4.3

Subject: **Rate Assistance Program**

Reason: Supports Strategic Goal No. 3 Financial Stewardship by developing and sustaining a fair, effective and legitimate rate structure.

SUMMARY

Recommendation: Review and approve the Rate Assistance Program effective 7/1/2025.

Fiscal Impact: Total estimated costs of the program is \$15,000 per year and it is funded from the excess property tax revenue.

Previous Related Action: On 05/12/2022 the Board approved the Rate Assistance Program.

BACKGROUND

The Rate Assistance Program is a discounted water rate program designed to assist eligible low-income households to have affordable water service. An individual eligible to participate in the program must be an account holder for individually metered residential service connection at the District, currently enrolled in the PG&E California Alternate Rate for Energy (CARE) program and demonstrate efficient water use. The term of enrollment is one year. The participants must renew the enrollment annual upon receiving a notification from the District and are required to submit the proof of PG&E CARE program annually.

DISCUSSION

The Rate Assistance Program was approved in 05/12/2022 with a two-year review schedule. The program has 49 accounts enrolled as of 03/31/25. District staff reviews the water consumption totals for enrolled accounts from time to time to ensure that they remain efficient users of water, which is a requirement of the program. As a result of the enrollment and consumption, the cost for the District to offer this program has been much lower than the original funding estimate.

Submitted,

David McNair
General Manager

Enclosed: Rate Assistance Program



Program

| | | | |
|----------------------|--|----------------------|----------|
| Type: | Finance / Customer Service | | |
| Title: | Rate Assistance | | |
| Description: | Provides guidance for implementing a discounted water rate for qualified low income customers. | | |
| Review Date: | 05/08/25 | Initial Date: | 06/20/19 |
| Review Cycle: | 3 Years | | |

The Rate Assistance Program is a discounted water rate program designed to assist eligible low-income households to have affordable water service. The Program institutes a discounted Basic Service Charge as well as a Uniform Rate for water consumption equal to Tier One (1) of the District’s Potable Water Rate.

The applicant must be an individually metered residential customer in the District’s service area and enrolled in the PG&E California Alternate Rate for Energy (CARE) program to be eligible to participate in the Rate Assistance Program. The customer must also demonstrate efficient water use and commit to notify the District when their eligibility expires. The program is not transferable with property. If granted, the discounted water rates are not applicable to prior billing periods.

Participants must renew their enrollment in the program annually and provide proof of continued eligibility. The District provides notification to program participants and may revoke the participation status if no annual renewal has occurred.

The Rate Assistance Program is funded from property tax revenue. The discounted rates can be changed by the Board of Directors from time to time.

AGENDA REPORT

Scotts Valley Water District

Date: 11/10/21

To: Board of Directors

Item: Consent 4.4

Subject: **Identity Theft Prevention Program**

Reason: Complies with the Federal Trade Commission's Fair and Accurate Credit Transactions Act (FACTA) Red Flags Rules

SUMMARY

Recommendation: Approve the Identity Theft Prevention Program.

Fiscal Impact: None from this action

Previous Related Action: On 04/08/09, the Board established an Identity Theft Prevention Program.

On 10/27/21, the Finance and Personnel Committee reviewed the Identity Theft Prevention Program.

BACKGROUND

Under the FACTA Red Flags Rule the District is considered a creditor and is required to maintain a written Identity Theft Prevention Program.

DISCUSSION

No changes are being made, the current program continues to meet best practices.

The program will be reviewed and updated as necessary to reflect changes in procedures or risks from Identity Theft.

Submitted,

David McNair
General Manager

Enclosed: Identity Theft Prevention Program.



SCOTTS VALLEY
WATER DISTRICT

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Program

| | | |
|----------------------|---|-------------------------------|
| Type: | Finance / Customer Service | |
| Title: | Identity Theft Prevention | |
| Description: | Establishes procedures in compliance with the standards set by the Federal Trade Commission's Fair and Accurate Credit Transactions Act (FACTA) of 2003 Red Flags Rules | |
| Review Date: | 05/08/25 | Initial Date: 04/08/09 |
| Review Cycle: | 3 Years | |

Under the FACTA Red Flags Rules the Scotts Valley Water District (District) is considered a creditor that maintains customer accounts and provides services that are billed retroactively. The District must maintain a written program, tailored to its size and nature of operations, to detect, prevent and mitigate Identity Theft.

Definitions

Identity Theft: Fraud committed using the identity of another person.

Covered Account: An individual account of any customer types (residential, commercial, etc.) established and held by District.

Account Holder: Person who has assumed financial responsibility for water service from an existing service connection.

Identity Information: Any name or number that is used to identify a person, including name, phone number, social security number, date of birth, driver's license or identification number, passport number, employer or taxpayer identification number, account number, credit or debit card number including unique electronic identification number such as a PIN, CVC or CVS code.

Account Information: Confidential data as established by the Water Code related to a Covered Account.

Program Elements

The District takes the following steps as part of its internal operating procedures and practices to prevent Identity Theft:

- Requiring only necessary Identity Information when opening a Covered Account.

-
- Providing Account Information only to the Account Holder or a person authorized by Account Holder.
 - Limiting access to financial and utility billing software to certain job classifications. Appropriate access is assigned, password protected and managed by a designated job classification
 - Entering all credit card transactions related to Covered Accounts directly into an integrated payment system provided by a contract service using the most current data security protocols including a time out for inactivity, encryption and tokenization.
 - Requiring enrollment using account number, creation of a unique user ID, password and two factor authentication to access online Account Information.
 - Using a vendor specialized in information technology and security to manage and monitor District's computer network and infrastructure. Following security protocols established by vendor.
 - Prohibiting the sharing or posting of passwords to computer network or applications.
 - Not displaying credit/debit card and bank account information on account statements and receipts.
 - Not leaving documents that contain Identity Information or Account information unattended on workstations, shared work areas and printers.
 - Ensuring proper destruction of all documents.
 - Providing a secure storage location for all documents.

The program is reviewed and updated periodically as necessary to reflect changes in risks from Identity Theft.

AGENDA REPORT

Scotts Valley Water District

Date: 05/8/25

To: Board of Directors

Item: Consent 4.5

Subject: **Surplus Vehicles**

Reason: Complies with District Administrative Code Section 3.10.060 Procurement for Equipment, Material and Supplies

SUMMARY

Recommendation: Declare the following equipment as surplus and authorize the advertisement of the vehicle and equipment for public sale:

- 2012 Ford F250 VIN 1FDBF2AT3CEA12142
- Wachs Vac Trailer VIN 1E9PT13179C297275
- Trailer Frame VIN 5TUS1411RF116297

Fiscal Impact: Staff has estimated the total value of the vehicle and equipment for surplus to be approximately \$4,000.

Previous Related Action: None.

BACKGROUND

Over the last few years, the District has acquired new vehicles and equipment, creating the need to dispose of items that are no longer in use.

DISCUSSION

The 2012 Ford F250 (VIN 1FDBF2AT3CEA12142) requires several thousands of dollars in repair to its fuel injection system, which will cost more to repair than the vehicle is currently worth. The 2012 Ford F250 has reached the end of its service life.

In FY24, a replacement Wachs Vac Trailer was ordered to replace the Wachs Vac Trailer (VIN 1E9PT13179C297275) that had reached the end of its service life.

In FY25, the newly purchased Wachs Vac unit was mounted onto an F550 chassis, no longer requiring the use of the trailer frame that the Wachs Vac unit was delivered onto (VIN 5TUS1411RF116297). Staff does not foresee a use for this trailer frame.

In order to dispose of this surplus property, staff will advertise the vehicle publicly for sale and may use Public Surplus Online Auction system.

Submitted,

David McNair
General Manager

AGENDA REPORT

Scotts Valley Water District

Date: 5/8/25
To: Board of Directors
Item: 5.1 Public Hearings
Subject: **AB 2561 Public Hearing – Vacancy Reporting**
Reason: Complies with AB 2561.

SUMMARY

Recommendation: For information only, no action is required

BACKGROUND

Assembly Bill 2561 (AB2561) imposes new obligations on public agencies related to tracking and presenting information on job vacancies. This report discusses the Authority's legal obligations under the new law, which took effect January 1, 2025.

AB 2561 was introduced to address the issue of job vacancies in local government, which adversely affects the delivery of public services and employee workload. Among other requirements, the bill mandates that public agencies present the status of vacancies and recruitment and retention efforts during a public hearing before the agency's governing body at least once per fiscal year. The bill was enacted into law and is codified in Government Code section 3502.3.

In compliance with the new legal obligations, public agencies are required to do the following:

1. Public Hearing: At least once each fiscal year, at a public hearing before the Commission, the Authority shall present information regarding the status of vacancies and recruitment and retention efforts (Gov. Code § 3502.3(a)(1)) and identify any necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process (Gov. Code § 3502.3(a)(3)).
2. Employee Organization Participation: Allow the recognized employee organization for each bargaining unit to make presentations during the public hearing concerning vacancies and recruitment and retention efforts. (Gov. Code § 3502.3(b)).
3. Additional Reporting for High Vacancy Rates: If vacancies within a single bargaining unit meet or exceed 20% of authorized full-time positions in that bargaining unit, upon re-

quest of the recognized employee organization for that bargaining unit, the agency must provide additional information during the public hearing, including the following: (1) the total number of vacancies; (2) the number of applicants; (3) the average time to fill positions; and (4) opportunities to improve compensation and working conditions for employees in the bargaining unit. (Gov. Code § 3502.3(c)).

The Regional Government Services Recruitment Team provided the District staff support in compiling AB 2561 data and information for this report.

DISCUSSION

Each year beginning with this report the District will schedule and hold a hearing prior to budget adoption to comply with AB 2561.

The data that the District will report on to meet the compliance requirements of AB 2561 each year will be based on the previous calendar year, with a snapshot of the activity on December 31 of each year. The data that AB 2561 requires to be reported is on recruitment, vacancy, and retention efforts or activities. The District has two groups of employees: 1) Management/supervisor/confidential; and 2) Classified. As a result, the District will need will to share data collection for these two units.

The data for calendar year 2024 activity as of December 31, 2024, is:

Organizational Efforts

- Budgeted Positions – 18
- Hires – 3
- Open Positions – 1
- Retention – 83%
- Time to Hire – 52 Days
- Vacancy Rate – 6%

Management Unit Efforts

- Budgeted FTE Positions – 4
- Hires – 0
- Open Positions - 0
- Total number of applications – 0

- Time to Hire - 0
- Vacancy Rate – 0%

Classified Unit Efforts

- Budgeted FTE Positions – 14
- Hires – 3
- Open Positions - 1
- Total number of applications – 52 days
- Time to Hire – 52 days (Pending confirmation from client)
- Vacancy Rate – 7%

When analyzing the recruitment strategies, applicable policies, procedures, and recruitment activities this year, several potential challenges have been identified for the Scott's Valley Water District (SVWD). The first challenge is the remoteness of SVWD may pose a potential drawback for talent as they consider employers. Furthermore, staff are required to live within 30 minutes of reporting distance of the district. Secondly, the SVWD competes directly with other employers in Silicon Valley who may offer higher pay for similar roles.

Submitted,

David McNair
General Manager

Enclosed: 2024 AB2561 Data



SCOTTS VALLEY
WATER DISTRICT

April 2025

2024 AB 2561 Data

Data on Recruitment Trends and Insights

Presented to
**Scotts Valley
Water District**

Presented by
RGS STAFF



AB 2561 Data The District

Activity and Data as of December 31, 2024



18

Budgeted Position



3

Hires



1

Open Positions



83%

Retention



52 days

Time to Hire



7%

Vacancy Rate

AB 2561 Data Bargaining Unit Management

Activity and Data as of December 31, 2024



4

Budgeted Position



0

Hires



0

Open Positions



0

Total # of Applicants



0 days

Time to Hire



0%

Vacancy Rate

AB 2561 Data Bargaining Unit Classified

Activity and Data as of December 31, 2024



14

Budgeted Position



3

Hires



1

Open Position



52

Total # of Applicants



52 days

Time to Hire



7%

Vacancy Rate

Hiring Timeline Overview

Phase one of the recruitment involves the creation of a vacancy. Vacancies can arise for a variety of reasons, including separation, retirement, internal movement, or the creation of a newly budgeted position.

Phase two is when the recruitment process begins in earnest and includes the creation of the requisition, type of recruitment, and posting of the role. During this phase, the expectations of the role and marketing approach are specified to target and engage the appropriate talent.

Phase three focuses on the selection process and includes an evaluation of applicant knowledge, skills, abilities, and experience. At the conclusion of this process, an offer is made to the top performing candidate.

During **phase four**, a conditional job offer is made to the selected candidate. The job offer specifies the pay, benefits, and anticipated start-date for the candidate.

Once the selected candidate accepts the conditional job offer, **phase five** ensues, which includes the background check and physical requirement (if needed).

The final step in hiring is **phase six**: job placement. After the selected candidate has passed their pre-employment evaluations, an official start-date is established, and the candidate begins employment on the agreed upon date.

Phase 1

Vacancy Created

Phase 2

Recruitment Begins

Phase 3

Selection Process

Phase 4

Offer Provided

Phase 5

Background Check

Phase 6

Job Placement

Recruitment Strategies Analysis

Evaluating effectiveness and outcomes of our hiring process

When analyzing the recruitment strategies, applicable policies, procedures, and recruitment activities this year, several potential challenges have been identified for the Scott's Valley Water District (SVWD). The first challenge is the remoteness of SVWD may pose a potential drawback for talent as they consider employers. Furthermore, operations staff are required to live within 30 minutes of reporting distance of the district; however, customer service, finance, and administrative roles do not. Secondly, the SVWD competes directly with other employers in Silicon Valley who may offer higher pay for similar roles.

In addressing the above recruitment challenges, several opportunities have been identified. To address salary concerns, it is recommended that the SVWD continue its regular practice of scheduled market pay equity adjustments and continue providing COLA's of up to 4% to staff. In maintaining robust candidate pools and candidate pipelines, it is recommended that the SVWD continue promoting a strong employee value proposition to both active and passive candidates. Employees at the SVWD have indicated they have positive experiences based on their responses to employee experience surveys, and it is recommended that this work environment be monitored and maintained through the continued use of such surveys.



AGENDA REPORT

Scotts Valley Water District

Date: 05/08/25
To: Board of Directors
Item: Business 6.1
Subject: **Operating and Projects Budget Draft FY 2026**
Reason: Supports District Strategic Goal - Financial Stewardship

SUMMARY

Recommendation: Receive information and provide direction

Fiscal Impact: The Fiscal Year 2026 (FY 2026) proposed budget includes \$17.8 Million in expenditures, excluding carryover for projects and purchase orders. The proposed budget is comprised of \$6.8M in operating expenses, \$1.1M in debt service, and \$9.8M in new project appropriations.

FY 2026 operating costs, excluding debt service, are proposed to increase by 9%. The proposed operating budget assumes that the contribution to the Santa Margarita Groundwater Agency (SMGWA) will increase by \$38,402 from \$166,905 to \$205,307.

Proposed revenues total \$17.4M. The FY 2026 revenue budget for water sales is projected to be six percent higher than the estimated actual revenue in FY 2025 and six percent higher than the FY 2025 budget. Total revenue, excluding grant revenue, is projected to be six percent higher than the FY 2025 budget and four percent higher than the FY 2025 estimated actual of \$10.5M. The District anticipates that Fund Balance will decrease by approximately \$4.8M in FY 2026 to \$6.8M. The reserve target is \$6.1M.

Previous Related Action: On 03/24/25, the Water Resources and Engineering Committee reviewed and commented on the proposed projects budget.

On 03/26/25, the Finance and Personnel Committee received a report on FY 2026 budget assumptions.

On 04/10/25, the Board received a report on FY 2026 budget assumptions.

On 04/23/25, the Finance and Personnel Committee reviewed the draft FY 2026 revenue projections and operating expenditure budget summary.

BACKGROUND

The District follows an annual budget cycle with a balanced budget approved at the June board meeting. The Budget is comprised of the Operating Budget, Debt Service Budget and Projects Budget. The Operating Budget is a line item budget that is organized in functional divisions and major expense categories.

DISCUSSION

The proposed budget includes revenue, projects and fund balance projections. The District collects revenue from Potable Water (PW) and Recycled Water (RW) sales, water services, new connections, grants, and other non-operating sources such as property tax, and interest income. Excluding grant revenue, staff projects a six percent revenue increase from the FY 2025 Budget. This figure assumes a 7% increase in rates will be implemented 01/01/2026. Actual revenue in FY 2025 will be lower than budget due to the timing of grant funded projects. Staff anticipates that a substantial amount of the project spending and associated grant revenue will shift from FY 2025 to future years. Enclosure 1 presents a summary of anticipated revenue by fund.

The FY 2026 proposed Expense budget consists of operating, debt service, and project costs with focus on the District's operations, which consists of personnel, goods, and services to support the District's services and the Board's strategic priorities. Overall operating costs are expected to increase 10% over estimated actual FY2025 costs. Enclosure 2 presents a summary of year-to-year operating changes. Increased costs in the Operations division budget total 7 percent, with funding added for vehicle maintenance, increased permitting costs, and increased pumping costs.

The budget for capital and maintenance projects in FY 2026-2029 prioritizes projects based on merit, relative importance to effective operations and cumulative cost. While only the upcoming year budget is approved by the board, future years' project costs are presented as part of Enclosure 3.

The Fund Balance table in Enclosure 4 summarizes the anticipated position at the end of FY 2026. The fund balance projection displays estimated actuals for FY 2025 rather than budget, to provide a more accurate estimate of the expected fund balance on 6/30/25. The Fund Balance Projection Chart in Enclosure 5 helps to show the projected fund balance by year for the next four years, with assumptions displayed for revenue growth and project timing.

The final FY 2026 Proposed Budget will be presented to the Board for approval at the June meeting.

Submitted,

David McNair
General Manager

Enclosed: 1) FY 2026 Budget - Revenue
 2) FY 2026 Budget - Expense
 3) FY 2026-2029 Budget – Projects
 4) FY 2026 Budget - Fund Balance
 5) FY 2026 Budget – Financial Plan

Scotts Valley Water District
FY 2026 Proposed Budget: Revenue
Fund 01 and Fund 02

| Revenue Categories | FY 2025 Budget | FY 2025 Est. Actual | FY 2026 Budget | FY 2026 Budget to FY 2025 Budget Increase (Decrease) | |
|--------------------------------------|----------------------|------------------------|----------------------|--|------------|
| Potable Fund 01 | | | | | |
| Operating Revenue - Water Sales | \$ 4,734,400 | \$ 4,773,191 | \$ 5,011,100 | \$ 276,700 | 6% |
| Operating Revenue - Water Services | \$ 2,912,800 | \$ 2,905,939 | \$ 3,031,800 | \$ 119,000 | 4% |
| Operating Revenue - New Connections | \$ 178,900 | \$ 130,875 | \$ 91,184 | \$ (87,716) | -49% |
| Non-Operating Revenue | \$ 1,904,376 | \$ 2,024,508 | \$ 2,067,286 | \$ 162,909 | 9% |
| Grant Revenue | \$ 4,413,920 | \$ 2,519,223 | \$ 6,555,117 | \$ 2,141,197 | 49% |
| Total Potable Fund Revenues | \$ 14,144,396 | \$ 12,353,736 | \$ 16,756,486 | \$ 2,612,090 | 18% |
| Recycled Fund 02 | | | | | |
| Operating Revenue - Water Sales | \$ 491,500 | \$ 580,609 | \$ 607,200 | \$ 115,700 | 24% |
| Operating Revenue - Water Services | \$ 102,300 | \$ 101,276 | \$ 106,200 | \$ 3,900 | 4% |
| Operating Revenue - New Connections | \$ - | \$ - | \$ - | \$ - | - |
| Non-Operating Revenue | \$ 6,600 | \$ 6,505 | \$ 6,600 | \$ - | 0% |
| Notes Receivable * | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ - | 0% |
| Total Recycled Fund Revenues | \$ 610,400 | \$ 698,390 | \$ 730,000 | \$ 119,600 | 20% |
| Combined Fund 01 and Fund 02 | | | | | |
| Operating Revenue - Water Sales | \$ 5,225,900 | \$ 5,353,800 | \$ 5,618,300 | \$ 392,400 | 8% |
| Operating Revenue - Water Services | \$ 3,015,100 | \$ 3,007,214 | \$ 3,138,000 | \$ 122,900 | 4% |
| Operating Revenue - New Connections | \$ 178,900 | \$ 130,875 | \$ 91,184 | \$ (87,716) | -49% |
| Non-Operating Revenue | \$ 1,910,976 | \$ 2,031,013 | \$ 2,073,886 | \$ 162,909 | 9% |
| Grant Revenue | \$ 4,413,920 | \$ 2,519,223 | \$ 6,555,117 | \$ 2,141,197 | 49% |
| Notes Receivable * | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ - | 0% |
| Total Revenue | \$ 14,754,796 | \$ 13,052,126 | \$ 17,486,486 | \$ 2,731,690 | 19% |
| Total excluding Grant Revenue | \$ 10,340,876 | \$ 10,532,903 | \$ 10,931,369 | \$ 590,493 | 6% |

* Notes Receivable is not revenue (included to report all sources of cash).

Scotts Valley Water District

FY 2026 Proposed Budget: Operating Expenses & Debt Service

Combined Fund 01 and Fund 02

| | FY 2025 Budget | FY 2025 Est. Actual | FY 2026 Budget | FY 2026 Budget to FY 2025 Budget | | |
|----------------------------------|---------------------|------------------------|---------------------|-------------------------------------|------------|---|
| Administration | | | | | | |
| Salaries & Benefits | \$ 557,987 | \$ 480,315 | \$ 654,367 | \$ 96,380 | 17% | CalPERS Unfunded Liability |
| Services | \$ 343,275 | \$ 326,467 | \$ 476,375 | \$ 133,100 | 39% | |
| Supplies | \$ 27,620 | \$ 17,600 | \$ 28,000 | \$ 380 | 1% | \$100k Urban Water Master Plan |
| Source of Supply | \$ 259,571 | \$ 176,905 | \$ 215,307 | \$ (44,264) | -17% | |
| Other | \$ - | \$ - | \$ - | \$ - | | |
| Dept (100) Expense Total: | \$ 1,188,453 | \$ 1,001,287 | \$ 1,374,048 | \$ 185,596 | 16% | |
| Finance/Customer Service | | | | | | |
| Salaries & Benefits | \$ 649,129 | \$ 549,470 | \$ 672,434 | \$ 23,306 | 4% | \$25K Intertie Rate Study \$80K Water Rate Study |
| Services | \$ 217,550 | \$ 158,630 | \$ 283,200 | \$ 65,650 | 30% | |
| Supplies | \$ 4,000 | \$ 4,000 | \$ 4,000 | \$ - | 0% | Includes \$60k Turfs Up Decrease in CC Processing Fees |
| Customer Accounts | \$ 306,946 | \$ 266,865 | \$ 292,035 | \$ (14,911) | -5% | |
| Other | \$ 1,000 | \$ 1,542 | \$ 1,000 | \$ - | 0% | |
| Debt Service (Interest Expense) | \$ 165,759 | \$ 184,603 | \$ 146,487 | \$ (19,272) | -12% | |
| Dept (200) Expense Total: | \$ 1,344,384 | \$ 1,165,110 | \$ 1,399,157 | \$ 54,773 | 4% | |
| Operations | | | | | | |
| Salaries & Benefits | \$ 1,835,606 | \$ 1,667,042 | \$ 1,867,501 | \$ 31,895 | 2% | Increase in Vehicle Maint and Facilities Maint |
| Services | \$ 324,496 | \$ 239,060 | \$ 395,835 | \$ 71,339 | 22% | |
| Supplies | \$ 60,080 | \$ 41,361 | \$ 70,430 | \$ 10,350 | 17% | Increase in Permitting; Purchase of Bulk Meter Assemblies |
| General Production | \$ 146,215 | \$ 116,970 | \$ 191,600 | \$ 45,385 | 31% | |
| Source of Supply | \$ 80,000 | \$ 92,816 | \$ 67,000 | \$ (13,000) | -16% | Pumping (PG&E) up 10% |
| Pumping | \$ 704,546 | \$ 647,732 | \$ 781,400 | \$ 76,854 | 11% | |
| Water Treatment | \$ 621,100 | \$ 570,530 | \$ 640,100 | \$ 19,000 | 3% | |
| Transmission & Distribution | \$ 471,300 | \$ 669,460 | \$ 507,500 | \$ 36,200 | 8% | |
| Conservation | \$ 100 | \$ 100 | \$ 100 | \$ - | 0% | |
| Dept (300) Expense Total: | \$ 4,243,444 | \$ 4,045,071 | \$ 4,521,466 | \$ 278,023 | 7% | |

Scotts Valley Water District

FY 2026 Proposed Budget: Operating Expenses & Debt Service

Combined Fund 01 and Fund 02

| | FY 2025 Budget | FY 2025 Est. Actual | FY 2026 Budget | FY 2026 Budget to FY 2025 Budget | | |
|-----------------------------------|---------------------|------------------------|---------------------|-------------------------------------|------------|---|
| Engineering | | | | | | |
| Salaries & Benefits | \$ 133,828 | \$ 124,748 | \$ 137,448 | \$ 3,619 | 3% | |
| Services | \$ 122,150 | \$ 7,810 | \$ 252,650 | \$ 130,500 | 107% | Water Modeling Consultant - \$100k Mt Roberta / Fontenay Study - \$80k AWIA RRA - \$55k |
| Supplies | \$ 11,000 | \$ 17,310 | \$ 1,000 | \$ (10,000) | -91% | |
| Dept (400) Expense Totals: | \$ 266,978 | \$ 149,868 | \$ 391,098 | \$ 124,119 | 46% | |
| Board | | | | | | |
| Salaries & Benefits | \$ 79,761 | \$ 84,050 | \$ 92,445 | \$ 12,684 | 16% | |
| Services | \$ 18,400 | \$ 9,636 | \$ 18,400 | \$ - | 0% | Board Travel / Conferences |
| Supplies | \$ 800 | \$ 400 | \$ 800 | \$ - | 0% | |
| Dept (900) Expense Totals: | \$ 98,961 | \$ 94,086 | \$ 111,645 | \$ 12,684 | 13% | |
| Total Expenses | \$ 7,142,219 | \$ 6,455,422 | \$ 7,797,414 | \$ 655,195 | 9% | |
| View by Major Categories | | | | | | |
| Salaries & Benefits | \$ 3,256,311 | \$ 2,905,625 | \$ 3,424,195 | \$ 167,884 | 5% | |
| Services & Supplies | \$ 3,885,908 | \$ 3,549,797 | \$ 4,373,219 | \$ 487,311 | 13% | |
| Total Expenses | \$ 7,142,219 | \$ 6,455,422 | \$ 7,797,414 | \$ 655,195 | 9% | |

| SCOTT'S VALLEY WATER DISTRICT | | | | | | | | | | | | | | | | | | | |
|---|---|--|-----------|--------------|-----------|----------------|------------------------|-----------------------|-------------------|-----------------|----------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------|--|---|
| FY 2025 Budget: Projects Program Projections | | | | | | | | | | | | | | | | | | | |
| CAPITAL IMPROVEMENT AND MAINTENANCE PROJECTS | | | | | | | | | | | | | | | | | | | |
| Category | Project Name | Project Description | Project # | OL# | Cap/Mntnc | FY 2025 Budget | FY 2025 YTD 02/28/2025 | FY 2025 Est VE Actual | FY 2025 Carryover | FY 2026 Request | FY 2026 Budget | FY 2027 Projected | FY 2028 Projected | FY 2029 Projected | FY 2030 Projected | TOTAL FY 2026-2030 | Notes | Notes | |
| Mains | Main Replacement Program - Replace | Replace and upgrade potable water mains based on leak history, service life, and size | C20010 | 01-300-15002 | Cap | \$ 652,173 | \$ 19,900 | \$ - | \$ - | \$ 50,000 | \$ 50,000 | \$ 360,000 | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ 2,660,000 | | <p>22-24 Construction Bethany Dr Design/Engineering of 3400 Ft of main on La Madrona Dr.</p> <p>22-24 Construction of La Madrona Dr Main (2250) (F main) for geotech eval and Repair (1 (2304). Design of underdrain mains on Whispering Pines and Mount Hermon Rd (5904).</p> <p>22-24 Construction Inspection services for La Guetta Main (5749).</p> <p>22-27 Design of Sawyer Circle Main Replacement (loop 2" and 4" replacement 2,000' (5904) and Hwy 17 Undercrossing and catch basin connection with Green Valley Rd (loop created, 2,000' main(5904)-Glenwood main extension (2,000' main, 5904)-Design for 300' of main replacement at Whispering Pines and Mt. Hermon (5904).</p> <p>22-28 Construction of Whispering Pines/Mt Hermon Rd 8" main (5500).</p> <p>Future: Implementation of F127 designs.</p> | |
| | Main Replacement Program - Recycled | Replace old, poor condition recycled water main with high pressure rated pipe on Whispering Pines and Mt Hermon (about 1 mile). | C17025 | 02-300-16302 | Cap | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 500,000 | \$ - | \$ - | \$ 500,000 | | TBD when RW main new Valley Gardens - paid by developer | |
| | Third Party Contribution - Developer Paid | | | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | |
| | SCWD-SVWD System Interste | Design and construction of component one: 12" bi-directional pipeline and pump station | C33010 | | Cap | \$ 2,844,778 | \$ 714,129 | \$ 3,917,069 | \$ (1,072,291) | \$ - | \$ 7,933,455 | \$ 7,933,455 | \$ - | \$ - | \$ - | \$ - | \$ 7,933,455 | | <p>22-23 Well site land acquisition, planning, design, engineering, & environmental documents.</p> <p>22-24 Design, begin bidding.</p> <p>22-25 Construction, 50% cost share for grant coverage.</p> <p>22-26 projected 50% cost share of grant coverage. 2.2.24.14 Construction \$5.1 (3.1M), Grant share \$4.92M, \$6.42M is shared between SCWD and SVWD)</p> |
| | Funded by Local Project Sponsor (City of Santa Cruz) | Component 2 - Interste | | | | \$ (2,250,000) | \$ (2,254,817) | \$ - | \$ - | \$ (866,079) | \$ (866,079) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (866,079) | | |
| Grant Fund - Paid to Local Project Sponsor (City of Santa Cruz) | System Interste | Electric Cost Share | | | \$ - | \$ - | \$ (467,000.00) | \$ - | \$ - | \$ (4,833,856) | \$ (4,833,856) | \$ - | \$ - | \$ - | \$ - | \$ (4,833,856) | | (2,214,113.57) | |
| Treatment Plants | Orchard Run Water Treatment Plant Improvements | Implement esthetic taste & odor improvements to treatment process by adding new GAC filter and chlorine analyzer injection system. Infrastructure improvements include replacing ammonia based PDS air scrubbing system with a Bio Filtration scrubber. Replace 40,000 gallon hot/cold steel back wash tank and install new sewer lateral. | C16023 | 01-300-15002 | Cap | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Project completed in FY22 | |
| | El Pueblo Water Treatment Plant Improvements | Upgrades to the water treatment infrastructure at the El Pueblo Water Treatment Facility | C19020 | 01-300-15002 | Cap | \$ 186,008 | \$ 4,597 | \$ 4,597 | \$ 181,411 | \$ - | \$ 181,411 | \$ 200,000 | \$ - | \$ - | \$ - | \$ 1,500,000 | \$ 1,881,411 | | <p>FY 24: Filter media replacement following sand from W118, flow control valve installation, future upgrades dependent upon Grace Way Well.</p> <p>22-25 Correction of air gap on El Pueblo Tank drain (22-25).</p> <p>22-26 Correction of air gap on El Pueblo Tank drain (add new) El Pueblo WTP valve upgrade 4" to 6" (4444-entire), Water Quality consulting to look at stopping use of Sodium hydroxide at El Pueblo WTP (entire) collover funding. Replace generator at El Pueblo WTP (4400) collover funding.</p> <p>Future: Installation of plant control panel by in house staff, and direct SCADA contractor, WTP upgrades (pending Grace Way Well).</p> <p>22-26 pilot study of converted filter media, recast filter media, replace filter media, installation of VFD at Well 10b, replace Media at ORWTP, replace underdrains and spray arms at ORWTP Filter, Filter media replacement at El Pueblo WTP.</p> <p>22-26 Upgrade WTP PLC (5500).</p> <p>Future: Electrical upgrade, Add backwash tank (22-27) installation of W119 for Boomer 1,2,3 (including hardware, SCADA control).</p> <p>22-24, 22-25 carryover- installation of VFD at Well Motor (5504).</p> <p>FY24-25: Evaluate El Pueblo Treatment Facility for possible treatment requirements for Grace Way Well.</p> |
| | Well 10 WTP Improvements | Implement upgrades to the Well 10 WTP Facility | C21010 | 01-300-15002 | Cap | \$ 17,140 | \$ - | \$ - | \$ 17,140 | \$ 182,860 | \$ 200,000 | \$ - | \$ - | \$ 1,500,000 | \$ - | \$ 1,700,000 | | | |
| | VFD Installation at Orchard WTP | | | | | \$ 110,000 | \$ - | \$ - | \$ 110,000 | \$ 65,000 | \$ 175,000 | \$ - | \$ - | \$ - | \$ - | \$ - | | | |
| | Treatment Facility for New Production Well | New Longoria Formation Production Well and Treatment Plant. | C30020 | 01-300-15002 | Cap | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| Tanks | Bethany Tank Rehabilitation | Construct additional tank on site to allow for roof reconstruction and interior and exterior coating replacement of 400,000 gallon Bethany Tank. Project extends tank service life and provides additional emergency storage and redundancy. | C16024 | 01-300-15002 | Cap | \$ 169,258 | \$ 12,871 | \$ 12,871 | \$ 156,387 | \$ 321,000 | \$ 482,387 | \$ 6,000,000 | \$ - | \$ - | \$ - | \$ 6,482,387 | | <p>22-23 evaluation assessment.</p> <p>22-24 concept alternative analysis.</p> <p>22-25 geotechnical eval of concept (5904), begin design (506).</p> <p>22-26 Design (5450).</p> <p>22-27 Construction (5500+ 20% contingency)</p> <p>22-28 Sandblast and re-coat roof at Sequoia Tank replace tank vents with AWMA approved vents, design and bid doc preparation.</p> <p>22-29 collover, adding \$1788 to match engineers estimate plus 20% contingency and 20% for coating inspection.</p> | |
| | Sequoia Tank Roof Recast | Sandblast, recast roof of Sequoia tank per DDW Sanitary Survey report. Replace tank vents. | C18035 | | Mntnc | \$ 125,000 | \$ 10,720 | \$ 10,720 | \$ 114,280 | \$ 178,000 | \$ 292,280 | \$ - | \$ - | \$ - | \$ - | \$ 292,280 | | | |
| | Potable Resealing seams and Safety Upgrades on Boldest Steel Tanks | Aquastore (img of SVWD's, Glenwood Tank and Southwood Tank) recommended resealing exterior seams, seams of roof structure, and installing fall protection and railing to Cal/OSHA standards. | | | Mntnc | \$ - | \$ - | \$ - | \$ - | \$ 125,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | <p>22-26 Glenwood Tank (Est from Aquastore \$58k); Southwood Tank (Est from Aquastore \$46k) + 20% contingency (\$23k).</p> | |
| | Resealing seams and Safety Upgrades on Boldest Steel Tank Recycled Tank | Aquastore (img of SVWD's Recycled Water Tank) recommended resealing exterior seams, seams of roof structure, and installing fall protection and railing to Cal/OSHA standards. | | | Mntnc | \$ - | \$ - | \$ - | \$ - | \$ 70,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | <p>22-26 Recycled water Tank (Est from Aquastore \$58,500)+ 20% contingency (\$11,500).</p> | |
| | Glenwood Tank Landslide Evaluation & Repair | Geotechnical evaluation and potential mitigation measures following landslide below Glenwood Tank following the federally declared disaster in January 2023. FEMA/Cal OES funding might be available. | C24010 | | Cap | \$ 495,000 | \$ - | \$ 495,000 | \$ - | \$ 495,000 | \$ - | \$ 495,000 | \$ - | \$ - | \$ - | \$ 1,245,000 | | <p>22-23 Geotech Eval;</p> <p>22-24 FEMA;</p> <p>22-25 Begin engineering.</p> <p>22-26 Complete engineering.</p> <p>Future: Complete construction (pending FEMA funding).</p> | |
| Pump Stations | Hacienda P5 Improvements | Pump shed structure is in poor condition and needs to be replaced. Pumps are very loud and run 24 hours a day. Noise mitigation and structural upgrades will provide better protection for pumps and motors and reduce noise emissions considerably. | C19030 | 01-300-15002 | Cap | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | Install pumps, controls, and backup generator system. To be completed FY23 | |
| | Palo Ranch P5 | Palo Ranch flow control station has been modified to provide booster pumping into the Southwood pressure zone when needed. The Southwood booster station on Granite Creek Road will be retired. | C18033 | 01-300-15002 | Cap | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | To be constructed as part of the Palo Ranch Development project. FY23 flow control station and building construction. FY21 purchase and install pumps (2) and controls. To be completed FY22 | |
| | Monte Fiore P5 Rehab | Major upgrade to include equipment, skid, pumps, piping, propane generator, and controls. | Tbd | | | \$ 202,412 | \$ - | \$ 202,412 | \$ 200,000 | \$ 402,412 | \$ 150,000 | \$ - | \$ - | \$ - | \$ - | \$ 552,412 | | <p>22-24 Rehab or relocation alternatives analysis.</p> <p>22-25 design (architect).</p> <p>22-26 Design/Construction of inhouse alternative.</p> <p>22-27 Replace onsite generator and fuel tank.</p> | |

| SCOTT'S VALLEY WATER DISTRICT | | | | | | | | | | | | | | | | | |
|--|--|--|-----------|---------------------------|-----------|----------------|------------------------|-----------------------|-------------------|-----------------|----------------|-------------------|-------------------|-------------------|-------------------|---|---|
| FY 2025 Budget: Projects Program Projections | | | | | | | | | | | | | | | | | |
| CAPITAL IMPROVEMENT AND MAINTENANCE PROJECTS | | | | | | | | | | | | | | | | | |
| Category | Project Name | Project Description | Project # | OL# | Cap/Mntnc | FY 2025 Budget | FY 2025 YTD 01/28/2025 | FY 2025 Est YE Actual | FY 2025 Carryover | FY 2025 Request | FY 2025 Budget | FY 2027 Projected | FY 2028 Projected | FY 2029 Projected | FY 2030 Projected | TOTAL FY 2025-2030 | Notes |
| Wells | Grace Wy Well | Construct a new production well that is needed to offset lost production capacity from Well 8 & Well 11A. The replacement well will in part be sited to provide for a more balanced withdrawal rate from the Lompico Aquifer. | C1507 | 01-300-15002 | Cap | \$ 2,400,000 | \$ 77,646 | \$ 1,469,134 | \$ 930,866 | \$ - | \$ 930,866 | | | | | \$ 930,866 | <p>FY23: property acquisition, design & permitting; FY24: continued design and permitting; FY25: construction (carry over \$2.4M from FY24); Equipment (\$300k) FY26: carryover funding to complete project site improvements, raw water main connection, and well equipping</p> |
| | DWR Drought Grant Reimbursement | Component 2: Production Well | | | | \$ (1,113,836) | \$ (83,342) | \$ (1,469,134) | \$ - | \$ (835,240) | \$ (835,240) | | | | | \$ (835,240) | |
| | Well 8B Replacement | Replace aging well 8B with new production well at the Sacred Drive well site. | C2010 | | Cap | \$ 2,299,175 | \$ 552,588 | \$ 2,049,224 | \$ 249,951 | \$ 90,000 | \$ 339,951 | | | | | \$ 339,951 | <p>FY 24: construction, budget adjustment including equipping costs, taxes, 10% contingency FY25: Property assessment acquisition (\$37k); Wellhead design/construction/programming FY26: Site improvements: replace (\$73k); Fencing (\$50k); Backup Power Generator (\$50k), spare pump, motor and subcable (\$65k); 20% contingency (\$54k)</p> |
| | 2022 Loan Disbursement | Orchard Run Well Rehab | | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 255,000 | \$ 255,000 | | | \$ 255,000 | <p>Maintenance rehab for Orchard Run Well due to decline in OPM (\$110k), Columns, pump, motor, wire replacement (\$145k)</p> |
| Groundwater Supply | Conjunctive Use with SLVWD 90' and SCWD | SLVWD to provide 37500 acwt treated surface water in winter when available to reduce pumping and improve groundwater levels in the shared basin. | td | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | \$ - | <p>FY18: SVDW entered into an MOU agreement with SLVWD, FVWD and the County. FY23: develop a scope and initial budget. (Include in the Operating Budget/ FY 24: SVDW is SVDW's 25% match for grant fund.</p> |
| | SV Transit Center LID Retrofit Phase 2 | | | | | \$ 1,990,000 | \$ 1,490,316 | \$ 1,490,316 | \$ - | \$ - | \$ - | | | | | \$ - | |
| Wastewater Reuse | DWR Recharge - Grant Disbursement | SRM Proj 1 Round 2 Grant (75-25) | td | | | \$ (750,000) | \$ (1,050,000) | \$ - | \$ - | \$ - | \$ - | | | | | \$ - | |
| | Purified Recycled Water Discharge | Implement a water reuse program to increase water efficiency and reduce water consumption. Utilize the SRM or completed with components. | C2036 | 01-300-16000-01-300-16000 | Cap | \$ 100,000 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | \$ - | <p>Utilize the SRM to increase water efficiency and reduce water consumption. FY23: Modeling of low volume pilot program</p> |
| | | Water reuse program providing the maximum amount of water reuse to the maximum extent possible. | A44002 | 01-300-16000 | Mntnc | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | \$ - | <p>Water reuse program provided in the operating budget.</p> |
| Distribution System | System wide pressure reduction program | Utilize consultant to model water system and make recommendations to reduce overall pressure in the SVDW system. Implement recommendations where feasible in the distribution system. | C34030 | | Cap | \$ 272,960 | \$ - | \$ 143,558 | \$ 129,402 | \$ - | \$ 129,402 | \$ 210,000 | \$ 300,000 | \$ 175,000 | | \$ 814,402 | <p>FY24: Distribution system modeling/evaluation; FY25: Implementation of distribution system improvements from modeling recommendations; FY26: Implement Meadow Way pilot project (followeer funded \$1.75M (engineers cost) for implementation (followee of projected \$1.2M plus \$45k for FY24). Add 20% contingency Future: Further implementation of recommendations/Design/Construction of Lauren Circle (backhoe) Future: Further implementation of recommendations (backhoe)</p> |
| | Third Party Contribution | | | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | \$ - | |
| | Distribution system improvements in Monteville | Make system improvements in Monteville, including locating and mapping 200+ service lines, evaluate mainline condition. Based upon mainline condition, replace sections of main and/or add additional valves. Eventual replacement of 200+ polyethylene service lines with copper: multi-year project. | C34040 | | | \$ 138,209 | \$ 16,254 | \$ 16,254 | \$ 112,945 | \$ - | \$ 112,945 | \$ 150,000 | | | | \$ 262,945 | <p>FY24: Have 3rd party locate and map service lines in Monteville & install insertion valve at 1st entrance of neighborhood. FY25: Installation and/or repair of additional system valves and/or replacing sections to improve isolation capabilities in neighborhood. FY26: Continue to replace service laterals/insertion valves with all new funds. FY27: 100 Beacon endpoints for Replacement as needed (\$177.50 each) FY28: 100 endpoints (\$160 each) FY29: Replace Service meters 150x 1/2" per year (\$23,550). Meter Repair \$x 3/4" (19500); 2x 1 1/2" (\$16,050); 1x 2" (\$12,000) FY30: 150x 1/2" 5x 3/4" 25x 1 1/2"; 14x FY31: \$15,000 (contingency)</p> |
| Meters | Automated Metering Infrastructure (AMI) | Install AMI transmitters on all meters over 3-4 year period. | C17011 | 01-300-15002/01-300- | Cap | \$ 12,750 | \$ - | \$ - | \$ 16,000 | \$ 16,000 | \$ 16,000 | \$ 16,000 | \$ 16,000 | \$ 16,000 | \$ 5,000 | \$ 69,000 | <p>FY25: 100 Beacon endpoints for Replacement as needed (\$177.50 each) FY26: 100 endpoints (\$160 each) FY27: Replace Service meters 150x 1/2" per year (\$23,550). Meter Repair \$x 3/4" (19500); 2x 1 1/2" (\$16,050); 1x 2" (\$12,000) FY30: 150x 1/2" 5x 3/4" 25x 1 1/2"; 14x FY31: \$15,000 (contingency)</p> |
| | Meter Replacement Program | Replace all meters installed before 2012 at the rate of 800-1000 meters per year. | M17011 | 01-300-15003 | Mntnc | \$ 52,550 | \$ 60,007 | \$ - | \$ 60,000 | \$ 60,000 | \$ 60,000 | | | | | \$ 60,000 | <p>FY25: 100 Beacon endpoints for Replacement as needed (\$177.50 each) FY26: 100 endpoints (\$160 each) FY27: Replace Service meters 150x 1/2" per year (\$23,550). Meter Repair \$x 3/4" (19500); 2x 1 1/2" (\$16,050); 1x 2" (\$12,000) FY30: 150x 1/2" 5x 3/4" 25x 1 1/2"; 14x FY31: \$15,000 (contingency)</p> |
| Technology | Utility Billing Software Improvements | Improvements and/or enhancements to utility billing (UB) and Payment Processing softwares. | C15016 | 01-200-15990 | Cap | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | \$ - | <p>Possible consideration of a third party financial reporting software, utility billing software and payment platform</p> |
| | SCADA Improvements: Teledesign Radio and Kingfisher RTU Replacements | | C35000 | | | \$ 150,000 | \$ 97,873 | \$ 97,873 | \$ 52,127 | \$ 150,000 | \$ 202,127 | \$ 200,000 | \$ 80,000 | | \$ 542,127 | <p>Upgrade obsolete RTU's and Teledesign Radios with Allen Bradley RTUs and GE Grid Cell Radios in a phased approach. FY25: Upgrade Orchard Run, Southwood tank, Southwood booster, polo booster FY26: Monte Flores, Crescent, Wild Fontaine, Mt Roberts, Sand Hill, Glenwood Tank, Bethany tank and booster; FY27: Well 10, Sequoia Tank, Well 9, El Pueblo, MacDorra, 11A, 11A, FY28: Replace WEV, Recycle Tank</p> | |
| Fleet | Vehicle Replacement Program | Replace aging fleet: one vehicle per year on average, starting FY 2019. | C19070 | 01-300-15002 | Cap | \$ 75,000 | \$ - | \$ 75,000 | \$ 105,000 | \$ 180,000 | \$ 80,000 | \$ 80,000 | \$ 80,000 | | \$ 420,000 | <p>FY 24: Replace Dodge Journey with EV (not completed) FY 25: Follow-up of Dodge Journey replaced instead with 2700. FY 26: Replace Dodge Journey (FY 24). Replace FY 2025: \$10k for crane lights (2025 FY2025: \$20k tariff contingency; future Replace FY26)</p> | |
| | Specialized Operations Equipment | Replace heavy equipment and specialized vehicles on as-needed basis. | C2020 | 01-300-15002 | Cap | \$ 166,536 | \$ 58,062 | \$ 117,309 | \$ 49,227 | \$ - | \$ 49,227 | | \$ 200,000 | | | \$ 249,227 | <p>FY25: Valve turning machine (\$100k) & EV charging station (\$50k) FY 26: mounting valve turning machine on new FESD frame (\$1,200,000) Future: backhoe</p> |
| Buildings | Administrative Building Improvements | Repairs and modifications to the office facility to support business operations. | td | | | \$ 20,000 | \$ 20,000 | \$ - | \$ 20,000 | \$ 20,000 | \$ 20,000 | | | | | \$ 20,000 | <p>FY24: Replace redwood decking at H2 and other improvements as determined from FY23 investigation</p> |
| | Corp Yard Improvements | Remove unused infrastructure, paving, heavy equipment shelter. | C24050 | | | \$ 28,315 | \$ 12,890 | \$ 12,890 | \$ 15,425 | \$ 20,000 | \$ 35,425 | \$ 15,000 | \$ 15,000 | | \$ 65,425 | <p>FY25: Heavy Equipment Shelter; FY26: further replacement on block building; perimeter fencing repair; FY27: Re-line settling pond Future: paving improvement, re-lining settling ponds</p> | |
| | Solar Installation | Installation of small scale solar systems at District facilities | td | | | \$ 25,000 | \$ - | \$ 25,000 | \$ - | \$ 25,000 | \$ 25,000 | | | | | \$ 50,000 | |
| Total Projects | | | | | | \$ 12,522,354 | \$ 3,128,774 | \$ 8,894,816 | \$ 3,627,518 | \$ 9,845,315 | \$ 12,565,987 | \$ 7,466,000 | \$ 2,691,000 | \$ 2,521,000 | \$ 2,255,000 | \$ 21,604,056 | |
| Less Grant Funding | | | | | | \$ (4,113,836) | \$ (83,342) | \$ (5,969,292) | \$ - | \$ (6,555,172) | \$ (6,555,172) | \$ - | \$ - | \$ - | \$ - | \$ (1,448,102) | |
| Net Projects | | | | | | \$ 8,408,518 | \$ 3,045,432 | \$ 2,925,524 | \$ 3,627,518 | \$ 3,290,143 | \$ 6,010,815 | \$ 7,466,000 | \$ 2,691,000 | \$ 2,521,000 | \$ 2,255,000 | \$ 20,155,954 | |

**Scotts Valley Water District
FY 2026 Proposed Budget
Fund Balance Projection**

| | Potable Fund 01 | Recycled Fund 02 | Combined Fund 01 and Fund 02 |
|---|----------------------|---------------------|---------------------------------|
| FY 2025 | | | |
| Audited Cash Balance 6/30/2024: | \$ 11,356,219 | \$ - | \$ 11,356,219 |
| FY 2025 (Estimated Actual) | | | |
| Audited Cash Balance 6/30/2024: | | | \$ 11,356,219 |
| Revenue | \$ 9,834,513 | \$ 698,390 | \$ 10,532,903 |
| Grant reimbursements | \$ 5,969,292 | | \$ 5,969,292 |
| Operating Expense | \$ (5,628,469) | \$ (642,350) | \$ (6,270,819) |
| Debt Service | \$ (1,115,923) | \$ - | \$ (1,115,923) |
| Project Costs | \$ (8,894,816) | | \$ (8,894,816) |
| Increase/(Decrease) of Fund Balance | \$ 164,598 | \$ 56,039 | \$ 220,638 |
| Projected Fund Balance 6/30/2025 | \$ 11,520,817 | \$ 56,039 | \$ 11,576,857 |

| | | | |
|---|---------------------|-----------------|---------------------|
| FY 2026 (Proposed Budget) | | | |
| Projected Fund Balance 6/30/2025 | | | \$ 11,576,857 |
| Revenue | \$ 10,201,369 | \$ 730,000 | \$ 10,931,369 |
| Grant reimbursements | \$ 6,555,177 | | \$ 6,555,177 |
| Operating Expense | \$ (6,866,044) | \$ (784,883) | \$ (7,650,927) |
| Debt Service | \$ (1,119,891) | \$ - | \$ (1,119,891) |
| Project Budget Request | \$ (9,845,315) | \$ - | \$ (9,845,315) |
| Project Carryover | \$ (3,627,538) | \$ - | \$ (3,627,538) |
| Increase/(Decrease) of Fund Balance | \$ (4,702,241) | \$ (54,883) | \$ (4,757,124) |
| Projected Fund Balance 6/30/2026 | \$ 6,818,576 | \$ 1,156 | \$ 6,819,732 |

| | |
|---|-------------|
| Debt Service Coverage Ratio for FY 2025 | 3.82 |
| Debt Service Coverage Ratio for FY 2026 | 2.93 |
| Debt Service Coverage Ratio for FY 2025 excluding revenue from new connections | 2.85 |

| | FY 2025 | FY 2026 | FY 2026* |
|--|----------------|----------------|----------------|
| Operating Revenue (excl NR, 3rd Party) | \$ 10,532,903 | \$ 10,931,369 | \$ 10,840,186 |
| Operating Expense (incl M Projects) | \$ (6,270,819) | \$ (7,650,927) | \$ (7,650,927) |
| Net Operating Revenue | \$ 4,262,084 | \$ 3,280,442 | \$ 3,189,259 |
| Debt Service | \$ (1,115,923) | \$ (1,119,891) | \$ (1,119,891) |
| Debt Service Coverage Ratio | 3.82 | 2.93 | 2.85 |

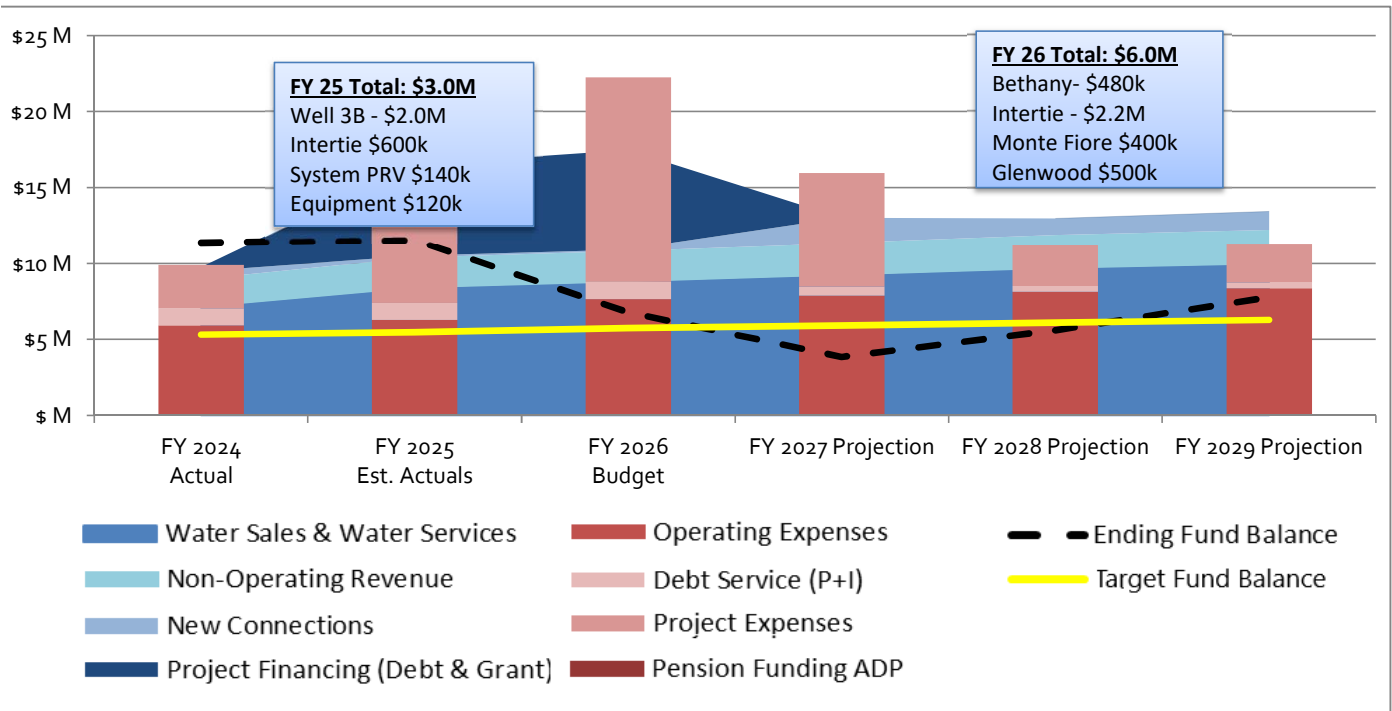
* required Debt Service Coverage Ratio = 1.2

Scotts Valley Water District
FY 2026 Proposed Budget
Fund Balance Projection

Assumptions:

| | | | | |
|----------------------|----|----|----|----|
| Rate Incr (1st Half) | 3% | 5% | 5% | 3% |
| Rate Incr (2nd Half) | 5% | 5% | 3% | 3% |
| Inflation | 5% | 3% | 3% | 3% |

| | FY 2024 Actual | FY 2025 Est. Actuals | FY 2026 Budget | FY 2027 Projection | FY 2028 Projection | FY 2029 Projection |
|----------------------------------|---------------------|-------------------------|----------------------|-----------------------|-----------------------|-----------------------|
| Water Sales & Water Services | \$ 7,097,448 | \$ 8,361,000 | \$ 8,756,300 | \$ 9,194,115 | \$ 9,653,821 | \$ 9,943,435 |
| New Connections | \$ 507,320 | \$ 130,875 | \$ 91,184 | \$ 1,667,779 | \$ 1,108,682 | \$ 1,219,889 |
| Non-Operating Revenue | \$ 1,878,702 | \$ 2,024,508 | \$ 2,067,286 | \$ 2,129,305 | \$ 2,193,184 | \$ 2,258,979 |
| Project Financing (Debt & Grant) | \$ 269,691 | \$ 5,969,292 | \$ 6,555,177 | \$ - | \$ - | \$ - |
| Total Revenue | \$ 9,753,161 | \$ 16,485,675 | \$ 17,469,947 | \$ 12,991,199 | \$ 12,955,686 | \$ 13,422,304 |
| Operating Expenses | \$ 5,910,251 | \$ 6,270,819 | \$ 7,650,927 | \$ 7,880,455 | \$ 8,116,869 | \$ 8,360,375 |
| Debt Service (P+I) | \$ 1,115,923 | \$ 1,115,570 | \$ 1,119,891 | \$ 588,095 | \$ 385,965 | \$ 386,124 |
| Project Expenses | \$ 2,862,822 | \$ 8,894,816 | \$ 13,472,853 | \$ 7,466,000 | \$ 2,691,000 | \$ 2,521,000 |
| Pension Funding ADP | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Expenses | \$ 9,888,996 | \$ 16,281,205 | \$ 22,243,671 | \$ 15,934,550 | \$ 11,193,834 | \$ 11,267,499 |
| Beginning Cash Reserves | \$ 11,492,054 | \$ 11,356,219 | \$ 11,560,690 | \$ 6,786,966 | \$ 3,843,615 | \$ 5,605,467 |
| Ending Cash Reserves | \$ 11,356,219 | \$ 11,560,690 | \$ 6,786,966 | \$ 3,843,615 | \$ 5,605,467 | \$ 7,760,272 |



AGENDA REPORT

Scotts Valley Water District

Date: 05/08/25

To: Board of Directors

Item: Business 6.2

Subject: **District Work Plan FY 2026**

Reason: Supports District Mission and Strategic Goals

SUMMARY

Recommendation: Approve the updated Management Objectives and accept the FY 2026 Draft Work Plan.

Fiscal Impact: The impact is unknown at this phase of planning. Final FY 2026 Work Plan will be matched with the proposed balanced budget for the upcoming fiscal year.

Previous Related Action: On 02/13/14 the Board adopted the District Mission, Values, Vision and Strategic Goals.

On 02/13/20 the Board approved revisions to the District Mission, Values, Vision and Strategic Goals.

On 03/12/20 the Board approved the Management Objectives that support the District Strategic Goals.

On 04/26/23 the Board held a Strategic Planning Workshop that Reviewed and Affirmed the District's Mission, Vision, Values and Strategic Goals.

On 06/08/24 the Board approved the FY 2025 Budget including the FY 2025 Work Plan.

BACKGROUND

In 2014 the Board created the Board Mission, Core Values, Vision and Strategic Goals that were adopted in 2014 and slightly modified in 2017.

In a two-part Mission, Vision, Values and Strategic Goals Workshop held in October 2019 and January 2020, the Board and Executive Team conducted a Strengths-Weaknesses-Opportunities-Threats (SWOT) analysis, which resulted in ranking proposed initiatives and assigning priorities based on expected benefits, resource availability, internal capabilities and external drivers. The final prioritization ranking was used to develop management objectives by ensuring that all priority initiatives are captured in the updated strategic plan.

On April 26, 2023, the Board and Executive Team held a Strategic Planning Workshop that reviewed and affirmed the District's Mission, Vision, Values and Strategic Goals.

DISCUSSION

As in the prior years, the General Manager and the executive staff use the Strategic Goals and Management Objectives outlining the major initiatives and projects that support the District's Mission and Vision in the upcoming fiscal year. The Draft Work Plan includes capital improvement projects, maintenance related activities as well as administrative and operational undertakings. The main goal is to ensure optimal alignment between the individual, team and organizational efforts, to reduce redundancies and maximize the use of limited resources.

The Work Plan will be finalized in parallel with FY 2026 budget preparation.

Submitted,

David McNair
General Manager

Enclosed: FY 2026 Draft Work Plan

| SCOTTS VALLEY WATER DISTRICT WORK PLAN FY 2026 | | |
|--|--|-----|
| STRATEGIC GOALS MANAGEMENT OBJECTIVES | FY 2026 TASKS | P/O |
| 1. Water Resource Management: SVWD meets the water supply needs of its customers by developing new, sustainable sources and maximizing the use of existing sources. | | |
| 1.1 Pursue the potential of wastewater for beneficial uses | Work with City PW's staff as they develop treatment plant upgrades, ensure new processes benefit the ongoing production of recycle water. | O |
| | Ensure RWTP plant upgrades will continue to meet the terms of the City/District Recycle Water Production Agreement as this will maintain the production capacity needed for future recycle water irrigation demand. | O/P |
| | Review and comment on upcoming RWTP improvement project plan sets, and begin budget planning discussions with SCPW. | O |
| 1.2 Identify and implement conjunctive use projects in the region | Once they SLVWD hire a new GM, continue conjunctive use discussions through Intertie 2. Advocate for SLVWD during their upcoming EIR process to expand place of use for their Fall Creek diversion. | O |
| | Complete Intertie I operations agreement and SOP. Complete Intertie rate analysis. Model conjunctive use outcomes to formulate basin benefits. Ensure grant compliance with DWR and implement cost-sharing agreement with SCWD | P |
| 1.3 Optimize the efficient use of water | Meet or exceed 2023 water loss audit score of 85 in 2024. | O |
| | Review available reports / Incorporate reports into Finance Reports for Committee/Board | O |
| | Complete construction of this project based on the completed design of the Meadow Wy PRV Station Pilot Project | O |
| 2. Infrastructure Integrity: SVWD provides continuous investment in its infrastructure and process improvements to ensure the efficiency of its operations. | | |
| 2.1 Maintain all assets within their useful life threshold | Continue to implement projects in Montevalle to focus on isolation of the neighborhood, including adding, repairing and replacing mainline valves. | O/P |
| | Pending engineering study of concept project following the geotechnical evaluation, commence and complete design of the concept project for Bethany tank (s). | P |
| | Begin and complete site improvement at Grace Way Well: Equip the well with pump, motor and column, connect Grace way well with El Pueblo Raw Main | P |
| | Sucinto Well: Complete Well 3B equipping including installing wellhead piping, electrical service and control panel in order to place well online. | P |
| | Complete the Sequoia Tank Roof Recoating project. | P |
| | Conduct necessary repairs including resealing of exterior seams on the roof and exterior sides of the Recycled Tank, Glenwood Tank, and Southwood Tank | P |
| | Repair redwood deck on southside of building and minor roof repairs. | O |
| 2.2 Utilize technology and innovative solutions for improving operational efficiencies | Continue to replace obsolete Teledesign radios and Kingfisher Remote Terminal Units (RTU's) by upgrading four sites to GE Orbit Radios and Allen Bradley RTU's. | O |
| | Work with Climatec to find opportunities and funding to save energy or install solar | O |
| | Ensure we are making full use of software for financial reporting and record keeping. Emphasize electronic record keeping in finance dept. | O |

| SCOTT'S VALLEY WATER DISTRICT WORK PLAN FY 2026 | | |
|--|---|-----|
| STRATEGIC GOALS MANAGEMENT OBJECTIVES | FY 2026 TASKS | P/O |
| 2.3 Optimize the redundancy and effectiveness of the system and facilities | Complete construction on Grace Wy Well. | P |
| | Solicit an RFP for design/build firms to propose energy upgrades at District facilities, focusing on low scale opportunities. | O/P |
| 3. Financial Stewardship: SVWD manages its financial resources in a manner that ensures the reliability of its operations and provides the greatest value to its customers. | | |
| 3.1 Provide seamless customer experience | Conduct a RFP and select consultant for 2025 Urban Water Management Plan. Coordinate public outreach and BOD activities required to complete the plan . | O |
| | Provide customer support and training that demonstrates the value of engagement with the platform, and communicate those benefits in customer interactions | O |
| | Develop historical data charts for use in financial reporting. | O |
| | Conduct board strategic planning session in fall/winter 2025 to develop clear priorities and objectives for FY 2026 budget. | O |
| | Continue to coordinate activities in support of DWR Urban and Multibenefit Drought Relief Grants 1 and 2. | O |
| | Conduct a Cost of Service and Rate Study. Adopt a 5 year rate schedule pursuant to the recommendations from the approved Rate Study. | O |
| | Develop a 3-5 year plan for positioning cash reserves to ensure liquidity and optimize interest income. Include an analysis of benefit of payments towards CalPERS unfunded liability payments. | O/P |
| 4. Community Engagement: SVWD proactively creates opportunities for strategic alliances and mutually beneficial relationships with its customers and partners. | | |
| 4.1 Use creative approaches and technology for engaging the community | Participate in 4th of July Parade and SV Art Wine Beer Festival. | O |
| | Work with M2 to promote status updates of District projects on social media | O |
| | Increase/Improve use of mass communication tools for public notices and communications | O |
| 4.2 Increase youth involvement and education on water matters | Partner with Scotts Valley High School in implementing their Career Exploration Program if determined to reconvene the activities. | O |
| | Complete the 2025 (5 year) SCC & SVWD Hazard Mitigation Plan | O |
| 4.3 Identify, develop and strengthen strategic alliances, both private and public | Create opportunities for GM and Board President to connect with the community | O |

| SCOTTS VALLEY WATER DISTRICT WORK PLAN FY 2026 | | |
|---|---|-----|
| STRATEGIC GOALS MANAGEMENT OBJECTIVES | FY 2026 TASKS | P/O |
| 5. Organizational Vitality: SVWD recruits and retains the highest quality employees and board members by offering a work environment in which they can thrive and succeed. | | |
| 5.1 Value and reward competence, team spirit and creativity | Include various staff members in community educational events such as virtual system tours. | O |
| | Continue regular meetings between City of Scotts Valley Wastewater and District staff. | O |
| | Continue to identify relevant opportunities for each employee and Director to attend at minimum 1 training and/or professional event annually. | O |
| | Achieve 100% participation for each employee and Director to volunteer at a community event at least once a year. | O |
| | Sponsor 1 employee and/or Director to participate in Leadership Santa Cruz County civic program. | O |
| 5.2 Cultivate productive work conditions, positive workforce culture and work environment | Offer our location to ACWA JPIA to hold safety training sessions with the goal of quarterly trainings that are also made available for employees of other agencies in the region. | O |
| | Continue to work with DuAll safety to conduct required safety trainings | O |
| | Organize and host at least one annual employee non-work event. | O |
| | Continue to execute the annual records management plan in compliance with the District's Records Retention Policy. | O |
| P/O - Project or Operations Budget | | |

AGENDA REPORT

Scotts Valley Water District

Date: 05/08/25

To: Board of Directors

Item: Business 6.3

Subject: **Water Supply Outlook and Demand Strategy 2025**

Reason: Supports District Mission

SUMMARY

Recommendation: Establish Stage 1 Water Supply Conditions effective 06/01/25.

Fiscal Impact: Impact on revenue is currently unknown.

Previous Related Action:

On 02/09/23 the Board ended Stage 2 Water Supply Conditions and Add-on Drought Rates, effective 02/01/23.

On 05/11/23/ the Board ended Stage 1 Water Supply Conditions moving back to Normal Water Supply Conditions effective 06/01/23.

BACKGROUND

The District's 2020 Water Shortage Contingency Plan (WSCP) is included in SVWD-SLVWD 2020 Urban Water Management Plan. The WSCP stipulates a five-stage demand reduction plan with corresponding actions to address the gap between supplies and demand.

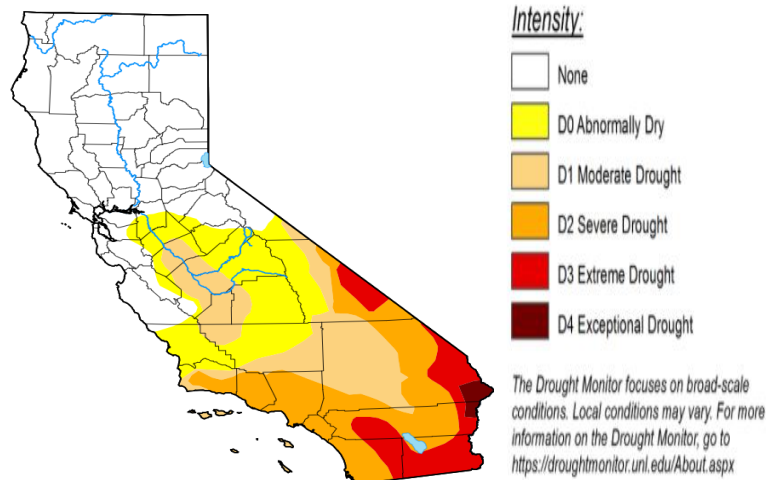
The District performs an Annual Water Supply and Demand Assessment each year to determine if there is a need to implement the WSCP. Additionally, the District files an Annual Assessment Report with the Department of Water Resources due each year by July 1.

Evaluation criteria that are used to determine and declare severity of supply shortages include the following:

- Rainfall. Reflects reduction to supply due to decreased groundwater recharge.
- Santa Margarita Groundwater Basin (SMGB) Sustainable Management Criteria. Reflects status of groundwater conditions such as groundwater levels, groundwater quality, depletion of interconnected surface water, or reduction of groundwater in storage.

- Production Capacity. Reflects limited production and distribution capacity due to a variety of factors, including man-made and natural catastrophic events.
- State Mandates. Reflects State orders and mandatory compliance with water use efficiency standards

U.S. Drought Monitor Map April 24, 2025



DISCUSSION

District rainfall total to date in WY2025 is 24.6” and is 60% of the Districts historical rainfall average of 41.01”

| WATER SUPPLY CONDITION - as of May 1, 2025 | | Average Rainfall | Rainfall (inches) | | | | | Rainfall (percent of average) | | | | | Cumulative | | Single Year |
|--|--|------------------|-------------------|-------|-------|------|------|-------------------------------|------|------|------|------|------------|--------|-------------|
| | | | 2021 | 2022 | 2023 | 2024 | 2025 | 2021 | 2022 | 2023 | 2024 | 2025 | 3-year | 2-year | Year |
| Stage 1 | Cumulative rainfall over 2 years < 80% of average and/or Single year rainfall < 75% of average | 41.01 | 16.78 | 27.27 | 54.12 | 32.7 | 24.6 | 41% | 66% | 132% | 80% | 60% | | 70% | 60% |
| Stage 2 | Cumulative rainfall over 2 years < 70% of average and/or Single year rainfall < 60% of average | 41.01 | 16.78 | 27.27 | 54.12 | 32.7 | 24.6 | 41% | 66% | 132% | 80% | 60% | | 70% | 60% |
| Stage 3 | Cumulative rainfall over 3 years < 50% of average and/or Single year rainfall < 50% of average | 41.01 | 16.78 | 27.27 | 54.12 | 32.7 | 24.6 | 41% | 66% | 132% | 80% | 60% | 91% | | 60% |
| Stage 4 | Same or worse than Stage 3 | 41.01 | 16.78 | 27.27 | 54.12 | 32.7 | 24.6 | 41% | 66% | 132% | 80% | 60% | 91% | | 60% |
| Stage 5 | | | | | | | | | | | | | | | |

In addition to rainfall, the District also considers groundwater conditions when performing its Annual Water Supply and Demand Assessment. At the April 10, 2025, board meeting, Montgomery & Associates presented the Santa Margarita Basin Water Year WY2024 Annual Report. In WY2024, 2,348 acre-feet of groundwater was extracted by all users from the Santa Margarita Basin which is 13 acre feet less than WY2023 that pumped 2461 acre-feet from the basin and was the lowest annual volume extracted from the basin since WY1985.

Attached is the Montgomery & Associates Annual Draft Review of April 2025 Groundwater Conditions in the Scotts Valley Water District Area Report. The report concludes that despite a drier than average wet season in WY25, the combination of recent wet years and decreasing groundwater extraction is benefitting all aquifers within the District. Groundwater recharge from precipitation and decreased extraction have led to stable to increasing groundwater levels. District groundwater extraction has been decreasing or stable since 2017. Prior reviews of groundwater conditions concluded that “based on groundwater level trends and pumping volumes in the Lompico aquifer through the 2012 to 2016 drought and after, keeping total District annual pumping below 1,250 AF per year should not stress the aquifers being pumped even in below average rainfall years over the short-term.” The District has been able to maintain extraction volumes below 1,250 AF per year in recent years. As such, no actions are recommended at this time to ensure adequate water supply in the dry season of WY2025 or after.

With planned future urban growth and climate uncertainty, declines in groundwater levels in all aquifers still may occur, so the District should remain vigilant and continue to closely monitor extraction volumes and evaluate groundwater levels.

CONCLUSION

The Water shortage Contingency Plan recommends a Stage 1 shortage declaration based on the fact the District did not receive at least 80% of its historical rainfall average in WY2025.

Key Stage 1 Actions

- Social Media. Throughout summer and fall months the District will have an ongoing social media campaign featuring water efficiency strategies, conservation, rebate program offerings, best gardening and irrigation practices and tips.
- Two Day a Week Irrigation. Utilizing watersmart to monitor and remind/alert customers to time of day and days per week irrigation restrictions.
- Nonfunctional Turf. Contact owners and HOA’s and discuss rebate program and possible finance options for large lawn replacements.
- Enforce Districts Water Waste Policy

At this time we do not plan to open the Recycle Water Fill Station. The small bulk recycle water station at the site will remain open for customers who want to use it.

Submitted,

David McNair
General Manager

Enclosed: M&A Annual Groundwater Conditions Report

May 1, 2025

Mr. David McNair
Scotts Valley Water District
2 Civic Center Drive
Scotts Valley, CA 95066

**SUBJECT: DRAFT REVIEW OF APRIL 2025 GROUNDWATER CONDITIONS
IN THE SCOTTS VALLEY WATER DISTRICT AREA**

Dear Mr. McNair:

Montgomery & Associates (M&A) prepared this letter report for Scotts Valley Water District (District) to review end of wet season groundwater conditions and dry season groundwater supply shortages. The report summarizes precipitation, District groundwater extraction, and groundwater level data for the wet season of Water Year (WY) 2025 from October 1, 2024, to April 30, 2025. The information reviewed was used to prepare an Annual Water Supply and Demand Assessment—as outlined in Section 13.2 of the 2020 Urban Water Management Plan (UWMP)—to determine if implementation of the Water Shortage Contingency Plan (WSCP) is necessary. The data are also compared to sustainability metrics in the Santa Margarita Basin Groundwater Sustainability Plan (GSP) to evaluate progress toward implementing that plan. Despite a dry winter and spring, groundwater levels are stable to increasing because of the District’s commitment to water conservation and decreasing groundwater extraction. The District should continue to have adequate supply to operate extraction wells consistent with prior years and does not need to implement contingency plans at this time.

PRECIPITATION SUMMARY

The water year is on track to be a relatively dry year in the Scotts Valley area. Total WY2025 precipitation measured at the El Pueblo Yard Weather Station through May 1 is 24.6 inches (Figure 1), which is 60% of the long-term average annual precipitation of 41.1 inches. Like most years, much of the wet season precipitation occurred from the end of November to the end of March, with the majority falling in a few atmospheric river events (Figure 2).

Each water year is classified as wet, normal, dry, or critically dry, as shown in the background on Figure 1, using the county-wide classification system based on cumulative discharge of the San Lorenzo River downstream of the confluence with Zayante Creek. WY2025 is on track to be drier than about 85% of years since 1947 and will likely be a dry water year. The dry year in

WY2025 continues a long-term drying trend over the last decade, as indicated by the cumulative departure line graph overlaying the annual precipitation bars on Figure 1. Typically, May rainfall probability is used to project the likely total rainfall for the remainder of the wet season. However, given the limited rainfall so far, it is highly unlikely May will have enough rainfall to exceed 26 inches.

Since rainfall in prior years can influence current groundwater conditions in the region, the 2-year and 3-year averages are a useful metric for evaluating water supply and recharge. The 3-year period included 2 drier than average years in WY2024 and WY2025 and 1 wet year in WY2023. The 2-year and 3-year average precipitation are specific triggers in the 2020 UWMP Water Supply and Demand Assessment. The 2-year average precipitation from WY2024 through April 30, 2025, is 28.7 inches, which is 70% of average; the 3-year average precipitation from WY2023 through April 30, 2025, is 37.1 inches, which is 91% of average.

The regional climate indicator from the National Integrated Drought Information System (NIDIS)¹ provides real-time climate and drought stage updates. NIDIS classified Scotts Valley as being in severe to extreme drought from April 2021 to January 2023, before the wet end of the water year in 2023. With the relatively dry year in WY2025, NIDIS now classifies Scotts Valley as abnormally dry (D0) for the first time since January 2023 (Figure 3). Abnormally dry is the first drought stage on the scale, and is used as an early warning for a region entering a drought.

¹ <https://www.drought.gov/location/scotts%20valley%2C%20ca>

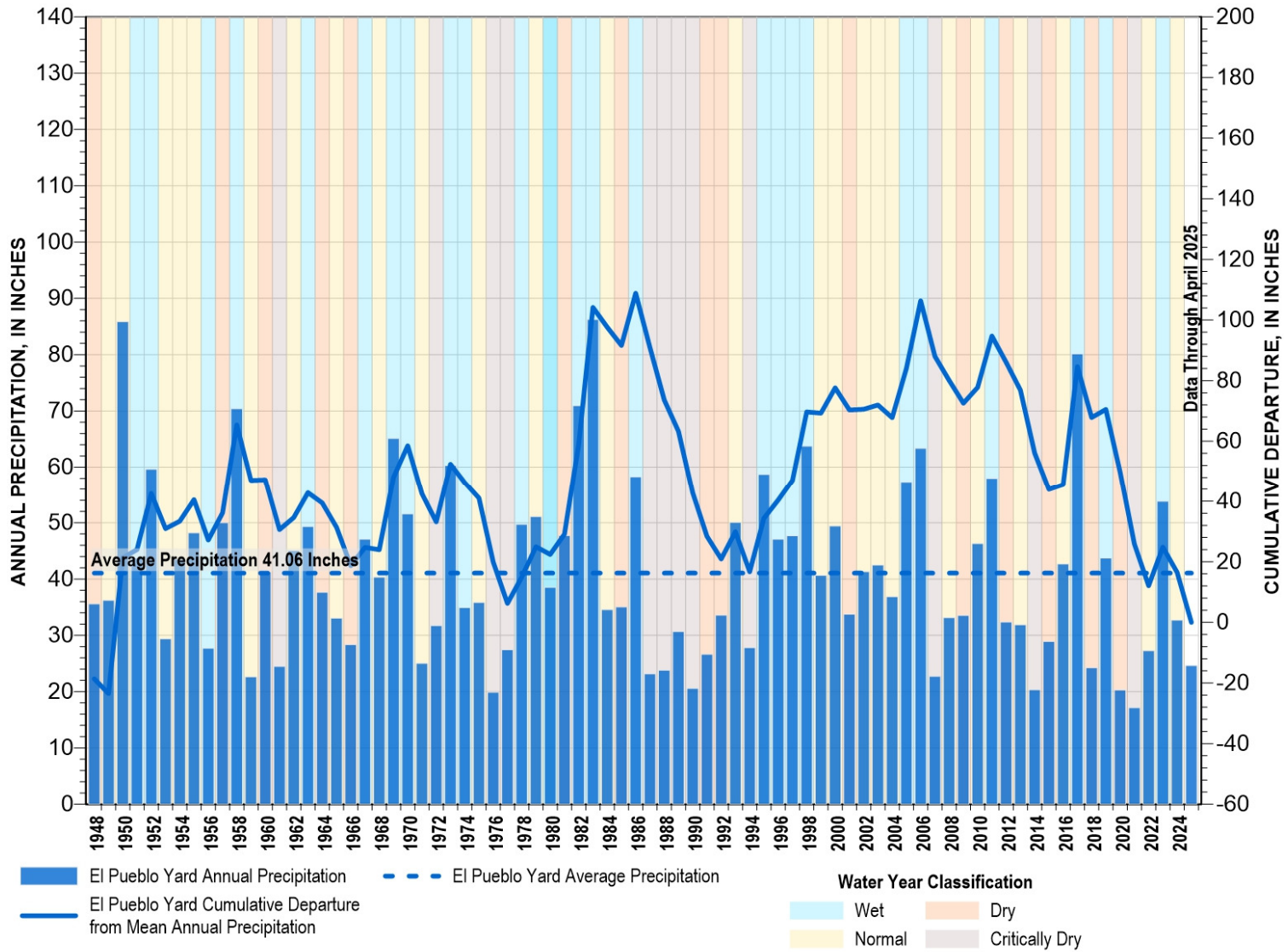


Figure 1. Annual Rainfall at El Pueblo Yard

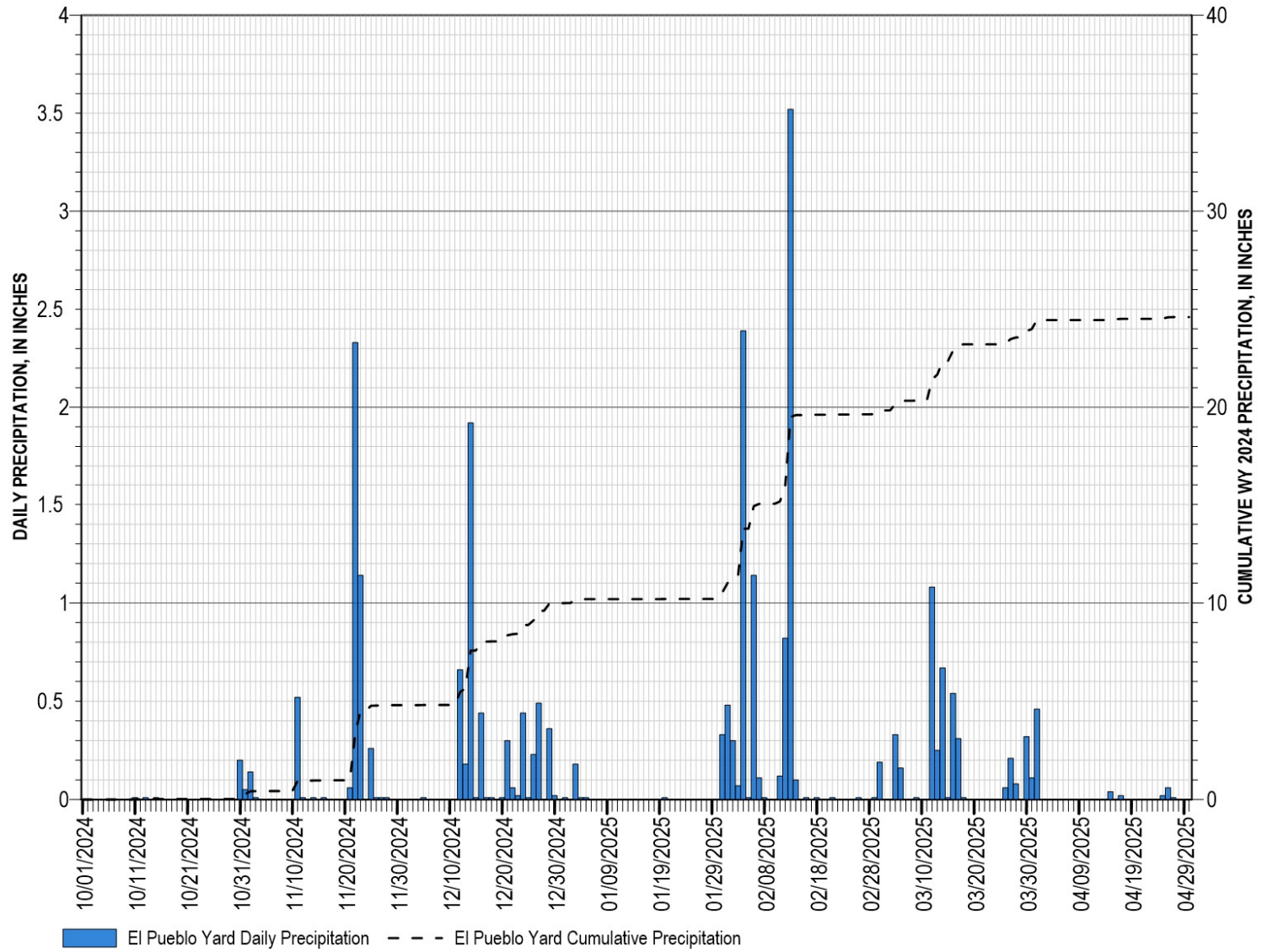


Figure 2. WY2025 Daily Rainfall at El Pueblo Yard

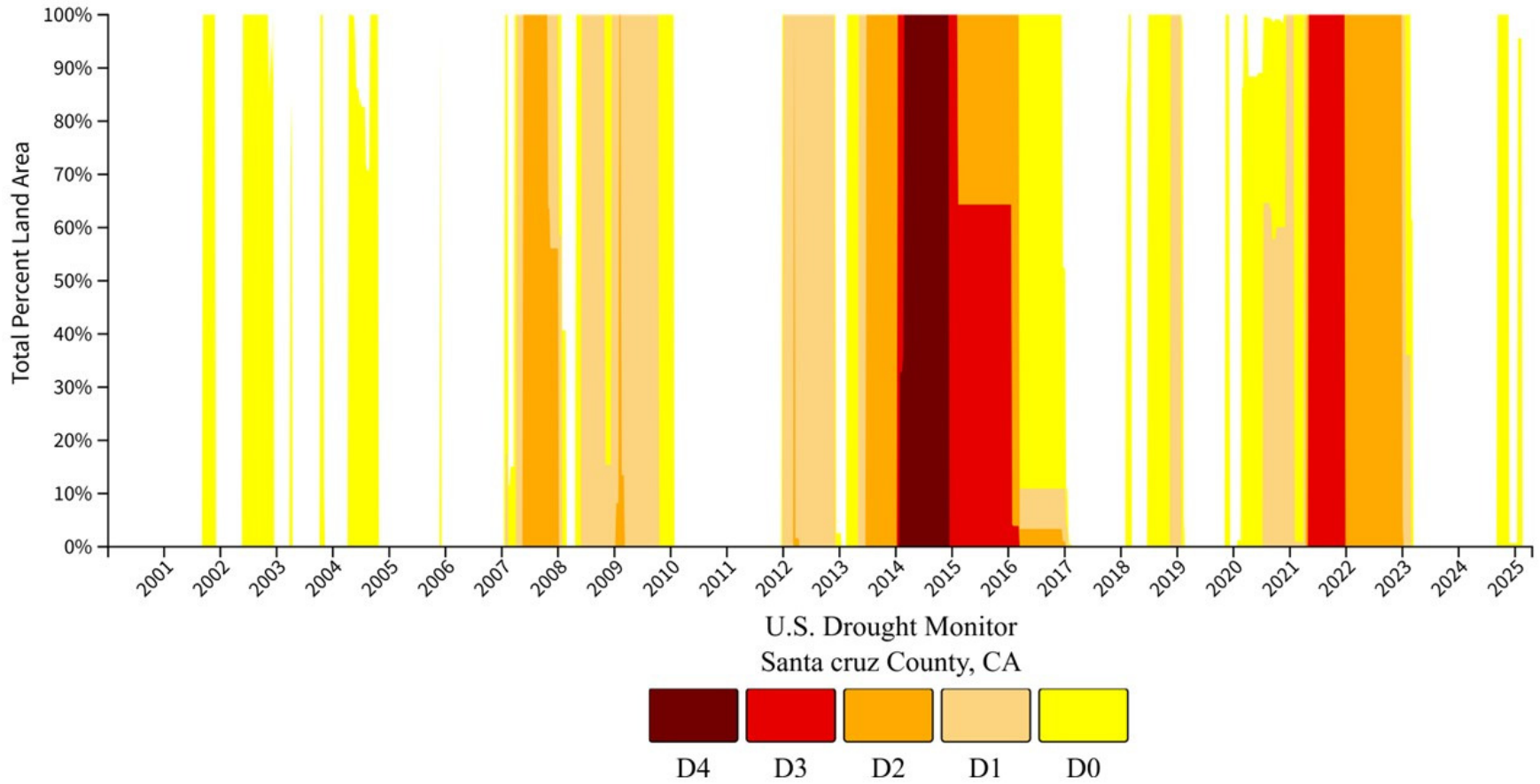


Figure 3. Drought Stage for Santa Cruz County, <https://www.drought.gov/location/scotts%20valley%2C%20ca>

GROUNDWATER EXTRACTION SUMMARY

The District currently uses about 1,200 acre-feet (AF) per year of water, with about 1,000 AF of potable supply from groundwater and 200 AF of non-potable supply from recycled water. The District’s active groundwater extraction wells are screened in the Lompico and deeper Butano aquifers in the District’s service area. Older wells #10A, #11A, and #11B are only screened in the Lompico aquifer, while the newer Orchard, Sucinto, and Grace Way wells are screened in both the Lompico and Butano aquifers. The Sucinto and Grace Way wells were installed in the past year and have yet to be equipped and integrated into the water supply system. Supply well locations are shown on Figure 4.

The District extracted slightly more groundwater in the first half of WY2025 compared to the 2 prior years; however, total groundwater extracted is similar to the drier period between WY2020 and WY2022. District groundwater extraction from October 1, 2024, to March 31, 2025, is 516.6 AF (Table 1). WY2025 extraction to date is about 3.5 AF higher than the average historical extraction volume during the wet season in the past 5 years. About 48% of extraction was from Lompico aquifer Wells #10A and #11B and 52% of extraction was from Lompico/Butano aquifer Orchard Well. Well #11A was pumped minimally, producing 0.2 AF between November 2024 and February 2025.

Table 1. Summary of Wet Season Extraction

| Water Year | Water Year Classification | Lompico Extraction Wells #10A, #11A and #11B (AF) | Lompico/Butano Extraction Orchard Well (AF)* | Total (AF) |
|-------------------------------|---------------------------|---|--|------------|
| WY2020 Oct 2019 - Mar 2020 | Dry | 250.8 | 301.2 | 552.0 |
| WY2021 Oct 2020 - Mar 2021 | Critically Dry | 468.4 | 127.5 | 595.9 |
| WY2022 Oct 2021 - Mar 2022 | Normal | 193.8 | 311.4 | 505.2 |
| WY2023 Oct 2022 - Mar 2023 | Wet | 248.2 | 218.6 | 466.8 |
| WY2024 Oct 2023 - Mar 2024 | Normal | 222.8 | 224.9 | 447.7 |
| WY2025 Oct 2024 - Mar 2025 | Dry** | 247.3 | 269.3 | 516.6 |

*The relative contribution of the Lompico and Butano aquifers to extraction wells screened across the units is estimated to be 40% from the Lompico aquifer and 60% from the Butano aquifer in the Santa Margarita Basin GSP. This estimate is required by the GSP but is not supported by extraction data analysis. The estimated extraction volumes are not distributed by aquifer in this report due to the uncertainty in the estimates.

**Current water year classification is estimated based on prior years and is not yet a final classification.

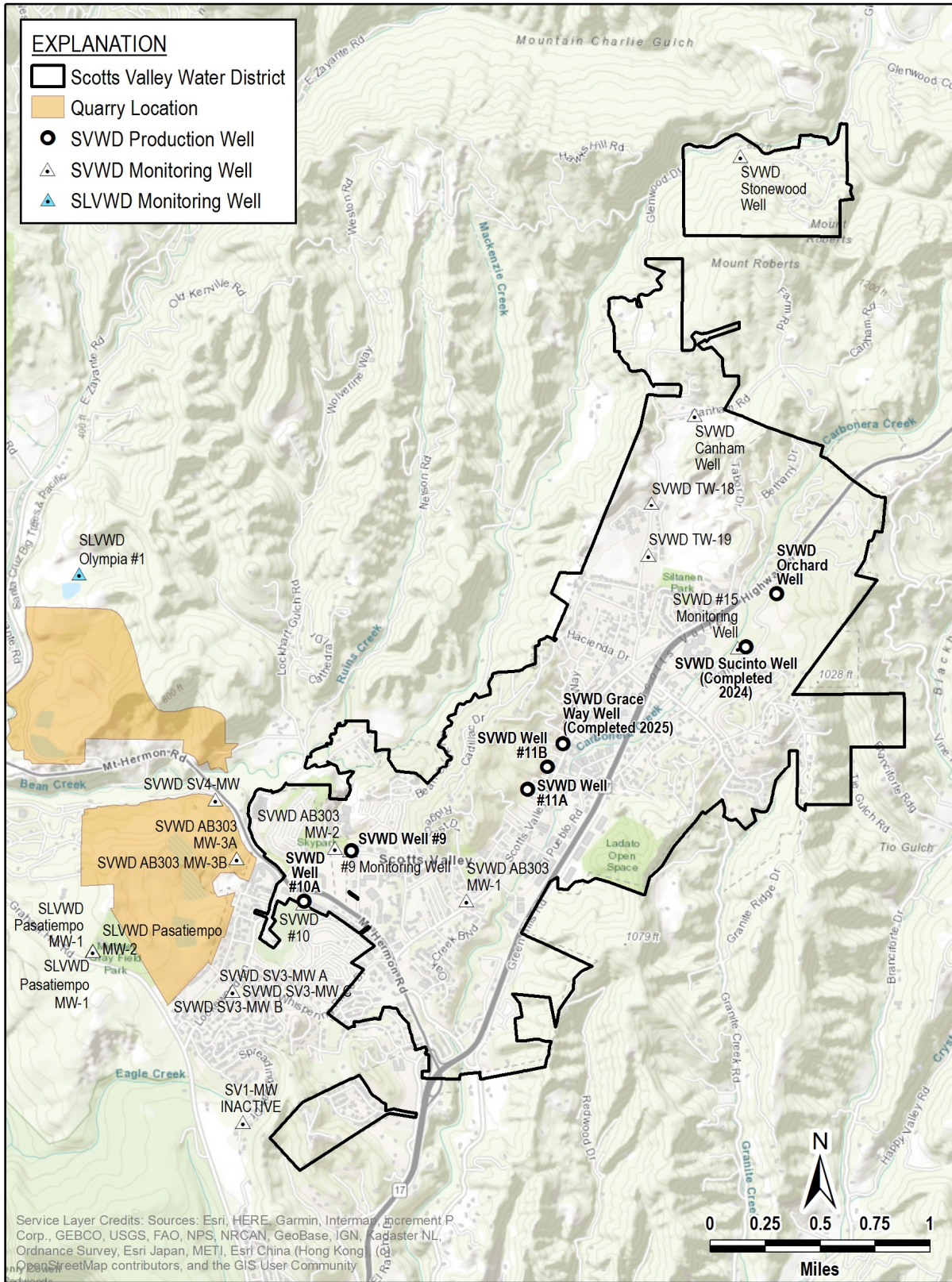


Figure 4. Extraction and Monitoring Well Locations

Groundwater extraction totals from the first half of WY2025 and prior water years are summarized on Figure 5. In WY2024, the District pumped 1,043 AF, which is the lowest annual volume on record since WY1986. Assuming extraction trends in WY2025 continue to be similar to prior dry years like WY2020 and WY2021, extraction in WY2025 will likely total approximately 1,100 to 1,200 AF, which is about the annual average since 2014.

The shallower Santa Margarita aquifer and Monterey Formation are not actively used for water supply by the District, although inactive Well #9 is installed in the Monterey Formation. The Santa Margarita aquifer is an important regional aquifer for groundwater recharge, surface water baseflow particularly to Bean Creek north of the District's service area, and domestic supply. The Monterey Formation is a regional aquitard separating the Santa Margarita aquifer and the Lompico aquifer, except where absent under parts of Scotts Valley, and is also used in some areas for domestic supply. The District last extracted groundwater from the Santa Margarita aquifer in the 1980s. Monterey Formation groundwater extraction has not occurred in Well #9 since 2020 and prior to that it only produced less than 100 AF per year since 2008.

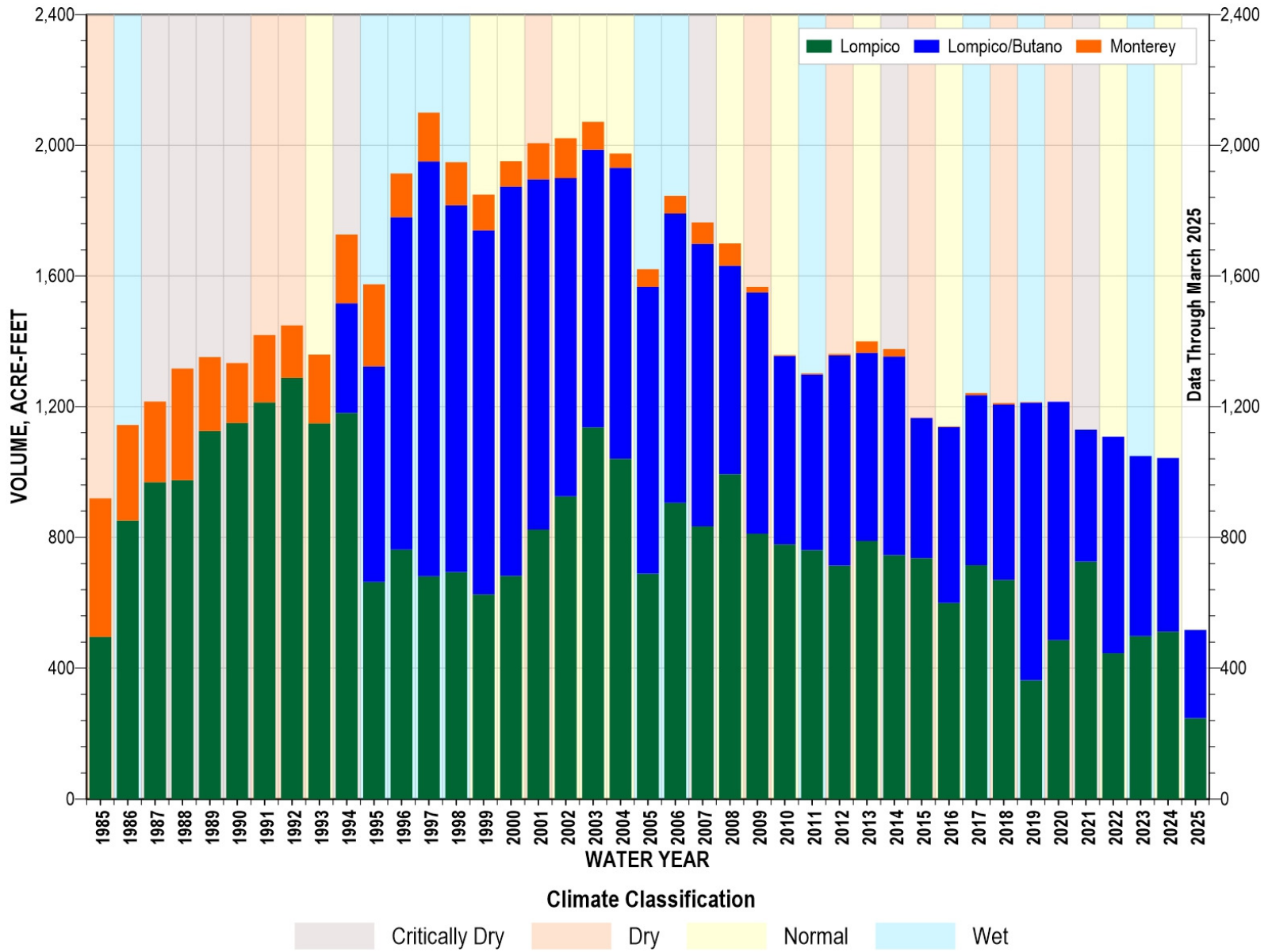


Figure 5. Groundwater Extraction by Water Year and Aquifer (WY2025 data through March 2025)

GROUNDWATER LEVELS SUMMARY

Groundwater levels are measured in both monitoring and inactive extraction wells screened in the Santa Margarita, Lompico, and Butano aquifers and the Monterey Formation. Each aquifer in the District's service area has unique responses to precipitation and pumping conditions, based on well depth, overlying geology, and proximity to extraction wells.

Groundwater levels are manually measured in District wells at least quarterly unless a well is actively being used for extraction. Most monitoring wells have transducers that record daily groundwater levels. Groundwater elevations are calculated by subtracting groundwater level measurements from the measurement reference point elevation. Groundwater levels measured in active extraction wells are not indicative of regional aquifer conditions so are omitted from this analysis. Table 2 summarizes groundwater levels in April 2025 relative to October 2024, which preceded a normal year, and October 2017, which preceded the 2012 to 2016 drought. Hydrographs showing groundwater elevations over time at selected wells are referenced in Table 2 and well locations are shown on Figure 4.

Groundwater level data collected in Scotts Valley are used to evaluate progress toward implementing the Santa Margarita Basin GSP. Groundwater elevations for representative monitoring points (RMPs) in the District's service area are evaluated relative to the GSP's sustainable management criteria (SMC). SMC include minimum thresholds (MT), measurable objectives (MO), and interim milestones. MTs are groundwater elevations at which undesirable results may start to occur. MOs are the aspirational groundwater elevations that allow for operational flexibility and ensure that future droughts and unforeseen changes to water supplies do not cause unsustainable conditions. Interim milestones are 5-year goals to help meet MOs by 2042. For GSP implementation, the minimum groundwater elevation at RMPs are compared to the SMC annually to evaluate progress toward sustainability. For this spring conditions evaluation, higher spring elevations are compared to SMC to show how current wet season conditions compare to target groundwater levels. Groundwater elevation comparisons to MTs are also part of the Water Supply and Demand Assessment section of this letter report.

Groundwater levels are on track for achieving groundwater level SMC for the District RMPs. In general, groundwater levels in District monitoring wells have been stable to increasing since 2017. Spring 2025 groundwater elevations in 7 out of 9 RMP wells are above the MO with no groundwater levels close to MTs.

Santa Margarita Aquifer Groundwater Levels

Groundwater levels in the Santa Margarita aquifer are generally stable in the District because the aquifer is no longer used for water supply by the District or nearby quarries. However, San Lorenzo Valley Water District still extracts from the Santa Margarita aquifer south of Scotts

Valley in their Pasatiempo wellfield and north of Bean Creek in their Olympia and Quail Hollow well fields. The Santa Margarita aquifer is also important for baseflow to streams and domestic supply for homes not connected to one of the water districts. Some Santa Margarita aquifer monitoring wells in the District respond rapidly to rainfall and stream interaction with groundwater levels rising in wet years and declining in dry years, while other Santa Margarita monitoring wells in the northern portion of the District are less responsive. Generally, seasonal groundwater level fluctuations are more pronounced farther to the south where the Santa Margarita aquifer provides baseflow to Bean Creek. The aquifer in the northern portion of the District has less connection to streams and is not used as much for water supply. Historic overpumping of the Santa Margarita and Lompico aquifers has caused the Santa Margarita aquifer to be dewatered below Scotts Valley where the Monterey Formation is absent.

Groundwater levels in the Santa Margarita aquifer in April 2025 are close to October 2024 and 2017 levels (Table 2), as summarized below:

- Monitoring well AB303 MW-1 typically demonstrates a few feet of seasonal groundwater level fluctuation with little to no net annual change (Figure 6). Groundwater levels in April 2025 are 1.9 feet higher than October 2024 and 4.4 feet higher than October 2017 (Table 2). AB303 MW-1 is not an RMP so does not have an MO or MT.
- Monitoring well AB303 MW-3B groundwater levels are relatively stable most years with rising and falling levels occurring only in the wettest years (Figure 7). In dry periods such as from 2020 to 2022 and 2012 to 2016, groundwater levels are about 10 to 20 feet lower than peaks in spring 2017 and 2023. Groundwater levels in April 2025 are 2.9 feet less than October 2024 and 0.3 foot higher than October 2017 (Table 2). Because AB303 MW-3B is not an RMP, it does not have an MO or MT.
- Monitoring well SV4-MW groundwater level trends are similar to AB303 MW-3B, described above (Figure 8). Groundwater levels in April 2025 are 4.6 feet less than October 2024 and 3.6 feet less than October 2017. SV4-MW is the only RMP for the Santa Margarita aquifer in the southern part of the District and is used to evaluate depletion of interconnected surface water from Bean Creek. The groundwater elevation in SV4-MW is 28 feet above the MT and 22 feet above the MO (Table 3).
- Santa Margarita well TW-18 in the northern portion of the District fluctuates very little, with all groundwater level measurements within a range of a few feet (Figure 9). The April 2025 groundwater elevation is within a foot of the MO and is about 9 feet higher than the MT (Table 3).

Monterey Formation Groundwater Levels

The Monterey Formation groundwater levels have a long-term increasing trend in Well #9, the only District well screened in this formation. The Monterey Formation is no longer used for water supply by the District. Groundwater levels in Well #9 continue to steadily increase since the well has barely been used as a water source since 2008 (Figure 10). The groundwater level in April 2025 is 6.2 feet higher than October 2024 and 28.2 feet higher than fall October 2017 (Table 2). The April 2025 groundwater elevation is 8.8 feet above the MO for the well (Table 3).

Lompico Aquifer Groundwater Levels

Groundwater level fluctuation in the deeper Lompico aquifer is influenced more by pumping than precipitation. As depicted on the hydrograph for Well #10 on Figure 11, groundwater levels in the Lompico aquifer in south Scotts Valley declined substantially through the early 2000s when District and other regional pumping volumes were greater. Reduced extraction since 2010 has allowed groundwater levels to stabilize and begin to increase since 2016.

Groundwater levels in Lompico aquifer Well #10 (Figure 11), Well #11A (Figure 12), TW-19 (Figure 13), and AB303-MW2 (Figure 14) have increased to varying degrees in recent years (Table 2). Groundwater level increases may be in part due to recovery in wet years like WY2017 and WY2023, but since increases continued in recent dry years, they appear to be more related to reduced Lompico aquifer extraction.

Groundwater levels in Well #10, which is close to the District's southernmost extraction at Well #10A and relatively close to the SLVWD's Pasatiempo wells, have shown sustained increases in both seasonal high and seasonal low groundwater levels since 2016 (Figure 11). Well #10's April 2025 groundwater level is 10.8 feet higher than October 2024 and 17 feet higher than October 2017. Groundwater levels in Well #10 fluctuate by about 30 to 40 feet during annual cycles due to pumping at nearby Well #10A. Well #10's April 2025 groundwater elevation is 21 feet above the MO (Table 3).

Well #11A and #11B have been used to pump less in recent years than Well #10A, therefore groundwater levels have less seasonal fluctuation than observed at Well #10. Groundwater levels have steadily increased in Well #11A since 2017 (Figure 12). Well #11A's April 2025 groundwater level is 7 feet higher than the groundwater level in October 2024 and 41.1 feet higher than October 2017 (Table 2). The April 2025 groundwater elevation is 16.7 feet above the MO (Table 3).

Other Lompico monitoring wells, TW-19 and AB303 MW-2, also have increasing groundwater level trends similar to Well #10 and #11A but without seasonal fluctuation due to nearby pumping (Figure 13 and Figure 14, respectively). Differing increases in groundwater levels in

different parts of Scotts Valley reaffirms our understanding that groundwater levels in the Lompico aquifer are recovering because of decreased pumping.

TW-19 is in north Scotts Valley and not close to an active extraction well (Figure 4). Regional groundwater levels at TW-19 demonstrate a steady increasing trend since 2017. The April 2025 groundwater elevation is 16.2 feet higher than October 2024 and 51.8 feet higher than October 2017 (Table 2). The groundwater elevation at TW-19 is 18.4 feet above the MO (Table 3).

AB303 MW-2's groundwater level increase is less pronounced than TW-19 as it is closer to active extraction Well #10A (Figure 4). The April 2025 groundwater level in AB303 MW-2 is 8.1 feet higher than October 2024 and 18.7 feet higher than October 2017 (Table 2). AB303 MW-2 is not an RMP so does not have an MO or MT.

Lompico/Butano Aquifer Groundwater Levels

Monitoring Well #15 is the only District monitoring well screened near the Lompico and Butano aquifers northern extraction wells, Orchard and Sucinto. Well #15 is within 50 feet of the Sucinto Well and about 2,500 feet from the Orchard Well. Pumping at recently abandoned Well #3B highly influenced groundwater levels in the monitoring well. In recent years when only the Orchard Well was active, the influence of pumping at this more distant extraction well is still observed. The groundwater elevation in Well #15 has historically fluctuated up to 100 feet over short periods of time reflecting active pumping influence on groundwater levels. However, despite short-term variability, the long-term groundwater level trend since 2000 has been stable.

The groundwater level in April 2025 at Well #15 is 1.8 feet higher than October 2024 and 24.1 feet lower than October 2017 (Table 2). The April 2025 groundwater elevation is about 14 feet below the MO and 18 feet above the MT (Table 3). The groundwater elevation has been above the MO at times during the past few years (Figure 15). Since the groundwater elevation is very sensitive to active and inactive pumping cycles, and the MO was recently achieved, this goal is still achievable in the near term.

Butano Aquifer Groundwater Levels

Butano aquifer dedicated monitoring wells, Canham and Stonewood, are former exploratory wells that did not produce economically viable quantities of water. The hydrogeologic influence of the District's Lompico and Butano aquifer extraction wells on these monitoring wells is uncertain, especially because 1) the distance between the monitoring and extraction wells is relatively far (the shortest distance is 0.8 miles between Canham and Orchard); 2) the wells were not monitored until nearly a decade after Lompico/Butano extraction began; and 3) groundwater levels in monitoring wells were stable when the extraction wells were resting during Orchard treatment system upgrades in 2021 (Figure 16 and Figure 17).

Stonewood monitoring well groundwater levels have a slight increasing trend over time. The groundwater level in April 2025 is 0.6 feet higher than October 2024 and 4.4 feet higher than October 2017 (Table 2). The April 2025 groundwater elevation in Stonewood is 4 feet above the MO.

The Canham monitoring well has a long term stable trend with very little fluctuation, other than a minor increase coinciding with well vault flooding during the December 2022 atmospheric river event. The April 2025 groundwater level is 0.9 feet lower than October 2024 and 1.5 feet lower than Fall 2017. The Canham well groundwater level is 25 feet below the MO and 15 feet above the MT (Table 3). The MO is based on hypothetical groundwater model simulations for an expanded conjunctive use concept in the Basin and may not have the simulated affect in this area. The MO is higher than any groundwater elevation measured in the well since monitoring began in 2011.

A dedicated monitoring well in the Butano aquifer closer to the District's Lompico/Butano aquifer pumping wells is planned for GSP implementation if funding can be secured. This well would provide an additional groundwater level data point closer to where Butano pumping is occurring to help the District monitor and manage Butano aquifer extraction.

Table 2. Groundwater Level Summary

| Well | Groundwater Level April 2025 (feet below ground surface) | Change in Groundwater Level Since Oct 2024 (feet) | Change in Groundwater Level Since Oct 2017 (feet) | Hydrograph Figure Number |
|--------------------------------|--|---|---|--------------------------|
| Santa Margarita Aquifer | | | | |
| AB303 MW-1 | 73.9 | 1.9 | 4.4 | Figure 6 |
| AB303 MW-3B | 114.5 | -2.9 | 0.3 | Figure 7 |
| SV4-MW | 46.2 | -4.6 | -3.6 | Figure 8 |
| TW-18 | 243.3 | 1.6 | 1.9 | Figure 9 |
| Monterey Formation | | | | |
| Well #9 | 161.3 | 6.2 | 28.2 | Figure 10 |
| Lompico Aquifer | | | | |
| Well #10 | 167.9 | 10.8 | 17.0 | Figure 11 |
| Well #11A | 269.0 | 7.0 | 41.1 | Figure 12 |
| TW-19 | 265.2 | 16.2 | 51.8 | Figure 13 |
| AB303 MW-2 | 115.8 | 8.1 | 18.7 | Figure 14 |
| Lompico/Butano Aquifer | | | | |
| Well #15 | 351.0 | 1.8 | -24.1 | Figure 15 |
| Lompico/Butano Aquifer | | | | |
| Stonewood | 50.2 | 0.6 | 4.4 | Figure 16 |
| Canham | 340.5 | -0.9 | -1.5 | Figure 17 |

Table 3. Groundwater Level Sustainable Management Criteria Evaluation

| Aquifer | Well Name | Minimum Threshold | Interim Milestone #1 (2027) | Measurable Objective | Groundwater Elevation (feet above mean sea level) | | | | |
|-----------------|-----------|-------------------|-----------------------------|----------------------|---|----------------|-------------|----------------|--------------------|
| | | | | | WY 2021 Critically Dry | WY 2022 Normal | WY 2023 Wet | WY 2024 Normal | April WY 2025 Dry* |
| Santa Margarita | TW-18 | 462 | 471 | 471 | 471.8 | 470.9 | 470.4 | 470.1 | 471.7 |
| | SV4-MW** | 381 | 387 | 387 | 404.1 | 405.7 | 408.7 | 411.7 | 409.1 |
| Monterey | Well #9 | 301 | 340 | 358 | 351.0 | 354.0 | 356.0 | 360.6 | 366.8 |
| Lompico | Well #10 | 286 | 302 | 322 | 330.3 | 338.1 | 350.1 | 332.2 | 343.0 |
| | Well #11A | 288 | 299 | 317 | 308.0 | 312.6 | 320.2 | 324.7 | 333.7 |
| | TW-19 | 314 | 357 | 376 | 370.4 | 370.0 | 378.4 | 378.2 | 394.4 |
| Lompico/Butano | Well #15 | 291 | 310 | 333 | 307.1 | 307.9 | 306.5 | 307.2 | 309.0 |
| Butano | Stonewood | 836 | 844 | 844 | 845.0 | 845.8 | 847.6 | 847.7 | 848.3 |
| | Canham | 427 | 447 | 467 | 441.7 | 441.2 | 441.2 | 441.5 | 442.3 |

* Current water year is likely dry based on comparison to previous classifications

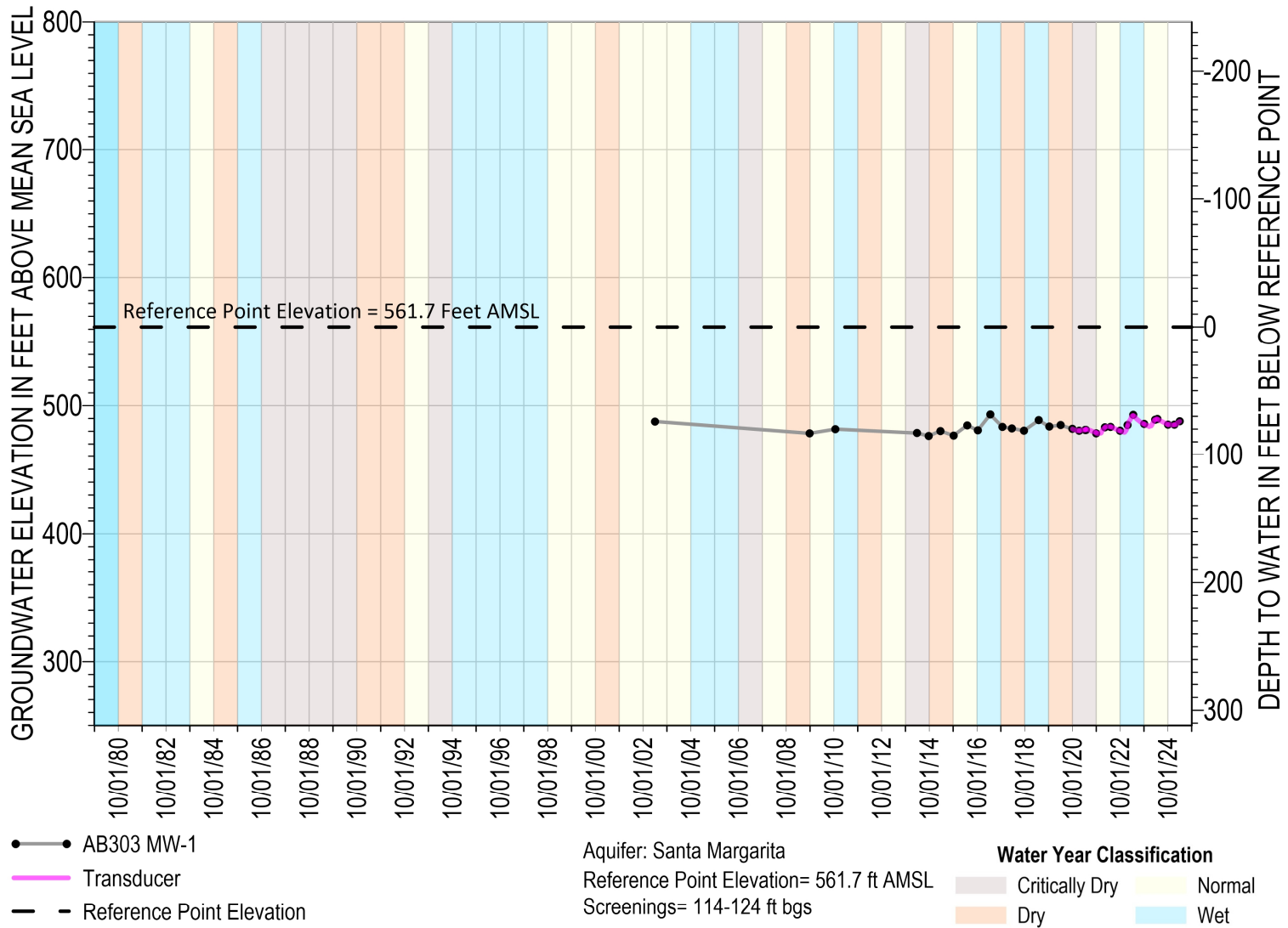
**SV4-MW is an RMP for the interconnected surface water sustainability indicator

Minimum threshold not met

Minimum threshold met but 2027 interim milestone and measurable objective not met

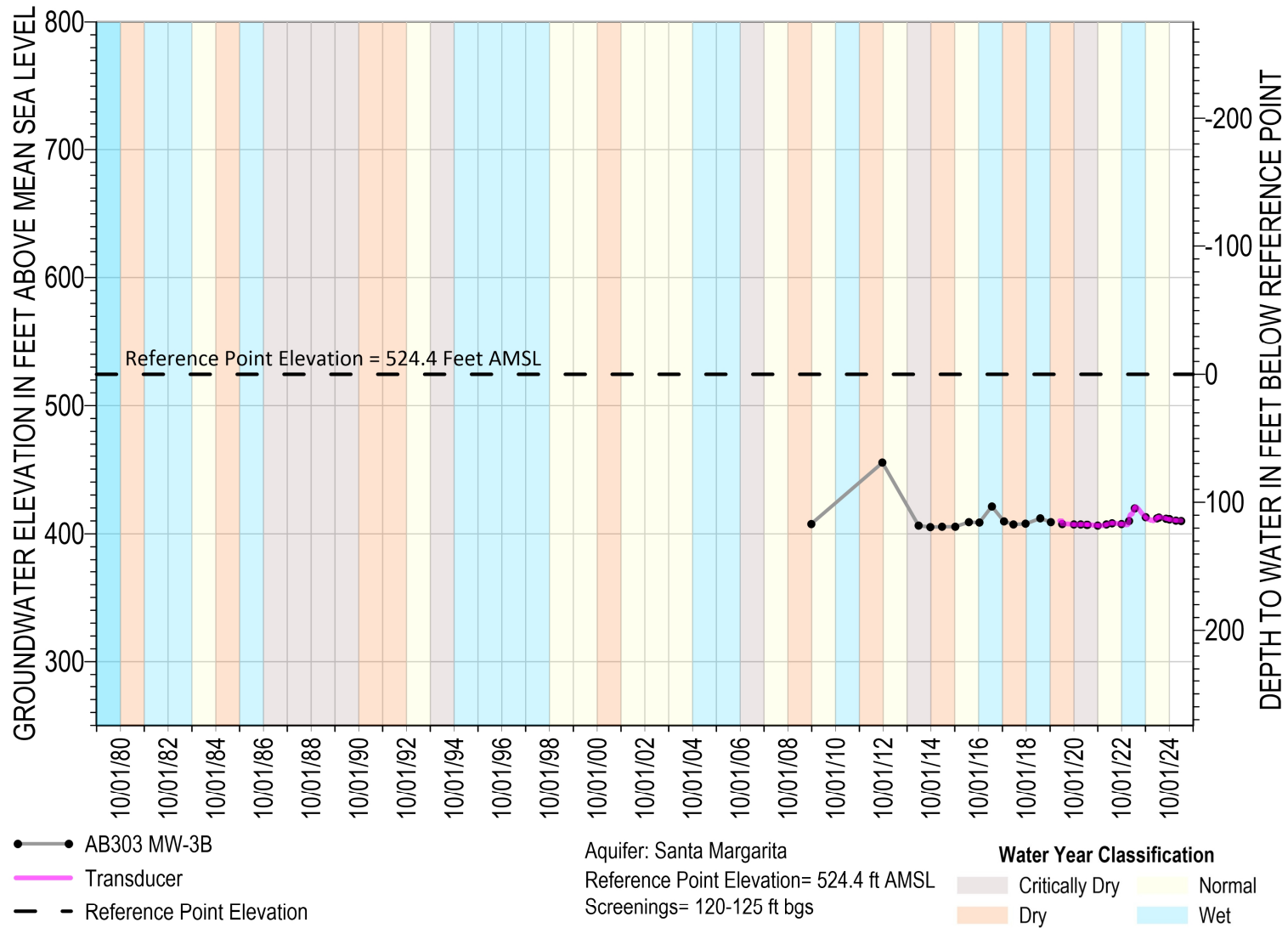
Minimum threshold and 2027 interim milestone met, but measurable objective not met

Measurable objective met



Note: Reference point is the elevation from which depth to water is measured at a well, typically 1-2 feet above land surface. Pumping measurements are removed from hand soundings but not from transducer data.

Figure 6. AB303 MW-1 Hydrograph (Santa Margarita Aquifer)



Note: Reference point is the elevation from which depth to water is measured at a well, typically 1-2 feet above land surface. Pumping measurements are removed from hand soundings but not from transducer data.

Figure 7. AB303 MW-3B Hydrograph (Santa Margarita Aquifer)

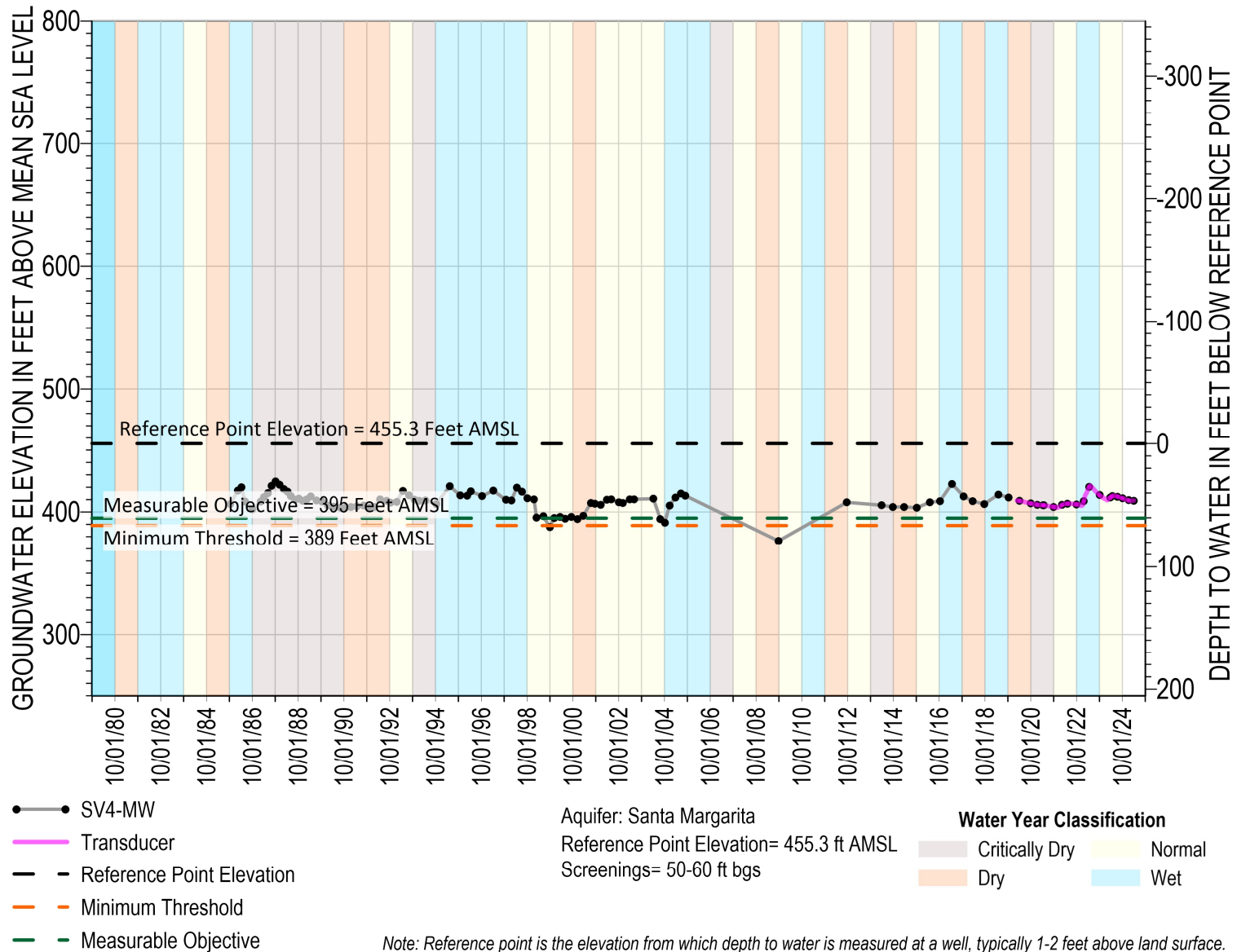


Figure 8. SV4-MW Hydrograph (Santa Margarita Aquifer)

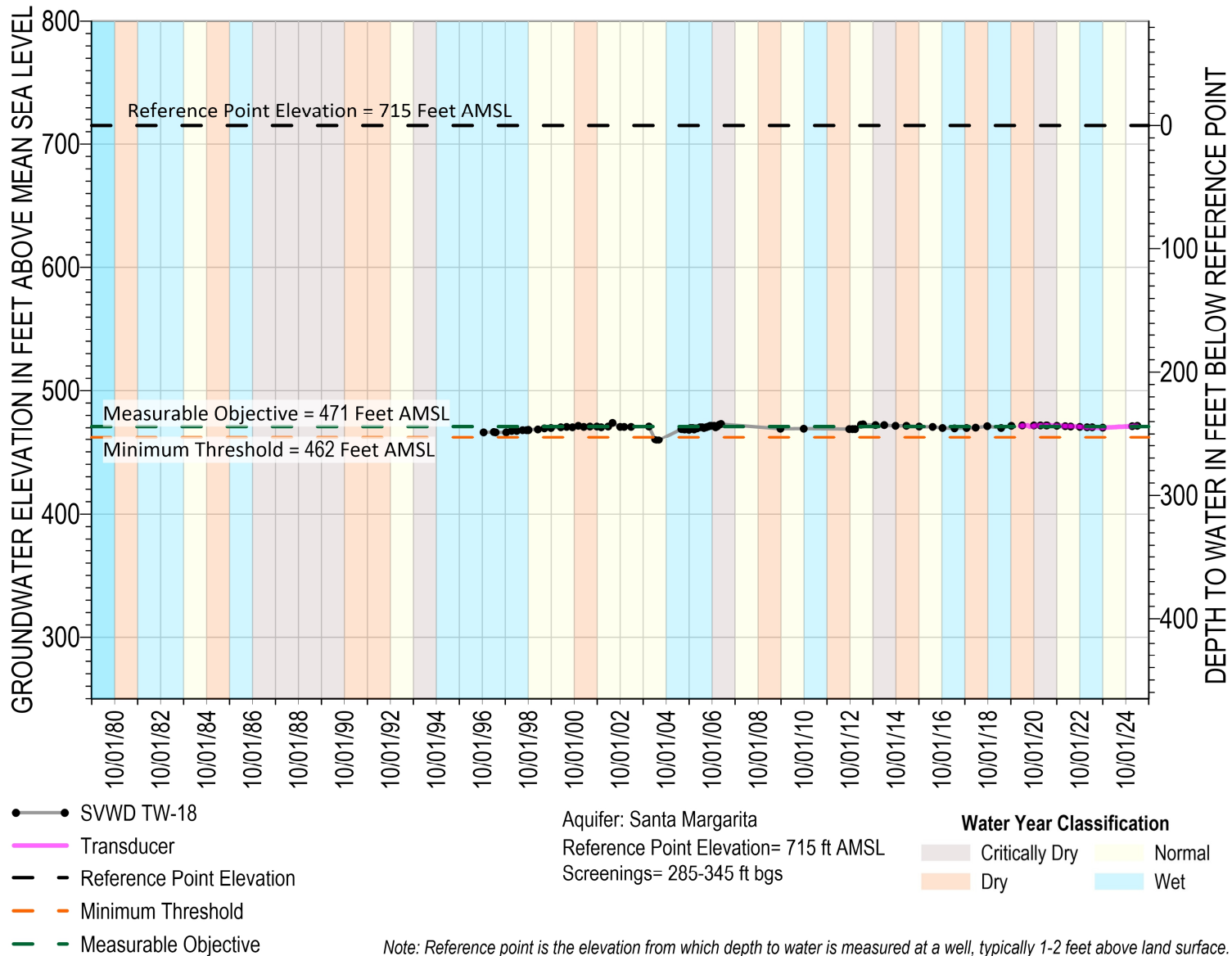
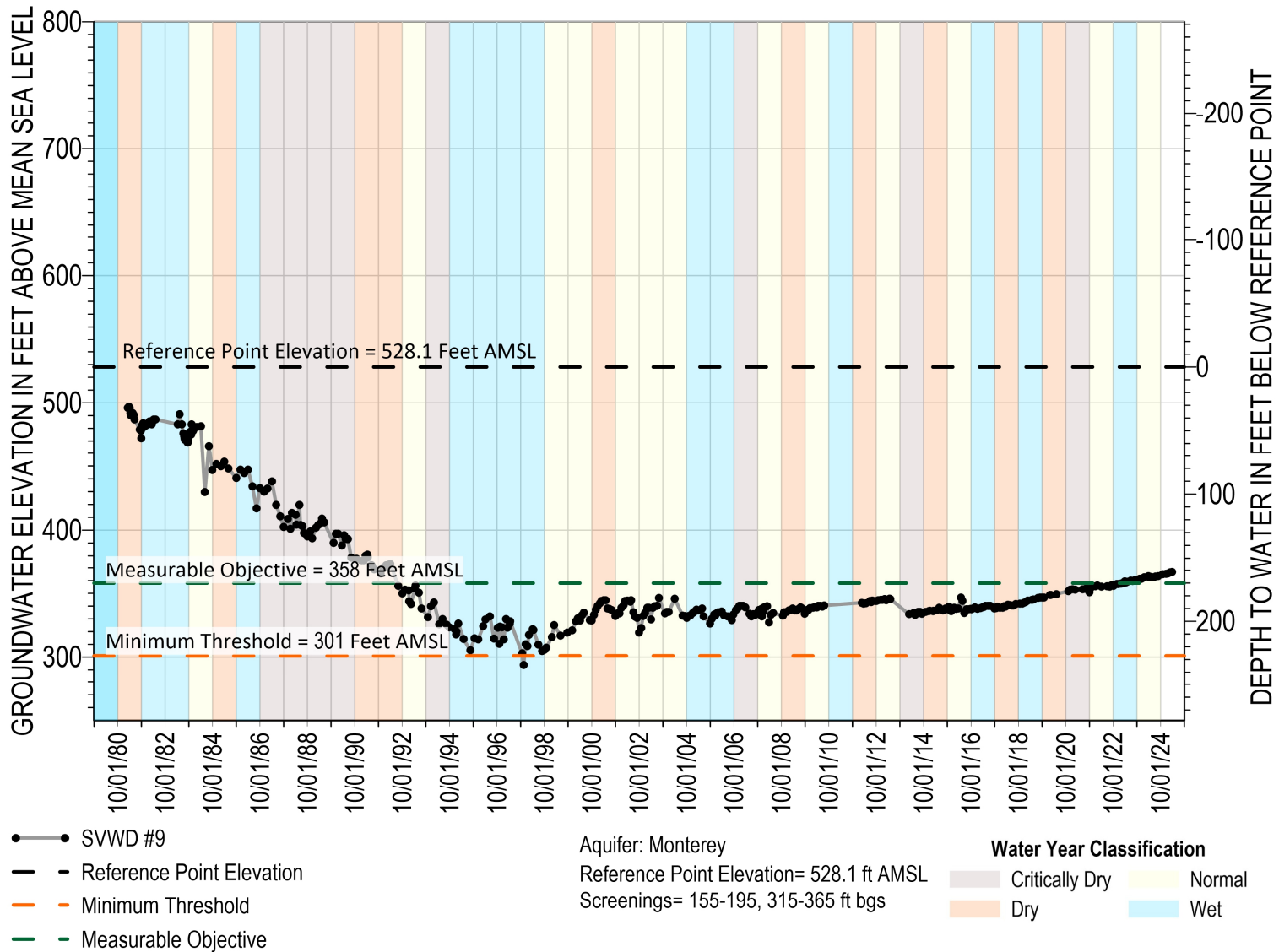


Figure 9. TW-18 Hydrograph (Santa Margarita Aquifer)



Note: Reference point is the elevation from which depth to water is measured at a well, typically 1-2 feet above land surface. Pumping measurements are removed from hand soundings but not from transducer data.

Figure 10. Well #9 Hydrograph (Monterey Formation)

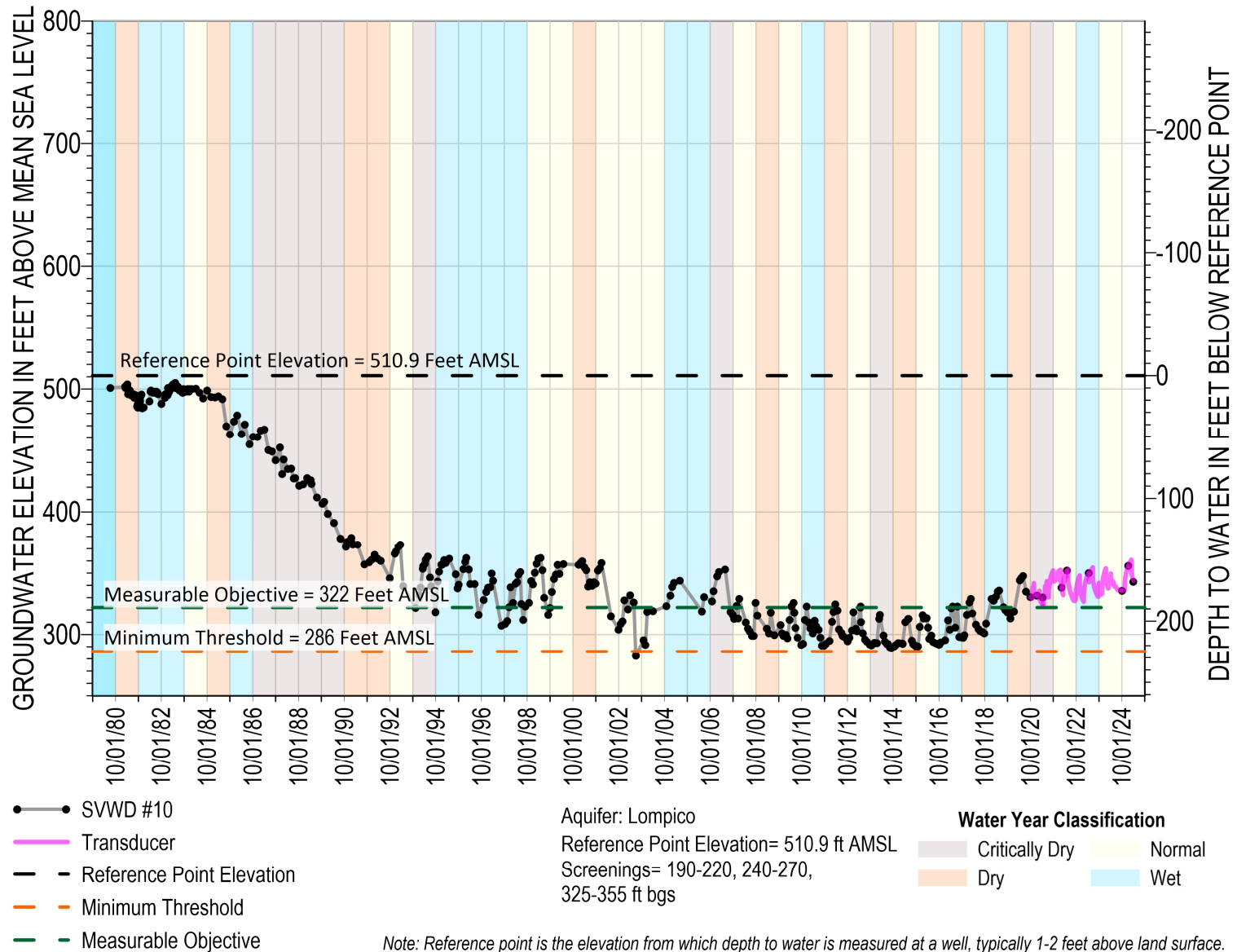
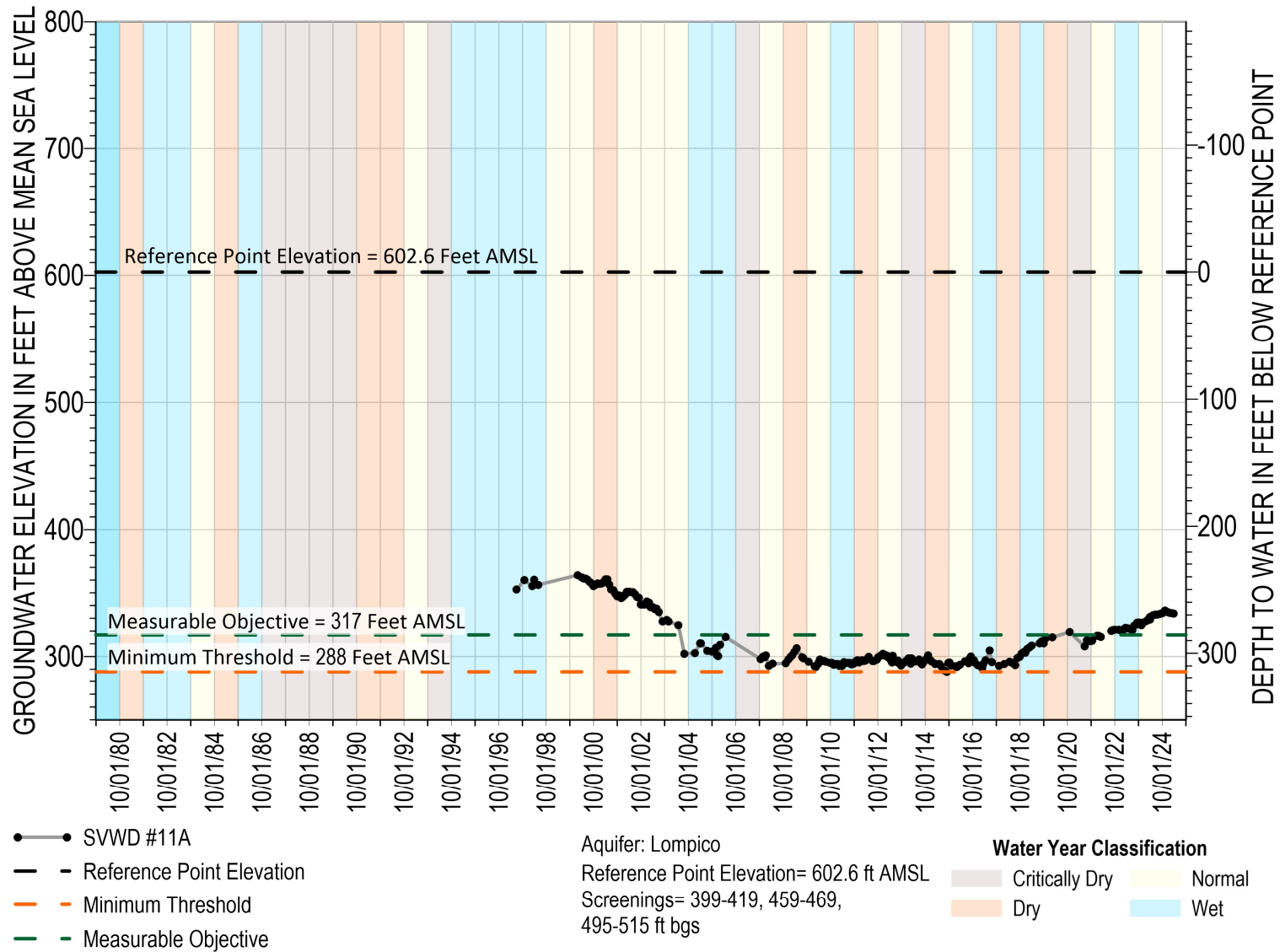


Figure 11. Well #10 Hydrograph (Lompico Aquifer)



Note: Reference point is the elevation from which depth to water is measured at a well, typically 1-2 feet above land surface. Pumping measurements are removed from hand soundings but not from transducer data.

Figure 12. Well #11A Hydrograph (Lompico Aquifer)

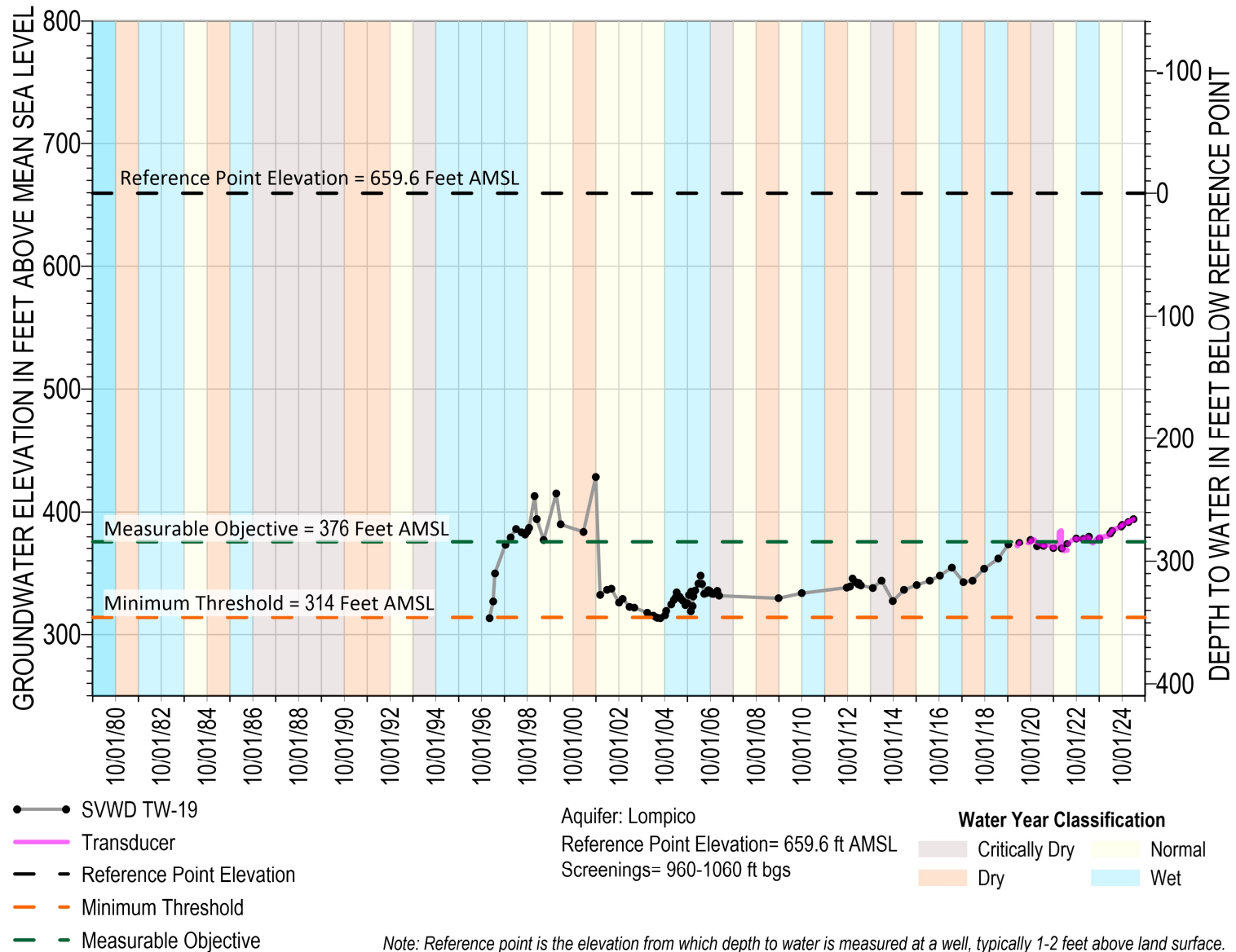
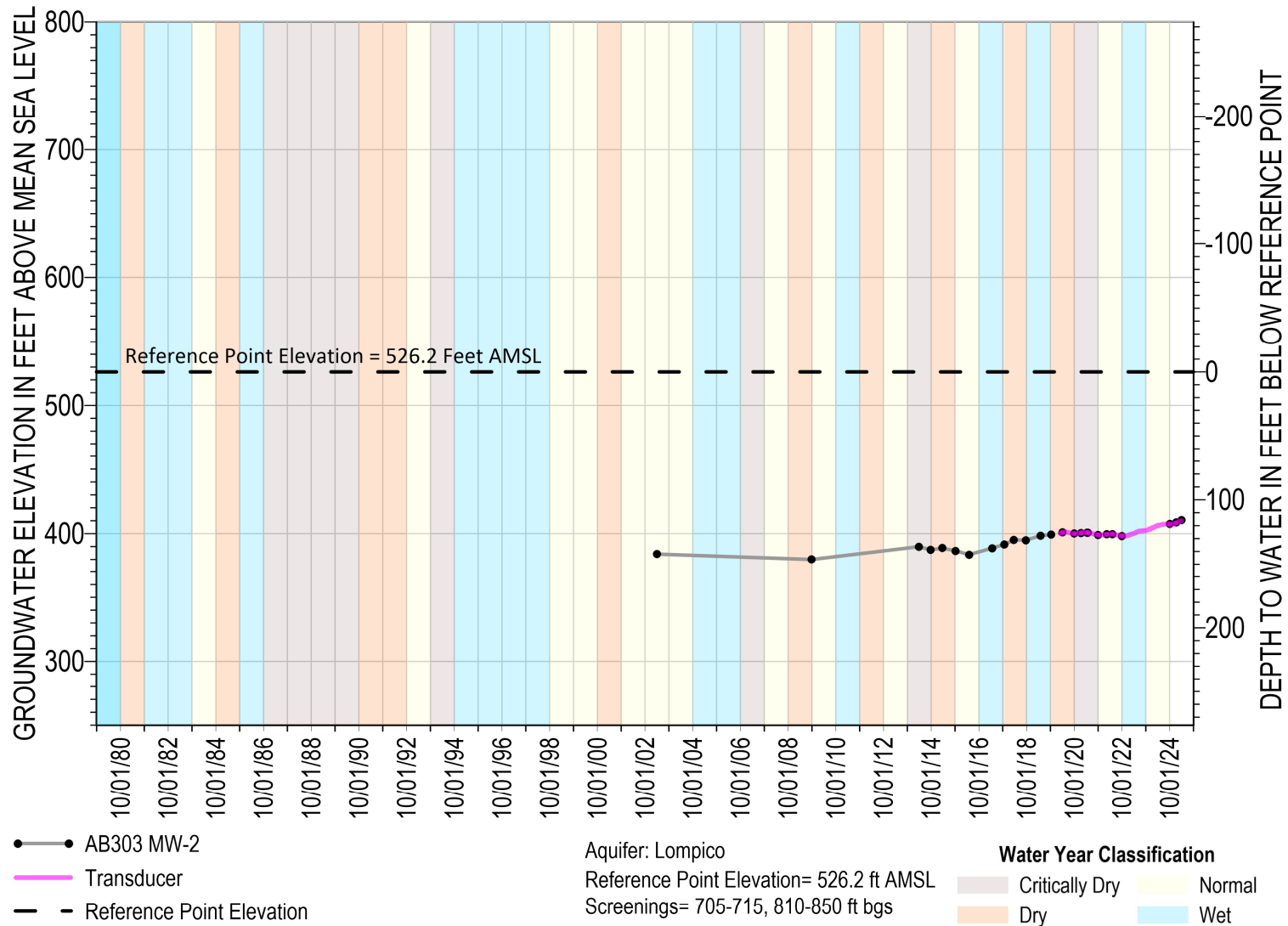


Figure 13. TW-19 Hydrograph (Lompico Aquifer)



Note: Reference point is the elevation from which depth to water is measured at a well, typically 1-2 feet above land surface. Pumping measurements are removed from hand soundings but not from transducer data.

Figure 14. AB303-MW2 Hydrograph (Lompico Aquifer)

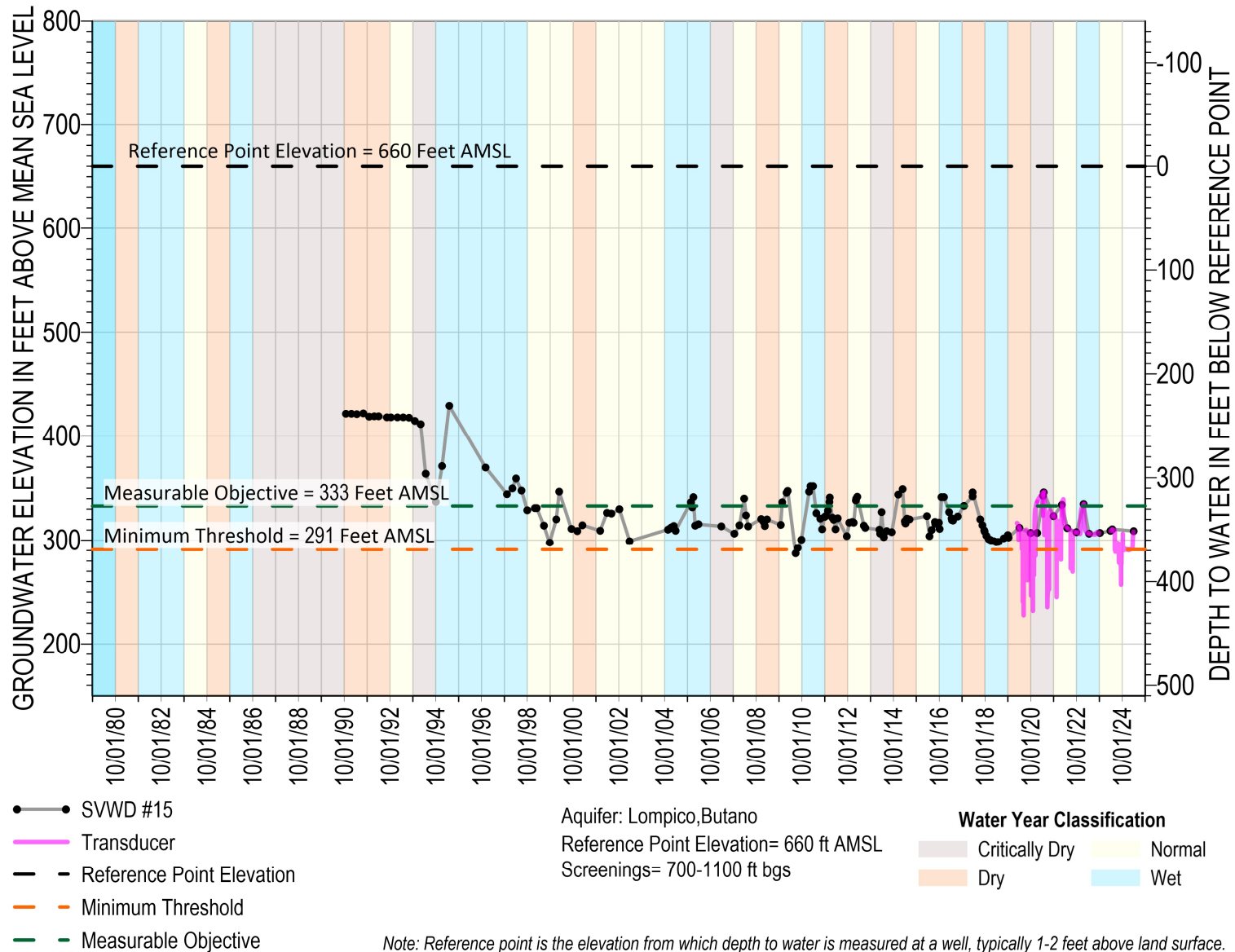
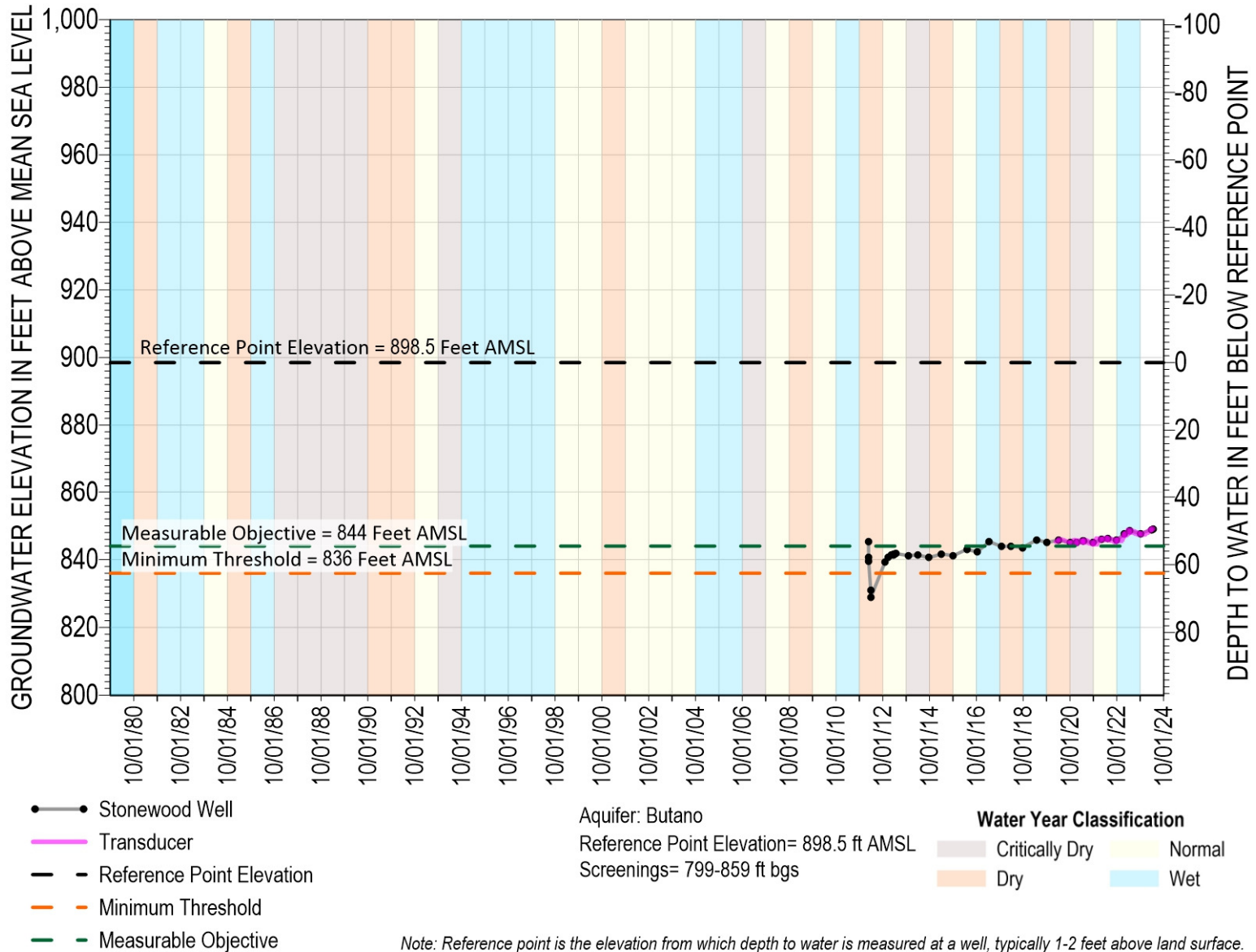


Figure 15. Well #15 Hydrograph (Lompico/Butano Aquifers)



Note: Reference point is the elevation from which depth to water is measured at a well, typically 1-2 feet above land surface. Pumping measurements are removed from hand soundings but not from transducer data.

Figure 16. Stonewood Hydrograph (Butano)

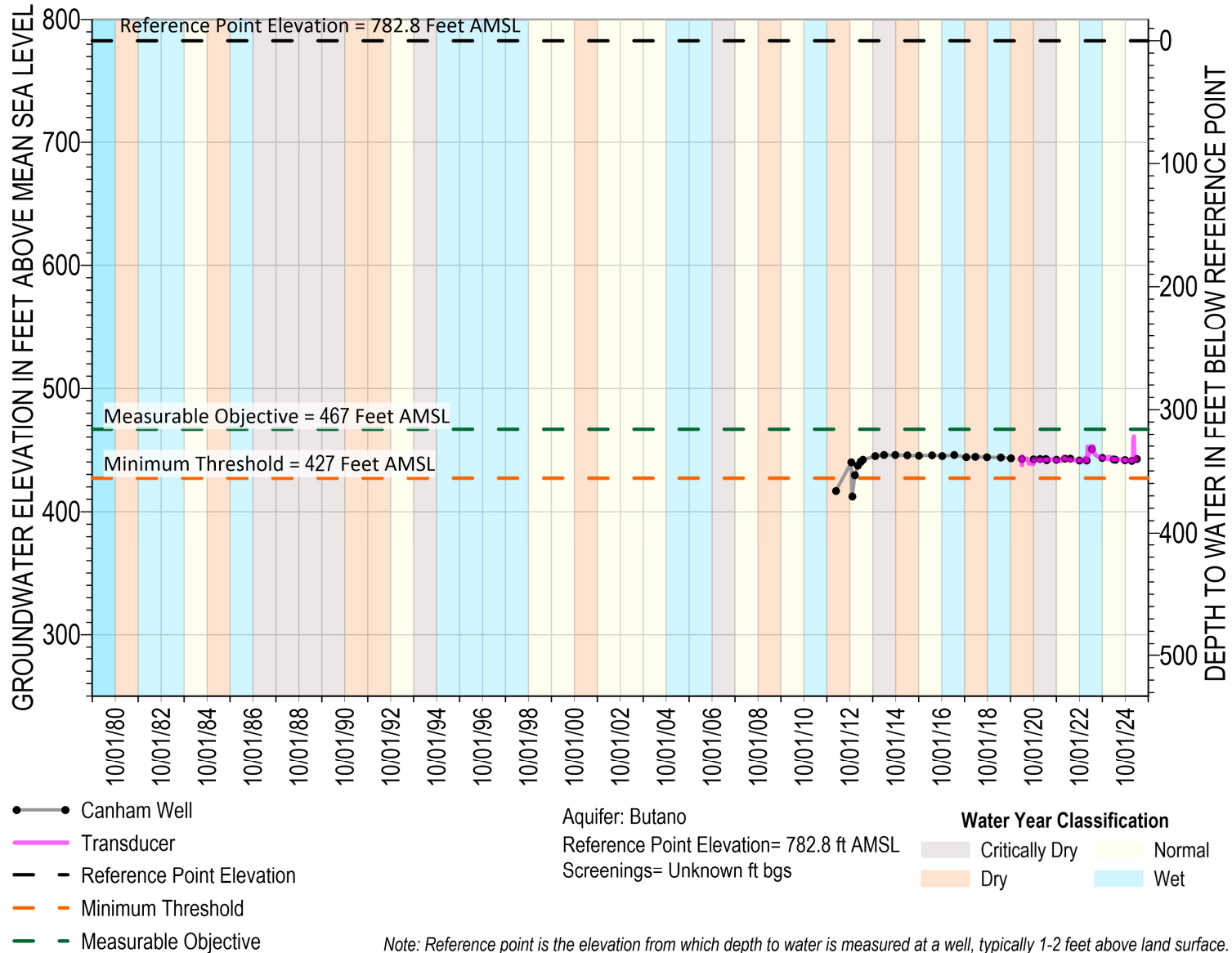


Figure 17. Canham Hydrograph (Butano)

WATER SUPPLY CONDITIONS SUMMARY

Long-term decreasing groundwater extractions are benefiting regional groundwater levels in all aquifers in the District area, despite a decade of precipitation extremes. Dry conditions from WY2012-2016, WY2020-2022, and this year WY2025, are interspersed with above-average rainfall in WY2017, WY2019, and WY2023. The wet years recharge the shallow Santa Margarita aquifer, offsetting impacts of droughts. The Lompico and Butano aquifers, which are used for District water supply are deeper and mostly confined beneath the Monterey Formation, so these aquifers generally do not respond quickly to rainfall. Reduced extraction from the Lompico aquifer and Monterey Formation has reversed long-term declining groundwater level trends since 1998 and 2016, respectively. The Butano aquifer groundwater levels are stable where monitored, though the hydrogeologic connection of the limited monitoring network with the extraction wells partially screened in the aquifer is uncertain.

WATER SUPPLY AND DEMAND ASSESSMENT

Ensuring that adequate water supplies are available to meet existing and future water demands is essential for the District to operate sustainably. The WSCP in the 2020 UWMP establishes trigger levels for water resource management actions during periods of drought or increased extractions. Management actions, if implemented, could result in water supply shortages relative to demand. There are specific triggers related to precipitation, groundwater level, and groundwater extraction data, and if triggers are exceeded the District may need to implement operational changes. Groundwater condition triggers from the 2020 UWMP are summarized on Figure 18. At this time, the Stage 1 rainfall trigger in the WSCP applies due to dry conditions the past 2 years, which prompts a Stage 1 Groundwater Conditions Trigger. Since the Basin is entering a dry period with no other groundwater condition triggers, no management actions should be needed to manage water supply for the remainder of the water year.

A summary of precipitation and groundwater conditions relative to triggers is as follows:

- Dry conditions in WY2025 exceed the Stage 1 rainfall trigger levels in Table 13-2 of the UWMP (Figure 18). Annual precipitation in WY2025 is 60% of average, 2-year precipitation is 70% of average, and 3-year precipitation is 91% of average. The 1 and 2-year precipitation totals are below the Stage 1 criteria of <80% of average precipitation in a single year and <75% over 2 years, and meet the Stage 2 criteria of <60% of average precipitation in a single year and <70% over 2 years. The notes for Table 13-2 of the UWMP give the District's Board the authority to adjust stages up or down based on annual review and other WSCP shortage stage evaluation criteria. Any precipitation trigger is a Stage 1 groundwater conditions trigger.

- The District's baseline annual extraction referenced in the 2020 UWMP is 950 AF from the Lompico aquifer and 350 AF from the Butano aquifer. These baseline values are consistent with the groundwater in storage SMC in the GSP. Using the GSP assumption that 40% of extraction from the Lompico/Butano aquifer extraction wells is sourced from the Lompico aquifer, WY2024 extractions totaled 724 AF from the Lompico aquifer and 319 AF from the Butano aquifer. WY2024 extraction volumes are 76% of baseline extraction for the Lompico aquifer and 91% of baseline extraction for the Butano aquifer and do not exceed thresholds on Figure 18 that start at 120% of baseline. Because groundwater extractions for WY2025 to date have been consistent with prior dry years that did not have extraction above the baseline, the District appears to be on track to maintain extraction volumes below the trigger volumes for the duration of WY2025.
- As shown in Table 3, WY2024 groundwater levels are 10 feet or more above the MTs for the District's Monterey Formation, Lompico, and Butano aquifer wells, so do not exceed supply shortage thresholds on Figure 18. As discussed in this report, April 2025 groundwater levels are stable or increasing in all Monterey Formation, Lompico, and Butano aquifer monitoring wells, so should remain above trigger levels for the duration of WY2025.

| STAGE | RAINFALL TRIGGER ¹ |
|-------|--|
| 1 | Cumulative rainfall over 2 years < 80% of average and/or Single year rainfall < 75% of average |
| 2 | Cumulative rainfall over 2 years < 70% of average and/or Single year rainfall < 60% of average |
| 3 | Cumulative rainfall over 3 years < 50% of average and/or Single year rainfall < 50% of average |
| 4 | Same or worse than Stage 3 |
| 5 | Same or worse than Stage 3 |

The Districts' Boards may adjust stages up or down based on annual review and other WSCP shortage stage evaluation criteria.

¹ Single year rainfall < 50% of average is representative of water shortage of 50%.

| STAGE | SLVWD TRIGGER | SVWD TRIGGER |
|-------|--|---|
| 1 | <ul style="list-style-type: none"> Only rainfall trigger applies | <ul style="list-style-type: none"> Only rainfall trigger applies |
| 2 | <ul style="list-style-type: none"> Groundwater level RMP Minimum Threshold levels are within: <ul style="list-style-type: none"> 5 feet of Minimum Threshold for Santa Margarita Aquifer RMPs, or 10 feet of Minimum Threshold for Monterey Formation or Lompico Aquifer RMPs Last 5-year SLVWD extraction average exceeds SLVWD projected long-term average baseline pumping by 20% for Santa Margarita Aquifer or 20% for Lompico Aquifer | <ul style="list-style-type: none"> Groundwater level RMP Minimum Threshold levels are within 10 feet of Minimum Threshold for Monterey Formation, Lompico or Butano Aquifer RMPs Last 5-year SVWD extraction average exceeds SVWD projected long-term average baseline pumping by 20% for Lompico Aquifer or 20% for Butano Aquifer |
| 3 | <ul style="list-style-type: none"> One RMP in any of the Santa Margarita Aquifer, Monterey Formation, and Lompico Aquifer has a Minimum Threshold exceedance Overall groundwater level trend over 5 years is declining in 25% of RMPs Last 5-year SLVWD extraction average exceeds SLVWD projected long-term average baseline pumping by 20% for Santa Margarita Aquifer or 20% for Lompico Aquifer | <ul style="list-style-type: none"> One RMP in any of the Monterey Formation, Lompico Aquifer or Butano Aquifer has a Minimum Threshold exceedance Overall groundwater level trend over 5 years is declining in 25% of RMPs Last 5-year SVWD extraction average exceeds SVWD projected long-term average baseline pumping by 20% for Lompico Aquifer or 20% for Butano Aquifer |
| 4 | <ul style="list-style-type: none"> Three RMP in any of the Santa Margarita Aquifer, Monterey Formation, and Lompico Aquifer have Minimum Threshold exceedances Overall groundwater level trend over 5 years is declining in 50% of RMPs Last 5-year SLVWD extraction average exceeds SLVWD projected long-term average baseline pumping by 30% for Santa Margarita Aquifer or 30% for Lompico Aquifer | <ul style="list-style-type: none"> Three RMP in any of the Lompico, Monterey & Butano aquifers have Minimum Threshold exceedances Overall groundwater level trend over 5 years is declining in 50% of RMPs Last 5-year SVWD extraction average exceeds SVWD projected long-term average baseline pumping by 30% for Lompico Aquifer or 30% for Butano Aquifer |
| 5 | <ul style="list-style-type: none"> Five RMP in any of the Santa Margarita Aquifer, Monterey Formation, and Lompico Aquifer have a Minimum Threshold exceedance Overall groundwater level trend over 5 years is declining in 75% of RMPs Last 5-year SLVWD extraction average exceeds SLVWD projected long-term average baseline pumping by 40% for Santa Margarita Aquifer or 40% for Lompico Aquifer | <ul style="list-style-type: none"> Lompico, Monterey & Butano aquifers have up to 5 RMP exceedances Santa Margarita aquifer has up to 5 RMP Minimum Threshold exceedances Overall groundwater level trend over 5 years is declining in 75% of RMPs Last 5-year SVWD extraction average exceeds SVWD projected long-term average baseline pumping by 40% for Lompico Aquifer or 40% for Butano Aquifer |

The Districts' Boards may adjust stages up or down based on annual review and other WSCP shortage stage evaluation criteria.

Figure 18. Groundwater Conditions Trigger Levels - 2020 UWMP

CONCLUSIONS

Despite a drier than average wet season in WY2025, the combination of recent wet years and decreasing groundwater extraction is benefitting all aquifers in the District. Groundwater recharge from precipitation and decreased extraction have led to stable to increasing groundwater levels. District groundwater extraction has been decreasing or stable since 2017. Prior reviews of groundwater conditions concluded that “based on groundwater level trends and pumping volumes in the Lompico aquifer through the 2012 to 2016 drought and after, keeping total District annual pumping below 1,250 AF per year should not stress the aquifers being pumped even in below average rainfall years over the short-term.” The District has been able to maintain extraction volumes below 1,250 AF per year in recent years. As such, no actions are recommended at this time to ensure adequate water supply in the dry season of WY2025 or after. With planned future urban growth and climate uncertainty, declines in groundwater levels in all aquifers still may occur, so the District should remain vigilant and continue to closely monitor and evaluate groundwater levels and extraction volumes.

Sincerely,
MONTGOMERY & ASSOCIATES



Georgina King, P.G., C.Hg
Principal Hydrogeologist



Pete Dennehy, P.G., C.Hg
Senior Hydrogeologist

STAFF REPORT - Finance

Scotts Valley Water District

Date: 05/08/2025
To: Board of Directors
From: General Manager
Item: Staff Reports 7.3
Subject: **Preliminary Financial Reports 07/01/24 through 03/31/2025**

Summary

Fiscal Year-to-Date (YTD) figures reflect the period of 7/1/2025 through 3/31/2025. YTD revenues total \$8,650,000 and expenses total \$8,430,000.

Revenue

March is the ninth month of the fiscal year. YTD potable water sales revenue is \$3.6M, water services revenue is \$2.1M and new connections revenue is \$114K. Property tax revenue is \$828K and grant revenue through Q3 totaled \$1.1M. Total YTD revenue in the potable water fund, excluding grants, is \$7M, equal to 72% of the budget and 8% higher than the same period last year due to increased water sales.

YTD recycled water sales revenue is \$428K, water services revenue is \$77K, and there was no revenue from new connections for the period. Total YTD revenue of \$507K in the recycled water fund equals 83% of the budget, which is 26% higher than for the same period of last fiscal year.

Expenses

Combined YTD operating expenses are in-line with the budget, with expenses of \$4.75M representing 68% of the budget. Net project expenditures total \$2.7M and the debt service principal payments of \$931K have been made.

Fund Balance

At the end of March, cash reserves were approximately \$9.6M. An additional \$2.0M are held in investments and \$0.9M is booked in Accounts Receivable.

Enclosed

Quarterly Financial Report 07/01/23 – 03/31/24
Budget Status Balance 07/01/23 – 03/31/24
Budget Status Revenue 07/01/23 – 03/31/24
Budget Status Expense 07/01/23 – 03/31/24
Projects Expense 07/01/23 - 03/31/24
Balance Sheet 03/31/24
Check Register 03/01/24 – 03/31/24
Investment Summary 03/31/24

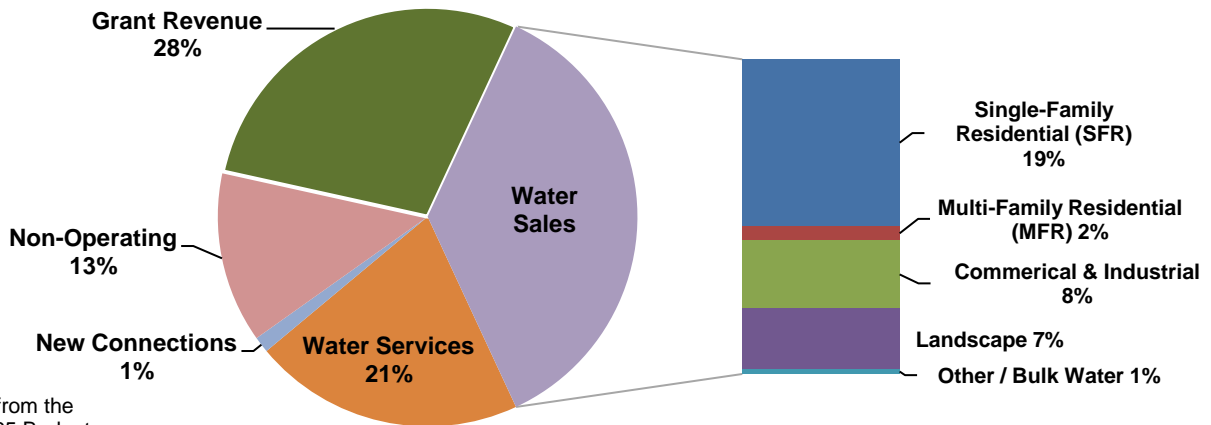


FY 2025 – Q3 Financial Report

July 1, 2024 – March 31, 2025

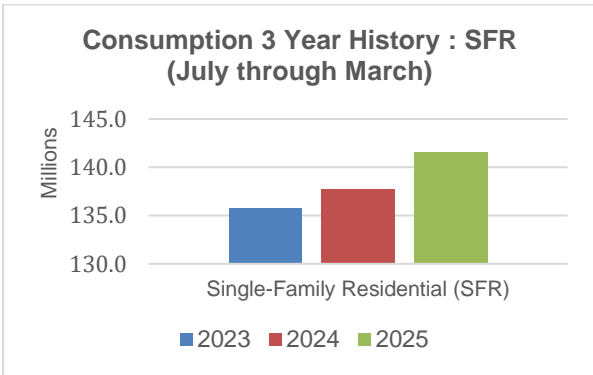
Revenues

Scotts Valley Water District revenues come from four main sources: Water Sales, Water Services (Basic Service Charge), New Connections, and Non-Operating*.



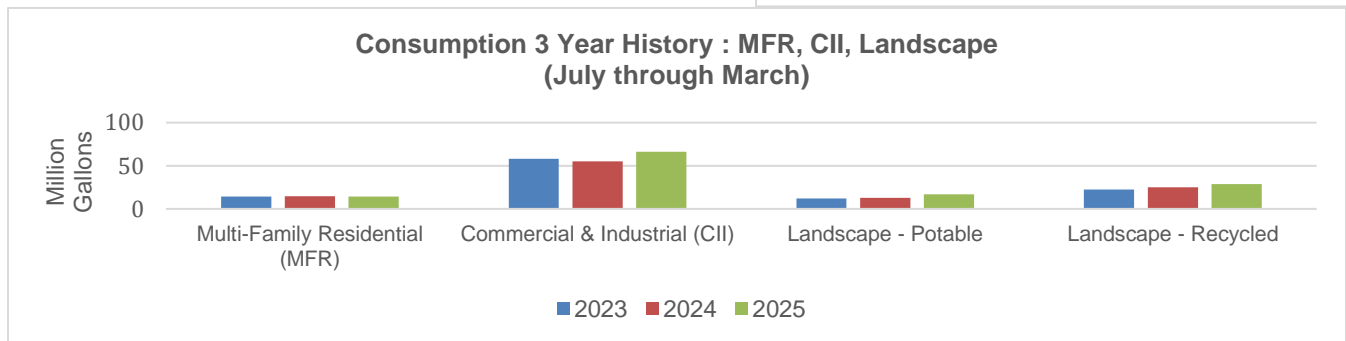
*Data from the FY 2025 Budget

The District's largest revenue category is Single Family Residential (SFR) Water Sales. Revenue in the SFR category for the period July through March is up 6.5% from the same period in the prior year.



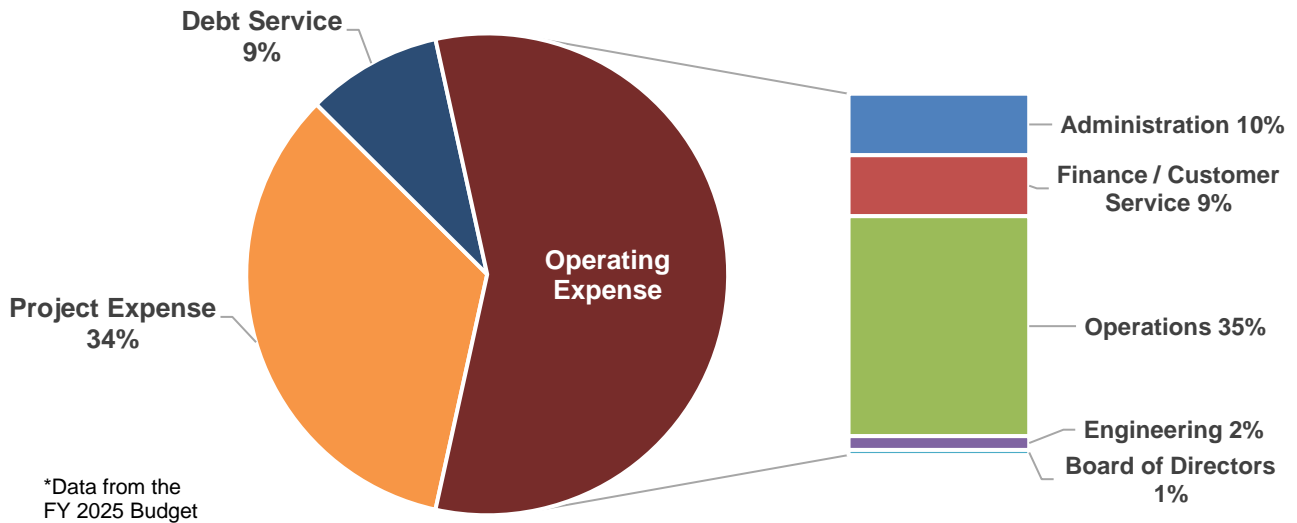
Consumption

Water consumption by SFR customers in the first quarter is 142 million gallons, up 4 million gallons or 2.7% from the same period in FY 2024.

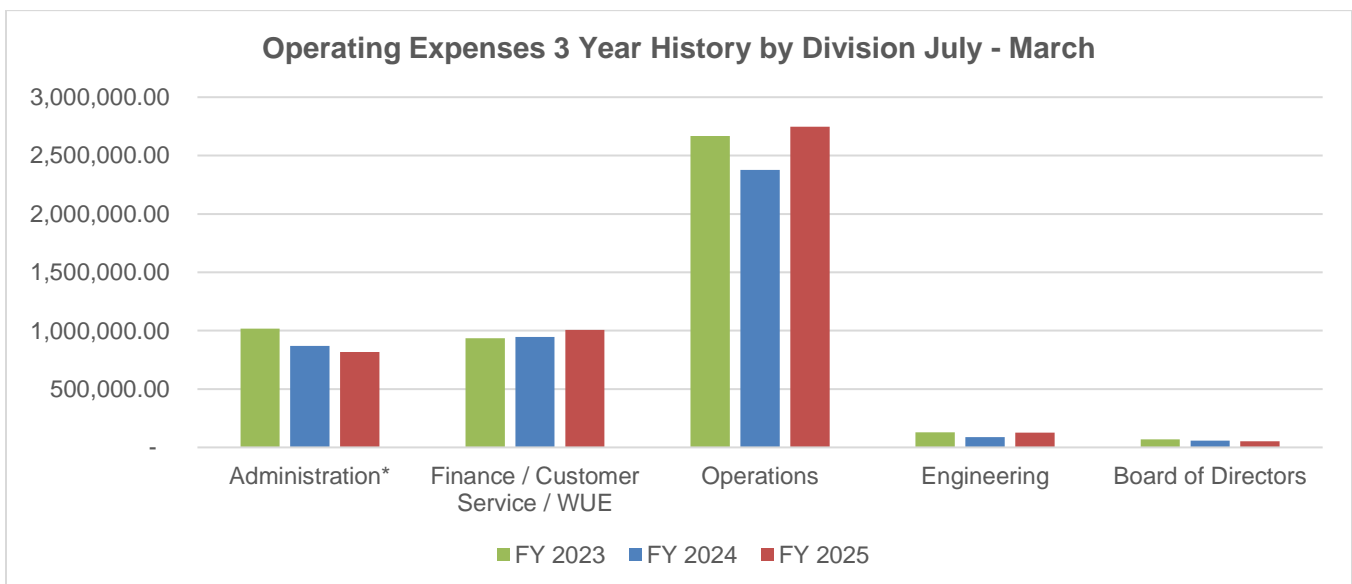


Expenses

District expenses are comprised of three major categories: Operating Expenses, Project Expenses, and Debt Service. The chart below presents the FY 2025 Budget by expense category, with Operating Expenses broken down by Division*.



Operating expenses are the organization's largest expense category. District operating expenses reflect the cost of providing uninterrupted high-quality water service across the service area. Operating expenses in Q3 of FY 2025, which accounts for activity from July through March of 2025, are tracking in-line with the budget. Total operating expenses in FY 2025 are higher than the FY 2024 total for the same period by 9.5%. The chart below compares Operating Expenditures by Division for each of the past three fiscal years. The Administration Division tracks lower in FY 2025 due to the timing of the annual contribution to Santa Margarita Groundwater Agency.

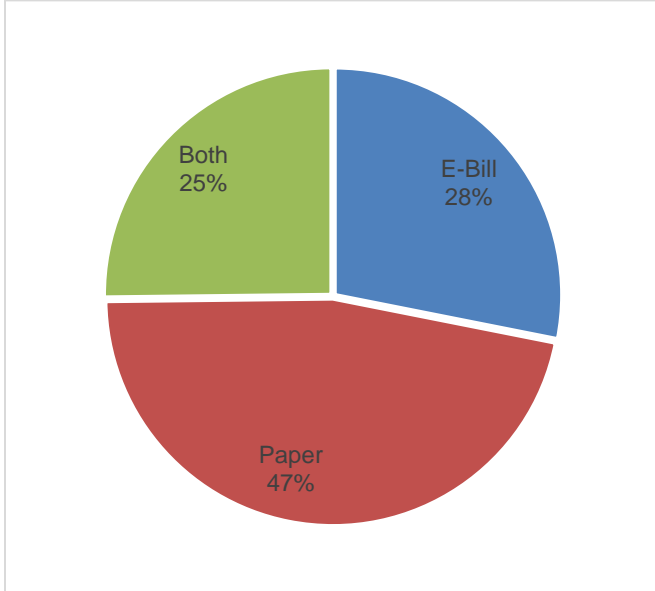


Customer Accounts

The charts below provide additional information on how customers interact with the District.

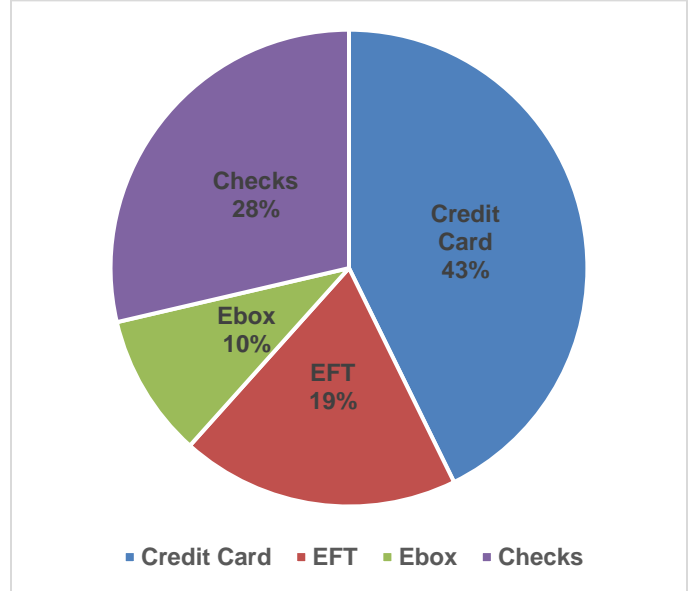
Total Accounts: 4,582

How do customers RECEIVE their bill?



| | Q2 (FY 25) | Q3 (FY 25) | change |
|--------|------------------|------------------|--------|
| E-Bill | 38.6% | 28.1% | -10.4% |
| Paper | 71.7% | 46.7% | -25.0% |
| Both | 35.6% | 25.2% | -10.4% |

How do customers PAY their bill?



| | FY 25 Q2 | FY 25 Q3 | change |
|-------------|-------------|-------------|--------|
| Credit Card | 53% | 43% | (10% |
| EFT | 7% | 19% | 12% |
| Ebox | 8% | 10% | 2% |
| Checks | 32% | 29% | (3%) |

Delinquent Accounts

| Billing | Reminder | | |
|-----------|------------------|----------|--------|
| | Date | Accounts | Emails |
| July | 1-Aug | 719 | 569 |
| August | 4-Sep | 531 | 438 |
| September | 4-Oct | 465 | 417 |
| October | 5-Nov | 1568 | 1390 |
| November | 4-Dec | 1698 | 1505 |
| December | 6-Jan | 648 | 580 |
| January | No Reminder Sent | | |
| February | 3/5/2025 | 563 | 477 |
| March | 4/7/2025 | 385 | 336 |

| Late Payment Penalty | | |
|---|----------|------------------|
| Date | Accounts | Past Due Balance |
| 8/6/2024 | 316 | \$78,444.44 |
| 9/6/2024 | 335 | \$90,340.64 |
| 10/8/2024 | 253 | \$76,047.03 |
| Penalty not applied (new payment processo | | |
| Penalty not applied (new payment processo | | |
| 1/8/2025 | 463 | \$130,069.07 |
| 2/6/2025 | 476 | 94313.8 |
| 3/6/2025 | 381 | 92369.67 |
| 4/8/2025 | 291 | 57185.65 |

Rebates

| Rebates Processed | # of Rebates | Total Amount |
|---|--------------|-------------------|
| FY 2025 (July 2024 – March 2025) | | |
| FY 2024 (July 2023 – March 2024) | | |
| Lawn Removal | 12/14 | \$40,791/\$28,132 |
| Low Volume Irrigation | 2/3 | \$3,832/\$188 |
| Toilet Replacement | 19/10 | \$1,150/\$900 |
| Pressure Regulators | 25/21 | \$2,500/\$2,010 |
| Pool Covers | 3/7 | \$2,650/\$3,200 |
| Smart Controllers | 9/1 | \$857/\$100 |

| Rebates / Give-Away Summary | | | | | | |
|--------------------------------|------------------|-----------|---------------------------|-----------------|------------------------------|---|
| Rebate/Give Away | Rebate Offerings | Accounts | Units/ Gals/ Sq. ft | Cost | Water Savings gal/year | Gallons Saved per \$ |
| High-Efficiency Toilet | \$50-\$150 | 10 | 14 | \$900 | 7,665 | 8.52 |
| Lawn Removal | \$2.00 / sq.ft. | 14 | 14,066 | \$28,132 | 250,364 | 8.90 |
| Smart Irrigation Controller | \$100 | 1 | 1 | \$100 | 7,500 | 75.00 |
| Pool Cover | Up to \$1,000 | 7 | 7 | \$3,200 | 52,500 | 16.41 |
| Shower Head | Free | | 9 | 0 | .7 gpm | Average gallons saved per \$ spent |
| Faucet Aerator | Free | | 9 | 0 | 1.45 gpm | |
| Hose Timers | Free | | 1 | 0 | Prevents | |
| Shut Off Nozzle | Free | | 23 | 0 | waste | |
| Totals | | 25 | | \$29,132 | 265,529 | |

Budget Status - Balance



Period: 07/01/24 - 03/31/2025

FY Remain: 25%

| | FY 2024 YTD Actual 07/01/23 - 03/31/24 | FY 2025 YTD Actual 07/01/24 - 3/31/2025 | FY 2025 vs. FY 2024 | YOY % change | FY 2025 Budget | FY 2025 Remaining Balance | % |
|--|---|--|------------------------|-----------------|-----------------------|---------------------------------|------------|
| Period: 9 months | | | | | | | |
| Potable Water - Fund 01 | | | | | | | |
| Water Sales & Services (R10, R20) | \$ 5,244,849 | \$ 5,750,645 | \$ 505,796 | 10% | \$ 7,647,200 | \$ 1,896,555 | 25% |
| New Connections (R25) | \$ 210,785 | \$ 113,895 | \$ (96,890) | -46% | \$ 178,900 | \$ 65,005 | 36% |
| Other Revenue (R30, R40) | \$ 1,364,789 | \$ 2,277,921 | \$ 913,133 | 67% | \$ 6,018,206 | \$ 3,740,285 | 62% |
| Potable Water Total | \$ 6,820,422 | \$ 8,142,461 | \$ 1,322,039 | 19% | \$ 13,844,306 | \$ 5,701,845 | 41% |
| Recycled Water - Fund 02 | | | | | | | |
| Water Sales & Services (R10, R20) | \$ 400,772 | \$ 506,440 | \$ 105,668 | 26% | \$ 593,800 | \$ 87,360 | 15% |
| New Connections (R25) | \$ - | \$ - | \$ - | - | \$ - | \$ - | #DIV/0! |
| Other Revenue (R30, R40) | \$ 1,798 | \$ 1,050 | \$ (748) | -42% | \$ 16,600 | \$ 15,550 | 94% |
| Recycled Water Total | \$ 402,570 | \$ 507,490 | \$ 104,920 | 26% | \$ 610,400 | \$ 102,910 | 17% |
| TOTAL REVENUE | \$ 7,222,992 | \$ 8,649,952 | \$ 1,426,959 | 20% | \$ 14,454,706 | \$ 5,804,755 | 40% |
| Expenses - Fund 01 and Fund 02 Combined | | | | | | | |
| Salaries & Benefits (E01) | \$ 2,265,923 | \$ 2,325,420 | \$ 59,496 | 3% | \$ 3,413,259 | \$ 1,087,839 | 32% |
| Services & Supplies (E03-E80) | \$ 2,180,112 | \$ 2,426,028 | \$ 245,916 | 11% | \$ 3,584,909 | \$ 1,158,881 | 32% |
| Project Expenses | \$ 1,193,691 | \$ 2,745,152 | \$ 1,551,461 | 130% | \$ 6,214,592 | \$ 3,469,440 | 56% |
| Debt Service - Principal | \$ 976,991 | \$ 931,320 | \$ (45,671) | -5% | \$ 931,320 | \$ - | 0% |
| TOTAL EXPENSES * | \$ 6,616,717 | \$ 8,427,920 | \$ 1,811,203 | 27% | \$ 14,144,080 | \$ 5,716,160 | 40% |
| NET REVENUE | \$ 606,275 | \$ 222,032 | \$ (384,244) | | \$ 310,626 | \$ 88,595 | |
| Period: 07/01/23 - 02/29/24 (8 months) | | | | | | | |
| Total Revenue | \$ 7,222,992 | \$ 8,649,952 | \$ 1,426,959 | 20% | \$ 14,454,706 | \$ 5,804,755 | 40% |
| Total Expenses * | \$ 6,616,717 | \$ 8,427,920 | \$ 1,811,203 | 27% | \$ 14,144,080 | \$ 5,716,160 | 40% |
| Net Revenue | \$ 606,275 | \$ 222,032 | \$ (384,244) | | \$ 310,626 | | |
| Period: 07/01/23 - 02/29/24 (8 months) | | | | | | | |
| Total Revenue | \$ 6,956,455 | \$ 6,571,975 | \$ (384,480) | -6% | \$ 13,351,718 | \$ 6,779,743 | 51% |
| Total Expenses * | \$ 6,364,329 | \$ 6,156,591 | \$ (207,738) | -3% | \$ 14,702,896 | \$ 8,546,305 | 58% |
| Net Revenue | \$ 592,126 | \$ 415,384 | \$ (176,742) | | \$ (1,351,178) | | |

* Expense totals do not include depreciation expense

Budget Status - Revenue



Period: 07/01/24 - 03/31/2025

FY Remain: 25%

| Fund 01 | Potable Water | FY 2024 YTD Actual | FY 2025 YTD Actual | FY 2025 vs. FY 2024 | YOY % change | FY 2025 Budget | FY 2025 Remaining Balance | % |
|--------------|-------------------------------------|-----------------------|-----------------------|------------------------|-----------------|----------------------|---------------------------------|------------|
| R10 | Operating Revenue - Water Sales | | | | | | | |
| 01-000-41101 | Residential Consumption - SF | \$ 1,907,424 | \$ 2,068,567 | \$ 161,143 | 8% | \$ 2,770,200 | \$ 701,633 | 25% |
| 01-000-41102 | Residential Consumption - MF | \$ 164,887 | \$ 166,372 | \$ 1,484 | 1% | \$ 238,600 | \$ 72,228 | 30% |
| 01-000-41103 | CII Consumption | \$ 722,807 | \$ 893,591 | \$ 170,784 | 24% | \$ 1,126,900 | \$ 233,309 | 21% |
| 01-000-41105 | Irrigation Consumption | \$ 296,004 | \$ 406,260 | \$ 110,256 | 37% | \$ 516,200 | \$ 109,940 | 21% |
| 01-000-41106 | CII Consumption - Other | \$ 68,337 | \$ 87,438 | \$ 19,101 | 28% | \$ - | \$ (87,438) | |
| 01-000-41200 | Other - Bulk Water | \$ 64,039 | \$ 22,692 | \$ (41,347) | -65% | \$ 82,500 | \$ 59,808 | 72% |
| | R10 Sub Totals: | \$ 3,223,499 | \$ 3,644,920 | \$ 421,422 | 13% | \$ 4,734,400 | \$ 1,089,480 | 23% |
| R20 | Operating Revenue - Water Services | | | | | | | |
| 01-000-41300 | Other - Late Penalty | \$ 23,950 | \$ 24,430 | \$ 480 | 2% | \$ 18,100 | \$ (6,330) | -35% |
| 01-000-42100 | Standby Basic Meter Charge | \$ 1,933,947 | \$ 2,013,964 | \$ 80,016 | 4% | \$ 2,812,800 | \$ 798,836 | 28% |
| 01-000-42121 | Standby FP Basic Meter Charge | \$ 58,028 | \$ 60,833 | \$ 2,805 | 5% | \$ 75,000 | \$ 14,167 | 19% |
| 01-000-43300 | Other Operating Revenue | \$ 5,425 | \$ 6,498 | \$ 1,073 | 20% | \$ 6,900 | \$ 402 | 6% |
| | R20 Sub Totals: | \$ 2,021,350 | \$ 2,105,725 | \$ 84,374 | 4% | \$ 2,912,800 | \$ 807,075 | 28% |
| R25 | Operating Revenue - New Connections | | | | | | | |
| 01-000-42101 | Other Meter Fee | \$ 3,497 | \$ 1,412 | \$ (2,085) | -60% | \$ 7,600 | \$ 6,188 | 81% |
| 01-000-42102 | Other Capacity Fee | \$ 204,578 | \$ 108,999 | \$ (95,579) | -47% | \$ 144,700 | \$ 35,701 | 25% |
| 01-000-42120 | Other FP Meter Fee | \$ 901 | \$ 315 | \$ (586) | -65% | \$ 19,600 | \$ 19,285 | 98% |
| 01-000-43100 | Other Will Serve | \$ 1,000 | \$ 500 | \$ (500) | -50% | \$ 1,000 | \$ 500 | 50% |
| 01-000-43200 | Other Dev Proj Review | \$ 809 | \$ 2,669 | \$ 1,860 | 230% | \$ 6,000 | \$ 3,331 | 56% |
| | R25 Sub Totals: | \$ 210,785 | \$ 113,895 | \$ (96,890) | -46% | \$ 178,900 | \$ 65,005 | 36% |
| R30 | Non-Operating Revenue - Other | | | | | | | |
| 01-000-46000 | Property Taxes | \$ 807,320 | \$ 828,478 | \$ 21,157 | 3% | \$ 1,637,267 | \$ 808,789 | 49% |
| 01-000-47110 | Interest & Dividend | \$ 32,601 | \$ 78,418 | \$ 45,817 | 141% | \$ 5,810 | \$ (72,608) | -1250% |
| 01-000-47115 | Interest & Dividend - Restrict | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| 01-000-47120 | Interest - LAIF | \$ 185,344 | \$ 224,321 | \$ 38,977 | 21% | \$ 241,100 | \$ 16,779 | 7% |
| 01-000-47520 | Misc. Non-Operating Revenue | \$ 1,821 | \$ 7,032 | \$ 5,211 | 286% | \$ 20,200 | \$ 13,168 | 65% |
| 01-000-47530 | Unrealized Gain/Loss on Invest | \$ 56,708 | \$ 28,996 | \$ (27,712) | -49% | \$ - | \$ (28,996) | |
| 01-000-47540 | Third-Party Reimbursements | \$ 498 | \$ - | \$ (498) | -100% | \$ - | \$ - | |
| 01-000-47560 | Rental Revenue | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| | R30 Sub Totals: | \$ 1,084,293 | \$ 1,167,245 | \$ 111,163 | 8% | \$ 1,904,376 | \$ 766,127 | 40% |
| 01-000-45230 | State Grant - DWR 2021 | \$ 280,496 | \$ 60,587 | \$ (219,909) | 22% | \$ 3,363,830 | \$ 3,303,243 | 98% |
| 01-000-45231 | State Grant - DWR 2022 | \$ - | \$ 1,050,089 | \$ 1,050,089 | | \$ 750,000 | \$ (300,089) | -40% |
| | R40 Sub Totals: | \$ 280,496 | \$ 1,110,676 | \$ 830,180 | 296% | \$ 4,113,830 | \$ 3,003,154 | 73% |
| | Fund 01 Revenue: | \$ 6,820,422 | \$ 8,142,461 | \$ 1,350,249 | 19% | \$ 13,844,306 | \$ 5,730,841 | 41% |
| | Fund 01 Rev Excl Grants & Cap | \$ 6,539,926 | \$ 7,031,785 | \$ 520,069 | 8% | \$ 9,730,476 | \$ 2,727,687 | 28% |

Budget Status - Revenue



Period: 07/01/24 - 03/31/2025

FY Remain: 25%

| | | FY 2024 YTD Actual | FY 2025 YTD Actual | FY 2025 vs. FY 2024 | YOY % change | FY 2025 Budget | FY 2025 Remaining Balance | % |
|---|---|-----------------------|-----------------------|------------------------|-----------------|-------------------|---------------------------------|------|
| Fund 02 | Recycled Water | | | | | | | |
| R10 | Operating Revenue - Water Sales | | | | | | | |
| 02-000-41105 | Irrigation Consumption | \$ 326,423 | \$ 428,239 | \$ 101,817 | 31% | \$ 491,500 | \$ 63,261 | 13% |
| 02-000-41200 | Other - Bulk Water | \$ 1,625 | \$ 1,439 | \$ (186) | -11% | \$ - | \$ (1,439) | |
| | R10 Sub Totals: | \$ 328,048 | \$ 429,678 | \$ 101,630 | 31% | \$ 491,500 | \$ 61,822 | 13% |
| 02-000-41300 | Other - Late Penalty | | \$ - | \$ - | | \$ - | \$ - | |
| 02-000-42100 | Standby Basic Meter Charge | \$ 72,474 | \$ 76,637 | \$ 4,163 | 6% | \$ 102,300 | \$ 25,663 | 25% |
| 02-000-43300 | Other Operating Revenue | \$ 250 | \$ 125 | \$ (125) | -50% | \$ - | \$ (125) | |
| | R20 Sub Totals: | \$ 72,724 | \$ 76,762 | \$ 4,038 | 6% | \$ 102,300 | \$ 25,538 | 25% |
| R25 | Operating Revenue - New Connections | | | | | | | |
| 02-000-42101 | Other Meter Fee | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| 02-000-42102 | Other Capacity Fee | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| 02-000-42130 | GW Rep-Impact Fees | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| | R25 Sub Totals: | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| R30 | Non-Operating Revenue - Other | | | | | | | |
| 02-000-47110 | Interest & Dividend | \$ 1,798 | \$ 1,050 | \$ (748) | -42% | \$ 6,600 | \$ 5,550 | 84% |
| 02-000-47115 | Interest & Dividend - Restrict | | | \$ - | | \$ - | \$ - | |
| 02-000-47520 | Other Non-Operating Revenue | | | \$ - | | \$ - | \$ - | |
| 02-000-47550 | Gain/(Loss) on Sale of FA | | | \$ - | | \$ - | \$ - | |
| 02-000-47560 | Notes Receivable Payments | \$ - | \$ - | \$ - | | \$ 10,000 | \$ 10,000 | 100% |
| | R30 Sub Totals: | \$ 1,798 | \$ 1,050 | \$ (748) | -42% | \$ 16,600 | \$ 15,550 | 94% |
| R40 | Non-Operating Revenue - Grants | | | | | | | |
| 02-000-45220 | State Grant - Prop 84 | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| | R40 Sub Totals: | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| R50 | Non-Operating Revenue - Capital Contributions | | | | | | | |
| 02-000-45400 | Capital contributions | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| | Fund 02 Revenue: | \$ 402,570 | \$ 507,490 | \$ 104,920 | 26% | \$ 610,400 | \$ 102,910 | 17% |
| | Fund 02 Rev Excl Grants & Cap | \$ 402,570 | \$ 507,490 | \$ 104,920 | 26% | \$ 610,400 | \$ 102,910 | 17% |
| Revenue Totals: | | \$ 7,222,992 | \$ 8,649,952 | \$ 1,455,170 | 20% | \$ 14,454,706 | \$ 5,833,751 | 40% |
| Revenue Total Excl Grants & Cap Contributions | | \$ 6,942,496 | \$ 7,539,275 | \$ 624,989 | 9% | \$ 10,340,876 | \$ 2,830,597 | 27% |

Budget Status - Expense



Period: 07/01/24 - 03/31/2025

FY Remain: 25%

| | | FY 2024 YTD Actual | FY 2025 YTD Actual | FY 2025 vs. FY 2024 | YOY % change | FY 2025 Budget | FY 2025 Remaining Balance | % |
|-------------------------------------|---------------------------------|-----------------------|-----------------------|------------------------|-----------------|---------------------|---------------------------------|------------|
| Fund 01 and Fund 02 Combined | | | | | | | | |
| Dept | Administration | | | | | | | |
| E01 | Salaries & Benefits | \$ 381,391 | \$ 388,729 | \$ 7,339 | 2% | \$ 839,870 | \$ 451,141 | 54% |
| E03 | General & Admin - Services | \$ 240,714 | \$ 249,199 | \$ 8,485 | 4% | \$ 426,144 | \$ 176,945 | 42% |
| E05 | General & Admin - Supplies | \$ 7,295 | \$ 13,065 | \$ 5,771 | 79% | \$ 17,320 | \$ 4,255 | 25% |
| E10 | Source of Supply | \$ 240,656 | \$ 166,905 | \$ (73,751) | -31% | \$ 299,629 | \$ 132,724 | 44% |
| E70 | Other | \$ - | \$ - | \$ - | | \$ 5,000 | \$ 5,000 | 100% |
| | Dept 100 Sub Totals: | \$ 870,056 | \$ 817,899 | \$ (52,157) | -6% | \$ 1,587,963 | \$ 770,064 | 48% |
| Dept | Finance/Customer Service | | | | | | | |
| E01 | Salaries & Benefits | \$ 454,132 | \$ 478,896 | \$ 24,764 | 5% | \$ 621,002 | \$ 142,106 | 23% |
| E03 | General & Admin - Services | \$ 148,561 | \$ 226,884 | \$ 78,324 | 53% | \$ 170,200 | \$ (56,684) | -33% |
| E05 | General & Admin - Supplies | \$ - | \$ 2,000 | \$ 2,000 | | \$ 4,000 | \$ 2,000 | 50% |
| E35 | Customer Accounts | \$ 233,357 | \$ 213,117 | \$ (20,240) | -9% | \$ 308,446 | \$ 95,329 | 31% |
| E70 | Other | \$ 21,261 | \$ 8,096 | \$ (13,165) | -62% | \$ 1,000 | \$ (7,096) | -710% |
| E80 | Debt Service - Interest | \$ 87,638 | \$ 78,121 | \$ (9,517) | -11% | \$ 184,603 | \$ 106,482 | 58% |
| | Dept 200 Sub Totals: | \$ 944,949 | \$ 1,007,114 | \$ 62,165 | 7% | \$ 1,289,251 | \$ 282,137 | 22% |
| Dept | Operations | | | | | | | |
| E01 | Salaries & Benefits | \$ 1,300,506 | \$ 1,309,229 | \$ 8,723 | 1% | \$ 1,739,934 | \$ 430,705 | 25% |
| E03 | General & Admin - Services | \$ 173,811 | \$ 181,598 | \$ 7,786 | 4% | \$ 285,367 | \$ 103,769 | 36% |
| E05 | General & Admin - Supplies | \$ 47,451 | \$ 31,859 | \$ (15,592) | -33% | \$ 40,000 | \$ 8,141 | 20% |
| E07 | General Production | \$ 80,080 | \$ 81,020 | \$ 940 | 1% | \$ 146,600 | \$ 65,580 | 45% |
| E10 | Source of Supply | \$ 44,921 | \$ 17,436 | \$ (27,486) | -61% | \$ 120,000 | \$ 102,565 | 85% |
| E15 | Pumping | \$ 347,931 | \$ 427,712 | \$ 79,781 | 23% | \$ 544,000 | \$ 116,288 | 21% |
| E20 | Water Treatment | \$ 364,465 | \$ 399,779 | \$ 35,314 | 10% | \$ 611,800 | \$ 212,021 | 35% |
| E25 | Transmission & Distribution | \$ 123,988 | \$ 299,248 | \$ 175,261 | 141% | \$ 252,800 | \$ (46,448) | -18% |
| E35 | Conservation | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| E70 | Other | \$ - | \$ - | \$ - | | \$ - | \$ - | |
| | Dept 300 Sub Totals: | \$ 2,483,152 | \$ 2,747,881 | \$ 264,728 | 11% | \$ 3,740,501 | \$ 992,620 | 27% |
| Dept | Engineering | | | | | | | |
| E01 | Salaries & Benefits | \$ 75,125 | \$ 98,509 | \$ 23,384 | 31% | \$ 129,980 | \$ 31,471 | 24% |
| E03 | General & Admin - Services | \$ 8,930 | \$ 15,527 | \$ 6,598 | 74% | \$ 117,400 | \$ 101,873 | 87% |
| E05 | General & Admin - Supplies | \$ 4,911 | \$ 11,427 | \$ 6,515 | 133% | \$ 6,400 | \$ (5,027) | -79% |
| | Dept 400 Sub Totals: | \$ 88,966 | \$ 125,463 | \$ 36,497 | 41% | \$ 253,780 | \$ 128,317 | 51% |
| Dept | Board of Directors | | | | | | | |
| E01 | Salaries & Benefits | \$ 54,769 | \$ 50,055 | \$ (4,713) | -9% | \$ 82,473 | \$ 32,418 | 39% |
| E03 | General & Admin - Services | \$ 4,144 | \$ 3,036 | \$ (1,108) | -27% | \$ 18,400 | \$ 15,364 | 84% |
| E05 | General & Admin - Supplies | \$ - | \$ - | \$ - | | \$ 800 | \$ 800 | 100% |
| | Dept 900 Sub Totals: | \$ 58,913 | \$ 53,091 | \$ (5,821) | -10% | \$ 101,673 | \$ 48,582 | 48% |

Budget Status - Expense



Period: 07/01/24 - 03/31/2025

FY Remain: 25%

| | | FY 2024 YTD Actual | FY 2025 YTD Actual | FY 2025 vs. FY 2024 | YOY % change | FY 2025 Budget | FY 2025 Remaining Balance | % |
|--------------------------------|-----------------------------|-----------------------|-----------------------|------------------------|-----------------|---------------------|---------------------------------|------------|
| Summary | | | | | | | | |
| E01 | Salaries & Benefits | \$ 2,265,923 | \$ 2,325,420 | \$ 59,496 | 3% | \$ 3,413,259 | \$ 1,087,839 | 32% |
| E03 | General & Admin - Services | \$ 576,159 | \$ 676,244 | \$ 100,085 | 17% | \$ 1,017,511 | \$ 341,267 | 34% |
| E05 | General & Admin - Supplies | \$ 59,657 | \$ 58,351 | \$ (1,305) | -2% | \$ 68,520 | \$ 10,169 | 15% |
| E07 | General Production | \$ 80,080 | \$ 81,020 | \$ 940 | 1% | \$ 146,600 | \$ 65,580 | 45% |
| E10 | Source of Supply | \$ 285,578 | \$ 184,341 | \$ (101,237) | -35% | \$ 419,629 | \$ 235,289 | 56% |
| E15 | Pumping | \$ 347,931 | \$ 427,712 | \$ 79,781 | 23% | \$ 544,000 | \$ 116,288 | 21% |
| E20 | Water Treatment | \$ 364,465 | \$ 399,779 | \$ 35,314 | 10% | \$ 611,800 | \$ 212,021 | 35% |
| E25 | Transmission & Distribution | \$ 123,988 | \$ 299,248 | \$ 175,261 | 141% | \$ 252,800 | \$ (46,448) | -18% |
| E35 | Customer Accounts | \$ 233,357 | \$ 213,117 | \$ (20,240) | -9% | \$ 308,446 | \$ 88,233 | 29% |
| E70 | Other | \$ 21,261 | \$ 8,096 | \$ (13,165) | -62% | \$ 6,000 | \$ - | 0% |
| E80 | Debt Service - Interest | \$ 87,638 | \$ 78,121 | \$ (9,517) | -11% | \$ 184,603 | \$ 106,482 | 58% |
| | Purchase Order Carryover | | | | | \$ 20,000 | | |
| District Expense Total: | | \$ 4,446,035 | \$ 4,751,448 | \$ 305,413 | 7% | \$ 6,993,168 | \$ 2,216,720 | 32% |
| Fund 01 and 02 Combined | | | | | | | | |
| E01 | Salaries & Benefits | \$ 2,265,923 | \$ 2,325,420 | \$ 59,496 | 3% | \$ 3,413,259 | \$ 1,087,839 | 32% |
| E03-E80 | Services & Supplies | \$ 2,180,112 | \$ 2,426,028 | \$ 245,916 | 11% | \$ 3,559,909 | \$ 1,133,881 | 32% |
| | Purchase Order Carryover | | | | | \$ 20,000 | | |
| District Expense Total: | | \$ 4,446,035 | \$ 4,751,448 | \$ 305,413 | 7% | \$ 6,993,168 | \$ 2,221,720 | 32% |

Projects - Expense



Period: 07/01/24 - 03/31/2025

FY Remain: 25%

| | | FY 2025 YTD Actual | FY 2025 Budget | FY 2025 Remaining Balance | % |
|-------------------------------------|---|-----------------------|---------------------|---------------------------------|------------|
| Fund 01 and Fund 02 Combined | | | | | |
| Project | Description | | | | |
| C15007 | Grace Way Well | \$ 1,168,828 | \$ 2,351,406 | \$ 1,182,578 | 50% |
| --- | <i>Grace Way Well- Grant Reimb</i> | \$ (60,587) | \$ (1,093,084) | \$ (1,032,497) | 94% |
| C16024 | Bethany Tank Rehabilitation | \$ 12,871 | \$ 170,267 | \$ 157,396 | 92% |
| M17011 | Meters with AMI | \$ 60,907 | \$ 52,550 | \$ (8,357) | -16% |
| C17011 | AMI Technology for Meters | \$ - | \$ 17,750 | \$ 17,750 | 100% |
| C19020 | El Pueblo WTP Improvements | \$ 4,597 | \$ - | \$ (4,597) | |
| C19070 | Vehicle Replacement Program | \$ - | \$ 75,000 | \$ 75,000 | 100% |
| C20010 | Main Replacement Program - PW | \$ 20,950 | \$ 659,524 | \$ 638,574 | 97% |
| C20040 | Admin Building Improvements | \$ - | \$ 20,000 | \$ 20,000 | 100% |
| C21010 | Well 10 Water Quality Improvements | \$ - | \$ 103,698 | \$ 103,698 | 100% |
| C22010 | Well 3B Replacement | \$ 728,800 | \$ 1,045,583 | \$ 316,783 | 30% |
| C22020 | Specialized Operations Equipment | \$ 157,277 | \$ 166,537 | \$ 9,260 | 6% |
| C23010 | SCWD-SVWD System Intertie | \$ 6,117 | \$ 2,891,362 | \$ 2,885,245 | 100% |
| --- | <i>SCWD-SVWD System Intertie - Grant Reimb</i> | \$ (6,117) | \$ (2,337,225) | \$ (2,331,108) | 100% |
| C24000 | SV Transit Center LID Retrofit - Phase 2 | \$ 1,496,387 | \$ 1,881,405 | \$ 385,018 | 20% |
| --- | <i>SV Transit Center LID Retrofit - Phase 2</i> | \$ (1,050,089) | \$ (750,000) | \$ 300,089 | -40% |
| C24020 | Monte Fiore Pump Station Rehab | \$ - | \$ 202,606 | \$ 202,606 | 100% |
| C24030 | System-Wide Pressure Reduction Program | \$ 729 | \$ 268,898 | \$ 268,169 | 100% |
| C24040 | Service Line Replacement - Montevalle | \$ 16,254 | \$ 50,000 | \$ 33,746 | 67% |
| C24050 | Corp Yard Improvements | \$ 12,890 | \$ 28,315 | \$ 15,425 | 54% |
| C24060 | Solar Installation | \$ - | \$ 25,000 | \$ 25,000 | 100% |
| C25000 | SCADA Improvements 2025 | \$ 97,913 | \$ 150,000 | \$ 52,087 | 35% |
| C25XXX | VFD Installation at Orchard WTP | \$ - | \$ 110,000 | \$ 110,000 | 100% |
| M25XXX | Sequoia Tank Roof Recoat | \$ 10,720 | \$ 125,000 | \$ 114,280 | 91% |
| Projects Expense Totals: | | \$ 2,678,448 | \$ 6,214,592 | \$ 3,234,777 | 52% |

Balance Sheet



Fund 01, Fund 02 and Fund 03 Combined

| | 3/31/24 | 3/31/25 |
|--|---------------------|---------------------|
| Assets | | |
| Cash | \$9,949,155 | \$9,586,074 |
| Investments | \$1,985,826 | \$1,969,000 |
| Accrued Interest | \$6 | \$72,489 |
| A/R Customer-Water | \$846,410 | \$914,202 |
| Property Tax Receivable | \$8,747 | \$0 |
| A/R - Other | (\$1,320) | \$27,515 |
| Interfund Loan Receivable | \$888,040 | \$1,093,007 |
| Inventory | \$227,243 | \$234,904 |
| Prepaid Expense | \$33,894 | \$56,322 |
| Note Receivable | \$45,834 | \$35,000 |
| JPA Investment | \$149,345 | \$149,345 |
| Land & Right-of-ways | \$1,218,697 | \$1,218,697 |
| Construction-in-progress | \$1,712,157 | \$6,718,446 |
| Water Rights / Intangible Assets | \$5,267,833 | \$5,267,833 |
| Plant & Equipment | \$45,395,340 | \$45,908,923 |
| Depreciation/Amortization | (\$27,044,711) | (\$28,278,656) |
| Deferred Pension Outflows | \$2,020,105 | \$1,366,327 |
| Unfunded OPEB Liability | \$115,583 | \$115,583 |
| | \$42,818,181 | \$46,455,011 |
| Liabilities | | |
| A/P & Accrued Expenses | \$203,852 | \$1,228,856 |
| Accrued Salaries & Wages | \$82,052 | \$0 |
| Accrued Interest Payable | \$0 | \$0 |
| Customer Deposits | \$73,278 | \$53,010 |
| Interfund Loans | \$888,040 | \$1,093,007 |
| LT Liabilities Due in 1 Yr | \$994,207 | \$1,013,357 |
| Unearned Revenue | \$74,288 | \$87,682 |
| Long-term Liabilities | \$10,089,764 | \$9,146,010 |
| Deferred Pension Inflows | \$1,712,349 | \$1,187,814 |
| | \$14,117,829 | \$13,809,735 |
| Fund Balance | | |
| Investment in Capital Assets | \$20,391,522 | \$23,190,237 |
| Unrestricted Net Position | \$5,549,981 | \$5,556,534 |
| | \$25,941,503 | \$28,746,771 |
| Total Liabilities and Fund Balance: | \$40,059,332 | \$42,556,507 |
| Total Retained Earnings: | \$2,758,849 | \$3,898,504 |
| Total Fund Balance and Retained Earnings: | \$28,700,353 | \$32,645,275 |
| Total Liabilities, Fund Balance, and Retained Earnings: | \$42,818,182 | \$46,455,011 |

Scotts Valley Water District
AP Check Register
March 2025

| Vendor Name | Check Date | Check No. | Check Amount | Description |
|---|------------|-----------|--------------|---|
| AFLAC | 3/13/2025 | 33797 | 319.98 | EE Self Funded Supplemental Benefits |
| ANDERSON PACIFIC ENGINEERING CONSTRUCTION | 3/13/2025 | 33798 | 5187.12 | Transit Center LID - Progress Payment #7 |
| ANDERSON PACIFIC ENGINEERING CONSTRUCTION | 3/13/2025 | 33798 | -259.36 | Transit Center LID - Progress Billing #7 |
| AT&T MOBILITY | 3/13/2025 | 33799 | 529.12 | SCADA 4G Modem |
| AT&T MOBILITY | 3/31/2025 | 33832 | 109.48 | Service 02/13/25-03/12/25 |
| AWWA-CA/NV SECTION | 3/13/2025 | 33800 | | 360 Backflow Tester Certification Application - Ritchie |
| BACKFLOW SOLUTIONS, INC | 3/13/2025 | 33801 | 13717.55 | BSI Online Annual Subscription Fee |
| BADGER METER | 3/13/2025 | 33802 | 4444.13 | Cell Charges for Water Meter Reads |
| BATTERIES PLUS BULBS #314 | 3/31/2025 | 33833 | 52.3 | Battery for Tank |
| BRASS KEY LOCKSMITH | 3/13/2025 | 33803 | 19.71 | Truck 21 - Keys |
| CITY OF SCOTTS VALLEY | 3/13/2025 | 33804 | 510 | Bacti Samples - Feb 2025 |
| CIVIL CONSULTANTS GROUP, INC | 3/13/2025 | 33805 | 1050 | Watermain Improvements - La Cuesta Dr |
| CIVIL CONSULTANTS GROUP, INC | 3/13/2025 | 33805 | 5240 | Grace Way Well - Planning / Design |
| CIVIL CONSULTANTS GROUP, INC | 3/13/2025 | 33805 | 480 | General Engineering - Jan 2025 |
| CIVIL CONSULTANTS GROUP, INC | 3/13/2025 | 33805 | 480 | General Engineering - Feb 2025 |
| COMMUNITY PRINTERS, INC. | 3/13/2025 | 33806 | 251.82 | Grace Way Well - Project Signage |
| CONTRACTOR COMPLIANCE & MONITORING | 3/13/2025 | 33807 | 625 | Transit Center LID - Labor Compliance Monitoring |
| CONTRACTOR COMPLIANCE & MONITORING | 3/13/2025 | 33807 | 468.75 | Grace Way Well - Labor Compliance Monitoring |
| COUNTY OF SANTA CRUZ - DPW | 3/13/2025 | 33808 | 1303.43 | Landfill Fees |
| CRIVELLO JOHN | 3/13/2025 | 33809 | 200 | Bulk RW Meter Deposit Refund |
| DASSELS PETROLEUM | 3/13/2025 | 33810 | 1824.5 | Vehicle Fuel - Feb 2025 |
| DIXON & SON TIRE | 3/13/2025 | 33811 | 901.15 | Truck #29 - Tire Repair |
| EXCEEDIO | 3/31/2025 | 33834 | 1400.55 | Service Period 4/1/25-4/30/25 |
| FASTENAL COMPANY | 3/13/2025 | 33812 | 265.66 | Rain Pants |
| GRAINGER | 3/13/2025 | 33813 | 625.75 | Fittings |
| GRAINGER | 3/31/2025 | 33835 | 210.49 | WRAP-A-Round Tape Blade |
| GRAINGER | 3/31/2025 | 33835 | 363.56 | Supplies: cleaning towels |
| GRAINGER | 3/31/2025 | 33835 | 179.77 | Supplies Cleaning Towels |
| GRAINGER | 3/31/2025 | 33835 | 104.64 | Danger No Smoking Sign |
| GREENWASTE RECOVERY, LLC | 3/13/2025 | 33814 | 433.2 | Trash Service - El Pueblo |
| GRISWOLD INDUSTRIES | 3/13/2025 | 33815 | 585 | Relief Valve |
| HOSE SHOP | 3/31/2025 | 33836 | 864.16 | Supplies |
| IDEXX LABORATORIES, INC | 3/31/2025 | 33837 | 298.42 | Supplies (Vessels 200pk) |
| INFOSEND | 3/13/2025 | 33816 | 2189.43 | Utility Bill Printing / Mailing - Feb 2025 |
| KBA DOCUMENT SOLUTIONS, LLC | 3/13/2025 | 33817 | 282.26 | Copier Maint / Printing Fees |
| LADDS AUTOBODY & TOWING | 3/31/2025 | 33838 | 250 | Towing service vehicle #14 Dodge Journey |
| LAS ANIMAS CONCRETE | 3/31/2025 | 33839 | 857.38 | Supplies (Sand) |
| MILLER MAXFIELD, INC | 3/13/2025 | 33818 | 7728.25 | Communications / Public Outreach - Feb 2025 |
| MISSION UNIFORM SERVICE | 3/13/2025 | 33819 | 677.33 | Uniform Rental / Laundering |
| MISTRY SHAUNAK | 3/13/2025 | 33820 | 4472 | Customer Rebates - Lawn Replacement |
| MPRESS DIGITAL | 3/31/2025 | 33840 | 1601.92 | |
| NORTH BAY FORD | 3/13/2025 | 33821 | 325 | Truck 13 - Repair / Diagnose |
| NORTH BAY FORD | 3/13/2025 | 33821 | 962.87 | Truck 12 - Check Engine Light |
| O'REILLY AUTOMOTIVE, INC | 3/13/2025 | 33822 | 13.16 | Pick Up Tool |
| O'REILLY AUTOMOTIVE, INC | 3/13/2025 | 33822 | 52.66 | Organizers for Truck |
| O'REILLY AUTOMOTIVE, INC | 3/13/2025 | 33822 | 19.74 | Meter Truck - Cleaning Wipes |
| OLIVE SPRINGS QUARRY | 3/31/2025 | 33841 | 467.76 | Supplies |
| PACE SUPPLY CORP | 3/13/2025 | 33823 | 1563.8 | Meter |
| PACE SUPPLY CORP | 3/31/2025 | 33842 | 503.75 | Supplies |
| PLATT ELECTRIC SUPPLY | 3/31/2025 | 33843 | 5728.37 | |
| REIN & REIN | 3/13/2025 | 33824 | 3500 | Legal Counsel - Feb 2025 |
| ROSCOE MOSS COMPANY | 3/13/2025 | 33825 | 94554.64 | Sucinto Well Column |
| SAFETY-KLEEN SYSTEMS | 3/31/2025 | 33844 | 2522.64 | Asbestos Disposal |
| SANTA CRUZ SIGNS | 3/31/2025 | 33845 | 419.5 | Truck Decals |
| SCHAAF & WHEELER | 3/13/2025 | 33826 | 729.3 | Meadow Way PRV Station Design |
| SCHAAF & WHEELER | 3/13/2025 | 33826 | 9415 | Granite Creek Pipeline |
| SCOTTS VALLEY SPRINKLER | 3/13/2025 | 33827 | 12.06 | Abrasive Cloths |
| SHERATON HOTELS | 3/31/2025 | 33846 | 9956.2 | Grace Way Well - Lodging for Neighbors |
| STATEWIDE TRAFFIC SAFETY | 3/31/2025 | 33847 | 7700 | Traffic Safety: 2 men flagging 3/04; 3/07; 3/10; 3/11 |
| U.S. BANK EQUIPMENT FINANCE | 3/13/2025 | 33828 | 744.28 | Copier Lease |
| UNITED RENTALS, INC | 3/13/2025 | 33829 | 1887.86 | Sucinto Well - Forklift Rental |
| UNITED SITE SERVICES | 3/13/2025 | 33830 | 505.11 | Portable Toilet Rental - Sucinto Well |
| UNITED SITE SERVICES | 3/13/2025 | 33830 | 360.24 | Portable Toilet Rental - Well 10 |
| UNITED SITE SERVICES | 3/31/2025 | 33848 | 314.88 | Portable Toilet Rental - ORWTP |

AP Check Register cont.
 March 2025

| Vendor Name | Check Date | Check No. | Check Amount | Sucinto Well - Forklift Rental |
|--------------------------------|------------|-----------|-------------------|-------------------------------------|
| UNIVERSAL BUILDING SERVICES | 3/13/2025 | 33831 | 496 | Janitorial Service - El Pueblo |
| UNIVERSAL BUILDING SERVICES | 3/13/2025 | 33831 | 610 | Janitorial Service - 2 Civic Center |
| WESTERN TRUCK FABRICATION, INC | 3/31/2025 | 33849 | 60564.12 | Valve Maintenance Truck |
| ZIM INDUSTRIES, INC | 3/31/2025 | 33850 | 86131.21 | Sucinto Well - Progress Payment |
| | | | 351,264.60 | |

Wire / ACH Payments

March 2025

| Vendor Name | Trans Date | Check No. | Trans Amount | Description |
|--------------------------------------|------------|-----------|--------------|--|
| ACWA/JPIA | 3/11/2025 | ACH | 34,463.07 | EE & Retiree Benefits - March 2025 |
| ACWA/JPIA | 3/11/2025 | ACH | 33,513.74 | EE & Retiree Benefits - April 2025 |
| AUTOMATIONDIRECT.COM, INC | 3/27/2025 | ACH | 275.47 | Supplies |
| BARTLEY PUMP PM LLC | 3/11/2025 | ACH | 24,141.20 | Sucinto Well - Pump Install Progress Billing |
| BRENNTAG PACIFIC, INC | 3/11/2025 | ACH | 966.15 | Water Treatment Chemicals |
| BRENNTAG PACIFIC, INC | 3/27/2025 | ACH | 3,612.60 | Supplies |
| EUROFINS EATON ANALYTICAL | 3/11/2025 | ACH | 15.00 | Lab Testing for Water Quality |
| EUROFINS EATON ANALYTICAL | 3/11/2025 | ACH | 1,600.00 | Lab Testing for Water Quality |
| EUROFINS EATON ANALYTICAL | 3/27/2025 | ACH | 61.20 | Compliance - Annual Well Monitoring |
| EUROFINS EATON ANALYTICAL | 3/27/2025 | ACH | 20.00 | Compliance-Annual Well Monitoring |
| ICONIX WATERWORKS (US), INC | 3/11/2025 | ACH | 276.57 | Pipe |
| ICONIX WATERWORKS (US), INC | 3/11/2025 | ACH | (218.09) | Return - Sucinto Well Gaskets |
| ICONIX WATERWORKS (US), INC | 3/11/2025 | ACH | 160.67 | Sucinto Well - Gaskets |
| ICONIX WATERWORKS (US), INC | 3/11/2025 | ACH | 385.02 | Adapters |
| ICONIX WATERWORKS (US), INC | 3/11/2025 | ACH | 40.11 | Hose Adapters |
| ICONIX WATERWORKS (US), INC | 3/11/2025 | ACH | 391.63 | Well 10 - Valves |
| ICONIX WATERWORKS (US), INC | 3/11/2025 | ACH | 207.76 | Municipex |
| ICONIX WATERWORKS (US), INC | 3/11/2025 | ACH | 1,767.98 | Fittings |
| ICONIX WATERWORKS (US), INC | 3/11/2025 | ACH | 7,314.21 | Hydrant |
| ICONIX WATERWORKS (US), INC | 3/11/2025 | ACH | 269.32 | Flanges |
| ICONIX WATERWORKS (US), INC | 3/27/2025 | ACH | 269.32 | Supplies |
| ICONIX WATERWORKS (US), INC | 3/27/2025 | ACH | 185.52 | Supplies |
| ICONIX WATERWORKS (US), INC | 3/27/2025 | ACH | 7,254.81 | Clow 860 Hydrant |
| ICONIX WATERWORKS (US), INC | 3/27/2025 | ACH | (7,314.20) | Credit Memo: Clow 860 Hydrant |
| ICONIX WATERWORKS (US), INC | 3/27/2025 | ACH | 573.77 | Supplies |
| ICONIX WATERWORKS (US), INC | 3/27/2025 | ACH | 185.81 | 4 Ford FS1 Repair Clamp |
| MONTEREY BAY ANALYTICAL SERVICES | 3/11/2025 | ACH | 187.00 | Lab Testing for Water Quality |
| MONTEREY BAY ANALYTICAL SERVICES | 3/11/2025 | ACH | 60.00 | Lab Testing for Water Quality |
| MONTEREY BAY ANALYTICAL SERVICES | 3/27/2025 | ACH | 310.00 | Lab Testing for Water Quality |
| MONTEREY BAY ANALYTICAL SERVICES | 3/27/2025 | ACH | 282.00 | Lab Testing for Water Quality |
| MONTGOMERY & ASSOCIATES, INC | 3/27/2025 | ACH | 41,592.24 | |
| RED WING BUSINESS ADVANTAGE ACCOUNT | 3/11/2025 | ACH | 291.67 | Work Boots - Urman |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 15.08 | Grease - Truck Supplies |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 45.73 | Lumber |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 235.14 | Truck 12 - Tools |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 161.11 | Truck 21 - Restock |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 39.56 | SCADA Upgrades - Southwood Tank Solar |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 69.04 | Grace Way Well - Concrete |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 140.32 | Mount Roberta Tank Vent |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 100.49 | Truck 12 - Supplies |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 74.61 | Shovels - Truck 12 |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 7.86 | Screws for ORWTP |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 96.96 | Sprayer; Saw Blades |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 19.73 | Drilling Oil |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 259.16 | Sucinto Well - Lumber |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 72.45 | Well 10 - LOTO Mounting |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 182.69 | Conex Storage Upgrade |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 1.27 | Lock Washers |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | (87.80) | Exchange Hammer Drill |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 107.91 | Meter Lid Tools |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 375.67 | Saw Blades / Drill Bits |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 50.86 | Truck #31 - Stock |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 17.55 | MAP Gas |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 9.87 | PlasticWeld |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 53.81 | Treatment Plant Stickers |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 15.79 | Screen |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/11/2025 | ACH | 4.97 | Lumber |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 68.06 | Quickrete concrete |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 44.95 | Saw Hole/Hole Saw Pilots |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 46.33 | Mini Bark Bag/Top soil |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 73.02 | Retaining Ring Plier/Screws |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | -9.63 | Credit Memo Original #183328 10/17/24 |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 37.61 | Foam Kneepads, Protector Gear |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 13.16 | AAA Duracell |

AP Check Register cont.
 March 2025

| Vendor Name | Check Date | Check No. | Check Amount | Sucinto Well - Forklift Rental |
|--------------------------------------|------------|-----------|-------------------|--|
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 15.65 | Ring Key Split |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 17.52 | Misc. Screws |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 11.83 | Supplies: connector |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 315.19 | Screws & fast setting concrete |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | -28.55 | Credit Rtn: screws |
| SCARBOROUGH LUMBER & BUILDING SUPPLY | 3/27/2025 | ACH | 177.96 | Supplies: Fast setting concrete |
| USABLUEBOOK | 3/11/2025 | ACH | 209.43 | Valve Packing |
| USABLUEBOOK | 3/27/2025 | ACH | 68.35 | Clairon Food Machinery Grease Tube |
| USABLUEBOOK | 3/27/2025 | ACH | 551.67 | Supplies: 2" Hayward Ball Valve |
| WATERSMART SOFTWARE | 3/11/2025 | ACH | 70 | Monthly Watersmart Maint - Jan 2025 |
| ADP, INC | 3/11/2025 | Autopay | 187.65 | ADP Year End Reporting / W2s |
| ADP, INC | 3/20/2025 | Autopay | 213.73 | ADP Payroll Fees - PW06 |
| ADP, INC | 3/20/2025 | Autopay | 219.16 | ADP Payroll Fees - PW08 |
| ADP, INC | 3/20/2025 | Autopay | 163.3 | ADP Payroll Fees - PW09 |
| ADP, INC | 3/20/2025 | Autopay | 208.04 | ADP Payroll Fees - PW10 |
| ADP, INC | 3/20/2025 | Autopay | 218.7 | ADP Time and Attendance - Feb 2025 |
| ADP, INC | 3/20/2025 | Autopay | 118.15 | ADP Workforce Now - Feb 2025 |
| NATIONWIDE RETIREMENT SOLUTIONS | 3/7/2025 | Autopay | 3323.1 | IRS 457 Plan - Paydate 02/07/2025 |
| NATIONWIDE RETIREMENT SOLUTIONS | 3/25/2025 | Autopay | 2673.1 | IRS 457 Plan - Paydate 02/21/2025 |
| PATHPOINT MERCHANT SERVICES | 3/3/2025 | Autopay | 4133.33 | Pathpoint CC Processing Fee - Feb 2025 |
| US BANK | 2/28/2025 | Autopay | 70.43 | US Bank Analyzed Account Fee - Feb 2025 |
| US BANK | 2/28/2025 | Autopay | 46 | US Bank Investment Safekeeping Fee - Feb 2025 |
| XPRESS BILL PAY | 3/6/2025 | Autopay | 3186.08 | Xpress Billpay Payment Processing Fee - Feb 2025 |
| CalPERS | 3/6/2025 | Autopay | 13278.97 | CalPERS Retirement - PW10 |
| CalPERS | 3/24/2025 | Autopay | 13,278.96 | CalPERS Retirement - PW12 |
| | | | 198,212.63 | |

WFB Credit Card Statement

March 2025

| Vendor Name | Trans Date | Check No. | Trans Amount | Description |
|---|------------|-----------|--------------|--|
| 831 Towing | 2/7/2025 | | \$225.00 | Truck 13 - Tow to North Bay Ford for Repair |
| 831 Towing | 2/21/2025 | | \$225.00 | Truck 13 - Return Tow from North Bay Ford |
| ACWA | 2/4/2025 | | \$949.00 | T - ACWA Spring Conference - Ekwall |
| Adobe | 2/11/2025 | | \$266.28 | Adobe - Monthly Subscription |
| Amazon | 2/4/2025 | | \$19.45 | Office Supplies - Dish Soap |
| American Water College | 2/21/2025 | | \$229.99 | Training / CE - Urman |
| American Water College | 2/28/2025 | | \$349.99 | Training / CE - Urman |
| American Water Works | 2/4/2025 | | \$501.00 | Annual Membership |
| AT&T | 2/4/2025 | | \$107.00 | Back Up Internet El Pueblo |
| AT&T | 2/4/2025 | | \$107.00 | Back Up Internet 2 Civic Ctr |
| AtYourPaceOnline.com | 2/15/2025 | | \$190.00 | Training / CE - Beatton |
| Batteries + Bulbs - Scotts Valley | 2/7/2025 | | \$539.32 | Battery for Tank |
| BC Water Jobs | 2/12/2025 | | \$99.00 | Recruiting Ad - Fin / CS Manager |
| BC Water Jobs | 2/12/2025 | | \$200.00 | Recruiting Ad - Fin / CS Manager |
| Bluebeam Inc | 2/21/2025 | | \$330.00 | Project Management Software |
| Carhartt | 2/12/2025 | | (\$318.23) | Uniform Clothing - Return |
| Chestnut Identity Apparel | 2/5/2025 | | \$375.76 | Uniform Clothing Logos |
| Chestnut Identity Apparel | 2/19/2025 | | \$1,295.44 | Uniform Clothing Logos |
| Comcast | 2/6/2025 | | \$504.52 | Internet - 2 Civic Center |
| Comcast | 2/23/2025 | | \$504.52 | Internet - El Pueblo |
| Costco | 2/4/2025 | | \$65.00 | Annual Membership |
| CSU Sacramento Office of Water Programs | 2/6/2025 | | \$206.25 | Training / CE - Albert |
| CVS - Scotts Valley | 2/25/2025 | | \$262.33 | Gift for Departing Fin / CS Manager |
| Davis Instruments | 2/15/2025 | | \$47.40 | Annual Subscription |
| DocuSign | 2/28/2025 | | \$2,700.36 | DocuSign Subscription |
| Evogov | 2/22/2025 | | \$124.00 | Website Hosting / Maint |
| Government Jobs.com | 2/27/2025 | | \$199.00 | Recruitment Ad - Fin / CS Manager |
| Hilton - Dallas, TX | 2/14/2025 | | \$903.54 | T - AWWA Conference - Gillespie |
| Hilton - Scotts Valley | 2/10/2025 | | \$1,427.94 | Grace Way Well - Lodging for Neighbors |
| Hilton - Scotts Valley | 2/14/2025 | | \$634.64 | Grace Way Well - Lodging for Neighbors |
| Hilton - Scotts Valley | 2/21/2025 | | \$1,110.62 | Grace Way Well - Lodging for Neighbors |
| Hilton - Scotts Valley | 3/1/2025 | | \$2,538.56 | Grace Way Well - Lodging for Neighbors |
| Icon Cloud Solutions | 2/13/2025 | | \$254.35 | Phones - 2 Civic Center |
| Icon Cloud Solutions | 2/13/2025 | | 84.79 | Phones - El Pueblo |
| MailChimp | 3/3/2025 | | \$132.00 | Digital Marketing |
| Planet Orange | 2/14/2025 | | \$110.00 | Pest Control - 2 Civic Center |
| Press Banner | 2/5/2025 | | \$1,129.15 | Bid Notices - Water Main Repairs @ Granite Creek; Water Main Improve |
| San Jose International Airport | 2/5/2025 | | \$72.00 | T - AWWA Conference - Gillespie |
| Sheraton Fourpoints - Scotts Valley | 2/4/2025 | | \$497.96 | Grace Way Well - Lodging for Neighbors - Refunded in Mar |
| Sheraton Fourpoints - Scotts Valley | 2/11/2025 | | \$2,098.02 | Grace Way Well - Lodging for Neighbors - Refunded in Mar |
| Sheraton Fourpoints - Scotts Valley | 2/19/2025 | | \$182.92 | Grace Way Well - Lodging for Neighbors - Refunded in Mar |
| Sheraton Fourpoints - Scotts Valley | 3/1/2025 | | \$146.38 | Grace Way Well - Lodging for Neighbors - Refunded in Mar |
| Sheraton Fourpoints - Scotts Valley | 3/1/2025 | | \$3,610.21 | Grace Way Well - Lodging for Neighbors - Refunded in Mar |
| Sheraton Fourpoints - Scotts Valley | 3/1/2025 | | \$115.05 | Grace Way Well - Lodging for Neighbors |
| The Pizza Series - Scotts Valley | 2/25/2025 | | \$324.43 | Party for Departing Finance / CS Manager |
| Times Publishing | 2/4/2025 | | \$178.50 | Monthly Advertising |
| UPS Store Scotts Valley | 2/13/2025 | | \$438.07 | OPS Shipping |
| Verizon | 3/1/2025 | | \$388.32 | Cel Phones / Tablets |
| Wells Fargo | 2/28/2025 | | \$75.00 | ** LATE CHARGE |
| Wells Fargo | 3/3/2025 | | \$356.11 | FINANCE CHARGE |
| Zoom | 2/25/2025 | | \$679.90 | Zoom Cloud Recording / Annual Subscription |

27,792.84

Scotts Valley Water District
Investment Summary
As of 03/31/2025

| Institution | Investment | CUSIP | Purchased | Maturity | Purchase \$ | Rate | | Balance as of: | | Market Value |
|---|---|-----------|------------|------------|-------------|------------|-----------|----------------------|----------------------|----------------------|
| | | | | | | 12/31/2024 | 3/31/2025 | 12/31/2024 | 3/31/2025 | 3/31/2025 |
| Unrestricted Funds: | | | | | | | | | | |
| LAIF | Local Agency Investment Fund | | various | | | 4.62% | 4.48% | \$ 6,502,388 | \$ 6,578,013 | \$ 6,499,930 |
| CLASS | California CLASS Local Govt Investment Pool | | various | | | 4.64% | 4.77% | \$ 510,141 | \$ 826,711 | \$ 826,711 |
| WCCB | Checking - General | | various | | | 0.50% | 0.50% | \$ 16,941 | \$ 48,428 | \$ 48,428 |
| WCCB | Checking - Payroll | | various | | | 0.50% | 0.50% | \$ 2,411 | \$ 5,887 | \$ 5,887 |
| WCCB | Checking - Revenue | | various | | | 0.50% | 0.50% | \$ 1,368,963 | \$ 1,737,785 | \$ 1,737,785 |
| XBP | Checking - Revenue | | various | | | 0.00% | 0.00% | \$ 243,329 | \$ 325,682 | \$ 325,682 |
| US Bank | Checking - Investments | | various | | | 0.16% | 0.16% | \$ 129,005 | \$ 137,113 | \$ 137,113 |
| US Bank | Safekeeping - BofA CD - 2 Yr | 06051V5X0 | 12/6/2023 | 12/8/2025 | \$ 244,000 | 5.05% | 5.05% | \$ 244,000 | \$ 244,000 | \$ 245,418 |
| US Bank | Safekeeping - SCE FCU CD - 2 Yr | 78413RAG2 | 12/12/2023 | 12/12/2025 | \$ 248,000 | 5.00% | 5.00% | \$ 248,000 | \$ 248,000 | \$ 249,337 |
| US Bank | Safekeeping - Discover CD - 3 Yr | 254676CH0 | 12/11/2023 | 12/11/2026 | \$ 244,000 | 4.85% | 4.85% | \$ 244,000 | \$ 244,000 | \$ 247,039 |
| US Bank | Safekeeping - Greenwood MFCU CD - 3 Yr | 39729LAK7 | 12/11/2023 | 12/11/2026 | \$ 248,000 | 4.90% | 4.90% | \$ 248,000 | \$ 248,000 | \$ 251,287 |
| US Bank | Safekeeping - Morgan Stanley - 3 Yr | 61690DSC3 | 6/5/2024 | 6/7/2027 | \$ 246,000 | 4.90% | 4.90% | \$ 246,000 | \$ 246,000 | \$ 250,138 |
| US Bank | Safekeeping - Morgan Stanley Private - 3 Yr | 61768E4S9 | 6/5/2024 | 6/7/2027 | \$ 246,000 | 4.90% | 4.90% | \$ 246,000 | \$ 246,000 | \$ 250,138 |
| US Bank | Safekeeping - State Bank of India CD - 3 Yr | 856288AM7 | 12/13/2024 | 12/13/2027 | \$ 244,000 | 4.15% | 4.15% | \$ 244,000 | \$ 244,000 | \$ 244,189 |
| US Bank | Safekeeping - Celtic Bank CD - 3 Yr | 15118RT31 | 12/20/2024 | 12/20/2027 | \$ 249,000 | 4.05% | 4.05% | \$ 249,000 | \$ 249,000 | \$ 248,591 |
| Subtotal for Unrestricted Funds: | | | | | | | | \$ 10,742,179 | \$ 11,628,617 | \$ 11,567,672 |

Weighted Average Yield

3.75%

The current investments comply with the requirements of the Investment Policy (P200-14-1)
Sufficient cash is available to meet expected expenditure requirements for the next six months.

NEWSLETTER



**SCOTTS VALLEY
WATER DISTRICT**



HIGHLIGHTS

[Chipping Program](#)

[Water Quality
Report](#)

[Intertie Project](#)

Sign up for free wood chipping from RCD

Build defensible space on your property by clearing debris from around your home. That defensible space creates a buffer between your home and a potential fire as well as offers an area for firefighters to defend your home.

Grace Way Well
Project

Wildfire
Preparedness

Water Main
Flushing

To help residents create a defensible space, the Resource Conservation District of Santa Cruz County offers a no-cost chipping program. The free program is offered on a first-come, first-serve basis and gives homeowners a chance to turn yard waste into a yard win! The program is accepting sign ups through April 30.

Learn more about the program and [sign up here](#).

Report: SVWD water exceeds standards

Scotts Valley Water District's annual Water Quality Report is here. This annual report provides a deep dive into the water sources for the District, explains the water treatment process and shares the results from testing to ensure transparency.

This year's report confirms, once again, that the community's water is clean and safe — it meets or exceeds all state and federal standards! Read the report to learn more about the steps taken to ensure and maintain a reliable, safe water supply for all of the District's customers.

The report is [available online](#) as well as in print, upon request.

[View](#)



Project Update: Intertie Pipeline

Pipeline installation is underway for the collaborative project between Scotts Valley Water District and the City of Santa Cruz Water Department. This week, the Highway 17 exit at Sims Road is closed 9 a.m. to 3 p.m. while the contractor completes installation of a segment of the intertie pipeline.

The closure began last week and the exit is expected to reopen Thursday (April 17). Get updates **by email** and or check social media (**Instagram** and **Facebook**) for more.

There also will be a single-lane closure and one-way traffic control on La Madrona Drive during this time. Work starts at 8:30 a.m. daily. Expect short delays.

Learn more about the project and sign up for email updates on the **District's website**.

Project Update: Grace Way Well

The drilling is complete for the Grace Way Well project! Test pumping is set to start in the next couple of weeks after the driller sets up the equipment. Test pumping will begin on April 23. That process includes:

- Development testing, which will be from 8 a.m. to 6 p.m. from April 23-28
- Step testing for one day from 8 a.m. to 6 p.m. on April 29
- 24-hour constant rate testing starting at noon on April 30, continuing through noon on May 1. This is the final overnight activity of the project.

The noise during the pump testing will consist of a compressor and a diesel driven generator to power the test pump equipment. All work will be within the existing sound walls.

Learn more on the District's website.

Tips for clearing brush around your home ahead of wildfire season



Living in Scotts Valley means enjoying beautiful redwoods and mountain views – but it also means being wildfire-aware. With the arrival of spring, it's important to start making a plan to keep your property ready before fire season hits. Here's how you can help protect your home and neighborhood.

- **Create Defensible Space:** Everyone resident and homeowner should create and maintain defensible space in three zones: Zone 1 which is 0-5 feet around your home, zone 2 which is 5-30 feet around your home, and zone 3 which is 30-100 feet around the home. Learn more about each zone from [CAL FIRE's website](#).
- **Watch for Fire Hazards:** Fire hazards can be anything from dry pine needles or leaves that piled up. Clean your gutters and yard regularly to clear out any natural debris. That includes under the deck and along fence lines!
- **Be Consistent:** Check your property at the start of the season and make a habit of regularly clearing debris from around your home. Vegetation grows quickly after the rainy season.

A little effort goes a long way to create defensible space. Clearing brush away from your home isn't just a chore. It's a necessary action to protect your home and family.

Water main flushing scheduled next week



2025 WATER MAIN FLUSHING

Monday-Friday 4/21-25

MORE INFO: [SVWD.ORG/FLUSHING](https://svwd.org/flushing)

Scotts Valley Water District will **flush water mains** between 8 a.m. and 4 p.m. on weekdays, April 21-25, 2025.

Water main flushing is the process of cleaning or "scouring" the inside of the water main by sending a high-velocity flow of water through the system. This is conducted by opening fire hydrants and releasing water at the speed of up to 5 feet per second to remove deposits built up inside the mains.

Flushing is a crucial preventative measure that helps to maintain the capacity of the pipe and to protect water quality by removing deposits from inside the mains. **See the full schedule on the website.**



Santa Cruz Local Agency Formation Commission

Date: May 7, 2025
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Special Districts LAFCO Seats (Run-Off Election Results)**

SUMMARY OF RECOMMENDATION

State law requires LAFCOs to assist the Independent Special District Selection Committee when seats are vacant on specific boards. Santa Cruz LAFCO currently has three district representatives: two regular members and one alternate. One of the regular member seats and the alternate member seat are scheduled to expire in May 2025. A recent run-off election was held to appoint two district representatives.

It is recommended the Commission adopt the draft resolution (No. 2025-07) ratifying the results of the recent election process.

EXECUTIVE OFFICER’S REPORT

This year the Independent Special District Selection Committee was authorized to address the upcoming regular and alternate member seat vacancies on LAFCO. The 20 voting districts had two months to submit their ballots. A total of 19 ballots were submitted before the March 26th deadline. However, none of the candidates received a majority of the votes to be selected. Pursuant to the Commission’s adopted policies¹, a run-off election was held in April to determine the district representatives. **Table A** provides an overview of the entire election process.

Table A – Election Process Schedule

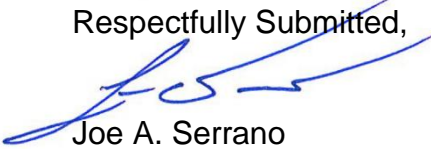
| Action | Deadline | Notes |
|------------------------------------|---------------|---|
| 1) Request for Applications | Dec. 2, 2024 | Letters sent to districts about upcoming vacancies |
| 2) Applications Due Back | Jan. 24, 2025 | Applications due back to LAFCO by 4:00pm |
| 3) Election Process Begins | Jan. 27, 2025 | Letters sent to districts with ballots and candidate info |
| 4) Election Process Ends | Mar. 26, 2025 | Signed ballots due back to LAFCO by 3:00pm |
| 5) LAFCO Meeting (Certify Results) | Apr. 2, 2025 | LAFCO certifies results and schedules a run-off election |
| 6) Run-Off Election Begins | Apr. 2, 2025 | Letters sent to districts with run-off ballot |
| 7) Run-Off Election Ends | May 1, 2025 | Signed ballots due back to LAFCO by 8:00am |
| 8) LAFCO Meeting (Certify Results) | May 7, 2025 | Elected individuals are officially seated on LAFCO |

¹ LAFCO Polices: <https://santacruzlafco.org/wp-content/uploads/2024/03/PP-Handbook-Adopted-Version-3-6-24.pdf>
Special District Election Results Staff Report Page 1 of 2

RUN-OFF ELECTION RESULTS

The 20 independent special districts had the option to vote for one of two candidates for the regular position and one of two candidates for the alternate position. A candidate for a regular or alternate seat on LAFCO needed a simple majority of the votes in order to be selected. Based on the run-off election, Jim Anderson has been selected to be the regular member (17 of 20 votes), and Lani Faulkner has been selected to be the alternate member (11 of 20 votes). Both seats will have a term starting on May 5, 2025 and ending on May 7, 2029. Staff is recommending that the Commission adopt the attached resolution certifying the results of the run-off election.

Respectfully Submitted,



Joe A. Serrano
Executive Officer

Attachments:

1. [Draft Resolution No. 2025-07 \(Run-Off Election Results\)](#)

cc: Independent Special District Selection Committee

TO: ACWA Agency Presidents and General Managers
(sent via email)

CC: ACWA Board of Directors

FROM: ACWA Election Committee

DATE: April 30, 2025

SUBJECT: Call for Candidates for ACWA President/Vice President for the 2026-'27 Term

ACWA recently distributed an Advisory announcing the Call for Candidates for President and Vice President for the 2026-'27 term. The Advisory also announced that each of ACWA's region nominating committees have issued a similar call for candidates interested in serving on the 10 region boards.

ACWA's Bylaws and Board policies (Article 9, Section 9.10, and Board Policy 2.3.3.1) establish the eligibility criteria candidates must meet to serve as President or Vice President. Candidates must meet the following eligibility criteria to qualify:

- At the time of their election, the President and Vice President will each be an elected or appointed member of the governing body or commission of a member agency of the Association.
- An official nominating resolution from the Association member agency on whose board the nominee serves will accompany all nominations for the position of President and Vice President. An authorized signatory of the member agency's Board of Directors will sign said resolution. A sample resolution is available [online](#).
- Each nomination will include a statement of qualifications or resume highlighting the candidate's qualifications for the position, such as active involvement in ACWA task forces, region boards, committees, or the like. Candidates must also submit an abbreviated statement (maximum of 300 words) that can be included with the official ballot. A headshot photo is recommended but not required.

Election Process

This year, the election process for President, Vice President, and region board members is now combined. Voting for both sets of candidates will be done electronically by each member agency's designated voter on a single ballot. Agencies can designate their voting representative by visiting

www.acwa.com/elections and submitting the [Authorized Representative and Information Form](#) by the June 20 deadline.

- An 11-member Election Committee has been appointed to facilitate the election of the President and Vice President. The committee will confirm that candidates' eligibility criteria have been met and endorse preferred candidates for each position.
- The Election Committee will present an open ballot on July 21 that lists all qualified candidates, including the committee's preferred candidates. All candidates will also be listed on the ACWA website and invited to participate in a town hall style webinar in which members can ask the candidates questions.
- Members of ACWA will elect the President, Vice President, and their respective region board by voting electronically July 21 – September 19. **There will be no voting during the fall conference.**
- Ballots will be emailed by a third-party vendor called Simply Voting. This web-based online voting system provides quick and verified results while keeping individual votes confidential.
- Each member agency may cast one vote and must designate their one [voting representative](#) by June 20. If an agency does not designate a representative to vote by the deadline, the agency's General Manager will be the authorized voter by default.

Important Dates

- Deadline to receive Authorized Voting Representative Form: **Friday, June 20**
- Deadline to receive candidate nominations: **Friday, June 20**
- Tentative date for candidate interviews: **Friday, July 1**
- Election Begins: **Monday, July 21**
- Election Ends: **Friday, September 19**

In addition to being accepted via email to donnap@acwa.com, nomination items may also be submitted via mail to the below address.

Bruce Rupp, Election Committee Chair
c/o Donna Pangborn, ACWA
980 9th Street, Suite 1000
Sacramento, CA 95814

Please be aware that candidates may contact general managers and board presidents to solicit their respective member agency's support. A sample resolution of support is available [online](#).

We appreciate your interest and participation in this process to find the best qualified individuals to serve in representing ACWA's statewide membership. Should you have any questions regarding this process, please contact ACWA Senior Clerk of the Board Donna Pangborn at 916-669-2425 or donnap@acwa.com.