



SCOTTS VALLEY WATER DISTRICT

AGENDA PACKET

REGULAR BOARD MEETING

08/11/22 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

Ruth Stiles, President

Chris Perri, Vice President

Bill Ekwall, Director

Wade Leishman, Director

Danny Reber, Director

Noelle Downing, Associate Director

Annie Finch, Associate Director

Piret Harmon, 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 DIRECTORS
PRESIDENT Ruth Stiles
VICE PRESIDENT Chris Perri
Bill Ekwall
Wade Leishman
Danny Reber
ASSOCIATE DIRECTORS
Noelle Downing
Annie Finch
GENERAL MANAGER
Piret Harmon

Board of Directors

Regular Meeting

08/11/22 at 6:00 p.m.

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

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 (none)
- 1.4. Additions/Deletions to the Agenda
- 1.5. Oral Communications

2. Presentation

3. Administrative

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

3.1. [Committee and Other Agency Meeting Reports](#)

Engineering and Water Resources Committee 07/25/22

Finance & Personnel Committee 07/27/22

Executive & Public Affairs Committee (none)

AdHoc Scotts Valley Water District-Soquel Creek Water District 06/08/22, 07/13/22 oral

Santa Margarita Groundwater Agency (SMGWA) Quarterly Recap

4. Consent

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

4.1. [Approval of Minutes – Regular Board Meeting 06/09/22](#)

4.2. [Agreement for Hydrogeological Support Services for New Production Well](#)

Recommendation: Approve and authorize the General Manager to execute an agreement with Montgomery & Associates, in the amount of \$312,544 for hydrogeological support services for new production well.

5. **Public Hearings** (none)

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

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. [Santa Cruz County Civil Grand Jury Report: Our Water Account is Overdrawn](#)

Recommendation: Approve and authorize the staff to submit the response from Scotts Valley Water District for the Santa Cruz County Civil Grand Jury Report: Our Water Account is Overdrawn Beyond Conservation: Achieving Drought Resilience.

6.2. [Compensation Adjustment for Exempt Classifications](#)

Recommendation: Approve the compensation adjustments for Finance and Customer Service Manager, Operations Manager and Assistant to General Manager classifications.

7. **Staff Reports**

7.1. Legal

District Counsel - oral

7.2. [Administrative](#)

General Manager – oral

Board Compliance Status

Board Regulations Review Schedule

7.3. [Finance](#)

Financial Reports 07/01/21 through 06/30/22

7.4. [Operations](#)

Operations Report - oral

Production, Demand and Rainfall Data through 07/31/22

Leak Adjustment Program Report 07/01/21 through 06/30/22

Development Projects Status Report 07/01/22

8. Directors Reports

Travel and Meetings

Other

9. Written Correspondence

10. Community Relations

[Local Water Resource Managers Prepare for Another Dry Summer, GoodTimes 07/05/22](#)

[July Newsletter](#)

[June Newsletter \(2\)](#)

11. Closed Session (none)

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

13. Future Items

Annual Reimbursements Disclosure

14. Meetings and Event Calendar

Board Meetings

09/08/22

10/13/22

11/10/22

Committee Meetings

08/22/22 Engineering & Water Resources

08/24/22 Executive & Public Affairs

08/24/22 Finance & Personnel

Santa Margarita Groundwater Agency

Board Meeting 08/25/22

Events

WaterReuse California Annual Conference 09/11/22 – 09/13/22 San Francisco

15. Adjourn

The next regular meeting of the Scotts Valley Board of Directors is scheduled for 09/08/22.

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 OF THREE (3) WORKING DAYS BEFORE THE MEETING TO ALLOW TIME TO MAKE ARRANGEMENTS.



SCOTTS VALLEY WATER DISTRICT

svwd.org  svwater

Engineering and Water Resources Committee
District Conference Room
2 Civic Center Drive, Scotts Valley, California
07/25/22 4:00 p.m.
Meeting Report

1. Convene

The meeting convened in a hybrid setting at 4:02 p.m. in the District Conference Room.

Present: Director Ekwall (in person), Director Leishman (in person), Committee Members Shulman (remote) and Committee Member Violante (remote).

Staff: Finance and Customer Service Manager Kurns (remote), Operations Manager McNair (in person) and Assistant to General Manager Paul (remote).

Guests: President Stiles, observer (remote).

2. Business Items

2.1 Potential Leak Adjustment Appeal

This item was deleted from the agenda.

3. Discussion Items

3.1 Non-functional Turf Notifications Update

The first month data shows water savings of 4.8% of the targeted 10% targeted demand reduction. 19 landscape accounts with non-function turf were sent letters requesting they contact the District regarding the ban on irrigation of non-functional turf. As of today only three accounts have responded.

The committee provided feedback on future actions that may be necessary.

3.2 Think Twice Program Activities Results

The committee received and reviewed the results of the think twice program activities.

3.3 Leak Adjustment Program Report 07/01/21 through 06/30/22

The committee reviewed and discussed the report.

4. Oral Communications

There were no oral communications.

5. Future Agenda Items

City District Recycled Water Allocation

6. Adjourn

The meeting adjourned at 4:42 p.m.



SCOTTS VALLEY WATER DISTRICT

svwd.org  svwater

Finance and Personnel Committee
District Conference Room
2 Civic Center Drive, Scotts Valley, California

07/27/22 11:30 p.m.

Meeting Report

1. Convene

The meeting convened in a hybrid setting at 11:31 p.m. in the District Conference Room.

Present: Director Leishman (in person), and Director Stiles (remote).

Staff: General Manager Harmon (remote), Finance and Customer Service Kurns (remote), Manager Operations Manager McNair (in person), and Assistant to General Manager Paul (in-person).

Guests: None.

2. Discussion Items

2.1. Compensation Adjustments: Exempt Employees

The committee received information and provided feedback on the compensation adjustment matrix for exempt employees.

2.2. Financial Reports 07/01/21 through 06/30/22

The committee received information and discussed the financial reports.

3. Oral Communications

None.

4. Future Agenda Items

None.

5. Adjourn

The meeting adjourned at 11:44 a.m.

Board Meeting Recaps: May and June 2022

Groundwater monitoring project advances with well site selection

[Santa Margarita Groundwater Agency](#) (SMGWA) held board of directors meetings on May 26 and June 23. Meetings were conducted in a hybrid format with some directors and public participating remotely while the others attended in person.

At the May meeting, the Board approved SMGWA Fiscal Year 2023 budget and heard an update on the enhancements being made to the groundwater monitoring network. Based on assessments of existing groundwater monitoring points, staff and technical consultants had identified several data gaps for Santa Margarita Groundwater Basin. Proposed new monitoring well sites are intended to fill the data gaps, which are included in SMGWA's Groundwater Sustainability Plan (GSP) that was submitted to the California Department of Water Resources in January 2022.

Eight monitoring well sites have been selected, including five wells to be installed on road shoulders within the County right-of-way, one well at Vine Hill Elementary School, one well on a parcel owned by the Land Trust of Santa Cruz County, and one well on a parcel owned by the San Lorenzo Valley Water District. The ninth site has not yet been identified. The next steps on this project include obtaining state approval of construction documents and opening the bid solicitation period.

The board also approved an agreement with the County of Santa Cruz for administrative and planning services and data management system hosting and maintenance, and received a presentation on Santa Margarita Basin Streamflow Monitoring Report for the dry season of 2021, performed by Balance Hydrologics. This work conducted for the report is consistent with the GSP and helps to understand surface water conditions in the basin.

At the June meeting, the board approved the technical specifications for monitoring well installation in the Santa Margarita Basin and discussed the Santa Cruz County Civil Grand Jury Report "Our Water Account is Overdrawn." The Grand Jury requested SMGWA board to respond to certain findings and recommendations made in the report by Aug. 22, 2022.

Also, SMGWA staff and board members are hosting booths at both the Scotts Valley and Felton farmers markets this summer. Outreach efforts at the markets, held on Saturdays and Tuesdays, respectively, are a way for community members to learn more about SMGWA's role in achieving groundwater sustainability on a local level and offer ways for people to become more involved.

The next SMGWA board will be on Thursday, July 28 at 6 p.m. To learn more about the Santa Margarita Groundwater Agency and upcoming events, visit our website at www.smgwa.org.



SCOTTS VALLEY
WATER DISTRICT

Board of Directors
Regular Meeting
06/09/22 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

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

Bill Ekwall
Wade Leishman
Chris Perri
Danny Reber
Ruth Stiles

Staff

Bob Bosso, Legal Counsel (remote)
Piret Harmon, General Manager
Nick Kurns, Finance & Customer Service Manager
David McNair, Operations Manager
Donna Paul, Assistant to General Manager (remote)

Associate Directors

Noelle Downing (absent)
Annie Finch

Guests

Sarah Perez, City of Santa Cruz Water Department

1.2. Pledge of Allegiance and Invocation

Director Leishman led the pledge and Director Reber the invocation.

1.3. Closed Session Report (none)

1.4. Additions/Deletions to the Agenda

There were no additions or deletions.

1.5. Oral Communications

There were no oral communications.

2. Presentations (none)

3. Administrative

3.1. Committee and other Agency Meeting Reports

Engineering and Water Resources Committee (none)

Finance & Personnel Committee (none)

Executive & Public Affairs Committee (none)

Santa Margarita Groundwater Agency (SMGWA) 05/26/22

Director Perri provided an oral report on the meeting.

3.2 Santa Cruz Civil Grand Jury Report: Our Water Account is Overdrawn

The Board discussed the report and will convene a working group consisting of President Stiles, Vice President Perri, Legal Counsel Bosso and staff to prepare a response to the Santa Cruz Civic Grand Jury Report for Board consideration at its August meeting.

4. Consent

4.1. Approval of Minutes – Regular Board Meeting 05/12/22

4.2. CalPERS Additional Discretionary Payment

Recommendation: Approve an Additional Discretionary Payment (ADP) of \$1.4 million to California Public Employees Retirement System (CalPERS) towards the District's unfunded pension obligations and authorize the General Manager to execute all necessary documents.

4.3. Cash Reserves Policy

Recommendation: Update Policy P200-17-2 Cash Reserves.

MOTION carried to approve the consent agenda with item 4.1 Approval of Minutes 06/09/22 amended by unanimous voice vote.

5. Public Hearings (none)

6. Business

6.1. Operating and Projects Budget FY 2023

General Manager Harmon provided the staff report.

MOTION carried to 1) approve an additional one-time cost of living increase of 5% to all non-exempt employees effective 07/12/22; and 2) approve the Budget for Fiscal Year 2023 (FY 2023), including the FY 2023 Work Plan by unanimous voice vote.

6.2. Implementation Agreement Regional Drought Resiliency Project

General Manager provided the staff report and responded to Board questions.

Sarah Perez, Principal Planner with the City of Santa Cruz Water Department commented.

MOTION carried to approve and authorize the General Manager to execute the Implementation Agreement for Regional Drought Resiliency Project between Scotts Valley Water District and City of Santa Cruz by unanimous voice vote.

6.3. Conflict of Interest Code Local Agency Biennial Notice 2022

MOTION carried to 1) adopt Resolution No. 08-22 amending the Scotts Valley Water District Conflict of Interest Code and rescinding Resolution No. 06-18; and 2) authorize the General Manager to file the 2022 Local Agency Biennial Notice with the County of Santa Cruz Board of Supervisors by unanimous roll call vote.

7. Staff Reports

7.1. Legal

Legal Counsel Bosso reported that he attended a webinar presented by the Department of Water Resources on new emergency water restrictions that include the watering restrictions on non-functional turf.

7.2. Administrative

General Manager Harmon reported the Recycled Water Fill Station and Pop up Station opened last weekend. Staff has implemented a paper free process for picking up recycled water at the fill station. The District will have 2 trucks and six staff participating in the parade on July 3rd and WaterSmart will be the theme.

7.3. Finance

Financial Reports 07/01/21 through 03/31/22

Finance and Customer Service Manager Kurns provided the staff report.

7.4. Operations

Operations Report - oral

Production, Demand and Rainfall Data through 04/30/22

Leak Adjustment Program Report 07/01/21 through 03/31/22

Operations Manager McNair reported the water main replacement project is nearing completion; the leak detection audit will begin on 06/20/22; Well 11 B failed on May 28th and is scheduled for rehabilitation next week; and staff completed the switch out of the recycled water meter from a 3" to 1" at Spring Lakes.

8. Directors Reports

Director Reber reported on Leadership Santa Cruz.

Director Leishman reported that his household replaced a showerhead and reduced water consumption 20% and that he will be absent for the 06/24/22 Finance and Personnel Committee meeting

Director Perri reported that he volunteered at the SMGWA tabling event at the Farmers Market, and he will be away the last two weeks of June.

Director Ekwall reported that he volunteered at the Recycled Water Fill Station last weekend and will be absent for the 06/22/22 Engineering and Water Resources Committee meeting.

President Stiles reported that she enjoyed the Sentinel article on the District’s awful water.

9. Written Correspondence

State Water Board Adopts Drought Related Emergency Water Conservation Regulation, ACWA Alert 05/24/22

10. Community Relations

Scotts Valley’s famously awful drinking water gets upgrade, SC Sentinel 05/27/22

11. Closed Session (none)

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

13. Meetings and Event Calendar

Board Meetings

07/14/22

08/11/22

09/08/22

Committee Meetings

06/22/22 Engineering & Water Resources

06/22/22 Executive & Public Affairs

06/24/22 Finance & Personnel

Santa Margarita Groundwater Agency

Board Meeting 06/23/22

Events

Water Reuse California Annual Conference 09/11/22 – 09/13/22 San Francisco

13. Adjourn

The meeting adjourned at 7:26 p.m.

Approved:

Attest:

Ruth Stiles, Board President

Piret Harmon, Board Secretary

AGENDA REPORT

Scotts Valley Water District

Date: 08/11/22

To: Board of Directors

Item: Consent 4.2

Subject: **Agreement for Hydrogeological Support Services for New Production Well**

Reason: Complies with SVWD Administrative Code, Chapter 3.10 Purchasing and Contracting

SUMMARY

Recommendation: Approve and authorize the General Manager to execute an agreement with Montgomery & Associates, in the amount of \$312,544 for hydrogeological support services for a new production well.

Fiscal Impact: The total amount of the agreement is not to exceed \$312,544. Funds are available in the FY 2023 Capital and Maintenance Projects Program budget and the full amount will be reimbursed from DWR Urban and Multi-benefit Drought Relief Grant.

Previous Related Action: On 11/10/21, the Board adopted Resolution No 09-21 authorizing the 2021 Urban and Multi-benefit Drought Relief Grant application, acceptance and execution for the system intertie and new production well project.

On 06/09/22, the board approved the budget for FY 2023 including the capital and maintenance projects program.

DISCUSSION

The new Grace Way Well is needed to offset lost production capacity from Well 9 and Well 11-A. This new production well located at 5297 Scotts Valley Boulevard is sited to provide for a more balanced withdrawal rate from the Lompico aquifer. The Montgomery & Associates support services agreement provides for project management, CEQA documentation, technical specifications, bid assistance, construction management, and reporting. Terms of the DWR Urban and Multi-benefit Drought Relief Grant requires project construction to be completed by March of 2026.

Submitted,

David McNair
Operations Manager

Enclosure: Proposal for hydrogeological support services, Montgomery & Associates

May 20, 2022

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

SUBJECT: SCOPE, FEE, AND SCHEDULE PROPOSAL FOR HYDROGEOLOGICAL SUPPORT SERVICES FOR NEW GRACE WAY WELL

Dear Mr. McNair:

Montgomery & Associates (M&A) is pleased to submit this scope, fee, and schedule proposal to Scotts Valley Water District (SVWD) to provide hydrogeological support services for new water supply well located at 5297 Scotts Valley Boulevard in Scotts Valley, CA and to be named Grace Way Well.

M&A will retain the support of Dudek for ensuring compliance with the California Environmental Quality Act (CEQA). This proposal assumes that the appropriate CEQA documentation will be limited to an Initial Study and Mitigated Negative Declaration.

SCOPE OF WORK

The scope of work includes technical specifications, bidding and contract support, construction management, and reporting. M&A proposes the following tasks to complete the project:

- Task 1 – Project Management
- Task 2 – CEQA Documentation
- Task 3 – Technical Specifications
- Task 4 – Bid Assistance
- Task 5 – Construction Management
- Task 6 – Data Analysis and Reporting

These tasks are described individually below.

Task 1: Project Management

M&A will provide administrative and budgetary management duties throughout the duration of the project; including but not limited to coordination with SVWD, attendance at project meetings, budget management, and schedule management.

This task assumes a contract completion date of December 31, 2023, monthly progress reports with invoice submittals, and up to monthly virtual meetings with SVWD via Zoom, Microsoft Teams, or similar. M&A's project manager will attend the virtual meetings.

Task 2: CEQA Documentation

As stated above, M&A will subcontract Dudek to complete the CEQA compliance documentation. Dudek will evaluate the construction and operation in an Initial Study and Mitigated Negative Declaration (IS/MND) consistent with their scope of work provided as Attachment A

M&A will complete the hydraulic analysis required to support these efforts (see Dudek's Task 3.2 assumptions) utilizing remaining funds under existing Task Oder No. 2021-1 *Evaluation of New Production Well at the Former Well #6 Site* between SVWD and M&A.

Task 3: Technical Specifications

M&A will prepare technical specifications for the Grace Way Well. Technical specifications will be prepared so that they can readily be used by SVWD for bid solicitation.

This task includes preparation of draft technical specifications, 1 round of comments from SVWD on the draft, and finalization. Draft and final technical specifications will be transmitted electronically.

ASSUMPTIONS

- Technical specifications will not include final equipping of Grace Way Well.
- SVWD will be responsible for preparing a bid package that includes the technical specifications.

Task 4: Bid Assistance

M&A will support SVWD with solicitation and evaluation of drilling contractors for the technical specifications prepared under Task 4. Services will include soliciting support, providing responses to prospective contractor questions, and contractor selection.

ASSUMPTIONS

- M&A will provide advice as requested by SVWD for contractor selection based on cost, qualifications, and ability to meet schedule requirements.
- SVWD will select 1 drilling Contractor to complete the project.

Task 5: Construction Management

M&A will provide construction management for activities listed below. The list below includes the assumed level of observation that is incorporated into our cost estimate. Well drilling, installation, and testing will be conducted by the selected drilling contractor (Contractor) or subcontractors contracted directly with the Contractor or SVWD:

- Mobilization: Part-time observation to verify project set-up
- Conductor Casing Installation: Full-time observation
- Pilot Borehole Drilling: Part-time observation
- Geophysical Logging: Full-time observation
- Reaming: Part-time observation
- Caliper Survey: Full-time observation
- Well Construction: Full-time observation

- Mechanical and Chemical Development: Full-time observation, excluding rest periods for chemical development
- Test Pump Development: Full-time observation
- Step Test: Full-time observation
- Constant Rate Test, Sample Collection and Spinner Survey: Full-time observation
- Recovery Test: Part-time observation to include full-time for first 2 hours, then periodic thereafter
- Video, Plumbness, and Alignment Surveys: Full-time observation
- Chlorination: Part-time observation to verify compliance with technical specifications and NPDES compliance for discharged water

Costs are not included herein for construction management of non-intrusive activities including but not limited to the following:

- Grubbing and grading
- Installing soundwalls
- Borehole circulation while waiting for materials
- Cement cure wait periods
- Rig down
- Pump rig mobilization
- Installing and pulling the test pump
- Brushing and bailing
- Capping and securing well

ASSUMPTIONS

- M&A can reasonably rely on the accuracy, timeliness, and completeness of information provided by SVWD, including the Contractor's submittals and project control schedule.
- M&A employees have no authority to exercise any control over the Contractor or their employees in connection with their work or any health and safety precautions and have no duty for inspecting, noting, observing, or correcting health or safety deficiencies of the Contractor or any other persons at the site except M&A employees. M&A will promptly notify SVWD of any observed or perceived health and safety deficiencies by the Contractor or any other persons at the site.
- M&A's presence at a construction site does not make its employees in any way responsible for those duties that belong to SVWD and/or the Contractor or other entities, and does not relieve the Contractor or any other entity of their obligations, duties, and responsibilities, including but not limited to methods, means, techniques, sequences, and procedures necessary for coordinating and completing construction work in accordance with the contract documents and any health or safety requirements.
- The presence of M&A employees at the construction sites is to provide SVWD a greater degree of confidence that the completed work will conform generally to the construction documents and that the integrity and the design concept as reflected in the construction documents have been implemented and preserved by the Contractor. M&A neither guarantees the performance of the

Contractor nor assumes responsibility for Contractor's failure to perform work in accordance with contract documents.

- M&A staff will perform construction management activities consistent with enforcing specifications and will not direct Contractor means or methods.
- M&A is responsible for tracking, cataloging, and approving Contractor submittals. M&A will provide SVWD copies of all approved contractor submittals.
- The Contractor is responsible for testing, maintaining, and recording drilling fluid properties. M&A will observe and record results as appropriate. Deviations to the specifications will be reported to SVWD within 24 hours of being observed.
- Fieldwork will be conducted during 12-hour workdays on a standard 5-day workweek, except during pilot borehole drilling, geophysical logging, caliper logging, well construction, mechanical and chemical development, and constant-rate pump testing. M&A assumes a 24-hour work schedule for these activities, including weekends. M&A will not be present during non-drilling activities unless noted herein.
- Pilot borehole drilling and reaming activities assume part time observation. M&A assumes 10-hours per day oversight to log cuttings, monitor progress and for on-call support at night to resolve drilling issues.
- One 10-hour step rate discharge and one 24-hour constant rate discharge test will be completed.
- M&A will collect groundwater samples and coordinate laboratory analysis with SVWD's preferred environmental laboratory. One groundwater sample will be collected near the end of the constant rate discharge test for laboratory analysis.
- Equipment rentals and fieldwork consumable purchases may be required. These may include but are not limited to field office rental, field vehicles, pressure transducers, field notebooks, and chip trays. Costs for these items are included herein.
- Contractor is responsible for the containment, profiling, and disposal of all waste generated during the project.
- Costs for sieve analysis, including those for filter pack media, are the responsibility of the Contractor.

Construction management costs provided herein are estimated based on anticipated durations for each activity. Actual durations are subject to final well design and Contractor performance and are not controlled by M&A. As such, actual costs are subject to increase or decrease based on actual durations, or by SVWD request for modified observation schedules. Field oversight costs are based on the Scientist 4 hourly rate, but efforts will be made to use the most cost-efficient, responsible staff level where feasible.

Task 6: Data Analysis and Reporting

M&A will prepare technical memoranda and reports to document activities, as detailed below.

Well Design Technical Memorandum

A well design technical memorandum will be prepared to document final well design for Contractor material ordering and construction purposes. The well design technical memorandum will be completed and submitted for SVWD review within 24 hours after receipt of electronic downhole geophysical results, sieve analysis, and any other relevant data. The technical memorandum will include a final well construction schematic, casing schedule, tubing schedule, annular materials schedule, and tubing orientation. A vertically scaled graphic containing observed lithology, geophysical results, and aquifer

unit identification (as appropriate) will be included with the technical memorandum. The well design technical memorandum will be submitted electronically in PDF format.

ASSUMPTIONS:

- SVWD comments to the draft technical memorandum will be provided in a timely manner, allowing M&A ample time to incorporate the comments into the final technical memorandum. M&A is not responsible for project delays due to delayed review comments.

Well Installation Report

A Well Installation Report will be prepared following completion of site activities related to well construction. The report will include a description of the work completed, description of the methods and procedures used, results and discussion of drilling and testing activities, conclusions, recommendations, and relevant appendices. A draft well installation report will be prepared in Microsoft Word format for SVWD comment. Final submittal of this report will include 1 hardcopy and 1 PDF copy. The hardcopy report will additionally include long-form print outs of downhole logging (geophysical, caliper, alignment, spinner), a copy of the complete video survey in MP4 format (provided on DVD or flash drive), and 1 set of drill cutting chip trays.

Discharge Reporting Technical Memorandum

M&A assumes that the SVWD NPDES permit will be used to discharge groundwater pumped for development and sampling efforts. M&A will monitor the discharge water for compliance with the NPDES permit.

ASSUMPTIONS

- M&A is not responsible for notifying the MS4 operator of planned discharges, should notification be required. Additionally, M&A is not responsible for determining when discharges are or are not permissible, such as during precipitation events. Determination of discharge appropriateness and verification of permission is the responsibility of SVWD.
- M&A is not responsible for discharges by the Contractor performed without prior notice to and oversight by M&A staff. Additionally, M&A is not responsible for ensuring Contractor compliance with discharge requirements, but will document occurrences and report concerns to SVWD as they are identified.
- M&A staff have the authority to direct the Contractor to discontinue discharging or not begin discharging if they determine NPDES permit requirements cannot be met. If work is delayed due to reasonable concerns, as determined by M&A and SVWD, then M&A will not be held responsible for any and all stand-by or other fees resulting from a project shut-down.

Drinking Water Source Assessment Program Documentation

DWSAP documentation will be prepared to comply with State Water Resources Control Board requirements for water source protection. A draft DSWAP document will be prepared in Microsoft Word format for SVWD comment. Final DWSAP documentation will be submitted electronically in PDF format for SVWD submittal to the appropriate agency.

COSTS

The estimated costs by task are summarized below and detailed in Attachment 2.

Task #	Task Description	Labor Costs	Expenses	TOTAL
Task 1	Project Management	\$23,284	\$350	\$23,634
Task 2	CEQA Documentation	\$1,663	\$83,305	\$84,968
Task 3	Technical Specifications	\$19,810	\$0	\$19,810
Task 4	Bid Assistance	\$4,668	\$0	\$4,668
Task 5	Construction Management	\$123,378	\$24,000	\$147,378
Task 6	Data Analysis and Reporting	\$32,086	\$0	\$32,086
TOTAL COST		\$204,889	\$107,655	\$312,544

Hourly rates are subject to increases on January 1, 2023.

SCHEDULE

Dudek has included a tentative project schedule for CEQA documentation as Table 1 of their proposal. This schedule estimates completion of related field surveys in July 2022 and assumes SVWD access agreements for the subject property are available.

M&A assumes technical specifications can be completed by December 31, 2022 provided CEQA documentation progresses according to Dudek’s tentative schedule. Schedule for bid support will be dependent on the District’s solicitation schedule, and construction management will be dependent on the drilling contractor’s schedule. M&A assumes a project completion date of December 31, 2023.

ESTIMATED DRILLING CONTRACTOR COSTS

As requested, M&A is including an initial estimate of drilling contractor costs for construction of the Grace Way Well. These costs assume a total well depth of 1,100-feet below ground surface and construction materials to include 14-inch diameter 304L stainless steel casing and 304L stainless steel wire-wrapped well screen (total of 400-feet of screen).

Referencing recent and local drilling contractor estimates for similar projects, M&A is anticipating a construction cost of approximately \$1,424,000. This estimate is based on assumptions which will be refined during development of the technical specifications and is subject to current market volatility for costs of steel, filter sand, concrete, diesel and labor. A cost-breakdown is included as Attachment 3.

If you have any questions, do not hesitate to contact me.

Sincerely,



Bill DeBoer, P.G., C.Hg.
Senior Hydrogeologist



Attachment 1: Dudeks' Proposal for Environmental Document for
Scotts Valley Water District New Groundwater Well

May 19, 2022

Georgina King, P.G., C.Hg.
Montgomery & Associates
1970 Broadway, Suite 225
Oakland, CA 94612

Subject: Proposal for Environmental Document for Scotts Valley Water District New Groundwater Well

Dear Ms. King:

We are pleased to submit this proposal to Montgomery & Associates to prepare a California Environmental Quality Act (CEQA) document for the Scotts Valley Water District (SVWD) new groundwater well (Project). Our scope of work, schedule, and budget for the Project are provided herein.

1. Project Understanding

The SVWD provides potable and recycled water and serves most of the City of Scotts Valley and some unincorporated areas north of the City of Scotts Valley. The SVWD service area is approximately 5 miles north to south and 1 mile east to west with an approximate area of 5.5 square miles. The only source of potable water for the SVWD is groundwater from the Santa Margarita Groundwater Basin, which is shared with the neighboring San Lorenzo Valley Water District and Mount Hermon Association and local businesses and residents using private wells. Drought is an ever-present challenge in the Project area because the water suppliers are reliant solely on local precipitation, local surface water storage, and local groundwater storage. Since imported water supplies are not available in the region, multi-year dry periods can quickly escalate into emergencies for the region when supplies are insufficient to meet demands.

The Project consists of a new groundwater well in Scotts Valley that will allow for increased extraction capacity to strengthen the SVWD's ability to meet potential demand. The Project site is a vacant lot behind existing commercial buildings in a developed area of Scotts Valley near the intersection of Scotts Valley Drive and Willis Road. The Project site is bounded by Grace Way to the west and commercial development to the north, east, and south. The Project would consist of drilling and equipping a 1,100-foot-deep well into the Butano and Lompico aquifers of the Santa Margarita Groundwater Basin to increase groundwater production. The following would be required for Project construction and implementation: (1) drilling to approximately 1,100 feet deep and installing a well screen, filter pack and sanitary screen to complete well construction; and (2) construction of mechanical facilities at the well site including pump, motor, disinfection, metering, and supervisory control and data acquisition (SCADA) facilities. The well would supplement SVWD's current extraction capacity of 2.25 million gallons per day (1,560 gallons per minute) to serve SVWD demand while sustainably managing the aquifer underlying SVWD.

2. Scope of Work

The following tasks outline our approach to CEQA compliance for the Project.

TASK 1. PROJECT INITIATION

Upon contract execution, Dudek's Project Director and Project Manager will prepare for and attend a project kickoff meeting with SVWD and Montgomery & Associates (the Project team), anticipated to occur via online video conference. The kickoff meeting will be used to establish communication protocols; develop an understanding of the project schedule and milestones; plan for all elements of the scope of work; define on-site survey and data collection efforts; review and confirm the CEQA schedule; and provide the Project team with the opportunity to identify known concerns, issues, stakeholders, and other important factors. The meeting agenda will include a list of data needs for the environmental analyses.

Dudek regards this task as a key component of successfully launching the work effort, and we look forward to discussing key environmental issues and setting the stage for a successful CEQA process. Dudek will provide an agenda and meeting summary to document action items.

This task also allows for preparation and review of document templates and a style guide so that all document formatting is established in advance of drafting the documents. If desired, Dudek will also set up a project-specific shared access portal on our SharePoint site to allow for efficient and collaborative document reviews.

Task 1 Deliverables

- Kickoff meeting agenda
- Data needs list
- Meeting summary
- Document templates and style guide (draft and final digital versions)
- Project portal on SharePoint, if desired

TASK 2. TECHNICAL ANALYSES

Task 2.1. Air Quality, Energy, and Greenhouse Gas Emissions

Air Quality. Dudek will prepare an assessment of the air quality impacts of the proposed project utilizing the significance thresholds in Appendix G of the CEQA Guidelines and the Monterey Bay Air Resources District (MBARD) emissions-based thresholds. After reviewing all available Project materials, Dudek will prepare a request for any outstanding data needed to conduct the analysis, as indicated in Task 1. If precise information on a particular factor is not available from the SVWD, Dudek will make every effort to quantify these items using the best available information for comparable data sources, but in all cases will consult first with the SVWD regarding the information needed. The air quality section of the CEQA document will include a brief discussion of criteria air pollutants, the attainment status of the North Central Coast Air Basin, and applicable rules and regulations.

Dudek will estimate construction emissions associated with implementation of the Project using the California Emissions Estimator Model (CalEEMod). Short-term emissions resulting from Project construction including

drilling, well construction, and mechanical facilities will be based on scheduling information (e.g., overall construction duration, phasing, and phase timing) and probable construction activities (e.g., construction equipment type and quantity, workers, and haul trucks) developed by the SVWD and/or standardized approaches. Dudek will then evaluate the significance of the emissions based on the MBARD significance criteria.

The project may generate toxic air contaminant (TAC) emissions during construction of the project from diesel construction equipment such as the drill rig. Project construction is not anticipated to be intensive or long-term (likely less than 6 months); however, nearby sensitive receptors (i.e., residences) are within 500 feet of the project site. Based on the assumption that construction will be low intensity, construction health risks from TAC emissions will be discussed qualitatively. A quantitative construction health risk assessment is not proposed at this time, but should be evaluated once project construction details are identified and could be provided under a separate scope and budget if determined to be prudent to prepare.

Evaluation of operational criteria air pollutant emissions may include (depending on the project operational activities) quantification of mobile source emissions associated with Project operations, including employee vehicle trips to the well and truck trips, and energy consumption. The motor vehicle emissions associated on-road vehicles will be estimated using CalEEMod, and trip information provided by SVWD. For budgetary purposes, we have assumed that the proposed Project would not include stationary sources (e.g., emergency generators) and process emissions associated with well water treatment would not occur (i.e., well disinfection would not result in emissions). If stationary sources or water treatment is proposed, Dudek can evaluate potential Project-generated emissions and associated impacts under a separate scope and budget. Estimated Project-generated operational emissions will then be compared to the MBARD significance thresholds.

Dudek will qualitatively evaluate whether traffic associated with the Project could lead to potential exposure of sensitive receptors to substantial localized concentrations of air pollutant emissions, specifically carbon monoxide “hot spots.” For budgetary purposes, it is assumed that no quantitative carbon monoxide hotspot modeling will be required. In addition, Dudek will qualitatively evaluate health effects of criteria air pollutant emissions.

All Appendix G criteria will be evaluated, including the potential for the Project to result in other emissions such as odors or to impede attainment of the MBARD air quality management plan. Details of the analysis (e.g., daily criteria air pollutant emission calculations) will be included in an appendix to the CEQA document.

Greenhouse Gas Emissions. The greenhouse gas (GHG) emissions assessment will include a brief description of global climate change and a summary of key, applicable regulatory measures. Dudek will estimate the GHG emissions associated construction of the Project using CalEEMod based on the same construction scenario used in the air quality analysis. Project-generated operational GHG emissions that are anticipated include those associated with mobile sources and electricity consumed during pumping and extraction, which will be estimated based on Project-specific values. Details of the analysis (e.g., annual GHG emission calculations) will be included in an appendix to the CEQA document.

The impact analysis will reflect Appendix G of the CEQA Guidelines; specifically, whether a project would (a) generate GHG emissions, either directly or indirectly, that may have a significant impact on the environment and (b) conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of GHGs. Dudek will work with SVWD to identify the appropriate GHG approach for evaluating the Project’s GHG emissions under CEQA. While the SVWD works to ensure efficiency and sustainable development through the Urban Water Management Plan and coordination with the City of Scotts Valley and County of Santa Cruz, the

SVWD or the City of Scotts Valley have not adopted a GHG reduction plan or Climate Action Plan that is qualified under CEQA from which the Project can tier. If a quantitative analysis is applied, our budget assumes that a simple emission-based threshold can be used. Dudek will also qualitatively evaluate the Project's potential to conflict with other applicable plans, policies, or regulations adopted for the purpose of reducing GHG emissions such as state regulations (2030 and 2050 reduction goals identified in Senate Bill 32 and Executive Order S-3-05, respectively), California Air Resources Board (CARB) Scoping Plans, and the Association of Monterey Bay Area Governments Regional Transportation Plan/Sustainable Communities Strategy.

Energy. Dudek will prepare an energy assessment for the Project per Appendix G of the CEQA Guidelines including if the Project would (1) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation, and (2) conflict with or obstruct a state or local plan for renewable energy or energy efficiency. The Project will be assessed in regard to construction and operational energy consumption of electricity and petroleum consumption, which will be quantified using CalEEMod data from the GHG assessment; no natural gas is anticipated to be consumed during Project implementation. Project elements that would reduce the Project's energy demand will be identified in the analysis as available.

Task 2.2. Biological Resources

A Dudek biologist will conduct a records search and visit the site to assess habitat suitability of adjacent trees for nesting birds and foliage-roosting bats protected under federal and state regulations (e.g., federal Migratory Bird Treaty Act, California Fish and Game Code) and existing disturbance levels. Nesting birds and/or roosting bats, if present, could potentially be disturbed during Project construction but the presumed amount of human activity in the area suggests that any such impacts would be less than significant. No other biological resource constraints are expected but this would be confirmed during the field reconnaissance. This work will involve the following key elements:

Records Search. Dudek will conduct a records search to identify known occurrences of special-status species in the project vicinity. Specifically, a Dudek biologist will query the California Department of Fish and Wildlife's (CDFW) California Natural Diversity Database (CNDDB), U.S. Fish and Wildlife Service (USFWS) Information for Planning and Consultation (IPaC) database, and the California Native Plant Society's (CNPS) Inventory of Rare and Endangered Plants of California for special-status plants and animals known or expected to occur within 5 miles of the site.

Field Reconnaissance. A Dudek biologist will conduct a field reconnaissance of the site to identify and document existing biological resources. The reconnaissance will focus on documenting existing vegetation and habitat conditions, evaluating habitat suitability for special-status plant and wildlife species, and confirming the absence of aquatic resources (e.g., wetlands, drainages) potentially subject to regulatory jurisdiction. Observations will be recorded using digital technology (e.g., smartphone GPS and photos) and/or on paper (e.g., field notebook, hard copy maps), as appropriate.

CEQA Document. Based on the results of the records search and field reconnaissance, Dudek will prepare the biological resources section of the CEQA document. The section will describe existing biological resources observed or potentially occurring in the project area and will include figures depicting the location of these any sensitive resources (e.g., species occurrences/observations, sensitive vegetation communities, aquatic resources). If any potentially significant impacts on biological resources are identified, Dudek will propose feasible mitigation measures to avoid, minimize, and/or mitigate such impacts.

Task 2.3. Cultural Resources

Background Research. Dudek will begin by conducting a confidential California Historical Resources Information System (CHRIS) records search for the Project area and a 0.25-mile radius at the Northwest Information Center (NWIC), which houses cultural resource records for Santa Cruz County. The purpose of the records search will be to identify any previously recorded cultural resources located within or near the Project area. The records search will also review historical maps, ethnographies, the National Register of Historic Places (NRHP), the California Register of Historical Resources (CRHR), the California Built Environment Resources Directory (BERD), and the lists of California State Historical Landmarks, California Points of Historical Interest, and Archaeological Determinations of Eligibility.

Concurrently, Dudek will contact the Native American Heritage Commission (NAHC) for a review of its Sacred Lands File (SLF) database. The NAHC will determine if any NAHC-listed Native American sacred lands are located within the Project area. In addition, the NAHC will provide a list of local Native American contacts who may have additional information about cultural or tribal cultural resources in the Project vicinity. Dudek will prepare and send a letter to each of the NAHC-listed contacts describing the Project and requesting additional information about Native American cultural or tribal cultural resources in the Project vicinity. Please note that Dudek's request for resource information from the local Native American community does not constitute tribal consultation under Assembly Bill (AB) 52 Amendment to CEQA. If responses to the outreach letter precipitate the need for additional Native American coordination/consultation for the CEQA lead agency, Dudek can assist, if requested, with additional costs added through a budget amendment.

Fieldwork. A Dudek archaeologist will conduct an intensive surface survey of all accessible land within the Project area. The purpose of the survey will be to determine presence/absence of prehistoric and/or historical period cultural materials. The archaeologist may also excavate a combination of 0.25 × 0.5-meter shovel test pits and/or 10-centimeter diameter auger probes to inspect the subsurface for cultural materials.

Reporting. Dudek will prepare a letter report that documents the results of our background research and field efforts and contains recommendations for the Project moving forward. The report will address CEQA requirements and local regulations.

Task 2.4. Noise

Dudek will conduct an environmental noise assessment to evaluate potential impacts associated with the Project. There are existing noise-sensitive residential land uses adjacent to the southern Project boundary, and across Grace Way to the west and north, which could result in exposure to excessive noise and vibration levels associated with the construction and long-term operation of the Project.

Dudek will conduct a noise monitoring program at the proposed Project site and in the Project vicinity to characterize baseline ambient acoustical conditions in the area and catalog existing noise levels. The noise monitoring program is anticipated to include noise monitoring at up to three (3) noise measurement locations; including up to two (2) short-term (approximately 10 to 30 minutes in duration) attended noise measurements and an unattended long-term (24-48 hours in duration) monitoring at one (1) location in the Project area. Dudek will coordinate with the designated Project team member as directed to coordinate access where required.

Dudek will analyze potential construction noise (temporary/short-term noise) at nearby noise-sensitive land uses using construction noise level prediction methodologies developed by the Federal Highway Administration (FHWA),

Federal Transit Administration (FTA) and empirical reference noise level data. Construction noise levels will be discussed with respect to City of Scotts Valley noise level standards. Construction-related vibration will be discussed based on appropriate guidance by the U.S. Department of Transportation, FTA, and the California Department of Transportation (Caltrans).

Traffic noise will be discussed qualitatively, as the proposed Project does not incorporate elements that would result in significant trip generation over the long-term operation of the Project.

Dudek will assess sound emission from stationary on-site noise producers (such as mechanical equipment, generators, pumps, disinfection equipment, etc.) associated with Project operations under typical conditions, at nearest existing noise-sensitive land uses. If predicted Project operational noise is found to exceed relevant standards and policies, we will recommend conceptual Project design features for consideration and incorporation into the final Project design.

Dudek will prepare the noise section for inclusion in the proposed Project's CEQA document. The noise section will summarize the data and findings of the monitoring and analysis, provide a summary of the relevant regulatory framework, from which noise and vibration impacts will be assessed, based on the City of Scotts Valley General Plan, Scotts Valley Code, and state and federal standards. If significant impacts are identified, mitigation measures to reduce impacts to a less-than-significant level (where feasible) will be recommended.

Task 2 Assumptions

- The Project would not include stationary sources (e.g., emergency generators) and process emissions associated with well water treatment would not occur (i.e., well disinfection would not result in emissions).
- The Project would result in no net new operational vehicle trips.
- This scope of work assumes that a full-scale analysis of potential indirect impacts on the biota in nearby streams from groundwater extraction will not be needed.
- This scope of work assumes that no cultural resources will be identified during survey of the Project site.
- All comments on the cultural resources technical memorandum will be editorial in nature and not require additional field survey or research.

Task 2 Deliverables

- Draft and final cultural resources memorandum (electronic copies)

TASK 3. CEQA DOCUMENTATION

The following subtasks outline the steps Dudek will undertake to complete CEQA review for the Project. This scope of work assumes that the Project would not result in significant unavoidable impacts and that feasible mitigation measures would be available to reduce likely impacts to less-than-significant levels. Therefore, this scope of work assumes that we will prepare a mitigated negative declaration (MND) for the Proposed Project. The contents of the MND will include the Initial Study (IS), a proposed finding that the Project would not have a significant effect on the environment, and the mitigation measures included to reduce potentially significant effects to less-than-significant levels. Should any significant and unavoidable impacts be identified in the IS, Dudek would need to prepare a scope and budget augmentation to prepare an environmental impact report (EIR).

Task 3.1. CEQA Project Description

Based on our review and understanding of the Project, Dudek will prepare the CEQA Project Description prior to beginning work on the IS. The CEQA Project Description will include:

- The precise location and boundaries of the Project site on an aerial map, which also will show the regional location of the Project site;
- A general description of the technical and environmental characteristics of the Project;
- A detailed description of the Project components; and
- The anticipated timeline for Project implementation.

Dudek will submit the CEQA Project Description to the Project team for review and approval. Following review, Dudek will finalize the CEQA Project Description for inclusion and use in the CEQA document.

Task 3.1 Assumptions

- This scope assumes that the CEQA Project Description will remain stable and will not change following approval by the Project team.

Task 3.1 Deliverables

- Draft and final CEQA Project Description (electronic copies)

Task 3.2. Administrative Draft IS/MND

After completion of the CEQA Project Description, Dudek will move forward with preparing the Administrative Draft IS/MND using the Appendix G checklist in the current CEQA Guidelines. Dudek will prepare the IS in conformance with the applicable criteria, standards, and provisions of the CEQA Statutes of 1970, California Public Resources Code Section 21000 et seq., and the CEQA Guidelines. Each resource topic in Appendix G of the CEQA Guidelines will be addressed in the IS.

The environmental setting for each topic will be described based on review of existing information and reports and limited site visits, as needed. Clear graphics will be provided to illustrate site conditions. Brief explanations will be provided on topics for which no impact would be expected, and/or applicable source documents will be cited where such document clearly shows that no impact would occur. Expanded analyses will be prepared for impacts with potential significance or to document why a potential impact would not be considered significant. The analyses will be based on review of existing studies and data, as supplemented by technical studies completed for the Project. The analysis for each resource will include a description of the environmental setting and will substantiate impact conclusions with factual data and scientific results. Feasible mitigation measures will be included to address any identified significant environmental impacts. Dudek will submit the Administrative Draft IS/MND to the Project team for review.

Task 3.2 Assumptions

- Dudek assumes that Montgomery & Associates will provide a hydraulic analysis of the groundwater well to support the analysis of the Project's effect on groundwater.
- Dudek assumes that the Project would not result in significant unavoidable impacts and that feasible mitigation measures would be available to reduce likely impacts to less-than-significant

levels. Should any significant and unavoidable impacts be identified in the IS, a scope and budget augmentation would be required to allow for the preparation of an EIR.

Task 3.2 Deliverables

- Administrative Draft IS/MND (electronic copy)

Task 3.3. Screencheck Draft IS/MND

Dudek will revise the Administrative Draft IS/MND in response to one round of consolidated comments and provide a Screencheck Draft IS/MND to the Project team. Dudek will submit a Screencheck Draft IS/MND showing all Track Changes and responses to comments for Project team review to ensure the document is adequate and addresses all prior comments, as well as a “clean” version with all edits and comments accepted. Comments on the Administrative Draft IS/MND are assumed to be minor in nature requiring limited effort to respond to.

Task 3.3 Assumptions

- Comments on the Administrative Draft IS/MND are assumed to be minor in nature requiring limited effort to respond to.

Task 3.3 Deliverables

- Screencheck Draft IS/MND (electronic copy)

Task 3.4. Public Draft IS/MND

Upon Project team approval of the Screencheck Draft IS/MND, Dudek will finalize the Public Draft IS/MND and submit a final PDF ready for web posting to the Project team. Dudek will also prepare the State Clearinghouse Notice of Completion (NOC) and Summary Form, and the Notice of Intent (NOI) to Adopt a MND, which will be included with the submittal of the Public Draft IS/MND to the Project team, and assist with the distribution list, including local agencies and other interested stakeholders. Dudek will electronically distribute the documents to the approved mailing list, as directed by the Project team. We will also provide a draft newspaper ad for SVWD to post in a local newspaper, and provide electronic versions suitable for posting to the SVWD website. Dudek will coordinate the posting of the NOI with the Santa Cruz County Clerk’s office and will submit the NOC, Summary Form, NOI, and IS/MND to the State Clearinghouse for a 30-day public review period. Filing fees for the NOI and IS/MND at the County Clerk’s office and newspaper noticing fees are not included in this scope and fee.

Task 3.4 Assumptions

- Comments on the Screencheck Draft IS/MND are assumed to be minor in nature requiring limited effort to respond to.
- Filing fees for the NOI and IS/MND at the County Clerk’s office and newspaper noticing fees are not included in this scope and fee.

Task 3.4 Deliverables

- Public Draft IS/MND adequate for web posting (electronic copy; no more than five hard copies, if requested)
- NOI for general release

- Newspaper ad
- NOC and Summary Form for State Clearinghouse submittal
- Administrative Record, including all references cited (digital format)

Task 3.5. Final IS/MND and MMRP

Following public review, Dudek will prepare an appendix to the IS/MND addressing substantive environmental comments received during the review period. Dudek will submit the draft responses to comments appendix to the Project team for review. Dudek will then incorporate all comments and submit the final responses. For budgeting purposes, preparation of responses to a maximum of five public comment letters of limited scope and length is anticipated. It is also assumed that such letters do not require major changes to the IS/MND or new or substantially revised technical analyses, and/or do not otherwise raise complex issues requiring substantial research, agency coordination, or additional technical analysis. If additional, complex, or lengthy public comment letters beyond what is currently contemplated are received, such letters can be responded to with a scope augmentation. A Final MND package will be prepared consisting of the IS/MND (with any revisions resulting from public review), responses to comments, and the Mitigation Monitoring and Reporting Program (MMRP). The responses to comments and MMRP will be included as appendices to the IS/MND. The scope of work and budget estimate for this task assumes that the Project does not become controversial resulting in the need to prepare additional responses or additional technical analyses, and/or to conduct additional consultations and review with the Project team.

The MMRP will identify the impacts, mitigation measures, timing of implementation, method of implementation, and responsible parties. The MMRP will describe the method by which mitigation measures will be implemented. The MMRP will include each mitigation measure identified in the IS/MND, including the agency/department responsible for ensuring compliance, the method of implementation, and the compliance report.

Dudek will also draft the Notice of Determination (NOD) for filing with the State Clearinghouse within five days of Project approval.

Task 3.5 Deliverables

- Administrative Final IS/MND (electronic copy)
- Screencheck Final IS/MND (electronic copy)
- Final IS/MND suitable for web posting
- Draft and Final MMRP
- Draft and Final NOD for State Clearinghouse filing
- Updated Administrative Record

TASK 4. PROJECT MANAGEMENT AND MEETINGS

Task 4.1. Project Management

Dudek will undertake a variety of general project management tasks throughout the preparation period of the IS/MND document, including monthly invoicing, status reporting, and schedule updates, as needed. Our Project Director, Ann Sansevero, and Project Manager, Catherine Wade, will provide input on scope, budget, contract negotiation and management, scheduling, and quality assurance for all work conducted. With oversight from Ann,

Catherine will lead day-to-day activities associated with the Project, which will include regular contact with Montgomery & Associates. She will also provide direction to all team members to ensure internally consistent and coherent documents, and review of all submittals.

Task 4.1 Deliverables

- Monthly invoices and progress reports

Task 4.2. Meetings

This task includes regular 1-hour status calls or meetings between the Dudek Project Director, Project Manager, over the course of the 9-month Project schedule (Dudek will prepare for and attend a total of 9 calls/meetings). This scope includes an allowance for attendance by technical staff at up to three calls. Documentation for these meetings is anticipated to include brief call agendas and the tracking of action items from the meetings.

Task 4.2 Deliverables

- Project meeting agendas and action item summaries

3. Schedule

Table 1 provides Dudek’s proposed schedule showing the expected sequence of tasks. As shown in the table, we expect to complete the IS/MND in approximately 9 months, with an anticipated start date of June 20, 2022, and publication of the Final IS/MND in March 2023. Our schedule assumptions are listed at the bottom of Table 1. Dudek will review and confirm or revise the schedule during the Project kickoff meeting. If the assumptions below are not met, the schedule will need to be extended.

Table 1. Tentative Project Schedule

Task	Duration	Start Date	End Date
Authorization to proceed	1 day	Mon 6/20/22	Mon 6/20/22
Task 1. Project Initiation	20 days	Tue 6/21/22	Tue 7/19/22
Project initiation, kickoff meeting, and coordination	1 week	Tue 6/21/22	Mon 6/27/22
Project team provides all data needs to Dudek	3 weeks	Tue 6/28/22	Tue 7/19/22
Task 2. Technical Analyses	40 days	Wed 7/20/22	Wed 9/14/22
Air quality, energy, and GHG modeling	6 weeks	Wed 7/20/22	Tue 8/30/22
Biological resources analysis	6 weeks	Wed 7/20/22	Tue 8/30/22
Cultural resources analysis	40 days	Wed 7/20/22	Wed 9/14/22
Draft memorandum	6 weeks	Wed 7/20/22	Tue 8/30/22
Project team review	1 week	Wed 8/31/22	Wed 9/7/22
Final memorandum	1 week	Thu 9/8/22	Wed 9/14/22
Noise analysis	6 weeks	Wed 7/20/22	Tue 8/30/22

Table 1. Tentative Project Schedule

Task	Duration	Start Date	End Date
Task 3. CEQA Documentation	159 days	Wed 7/20/22	Mon 3/6/23
Dudek prepares draft project description	2 weeks	Wed 7/20/22	Tue 8/2/22
Project team reviews draft project description	2 weeks	Wed 8/3/22	Tue 8/16/22
Dudek finalizes project description and prepares administrative draft IS/MND	8 weeks	Wed 8/17/22	Wed 10/12/22
Project team reviews administrative draft IS/MND	3 weeks	Thu 10/13/22	Wed 11/2/22
Dudek prepares screencheck draft IS/MND;	2 weeks	Thu 11/3/22	Wed 11/16/22
Project team reviews screencheck draft IS/MND	1 week	Thu 11/17/22	Wed 11/23/22
Dudek produces and distributes draft IS/MND	1 week	Mon 11/28/22	Fri 12/2/22
<i>30-day public review period</i>	<i>30 edays</i>	<i>Fri 12/2/22</i>	<i>Sun 1/1/23</i>
Dudek prepares administrative final IS/MND, including responses to comments and MMRP	4 weeks	Tue 1/3/23	Mon 1/30/23
Project team reviews administrative final IS/MND	2 weeks	Tue 1/31/23	Mon 2/13/23
Dudek prepares screencheck final IS/MND	1 week	Tue 2/14/23	Mon 2/20/23
Project team reviews screencheck final IS/MND	1 week	Tue 2/21/23	Mon 2/27/23
Dudek produces and distributes final IS/MND	1 week	Tue 2/28/23	Mon 3/6/23

Schedule Assumptions

- Notice to Proceed is received no later than June 20, 2022.
- All required information is available to Dudek for project description preparation within three weeks of the kickoff meeting.
- Expansion of the scope of work is not required during the IS/MND preparation period.
- Comments on all administrative draft or screencheck documents are minor and do not require project description changes or new or substantially revised technical analyses.
- SVWD staff reviews all deliverables at the same time as Montgomery & Associates.
- The Project is not controversial and minimal substantive comments are received during public review and such comments do not require project description changes or new or substantially revised technical analyses.

4. Cost Estimate

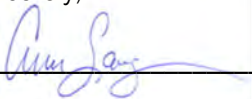
Table 2 presents Dudek’s time-and-materials cost estimate for each work task based on Dudek’s 2022 schedule of charges, attached to this proposal. The cost assumes conformance with the schedule provided in Table 1 and all other assumptions presented throughout the scope of work.

Table 2. Cost Estimate


Task	Cost Estimate
Base Scope	
1. Project Initiation	\$3,980
2. Technical Analyses	—
2.1. Air Quality, Energy, and GHG Emissions	\$11,400
2.2. Biological Resources	\$6,182
2.3. Cultural Resources	\$3,524
2.4. Noise	\$7,366
3. CEQA Documentation	—
3.1. CEQA Project Description	\$5,420
3.2. Administrative Draft IS/MND	\$12,910
3.3. Screencheck Draft IS/MND	\$4,500
3.4. Public Draft IS/MND	\$4,500
3.5. Final IS/MND and MMRP	\$4,680
4. Project Management and Meetings	—
4.1. Project Management	\$7,640
4.2. Meetings	\$3,630
Total	\$75,732

We appreciate the opportunity to submit this proposal and look forward to working with Montgomery & Associates on this important Project. Please feel free to contact Ann Sansevero, Project Director (831.600.1411 or asansevero@dudek.com) or Catherine Wade, Project Manager (831.600.1410 or cwade@dudek.com) if you have any questions or require any additional information.

Sincerely,



Ann Sansevero, AICP
 Project Director



Catherine Wade, PhD
 Project Manager

DUDEK 2022 Standard Schedule of Charges

Engineering Services

Project Director	\$310.00/hr
Principal Engineer III	\$285.00/hr
Principal Engineer II	\$275.00/hr
Principal Engineer I	\$265.00/hr
Program Manager	\$255.00/hr
Senior Project Manager	\$255.00/hr
Project Manager	\$245.00/hr
Senior Engineer III	\$240.00/hr
Senior Engineer II	\$230.00/hr
Senior Engineer I	\$220.00/hr
Project Engineer IV/Technician IV	\$210.00/hr
Project Engineer III/Technician III	\$200.00/hr
Project Engineer II/Technician II	\$185.00/hr
Project Engineer I/Technician I	\$165.00/hr
Senior Designer II	\$190.00/hr
Senior Designer I	\$185.00/hr
Designer	\$175.00/hr
Assistant Designer	\$170.00/hr
CADD Operator III	\$165.00/hr
CADD Operator II	\$155.00/hr
CADD Operator I	\$140.00/hr
CADD Drafter	\$125.00/hr
CADD Technician	\$115.00/hr
Project Coordinator	\$145.00/hr
Engineering Assistant	\$120.00/hr

Environmental Services

Project Director	\$255.00/hr
Senior Specialist IV	\$235.00/hr
Senior Specialist III	\$225.00/hr
Senior Specialist II	\$210.00/hr
Senior Specialist I	\$195.00/hr
Specialist V	\$185.00/hr
Specialist IV	\$175.00/hr
Specialist III	\$165.00/hr
Specialist II	\$150.00/hr
Specialist I	\$140.00/hr
Analyst V	\$130.00/hr
Analyst IV	\$115.00/hr
Analyst III	\$105.00/hr
Analyst II	\$95.00/hr
Analyst I	\$85.00/hr
Technician III	\$75.00/hr
Technician II	\$65.00/hr
Technician I	\$55.00/hr

Mapping and Surveying Services

Application Developer II	\$195.00/hr
Application Developer I	\$155.00/hr
GIS Analyst V	\$205.00/hr
GIS Analyst IV	\$165.00/hr
GIS Analyst III	\$145.00/hr
GIS Analyst II	\$130.00/hr
GIS Analyst I	\$115.00/hr
UAS Pilot	\$115.00/hr
Survey Lead	\$185.00/hr
Survey Manager	\$135.00/hr
Survey Crew Chief	\$115.00/hr
Survey Rod Person	\$95.00/hr
Survey Mapping Technician	\$95.00/hr

Construction Management Services

Principal/Manager	\$195.00/hr
Senior Construction Manager	\$185.00/hr
Senior Project Manager	\$175.00/hr
Construction Manager	\$160.00/hr
Project Manager	\$150.00/hr
Resident Engineer	\$150.00/hr
Construction Engineer	\$150.00/hr
On-site Owner's Representative	\$140.00/hr
Prevailing Wage Inspector	\$139.00/hr
Construction Inspector	\$135.00/hr
Administrator/Labor Compliance	\$100.00/hr

Hydrogeology/HazWaste Services

Project Director	\$305.00/hr
Principal Hydrogeologist/Engineer II	\$280.00/hr
Principal Hydrogeologist/Engineer I	\$260.00/hr
Senior Hydrogeologist V/Engineer V	\$240.00/hr
Senior Hydrogeologist IV/Engineer IV	\$230.00/hr
Senior Hydrogeologist III/Engineer III	\$220.00/hr
Senior Hydrogeologist II/Engineer II	\$210.00/hr
Senior Hydrogeologist I/Engineer I	\$200.00/hr
Project Hydrogeologist V/Engineer V	\$185.00/hr
Project Hydrogeologist IV/Engineer IV	\$175.00/hr
Project Hydrogeologist III/Engineer III	\$165.00/hr
Project Hydrogeologist II/Engineer II	\$155.00/hr
Project Hydrogeologist I/Engineer I	\$145.00/hr
Hydrogeologist/Engineering Assistant	\$120.00/hr

District Management & Operations

District General Manager	\$210.00/hr
District Engineer	\$205.00/hr
Operations Manager	\$160.00/hr
District Secretary/Accountant	\$135.00/hr
Collections System Manager	\$135.00/hr
Grade V Operator	\$125.00/hr
Grade IV Operator	\$110.00/hr
Grade III Operator	\$100.00/hr
Grade II Operator	\$80.00/hr
Grade I Operator	\$75.00/hr
Operator in Training	\$75.00/hr
Collection Maintenance Worker	\$75.00/hr

Creative Services

Creative Services IV	\$165.00/hr
Creative Services III	\$150.00/hr
Creative Services II	\$135.00/hr
Creative Services I	\$120.00/hr

Publications Services

Technical Editor IV	\$165.00/hr
Technical Editor III	\$150.00/hr
Technical Editor II	\$135.00/hr
Technical Editor I	\$120.00/hr
Publications Specialist IV	\$120.00/hr
Publications Specialist III	\$110.00/hr
Publications Specialist II	\$100.00/hr
Publications Specialist I	\$90.00/hr
Clerical Administration	\$90.00/hr

Forensic Engineering – Court appearances, depositions, and interrogatories as expert witness will be billed at 2.00 times normal rates.

Emergency and Holidays – Minimum charge of two hours will be billed at 1.75 times the normal rate.

Material and Outside Services – Subcontractors, rental of special equipment, special reproductions and blueprinting, outside data processing and computer services, etc., are charged at 1.15 times the direct cost.

Travel Expenses – Mileage at current IRS allowable rates. Per diem where overnight stay is involved is charged at cost.

Invoices, Late Charges – All fees will be billed to Client monthly and shall be due and payable upon receipt. Invoices are delinquent if not paid within 30 days from the date of the invoice. Client agrees to pay a monthly late charge equal to 1% per month of the outstanding balance until paid in full.

Annual Increases – Unless identified otherwise, these standard rates will increase 3% annually.

The rates listed above assume prevailing wage rates does not apply. If this assumption is incorrect Dudek reserves the right to adjust its rates accordingly.

Attachment 2: Cost Estimate for Hydrogeological Support Services for Grace Way Well

Grace Way Well		Georgina King	Bill DeBoer	Pete Dennehy	Nick Byler	Luis Mendez	Caryn Fogel	Labor Costs	Expenses	TOTAL
		Scientist 6	Scientist 6	Scientist 4	Scientist 4	Scientist 1	Technical Editor			
Task	\$/hr	\$220	\$220	\$177	\$177	\$113	\$75			
1.0	Project Management									
	Progress tracking and coordination	-	28	20	-	-	-	\$9,700	-	\$9,700
	Meetings	-	8	8	-	-	-	\$3,176	\$350	\$3,526
	Subconsultant and schedule management	-	6	14	-	-	-	\$3,798	-	\$3,798
	Submittals Review	2	20	10	-	-	-	\$6,610	-	\$6,610
	Task 1 Subtotals	2	62	52	0	0	0	\$23,284	\$350	\$23,634
2.0	CEQA Documentation									
	CEQA Documentation (Dudek; includes 10% markup)	-	4	4	-	-	1	\$1,663	\$83,305	\$84,968
	Task 2 Subtotals	0	4	4	0	0	1	\$1,663	\$83,305	\$84,968
3.0	Technical Specifications									
	Draft Technical Specifications	4	40	8	32	8	6	\$18,114	-	\$18,114
	Final Technical Specifications	2	4	-	-	2	2	\$1,696	-	\$1,696
	Task 3 Subtotals	6	44	8	32	10	8	\$19,810	\$0	\$19,810
4.0	Bid Assistance									
	Response to Contractor Questions	2	8	-	-	-	-	\$2,200	-	\$2,200
	Contractor Selection	2	6	-	4	-	-	\$2,468	-	\$2,468
	Task 4 Subtotals	4	14	0	4	0	0	\$4,668	\$0	\$4,668
5.0	Construction Management									
	Mobilize Drill Rig	-	2	-	10	-	-	\$2,210	-	\$2,210
	Install Conductor	-	2	-	20	-	-	\$3,980	-	\$3,980
	Pilot Hole and Geophysical Logging	-	24	-	108	-	-	\$24,396	-	\$24,396
	Ream and Caliper Survey	-	8	-	48	-	-	\$10,256	-	\$10,256
	Well Construction	-	16	-	114	-	-	\$23,698	-	\$23,698
	Mechanical and Chemical Development	-	10	-	130	-	-	\$25,210	-	\$25,210

Grace Way Well		Georgina King	Bill DeBoer	Pete Dennehy	Nick Byler	Luis Mendez	Caryn Fogel	Labor Costs	Expenses	TOTAL
		Scientist 6	Scientist 6	Scientist 4	Scientist 4	Scientist 1	Technical Editor			
Task	\$/hr	\$220	\$220	\$177	\$177	\$113	\$75			
	Test Pump Development	-	8	-	60	-	-	\$12,380	-	\$12,380
	Step Test	-	14	-	4	-	-	\$3,788	-	\$3,788
	Constant Rate Test, Sample Collection and Spinner Survey	-	12	-	52	-	-	\$11,844	-	\$11,844
	Recovery Test	-	1	-	8	-	-	\$1,636	-	\$1,636
	Video, Plumbness and Alignment	-	1	-	10	-	-	\$1,990	-	\$1,990
	Chlorination	-	1	-	10	-	-	\$1,990	-	\$1,990
	Indirect Costs (mobile office, mileage, transportation, expenses)	-	-	-	-	-	-	\$0	\$24,000	\$24,000
	Task 5 Subtotals	0	99	0	574	0	0	\$123,378	\$24,000	\$147,378
6.0	Data Analysis and Reporting									
	Well Design Technical Memorandum	2	10	-	4	-	-	\$3,348	-	\$3,348
	Well Installation Report	6	48	-	24	8	4	\$17,332	-	\$17,332
	Discharge Report	2	4	-	16	2	2	\$4,528	-	\$4,528
	DWSAP Documentation	2	4	-	28	4	2	\$6,878	-	\$6,878
	Task 6 Subtotals	12	66	0	72	14	8	\$32,086	\$0	\$32,086
	TOTAL HOURS	24	289	64	682	24	17			
	TOTAL COST	\$5,280	\$63,580	\$11,328	\$120,714	\$2,712	\$1,275	\$204,889	\$107,655	\$312,544

Attachment 3: Estimate for Drilling and Installation of Grace Way Well

ITEM NO.	DESCRIPTION	UNITS	EST. QTY.	UNIT PRICE	EXTENDED PRICE
1	Mobilization.	LS	1	\$ 80,000	\$ 80,000
2	Furnishing/installing/maintaining/removing noise control barrier walls	LS	1	\$ 85,000	\$ 85,000
3	Drill minimum 44-inch diameter surface casing/sanitary seal borehole, install 34-inch O.D. by 1/2-inch wall mild steel conductor casing, and install cement grout sanitary seal to a minimum depth of 55 feet bgs	LS	1	\$ 30,000	\$ 30,000
4	Drill by flooded reverse-rotary methods a maximum 17.5-inch nominal diameter pilot borehole from the bottom of the conductor to 1,110 feet bgs	LF	1,055	\$ 140	\$ 147,700
5	Perform Downhole Geophysical Surveys: Spontaneous Potential, Single-Point, 64-inch Long and 16-inch Short Normal Resistivity, Focused (Guard) Resistivity, Gamma-Ray, Sonic Velocity	LS	1	\$ 4,800	\$ 4,800
6	Ream pilot borehole to 28 inches and 22 inches diameter to depths specified in final well design using flooded reverse-rotary methods	LF	1,055	\$ 150	\$ 158,250
7	Conduct caliper survey	LS	1	\$ 4,000	\$ 4,000
8	Furnish and install 14-inch I.D., 3/8-inch wall 304L Stainless Steel blank sump with bullnose end cap	LF	10	\$ 500	\$ 5,000
9	Furnish and install 14-inch I.D. 304L Stainless Steel Wire Wrap well screen (assume 0.050-inch slot)	LF	400	\$ 480	\$ 192,000
10	Furnish and install 14-inch I.D., 3/8-inch wall 304L Stainless Steel blank casing	LF	693	\$ 500	\$ 346,500
11	Furnish and install 2-inch Schedule 40 304L Stainless Steel filter pack feed tube	LF	670	\$ 40	\$ 26,800
12	Furnish and install 8 x 16 filter pack or similar supplied in super sacks, including 10-foot thick fine-grained transition sand on top of filter pack	LF	445	\$ 120	\$ 53,400

ITEM NO.	DESCRIPTION	UNITS	EST. QTY.	UNIT PRICE	EXTENDED PRICE
13	Furnish and install annular seal	LF	665	\$ 110	\$ 73,150
14	Perform mechanical and chemical development as specified	HR	72	\$ 550	\$ 39,600
15	Mobilize, install, and demobilize pump, equipment, and appurtenances for pumping development (assume up to 1,100 gallons per minute, assume intake at 660 feet bgs)	LS	1	\$ 30,000	\$ 30,000
16	Perform pump development by pumping and surging as specified.	HR	60	\$ 400	\$ 24,000
17	Perform step-drawdown test by pumping	LS	1	\$ 5,000	\$ 5,000
18	Perform constant-rate discharge test by pumping, including water quality sample collection and analysis	LS	1	\$ 24,000	\$ 24,000
19	Conduct a flow velocity (spinner-log) survey	LS	1	\$ 4,800	\$ 4,800
20	Perform a color video camera survey	LS	1	\$ 2,500	\$ 2,500
21	Conduct well alignment/deviation tests by gyroscopic methods	LS	1	\$ 4,000	\$ 4,000
22	Complete final disinfection and capping	LS	1	\$ 3,500	\$ 3,500
23	Demobilization & cleanup	LS	1	\$ 80,000	\$ 80,000
TOTAL SCHEDULE A (Items 1 through 23)					\$ 1,424,000
24	Standby Time (at OWNER'S Option)	HR	0	\$ 500	

AGENDA REPORT

Scotts Valley Water District

Date: 08/11/22

To: Board of Directors

Item: Business 6.1

Subject: **Santa Cruz County Civil Grand Jury Report: Our Water Account is Overdrawn**

Reason: Mandated by the California Penal Code

SUMMARY

Recommendation: Approve and authorize staff to submit the response from Scotts Valley Water District for the Santa Cruz County Civil Grand Jury Report: Our Water Account is Overdrawn Beyond Conservation: Achieving Drought Resilience.

Fiscal Impact: No direct impact.

Previous Related Action:

None.

BACKGROUND

On May 24, 2022 the Santa Cruz County Civil Grand Jury released a report, which is intended to give the residents a fresh look at our current water situation and the near-term investments that can create drought resilience within the next five to ten years. The report concludes with a set of findings (12), recommendations (3) and commendations (2).

Specified public agencies and individuals are required/invited to respond to the findings and recommendations pertaining to matters under their purview within 90 days (by August 22, 2022).

As to each grand jury finding, the responding entity must indicate one of the following:

- (1) The respondent agrees with the finding.
- (2) The respondent disagrees wholly or partially with the finding, in which case the response specifies the portion of the finding that is disputed and includes an explanation of the reasons therefor.

As to each grand jury recommendation, the responding entity must report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.

- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe will not exceed six months from the date of publication of the grand jury report.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.

DISCUSSION:

On June 9, 2022 the board received the Santa Cruz Civil Grand Jury Report: Our Water Account is Overdrawn and discussed the approach for SVWD to prepare the response. It was decided to compile one response on behalf of the district and include the answers to the findings presented to the invited respondent, General Manager of SVWD, in it.

President Stiles and Vice President Perri were selected to work with staff in preparing the draft response for board review. Staff was directed to conduct a survey and invite all board members to submit individual responses. 3 submittals were received and based on the input, the draft document prepared.

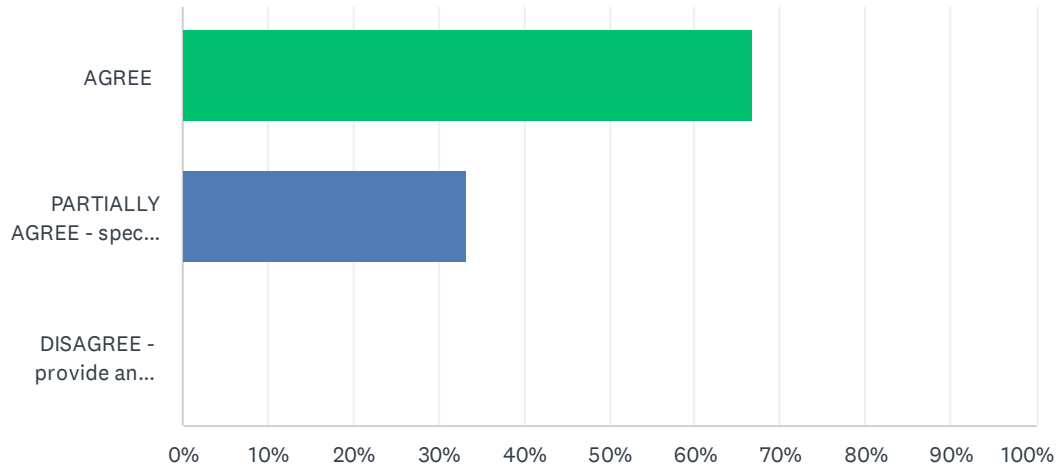
Submitted,

Piret Harmon
General Manager

Enclosed: Surveymonkey Summary Results
 SVWD Required Response Draft

Q1 There is an urgent need to create a county-wide drought-resilient water storage and delivery infrastructure (F2).

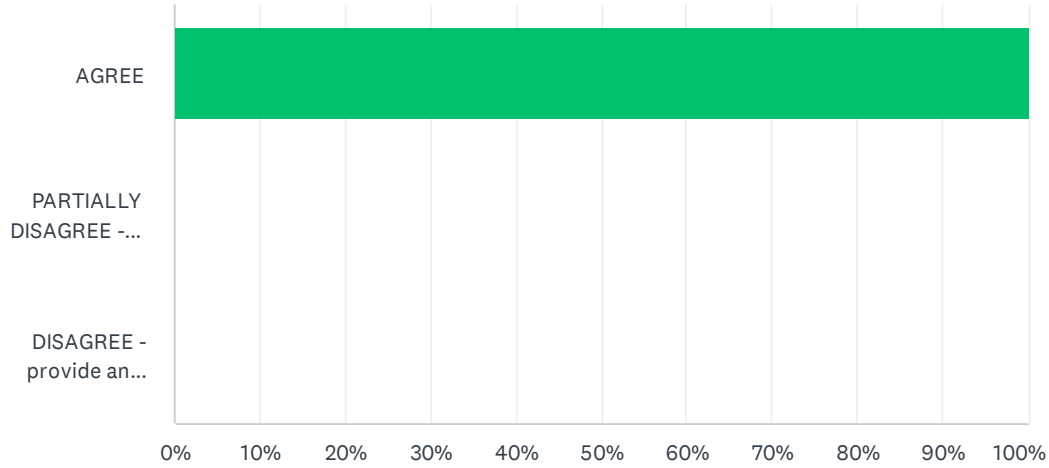
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	66.67%	2
PARTIALLY AGREE - specify the portion that is disputed and include an explanation	33.33%	1
DISAGREE - provide an explanation	0.00%	0
TOTAL		3

Q2 Interdistrict water-sharing plans spanning North County and Mid-County that could benefit all residents have existed since 2015 and deserve to be accelerated (F3).

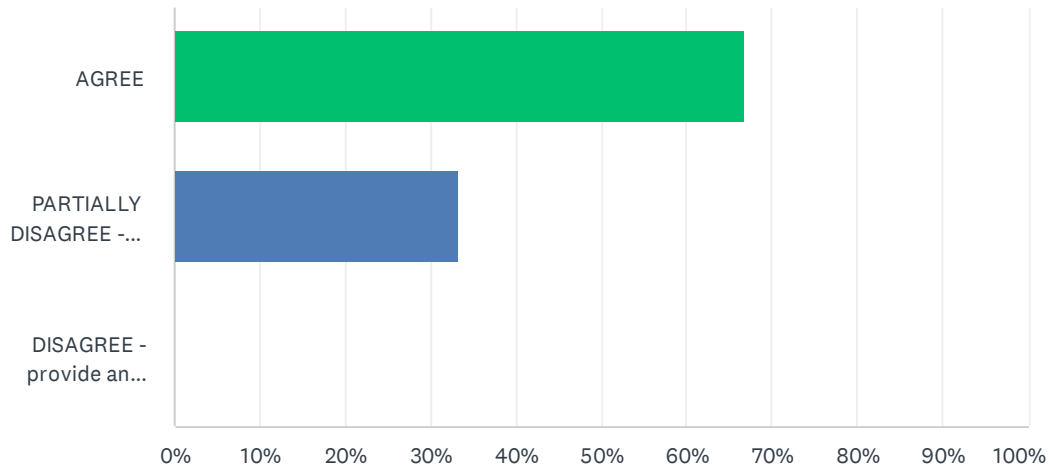
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	100.00%	3
PARTIALLY DISAGREE - specify the portion that is disputed and include an explanation	0.00%	0
DISAGREE - provide an explanation	0.00%	0
TOTAL		3

Q3 Establishing a strategic groundwater reserve, as described in documents from the City of Santa Cruz, is a well-understood and achievable first step (F4).

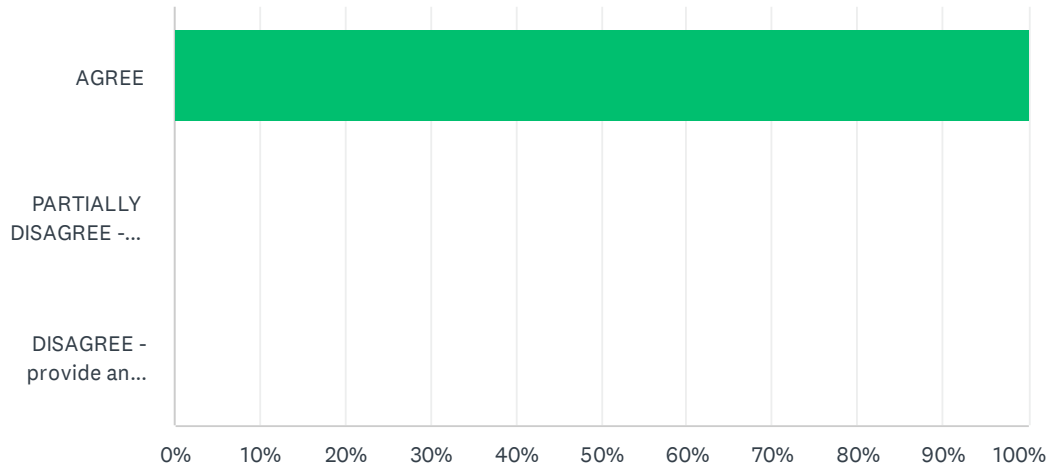
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	66.67%	2
PARTIALLY DISAGREE - specify the portion that is disputed and include an explanation	33.33%	1
DISAGREE - provide an explanation	0.00%	0
TOTAL		3

Q4 Limited interdistrict water transfers have been achieved and serve as proof of concept (F6).

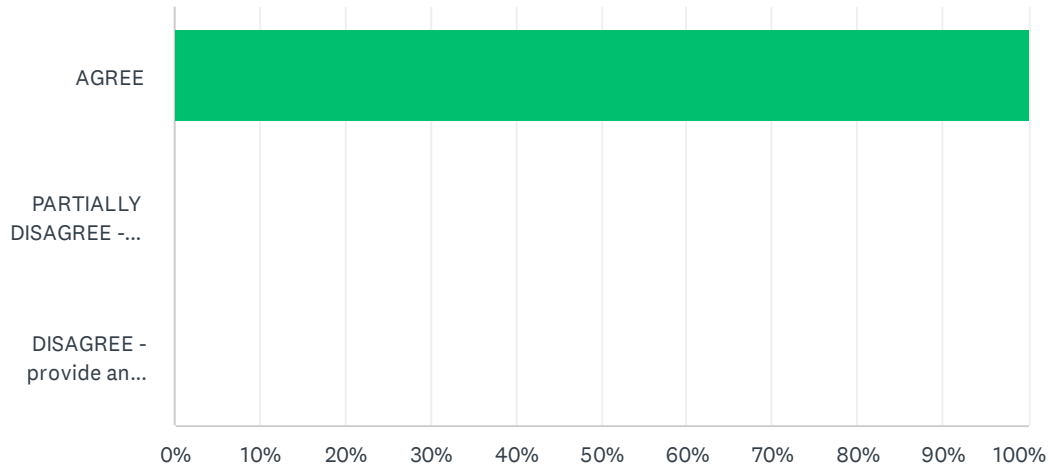
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	100.00%	3
PARTIALLY DISAGREE - specify the portion that is disputed and include an explanation	0.00%	0
DISAGREE - provide an explanation	0.00%	0
TOTAL		3

Q5 Each agency described in this report communicates well with neighboring agencies, but collaboration is limited and narrow in scope (F8).

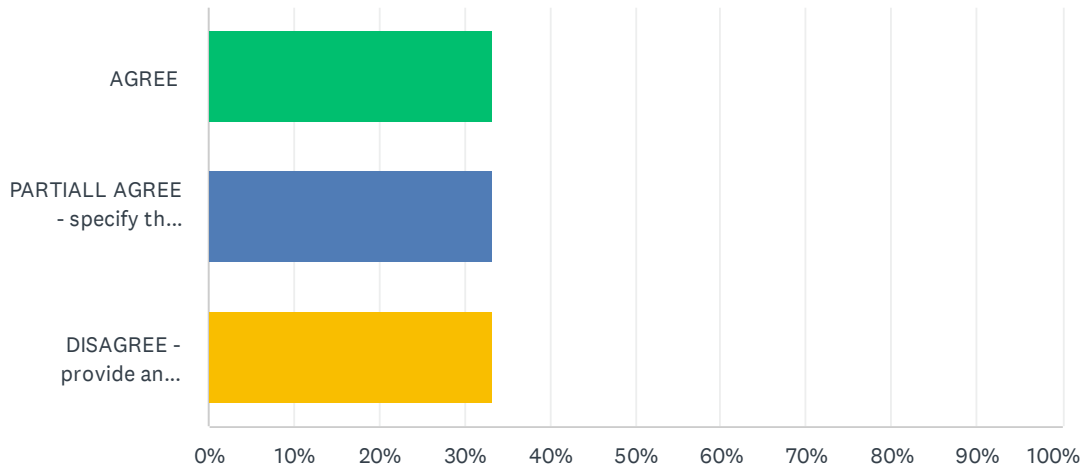
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	100.00%	3
PARTIALLY DISAGREE - specify the portion of the Finding that is disputed and include an explanation	0.00%	0
DISAGREE - provide an explanation	0.00%	0
TOTAL		3

Q6 Agency communications to the public emphasize conservation and sustainability while downplaying agency planning to achieve drought resilience (F9).

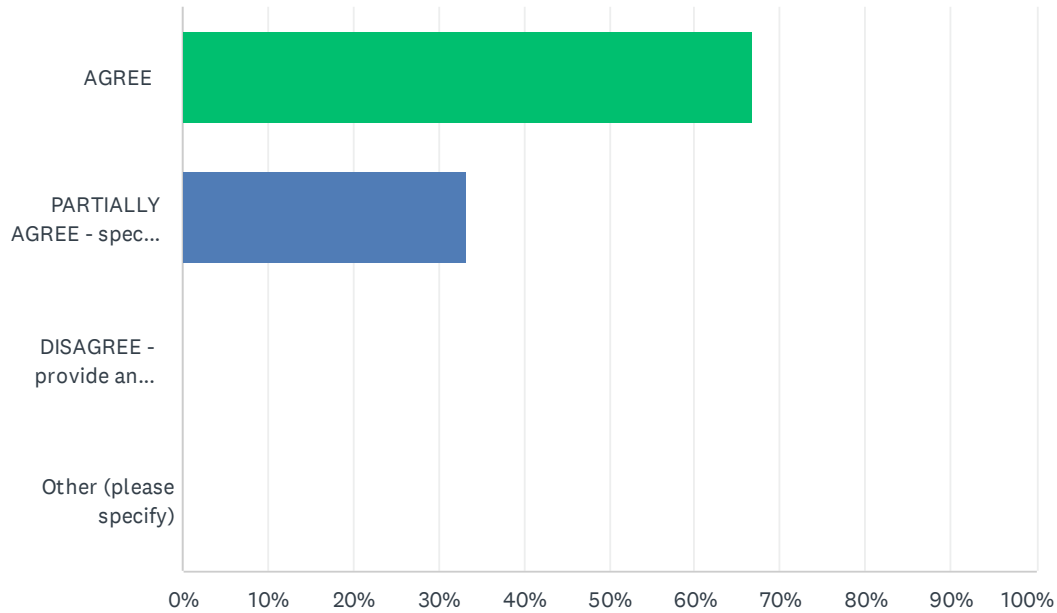
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	33.33%	1
PARTIALL AGREE - specify the portion that is disputed and include an explanation	33.33%	1
DISAGREE - provide an explanation	33.33%	1
TOTAL		3

Q7 The individual water supply districts lack funding, resources, and charters to develop county-centric drought-resilience infrastructure (F10).

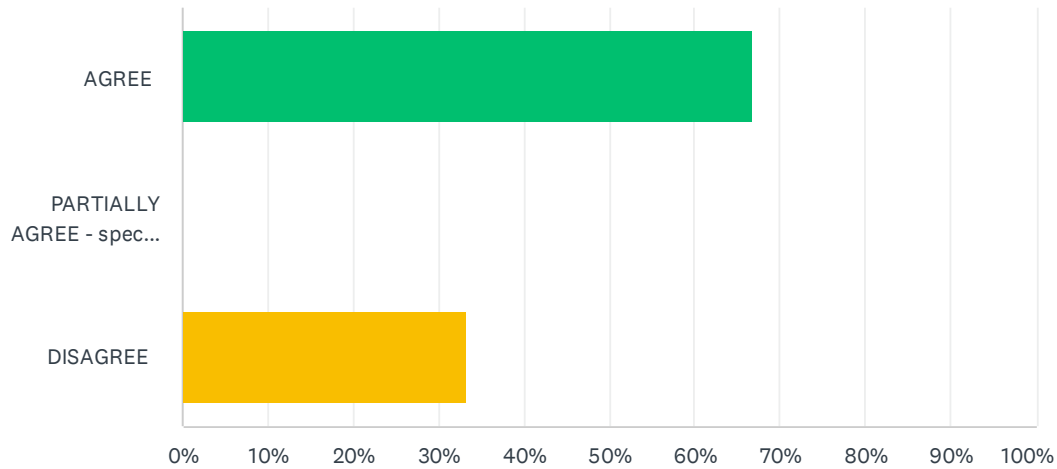
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	66.67%	2
PARTIALLY AGREE - specify the portion that is disputed and include an explanation	33.33%	1
DISAGREE - provide an explanation	0.00%	0
Other (please specify)	0.00%	0
TOTAL		3

Q8 The Groundwater Sustainability Management agencies lack the charters, staff and resources to plan or execute a county-wide drought-resilience strategy (F11).

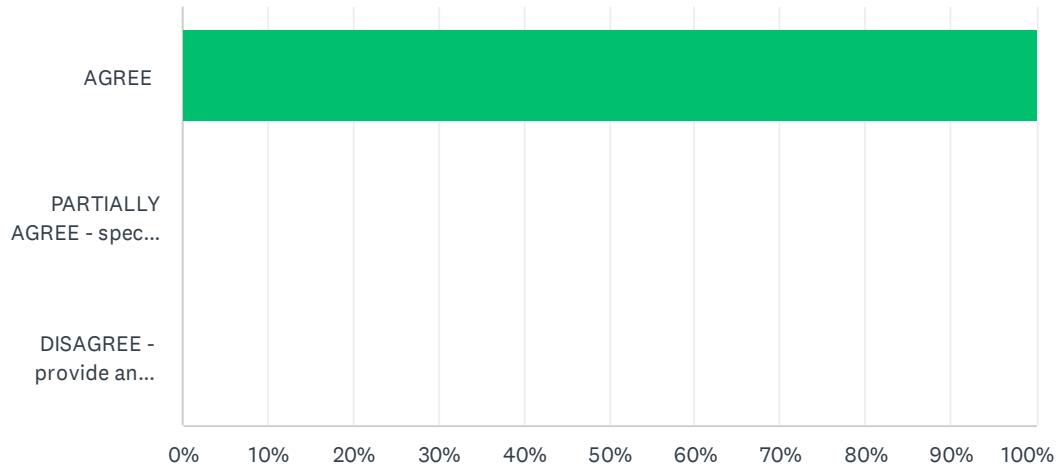
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	66.67%	2
PARTIALLY AGREE - specify the portion that is disputed and include an explanation	0.00%	0
DISAGREE	33.33%	1
TOTAL		3

Q9 There is no county-level agency chartered to plan, propose, or build regional district-spanning drought-resilience infrastructure (F12).

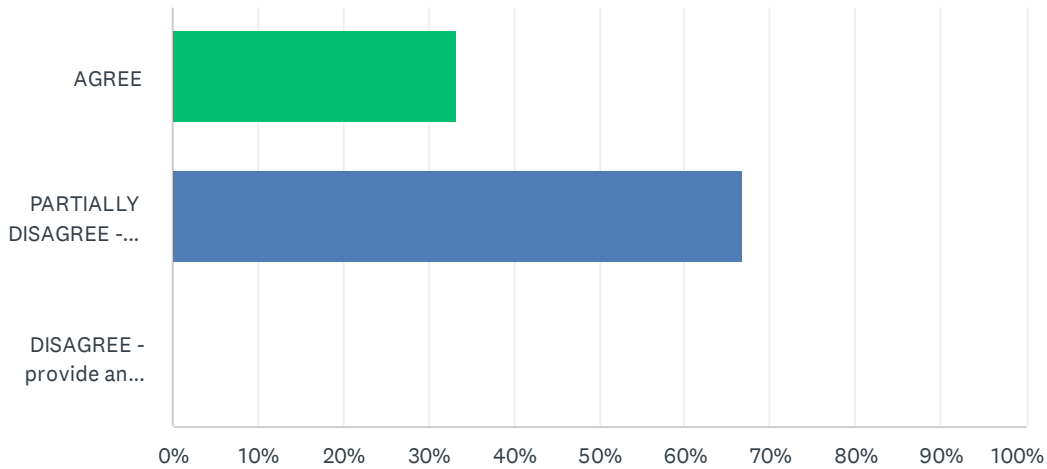
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	100.00%	3
PARTIALLY AGREE - specify the portion that is disputed and include an explanation	0.00%	0
DISAGREE - provide an explanation	0.00%	0
TOTAL		3

Q10 Optional: If extended drought conditions lead the City of Santa Cruz to execute Stage 5 of its Water Shortage Contingency Plan, it will have extreme economic impacts on all residents throughout the County (F1).

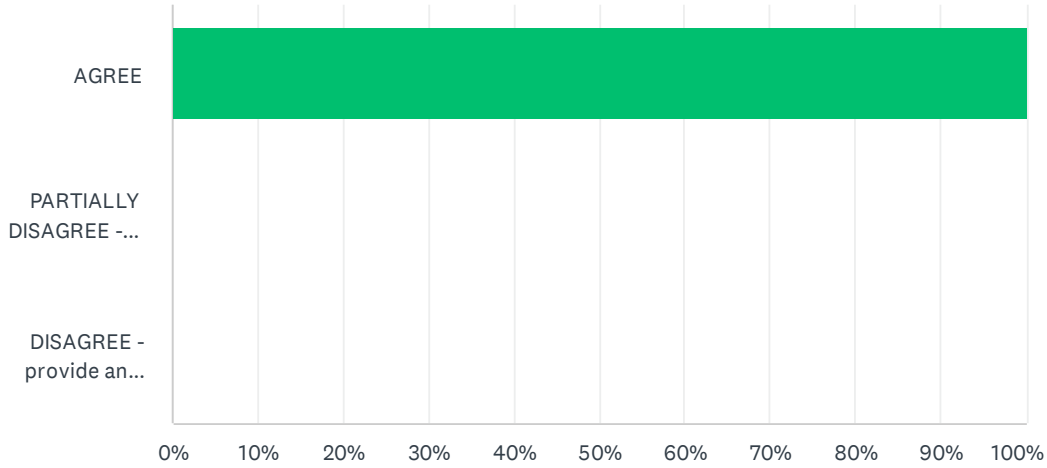
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	33.33%	1
PARTIALLY DISAGREE - specify the portion that is disputed and include an explanation	66.67%	2
DISAGREE - provide an explanation	0.00%	0
TOTAL		3

Q11 Optional: Existing City of Watsonville and City of Santa Cruz wastewater resources are only partially utilized to address passive well resting and saltwater intrusion issues (F7).

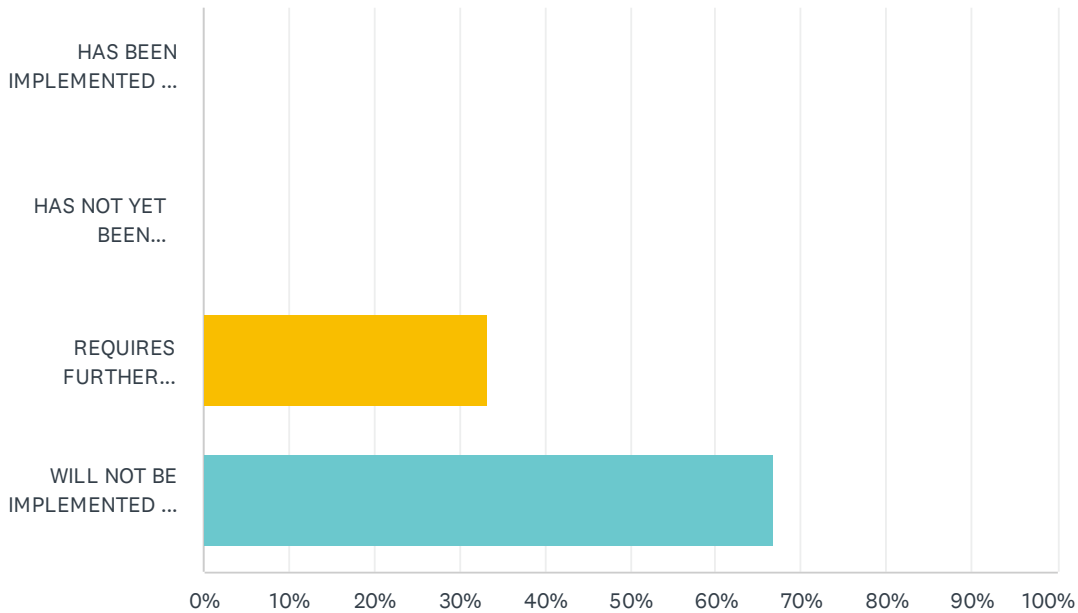
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
AGREE	100.00%	3
PARTIALLY DISAGREE - specify the portion that is disputed and include an explanation	0.00%	0
DISAGREE - provide an explanation	0.00%	0
TOTAL		3

Q12 By December 31, 2022, the Boards of SMGWA and MGA should extend their charters to include and proactively deliver drought-resilience project planning and execution (R1).

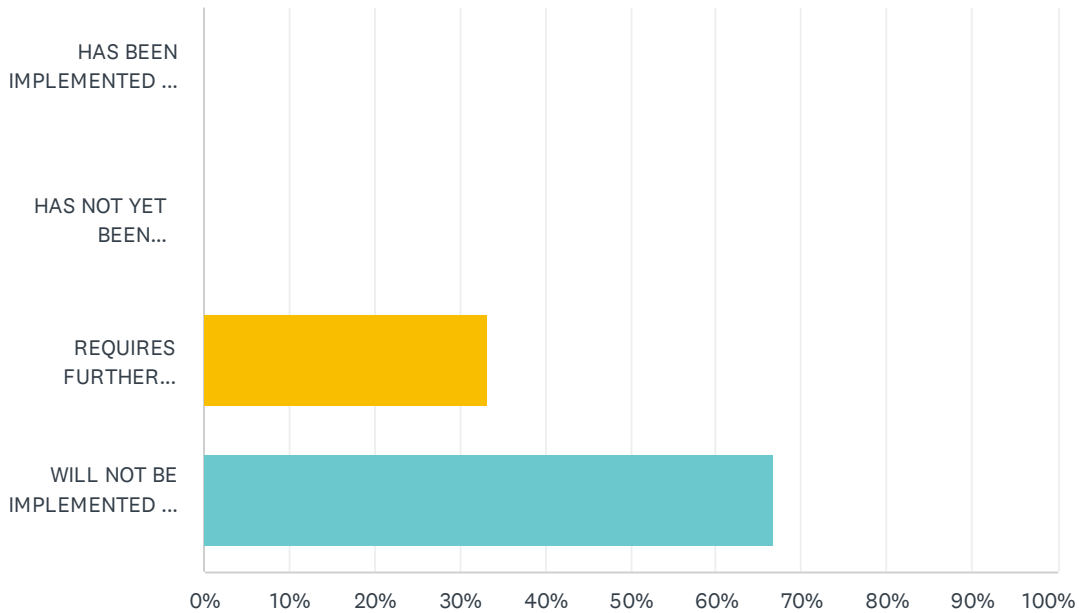
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES
HAS BEEN IMPLEMENTED - provide a summary of actions taken	0.00% 0
HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE - provide a timeframe or expected date for completion	0.00% 0
REQUIRES FURTHER ANALYSIS - provide an explanation, scope and parameters of analysis to be completed within six months	33.33% 1
WILL NOT BE IMPLEMENTED - provide an explanation of why it is not warranted or not reasonable	66.67% 2
TOTAL	3

Q13 By December 31, 2022, local water districts should jointly publish an integrated drought-resilience action plan that includes essential infrastructure improvements, estimated costs and schedule to complete improvements that will deliver drought resilience to the Mid-County GW Basin, the City of Santa Cruz, and the Santa Margarita GW Basin by December 31, 2029 (R2).

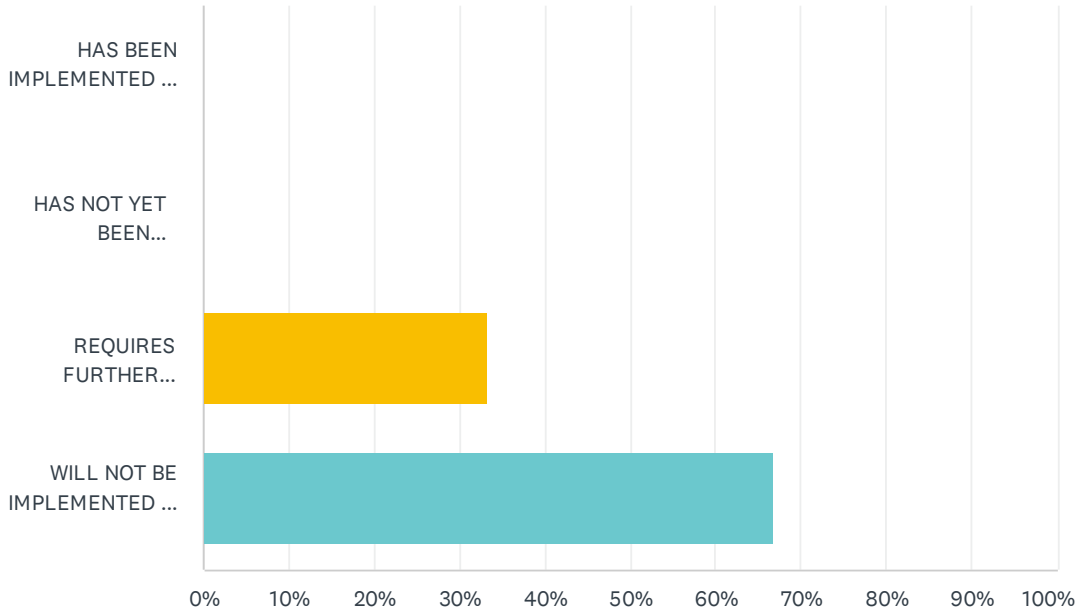
Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES	
HAS BEEN IMPLEMENTED - provide a summary of the action taken	0.00%	0
HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE - provide a timeframe or expected date for completion	0.00%	0
REQUIRES FURTHER ANALYSIS - provide an explanation, scope, and parameters of an analysis to be completed within six months	33.33%	1
WILL NOT BE IMPLEMENTED - provide an explanation of why it is not warranted or not reasonable	66.67%	2
TOTAL		3

Q14 By December 31, 2022, local water districts should jointly publish an integrated recycled wastewater action plan that specifies the infrastructure improvements, expected costs, and construction schedule that will fully existing wastewater sources by December 31, 2026 (R3).

Answered: 3 Skipped: 0



ANSWER CHOICES	RESPONSES
HAS BEEN IMPLEMENTED - provide a summary of the action taken	0.00% 0
HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE - provide a timeframe or expected date for completion	0.00% 0
REQUIRES FURTHER ANALYSIS - provide an explanation, scope, and parameters of an analysis to be completed within six months	33.33% 1
WILL NOT BE IMPLEMENTED - provide an explanation of why it is not warranted or not reasonable	66.67% 2
TOTAL	3



**The 2021–2022 Santa Cruz County Civil Grand Jury
Requires the
Board of Directors, Scotts Valley Water District
to Respond by August 22, 2022
to the Findings and Recommendations listed below
which were assigned to them in the report titled
Our Water Account Is Overdrawn
Beyond Conservation:
Achieving Drought Resilience**

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond by the California Penal Code (PC) §933(c).

Your response will be considered **compliant** under PC §933.05 if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

Instructions for Respondents

Your assigned Findings and Recommendations are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase PC §933.05:

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
 - a. **AGREE with the Finding**, or
 - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
 - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
 - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
 - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
 - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
 - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown in our minutes dated _____.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati Syda.Cogliati@santacruzcourt.org **and**
The Santa Cruz County Grand Jury grandjury@scgrandjury.org.

If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to grandjury@scgrandjury.org.

Findings

F2. There is an urgent need to create a county-wide drought-resilient water storage and delivery infrastructure.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

Although we agree that county-wide collaboration makes a lot of sense, it might be more practicable to focus on planning and implementing regional solutions that eventually can be connected to/into county-wide system.

F3. Interdistrict water-sharing plans spanning North County and Mid-County that could benefit all residents have existed since 2015 and deserve to be accelerated.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

Conjunctive use and other water sharing initiatives that have been investigated benefit the residents that are served by public water agencies. A considerable number of people in the County are served by small systems or private wells and they remain vulnerable to the impacts from changing climate patterns.

F4. Establishing a strategic groundwater reserve, as described in documents from the City of Santa Cruz, is a well-understood and achievable first step.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

Although the City of Santa Cruz has already completed several investigative activities, there are many more studies that will need to be undertaken before it can be concluded which project(s) are the best suited for Santa Margarita basin and offer the highest benefit for all stakeholders.

F6. Limited interdistrict water transfers have been achieved and serve as proof of concept.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

F8. Each agency described in this report communicates well with neighboring agencies, but collaboration is limited and narrow in scope.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

F9. Agency communications to the public emphasize conservation and sustainability while downplaying agency planning to achieve drought resilience.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

Scotts Valley Water District along with the other public water agencies has been actively and strategically working on increasing its drought resilience for more than a decade. We try hard communicating the District's strategic goals and workplan to our stakeholders and have used a wide variety of channels for reaching the public: e-Newsletter, social media, booth at Scotts Valley Farmers Market, presentations to the local service groups, at the Senior Life Online Webinar and at the annual Mayor's State of the City.

F10. The individual water supply districts lack funding, resources, and charters to develop county-centric drought-resilience infrastructure.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

F11. The Groundwater Sustainability Management agencies lack the charters, staff, and resources to plan or execute a county-wide drought-resilience strategy.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

F12. There is no county-level agency chartered to plan, propose, or build regional district-spanning drought-resilience infrastructure.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

ADDITIONAL FINDINGS (invited responses from SVWD General Manager)

F1. If extended drought conditions lead the City of Santa Cruz to execute Stage 5 of its Water Shortage Contingency Plan, it will have extreme economic impacts on all residents throughout the County.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

Executing Stage 5 of any agency's Water Shortage Contingency Plan will have extreme impacts, economic and social, to the customers of that agency. The impacts to the regions' residents will also be significant but will partially depend on the specific activities implemented by the City of Santa Cruz and their duration.

F7. Existing City of Watsonville and City of Santa Cruz wastewater resources are only partially utilized to address passive well resting and saltwater intrusion issues.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

Response explanation (required for a response other than **Agree**):

Recommendations

- R1.** By December 31, 2022, the Boards of the Santa Margarita Groundwater Management Agency and the Mid-County Groundwater Management Agency should extend their charters to include and proactively deliver drought-resilience project planning and execution.

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

Required response explanation, summary, and timeframe:

Santa Margarita Groundwater Agency and Mid-County Groundwater Agency have a lot of work to do to fulfill their existing charter. Neither agency has designated staff nor dependable funding sources.

Even if developing the drought resiliency is not explicitly the objective of the groundwater sustainability agencies, most of the projects and management actions included in their Groundwater Sustainability Plans will address the drought resiliency by improving the groundwater basin's storage capacity and implementing regional projects that increase supply diversity.

R2. By December 31, 2022, local water districts should jointly publish an integrated drought-resilience action plan that includes essential infrastructure improvements, estimated costs and schedule to complete improvements that will deliver drought resilience to the Mid-County Groundwater Basin, the City of Santa Cruz, and the Santa Margarita Basin by December 31, 2029. Agencies to respond are the San Lorenzo Water District, the Scotts Valley Water District, the City of Santa Cruz Water Department, the Soquel Creek Water District, the Santa Margarita Groundwater Management Agency, and the Mid-County Groundwater Management Agency.

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

Required response explanation, summary, and timeframe:

Local water districts are required to have Urban Water Management Plans (UWMP) and Water Shortage Contingency Plans (WSCP) that include action plans for various water shortage scenarios. Scotts Valley Water District and San Lorenzo Valley Water District developed a joint UWMP/WSCP in 2021, realizing that regional planning and collaboration yields better results for the community.

All local water agencies and water resource management agencies are signatories to the Integrated Regional Water Management Plan, which is a collaborative effort to comprehensively manage all aspects of water resources in the region. In 2019, an addendum to the 2014 plan was completed to comply with the State's new standards, one of them an inclusion of Climate Change chapter.

Developing a thorough and useful integrated plan requires extensive political and legal agreements, public education and input, planning documents and much more. The existing framework is sufficient to support continued alignment and collaboration between the public and water management agencies in the County.

R3. By December 31, 2022, local water districts should jointly publish an integrated recycled wastewater action plan that specifies the infrastructure improvements, expected costs, and construction schedule that will fully utilize existing wastewater sources by December 31, 2026. Responding agencies are the Scotts Valley Water District, the City of Santa Cruz Water Department, the Soquel Creek Water District, the Central Water District, the Mid-County Groundwater Management Agency, the Pajaro Valley Water Management Agency, and the City of Watsonville Water Division.

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

Required response explanation, summary, and timeframe:

Local water and wastewater agencies have been in discussions on how to better utilize the wastewater resources regionally. There are many factors that need to be considered, studies and investigated before arriving at a solution that will benefit the most stakeholders. The exploration phase for regional projects that cross jurisdictions typically takes years and it is not feasible to develop and publish an action plan in such a short timeline.

Scotts Valley Water District continues to work with the City of Scotts Valley (Public Works), City of Santa Cruz (Water and Public Works) and Soquel Creek Water District to determine the best utilization for the wastewater generated by the residents and businesses in the Mid- and North-County.

AGENDA REPORT

Scotts Valley Water District

Date: 08/11/22

To: Board of Directors

Item: Business 6.2

Subject: **Compensation Adjustment for Exempt Classifications**

Reason: Supports Strategic Goal No. 5 Organizational Vitality

SUMMARY

Recommendation: Approve the compensation adjustments for Finance and Customer Service Manager, Operations Manager and Assistant to General Manager classifications.

Fiscal Impact: The total annual salary adjustment is \$21,650 that represents a 5.4% increase. FY 2023 salary increase is \$19,152. Additionally, a one-time bonus payment of \$15,924 will incur that results in the total increase of \$35,076 in FY 2023 salary expense. The funds are available in the FY 2023 budget.

Previous Related Action: On 08/12/21 Board meeting the Board approved compensation adjustments for the positions in exempt classifications.

On 07/27/22 the Finance and Personnel Committee received the report from the General Manager on accomplishments and proposed compensation adjustments for the three exempt classifications.

BACKGROUND

Operations Manager, Finance and Customer Service Manager and Assistant to General Manager are District's at-will classifications which employment terms and conditions are set by the employment agreement with each individual hired to fill these positions. Annually, the General Manager conducts performance reviews with the at-will employees and may recommend compensation adjustments.

To support the District's strategic goals and introduce greater level of accountability, effective FY 2015 the reviews for all exempt employees are conducted following the close of the District's fiscal year. This allows for alignment of the District's annual work plan with the objectives of the executive management team, creates a more cohesive allocation of the tasks and enables each individual to more directly contribute to the success of the organization. Reviewing

the performance of the individuals in light of the collective accomplishments of the District provides for more transparent, objective and fair assessment.

DISCUSSION

The executive team that is made up of Operations Manager, Finance and Customer Service Manager, and Assistant to General Manager is the driving force behind carrying out the work plan and ensuring that the District is accomplishing tasks to meet the strategic goals set by the Board of Directors. They are the ones responsible for not only completing the noteworthy projects and implementing innovative ideas but also for making sure that the necessary routine tasks get done in a timely manner no matter what obstacles the District is facing.

The attached FY 2022 Work Plan Status presents a detailed overview of the last year's accomplishments by each Division.

The proposed compensation adjustments for the at-will employees are based on their individual contributions in support of the District's strategic goals, their management/leadership competencies and salary competitiveness for the respective classifications.

Based on the performance and market analysis, the new proposed salary for the Operations Manager is \$170,091, Finance and Customer Service Manager \$156,970, and Assistant to General Manager \$95,343. The Operations Manager will be awarded a one-time bonus of \$11,106 and the Finance and Customer Service Manager a one-time bonus of \$4,818.

The at-will employees pay the full cost of the employee contribution of the PERS retirement benefit and are entitled to receive all other employee benefits as provided to the regular full-time District employees, but not including overtime or compensatory time off benefits.

If approved, the compensation adjustments are in effect as of 08/09/22.

Submitted,

Piret Harmon
General Manager

Enclosed: FY 2022 Work Plan Status
 Compensation Adjustment Matrix

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2022						
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2022 TASKS	P/O *	SECTION	ADMINISTRATION ACCOMPLISHMENTS	FINANCE ACCOMPLISHMENTS	OPERATIONS ACCOMPLISHMENTS
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 staff in evaluating the condition of the Tertiary Treatment Plant and determining the necessary and optimum improvements	O	GM, FIN, OPS	Due to staffing changes at the City, not much progress was made at updating the RWA. Issued a letter to the City advising them of the District procedures for when no recycled water is produced by the City.	Attempted to schedule periodic meetings with City staff to review budget and expenses. Two emails were sent that did not get a response.	City of Scotts Valley just recently began doing inperson meetings. No joint meetings have been scheduled yet.
	Work with regional partners in developing a strategic direction for maximizing wastewater utilization in the region	O	GM	Conducted several meetings with CoSC staff (including Water and Public Works Departments). Regional IPR is included in the near term implementation of SMGWA GSP with SVWD being the sponsor agency.		
	Assist the City with finding a mutually advantageous solution for wastewater operations	O	GM, OPS	Hosted a meeting with City of Santa Cruz PW and Water Department staff, City of Scotts Valley CM and PW staff with a focus on informing each other about potential synergies and conflicts in future RW planning in SV. Reviewed the draft RW Options Study.		City completed a draft report of the Recycled Water Options study in May 2022 and circulated for staff review. Participated in the meeting with City Manager, PW Director, City of Santa Cruz PW and WD staff to provide input for the study. Planning to meet and discuss the study with City Public Works Director in July 2022.
1.2 Identify and implement conjunctive use projects in the region	Be responsive to in-lieu project evaluation proposals from SCWD and SLVWD	O	GM, FIN, OPS	Intrabasin conjunctive use project in included in the near term implementation of SMGWA GSP with SLVWD being the sponsor agency. SVWD is ready to collaborate when SLVWD has developed a road map and needs our assistance.	No progress.	Conjunctive use with SLVWD is currently on hold due to SLVWD's surface water infrastructure damage from the 2020 CZU fire. Progress has been made in partnering with SCWD to construct an intertie between Santa Cruz WD and SVWD potable systems that could aid in implementing conjunctive use projects in the future.
1.3 Optimize the efficient use of water	Improve on 2020 Validated Water Loss Audit score of 63	O	GM, FIN, CS, OPS	Explored ways to align consumption and demand data to identify where the largest un-accounted water losses occur. Work still under way.	Updated the Consumption Revenue report to capture monthly billing data and ensure accurate date alignment with production demand dataset. Work remains ongoing in collaboration with Engineering staff to accurately measure unaccounted for water.	Tested and calibrated all production meters. The 2020 Validated Water Loss score improved from 60 to 62 points.
	Develop metrics for measuring effectiveness of WaterSmart Portal for reducing inefficient use and water waste	O	CS		Utilized WaterSmart to implement new leak notification procedure in which customers that have been non-responsive to leak alerts are informed that they may become ineligible for a leak adjustment bill credit.	
	Use the outcome of the system pressure analysis to identify and prioritize projects that improve pressure throughout the distribution system	O	OPS, ENG			No progress.

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2022						
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2022 TASKS	P/O *	SECTION	ADMINISTRATION ACCOMPLISHMENTS	FINANCE ACCOMPLISHMENTS	OPERATIONS ACCOMPLISHMENTS
	Conduct leak detection audit for distribution system	O	OPS			Conducted a selection process for consultants and completed leak detection audit.
	Coordinate with DWR & SWRCB to develop District-specific water efficiency objectives; identify and validate data sources that will be used to generate required reports for indoor vs. outdoor consumption	O	CS		No progress.	
	Include and implement creative elements in Think Twice WUE Program to achieve appropriate demand reduction targets per Water Shortage Contingency Plan	O	ADM, GM, CS, OPS	Reviewed and updated the RW Fill Station program elements. Discussed with CoSC staff a potential partnership at the station. Work continues on developing a more detailed plan and possibly open the fill station to CoSC customers in FY 2023.	Coordinated new activities in 2021 (Water Saving Challenge, 2x Turf Rebate, Pool Cover Rebate, RW Fill Station staffing with volunteer board members). In spring of 2022 decided to repeat all 2021 activities while improving some internal processes and adding a Pop-Up station.	Created a spreadsheet to track RW fill station water use replacing the paper log records. The site is also now used for public outreach when the station is open. Additionally a small water meter has been added to the site which allows customers to buy small amounts of bulk recycled water.
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	Replace 1,500 ft of potable main in 6 locations	P	OPS			Completed construction for four water main replacements. Re-prioritized the design of a replacement for the Canham Rd creek crossing in FY 2023.
	Continue work on Bethany Tank rehabilitation by completing inspection, determining necessary improvements, and commencing design	P	OPS			Completed Bethany Tank coating inspection and cleaning in December 2021.
	Complete upgrades at El Pueblo Water Treatment Plant: installation and programming of plant control panel	P	OPS			Project postponed until 2023. A major focus for staff was the completion and startup of the Orchard Run Improvement project that was finished in December 2022.
	Replace Well 3B: design, permitting and construction	P	OPS, ENG			Finished the design and utilized piggyback option for obtaining a contractor from the SqCWD competitive process. Currently preparing a construction contract with well driller with construction scheduled to start in October 2022.
	Complete Hacienda PS upgrade: installation all necessary equipment: pumps, controls, generator	P	OPS			This project has suffered from supply chain issues. Despite this, staff continues to construct what they can while waiting on specific components. Project is about 60% complete at this point and should be done by end of December 2022. Staff completed the Polo Ranch Booster Station this past year including the installation of the backup power generator system.

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2022						
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2022 TASKS	P/O *	SECTION	ADMINISTRATION ACCOMPLISHMENTS	FINANCE ACCOMPLISHMENTS	OPERATIONS ACCOMPLISHMENTS
	Determine and prioritize repair needs for HQ building	O	ADM	Developing a list of repair/replacement need for HQ did not happen. Coordinated facility maintenance and improvement projects : installation of window tinting downstairs to provide better lighting and reduce energy; upgrade of the fire suppression alarm system from cellular to radio to address inefficiencies; replacement of the condenser unit in the server room air conditioning system, replacement of the garbage disposal and a toilet.		
2.2 Utilize technology and innovative solutions for improving operational efficiencies	Conduct an assessment and develop a master plan for SCADA improvements	O	OPS			Staff resources were consumed with completing the first phase of the SCADA alarm (Win911) software and server upgrade which took several months to complete. Plan to complete radio survey in FY 2023.
	Participate in and support the activities to implement the regional data management system (DMS) hosted by County	O	ENG			Engineering Technician completed WISKI software training and has been working with groundwater consultant uploading monitoring well data into the data management system.
	Coordinate the migration to new District website platform, optimize the value of its features and components	O	ADM	Coordinated the migration of the District website to a modern CMS platform that includes easy navigation, home page video and online forms.		
	Improve the process of conducting the RW site supervisor training, consider and evaluate third party solutions	O	OPS, ENG			Training materials are currently being updated and a series of in-person trainings will be scheduled and completed by end of December 2022.
2.3 Optimize the redundancy and effectiveness of the system and facilities	Develop a road map for new production well construction: site selection, scope and schedule	P	GM, OPS	Included new production well in the scope of work for Urban and Multibenefit Drought Relief Grant, which was awarded in March 2022. Developed an Implementation Agreement with City of Santa Cruz for construction of the 2 component in the grant (intertie and well).		Performed an evaluation of several locations and selected a site for new production well. This project is now combined with the DWR Drought Relief grant and is moving forward with the anticipated completion of all components by Spring 2026.
	Conduct an assessment of the meter reading/utility billing process, develop a implementation plan	O	FIN, CS		Implemented new rate structure. Successfully and smoothly completed transition to monthly billing.	

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2022						
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2022 TASKS	P/O *	SECTION	ADMINISTRATION ACCOMPLISHMENTS	FINANCE ACCOMPLISHMENTS	OPERATIONS ACCOMPLISHMENTS
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	Convert majority of the customer facing forms to web format, assess the process and effectiveness of the storing the information contained in forms	O	ADM, CS	Created and deployed 13 webforms on the new website, worked closely with Customer Service section to solicit their input throughout the process.	Utilized WaterSmart forms function to conduct monthly Water Savings Challenge raffles; assisted with the conversion of Start and Stop service forms to online forms on the new website. Continuing work on process updates for efficient collection and storage of the forms.	
	Achieve 40% registration target on WaterSmart platform	O	CS		Achieved the target (40%), work remains underway on following tasks: online tutorials still in development; drop-in promotional material developed but changing the plan to focus our outreach efforts to specific customer groups.	
	Achieve 20% customer profile update target on WaterSmart platform	O	CS		Did not achieve the target (13% as of 7/13/22) As mentioned above, tutorials are in development, drop-in sessions plans are being planned. Work continues.	
3.2 Exploit integrated data management for maximum efficiency and transparency	Continue exploring and evaluating innovative and more user friendly utility billing and payment platform solutions	O	FIN		Reviewed four solutions; initial evaluation completed with determination to focus on payments platforms; currently evaluating the cost/benefit of the vendors.	
	Update the pertinent Utility Billing, Accounts Payable and Payroll procedure documents as determined by the review and assessment from FY 2021	O	FIN		Completed a thorough review and update of Accounts Payable and Payroll procedures. Payment processing procedures were updated. Both sets of procedures were used to train and serve as a resource to new hires.	
	Evaluate production data collection and storing system and propose recommendations for improvement (internal process or outside solutions)	O		OPS, ENG		This is an evolving and ongoing project. This year's activities were focused on the GIS & WO system and good progress was made on correcting and updating GIS maps. Staff has also added a lot of asset history and data to the WO system. Currently working with SCADA contractor to use SCADA reports to gather and sync monthly production data to a defined time stamp at the end of each month in an effort get more accurate precise data.

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2022						
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2022 TASKS	P/O *	SECTION	ADMINISTRATION ACCOMPLISHMENTS	FINANCE ACCOMPLISHMENTS	OPERATIONS ACCOMPLISHMENTS
3.3 Design and manage balanced and fair revenue sources that are sufficient for meeting operating and capital needs while providing for adequate reserves	Implement recommendations from the Rate Study including timely Prop 218 process and smooth transition to monthly billing.	O	GM, ADM, FIN	Conducted an open and transparent Prop 218 process that resulted with the adoption of 5-year rate schedule.	Coordinated finalizing the Rate Study administrative record. New rate schedule was approved and new rates and billing structure changes were implemented.	Engineering section staff provided support to Customer Service in developing a transition to monthly billing framework and executing it flawlessly.
	Implement transition of capital charge/basic service charge to property tax bill if deemed to be appropriate by Rate Study	O	FIN		Capital charge calculation was included in the addendum to the 2021 Rate Study report. The Board decided to not pursue placing on County tax roll at this time.	
	Arrange and close on financing for capital projects by issuing debt on terms that align with District objectives (reserves target and debt service coverage requirements)	O	GM, FIN	Supported Finance staff in successful and timely closing of the debt issuance.	\$6.1M financing from First Foundation Bank with 20-year term at 2.43%, was closed in July of 2021 and fully drawn in June 2022.	
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 SV Art Wine Beer Festival with the goal for District to be approachable community member	O	ALL	Planned and coordinated District participation at the AWB Festival supporting outreach and community involvement. Coordinated District participation and volunteered at YAN event in May 2022.	Coordinated participation in the 2021 AWB Festival.	Four employees from the Operations section volunteered at 2021 SV Art Wine Beer Festival.
	Organize a series of Water System Field Trips for public	O	GM, OPS	In person trips were not arranged due to Covid. Worked with Miller Maxfield on developing a framework for digital tours. Hosted a VIP event at the Orchard Run Water Treatment Plant.		Conducted 2 field trips for new board committee members, new employees and a consultant. Customer field trips were postponed due to Covid.
	Hold WaterSmart training sessions at various community locations	O	GM, CS, ENG	Assisted with developing an instructional video for WaterSmart. Work on other instructional videos continues.	Did not happen. Re-evaluate the purpose and target audience for this task and redesign accordingly.	Engineering Technician frequently provided assistance to customers with WaterSmart questions. Formal training sessions have not been held.
	Design, produce and install interpretive signage at public-facing facilities	O	GM, OPS	No progress.		Had preliminary discussions with Miller Maxfield about the locations and content for interpretive signs. No other progress made at this point.
4.2 Increase youth involvement and education on water matters	Evaluate the Junior Associate Board Member Program and make necessary adjustments	O	GM, ADM	Reviewed and revised the Junior Associate Board Member and Community Members on Board Committees Programs. Conducted an application process and recruited 2 new community members.		
	Partner with Scotts Valley High School in implementing their Career Exploration Program if determined to reconvene the activities	O	ADM	No progress on SV HS Career Exploration Program. Continued providing SVHS Community Service volunteers opportunity for a total of only 5 hours.		
	Based on lesson learned from SMGWA Youth Outreach Program, consider piloting a SVWD youth involvement project	O	GM	Continued overseeing SMGWA Youth Outreach Program that also targets Scotts Valley youth.		

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2022						
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2022 TASKS	P/O *	SECTION	ADMINISTRATION ACCOMPLISHMENTS	FINANCE ACCOMPLISHMENTS	OPERATIONS ACCOMPLISHMENTS
4.3 Identify, develop and strengthen strategic alliances, both private and public	Continue providing leadership and active participation in Santa Margarita Groundwater Agency (SMGWA) in working towards a development of the Groundwater Sustainability Plan by January 2022	O	GM, FIN	Coordinated the administrative activities to complete and submit the GSP, develop work plan for next phase and determine the governance structure for the agency going forward.	Served as SMGWA Treasurer: processed regular payments, participated in the budget preparation, produced quarterly financial reports for board and conducted a RFP for auditing services.	
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 Provide meaningful and feasible career growth tools and opportunities	Include various staff members in community educational events such as system tours, instructional learning sessions	O	CS, OPS		Recent new hires (Utility Service Technician and Accounting Technician) attended the system tour.	No progress.
	Offer project based opportunities for staff to acquire broadbase knowledge of different disciplines	O	ALL	Made changes to the CS/WUE section by establishing UST/USS alternatively staffed classification. Created a limited term Special Projects Assistant position.	Filled Water Use Efficiency Coordinator vacancy with Administrative Office Assistant in out-of-class assignment. Restructured Customer Service Representative classification to alternatively staffed UST/USS and conducted a recruitment for the new position. Hired Special Projects Assistant to provide additional staff support for activities this summer.	No progress.
5.2 Cultivate productive work conditions and positive workforce culture	Complete and submit to EPA the updated Emergency Response Plan	O	GM, ADM, OPS	Completed and submitted to EPA the updated Emergency Response Plan		Completed and submitted to EPA the updated Emergency Response Plan.
	Complete 100% of the training requirements for each employee	O	ADM	All mandatory non-safety training completed for all employees with tracking in ADP.		
	Continue to carry out the records management action plan with a goal of 75% completion	O	ADM	Developed Policy P100-22-1 Records Retention that was adopted April 2022. Not much progress was made on carrying out the records management action plan. Reorganized Board of Director folder on S: drive in alignment with the records retention schedule.		
	Assess and upgrade tools necessary for digital communication, learning and meeting	O	ADM	Evaluated and piloted ZoomRoom for Santa Margarita community room. The assessment concluded that a different solution needs to be deployed for that space, the ZoomRoom will be piloted in District conference room.		

SCOTTS VALLEY WATER DISTRICT STRATEGIC WORK PLAN FY 2022						
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2022 TASKS	P/O *	SECTION	ADMINISTRATION ACCOMPLISHMENTS	FINANCE ACCOMPLISHMENTS	OPERATIONS ACCOMPLISHMENTS
5.3 Support continuous training and knowledge transfer	Complete all elements outlined in the Injury and Illness Prevention Program	O	ADM	Updated 17 out of 27 Safe Work Guidelines, revised 5 out of 22 Safety Plans. Coordinated in person training for work zone safety and excavation, trenching and shoring; online workplace violence prevention. Managed 1 workers' comp claim and DMV Pull Notice program. Completed OSHA 300 reporting and ergonomics evaluations for two new staff.		
	Maximize the benefits of Target Safety Solutions online training	O	ADM	Utilized Target Safety along with the JPIA LMIS for relevant water industry safety training.		
	Utilize virtual education and meeting opportunities for all employees	O	ALL	GM attended 2 ACWA conferences and actively participated in ACWA Business Development Committee and Local Government Committee work. AGM attended California Notary review, completed 50% LCW Employment Relations Certificate	Accounting Technician attended Intermediate Governmental accounting training. Utility Service Technicians did not complete training this year. Finance Manager attended annual CSMFO conference.	Several staff members attended various online webinars this past year.
	Explore creative opportunities to expand Board of Directors networking	O	GM, ADM	Coordinated an event to SMGWA BoD, staff and consultants to celebrate completion of the GSP.		
* P/O - Project or Operations Budget						



**Compensation Adjustment Matrix
At-Will Employees**

Work Plan Tasks Completed

Accomplishments Base (AB)

75% of Work Plan Tasks:

Equal to MOU CPI-U

+4% for 100%+

+2% for >80%

-2% for <70%

-4% for <50%

Accomplishments: +/-

Accomplishments Total (AT)

Competency Assessment

Competencies Base (CB)

Proficient: Equal to MOU CPI-U

+1% for each exceptional, +0.5% for each highly effective; -0.5% for each inconsistent, -1% for each unsatisfactory

Competencies: +/-

Competencies Total (CT)

Performance Total (PT)

Average of AT and CT

Market Median Delta - before Performance Adjustment

Market Median Delta - after Performance Adjustment

Market Base (MB)

None if < 5% Market Median after applying Performance Adjustment
0% of the gap to -5% if >5% below

Market Adjustment:
Low Performer (MA)

Market Median after applying Performance Adjustment

Market Adjustment: Proficient Performer (MA)

25% of the gap to -5% if >5% below

Market Median after applying Performance Adjustment

Market Adjustment:
High Performer (MA)

50% of the gap to -5% if >5% below

Market Median after applying Performance Adjustment

Compensation Adjustment Total (PT+MA)

Board Compliance Status

Updated 07/01/22

	OATH OF OFFICE	BEST PRACTICES	AB1234: ETHICS		AB1661: HARASSMENT	
DIRECTOR	Current	Current	Current	Due	Current	Due
EKWALL	12/13/18	08/20/19	02/18/21	02/18/23	04/13/22	04/13/24
LEISHMAN	12/13/18	07/08/19	04/25/22	04/25/24	03/21/22	03/21/24
PERRI	12/08/20	08/20/19	02/16/21	02/16/23	04/30/22	04/30/24
REBER	12/08/20	07/08/19	02/21/21	02/21/23	04/07/21	04/07/23
STILES	12/13/18	07/24/19	02/17/21	02/17/23	06/13/22	06/13/24
ASSOCIATE DIRECTORS	APPOINTED					
DOWNING	12/13/20	02/05/20	06/03/20	06/03/22	04/13/22	04/13/24
FINCH	12/13/20	01/15/20	04/24/22	04/24/24	04/24/22	04/24/24
COMMUNITY MEMBERS	APPOINTED					
CALLAHAN	01/13/22	01/15/20	04/26/22	04/26/24	04/26/22	04/26/24
SHULMAN	01/13/22		03/21/22	03/21/24	04/27/22	04/27/24
VIOLANTE	01/13/22		07/13/21	07/13/23	06/18/21	06/18/23
OFFICERS						
SECRETARY - HARMON		08/20/19	03/25/22	03/25/24	10/27/20	10/27/22

Oath of Office

When appointed or elected, Directors are sworn in and complete an Oath of Office, as provided by California law. The original is retained by County Elections and the District retains a copy.

Best Practices

When appointed or elected to office, Directors make a commitment to uphold the public trust and represent the best interests of our customers.

AB 1234: Public Officials Ethics Training

Public officials who receive compensation, salary, stipends, or expense reimbursements must complete a public official's ethics laws and principles training relevant to public service within 6 months of taking office and repeated every 2 years. Certificates are retained by District for 5 years.

AB 1661: Local Government Sexual Harassment Preventions Training and Education

California Law requires local officials who receive any type of compensation, salary, or stipends to complete sexual harassment prevention training and education within 6 months of taking office and repeated every 2 years. Certificates are retained by District for five years.

Board Regulations Review Schedule
Updated 07/01/22

Type	Title	Approved by	Approved	Reviewed	Frequency	Next Review
Code	Administrative Code	Ordinance 167-18	05/13/17	11/08/18	3 years	under review
Code	Conflict of Interest Code -Local Agency Biennial Notice	Resolution 07-22	06/09/22	06/09/22	2 years	06/01/24
Handbook	Employee Handbook	Motion	06/20/19	02/13/20	5 years	06/01/23
Policy P100-11-1	Environmental Sustainability	Resolution 05-18	06/07/18	06/07/18	5 years	06/01/23
Policy P100-13-1	Travel on District Business	Resolution 14-13	11/14/13	06/20/19	5 years	06/01/23
Policy P100-16-1	Emergency Management	Resolution 01-22	02/11/16	01/13/22	5 years	01/01/27
Policy P100-17-1	Driving on District Business	Resolution 08-17	05/04/17	06/20/19	5 years	06/01/23
Policy P100-17-2	Drug and Alcohol Free Workplace	Resolution 09-17	05/04/17	06/20/19	5 years	06/01/23
Policy P100-17-4	Technology Resources	Resolution 03-19	06/20/19	06/20/19	5 years	06/01/23
Policy P100-17-4	Harassment, Discrimination and Retaliation Prevention	Resolution 02-19	06/20/19	06/20/19	5 years	06/01/23
Policy P100-22-1	Records Retention	Resolution 04-22	04/14/22	na	5 years	04/01/27
Policy P200-14-1	Investments	Resolution 01-20	02/13/20	02/13/20	3 years	02/01/23
Policy P200-17-2	Cash Reserves	Resolution 13-17	06/08/17	06/09/22	5 years	06/01/27
Policy P200-19-1	Delinquent Accounts	Resolution 03-22	11/14/19	03/10/22	2 years	03/01/24
Policy P200-21-1	Debt Management	Resolution 04-21	05/13/21	NA	5 years	05/01/26
Policy P300-17-1	Cross-Connection Control and Backflow Prevention	Resolution 03-17	01/12/17	05/12/22	5 years	05/01/27
Policy P500-15-1	Water Waste	Resolution 05-20	05/14/15	06/11/20	5 years	07/01/23
Policy P500-15-2	Water Management Strategies for Demand Reduction	Resolution 05-22	01/08/15	05/12/22	5 years	05/01/27
Practices	Board Best Practices	Motion	06/20/19	06/20/19	5 years	01/01/24
Program	Community Members on Board Committees	Motion	09/12/19	11/10/21	2 years	11/01/23
Program	Injury and Illness Prevention Program	Motion	06/07/18	NA	5 years	06/01/23
Program	Identity Theft Prevention	Motion	04/08/09	11/10/21	3 years	11/01/24
Program	Junior Associate Board Members	Motion	09/12/19	11/10/21	2 years	11/01/23
Program	Leak Adjustment	Motion	02/12/16	01/13/22	TBD	TBD
Program	Qualifying Medical Needs Rate	Motion	01/12/17	05/12/22	5 years	05/01/27
Program	Rate Assistance	Motion	05/12/22	NA	3 years	05/01/25
Program	Rebates	Motion	04/14/22	06/01/22	1 year	05/01/23
Program	Think Twice	Motion	04/14/22	06/01/22	1 year	05/01/23
Program	Rate Implementation	Motion	12/13/16	10/14/21	5 years	10/01/26
Standards	Standard Specifications	Resolution 08-11	04/14/11	11/14/19	5 years	under review

STAFF REPORT - Finance

Scotts Valley Water District

Date: 08/11/22
To: Board of Directors
From: General Manager
Item: Staff Reports 7.3
Subject: **Financial Reports 07/01/21 through 06/30/22**

Summary

Fiscal Year-to-Date (YTD) preliminary figures reflect the period of 07/01/21 through 06/30/22. YTD revenues total \$9.2M and expenses total \$7.5M.

Revenue

June is the final month of the fiscal year. YTD potable water sales revenue is \$4.4M, water services revenue is \$2.4M and new connections revenue is \$563K. Total YTD revenue in the potable water fund is \$8.5M, equal to 99% of the budget and 4% higher than the same period last year.

YTD recycled water sales revenue is \$555K, water services revenue is \$82K, and \$51K in revenue from new connections for the period. Total YTD revenue of \$692K in the recycled water fund equals 114% of the budget, which is 13% higher than for the same period of last fiscal year.

Expenses

Combined YTD operating expenses are below budget, with expenses of \$5.6M representing 90% of the budget. Project expenditures total \$1.4M and the debt service principal payment of \$567K was made.

Fund Balance

Cash reserves at the end of June were approximately \$9.8M with another \$1.0M booked in Accounts Receivable.

Enclosed

Financial Report Q4 of FY 2022
Budget Status Balance 07/01/21 – 06/30/22
Budget Status Revenue 07/01/21 – 06/30/22
Budget Status Expense 07/01/21 – 06/30/22
Projects Expense 07/01/21 – 06/30/22
Balance Sheet 06/30/22
Check Register 06/01/22 – 06/30/22
Investment Summary 06/30/22

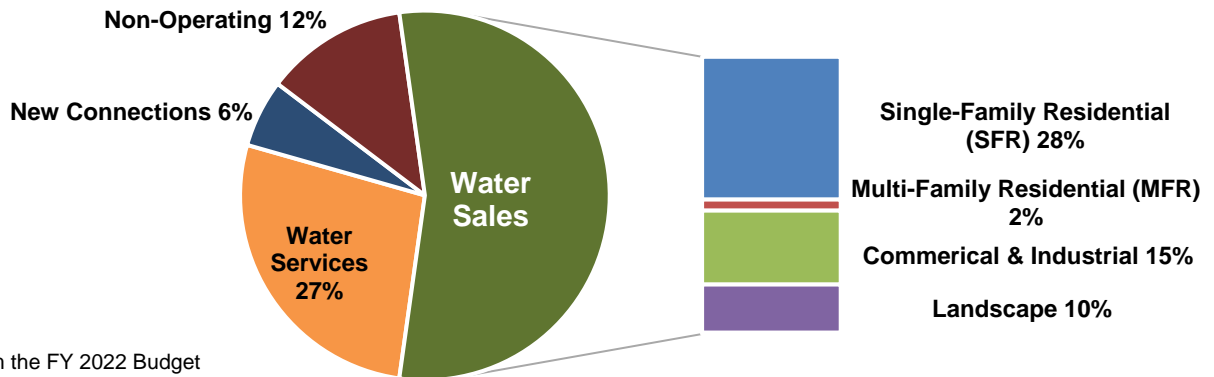


FY 2022 - Financial Report

July 1, 2021 – June 30, 2022

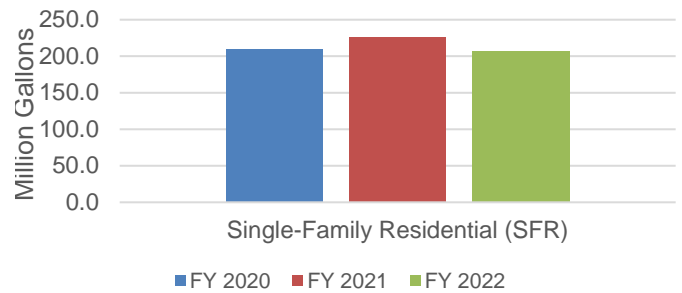
Revenues

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



The District's largest revenue category is Single Family Residential (SFR) Water Sales. Revenue in the SFR category for the period of July through June is up 2.7% from the same period in the prior year.

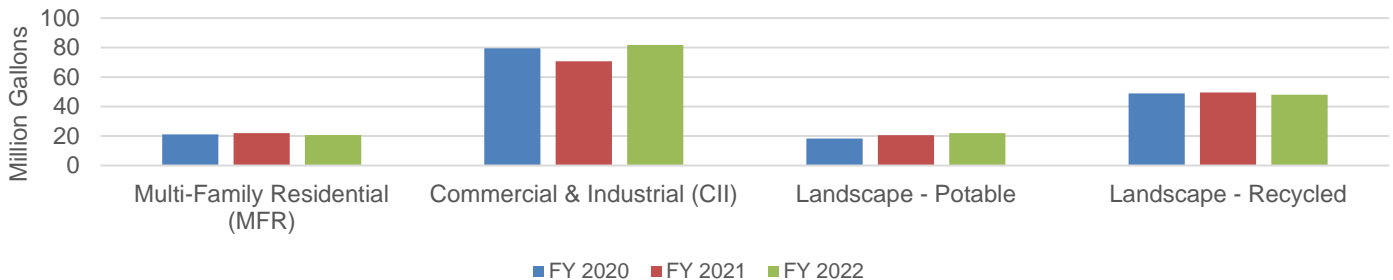
Consumption 3 Year History : SFR (July through June)



Consumption

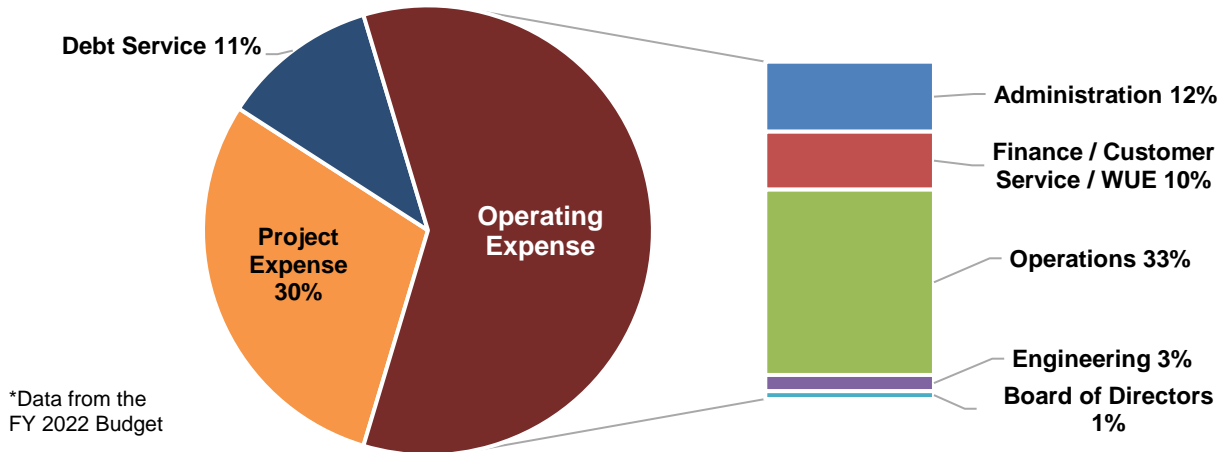
Water consumption by SFR customers through the fourth quarter is 207 million gallons, down 18.5 million gallons or 8% from FY 2021.

Consumption 3 Year History : MFR, CII, Landscape (July through June)



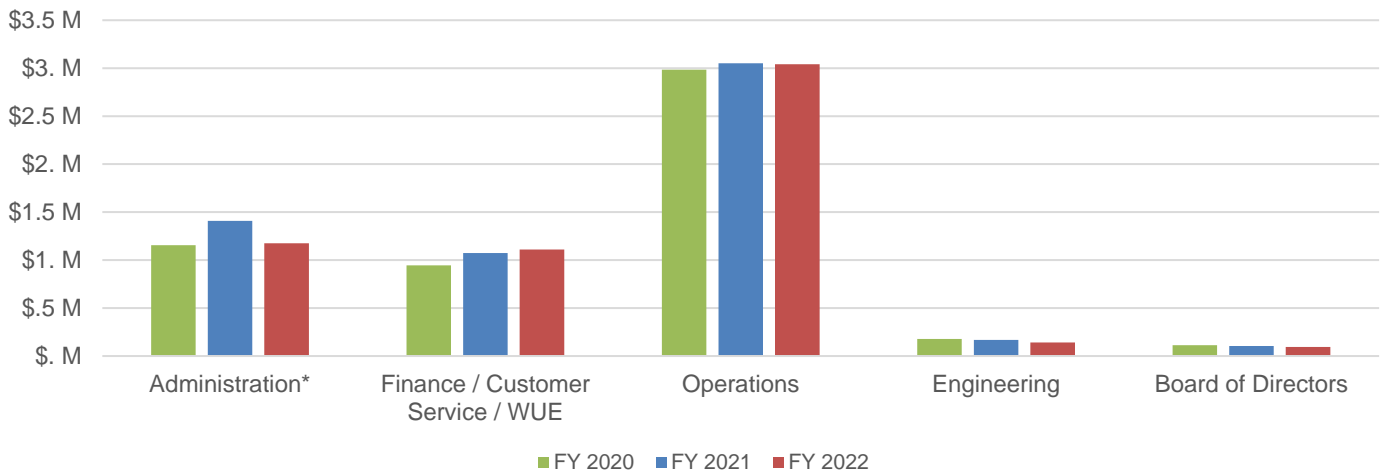
Expenses

District expenses are comprised of three major categories: Operating Expenses, Project Expenses, and Debt Service. The chart below presents the FY 2022 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 through Q4 of FY 2022, which accounts for activity from July 2021 through June 2022, are ten percent below budget. Total operating expenses in FY 2022 are lower than the FY 2021 total by 4.2%. The chart below compares Operating Expenditures by Division for each of the past three fiscal years. Administration Division expenses decreased due to a lower contribution to the Santa Margarita Groundwater Agency. The Finance / Customer Service Division has experienced increased costs from the enhanced customer rebate program.

**Operating Expenses 3 Year History by Division
July - June**

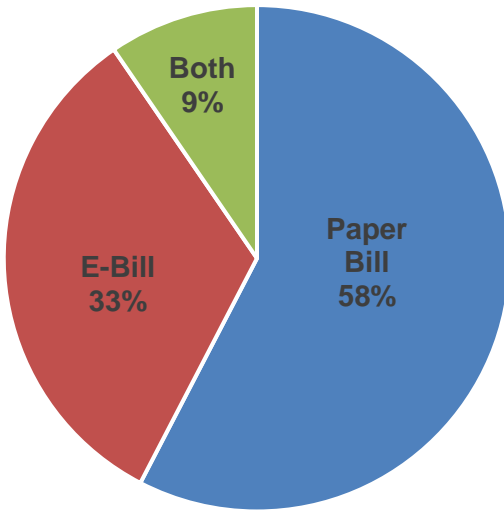


Customer Accounts

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

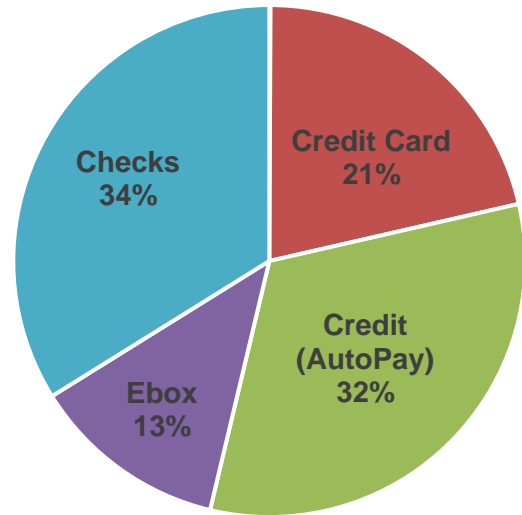
Total Accounts: 4,466

How do customers RECEIVE their bill?



	Q3	Q4	change
Paper Bill	0.61	0.58	(0.03)
E-Bill	0.32	0.33	0.01
Both	0.07	0.09	0.02

How do customers PAY their bill?



	Q3	Q4	change
Credit Card	0.22	0.21	(0.01)
Credit (AutoPay)	0.30	0.32	0.02
Ebox	0.13	0.13	-
Checks	0.35	0.34	(0.01)

Delinquent Accounts

Billing	Reminder			Late Payment Penalty		
	Date	Accounts	Emails	Date	Accounts	Past Due Balance
December	4-Jan	877	636	6-Jan	485	\$ 197,865.43
January	3-Feb	782	552	8-Feb	319	\$ 100,282.21
February	3-Mar	728	532	8-Mar	286	\$ 55,192.26
March	5-Apr	395	310	6-Apr	294	\$ 54,980.07
April				6-May	358	\$ 66,833.69
May	3-Jun	665	487	7-Jun	340	\$ 74,224.64
June	1-Jul	681	560	6-Jul	346	\$ 118,271.36

Budget Status - Balance



Period: 07/01/21 - 06/30/2022

FY Remain: 0%

	FY 2021 YTD Actual	FY 2022 YTD Actual	FY 2022 vs. FY 2021	YOY % change	FY 2022 Budget	FY 2022 Remaining Balance	%
Period: 07/01/21 - 06/30/22 (12 months)							
Potable Water - Fund 01							
Water Sales & Services (R10, R20)	\$ 6,364,864	\$ 6,805,681	\$ 440,817	7%	\$ 6,984,185	\$ 178,504	3%
New Connections (R25)	\$ 718,024	\$ 572,879	\$ (145,145)	-20%	\$ 528,322	\$ (44,557)	-8%
Other Revenue (R30, R40)	\$ 1,145,562	\$ 1,169,115	\$ 23,553	2%	\$ 1,133,340	\$ (35,775)	-3%
Potable Water Total	\$ 8,228,450	\$ 8,547,675	\$ 319,225	4%	\$ 8,645,847	\$ 98,172	1%
Recycled Water - Fund 02							
Water Sales & Services (R10, R20)	\$ 607,153	\$ 637,989	\$ 30,836	5%	\$ 568,600	\$ (69,389)	-12%
New Connections (R25)	\$ -	\$ 51,684	\$ 51,684	-	\$ 19,083	\$ (32,601)	-171%
Other Revenue (R30, R40)	\$ 4,795	\$ 2,017	\$ (2,778)	-58%	\$ 19,575	\$ 17,558	90%
Recycled Water Total	\$ 611,948	\$ 691,690	\$ 79,742	13%	\$ 607,258	\$ (84,432)	-14%
TOTAL REVENUE	\$ 8,840,398	\$ 9,239,365	\$ 398,966	5%	\$ 9,253,105	\$ 13,740	0%
Expenses - Fund 01 and Fund 02 Combined							
Salaries & Benefits (E01)	\$ 2,855,852	\$ 2,998,642	\$ 142,790	5%	\$ 3,142,082	\$ 143,440	5%
Services & Supplies (E03-E80)	\$ 2,947,377	\$ 2,562,870	\$ (384,507)	-13%	\$ 3,063,775	\$ 500,905	16%
Project Expenses	\$ 3,296,772	\$ 1,397,298	\$ (1,899,474)	-58%	\$ 2,678,934	\$ 1,281,637	48%
Debt Service - Principal	\$ 460,030	\$ 567,298	\$ 107,268	23%	\$ 567,298	\$ -	0%
TOTAL EXPENSES *	\$ 9,560,031	\$ 7,526,107	\$ (2,033,923)	-21%	\$ 9,452,089	\$ 1,925,982	20%
NET REVENUE	\$ (719,632)	\$ 1,713,257	\$ 2,432,890		\$ (198,984)	\$ (1,912,241)	
Period: 07/01/21 - 06/30/22 (12 months)							
Total Revenue	\$ 8,840,398	\$ 9,239,365	\$ 398,966	5%	\$ 9,253,105	\$ 13,740	0%
Total Expenses *	\$ 9,560,031	\$ 7,526,107	\$ (2,033,923)	-21%	\$ 9,452,089	\$ 1,925,982	20%
Net Revenue	\$ (719,632)	\$ 1,713,257	\$ 2,432,890		\$ (198,984)		
Period: 07/01/21 - 05/31/22 (11 months)							
Total Revenue	\$ 7,893,108	\$ 8,289,273	\$ 396,165	5%	\$ 9,253,105	\$ 963,832	10%
Total Expenses *	\$ 7,871,225	\$ 6,807,362	\$ (1,063,863)	-14%	\$ 9,452,089	\$ 2,644,727	28%
Net Revenue	\$ 21,882	\$ 1,481,911	\$ 1,460,029		\$ (198,984)		

* Expense totals do not include depreciation expense

Budget Status - Revenue



Period: 07/01/21 - 06/30/2022

FY Remain: 0%

Fund 01	Potable Water	FY 2021 YTD Actual	FY 2022 YTD Actual	FY 2022 vs. FY 2021	YOY % change	FY 2022 Budget	FY 2022 Remaining Balance	%
R10	Operating Revenue - Water Sales							
01-000-41101	Residential Consumption - SF	\$ 2,481,051	\$ 2,544,181	\$ 63,130	3%	\$ 2,594,087	\$ 49,906	2%
01-000-41102	Residential Consumption - MF	\$ 189,646	\$ 190,225	\$ 579	0%	\$ 200,886	\$ 10,661	5%
01-000-41103	CII Consumption	\$ 1,011,697	\$ 1,065,704	\$ 54,008	5%	\$ 1,343,116	\$ 277,412	21%
01-000-41106	CII Consumption - Other	\$ 82,236	\$ 95,963	\$ 13,726	17%	\$ -	\$ (95,963)	
01-000-41105	Irrigation Consumption	\$ 402,919	\$ 445,007	\$ 42,088	10%	\$ 374,031	\$ (70,976)	-19%
01-000-41200	Other - Bulk Water	\$ 16,351	\$ 17,055	\$ 704	4%	\$ 23,090	\$ 6,035	26%
	R10 Sub Totals:	\$ 4,183,900	\$ 4,358,136	\$ 174,236	4%	\$ 4,535,210	\$ 177,074	4%
R20	Operating Revenue - Water Services							
01-000-41300	Other - Late Penalty	\$ 14,227	\$ 21,249	\$ 7,022	49%	\$ 9,000	\$ (12,249)	-136%
01-000-42100	Standby Basic Meter Charge	\$ 2,095,848	\$ 2,349,536	\$ 253,689	12%	\$ 2,370,833	\$ 21,297	1%
01-000-42121	Standby FP Basic Meter Charge	\$ 62,064	\$ 68,059	\$ 5,995	10%	\$ 62,342	\$ (5,717)	-9%
01-000-43300	Other Operating Revenue	\$ 8,825	\$ 8,700	\$ (125)	-1%	\$ 6,800	\$ (1,900)	-28%
	R20 Sub Totals:	\$ 2,180,964	\$ 2,447,545	\$ 266,581	12%	\$ 2,448,975	\$ 1,430	0%
R25	Operating Revenue - New Connections							
01-000-42101	Other Meter Fee	\$ 8,627	\$ 5,339	\$ (3,288)	-38%	\$ 12,500	\$ 7,161	57%
01-000-42102	Other Capacity Fee	\$ 703,635	\$ 563,252	\$ (140,383)	-20%	\$ 508,022	\$ (55,230)	-11%
01-000-42120	Other FP Meter Fee	\$ 472	\$ 2,607	\$ 2,135	452%	\$ 800	\$ (1,807)	-226%
01-000-43100	Other Will Serve	\$ 875	\$ 875	\$ -	0%	\$ 1,000	\$ 125	13%
01-000-43200	Other Dev Proj Review	\$ 4,415	\$ 806	\$ (3,609)	-82%	\$ 6,000	\$ 5,194	87%
	R25 Sub Totals:	\$ 718,024	\$ 572,879	\$ (145,145)	-20%	\$ 528,322	\$ (44,557)	-8%
R30	Non-Operating Revenue - Other							
01-000-46000	Property Taxes	\$ 1,054,698	\$ 1,141,903	\$ 87,206	8%	\$ 1,071,830	\$ (70,073)	-7%
01-000-47110	Interest & Dividend	\$ 1,417	\$ 75	\$ (1,341)	-95%	\$ 10	\$ (65)	-653%
01-000-47120	Interest - LAIF	\$ 16,673	\$ 5,322	\$ (11,351)	-68%	\$ 21,700	\$ 16,378	75%
01-000-47520	Misc. Non-Operating Revenue	\$ 26,428	\$ 5,729	\$ (20,699)	-78%	\$ 39,800	\$ 34,071	86%
01-000-47540	Third-Party Reimbursements	\$ 35,836	\$ 16,085	\$ (19,751)	-55%	\$ -	\$ (16,085)	
	R30 Sub Totals:	\$ 1,135,052	\$ 1,169,115	\$ 53,814	3%	\$ 1,133,340	\$ (19,690)	-2%
R40	Non-Operating Revenue - Grants							
01-000-45260	Local Grant - ACWA JPIA	\$ 10,510	\$ -	\$ (10,510)	-100%	\$ -	\$ -	
	R40 Sub Totals:	\$ 10,510	\$ -	\$ (10,510)	-100%	\$ -	\$ -	
	Fund 01 Revenue:	\$ 8,228,450	\$ 8,547,675	\$ 338,976	4%	\$ 8,645,847	\$ 114,257	1%
	Fund 01 Rev Excl Grants & Cap Contributions	\$ 8,217,940	\$ 8,547,675	\$ 349,486	4%	\$ 8,645,847	\$ 114,257	1%

Budget Status - Revenue



Period: 07/01/21 - 06/30/2022

FY Remain: 0%

		FY 2021 YTD Actual	FY 2022 YTD Actual	FY 2022 vs. FY 2021	YOY % change	FY 2022 Budget	FY 2022 Remaining Balance	%
Fund 02	Recycled Water							
R10	Operating Revenue - Water Sales							
02-000-41105	Irrigation Consumption	\$ 509,452	\$ 521,274	\$ 11,823	2%	\$ 501,700	\$ (19,574)	-4%
02-000-41200	Other - Bulk Water	\$ 33,882	\$ 34,417	\$ 534	2%	\$ -	\$ (34,417)	
	R10 Sub Totals:	\$ 543,334	\$ 555,691	\$ 12,357	2%	\$ 501,700	\$ (53,991)	-11%
R20	Operating Revenue - Water Services							
02-000-42100	Standby Basic Meter Charge	\$ 63,694	\$ 82,198	\$ 18,504	29%	\$ 66,900	\$ (15,298)	-23%
02-000-43300	Other Operating Revenue	\$ 125	\$ 100	\$ (25)	-20%	\$ -	\$ (100)	
	R20 Sub Totals:	\$ 63,819	\$ 82,298	\$ 18,479	29%	\$ 66,900	\$ (15,398)	-23%
R25	Operating Revenue - New Connections							
02-000-42101	Other Meter Fee	\$ -	\$ 797	\$ 797		\$ 19,083	\$ 18,286	96%
02-000-42102	Other Capacity Fee	\$ -	\$ 50,887	\$ 50,887		\$ -	\$ (50,887)	
	R25 Sub Totals:	\$ -	\$ 51,684	\$ 51,684		\$ 19,083	\$ (32,601)	-171%
R30	Non-Operating Revenue - Other							
02-000-47110	Interest & Dividend	\$ 4,375	\$ 2,017	\$ (2,358)	-54%	\$ 4,575	\$ 2,558	56%
02-000-47520	Other Non-Operating Revenue	\$ 420	\$ -	\$ (420)	-100%	\$ -	\$ -	
	R30 Sub Totals:	\$ 4,795	\$ 2,017	\$ (2,778)	-58%	\$ 19,575	\$ 17,558	90%
	Fund 02 Revenue:	\$ 611,948	\$ 691,690	\$ 79,742	13%	\$ 607,258	\$ (84,432)	-14%
	Fund 02 Rev Excl Grants & Cap Contributions	\$ 611,948	\$ 691,690	\$ 79,742	13%	\$ 607,258	\$ (84,432)	-14%
Revenue Totals:		\$ 8,840,398	\$ 9,239,365	\$ 418,717	5%	\$ 9,253,105	\$ 29,825	0%
	Revenue Total Excl Grants & Cap Contributions	\$ 8,829,888	\$ 9,239,365	\$ 429,227	5%	\$ 9,253,105	\$ 29,825	0%

Budget Status - Expense



Period: 07/01/21 - 06/30/2022

FY Remain: 0%

		FY 2021 YTD Actual	FY 2022 YTD Actual	FY 2022 vs. FY 2021	YOY % change	FY 2022 Budget	FY 2022 Remaining Balance	%
Summary								
E01	Salaries & Benefits	\$ 2,855,852	\$ 2,998,642	\$ 142,790	5%	\$ 3,142,082	\$ 143,440	5%
E03	General & Admin - Services	\$ 848,427	\$ 778,761	\$ (69,666)	-8%	\$ 1,017,807	\$ 239,046	23%
E05	General & Admin - Supplies	\$ 46,823	\$ 71,531	\$ 24,709	53%	\$ 58,900	\$ (12,631)	-21%
E07	General Production	\$ 134,387	\$ 129,961	\$ (4,426)	-3%	\$ 114,100	\$ (15,861)	-14%
E10	Source of Supply	\$ 480,464	\$ 198,274	\$ (282,190)	-59%	\$ 260,000	\$ 61,726	24%
E15	Pumping	\$ 458,693	\$ 479,783	\$ 21,090	5%	\$ 526,500	\$ 46,717	9%
E20	Water Treatment	\$ 378,133	\$ 380,340	\$ 2,207	1%	\$ 518,100	\$ 137,760	27%
E25	Transmission & Distribution	\$ 122,795	\$ 131,499	\$ 8,704	7%	\$ 142,600	\$ 11,101	8%
E35	Customer Accounts	\$ 278,680	\$ 282,863	\$ 4,184	2%	\$ 231,036	\$ (51,205)	-22%
E70	Other	\$ 123,142	\$ 23,750	\$ (99,392)	-81%	\$ 6,100	\$ (22,428)	-368%
E80	Debt Service - Interest	\$ 75,834	\$ 86,107	\$ 10,273	14%	\$ 174,732	\$ 88,625	51%
	Purchase Order Carryover					\$ 14,000		
District Expense Total:		\$ 5,803,229	\$ 5,561,512	\$ (241,717)	-4%	\$ 6,205,957	\$ 626,290	10%
Fund 01 and 02 Combined								
E01	Salaries & Benefits	\$ 2,855,852	\$ 2,998,642	\$ 142,790	5%	\$ 3,142,082	\$ 143,440	5%
E03-E80	Services & Supplies	\$ 2,947,377	\$ 2,562,870	\$ (384,507)	-13%	\$ 3,049,875	\$ 487,005	16%
	Purchase Order Carryover					\$ 20,000		
District Expense Total:		\$ 5,803,229	\$ 5,561,512	\$ (241,717)	-4%	\$ 6,211,957	\$ 630,445	10%

Projects - Expense



Period: 07/01/21 - 06/30/2022

FY Remain: 0%

		FY 2022 YTD Actual	FY 2022 Budget *	FY 2022 Remaining Balance	%
Fund 01 and Fund 02 Combined					
Project	Description				
C15007	Lompico Formation Production Well (Well 9)	\$ 4,563	\$ 45,000	\$ 40,438	90%
C16023	Orchard Run WTP Water Quality Improvements	\$ 743,198	\$ -	\$ (743,198)	
C16024	Bethany Tank Rehabilitation	\$ 1,584	\$ 94,509	\$ 92,925	98%
M17011	Meters with AMI	\$ 20,444	\$ 20,000	\$ (444)	-2%
C17011	AMI Technology for Meters	\$ 32,342	\$ 5,000	\$ (27,342)	-547%
C17018	Specialized Operations Vehicle	\$ 111,116	\$ 87,566	\$ (23,550)	-27%
C18033	Polo Ranch Booster Station Rehab	\$ 15,963	\$ -	\$ (15,963)	
C19020	El Pueblo WTP Improvements	\$ -	\$ 100,000	\$ 100,000	100%
C19030	Hacienda Pump Station Improvements	\$ 40,838	\$ 100,000	\$ 59,162	59%
C19070	Vehicle Replacement Program	\$ 42,813	\$ 55,000	\$ 12,187	22%
C20010	Main Replacement Program - PW	\$ 376,465	\$ 606,944	\$ 230,479	38%
C20020	Treatment Facility for New Formation Well	\$ -	\$ 49,625	\$ 49,625	100%
C20040	Administrative Building Improvements	\$ -	\$ 15,290	\$ 15,290	100%
C21010	Well 10 Treatment Plant Improvements	\$ 1,465	\$ -	\$ (1,465)	
C22010	Well 3B Replacement	\$ 6,508	\$ 1,500,000	\$ 1,493,493	100%
Projects Expense Totals:		\$ 1,397,298	\$ 2,678,934	\$ 1,281,637	48%

Balance Sheet



Fund 01, Fund 02 and Fund 03 Combined

	6/30/21	6/30/22
Assets		
Cash	\$3,511,132	\$9,825,010
Accrued Interest	\$6,676	\$5
A/R Customer-Water	\$1,829,573	\$990,406
A/R - Other	\$43,179	\$91,673
Interfund Loan Receivable	\$888,040	\$888,040
Inventory	\$271,380	\$229,228
Prepaid Expense	\$67,743	\$76,003
Note Receivable	\$65,000	\$0
JPA Investment	\$387,112	\$398,572
Land & Right-of-ways	\$650,697	\$650,697
Construction-in-progress	\$3,839,684	\$2,126,035
Water Rights / Intangible Assets	\$5,267,833	\$5,267,833
Plant & Equipment	\$39,131,437	\$42,572,708
Depreciation/Amortization	(\$23,827,288)	(\$24,675,883)
Deferred Pension Outflows	\$694,399	\$1,691,330
Unfunded OPEB Liability	\$142,970	\$140,200
	\$33,017,612	\$40,271,856
Liabilities		
A/P & Accrued Expenses	\$468,928	\$646,281
Accrued Salaries & Wages	\$18,172	\$35,786
Accrued Interest Payable	\$37,932	\$59,178
Customer Deposits	\$67,210	\$435,610
Interfund Loans	\$888,040	\$888,040
LT Liabilities Due in 1 Yr	\$703,830	\$950,242
Unearned Revenue	\$60,181	\$84,345
Long-term Liabilities	\$8,110,406	\$12,986,156
Deferred Pension Inflows	\$215,460	\$116,480
	\$10,570,157	\$16,202,117
Fund Balance		
Investment in Capital Assets	\$17,684,486	\$17,684,486
Unrestricted Net Position	\$1,642,955	\$2,831,806
	\$19,327,441	\$20,516,292
Total Liabilities and Fund Balance:	\$29,897,598	\$36,718,409
Total Retained Earnings:	\$3,120,014	\$3,553,447
Total Fund Balance and Retained Earnings:	\$22,447,455	\$24,069,739
Total Liabilities, Fund Balance, and Retained Earnings:	\$33,017,612	\$40,271,855

Scotts Valley Water District
AP Check Register
June 2022

Vendor Name	Check Date	Check No.	Check Amount	Description
AFLAC	6/9/22	31049	222.72	EE Self Funded Supplemental Benefits
ALRECK DAVID & KAREN	6/9/22	31050	100	Customer Rebates - Toilets
AUTOMATIONDIRECT.COM INC	6/9/22	31051	395.1	Hacienda PS Improvements - Digital Counter/Timer/Tachometers
BADGER METER	6/9/22	31052	4105.57	Cell Charge for PW/RW Meter Reads - May 2022
BAYSIDE EQUIPMENT COMPANY	6/9/22	31053	1550	Generator Rental - Bethany PS - May 2022
BLUE BONNET HOA	6/9/22	31054	1550	Customer Rebates - PRV Replacement
BOYNTON FENCE	6/9/22	31055	350	Fence Repair - Southwood Tank
BRYANT BILL	6/9/22	31056	50	Customer Rebates - PRV Replacement
CHESTNUT IDENTITY APPAREL	6/9/22	31057	54.23	Safety Clothing w/District Logos
CHESTNUT IDENTITY APPAREL	6/9/22	31057	63.43	Safety Clothing w/District Logos
CHESTNUT IDENTITY APPAREL	6/9/22	31057	639.57	Safety Clothing w/District Logos
CITY OF SCOTTS VALLEY	6/9/22	31058	6096.15	Bi-Monthly Treatment Disposal - El Pueblo
CITY OF SCOTTS VALLEY	6/9/22	31058	1922	Bi-Monthly Treatment Disposal - ORWTP
CITY OF SCOTTS VALLEY	6/9/22	31058	101.34	Bi-Monthly Sewer Service - 2 Civic Ctr
CITY OF SCOTTS VALLEY	6/9/22	31058	1435.3	Bi-Monthly Treatment Disposal - Well 10
CIVIL CONSULTANTS GROUP INC	6/9/22	31059	515	General Engineering Services - May 2022
CIVIL CONSULTANTS GROUP INC	6/9/22	31059	640	PW Main Improvements - Task 4.0 - Punch List & Final inspection
COUNTY OF SANTA CRUZ	6/9/22	31060	559.3	Landfill Waste - May 2022
CREDIT CONSULTING SERVICES	6/9/22	31061	390.72	Collection Fees - Account 008914-000
DASSELS PETROLEUM	6/9/22	31062	1726.3	Vehicle Fuel - May 2022
DURDEN CONSTRUCTION INC	6/9/22	31063	103114.73	PW Main Improvements - Payment 3
FASTENAL COMPANY	6/9/22	31064	253.6	Special OPS Supplies - Shop Stock - Misc Bolts, Washers
GARRISON PLUMBING INC	6/9/22	31065	740	WTP Maint - El Pueblo Sewer Line Camera Inspection
GRAINER	6/9/22	31066	141.57	Annual Red Pass Membership Fee
GRAINER	6/9/22	31066	180.44	Safety - Hardhats
GRAINER	6/9/22	31066	104.69	Safety - No Parking Signs
GREEN WASTE RECOVERY INC	6/9/22	31067	381.2	Monthly Trash Service - El Pueblo
HAIGHT ROBERT	6/9/22	31068	1532.82	Retiree Medical - Reconciliation - June 2022
HEALTH EQUITY INC	6/9/22	31069	35.4	HSA Admin Fees - Jun 2022
ICONIX WATERWORKS (US) INC	6/9/22	31070	1325.82	Shop Stock - PVC Fittings, Brass Fittings, Valves
INFOSEND	6/9/22	31071	2325.42	PW/RW UB Statements Printing Mailing
JACKSON LANDSCAPE	6/9/22	31072	325	Landscape Maint - 2 Civic Ctr - May 2022
KASSIS JANETTE	6/9/22	31073	530.55	Retiree Medical - Reconciliation - June 2022
LEISHMAN WADE	6/9/22	31074	185.51	Director Medical - Jun 022
MILLER MAXFIELD INC	6/9/22	31075	7699.13	Communication & Public Outreach - May 2022
MISSION UNIFORM SERVICE	6/9/22	31076	1093.31	Uniform Laundering / Rental Service - Apr/May 2022
MONTGOMERY & ASSOCIATES INC	6/9/22	31077	215	SMGWA Support
MONTGOMERY & ASSOCIATES INC	6/9/22	31077	787.5	On-Call Tech Support
NATIONWIDE RETIREMENT SOLUTIONS	6/9/22	31078	2729.96	IRS 457 Plan - Payroll Date 06/03/2022
NORTON PATRICIA	6/9/22	31079	444.77	Retiree Medical - June 2022
PACIFIC GAS & ELECTRIC	6/9/22	31080	78.35	Electricity - Skypark - May 2022
PACIFIC GAS & ELECTRIC	6/9/22	31080	69.37	Electricity - Polo Ranch - May 2022
PALACE BUSINESS SOLUTIONS	6/9/22	31081	100.84	OPS Office Supplies - Coffee Post-Its
PERRI CHRISTOPHER	6/9/22	31082	1168.83	Director Medical - June 2022
PLATT ELECTRIC SUPPLY	6/9/22	31083	274.82	Hacienda PS Improvements - Distribution Blocks
REBER DANIEL	6/9/22	31084	1598.97	Director Medical - June Reconciliation 2022
RF MACDONALD CO	6/9/22	31085	2881.37	Clean and Inspect Fire Pump
SCARBOROUGH LUMBER & BUILDING SUPPLY	6/9/22	31086	533.7	Tools - Wheelbarrow Canopy Pliers Gloves
SCARBOROUGH LUMBER & BUILDING SUPPLY	6/9/22	31086	124.05	WTP Maint - Chain PVC Fittings Security Decals
SCARBOROUGH LUMBER & BUILDING SUPPLY	6/9/22	31086	127.85	Meter Maint - Pressure Treated Lumber Spade
SCARBOROUGH LUMBER & BUILDING SUPPLY	6/9/22	31086	1600.38	Facility Site Maint - Setup Conex - Lumber Insulation Shelving
SCARBOROUGH LUMBER & BUILDING SUPPLY	6/9/22	31086	205.45	Vehicle Maint - Supplies for Vac Truck
SCARBOROUGH LUMBER & BUILDING SUPPLY	6/9/22	31086	51.35	Main Maint - Tarp
SCARBOROUGH LUMBER & BUILDING SUPPLY	6/9/22	31086	20.65	Kitchen / Restroom Supplies
SCARBOROUGH LUMBER & BUILDING SUPPLY	6/9/22	31086	26.1	Bulding Maint - Painting Supplies
SCARBOROUGH LUMBER & BUILDING SUPPLY	6/9/22	31086	114.06	Special OPS Supplies - Storage Bins
SCOTTS VALLEY SPRINKLER	6/9/22	31087	65.84	Tools - Siphon Pump
SCOTTS VALLEY SPRINKLER	6/9/22	31087	35.1	WTP Maint - Gauges
SPRINGBROOK HOLDING COMPANY LLC	6/9/22	31088	2234	CC Payment Transaction Fees
STERICYCLE INC.	6/9/22	31089	132.04	Document Destruction - Mar 2022
STERICYCLE INC.	6/9/22	31089	260.3	Document Destruction - May 2022
STEVENSON LANDSCAPING	6/9/22	31090	750	Landscaping @ Misc Locations - May 2022
STILES RUTH	6/9/22	31091	5855.2	Director Medical Reconciliation - June 2022
SYCAL ENGINEERING INC	6/9/22	31092	1356	Engineering for SCADA
SYCAL ENGINEERING INC	6/9/22	31092	2814.97	Hacienda PS Improvements - SCADA Control Components
TOTAL COMPENSATION SYSTEMS INC	6/9/22	31093	1395	GASB 75 Valuation
UNITED SITE SERVICES	6/9/22	31094	280.82	Portable Toilet Rental - ORWTP - June 2022
UNIVERSAL BUILDING SERVICES	6/9/22	31095	532	Janitorial Service - 2 Civic Ctr - May 2022
UNIVERSAL BUILDING SERVICES	6/9/22	31095	432	Janitorial Service - El Pueblo - May 2022
USABLUBOOK	6/9/22	31096	128.33	WTP Maint - Testing Supplies
ACWA/JPIA	6/23/22	31097	35377.54	EE & Retiree Benefits - July 2021
AFSCME COUNCIL 57	6/23/22	31098	838.8	Union Dues - Jun 2022
APPLIED INDUSTRIAL TECHNOLOGIES - CA LLC	6/23/22	31099	1507.7	Well 10 WTP - Valves

AP Check Register cont.
June 2022

Vendor Name	Check Date	Check No.	Check Amount	Description
AUTOMATIONDIRECT.COM INC	6/23/22	31100	28.08	Hacienda Booster - Relays
BADGER METER	6/23/22	31101	1274.15	Hydrant Meter with Endpoint
BALLINGER KATHY	6/23/22	31102	24.57	Mileage Reimb. - Weekly Bank Deposits - FY2022
BATTERIES PLUS BULBS #314	6/23/22	31103	39.6	OPS Supplies - Batteries
BAY AREA BARRICADE SERVICE	6/23/22	31104	230.24	Safety - Lane Closed Service
BAYSIDE EQUIPMENT COMPANY	6/23/22	31105	1466.46	Generator Rental - Bethany PS - June 2022 - Final
BRENNTAG PACIFIC INC	6/23/22	31106	1264.37	Water Treatment Chemicals
BRENNTAG PACIFIC INC	6/23/22	31106	852.75	Water Treatment Chemicals
BRENNTAG PACIFIC INC	6/23/22	31106	3249.48	Water Treatment Chemicals
COMMUNITY PRINTERS, INC.	6/23/22	31107	197.55	Printing - Sign for Pop-Up Event
CSMFO	6/23/22	31108	75	CSMFO Pre-Conference Training
DEFFLEY, EVAN	6/23/22	31109	658	Customer Rebates - Lawn/Turf Replacement
EXCEEDIO	6/23/22	31110	6821.95	Monthly Managed Services - ITaaS, SaaS, HaaS - July 2022
FASTENAL COMPANY	6/23/22	31111	184.34	Vac Truck Tool Box Installation
GRAINGER	6/23/22	31112	346.16	Tools - Tubing Cutter
HARRINGTON INDUSTRIAL PLASTICS	6/23/22	31113	2200.46	ORWTP - Clamps
ICONIX WATERWORKS (US) INC	6/23/22	31114	4786.71	Main Maint - Repair Clamp
INSTRUMART	6/23/22	31115	2938	Hacienda Station - Water Meter
INTEGRITY AUTOMOTIVE	6/23/22	31116	1097.27	Truck #24 - Oil Change & Alignment
JACKSON LANDSCAPE	6/23/22	31117	390	Landscaping - 2 Civic Ctr - Apr 2022
JENSEN, RAHNI	6/23/22	31118	16.38	Mileage Reimb. - Weekly Bank Deposits - 02/25/2022 - 06/30/2022
KATHY BALLINGER - PETTY CASHIER	6/23/22	31119	111.83	Petty Cash Replenishment - June 2022
KENNEDY/JENKS CONSULTANTS	6/23/22	31120	7456.8	Task Order 2020-1 - Final Payment
LAW OFFICE OF ROBERT E BOSSO	6/23/22	31121	3500	Legal Counsel Services - May 2022
LOCATELLI, JUSTICE	6/23/22	31122	8.64	Reissue Check #30594 - Supp Life Refund
MBH PAINTING	6/23/22	31123	649	Sequoia Tank Graffiti Removal
MONRO INC	6/23/22	31124	742.76	Truck #20 - Brakes & Oil Change
MONTGOMERY & ASSOCIATES INC	6/23/22	31125	202.5	New Production Well Site Evaluation - Project Mgmt
MONTGOMERY & ASSOCIATES INC	6/23/22	31125	1342.5	On-Call Tech Support
NAPA AUTO PARTS	6/23/22	31126	20.85	Vac Truck #29 - Grease
NAPA AUTO PARTS	6/23/22	31126	62.89	Vehicle Maint - Carwash Supplies
OLIVE SPRINGS QUARRY	6/23/22	31127	109.76	Main Maint - Asphalt
PACIFIC GAS & ELECTRIC	6/23/22	31128	241.93	RW Electricity - June 2022
PACIFIC GAS & ELECTRIC	6/23/22	31128	38755.9	PW Electricity - June 2022
PACIFIC GAS & ELECTRIC	6/23/22	31128	1064.21	Electricity - 2 Civic Ctr
PALACE BUSINESS SOLUTIONS	6/23/22	31129	35.82	Offie Supplies - Pens
PALACE BUSINESS SOLUTIONS	6/23/22	31129	78.59	Offie Supplies - Pens Scissors Stapler Calculator etc.
PIED PIPER EXTERMINATORS	6/23/22	31130	260	Pest Control @ Pump Buildings - April 2022
PIED PIPER EXTERMINATORS	6/23/22	31130	270	Pest Control @ Pump Buildings - June 2022
SANTA CRUZ FIRE EQUIPMENT CO	6/23/22	31131	1368.55	Annual Fire Extinguisher Maintenance
SOQUEL CREEK WATER DISTRICT	6/23/22	31132	47.01	WCC Promo Materials - District Share
SWRCB-DWOC	6/23/22	31133	90	T3 Cert Renewal - Beatton
SYCAL ENGINEERING INC	6/23/22	31134	3595	Engineering for SCADA
SYCAL ENGINEERING INC	6/23/22	31134	350	Hacienda Station - SCADA Engineering
U.S. BANK EQUIPMENT FINANCE	6/23/22	31135	372.14	Copier Lease - June 2022
UNITED SITE SERVICES	6/23/22	31136	279.82	Portable Toilet Rental - Well 10 - June 2022
UNITED SITE SERVICES	6/23/22	31136	383.41	Portable Toilet Rental - RW Fill Station - June 2022
UNITED SITE SERVICES	6/23/22	31136	121.84	Bethany 2nd Tank Addition - Fence Rental - June 2022
UNITED STATES POSTAL SERVICE	6/23/22	31137	2000	Refill Postage Meter - June 2022
VILLAGE MEADOWS HOA	6/23/22	31138	2848.25	Refund Check 006408-000 106 BLUE BONNET LN
WALLACE NICK	6/23/22	31139	4.76	Supplemental Life Insurance Premium Refund - June 2022

\$ 304,101.21 \$

Wire / ACH Payments

June 2022

Vendor Name	Trans Date	Check No.	Trans Amount	Description
ADP	5/6/22	n/a	\$ 211.75	ADP Workforce Now HR Fees - Apr 2021
ADP	5/6/22	n/a	\$ 190.65	ADP Time & Attendance Fees - Apr 2021
ADP	5/6/22	n/a	\$ 424.01	ADP PW14, PW16 Fees - Apr 2021
BlueFin	5/2/22	n/a	\$ 7,338.13	Bluefin CC Processing Fees - Apr 2021
BlueFin	5/2/22	n/a	\$ 122.69	Bluefin Civic PayPad Fees - Apr 2021
CalPERS	5/9/22	n/a	\$ 11,861.16	CalPERS Retirement - PW18 Ended 05/02/2022
CalPERS	5/19/22	n/a	\$ 12,043.42	CalPERS Retirement - PW20 Ended 05/16/2022
Superior Press	5/2/22	n/a	\$ 43.65	Deposit Slips
Wells Fargo CC	5/25/22	n/a	\$ 4,902.84	WFB CC Payment - May 2022
			\$ 37,138.30	

WFB Credit Card Payment

June 2022

Vendor Name	Trans Date	Check No.	Trans Amount	Description
Amazon	4/26/22		19.31	Office Supplies - Notebooks
Nob Hill	4/7/22		48.00	OPS Supplies - Bottled Water
Times Publishing Group	5/2/22		178.50	Monthly Ad
Press Banner	4/4/22		265.00	Monthly Ad
Scotts Valley Chamber of Commerce	4/11/22		440.00	Annual Membership Fee
Cruise Coffee Café	4/27/22		53.48	Employee Recognition
Planet Orange	4/14/22		104.00	Pest Control - 2 Civic Center
Planet Orange	4/14/22		69.00	Pest Control - 70 El Pueblo
Scotts Valley Carwash	4/22/22		29.99	Carwash
Scotts Valley Carwash	4/25/22		29.99	Carwash
Amazon	4/27/22		21.84	Office Supplies - Video Cable Connectors
Mail Chimp	4/3/22		73.99	Monthly Mailchimp Digital Marketing / Promotional Services
Comcast	4/6/22		320.89	Internet - 2 Civic Ctr - Apr 2022
AT&T	4/4/22		101.65	Backup Internet - El Pueblo - Apr 2022
AT&T	4/4/22		160.50	Backup Internet - 2 Civic Ctr - Apr 2022
Icon Cloud Solutions	4/4/22		340.38	Phone Service - 2 Civic Ctr - Apr 2022
Icon Cloud Solutions	4/4/22		120.22	Phone Service - El Pueblo - Apr 2022
AT&T	4/7/22		33.97	AT&T Circuits - Jan 2022
AT&T	4/13/22		439.59	SCADA Auto Dialer Modem / Alarm - Apr 2022
Pantheon Systems	4/22/22		35.00	Monthly Website Hosting - swwd.org - Apr 2022
Comcast	4/23/22		320.89	Internet - El Pueblo - Apr 2022
Zoom	4/25/22		89.00	Zoom Cloud Recording / Zoom Rooms Fee
Verizon	5/1/22		311.31	Cell Phones/Tablets - Apr 2022
Walgreens	4/11/22		106.95	Gift Card
Giftly.com	4/11/22		56.00	Gift for Departing Employee
ErgoDirect	4/13/22		129.83	Ergonomic Armrests for Office Chair
Amazon	4/17/22		212.91	Ergonomic Keyboard +?
Amazon	4/24/22		27.20	Office Supplies - Coffee
USPS	4/28/22		8.95	Shipping
Amazon	4/5/22		16.45	Prime Membership
UPS Store	4/11/22		47.07	Shipping
Monitech Industrial	4/20/22		490	Crescent - PanelView Screen
UPS Store	4/25/22		200.98	Shipping
			\$ 4,902.84	

Scotts Valley Water District

Investment Summary

As of 6/30/2022

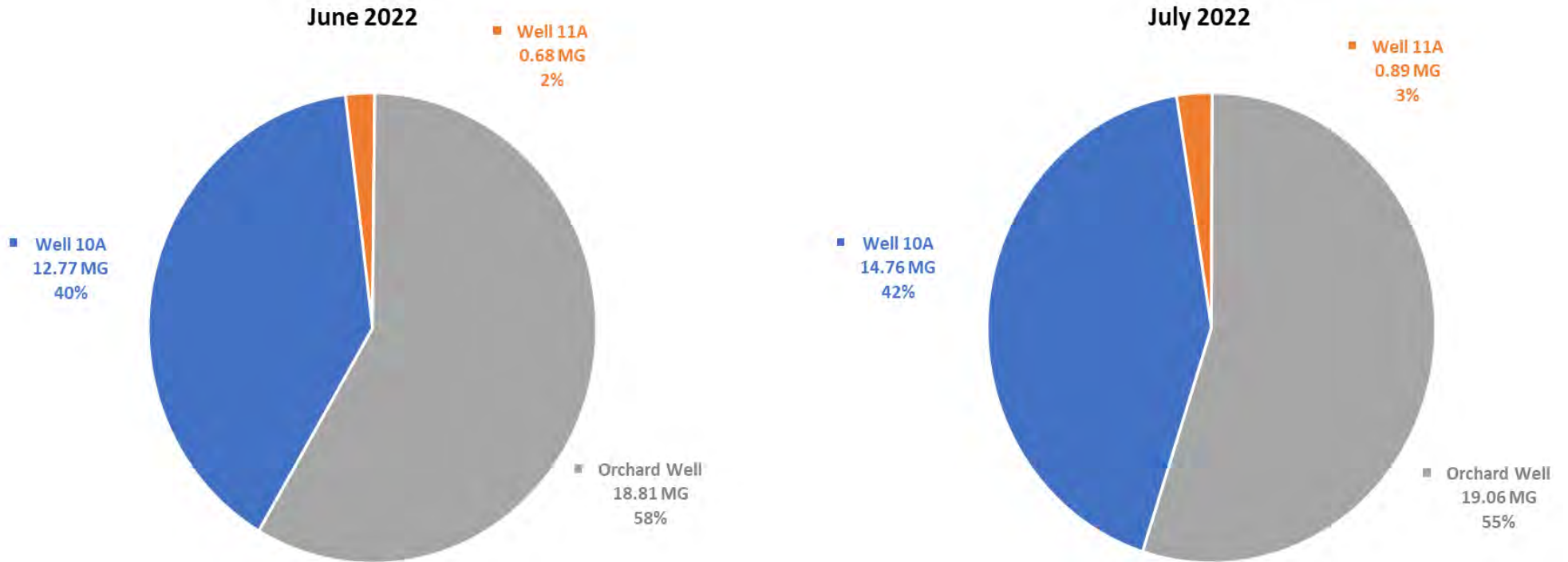
Institution	Investment	CUSIP	Purchased	Maturity	Purchase \$	Rate		Balance as of:		Market Value
						3/31/2022	6/30/2022	3/31/2022	6/30/2022	6/30/2022
Unrestricted Funds:										
LAIF	Local Agency Investment Fund		various			0.32%	0.75%	\$ 3,526,094	\$ 3,528,872	\$ 3,483,440
WFB	Checking - General		various			0.03%	0.03%	\$ 11,415	\$ 2,549	\$ 2,549
WFB	Checking - Payroll		various			0.03%	0.03%	\$ 13,460	\$ 8,737	\$ 8,737
WFB	Checking - Revenue		various			0.00%	0.00%	\$ 2,185,086	\$ 6,233,858	\$ 6,233,858
Subtotal for Unrestricted Funds:								\$ 4,552,820	\$ 9,774,016	\$ 9,728,584

Weighted Average Yield

0.27%

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.

Well Production

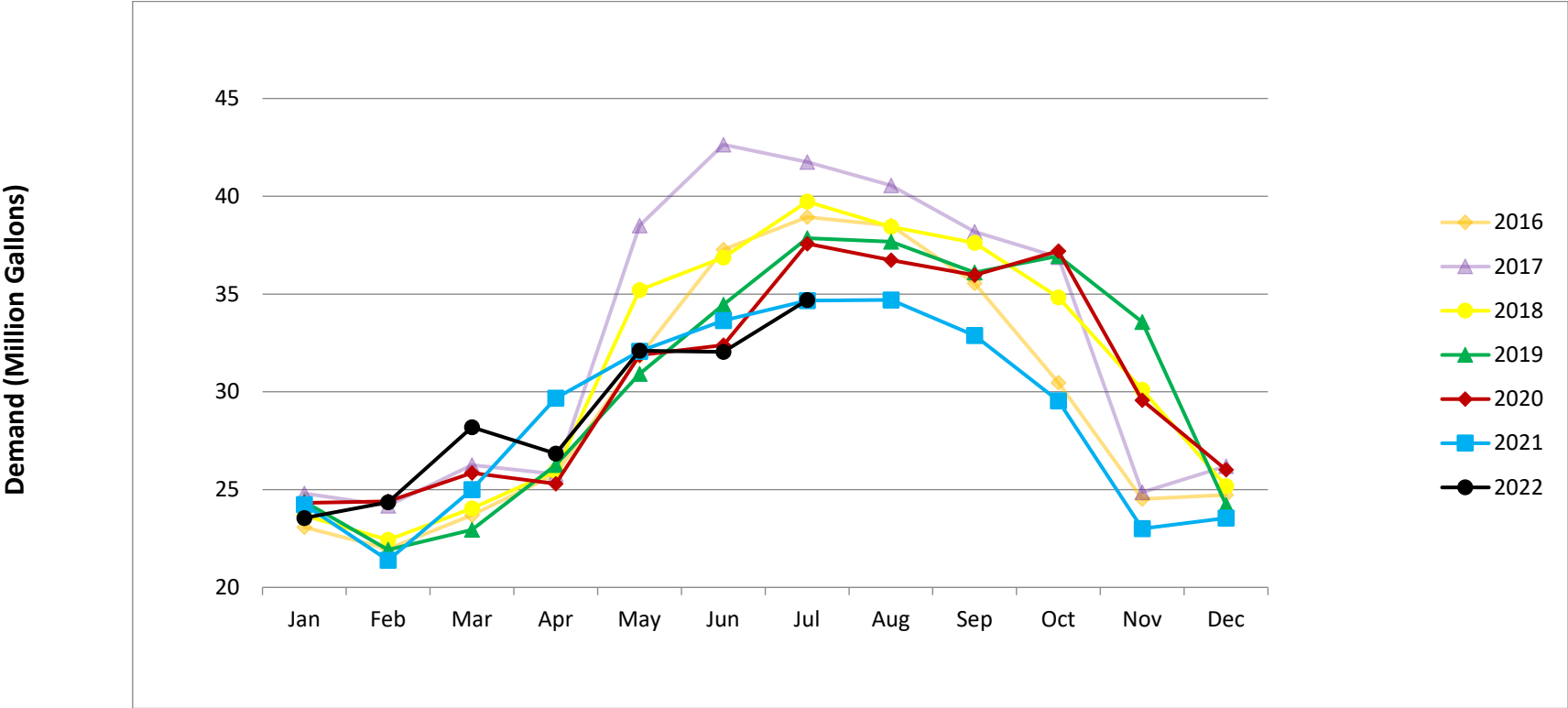


Total Production (Million Gallons)

June 2022	32.26 MG	1.46 % increase from May
July 2022	34.71 MG	7.56 % increase from June

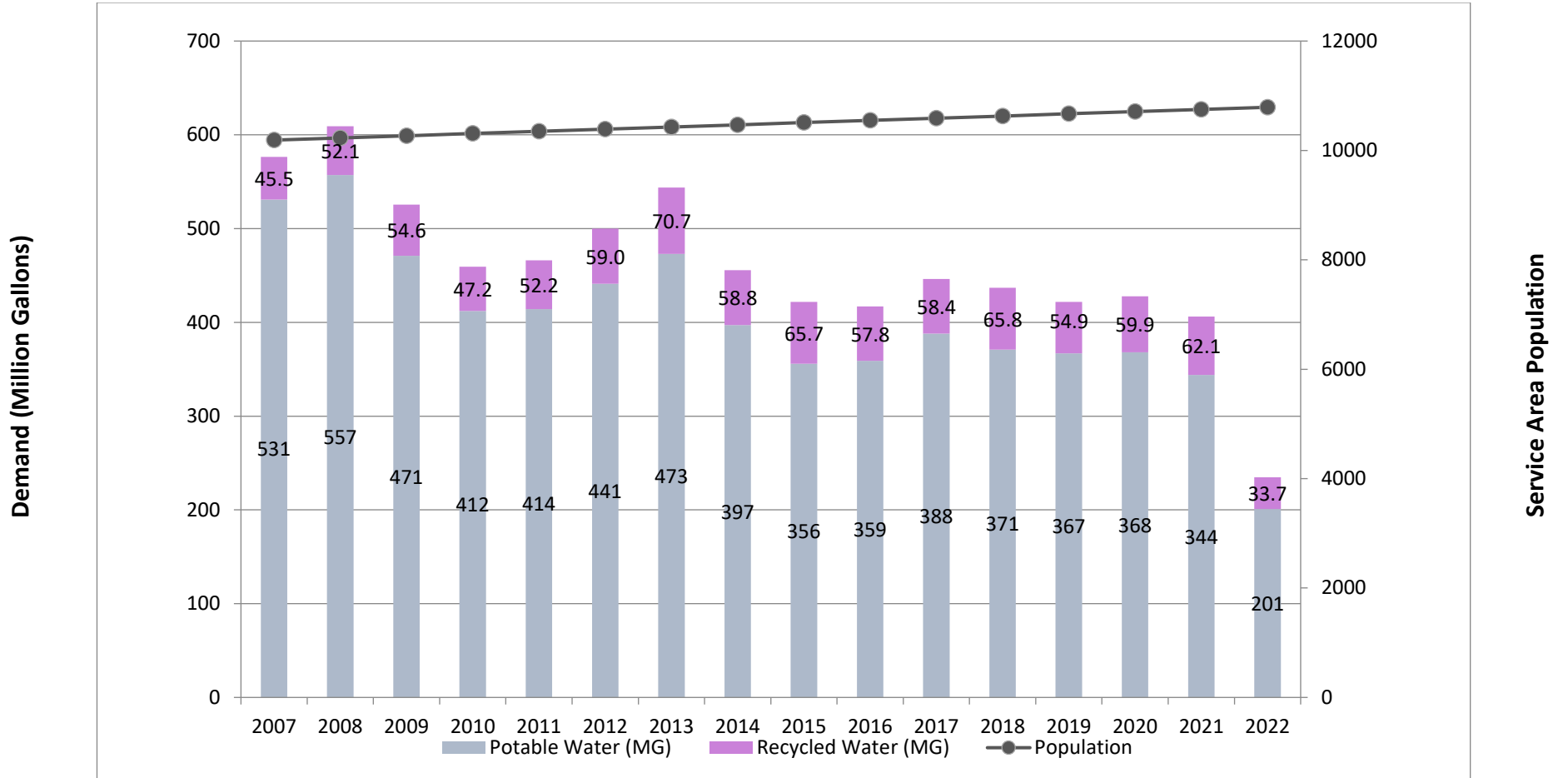
Production is Water Pumped +/- Water used for Well Maintenance Activities

Potable Water Demand



Demand is Production +/- Change in Storage

Potable and Recycled Water Demand vs. Population



Demand is Production +/- the Change in Storage

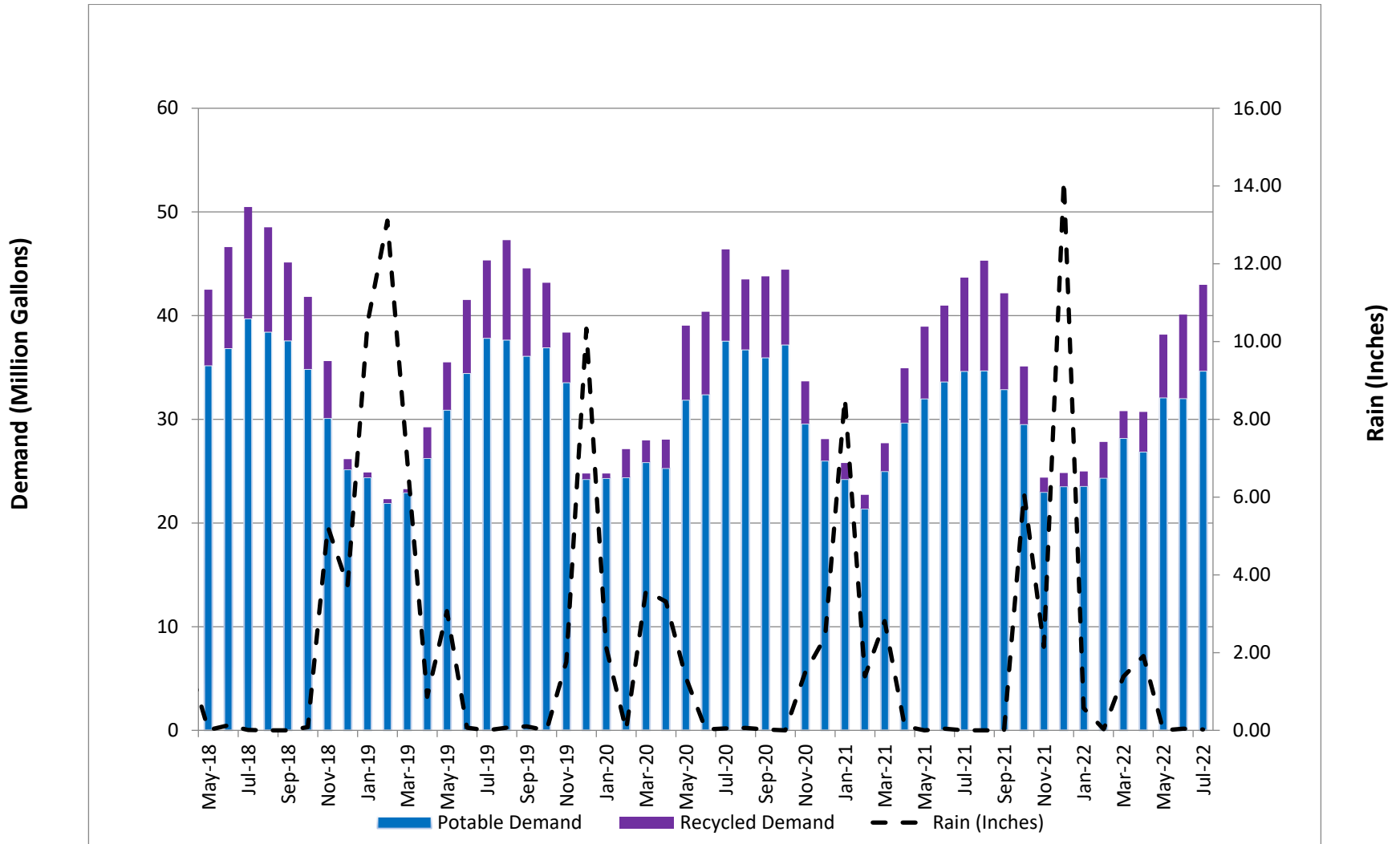
Potable and Recycled Water Demand

Potable												
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Average
Jan.	31,165,560	27,764,580	33,252,872	24,822,615	23,085,736	24,789,618	23,674,051	24,378,894	24,319,853	24,231,996	23,549,899	25,912,334
Feb.	26,813,840	26,124,132	24,779,862	23,217,640	21,968,896	23,490,314	22,427,754	21,923,206	24,323,667	21,387,258	24,348,603	23,709,561
March	29,752,014	31,559,240	27,946,154	30,953,420	23,910,892	25,837,232	24,042,754	22,954,225	25,855,924	24,995,557	28,195,901	26,909,392
April	29,234,622	35,621,370	28,875,831	29,909,260	28,400,861	25,477,561	25,992,670	26,027,391	25,297,107	29,671,141	26,838,945	28,304,251
May	43,581,989	49,525,756	38,675,936	30,478,823	31,995,591	38,043,826	33,751,004	30,912,986	31,885,131	32,077,872	32,099,180	35,729,827
June	46,553,850	47,432,970	39,525,236	32,726,825	36,842,416	42,310,983	36,786,677	34,451,155	32,393,746	33,647,606	32,036,135	37,700,691
July	48,634,940	49,192,762	41,957,386	34,544,613	38,892,200	41,757,891	39,648,922	37,857,926	38,411,455	34,662,207	34,689,147	40,022,677
Aug.	48,939,190	50,820,800	41,020,790	35,765,167	38,541,952	39,982,246	38,720,060	37,666,598	36,637,898	34,701,240		40,279,594
Sept.	42,936,210	45,489,360	36,533,116	33,498,030	35,653,167	38,190,535	35,202,216	36,106,611	35,968,389	32,885,092		37,246,273
Oct.	37,982,466	42,248,672	34,840,142	32,589,534	30,517,556	36,888,905	34,746,760	36,940,853	37,193,525	29,533,005		35,348,142
Nov.	28,714,236	34,868,300	25,524,197	24,110,286	24,388,656	24,864,436	30,389,575	33,566,905	29,565,349	23,000,320		27,899,226
Dec.	26,428,050	32,013,140	24,261,522	23,866,862	24,379,124	26,194,926	25,160,789	24,225,007	26,013,773	23,538,533		25,608,173
Total	440,736,967	472,661,082	397,193,044	356,483,075	358,577,047	387,828,472	370,543,233	367,011,756	367,865,818	344,331,827	201,757,810	386,323,232

Recycled												
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Average
Jan.	2,139,000	620,000	3,019,613	635,420	862,984	156,267	838,172	493,100	450,147	1,560,234	1,416,939	1,108,352
Feb.	2,352,000	2,268,000	1,248,862	1,545,957	1,813,868	94,521	2,589,717	366,055	2,714,767	1,331,033	3,460,316	1,798,645
March	1,054,000	2,723,665	1,579,882	4,231,231	972,360	544,666	1,141,831	322,464	2,109,739	2,709,295	2,600,242	1,817,216
April	1,470,000	5,436,705	4,163,175	4,720,887	4,381,911	713,802	2,333,176	2,969,672	2,737,245	5,249,782	3,856,106	3,457,496
May	7,843,000	9,248,455	8,409,175	6,686,359	6,909,436	7,908,386	7,306,666	4,584,239	7,142,605	6,914,742	6,081,095	7,184,923
June	9,420,000	9,801,903	9,135,056	7,488,534	9,639,221	8,940,094	9,739,276	7,067,867	7,971,453	7,319,935	8,066,685	8,599,093
July	9,610,000	9,394,766	9,911,697	9,935,422	10,841,389	10,981,309	10,744,706	9,461,005	8,810,329	8,995,659	8,277,840	9,724,011
Aug.	10,199,000	9,875,446	8,542,111	10,471,389	8,767,020	9,618,897	10,078,073	9,594,307	6,760,659	10,595,314		9,450,222
Sept.	7,680,000	8,288,391	6,176,224	9,092,727	8,287,511	7,957,562	7,522,571	8,451,961	7,814,358	9,281,685		8,055,299
Oct.	4,960,000	6,537,840	5,282,253	7,233,408	3,956,097	7,557,695	6,967,548	6,228,883	7,236,784	5,554,683		6,151,519
Nov.	1,920,000	4,029,769	1,131,988	2,817,778	1,053,779	2,234,592	5,514,338	4,805,871	4,087,453	1,364,789		2,896,036
Dec.	341,000	2,453,395	236,228	1,119,017	529,158	1,670,966	994,336	544,650	2,075,116	1,282,474		1,124,634
Total	58,988,000	70,678,335	58,836,264	65,978,129	58,014,734	58,378,757	65,770,410	54,890,074	59,910,655	62,159,624	33,759,223	61,360,498

Demand is Production +/- the Change in Storage

Potable and Recycled Water Demand vs. Rainfall



Demand is Production +/- the Change in Storage

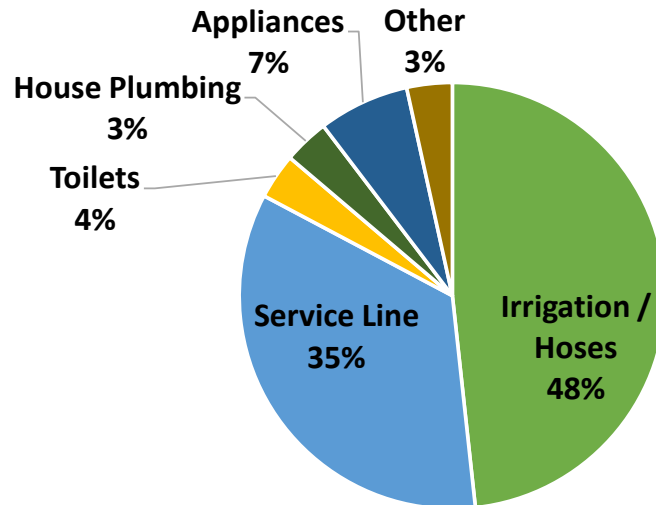
Rainfall
El Pueblo Weather Station

WATER YEAR		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	TOTAL	% of Avg.
High Year	1981-82	0.14	11.20	5.90	28.80	6.88	8.26	8.40	0.03	0.00	0.00	0.04	1.28	70.93	174%
	1982-83	5.35	10.50	7.74	13.90	18.00	19.90	7.80	0.98	0.00	0.00	0.17	1.91	86.25	212%
	1983-84	1.70	12.70	12.90	0.54	2.49	2.62	1.13	0.02	0.18	0.01	0.00	0.25	34.54	85%
	1984-85	2.80	13.80	2.95	1.72	4.20	7.92	0.73	0.11	0.15	0.09	0.02	0.54	35.03	86%
	1985-86	1.12	7.14	2.62	7.38	22.40	15.00	0.48	0.83	0.00	0.00	0.00	1.30	58.27	143%
	1986-87	0.03	0.05	2.47	4.51	9.06	6.31	0.70	0.00	0.02	0.00	0.00	0.00	23.15	57%
	1987-88	1.19	2.30	10.70	4.58	0.68	0.00	3.13	1.07	0.16	0.00	0.00	0.00	23.81	59%
	1988-89	0.19	5.90	8.89	2.06	1.39	10.60	0.67	0.08	0.03	0.00	0.03	0.83	30.67	75%
	1989-90	3.53	1.58	0.01	3.42	3.69	2.13	0.16	5.79	0.00	0.00	0.12	0.15	20.58	51%
	1990-91	0.50	0.24	1.65	0.61	5.39	17.19	0.51	0.06	0.40	0.00	0.02	0.07	26.64	66%
	1991-92	2.37	1.46	5.42	3.03	15.30	4.65	0.45	0.00	0.82	0.00	0.05	0.00	33.55	83%
	1992-93	3.41	0.20	11.54	18.51	10.22	3.17	1.37	0.96	0.68	0.00	0.00	0.00	50.06	123%
	1993-94	0.73	2.74	5.52	3.51	9.72	0.68	2.75	2.10	0.01	0.00	0.00	0.05	27.81	68%
	1994-95	1.79	8.29	4.78	23.88	0.65	13.62	3.79	0.89	1.04	0.01	0.00	0.00	58.74	144%
	1995-96	0.00	0.32	10.03	13.52	11.35	5.14	2.38	4.31	0.03	0.00	0.00	0.00	47.08	116%
	1996-97	2.89	6.95	22.43	12.33	0.17	1.50	0.58	0.16	0.12	0.00	0.54	0.00	47.67	117%
	1997-98	0.68	10.12	4.06	14.21	21.81	6.17	2.85	3.65	0.01	0.00	0.01	0.17	63.74	157%
	1998-99	1.02	9.11	1.85	9.25	11.08	5.22	2.58	0.03	0.36	0.00	0.02	0.14	40.66	100%
	1999-00	0.35	5.69	0.53	18.02	17.57	2.77	2.69	1.01	0.18	0.00	0.20	0.40	49.41	122%
	2000-01	5.14	1.38	0.94	8.68	10.65	4.05	2.67	0.00	0.07	0.00	0.00	0.16	33.74	83%
	2001-02	1.13	9.93	16.45	4.97	2.69	4.66	0.52	0.90	0.00	0.00	0.05	0.00	41.30	102%
	2002-03	0.00	5.80	21.40	2.77	2.95	2.54	5.75	1.09	0.16	0.00	0.00	0.00	42.46	104%
	2003-04	0.19	3.93	17.55	4.44	9.69	1.19	0.65	0.07	0.00	0.06	0.00	0.11	37.88	93%
	2004-05	7.24	3.25	14.39	8.30	7.20	10.01	3.79	2.13	0.94	0.02	0.00	0.08	57.35	141%
	2005-06	0.19	2.84	21.73	6.55	5.26	15.29	10.44	1.01	0.01	0.00	0.01	0.00	63.33	156%
	2006-07	0.25	3.30	5.67	0.89	9.24	0.30	2.17	0.46	0.00	0.10	0.01	0.33	22.72	56%
	2007-08	1.93	0.52	5.50	17.59	6.96	0.36	0.35	0.00	0.00	0.01	0.00	0.04	33.26	82%
	2008-09	1.59	4.80	4.38	1.80	15.28	3.47	0.52	1.42	0.01	0.00	0.00	0.26	33.53	82%
	2009-10	9.70	0.33	5.21	11.37	8.66	4.35	5.41	1.17	0.00	0.01	0.07	0.00	46.28	114%
	2010-11	3.92	5.13	15.36	1.97	10.59	13.40	0.75	3.42	3.40	0.00	0.04	0.02	58.00	143%
	2011-12	2.93	3.41	0.15	6.80	2.75	11.97	4.09	0.02	0.20	0.02	0.00	0.02	32.36	80%
	2012-13	1.61	11.32	13.25	1.31	0.47	2.66	0.43	0.01	0.11	0.00	0.00	0.70	31.87	78%
	2013-14	0.01	0.87	0.78	0.05	11.52	4.02	2.02	0.01	0.02	0.09	0.01	0.92	20.32	50%
	2014-15	0.44	4.36	16.52	0.00	4.69	0.47	2.13	0.19	0.04	0.00	0.03	0.02	28.89	71%
	2015-16	0.07	2.54	6.67	16.20	1.16	14.26	1.18	0.35	0.00	0.00	0.00	0.22	42.65	105%
	2016-17	8.66	3.29	10.77	26.13	19.56	7.09	4.47	0.06	0.07	0.00	0.00	0.04	80.14	197%
	2017-18	0.10	4.02	0.08	6.43	0.56	10.07	2.85	0.01	0.13	0.01	0.00	0.00	24.26	60%
	2018-19	0.08	5.24	3.72	10.49	13.11	6.91	0.86	3.07	0.07	0.00	0.07	0.10	43.72	108%
	2019-20	0.00	1.76	8.57	2.14	0.01	3.59	3.31	1.37	0.02	0.05	0.06	0.02	20.90	51%
	Low Year	2020-21	0.00	1.48	2.40	8.55	1.39	2.81	0.11	0.00	0.04	0.00	0.00	0.00	16.78
	2021-22	6.10	2.15	14.15	0.57	0.03	1.37	1.91	0.00	0.04	0.02	-	-	26.34	65%
Cumulative 2021-2022		6.10	8.25	22.40	22.97	23.00	24.37	26.28	26.28	26.32	26.34	-	-		
Monthly Average 1981-2022		1.98	4.68	7.99	8.09	7.72	6.29	2.43	0.95	0.23	0.01	0.04	0.25	40.66	
Cumulative Ave 1981-2022		1.98	6.66	14.65	22.74	30.46	36.75	39.17	40.12	40.35	40.37	40.40	40.66	40.66	

Leak Adjustment Program Report FY 2022

	RES Requests	CII Requests	Approved	Denied	Appeals	Reason Denied	Total Adjust Credit	Total Excess Use (gallons)
JUL	4	1	5	0	0		\$1,903	115,447
AUG	2	0	1	1	1	< 5 Yrs	\$147	17,363
SEPT	9	1	10	0	0		\$5,156	313,396
OCT	3	0	3	0	0		\$1,256	72,336
NOV	9	0	9	0	0		\$4,876	200,025
DEC	7	0	6	1	1	< 5 Yrs	\$3,067	191,909
JAN	7	0	5	2	0	< 5 Yrs, Active Leak	\$1,111	68,076
FEB	5	0	5	0	0		\$1,925	119,986
MAR	1	0	0	1	0		\$0	0
APR	1	1	2	0	0		\$607	60,751
MAY	1	0	1	0	0		\$2,377	110,058
JUN	6	0	5	1	0	Used less water in last year cycle	\$1,452	73,707
FY 2022 YTD	55	3	52	6	2		\$23,878	1,343,054
FY 2021	109	5	99	15	0		\$31,277	2,314,569
FY 2020	114	10	110	11	4		\$45,100	3,185,756

Sources of Leaks



Development Projects Status Report

Active Service Applications as of July 2022

38 Active Service Applications

157 New Service Connections

4.56 M in Capacity Fee Revenue - Does not include conceptual projects (Aviza, SV Annex)

<u>Service Type</u>	<u>Service Size (Inches)</u>	<u>No of Connections</u>	<u>Annual Demand (Gal)</u>	<u>Percent of Existing Demand</u>
Potable				
Single Family Residential	5/8"	22	1,510,000	0.38%
Single Family Residential	3/4"	49	3,350,000	0.85%
Single Family Residential	1"	1	70,000	0.02%
High-Density Single Family Residential*	5/8"	66	2,710,000	0.69%
High-Density Single Family Residential**	3/4"	0	0	0.00%
Commercial, Industrial, Institutional (CII)	Varies	13	9,340,000	2.36%
Total	-	157	16,980,000	4.30%
Recycled				
Landscape Irrigation	Varies	6	3,470,000	5.88%

*5/8" meter for indoor use only, installed for individual units in a high-density development that uses recycled water for irrigation.

**3/4" meter for indoor use only, installed for individual units in a high-density development that uses recycled water for irrigation.

Development Activity

Recent 5 year period / 2018-2022

<u>Service Type</u>	<u>No of Connections</u>	<u>Annual Demand (Gal)</u>	<u>Percent of Existing Demand</u>
Potable			
Residential	139	7,610,000	1.93%
Commercial, Industrial, Institutional (CII)	7	5,030,000	1.27%
Landscape Irrigation	0	0	0.00%
Fire Services	72	N/A	N/A
Temporary	25	Varies	-
Total	252	12,640,000	3.20%
Recycled			
Landscape Irrigation	9	5,210,000	8.83%



Local Water Resource Managers Prepare for Another Dry Summer

How Santa Cruz County’s agencies are navigating through a drought and a complex bureaucratic process

By Erin Malsbury

July 5, 2022

Summer is here, and water resource managers around the state are gearing up for another dry season. In Santa Cruz County, unique geology and three distinct basins make protecting the water supply a complicated and fractured process involving multiple water agencies. From the Pajaro Valley to the Santa Cruz Mountains, here’s what they’re doing.



The Harkins Slough Basin will be part of a diversion project in the fall. PVWMA

Pajaro Valley

The Pajaro Valley Water Management Agency received a \$7.6 million grant from the California Department of Water Resources through the Sustainable Groundwater Management Program in May.

“We came home with a check that was about three-feet-by-five-feet wide,” says PV Water Management Agency general manager Brian Lockwood, with a chuckle.

The funds will support the College Lake Integrated Resources Management Project, which will increase College Lake’s capacity and make it an alternative to groundwater for agricultural irrigation, which is the largest drain on South County’s water resources.

The agency split the project into two parts.

“There’s the facilities in and around College Lake. That includes a weir structure and fish passage, water treatment and a pumping station to move water down the coast. That’s been designed for some time,” says Lockwood. “The second part of the project is a 6-mile pipeline, and that project is at the 90% design level.”

The agency is currently acquiring property rights to flood land around College Lake.

“And we’re doing that either by purchasing land outright or purchasing flood easements on private property,” Lockwood continues.

The agency is also developing appraisals for the pipeline properties.

“We’ll be sending out offer letters for those in July,” says Lockwood.

PVWMA plans to have the project operating by 2025.

After receiving the \$7.6 million, the board pushed back a planned rate increase for customers from July 1 to Dec. 1.

“Changing rates in the middle of the summer is more problematic for the agricultural community than changing rates in December because they’re in the middle of their season,” says Lockwood. “It’s also better overall to have the rate change occur when usage is lower, and December is a good time for that.”

PVWMA also has several other water projects lined up. The next one will divert water from Struve Slough to a treatment plant near Harkins Slough.

“What we’re looking to do is push our diversion at the slough system further away from the influence of saltwater and rising seas and be able to divert water to the San Andreas terrace,” says Lockwood.

The agency hopes to begin working on that project by October.

In April, the board also decided to increase rebates for conservation programs.

“We have things that work for the residents like gray water rebates and rainwater harvesting rebates that were all increased,” says Lockwood. “And we have ongoing rebates for agricultural customers as well.”

Soquel

Soquel Creek Water District is working around seawater intrusion, as well. The groundwater basin, categorized as “critically overdraft” by the state, is threatened by salt water that seeps into the space where fresh water used to be.

To prevent further encroachment, the district designed the Pure Water Soquel Project. This project will treat recycled water to drinking standards before injecting it back into the basin at sites chosen by hydrologists.

The recycled water will flow from the treatment plant on the Westside of Santa Cruz to injection wells near New Brighton State Beach.

“We have eight miles of pipeline currently going into the ground, and we’re just over four miles done,” says Becca Rubin, the public outreach coordinator for the district. “So it’s a huge milestone that we just hit.”

“You’ve probably seen us going through town,” she adds. “We appreciate the patience of everybody in the community while we tear open the streets and put it back together.”

Ron Duncan, the district general manager, echoes Rubin’s thanks.

“It’s a short-term pain for long-term gain kind of thing,” he says. “We continue to navigate and adapt as appropriate to create a new water supply to help make the community resilient. If not, we’ll lose what we have due to seawater intrusion.”

SCWD’s constant project updates and outreach within the community earned them recent recognition from the California Special Districts Association.

“We’re lucky enough to get the transparency award for special districts again,” says Rubin. “We were the first in the area in 2015 to receive this award.”

Santa Cruz

The City of Santa Cruz shares the mid-county groundwater basin with Soquel and works closely with SCWD, but almost all of the city’s water comes from surface sources such as the San Lorenzo River.

Despite another dry year, the city was exempted from the new state-wide emergency water use restrictions.

“We met three criteria that they included in the emergency regulations,” says Heidi Luckenbach, the deputy director of engineering for the City of Santa Cruz Water Department.

One requirement was indoor water usage of 55 gallons per person per day or less. Santa Cruz comes in under 50.

“Not being connected to the state water system was the second component,” says Luckenbach.

For the final criterion, the city had to demonstrate it had enough water through September of 2023.

“It’s really just reinforcing the fact that customers in Santa Cruz have done an amazing job at backing off on water use,” says Luckenbach. “But the climate is changing, and we cannot predict it, so we’re carrying forward with our supply planning.”

Part of that supply planning includes an aquifer storage and recovery project, which injects treated excess storm runoff into the groundwater basin during the winter.

The city tested the injection process at two wells over the winter, and this month, the water department started extracting water.

“Our planning has shown that we can take that water out at specific rates, so we’re testing that theory now,” says Luckenbach. “But there’s still a lot of fine-tuning to be done both in terms of the volume, and

also the water quality—taking the water out of the ground, treating it and putting it into our distribution system.”

The city expects to extract until sometime in August. If all goes well, the project will expand from two wells to up to 10.

“So we have a lot of planning and construction left to do,” says Luckenbach.

Inflation and materials shortages have made that challenging.

“But on the flip side, there’s a lot of money being set aside by the federal government through the infrastructure act, and we’re starting to see that,” she adds.

The city will continue exploring other options as well.

Even though the project is going well and Loch Lomond sits between 85-88% full, “we’re still really vulnerable,” says Luckenbach.

“Our demand is super low, which means we have no gravy to cut. And the weather is really variable,” she says. “We still have to move forward. We’re not done yet.”

Scotts Valley

Further north, Scotts Valley Water District is also exploring aquifer storage and recovery as an option for improving the Santa Margarita Groundwater Basin. Scotts Valley shares the basin with the San Lorenzo Valley Water District, and an emergency intertie connects the two.

Normally, SLVWD relies more on surface water, but the CZU fire made pumping necessary. So SLVWD and SVWD have both been relying on the basin.

The district declared a stage-two water shortage in May, or as some officials call it, a stage-two “water supply condition.” The word “shortage,” they say, can be misleading and make people think they’re running out.

“There is plenty of water still in the basin,” assures Piret Harmon, the SVWD general manager.

The concern is for the long term.

“It all comes from this space and underneath us. The only recharge for the basin is rainfall, and it’s the third dry, severely below-average rainfall year for us,” says Harmon. “We don’t know how long it’s going to go on. It might be the last dry year. It might be that we have many more coming.”

The district has a few options for addressing that uncertainty. Besides aquifer storage and recovery, SVWD is considering conjunctive use and indirect potable reuse. Conjunctive use involves sharing surface water with neighbors like SLVWD when there is an excess, which gives the groundwater basin a chance

to recharge. Indirect potable reuse, similar to the Pure Water Soquel project, injects treated recycled water back into the ground.

“I think that is going to be the project that will ensure the resiliency of this basin,” says Piret.

She compares it to shortening the natural water cycle.

“Instead of letting it go to the ocean and then raining down, let’s catch it, let’s treat it, let’s put it back. And then we are much less dependent on the climate impacts,” she says.

In addition to large infrastructure projects, the district encourages users to consider their usage. Smart meters make that easier.

“These days, you can go and see [water use] in 15-minute increments,” says Harmon “And our customers have been surprised by it.”

SVWD wants to cut back usage by 10% and is creating incentives for residents to meet that mark. For instance, the district has a monthly raffle for customers who achieve a 15% demand reduction. Winners can use a \$100 prize to lower their bill or at a local business. Customers who achieve a 15% reduction four months in a row can win \$500.

The district also incentivizes turf replacement. Participants get \$2 per square foot for replacing irrigated lawns with water-efficient landscapes.

To address questions, the district sets up a pop-up station every Saturday by the Skypark from 9am to 1pm.

“Eight to five office hours Monday through Friday—that’s when people work. So, if we tell them, ‘Come here and talk to us, we can help you,’ we’re not very accessible,” says Harmon.

Public opinion is still often the biggest challenge for the projects, says Harmon.

“I still see on social media, unfortunately, a lot of mistrust and attacks,” she says, adding that she sometimes hears accusations that Scotts Valley is taking other districts’ water to build new developments. Harmon shakes her head.

“Why would we take somebody’s water and use it up, and then nobody has water?” she asks. “We want this basin to be resilient for decades to come. We need that for our own customers. We need that for our neighbors.”



Take the Water Saving Challenge this summer!



SAVE WATER AND WIN!

The summer program encourages District customers to aim for a 15% (or more) water reduction from the same period last year.

Join the Water Saving Challenge for a chance to win prizes!

- Monthly prize: a \$100 water bill credit or a choice of a gift certificate from a Scotts Valley business
- Grand prize: a \$500 water bill credit or a choice of a gift certificate from a Scotts Valley business.

The winner for the month of June was Siri V., who reduced consumption by 27.3% — from 55 gallons per day (gpd) in 2021 to 40 gpd this year.

"While I have always been water conscious, I am increasingly focused on maximizing every drop in all areas, both inside and outdoors," Siri said.

There are four more chances to win the Water Saving Challenge this summer!, including the grand prize valued at \$500. [Log into WaterSmart to participate.](#)

SCOTTS VALLEY WATER QUALITY MAKES THE GRADE



Scotts Valley Water District's annual report on water quality shows that last year, as in years past, the District's water met all State and Federal primary drinking water standards.

Included in the Consumer Confidence Report is information about the source water quality and treated water quality. It also explains how the water is treated and tested to ensure it is always safe and refreshing to drink.

[View and download the 2021 SVWD Water Quality Report.](#) For questions or to receive a hard copy of the report, call (831) 438-2363.

WaterSmart can help you make water-efficient choices this summer — enroll today!

[WaterSmart](#) provides the tools to understand and manage water use. Scotts Valley Water District offers this free service to allow customers to take control of their water use. Customers using WaterSmart will have access to an array of water use charts and information, including hourly usage history, water score compared to other households and alerts for potential leaks.

If you haven't signed up yet, [register now](#).

**HOW CAN YOU
MONITOR WATER USE
AT YOUR HOME OR
BUSINESS?**

Use WaterSmart - It's Free!

The advertisement features a light blue background. At the top, the text 'HOW CAN YOU MONITOR WATER USE AT YOUR HOME OR BUSINESS?' is displayed in bold, black and blue fonts. Below this, a laptop and a smartphone are shown side-by-side, both displaying the WaterSmart web application interface. The laptop screen shows a dashboard with various data points and charts, including a 'My Daily Use' section with a '531' value and a 'My Budget' section with a 'Hot Budget' alert. The smartphone screen shows a similar interface with a '531' value and a 'My Budget' section. At the bottom of the advertisement, the text 'Use WaterSmart - It's Free!' is written in bold black font.

The District asks all customers to continue using water wisely by irrigating no more than twice a week this summer. Please water before 10 a.m. or after 5 p.m.

New state regulations ban the irrigation of non-functional turf at commercial, industrial and institutional accounts (including homeowners associations) with potable water, regardless of frequency or time of day. Non-functional turf is defined as turf that is solely ornamental and not regularly used for human recreational purposes or for civic or community events. Please consider replacing the non-functional turf with water-efficient landscaping by taking advantage of the \$2 per square foot rebate offered by the [Turf's Up program](#).

Low income household Water Assistance Program

The District participates in the California Department of Community Services & Development's Low Income Household Water Assistance Program (LIHWAP) program to assist low-income customers who are struggling to pay their water bills.

For information on how to apply for funding visit the [LIHWAP website](#).



 Share

 Tweet

 Forward



Facebook



Website



Instagram



Twitter

Copyright © 2022 Scotts Valley Water District, All rights reserved.


You are receiving this email because you opted in at our website to "Stay Connected With Us".

Our mailing address is:
Scotts Valley Water District
2 Civic Center Dr.



Opening tomorrow: Recycled Water Fill Station, new District Pop-Up Station!

The Recycled Water Fill Station near Skypark reopens one day a week starting tomorrow — Saturday, June 4. The fill station will provide free recycled water for irrigation purposes to Scotts Valley Water District customers and also to those City of Scotts Valley residents who are not district customers.



SCOTTS VALLEY WATER DISTRICT

Pop-Up Station

- 💧 Talk to District staff
- 💧 Pick up free water-saving devices
- 💧 Register for WaterSmart

In addition, for the first time, there will be a District Pop-Up Station where customers can obtain free water-saving devices, enroll in WaterSmart and connect with District staff. The District also will be serving cold, refreshing water for free, so bring your water bottle for a refill!

Hours will be 9 a.m. to 1 p.m. Saturdays. The Station is located on Kings Village Road.

Take the Water Saving Challenge this summer!



SAVE WATER AND WIN!

The summer program encourages District customers to aim for a 15% (or more) water reduction from the same period in prior year.

- Monthly prize: either a \$100 water bill credit or a choice of a gift certificate from a Scotts Valley business.
- Grand prize: either a \$500 water bill credit or a choice of a gift certificate from a Scotts Valley business.

Log into WaterSmart to participate: svwd.watersmart.com.

Update: Water main replacement project progresses

Crews have been hard at work replacing aging water mains in four areas of Scotts Valley this spring. Water mains are being upgraded on Vine Hill School Road, Johnston Way, Scott Court and Sunset Terrace. This project replaces about 1,000 linear feet of leak-prone PVC piping that was installed in the 1970s and 80s. The \$500,000 project will improve system efficiency and service to District customers.



Track your water use
use — enroll in
WaterSmart

**HOW CAN YOU
MONITOR WATER USE
AT YOUR HOME OR
BUSINESS?**

[WaterSmart](#) provides the tools to understand and manage water use. Scotts Valley Water District offers this free service to customers to give people more insight into how and when they are using water, and also to be alerted when leaks occur.

If you haven't signed up yet, [register now](#).



Plant of the Month: Lavender

Lavender is more than just a pretty plant. It's a great choice to decorate drought-tolerant rock gardens or add to your perennial bed. The plant attracts bees and other beneficial insects to your yard with flowers from early summer through fall. The plant can grow up to 4 feet tall and 6 feet wide.

Also, you can get creative because the fragrant lavender foliage makes the perfect base to create perfumes and soaps!

Photo credit: [@growwithhema](#)



Turf's Up! is back — double the rebate for replacing irrigated turf with drought-tolerant landscaping



TURF'S UP!
DOUBLE YOUR REBATE
for replacing your lawn with a
drought-tolerant, low-water option.

~~\$1~~ **\$2**
per square foot of lawn replaced

The District has [doubled its lawn replacement rebate](#) to \$2 per square foot to encourage customers to install low-water-use landscaping at their properties.

Through the Turf's Up! program, customers are urged to replace irrigated lawn areas with low-water-use plants and/or permeable landscape materials such as mulch,

decomposed granite, permeable pavers or artificial turf to reduce water use. Outdoor irrigation accounts for approximately a third of the water used by District customers.

The region and the state continue to suffer from drought conditions. While the District's customers are supplied by groundwater and recycled water, years of low rainfall have impacts on recharge and future water levels in the aquifers that the District relies upon.

The Turf's Up! rebate program requires pre- and post-approval. Existing sprinkler system must be either converted to drip (or other low-volume devices) or removed. Inactive valves must be removed and pipes glue-capped. High and low-volume devices should not exist on the same valve.

See details and apply online.



Major Capital Improvement Project finished at Orchard Run Water Treatment Plant, water tastes & smells better

Upgrades to the Orchard Run Water Treatment Plant that improve water esthetics and enhance plant efficiency were completed this spring!

Groundwater is the only source of drinking water for Scotts Valley Water District customers. Although the District's water meets or exceeds all state and federal drinking water standards, customers have expressed desire for improved taste and odor of the water for many years.

The \$3.5-million-dollar project is part of the District's Capital Improvement Plan. It was funded by District water rates including the basic service charge paid monthly by all customers.

“We’re dedicated to providing water that is both safe and refreshing to drink,” SVWD Manager Piret Harmon said. “As part of that commitment, we invested in the Orchard Run Water Treatment Plant, supported by input and funding from our customers.” The project, which broke ground in November 2020, included:

- Installation of two new 10-foot diameter granular activated carbon (GAC) filters, each with a capacity to filter up to 800 gallons per minute (GPM). The GACs, a new technology for the District, help to improve the taste and odor of the water.
- Replacement of old infrastructure with new equipment included a 40,000-gallon capacity welded steel water storage tank and odor scrubber with a treatment capacity of 3,000 cubic feet per minute.
- Demolition of existing tanks, reinforced concrete foundations, decommissioned low-voltage electrical components and removal of old equipment.
- Modifications of existing process piping, electrical upgrades, new control and chemical feed systems.

The Orchard Run Water Treatment Plant first went online in 1993 and treats water pumped from the Orchard Run and 3B wells on the north side of Scotts Valley. It’s the largest of the District’s three water treatment plants with a capacity to produce more than 1 million gallons of water daily.



Take the Water Saving Challenge this summer!



The summer program encourages

District customers to aim for a 15% (or more) water reduction from the same period the prior year.

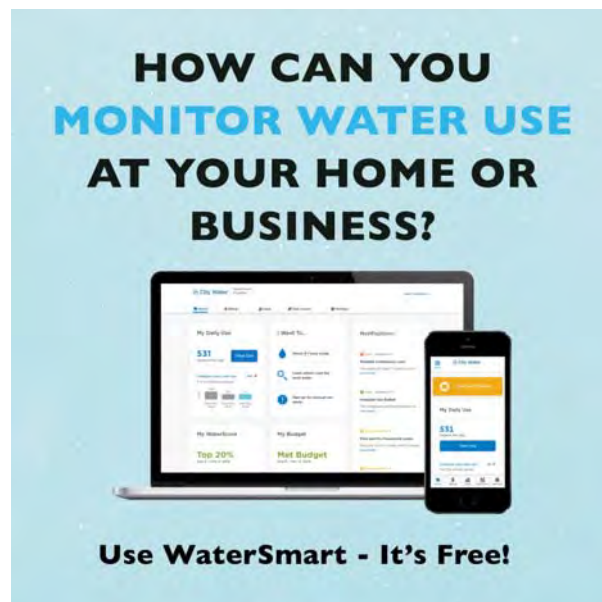
- Monthly prize: either a \$100 water bill credit or a choice of a gift certificate from a Scotts Valley business
- Grand prize: either a \$500 water bill credit or a choice of a gift certificate from a Scotts Valley business.

Log into WaterSmart to participate: svwd.watersmart.com.

Track your water use use — enroll in WaterSmart

[WaterSmart](#) provides the tools to understand and manage water use. Scotts Valley Water District offers this free service to customers to give people more insight into how and when they are using water, and also to be alerted when leaks occur.

If you haven't signed up yet, [register now](#).



**HOW CAN YOU
MONITOR WATER USE
AT YOUR HOME OR
BUSINESS?**

Use WaterSmart - It's Free!

The graphic features a light blue background with a white laptop and a black smartphone. The laptop screen displays the WaterSmart web interface, showing a dashboard with various water usage metrics and alerts. The smartphone screen displays the WaterSmart mobile app interface, which is similar to the web version but optimized for a smaller screen. The text is centered and uses a mix of bold black and blue fonts.