



SCOTTS VALLEY WATER DISTRICT

AGENDA PACKET

REGULAR BOARD MEETING

9/12/24 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

Wade Leishman, President

Danny Reber, Vice President

Bill Ekwall, Director

Chris Perri, Director

Ruth Stiles, Director

Alex Schulz, Associate Director

Jasmin Schulz, Associate Director

David McNair, General Manager

Water Industry Acronyms

AF – Acre Foot

AFY – Acre Foot per Year

ACWA – Association of California Water Agencies

ACWA JPIA – ACWA Joint Powers Insurance Authority

AWWA – American Water Works Association

BMP – Best Management Practices

CCR – Consumer Confidence Report

CD – Certificate of Deposit

CEQA - California Environmental Quality Act

CSDA – California Special District Association

DHS – Department of Health Services

DWR – Department of Water Resources

EIR – Environmental Impact Report

EPA – Environmental Protection Agency

FY – Fiscal Year

GASB – Governmental Accounting Standards Board

IRWM – Integrated Regional Water Management

JPA – Joint Powers Agreement

LAIF – Local Agency Investment Fund

LAFCO – Local Agency Formation Commission

LID – Low Impact Development

MCL – Maximum Containment Level

MGD – Million Gallons per Day

MGY – Million Gallons per Year

MOU – Memorandum of Understanding

O&M – Operations and Maintenance

PERS – Public Employees Retirement System

PHG – Public Health Goal

PPB – Parts Per Billion

PRV – Pressure Relief Valve

PVC Pipe – Polyvinyl Chloride Pipe

RWMF – Regional Water Management Foundation

RFP – Request for Proposals

ROW – Right-of-way

RWQCB – Regional Water Quality Control Board

SCWD – Santa Cruz Water Department (City of)

SDWA – Safe Drinking Water Act

SGMA – Sustainable Groundwater Management Act

SLVWD – San Lorenzo Valley Water District

SMGWA – Santa Margarita Groundwater Agency

SqCWD – Soquel Creek Water District

SWRCB – State Water Resources Control Board

TP – Treatment Plant

WY – Water Year



SCOTTS VALLEY WATER DISTRICT

BOARD OF DIRECTORS
PRESIDENT Wade Leishman
VICE PRESIDENT Danny Reber
Bill Ekwall
Chris Perri
Ruth Stiles

Board of Director

ASSOCIATE DIRECTORS
Alex Schulz
Jasmin Schulz

Regular Meeting
9/12/24 at 6:00 p.m.

GENERAL MANAGER
David McNair

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 (8/8/24)
- 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 Resource Committee (none)
- Finance & Personnel Committee 8/28/24
- Executive & Public Affairs Committee (none)
- Santa Margarita Groundwater Agency Board 8/22/24

4. Consent

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

4.1. [Approval of Minutes – Regular Board Meeting 8/8/24](#)

Recommendation: Approve the minutes of the 8/8/24 Board Meeting

4.2. [Surplus Vehicle](#)

Recommendation: Declare a 2008 Ford F350, VIN 1FDWF34R08EC15326 as surplus, and authorize staff to advertise this vehicle for public sale.

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. [Leak Adjustment Appeal 125 San Augustine Way](#)

Recommendation: Grant or deny a bill adjustment credit for 125 San Augustine Way.

6.2. [Capacity Fee Policy Updates](#)

Recommendation: 1) Adopt Ordinance No 168-22 amending the Administrative Code of the Scotts Valley Water District; upon its adoption 2) Rescind Ordinance No 167-18 in its entirety; 3) Adopt Resolution 05-24 amending the Fee Schedule for New Connection thereby amending Resolution 10-16.

7. **Staff Reports**

7.1. Legal

District Counsel – oral

7.2. Administrative

General Manager – oral

7.3. [Finance](#)

Finance Manager - oral

Financial Report 7/1/24 – 7/31/24

7.4. [Operations](#)

Operations Report – oral

Operations Charts & Graphs

8. **Directors Reports**

Travel and Meetings

9. **Written Correspondence (None)**

10. **Community Relations**

[August Newsletter](#)

11. Closed Session

- 11.1. Legal Council Options
- 11.2. General Manager Compensation

12. Report on Closed Session and Additional Items

- 12.1. Legal Council Options
- 12.2. General Manager Compensation
Recommendation: Approve terms of the employment agreement with General Manager.

13. Future Items

14. Meetings and Event Calendar

Board Meetings	Committee Meetings
10/10/24	09/25/24 Finance and Personnel
11/14/24	09/23/24 Engineering and Water Resources
12/12/24	10/23/24 Executive and Public Affairs

Santa Margarita Groundwater Agency

Board Meeting 10/24/24

15. Events (None)

16. Adjourn

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

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



SCOTTS VALLEY WATER DISTRICT

svwd.org  svwater

Finance and Personnel Committee
District Conference Room
2 Civic Center Drive, Scotts Valley, California
8/28/24 4:00 p.m.
Meeting Report

1. Convene

The meeting convened at 4:01 p.m. in the District Conference Room. It was conducted in a hybrid setting.

Present: Committee Members Ekwall, Reber, and Hunt

Staff: Finance and Customer Service Manager Kurns, General Manager McNair, and Executive Assistant / Board Clerk Jensen

Guests: Dustin Harker

2. Oral Communications

None.

3. Action Items

None.

4. Discussion Items

4.1. 125 San Augustine Way Leak Adjustment Request

Finance Manager Kurns presented the Leak Adjustment Request, guest Harker spoke as well. The committee discussed.

4.2. Audit Calendar

Kurns provided an update to the audit calendar.

4.3. Banking Transition Update

Kurns provided an update.

4.4. Capacity Fee – Policy Review

General Manager McNair, and Kurns presented the suggested updates to the Capacity Fee Policy.

5. District Updates

None.

6. Reports or Information from Committee Members

None.

7. Future Agenda Items

8. Adjourn

The meeting adjourned at 4:50 p.m. 3.1 - 1

Board of Directors
Regular Meeting
8/8/24 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 Leishman called the meeting to order at 6:01 p.m. in the Santa Margarita Community Room. The meeting was conducted in a hybrid setting.

Directors

Bill Ekwall

Wade Leishman (absent)

Chris Perri

Danny Reber

Ruth Stiles

Staff

Robert Bosso, Legal Counsel (remote)

Nate Gillespie, Operations Manager

Rahni Jensen, Executive Assistant / Board Clerk

Nick Kurns, Finance and Customer Service Manager

David McNair, General Manager

Junior Board

Alex Schulz

Jasmin Schulz

Guests

Jennifer Murray

1.2. Pledge of Allegiance and Invocation

Junior Director Alex Schulz led the pledge, and Director Perri led the invocation.

1.3. Closed Session Report

None.

1.4. Additions/Deletions to the Agenda

Move closed session to the end of the meeting.

1.5. Oral Communications

None.

2. Presentation

2.1. Communications and Community Outreach Report

Murray with M2 Communications provided the Communications and Community Outreach Report.

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 Resource Committee (none)

Finance & Personnel Committee 7/17/24

Nothing to add to the written report.

Executive & Public Affairs Committee 7/17/24

Nothing to add to the written report.

Santa Margarita Groundwater Agency Board (none)

4. Consent

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

4.1. Approval of Minutes – Regular Board Meeting 6/13/24

Approved the minutes of the 6/13/24 Regular Board Meeting.

MOTION Stiles/Ekwall carried to approve the consent agenda as submitted by unanimous voice vote, Leishman absent, Perri abstained.

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. Exempt Employee Salary Adjustments

General Manager McNair presented the report. The Board received the information presented.

MOTION Perri/Stiles carried to approve the compensation adjustments for Finance and Customer Service Manager, Operations Manager, and Executive Assistant/Board Clerk classifications by unanimous voice vote, Leishman absent.

6.2. Contract of Professional Audit Services

McNair presented the agenda report, Customer Service & Finance Manager Kurns provided additional information. The Board discussed.

MOTION Stiles/Perri carried to authorize the General manager to execute and agreement with Nigro & Nigro PC to provide professional audit services for the fiscal years ending June 30, 2024, 2025, and 2026 with an option to renew the agreement for two (2) additional one-year periods by unanimous voice vote, Leishman absent.

7. Staff Reports

7.1. Legal

District Counsel Bosso discussed the state water board's change in the approach to as-

sembling district guidelines. The Board discussed.

7.2. Administrative

General Manager McNair reported that progress is taking place with intertie one project, and the lead service line investigation.

7.3. Finance

Q4 Financials

Kurns reported on CLASS investments.

7.4. Operations

Operations Report

Gillespie provided updates to current projects, production demand reports progress, and the lead service line investigation.

8. **Directors Reports** (none).

9. **Written Correspondence**

June Newsletter

SLVWD Grant Support

4th of July

10. **Community Relations** (none).

11. **Closed Session**

Legal Council Options

General Manager Compensation

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

13. **Future Items**

14. **Meetings and Event Calendar**

Board Meetings

09/12/24

10/10/24

11/14/24

Committee Meetings

08/28/24 Finance & Personal

08/26/24 Engineering & Water Resource

10/23/24 Executive & Public Affairs

Santa Margarita Groundwater Agency

Board Meeting 08/22/24

15. **Events**

16. Adjourn

The meeting adjourned at 7:27 p.m.

Approved:

Attest:

Wade Leishman, Board President

David McNair, Board Secretary

DRAFT

AGENDA REPORT

Scotts Valley Water District

Date: 09/12/24

To: Board of Directors

Item: Consent 4.2

Subject: **Surplus Vehicle**

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

SUMMARY

Recommendation: Declare a 2008 Ford F350, VIN 1FDWF34RO8EC15326 as surplus, and authorize staff to advertise this vehicle for public sale.

Fiscal Impact: Staff estimate the vehicle's value at approximately \$4,000+.

Previous Related Action: The Board of Directors approved the FY2023 CIP Budget on June 9, 2022.

BACKGROUND

The approved FY 2023 budget provided funds to replace the 2008 Ford F350 utility body truck.

DISCUSSION

Board approval is required before this vehicle can be sold or disposed of. A 2023 Ford F250 utility body truck was purchased and put into service last year.

Staff will advertise the vehicle for public sale or use a public surplus online auction system.

Submitted,

David McNair
General Manager

AGENDA REPORT

Scotts Valley Water District

Date: 09/12/24

To: Board of Directors

Item: Business 6.1

Subject: **Leak Adjustment Appeal 125 San Augustine Way**

Reason: Complies with District Administrative Code Section 1.20.010 District Designation

SUMMARY

Recommendation: Grant or deny a bill adjustment credit for 125 San Augustine Way.

Fiscal Impact: If the appeal is granted, the cost of water to the customer for the leak was \$623.

Previous Related Action: On 12/08/22 the Board ended the Leak Adjustment Program effective 12/31/22.

On 08/28/24, the Finance & Personnel Committee reviewed the appeal and recommended that the Board consider the bill adjustment credit for this customer.

BACKGROUND

With i-meters and WaterSmart software fully deployed, the District strives to leverage the technology and increase customer awareness. In addition, staff resources have been reallocated to ensure that customers are notified of continuous water use, which includes follow-up communication from District staff when leaks continue, or leak rates increase.

DISCUSSION

The customer sent a letter to the District on 07/22/24 requesting a bill adjustment for the leak period of 06/01/2024 through 07/13/2024. Staff denied the request because the District does not grant bill adjustments for leaks.

Submitted,

David McNair
General Manager

Enclosed: Leak Adjustment Request Summary
Letter to District 07/22/24

Leak Adjustment Request Summary

Account Number: 012344-000
Service Address: 125 San Augustine
Account Holder: Dustin Harker

Adjustment Billing Cycle	Adjustment Request Received	Excess Water Amount (gal)	Cost of Excess Consumption	Leak Type/ Location	Reason for Denial/ Notes	WaterSmart Communication	Staff Communication	Review Status
June - July 2024	7/22/2024	28,270 per prior method 20,312 per WaterSmart	\$623.48 for 2 periods using the prior methodology	Main burst / service line	No program	4/23 - Email Leak Alert (3 gph, 45 hour duration) 7/4 - Email Leak Alert (15 gph, 352 hour duration) 7/13 - Email Leak Alert (irregular use)	7/3 - Staff 'Continuous Water Use' email 7/9 - Staff 'Continuous Water Use' email	Bring to August Finance Cmte meeting

Rahni Jensen

From: Nicholas Kurns
Sent: Tuesday, July 23, 2024 2:52 PM
To: Dustin Harker
Cc: Rahni Jensen
Subject: RE: Overview of leak history at 125 San Augustine Way

Dustin,
Confirming we've received your letter. We will be in touch with meeting info when the Board Sub-Committee has this on the agenda to review.

Thanks,
Nick

From: Dustin Harker <harker.dustin@gmail.com>
Sent: Monday, July 22, 2024 4:55 PM
To: Nicholas Kurns <NKurns@svwd.org>
Subject: Overview of leak history at 125 San Augustine Way

You don't often get email from harker.dustin@gmail.com. [Learn why this is important](#)

Hi Nick,

Thank you for our phone conversation today regarding the water leak at my home on San Augustine Way. I'd like to provide a brief overview of the leak situation and the repairs made to the water lines on the property over the past few months. Due to the extenuating circumstances surrounding this leak and my efforts to address it, I kindly request a board review for a bill credit.

Initial Leak Alert (4/23):

- Received a water alert from SVWD.
- Investigated and repaired a leak on the north end of my front yard (photo attached [North end of front yard broken]).
- Believed this was the main issue.

Subsequent Leaks (July 3rd):

- No further alerts until July 3rd because (as one of your amazing team members informed me) leak alerts DO NOT RE-SEND if the original issue hasn't been resolved. I thought the issue was resolved.
- Stephanie Vomvolakis informed me that the initial leak was not fully resolved, and that I did not receive any leak alerts because the initial leak had never been fully reset to zero. I would love to receive daily or weekly reminders of existing leaks so that I can know for sure once a leak has been repaired.
- House-sitter discovered a leaking spigot on the side of the house (photo attached [Side of house spigot leak]).

Hidden Main Issue: Burst Water Main (July 13th):

- Unbeknownst to me, the water main had burst.
- Steady stream of water flowed into the gutter on the south end of the driveway for 2.5 months.
- Discovered this issue after returning from a family trip to Southern California.

Financial Impact:

- As a single-income household with three boys, the increased water bills significantly affect our finances.

I sincerely hope the board will consider this information during their review. Your understanding and assistance are greatly appreciated.

Best regards,

Dustin Harker

C: 509.433.4490

AGENDA REPORT

Scotts Valley Water District

Date: 09/12/24
To: Board of Directors
Item: Business 6.2
Subject: **Capacity Fee Policy Updates**
Reason: In support of District Core Value – Strive for Efficiencies

SUMMARY

Recommendation: 1) Adopt Ordinance No 168-22 amending the Administrative Code of the Scotts Valley Water District; upon its adoption 2) Rescind Ordinance No 167-18 in its entirety; 3) Adopt Resolution 05-24 amending the Fee Schedule for New Connection thereby amending Resolution 10-16

Fiscal Impact: None

Previous Related Action: On 09/08/22, the Board adopted Ordinance No 168-2 amending the Administrative Code of the Scotts Valley Water District.

On 08/28/24 the Finance and Personnel Committee reviewed the Administrative Code and recommended amending the language added related to Capacity Fees.

BACKGROUND

The Administrative Code sets the framework for District management and stipulates the rules for its operations.

DISCUSSION

District policy related to capacity fees is outlined in Title 5 of the Administrative Code. Capacity fee amounts are set as part of the Fee Schedule for New Connections. The District reviews capacity fees periodically to ensure that implementation procedures align with best practices and any new legislation. Over the past five years, the District has issued Capacity Fee Buy-back payments on three services totaling \$64,885. Staff engaged the rate consulting firm Water Resources Economics (WSE), to review District procedures related to capacity fee buy-backs, meter size changes, and service discontinuations. The consultants surveyed local agencies and comparable Districts across California on how agencies implement capacity fees when account holders change their meter size, and when account holders or property owners discontinue service. Their recommendations are included in this report.

Recommendation

Staff recommends the following changes to Chapter 5.40.010 Fees for New Service Connections and 5.40.020 Refunding of Fees.

1. Remove the crossed-through language in paragraph 1:

The Board has determined that a fee for new connections to the water system will be applied to each new service in order to pay for their fair share of the public water system (~~equity buy-in~~). Such fees are necessary to pay a proportional share of the water system expansion or replacement costs essential to provide water to the new or additional service.

2. Replace existing crossed-through language in paragraph 5:

~~“The fee for replacing an existing service connection with a different size or different type of supply will take into consideration relinquishing the equity buy in of the existing connection by applying an appropriate credit to the fee.”~~

Replacement language:

“Water capacity fees are required when an existing customer replaces a water meter with a larger-sized meter. In this event, the required capacity fee will equal the difference between the current capacity fees for the new larger-sized meter and the existing smaller-sized meter. No capacity fee refund will be issued if a water meter is replaced with a smaller-sized meter or water service is discontinued.”

Additionally, this language will be added to the annually updated Fee Schedule for New Connections table.

3. Retitle Section 5.40.020 from “Refunding of Fees” to “Refunding of *Main Extension Fees*”.

Enclosed documents include the Final draft of the Administrative Code with these changes incorporated, and the updated language for the Fee Schedule for new connections.

Submitted,

David McNair
General Manager

Enclosed: Ordinance 169-24
SVWD Administrative Code
Resolution 05-24
Fee Schedule for New Connections
Technical Memorandum

ORDINANCE No. 169-24

ORDINANCE OF THE BOARD OF DIRECTORS
OF THE SCOTTS VALLEY WATER DISTRICT
AMENDING THE ADMINISTRATIVE CODE OF THE SCOTTS VALLEY WATER DISTRICT
AND
RESCINDING ORDINANCE 168-22 THE ADMINISTRATIVE CODE OF THE SCOTTS VALLEY WATER
DISTRICT IN ITS ENTIRETY

BE IT ORDAINED:

SECTION 1. ADOPT THE ADMINISTRATIVE CODE OF THE SCOTTS VALLEY WATER DISTRICT AS AMENDED

Administrative Code of the Scotts Valley Water District is hereby amended as set forth in Exhibit A attached hereto.

SECTION 2. RESCIND ORDINANCE 168-22

Upon adoption of this Ordinance, the Administrative Code of the Scotts Valley Water District as established by Ordinance No. 168-22 is hereby rescinded in its entirety and of no force and effect.

SECTION 3. SEVERABILITY

If any section, subsection, paragraph, subparagraph, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; and the Board declares that this Ordinance and each section, subsection, paragraph, subparagraph, sentence, clause and phrase thereof would have been adopted irrespective of the fact that one or more of such section, subsection, paragraph, subparagraph, sentence, clause or phrase be declared invalid or unconstitutional.

SECTION 4. EFFECTIVE DATE

This Ordinance shall be in full force and effect upon adoption.

SECTION 5. POSTING/PUBLICATIONS

This Ordinance, or summary thereof, will be published once in a newspaper of general circulation, printed, published, and circulated in the District within ten (10) days after adoption and shall be posted within said time in three (3) public places within the District.

PASSED AND ADOPTED this 12th day of September 2024, by the following roll call vote:

AYES:

NOES:

ABSENT:

Wade Leishman, President
Board of Directors

Attest: _____
David McNair, General Manager



SCOTTS VALLEY WATER DISTRICT

Administrative Code

*Scotts Valley Water District
2 Civic Center Drive
Scotts Valley, California*

Adopted September 12, 2024

Ordinance No. 169-24

Exhibit A

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Title 1
GENERAL PROVISIONS

Chapter 1.10
Definitions

Account Holder – a person who has assumed financial responsibility for the water service from an existing service connection

Applicant – a person who is in the process of requesting water connection or service

Approved Backflow Protection Device - a device which is specifically approved by the State of California Department of Health Services and is designed to prevent backflow

Backflow - the flow of water or other substances from the customer's plumbing into the public water system

Board of Directors or Board – the elected body of the Scotts Valley Water District, which has such power and authority as granted by the County Water District Act of the California Water Code

Contamination - the impairment of District water quality through the introduction of any foreign substance into the public water system, including water previously delivered to a customer through the District service connection

Cross Connection - an unprotected actual or potential plumbing connection or structural arrangement within the customer side water system and any other source of water, fluids, or gas

Customer – either Owner or Account holder

Customer's Side - all equipment beyond the meter box, including spigots, faucets, valves, etc., that the customer is responsible for receiving, controlling, applying and utilizing water

Curb Stop – a service shutoff valve located just before the meter inside the meter box operated and controlled by the District

District – the Scotts Valley Water District, Santa Cruz County, California

Owner – a person or their authorized agent who has legal rights to a subject property

Parcel – a tract or plot of land

Person – any individual, business, partnership, association, private, public or municipal corporation, and political subdivision or governmental agency

Premises – building(s) or facility(ies) on a parcel which is determined by the District to be a single unit for purposes of receiving, using, and paying for water service

Property – an area under single ownership that consists of one or more parcel(s)

Private Fire Protection –water service and infrastructure for sprinkler systems, hydrants, hose reels and other facilities installed on private property for fire protection

Regulations – any document including codes, policies, programs, specifications which establishes rules for and governs operations of the District

Service Connection - a pipeline and meter assembly, which conveys water from the main to a served property, that the District is responsible for installing, monitoring, and maintaining

Water Well – any excavation constructed by any method for the purpose of determining the availability of water, extracting water from or injecting water into the ground

Chapter 1.20 Authority

1.20.010 District Designation

The Scotts Valley Water District was formed on October 9, 1961, pursuant to the provisions of the County Water District Act of the California Water Code.

The General Manager makes the final determination in interpreting the District regulations, subject to the right of appeal to the Board.

1.20.020 Supply and Service Area

The District provides potable water service in accordance with its regulations to any property within the District and to such areas outside the District as the Board may designate and as approved by the Santa Cruz County Local Agency Formation Commission.

The District provides recycled water service in accordance with its regulations and pursuant to the terms of the Recycled Water Supply Use, Maintenance and Operations Agreement between the District and the City of Scotts Valley.

1.20.030 Water System

The District furnishes a water system that supplies water to end users. The system is comprised of lands, rights, and above- and below-ground infrastructure that is used for and useful in obtaining, treating, storing, distributing and disposing of water for public and private use.

1.20.040 Water Wells

To ensure that the construction, maintenance, abandonment, and destruction of wells is conducted in such a manner that the groundwater will not be contaminated or polluted, and that water obtained from wells will be suitable for beneficial use and will not jeopardize the health, safety or welfare of the District's customers, any person desiring to drill, modify or destroy a water well must comply with the well construction standards as established by the County of Santa Cruz, City of Scotts Valley or any other authorized agency, pursuant to California Water Code Section 13801. The owner is required to obtain a well permit from either the County or the City and present a copy of it to the District prior to commencing any work on the well.

**Chapter 1.30
Ownership and Responsibility**

1.30.010 Ownership of Service Connection

The service connection, including the meter and the meter box, whether located on public or private property, will become and remain the property of the District when installed and put into service, unless otherwise provided. The District reserves the right to repair, replace and maintain the service connection, as well as to remove it when determined necessary. The service connection will be repaired and maintained by the District at its expense.

No person will place or permit the placement of any object in a manner which will interfere with the free access to a meter box or will interfere with the reading of a meter. It is the owner's responsibility to keep the area surrounding the meter box clear of vegetation and debris.

1.30.020 Responsibility of Water System on Customer's Side

The District is not responsible for the maintenance of water lines beyond the end of its service connection.

The District is not responsible for any loss or damage associated with customer furnished and installed equipment that may be required for receiving, controlling, applying and utilizing water.

The District is not responsible for damage to property caused by spigots, faucets, valves and other equipment that are open when water is turned on at the meter, either when the water is turned on originally or when turned on after a temporary shutdown.

1.30.030 Control Valves and Pressure Regulators

The customer is expected to install a suitable control valve, as close to the meter as practicable, the operation of which controls the entire water supply from the service. The customer is prohibited from operating the curb stop in the meter box.

Where reduced pressure is desired, the customer is responsible for installing and maintaining a pressure regulator and/or relief valve. Where increased pressure is desired, the customer is responsible for installing and maintaining the necessary pumping equipment in accordance with Section 1.40.070.

All customer-provided equipment is to be installed on the customer's side of the meter at their own risk and expense in such a manner as not to put the water system at risk.

1.30.040 Damage to Water System Facilities

The customer is liable for any damage, either intentional or unintentional, to a meter or other equipment or property owned by the District which is caused by any act of the customer or their tenants, agents, employees, contractors, licensees or permittee, including breaking or destruction of locks on or near a meter and any damage to a meter or pipeline that may result from heating or electrical system connection on the customer's premises. The customer will reimburse pertinent expenses to the District for any such damage promptly on presentation of a bill.

1.30.050 Access to Property

The District or its duly authorized agents will at all reasonable times have the right to enter or leave the customer's property for any purpose connected with the service of water to the property.

Chapter 1.40 General Use of Water System

1.40.010 Supply and Quantity

The District will endeavor, so far as is reasonably possible, to deliver a safe continuous supply of water to its customers at a sufficient pressure at the meter.

If, in the opinion of the District, it is doubtful that satisfactory water service can be provided, due to the location or elevation of the premises, a recorded release from liability may be required for any damage or inconvenience that may occur by reason of insufficient or excessive pressure or inadequate volume of water or intermittent supply. The said release must be recorded together with a legal description of the property and serve as a covenant running with the land and, remain in effect for all customers taking water through the service unless and until removed by the District. In addition, the District may require the customer to install and maintain a pressure system on the customer side of the meter to insure minimum pressure to the residence.

1.40.020 Interruptions in Service

The District will make all reasonable efforts to prevent interruption to service and when such interruptions occur, will endeavor to re-establish service with the shortest possible delay consistent with the safety of the District's customers and the general public.

Whenever the District finds it necessary to schedule an interruption to its service, an advanced notice will be given to all affected customers within a reasonable amount of time. Scheduled interruption will be made at such hours as will be least inconvenient to customers and consistent with reasonable utility operations.

Where an interruption of service affects the service to any public fire protection device, the District will promptly notify the fire protection agency of both the interruption and restoration of normal service.

1.40.030 Apportionment of Supply during Shortages

During times of threatened or actual water shortage, the District will apportion its available supply among its customers as directed by the appropriate state and local authorities. In the absence of direction from such authorities, the District will apportion the supply in the manner that appears most equitable under prevailing circumstances and with due regard to public health and safety.

1.40.040 Resale of Water

Except by special agreement with the District, no customer will resell water received from the District other than water that is altered for commercial resale, nor will such water be delivered to a property other than that specified at the time of requesting the new service connection. When property provided with the service connection is subdivided, the service connection is considered as belonging to the parcel which it directly enters.

1.40.050 Theft of Water

Theft of water, including theft through unauthorized connections, is a serious offense and can result in significant fines as well as criminal or civil prosecution. Each customer receiving service agrees to pay the District any applicable fees and charges. Such persons are also responsible for all costs and damages associated with the violation of this code.

1.40.060 Fire Hydrant Use

The fire protection agency having jurisdiction over the property will set the fire hydrant requirements. No person(s), other than those designated and authorized by the fire protection agency, or the District, is allowed to open any fire hydrant, attempt to draw water from it or in any manner damage or tamper with it. Any violation of this regulation will be prosecuted

according to law. Tampering with any fire hydrant or the unauthorized use of water from a fire hydrant constitutes a misdemeanor, punishable by law. Other parties desiring to use fire hydrants for any purpose must first obtain written permission and must operate the hydrant in accordance with instructions from the District.

Only the District or its authorized agents will access a fire hydrant for the purpose of performing a flow test. Upon a customer's request, the District will perform the necessary flow test, provided it will not cause potential property damage and that the Regional Water Quality Control Board's discharge requirements can be met. The customer will be required to pay a fee for the hydrant flow test.

1.40.070 Cross Connection Control and Backflow Prevention

California Code of Regulations, Title 17 sets rules and regulations governing cross connections. It provides that the water purveyor has primary responsibility to prevent water from unapproved sources, or any substance, from entering the public water system. The District is a water purveyor within the meaning of Title 17.

The District sets requirements for the protection of the District's water distribution system from backflow. New water service connections must install, and existing water connections modified to conform to these requirements. The circumstances, conditions, and instances when the installation of a backflow prevention device is required are specified in the written regulations adopted by the Board.

Water service to any premises may be discontinued by the District if a required backflow protection device has not been installed, inspected, tested, and maintained; or, if it is defective or has been removed or bypassed. Prior to discontinuance of service, the District will provide the customer with written notice describing the conditions or defects that must be corrected, and the date on or after which the service will be discontinued, should the conditions or defects not be corrected.

Water service may be discontinued immediately and without notice to the customer if the District determines that the water supply is being contaminated or is in immediate danger of contamination from conditions that exist at the property. The District will make a reasonable attempt to notify the customer of the discontinuance of the water service. However, failure to provide such notice will not prevent the discontinuance of the service.

Water service that has been discontinued will not be resumed until any required backflow protection device is properly installed or repaired, or until conditions on the premises causing the contamination, or danger of contamination, have been abated or corrected to the satisfaction of the District.

It is the responsibility of the customer to furnish, install and maintain the device in good working condition. Backflow protection devices are the sole property of the owner and responsibility of the customer. The customer is responsible for having such devices installed, periodically inspected and tested by a person authorized by the District. Devices must be tested at least once per year, or at the minimum time interval specified by Title 17 whichever is more frequent. The District will notify the customer when inspections and tests are required and the results of inspections and tests must be reported to the District when completed. The cost of such inspections and test is the sole responsibility of the customer. If the customer fails to have any of the inspections or tests made or fails to make the records of such inspections or tests available, the District has the right to have the device inspected or tested and charge the customer for the direct cost, plus administrative overhead.

Chapter 1.50 Miscellaneous

1.50.010 Severability

If any section, subsection, paragraph, subparagraph, sentence, clause or phrase of this code is for any reason found to be invalid or unconstitutional, such validity or unconstitutionality does not affect the validity or constitutionality of the remaining portions of this code. The Board declares that this code and each section, subsection, paragraph, subparagraph, sentence, clause and phrase thereof would have been adopted irrespective of the fact that one or more of such section, subsection, paragraph, subparagraph, sentence, clause or phrase be declared invalid or unconstitutional.

1.50.020 Immediate Effect

This code is in full force and effect upon adoption and is to be posted once in a newspaper of general circulation, printed, published, and circulated in the District within 15 days after adoption and is to be posted within said time in three (3) public places.

1.50.030 Violation a Misdemeanor: Punishment

After the publication or posting of the code, it is a misdemeanor for any person to use or apply water received from the District contrary to or in violation of the restriction or prohibition established herein, until the code has been repealed or the emergency or threatened emergency has ceased, and upon conviction thereof, that person will be punished by imprisonment in the County jail for not more than 30 days and/or by fine of not more than \$600.00.

1.50.040 Claims against District

All claims against Scotts Valley Water District for money or damages, including but not limited to any claims for refunds or reimbursements of fees or assessments not otherwise governed by the

Government Claims Act, California Government Code Section 900, or another state law, will be presented within the time, and in the manner, prescribed by Part 3 of Division 3.6 of Title 1 of the California Government Code Section 900, for the claims to which that Part applies by its own terms, as those provisions now exist or will hereafter be amended, and as further provided by this section.

All claims will be made in writing and verified by the claimant or by his or her guardian, conservator, executor or administrator. In addition, all claims must contain the information required by California Government Code Section 910.

PROPOSED

Title 2
BOARD OF DIRECTORS

Chapter 2.10
Membership

2.10.010 Term of Office

The District will have a Board of five (5) Directors each of whom, whether elected or appointed, will be a voter of the District in accordance with California Water Code Section 30500.

The term of office of each Director, other than a Director first elected or appointed to fill an unexpired term, will be four (4) years. Each Director elected or appointed will hold office until his or her successor qualifies.

2.10.020 Vacancies

All vacancies occurring on the Board will be filled pursuant to California Government Code 1780.

2.10.030 Oath

Before any Director or officer begins the duties of his or her office, he/she will take and subscribe to the oath or affirmation as set forth in the California Constitution. Unless otherwise provided, the oath may be taken before any officer authorized to administer oaths. The oath will be filed in accordance with California Government Code Section 1363. No other oath, declaration, or test will be required as a qualification for any public office or employment. No compensation or reimbursement for expenses incurred will be paid to any Director or officer until he/she has taken and subscribed to the required oath or affirmation.

2.10.040 Officers

The Board appoints a President by majority vote. The President, subject to the control of the Board, exercises general supervision, direction and control of the meetings. The President presides at all Board meetings. The President makes appointments to all Board Committees. The President has such other powers and duties as may be prescribed by the Board.

The Board appoints a Vice President by majority vote. In the absence or disability of the President, the Vice President performs all the duties of the President and, when so acting, has all the powers of, and is subject to all the restrictions upon, the President. The Vice President has such other powers and performs such other duties as from time to time may be prescribed by the Board.

The Board hereby designates the General Manager as the Secretary of the Board. The Secretary keeps or causes to be kept a book of minutes at the principal office or such other place as the Board may order, of all meetings with the time and place of holding, whether regular or special,

and if special, how authorized, the notice given, the names of those present, the Directors present and the proceedings thereof. The Secretary gives notice of all the meetings required by law and has such other powers and performs such other duties as may be prescribed by the Board. The Secretary of the Board may delegate the assigned duties to a District employee.

The Board hereby designates the Finance Manager as the Treasurer of the Board. The Treasurer installs and maintains a system of auditing and accounting that will accurately and completely show the financial condition of the District.

The Board retains an independent Auditor who conducts an annual audit of the District's books, records and financial affairs. The Auditor meets with the Board at the beginning and conclusion of the audit each year to review the audit results and recommendations.

The Board sees that the District exercises responsible financial management.

2.10.050 General Manager

The Board appoints a General Manager. The General Manager has full charge and control of the maintenance, operation and construction of the water system; full power and authority to employ and discharge all employees at discretion (subject to applicable laws); prescribes the duties of employees and fixes and sets the compensation of employees subject to approval by the Board. The General Manager reports to the Board and performs other duties imposed by the Board in accordance with District regulations.

Generally, the Board sets District policies and the General Manager is responsible for execution or implementation of said policies. The Board provides policy direction on matters within the authority of the Board and instructions to the General Manager during duly convened Board and Committee meetings.

The General Manager, Secretary, Treasurer and Auditor each receive compensation determined by the Board.

2.10.060 Limitation on Who May Serve

A Director will not be the General Manager, Secretary, Treasurer or Auditor. The same person may serve as General Manager and Secretary, Secretary and Auditor or Secretary and Treasurer.

2.10.070 Bonds

The General Manager, Secretary, Treasurer-will each give a bond to the District conditioned for the faithful performance of their duties at the District's expense.

Chapter 2.20 Meetings

2.20.010 Structure

The Board and each Director will fully comply with the provisions of the state's open meeting law for public agencies, the Ralph M. Brown Act (the Brown Act).

A meeting is defined as any gathering of a quorum of the Board to discuss or transact business under Board jurisdiction; serial meetings are prohibited.

The Board establishes the time and place of its regular meetings by resolution. If a regular meeting falls on a holiday, it will be held on the next business day. The Board or the President may, from time to time, change the date and time of a regular meeting to address a schedule conflict.

A special meeting may be called at any time in any other circumstances in accordance with the Brown Act.

An emergency meeting may be called under an emergency situation in accordance with the procedures set forth in the Brown Act.

Standing Committees composed of two Directors may be established to review, study, and discuss proposals, reports, and issues in a specific area of expertise; to advise and recommend actions to the Board on these topics; and to provide feedback to the General Manager and staff.

Members of the public may comment on agenda items before or during consideration by the Board, subject to District regulations and the President's right to establish order and control of the meeting. Time must be set aside for the public to comment on any other matters under Board jurisdiction.

If a Board meeting has been recorded, the public may listen to or obtain a copy of the recording at cost.

All votes, except for those cast in permissible closed session must be cast in public. No secret ballots, whether preliminary or final, are permitted.

At an open session following a closed session, the Board must report on final action taken in closed session under specified circumstances.

The District will comply with the California Public Records Act.

2.20.020 Agenda Requirements

Regular Board and Committee meeting agendas must specify the time and location, include a brief general description of each matter to be considered and must be posted at least 72 hours prior to the meeting and furnished to anyone requesting it.

A special Board meeting requires an agenda containing a brief general description of matters to be considered and must be posted and provided to a local newspaper 24 hours before the meeting.

An emergency Board Meeting requires a notice be posted and provided to a local newspaper at least one (1) hour prior to the meeting, except in the case of a dire emergency.

Special circumstances (dire emergency, matter too late for agenda, continued matter) permit the Board to take action on items of business not appearing on the posted agenda. Prior to discussing an item not appearing on the agenda, the Board will first publicly identify the item. Exceptions to the agenda requirement are as follows:

(a) Upon a determination by a majority vote of the Board that an emergency situation exists, as defined in the Brown Act.

(b) Upon a determination by at least two-thirds vote of the Board present at the meeting, or if less than two-thirds of the Board is present, a unanimous vote of the Directors present, that there is a need to take immediate action and that the need for action came to the attention of the District after the agenda was posted.

(c) The item was posted for a prior meeting of the legislative body occurring not more than five (5) calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

2.20.030 Closed Session Agenda

All items to be considered in closed session must be described in the agenda for the meeting. A model format for closed session agenda items appears in the Brown Act. Prior to each closed session, the Board must orally announce the subject matter of the closed session. If final action is taken in closed session, the Board generally must report the action at the conclusion of the closed session.

Matters for closed session include:

(a) Consideration of an appointment, employment, performance, discipline, or dismissal of an employee. With respect to complaints or charges against an employee brought

by another person or employee, the employee must be notified at least 24 hours in advance of his or her right to have the hearing conducted in public.

(b) With law enforcement or security personnel concerning the security of public buildings and services.

(c) With District's legal counsel concerning pending litigation, initiating litigation, or situations involving a significant exposure to litigation.

(d) With District's negotiator concerning labor negotiations with represented and unrepresented employees. Issues related to budgets and available funds may be considered in closed session, although final decisions concerning salaries of unrepresented employees must be made in public.

(e) With District's negotiator concerning price and terms of payment in connection with the purchase, sale, exchange, or lease of real property.

2.20.040 Conduct

A person who addresses the Board may not make personal, impertinent, slanderous, or profane remarks to a Director, staff, or general public. Any person who makes such remarks: uses loud, threatening, personal, or abusive language; or engages in any other disorderly conduct which disrupts, disturbs, or otherwise impedes the orderly conduct of any meeting may, at the discretion of the President, be asked to leave the meeting.

In the event that any meeting is willfully interrupted by any person or persons, disrupting the orderly progress of the meeting, and order cannot be restored by the removal of individuals disrupting the meeting, the President or a majority of the Board may order the room cleared before continuing the session. Representatives of the press or other news media, except those participating in the disturbance, will be allowed to attend any session held pursuant to this section. Nothing in this section will prohibit the President at his or her discretion from establishing a procedure for readmitting a person.

2.20.050 Actions

The Board acts only by ordinance, resolution, or motion. A majority of the Board constitutes a quorum for the transaction of business. No ordinance, resolution, or motion is passed or becomes effective without the affirmative votes of a majority of the Directors. When deciding whether an ordinance, resolution, or motion is appropriate, the following considerations should be made:

(a) A motion is used to take action not requiring an ordinance or resolution; the action is not intended as local law, is non-penal in nature, and is used when no formal document reflecting

Board action is necessary. For example, a motion is appropriate to approve minutes, accept a report, provide direction to staff, approve a contract, etc.

(b) A resolution is adopted when dealing with a temporary issue or special matter that requires "finding of fact." Generally, a resolution is appropriate for rate and fee setting, land use decisions, determination of an administrative appeal, approval of environmental document such as an EIR, or Negative Declaration.

(c) An ordinance is adopted when establishing a permanent rule of the District, absent a statutory or contractual requirement to the contrary. An ordinance has the same effect as a statute or law within the boundaries of the District. It will be in full force and effect immediately upon adoption and will be published in accordance with Water Code Section 31027.

A roll call vote is required when adopting an ordinance or resolution. The ayes and noes will be entered on the ordinance or resolution.

Resolution and ordinances are signed by the President and attested by the Secretary of the Board.

2.20.060 Contract Execution

The President signs all contracts and the Secretary countersigns all contracts on behalf of the District. Notwithstanding the foregoing, the Board hereby authorizes the General Manager or his or her designee to execute contracts on behalf of the District, and no countersignature is required.

Chapter 2.30 Compensation

2.30.010 Compensation

Directors are compensated for each meeting of the Board in an amount consistent with limits and provisions contained in California Water Code Section 20200 and 20202 and in accordance with District regulations.

2.30.020 Reimbursement of Expenses

Directors may be reimbursed for actual expenses incurred in connection with carrying out their official duties in accordance with District regulations.

Expense reports must be submitted within a reasonable time, but not more than thirty (30) days, after incurring an expense. Late expense reports may be referred to the Board for consideration.

A Director's expense for attending a conference, training event, or other similar function will not be reimbursed if it occurs after the Director has announced his or her pending resignation, or if it occurs after an election in which it has been determined that the Director will not retain his or her seat on the Board. A Director will not be reimbursed for attending a conference, training event, or other similar function when it is apparent that there is no significant benefit to the District.

Directors will maintain written records in sufficient detail to reflect accurately and completely all transactions and expenditures made by them on the District's behalf.

2.30.030 Health and Welfare Benefits

The District provides all current Directors and their dependents reimbursement of health care premiums in an amount not to exceed the District's lowest group rate for employees determined annually.

Group dental and vision coverage is provided to all current Directors and their dependents.

Group life insurance is provided to current Directors in a benefit amount equal to \$10,000, subject to any age limitations imposed by the insurance provider. Insurance coverage will be effective as of the date a Director is seated on the Board.

A qualified retired Director is one who is entitled to benefits as provided in California Government Code Section 53201. The District provides qualified retired Directors and their spouses with reimbursement of health care premiums in an amount not to exceed the District's lowest group rate for employees determined annually.

For qualified retired Directors who are Medicare-eligible, the amount of reimbursement will be limited to the District's lowest Medicare supplemental plan group rate for employees determined annually. The District will continue coverage under this program for the surviving spouse of a deceased eligible retired Director.

Group dental and vision coverage is provided to qualified retired Directors and their spouses.

Group life insurance is not provided to qualified retired Directors.

Chapter 2.40 Board Conduct

2.40.010 Ethics

The District is committed to promoting ethical behavior in the conduct of its business. The proper operation of the District requires that Directors remain objective and responsive to the needs of

the public they serve, make decisions within the proper channels of governmental structure, and not use public office for personal gain. To further these objectives, certain ethical principles govern the conduct of each Director. Ethics, integrity, and fidelity are critical elements of Directors' conduct in achievement of the District's mission.

Directors will uphold the Constitution of the United States and the Constitution of the State of California and carry out the laws of the nation, state, and local governmental agencies; comply with applicable laws regulating their conduct, including conflict of interest and financial disclosure laws; and work in cooperation with other public agencies, unless they are legally prohibited from doing so.

Directors will promote a fair and open public process.

Directors will promote diversity and equality in personnel matters and in contracting, consistent with state and federal laws.

Directors will not discriminate against or harass any person on the basis of any and all protected categories included but not limited to race, religion, color, creed, age, marital status, national origin, ancestry, gender, sexual orientation, medical condition, or disability.

Directors will not grant any special consideration, treatment, or advantage to any person or group beyond that available to every other person or group in similar circumstances.

Directors will exercise responsible financial management in the conduct of District business.

Directors will protect and properly use any District property within their control, including any information recorded on paper or in electronic form.

Directors will not ask or require a District employee to perform services for the personal benefit or profit of a Director or employee.

Gifts of public funds are not allowed. The District will have no power to give or pledge credit to a person or entity, public or private, for the payment of the liabilities of such person or entity, public or private; nor will it have power to make any gift or authorize the making of any gift, of any public money or thing of value to any person or entity, public or private, except as expressly allowed by law.

Directors will safeguard confidential information. A Director who willfully and knowingly discloses for pecuniary gain confidential information received in the course of their official duties may be guilty of conflict of interest.

Directors will not disclose information that legally qualifies as confidential to unauthorized persons without approval of the Board. This includes information that has been received for, or during, a closed session Board meeting, or is protected from disclosure under the attorney/client or other evidentiary privilege.

Notwithstanding the foregoing, any of the following will not be a violation of this section:

(a) Making a confidential inquiry or complaint to a District Attorney or Grand Jury concerning a perceived violation of law, including disclosing facts to a District Attorney or Grand Jury that are necessary to establish the illegality of an action taken by the Board or the potential illegality of an action that has been the subject of deliberation at a closed session if that action were to be taken by the Board.

(b) Expressing an opinion concerning the propriety or legality of actions taken by the Board in closed session, including disclosure of the nature and extent of the illegal or potentially illegal action.

(c) Disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information, however, a Director will first bring the matter to the attention of either the President or the full Board, in a lawful and appropriate manner, to provide an opportunity for the Board to cure an alleged violation. Nothing in this section will be construed to prohibit disclosures under the whistleblower statutes contained in California Labor Code Section 1102.5 or California Government Code Section 53296.

2.40.020 Conflict of Interest

Directors will avoid both actual and perceived conflicts of interest.

A Director has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a material financial effect on the Director, a member of the Director's immediate family, or the Director's qualifying business or real property interests in California Government Code Section 87103.

A Director will not have a financial interest in a contract with the District or be a purchaser at a District sale or a vendor at a District purchase, unless the Director's participation was authorized as a "remote interest" under California Government Code Section 1090-1091. The qualifying business or real property interests include both "direct" and "indirect" interests.

A Director will report all gifts, honoraria, campaign contributions, income, and financial information as required under the District's Conflict of Interest Code and the provisions of the Political Reform Act.

A Director will not participate in the discussion, deliberation, or vote on a matter before the Board, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the California Government Code Section 8100 relating to financial conflicts of interest.

If a Director believes that he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to a conflict of interest, the following procedure will be followed:

(a) If the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the District's General Manager of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest.

(b) If it is not possible for the Director to discuss the potential conflict with the General Manager before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest.

(c) Upon a determination that there is a disqualifying conflict of interest, the Director will not participate in the discussion, deliberation or vote on the matter for which a conflict of interests exist, which will be so noted in the Board minutes, and leave the room until after the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters, except that the Director may speak on the issue during the time that the general public speaks on the issue.

A Director will not recommend the employment of a relative to the District. In addition, a Director will not recommend the employment of a relative to any person known by the Director to be bidding for or negotiating a contract with the District.

A Director will not solicit political funds or contributions of in-kind services at District facilities.

A Director will not solicit or direct a political contribution or in-kind services from District officers, employees, consultants or contractors, or from vendors or consultants that have a material financial interest in a contract or other matter while that matter is pending before the District. A Director will not use the District's seal, trademark, stationary, or other indicia of the District's identity or facsimile thereof in any solicitation for political contributions.

Except as provided in California Government Code, a Director will not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or

inimical to his or her duties as a Director. A District employee may not be sworn into office as an elected or appointed member of the same District unless he or she resigns as an employee.

All Directors will receive two hours of training in general ethics principles and ethics laws relevant to public service within one year of election or appointment to the Board and at least once every two years thereafter. The District will maintain a record of the training.

A perceived violation of the District's ethics policy by a Director should be referred to the Board President for investigation and consideration of any appropriate action warranted. In the case of a perceived violation by the President, the matter should be referred to the Vice President. A violation of this policy may be addressed by remedies available by law, including but not limited to: adopting a resolution expressing disapproval of the conduct of the Director who has violated this policy, injunctive relief, or referral of the violation to the District Attorney and/or the Grand Jury.

The Board and the General Manager are responsible for monitoring and enforcing compliance with the District's regulations. Directors will disclose to the General Manager, to the extent not expressly prohibited by law, improper activities within their knowledge. Directors will not interfere with the General Manager's responsibilities in identifying, investigating, and correcting improper activities unless the Board determines the General Manager is not properly carrying out these responsibilities. A Director will not directly or indirectly use or attempt to use the authority or influence of his or her position to intimidate, threaten, coerce, command, or influence any other person for the purpose of preventing such person from acting in good faith to bring to the attention of the General Manager or the Board any information that, if true, would constitute any of the following: a work-related violation by a Director or District employee of any law or regulation; gross waste of District funds; gross abuse of authority; a specified and substantial danger to public health or safety due to an act or omission of a District official or employee; use of a District office or position or of District resources for personal gain; or a conflict of interest of a District Director or District employee.

A Director will not include false or misleading information in a candidate's statement for a general District election filed pursuant to California Elections Code Section 13307.

Title 3
INTERNAL FUNCTIONS OF DISTRICT

Chapter 3.10
Purchasing and Contracting

3.10.010 Contracting for Professional Services \$25,000 or Less

The General Manager may, by negotiated contract or purchase order, enter into contracts for professional services in the amount of \$25,000 or less provided the work to be performed is included within the District's work plan and funds are available within the current approved budget for such work.

3.10.020 Contracting for Professional Services \$25,000-\$100,000

The General Manager, after seeking written proposals, may enter into contracts for professional services of more than \$25,000 and less than \$100,000 provided the work to be performed is included within the District's work plan and funds are available within the current approved budget for such work.

In the event of awarding the contract of more than \$25,000 and less than \$100,000, the General Manager will inform the Board of such contract as soon as practicable.

3.10.030 Contracting for Professional Services \$100,000+

The General Manager will seek written proposals for professional services of more than \$100,000. Such contracts will be approved by the Board.

3.10.040 Selection of Architectural, Landscape Architectural, Engineering, Environmental Services, Land Surveying, Construction Management Services

Notwithstanding any other provision of law or this Chapter, selection for professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms will be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required. Any individual or firm proposing to provide construction project management services will provide evidence that the individual or firm and the personnel carrying out on-site responsibilities have expertise and experience in construction project design review and evaluation, construction mobilization and supervision, bid evaluation, project scheduling, cost-benefit analysis, claims review and negotiation, and general management and administration of a construction project.

3.10.050 Exceptions

Nothing contained in this Chapter will be construed to prohibit the District from renewing contracts, extending contracts, or expanding the scope of work of existing contracts where it is determined by the General Manager or the Board that such renewal, extension, or expansion is in the District's best interest. The District may, additionally, approve contracts for professional services on an emergency basis or where, due to the experience of the professional, contracting for the services without a competitive process would be in the best interest of the District.

The District may, in its discretion, use the proposals for professional services or independent contractors which were obtained through a bid, proposal, or solicitation process conducted by another public agency.

3.10.060 Procurement for Equipment, Material, and Supplies

A Purchasing Officer will be appointed for the District. The Purchasing Officer is appointed by the General Manager and in the absence of such appointment, the General Manager is the Purchasing Officer. The duties of the Purchasing Officer are combined with those of any other office or position. The Purchasing Officer has the authority to:

- (a) Purchase or contract for equipment, materials and supplies.
- (b) Negotiate and recommend execution of contracts for the purchase of equipment, materials and supplies.
- (c) Act to procure the needed quality in equipment, materials and supplies at the lowest expense to the District.
- (d) Recommend the transfer of surplus or unused supplies and equipment between divisions of the District as needed and the sale of all supplies and equipment which cannot be used or have become unsuitable for District use.

The Purchasing Officer may, by negotiated contract or purchase order, enter into contracts for equipment, materials and supplies in the amount of \$25,000 or less, provided the items to be purchased are included within the District's work plan and funds are available within the current approved budget for such items.

The Purchasing Officer, after seeking written proposals, may enter into contracts for equipment, materials and supplies in the amount of more than \$25,000 and less than \$100,000 provided the items to be purchased are included within the District's work plan and funds are available within the current approved budget for such items.

In the event of awarding the contract of more than \$25,000 and less than \$100,000, the General Manager will inform the Board of such contract as soon as practicable.

The Purchasing Officer will seek written proposals for contractors for equipment, materials and supplies of more than \$100,000. Such contracts will be approved by the Board.

The Purchasing Officer is not required to go through a competitive solicitation process if the equipment, materials and supplies have been competitively priced by another public agency, such as through State procurement arrangements.

Chapter 3.20 Public Works Projects

3.20.010 Prevailing Wages

Unless exempt, all District public works contracts awarded are subject to prevailing wage requirements in accordance with California Labor Code Section 1720. When prevailing wages are required, the District will affirmatively state in the call for bids or the contract documents that the work to be covered by the bid or contract is a "public works."

3.20.020 Projects \$25,000 or Less

Public works projects of \$25,000 or less may be performed by the employees of the District, by negotiated contract, by purchase order or by the informal bid procedure set forth below, provided the work to be performed is included within the District's work plan and funds are available within the current approved budget for such work. A bid bond, performance bond and payment bond are not required, but a warranty bond may be required.

3.20.030 Projects \$25,000-\$100,000

Public works projects of more than \$25,000 and less than \$100,000 are, except as otherwise provided in this section, let to contract by the following request for proposal procedure:

(a) Unless the product or service is proprietary, the District will solicit proposals from at least three qualified contractors and may award the contract to the contractor with the best value proposal.

(b) The Board hereby delegates the authority to receive bids and award informal contracts to the General Manager or his or her designee, provided the work to be performed is included within the District's work plan and funds are available within the District's current approved budget for such work. The General Manager will inform the Board of such contract as soon as practicable.

(c) If all bids received are in excess of \$100,000, the District may award the contract to the lowest responsible bidder if it determines the cost estimate is reasonable.

(d) A bid bond, performance bond and payment bond are required in connection with the informal bid process. A warranty bond may be required.

3.20.040 Competitive Bidding for Projects \$100,000 +

It will be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading the provisions of this article requiring work to be done by contract after competitive bidding.

Public works projects of more than \$100,000 are, except as otherwise provided in this section, let to contract by the following formal bidding procedure:

(a) The Notice Inviting Bids will state the time and place for receiving and opening of sealed bids and accurately describe the project. The notice will be published at least 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the District. The notice may be sent to construction trade journals serving the vicinity of the District. In addition to notice required by this section, the District may give such other notice as it deems proper.

(b) Sealed bids will be submitted by bidders prior to the deadline established for opening bids.

The Board will award the contract to the lowest responsible bidder after receiving bids through the formal bid process.

A bid bond, performance bond, and payment bond are required. A warranty bond may be required. All bids for construction work will be presented under sealed cover and will be accompanied by one of the following forms of bidder's security: cash; a cashier's check made payable to the District; a certified check made payable to the District; or a bidder's bond executed by an admitted surety insurer, made payable to the District. Upon an award to the lowest bidder, the security of an unsuccessful bidder will be returned in a reasonable period of time. In no event will that security be held by the District beyond 60 days from the time the award is made.

3.20.050 Emergency Bid Procedures

In the case of an emergency, the General Manager may take any immediate action required by that emergency and procure the necessary equipment, services, and supplies for those purposes, without giving notice or soliciting bids for the work. In the event the General Manager enters into

a contract for emergency work, the General Manager will report the same to the Board at its next regularly scheduled meeting.

3.20.060 Specifications of Contractor's License Classification in Notice Inviting Bids

The District will specify the classification of the contractor's license which a contractor must possess at the time a contract is awarded and through completion of the work. The specification will be included in any plans prepared for a public project and in any Notice Inviting Bids. This requirement will apply only with respect to contractors who contract directly with the District. A contractor who is not awarded a public contract because of the failure of the District to comply with this requirement will not receive damages for the loss of the contract.

3.20.070 Specifications by Brand or Trade Name or "Equal"

Neither the District, nor any District officer or person charged with the letting of contracts for the construction, alteration, or repair of public works, will draft or cause to be drafted specifications for bids in connection with the construction, alteration, or repair of public works in such a manner as to limit the bidding, directly or indirectly, to any one specific concern. When a product is designated to match others in use on a particular public improvement either completed, or in the course of completion, calling for a designated material, product, item, or service by specific brand or trade name, unless the specification lists at least two brands or trade names of comparable quality or utility and is followed by the words "or equal."

Specifications will provide a period of time prior to or after the award of the contract for submission of data substantiating a request for a substitution of "an equal" item. If no time period is specified, data may be submitted any time within 35 days after the award of the contract. The District reserves the right to determine whether or not any substitute is "equal".

3.20.080 Exceptions

The District may make a finding that is described in the Notice Inviting Bids or request for proposals that a particular material, product, item, or service is designated by specific brand or trade name for any of the following purposes in order:

- (a) That a field test or experiment may be made to determine the product's suitability for future use.
- (b) To match other products in use on a particular public improvement either completed or in the course of completion.
- (c) To obtain a necessary item that is only available from one source.

(d) To respond to an emergency declared by a local agency, but only if the declaration is approved by an at least four-fifths vote of the Board issuing the invitation for bid or request for proposals.

(e) To respond to an emergency declared by the state, a state agency, or political subdivision of the state, but only if the facts setting forth the reasons for the finding of the emergency are contained in the public records of the authority issuing the Notice Inviting Bids or request for proposals.

3.20.090 Subletting and Subcontracting Fair Practices Act

The specifications for the work or improvement will provide that any person making a bid or offer to perform the work, will, in his or her bid or offer, set forth the name and the location of the place of business of each subcontractor who will perform work or labor or render service in an amount in excess of one-half of 1 percent of the prime contractor's total bid. The District may not substitute any person as subcontractor in place of the subcontractor listed in the original bid, except as allowed under the California Public Contract Code Section 4100.

3.20.100 Award to Lowest Responsible Bidder

If a contract is awarded, it will be awarded to the lowest responsible bidder. The lowest responsible bidder is the lowest bidder whose offer best responds in quality, fitness and capacity to the particular requirements of the work. Bids from the lowest responsible bidder may be rejected in the following circumstances:

(a) The awarding authority may reject all bids if the acceptance of the lowest responsible bid is deemed not to be in the District's best interests.

(b) If the lowest responsible bidder refuses to execute the contract, the awarding authority may award the contract to the next lowest bidder if the awarding authority decides that the action is in the District's best interests.

(c) The contract may be awarded to the next lowest responsible bidder if the lowest bidder is nonresponsive.

3.20.110 Additive or Deductive Bid Items; Identity of Contractors

The District may require a bid for a public works contract to include prices for items that may be added to, or deducted from, the scope of work in the contract for which the bid is being submitted. Whenever additive or deductive items are included in a bid, the bid solicitation will specify which one of the following methods will be used to determine the lowest bid. In the absence of a specification:

(a) The lowest bid will be the lowest bid price on the base contract without consideration of the prices on the additive or deductive items.

(b) The lowest bid will be the lowest total of the bid prices on the base contract and those additive or deductive items that were specifically identified in the bid solicitation as being used for the purpose of determining the lowest bid price.

(c) The lowest bid will be the lowest total of the bid prices on the base contract and those additive or deductive items that when taken in order from a specifically identified list of those items in the solicitation, and added to, or subtracted from, the base contract, are less than, or equal to, a funding amount publicly disclosed by the local agency before the first bid is opened.

(d) The lowest bid will be determined in a manner that prevents any information that would identify any of the bidders or proposed subcontractors or suppliers from being revealed to the public entity before the ranking of all bidders from lowest to highest has been determined.

This section does not preclude the District from adding to or deducting from the contract any of the additive or deductive items after the lowest responsible bidder has been determined.

3.20.120 Rejections of Bids

In its discretion, the Board may reject any bids presented. If after the first invitation of bids all bids are rejected, after reevaluating its cost estimates of the project, the District will have the following options: revising the project, abandoning the project or re-advertising for bids.

3.20.130 No Bids

If no bids are received, the project may be performed by District staff or negotiated contract without further complying with bidding requirements.

3.20.140 Bidder's Relief from Bids

A bidder will not be relieved of the bid unless by consent of the Board, nor will any change be made in the bid because of mistake. The bidder may bring an action against the public entity in a court of competent jurisdiction in the county in which the bids were opened for the recovery of the amount forfeited, without interest or costs. If the plaintiff fails to recover judgment, the plaintiff will pay all costs incurred by the public entity in the suit, including a reasonable attorney's fee to be fixed by the court. If an action in superior court is filed, the bidder will establish to the satisfaction of the court that: a mistake was made; he or she gave the public entity written notice within five (5) working days (excluding Saturdays, Sundays, and state holidays) after the opening of the bids of the mistake specifying in the notice in detail how the mistake occurred; the mistake made the bid materially different than he or she intended it to be; the mistake was made in filling

out the bid and not due to error in judgment or to carelessness in inspecting the site of the work or in reading the plans or specifications.

A bidder who claims a mistake or who forfeits his or her bid security will be prohibited from participating in further bidding on the project on which the mistake was claimed or security forfeited.

If the public entity deems it is for its best interest, it may, on refusal or failure of the successful bidder to execute the contract, award the contract to the second lowest bidder. If the second lowest bidder fails or refuses to execute the contract, the public entity may award the contract to the third lowest bidder. On the failure or refusal of any bidder to whom a contract is awarded to execute the contract, the bidder's security will be forfeited.

3.20.150 Contracting by Electronic Transmission

The District may enter into and make payment on contracts by way of electronic transmission, including but not limited to the issuance of solicitation documents and the receipt of responses thereto, provided that it adopts methods and procedures set forth in Public Contract Code.

3.20.160 Payment, Performance, and Warranty Bonds

A direct contractor (excluding a design professional) that is awarded a public works contract involving an expenditure in excess of \$25,000 will, before commencement of work, provide the District an approved payment bond and a performance bond. Each bond will be in a sum not less than 100 percent of the total amount payable by the terms of the contract. The District will state in its call for bids that a payment bond and a performance bond are required for a public works contract involving expenditure in excess of \$25,000.

The contract documents may require that the contractor provide an appropriate warranty bond after substantial completion of the project.

3.20.170 Insurance

Prior to the commencement of the work, every contractor (and subcontractor) will provide insurance as set forth in the contract documents or as required by law, including but not limited to Workers Compensation Insurance and General Liability Insurance.

3.20.180 General Manager's Authority

The General Manager or his/her approved designee is authorized to manage the construction contract and approve change orders, provided such funds are available within the approved construction budget. Any change orders exceeding the approved construction budget require the approval of the Board.

3.20.190 Release of Retention

The District will release retention proceeds withheld from an original contractor within 60 days after the completion of the project or within the time limits set forth in California Public Contract Code. In the event of a dispute between the public entity and the original contractor, the public entity may withhold from the final payment an amount not to exceed 150 percent of the disputed amount. In the event that retention payments are not made within the time periods, the District will be subject to a charge of 2 percent per month on the improperly withheld amount, in lieu of any interest otherwise due. Additionally, in any action for the collection of funds wrongfully withheld, the prevailing party will be entitled to attorney's fees and costs.

3.20.200 Waiver of Public Works Bidding Process

The General Manager has the ability to waive the requirements of competitive bidding set forth in this chapter if the District utilizes firms providing construction procurement services that are competitively bid or if the District uses public works contractors which were obtained through a bid process conducted by another public agency.

Title 4
DISTRICT SERVICES: EXISTING CONNECTIONS

Chapter 4.10
Description of Service

4.10.010 Categories of Service

All services provided by the District are classified into the following categories:

Domestic – intended for residential and commercial, primarily indoor, uses for public health and safety; may include landscape uses

Fire Protection – intended for fire protection uses

Landscape – intended for landscape, agricultural or horticultural uses

Bulk – intended for temporary short term uses

4.10.020 Types of Customers

The District establishes particular customer types based on water use patterns and purpose of use, such as residential or commercial. The Board may adopt different rates for different customer types.

4.10.030 Types of Water Supply

Potable water is water that meets the standards for drinking purposes of the federal, state, or local authority having jurisdiction.

Recycled water, permitted only for specific purposes, is wastewater that has been purified through multiple treatment processes to a level that meets State Water Resources Control Board standards. The District establishes written regulations for the use of recycled water.

4.10.040 Pressure Conditions

Customers are required to accept conditions of pressure and service as are provided by the water system at the location of the service connection and to hold the District harmless for any damages arising out of low pressure or high-pressure conditions or interruptions in service.

Chapter 4.20
Start and Stop Service

4.20.010 Requesting Service

Each applicant for water service is required to provide information as requested by the District.

A separate account is established for each category of service at a service location. A request for service should be made a reasonable number of days prior to the start date.

A fee is applied to the first water bill for establishing a new customer account.

4.20.020 Security Deposits

The District may collect a security deposit or reasonable credit assurance from the applicant. A security deposit will be returned to a customer in good standing after one year or it will be credited against the final bill if the account is stopped sooner.

Deposits are required for all bulk water customers.

4.20.030 Responsibility for Account

Responsibility for an account is assigned either to the owner or the tenant. The owner is considered the default account holder for a service installed at the premises. The account will automatically revert back to the owner on file upon the tenant's effective stop service date. The District will make an effort to notify the owner of the change to the account. It is the owner's responsibility to keep contact information current and to notify the District in the event of a change of ownership.

When a property changes ownership, the effective date for the start of service with the new account holder is the close of escrow date.

If there is no identifiable owner, the District will determine how to handle the service at that location and may charge a fee if a meter must be reinstalled or unlocked to reinstate service.

4.20.040 Stopping Service

A request from the account holder to stop service should be made a reasonable number of days prior to the proposed stop date. The District will do a closing meter read on the closest business day to the effective stop date to generate the final bill.

If a tenant stops service, the account will revert back to the owner on file until the District receives a new start service application.

4.20.050 Bulk Water Service

Bulk water is used for temporary needs such as dust control during construction or for transitory landscaping. The District requires the use of recycled water for temporary use whenever feasible and practical. Potable water may be, but is not always, available as a bulk water service.

A request for bulk water service must be made a reasonable number of days prior to the date the service is requested. A deposit will be charged for the bulk meter when the service is granted. It is the bulk water customer's responsibility to report meter reads to the District on a regular basis.

Bulk water meters must be returned to the District office. A final bill will be prepared and the deposit returned after final payment is received.

Chapter 4.30

Metering

4.30.010 Meter Reading

Meters are read on a regular and periodic basis. For a bi-monthly billing, meters are read on or close to a 60-day cycle; for a monthly billing, meters are read on or close to a 30-day cycle.

4.30.020 Meter Accuracy

If a meter is found not to be registering accurately, the District will estimate the usage for the water bill by a fair and equitable method and its decision will be final.

Customer may request the District test the meter serving their premises. The customer must deposit an amount to cover the cost of a bench test as established by the District fee schedule. The deposit will be returned only if the meter is found to register more than 2% inaccurately. When a meter is found to be registering more than 2% fast, under conditions of normal operation, the District will refund to the customer the full amount of the overcharge based on corrected meter readings for the period, not exceeding six months, that the meter was in use unless the exact duration of fast meter registration can be determined. When a meter is found to be registering more than 25% slow, the District may bill the customer for the undercharge based upon calculated meter readings for the period, not exceeding six months, that the meter was in use.

4.30.030 Non-registering and Unreadable Meters

The District may bill the customer for water consumed while the meter was not registering or was not readable. The bill will be, at the minimum, equal to the basic service charge for the meter size. Additionally, the bill may be calculated using estimated consumption based upon the customer's prior use or upon a reasonable comparison of other customers receiving the same category of service under similar circumstances and conditions.

4.30.040 Fire Detection Meter Use

Water used through a separate fire protection service will only be used to extinguish fires and to test firefighting equipment. Any other type of consumption recorded on the designated fire detection meter may be charged at double the uniform water commodity charge; no charges will

be assessed for water used to extinguish fires where such fires have been reported to the duly authorized fire protection agency.

Water used from a private fire service in violation of this section is prohibited, and the District may also discontinue the domestic service connection serving the premises.

Chapter 4.40 **Billing**

4.40.010 Fees

The District may assess a variety of fees as part of the billing process, as determined and approved by the Board. Such fees may include but are not limited to a new account fee, returned check fee, or reconnection fee.

4.40.020 Water Rates

The District is required by law to set and collect water rates in accordance with California Water Code Section 31025. Water Rates are established in accordance with the California Constitution, Article XIII D §6(a).

There are fixed and variable rates that apply for service. For basic service, charges will be assessed whether or not any water is used. Inactive accounts with meters removed from the ground are exempt from the basic service charge.

Consumption based rates are calculated based on actual usage on an account and can vary based on types of supply, service categories, customer types, and consumption levels.

Separate bills may be rendered for each category of service.

The District may grant adjustments to water bills in the following instances: waiving penalties, billing error corrections, leak adjustments and others as found necessary.

4.40.030 Payment

A water bill is due upon presentation. The delinquent date is set as the 20th day from the water bill date. If the delinquent date falls on a District holiday or weekend, the delinquent date will be the next business day.

4.40.040 Delinquent Accounts/Accounts in Arrears

A late penalty will be added to the balance if a full payment is not received by the delinquent date. Exceptions include a prior payment plan in good standing or a pending leak adjustment request.

If there is a deposit, the District reserves the right to apply it towards the unpaid balance if payment is not received by the delinquent date.

The District reserves the right to obtain a third party to collect past due balances, and/or to place a lien on the property for any past due balances.

4.40.050 Discontinuance of Service

The District may start the process to discontinue an account holder's service when payment has not been received by the delinquent date. A notice (red tag) about potential service turn-off will be hung at the service address after the delinquent date.

To restore service, the account holder must pay the balance in full and any other fees that the District deems necessary.

Chapter 4.50 Water Use Efficiency

4.50.010 Water Waste, Leaks, and Other Water Losses

The District establishes written regulations to promote efficient use of water and minimize water waste. The District may impose additional regulations during current or anticipated water shortages. Such regulations may specify mandatory water conservation measures, identify and prohibit wasteful water uses, establish penalties, specify processes for granting variances and appeals, and include other provisions as deemed necessary.

The customer is solely responsible for the amount of water registered by the meter serving their premises and for maintenance and repairs of pipes and fixtures on the customer's side of the meter. No allowance will be made for loss of water on the customer's side of the meter unless authorized in accordance with the written regulations for leak adjustments.

The District attempts to notify customers when leaks or other potential water losses are suspected. When water is wastefully or negligently used on a customer's premises, the District may fine customers and/or discontinue the service if such conditions are not corrected within a reasonable amount of time after giving the customer written notice.

Section 4.50.020 Rebates

The District establishes written regulations for water use efficiency rebates. Rebates are granted to customers in good standing for installing certain indoor and outdoor water use efficiency improvements. The District reserves the right to require inspection of the customer's premises before and after installation for purposes of verification.

Title 5
DISTRICT SERVICES: NEW CONNECTIONS

Chapter 5.10
Eligibility for New Water Service

5.10.010 Requesting New Service

New water service connections will be approved in the size and at the location desired by the owner where such requests are determined to be reasonable and the service installation will be made in compliance with the District's standard specifications. The owner is required to provide requested information and to pay a processing fee.

The issuance of a promise to the owner to serve the requested property is subject to and conditioned upon the location of the property in relation to the District's service area, existing water infrastructure and availability of the supply. All services, whether temporary or permanent, unless otherwise specified, will be metered.

5.10.020 Number of Services per Property

The owner may request as many services as reasonable to serve their property. If the pipeline systems for each service are interconnected, the owner will be required to install, on the customer side at each meter connection, approved backflow protection devices.

5.10.030 Master Meters

The owner may request an installation of a master meter to serve residential premises at their property on the following terms and conditions:

- (a) All units must have individual sub-meters.
- (b) The account holder for the master meter is responsible for equitable distribution of the cost of the water service between the units.
- (c) Separate meter of appropriate size, based upon projected demand, with an approved backflow device must be installed for landscape irrigation.

The owner may request an installation of a master meter to serve non-residential premises at their property on the following terms and conditions:

- (a) Single ownership of all premises.
- (b) Separate meter of appropriate size, based upon projected demand, with an approved backflow device installed for landscape irrigation.

5.10.040 Service to Separate Parcels and Properties

Not more than one parcel will be served from each connection except as allowed by this section. The customer will not allow the use of any of the water received by them from the District on any parcel other than those specified in their application for service.

The owner may request an installation of an irrigation master meter to serve more than one parcel of their property. In the event the property is divided among separate ownerships, a recordable document governing the use of the shared connection between the owners of the subject properties must be established.

An irrigation service that serves more than one property can be installed if a recordable document governing the use of the shared connection between the owners of the subject properties is established.

5.10.050 Moratorium

Special conditions may be set by an authority, such as the Board, that warrant a suspension of activity, a waiting period, or a limit on new service connections. The Board may, upon showing sufficient cause, prohibit new connections and/or new demands on the water supplies or facilities of the District.

Chapter 5.20**Changes to Existing Service Connection****5.20.010 Meters**

An owner must obtain approval from the District prior to relocating their meter. Meters moved for the convenience of the owner will be done at the owner's expense. Meters moved for the District's purposes and objectives will be done at District expense.

An owner must request and obtain approval from the District before making any material change in the size, character or extent of the water service equipment or operations that results in a change in demand of the service.

Changes to existing service include but are not limited to:

- (a) Plumbing fixture count change.
- (b) Fire service addition or upgrade.
- (c) Change in degree of hazard, as detailed in Section 1.40.070.

5.20.020 Fire Hydrants

Public or private fire hydrants moved for the convenience of the owner will be relocated at the owner's expense. The owner must obtain approval from the District prior to relocating the hydrant.

Chapter 5.30

Installation of New Service Connection

5.30.010 New Service in District Service Area with No Extension of Water System

The owner, upon presentation of a building permit issued by the City of Scotts Valley or County of Santa Cruz, or proof of other valid use, may apply for a service connection. The new service connection will be granted only if the District finds that the premises can be connected to a water main of adequate size to provide sufficient pressure and flow to meet the owner's need without adversely affecting service to any existing customers.

The owner of the new service connection is required to provide requested information and to comply with all District regulations. Construction of the new service connection must be done in accordance with the District's standard specifications. That service will be reserved only for the parcel(s) designated by the owner. If the parcel changes ownership before installation of the meter, the new owner must notify the District.

A water service connection from the District main to the owner's property will be installed only by employees or duly authorized agents of the District, or by persons to whom a Notice to Proceed has been issued. Connections installed pursuant to the Notice to Proceed will, upon completion of the work, become the property of the District. Water service will be installed at a location in the size approved by the District. Service installation will be made only to property abutting on public streets or abutting on such water mains as may be constructed in public rights-of-way or easements. Services installed in new subdivisions prior to the construction of streets or in advance of street improvement, must be accepted by the applicant in the installed location.

The owner is responsible for providing and paying for all facilities connecting their property to the existing water system, and reimbursing the District for any and all expenses incurred or paid by the District related to establishing the new service connection. The District may collect a deposit from the owner and draw the applicable funds from the deposit.

5.30.020 New Service in District Service Area with Extension of the Water System

Everything in Section 5.30.010 is applicable to the process for new service with an extension of the water system.

In addition, whenever premises for which a new service connection is requested cannot adequately be served by the existing water facilities, construction of a water main extension and

related infrastructure will be required at the applicant's expense. Prior to construction of the main extension and necessary related facilities, the applicant for water service is required to enter into a written agreement for such extension and satisfy the conditions as prescribed in such agreement. The terms and conditions of the agreement must be approved by the Board.

All main extensions and other water facilities are to be designed and constructed to satisfy domestic and fire demands with provisions for future extensions, and to improve the water system as a whole. The owner may be required to provide greater than the minimum requirements to serve the premises as the District is charged with developing and constructing an adequate water system that will meet all service requirements of the District.

Unless otherwise permitted, water mains will be extended in the public street right-of-way which serves as access to applicant's parcel, from the existing main's terminus to a location in front of applicant's parcel.

The applicant is fully responsible for providing, at no cost to the District, all easements necessary for the installation, operations, maintenance and replacement of pipelines and facilities owned or to be owned by the District.

5.30.030 New Service Outside District Service Area

Everything in Sections 5.30.010 and 5.30.020 is applicable for new service outside the District service area.

In addition, all requests for permanent potable water service to property located outside the boundaries of the District will be referred to the Board for approval. Factors to be considered include, but are not limited to, the availability of surplus water supply, location of water distribution and transmission facilities, any pending boundary changes, and the water shortage contingency plan currently in effect. Final approval may require annexation from the Santa Cruz County Local Agency Formation Commission (LAFCO).

If the property is located within the boundaries of another water agency, the property owner must obtain approval from that agency to be served by the District.

5.30.040 Fire Hydrants

The fire protection agency having jurisdiction over the property will set the fire hydrant requirements. If fire hydrants are required, such hydrants will be installed and paid for by the applicant. Installation of the fire hydrants must be done in accordance with the District's standard specifications.

5.30.050 Private Fire Protection

The fire protection agency having jurisdiction over the property will set the fire protection service requirements. A residential fire sprinkler system will be served by the residential meter, unless a separate service is necessary to provide the required fire flow. A commercial fire sprinkler system will be served by a designated service line.

No connection is permitted between a private fire protection system and any other water system on the property. Installation of a backflow prevention device is required at the owner's expense.

Chapter 5.40 Fees for New Service Connections

5.40.010 Fees for New Connections in District Service Area

The Board has determined that a fee for new connections to the water system will be applied to each new service in order to pay for their fair share of the public water system. Such fee is necessary to pay a proportional share of the water system expansion or replacement costs essential to provide water to the new or additional service.

A fee will not be extended, imposed, or increased unless it meets all requirements of the California Constitution, Article XIII A and D §6(a).

When the owner requesting water service provides benefit to the District, including but not limited to: dedication of land to the District; participation in an assessment district which provides a source of water supply or storage equal to or greater than that needed to serve the applicant's premises, or other similar forms of benefit; the District may enter into a negotiated agreement to waive the new connection fees, in an amount equal to the value of the benefit received by the District in excess of the property's water demand and/or storage requirement.

Connection fees are based on the meter size and are required in order to connect to either the potable or recycled water system. The fee is also established for connections that are installed for fire protection purposes.

Capacity fees are required when an existing customer replaces an existing water meter with a larger sized meter. In this event, the required capacity fee will equal the difference between the current capacity fees for the new larger meter and the existing smaller sized meter.

If a customer replaces a water meter with a smaller sized meter or discontinues water service, no capacity fee refund will be issued.

The fees for Accessory Dwelling Units will be in compliance with California Government Code Section 65852.2 (e) and (f) 2.A.

When the applicant desires a service connection for which a fee has not been established by the Board, such fee will be determined by written agreement with the District.

5.40.020 Refunding of Main Extension Fees

Refunds can only be requested by the original service agreement applicant requiring a main extension and paid for such extension within ten (10) years after the date of such agreement. Upon the request of the applicant, the District will collect from any future applicant(s) connecting to such main extension, a proportionate share of the original cost of the main extension to the degree of benefit received. The total reimbursement to the original applicant will be one hundred percent (100%) of the main extension cost, less that percentage of cost benefiting the parcel(s) of the original applicant. The proportionality will be based on front footage, parcel area, gross floor area of structures, number of connections or such other formula which is deemed by the General Manager to be both reasonable and fair. The District is obligated to make said reimbursement only to the extent that moneys are received from future applicant(s) who have connected to the main extension installed by the original applicant, and not from any other funds or revenues of the District. The District may charge a processing fee for administering the refunding of the fees, which will be subtracted from the amount payable to the original applicant.

Chapter 5.50 Special Contracts

5.50.010 Temporary Water Service

Temporary water services are those for which no capacity fees have been paid and are not considered as permanent connections to the District's water supply system. Temporary meters may be required for the purpose of construction, interim landscape maintenance, or other uses not specifically mentioned or described in the Code. Temporary water services may be limited or discontinued at the District's discretion.

The type of use and the time period for temporary water service will be specified at the time of requesting such service. A temporary meter will be issued for a maximum time period not to exceed one (1) year. If the service is not converted to a permanent service after one (1) year, the owner will be required to either request an extension of the temporary service or pay the cost to abandon the service.

The owner is responsible for paying a deposit and installing the facilities required for temporary water service according to District's standard specifications. Charges for water furnished through a temporary service connection will be set at the rates established by the Board.

The owner will use all possible care to prevent damage to the meter or to any other District facilities which are involved in furnishing temporary service. If the meter or other facilities are damaged, the cost of making repairs is paid by the owner.

Chapter 5.60

Annexation

5.60.010 Annexation Process

District's general sphere of influence amendments and annexation proposals are considered from time to time by the Board. Terms and conditions pertaining to the annexation are determined, defined, and set forth in proceedings by the District and in accordance with state law. Detachments from the District service area and sphere of influence are also subject to the above described proceedings. Factors to be considered include, but are not limited to, the availability of surplus water supply, location of water distribution and transmission facilities, any pending boundary changes, and the water shortage contingency plan currently in effect. Final approval also requires approval from the Santa Cruz County Local Agency Formation Commission.

If the property is located within the boundaries of another water agency, the property owner must obtain approval from that agency to be served by the District.

5.60.020 Annexation Fees

In addition to all other fees applicable to the new service connections, the owner is required to reimburse for all fees and costs incurred by the District in connection with the annexation.

RESOLUTION No. 05-24

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SCOTTS VALLEY WATER DISTRICT
UPDATING THE FEE SCHEDULE FOR NEW CONNECTIONS
AND AMENDING RESOLUTION No. 10-16

WHEREAS:

1. Pursuant to Water Code Section 31007, the Scotts Valley Water District is required to set water rates and charges at a level to sufficiently pay for the provision of water services.
2. On December 12, 2016, the Board of Directors adopted the Fee Schedule for New Connections consistent with the requirements of the California Constitution Article XIID.
3. Capacity fees and meter fees are applied to each new service in order to pay for their fair share of the public water system.

THEREFORE, BE IT RESOLVED by the Board of Directors of the Scotts Valley Water District that it:

1. Establishes the Fee Schedule for New Connections as set forth on Exhibit A effectively amending Resolution No. 10-16; and that said Fee Schedule will be effective September 13, 2024.

PASSED AND ADOPTED this 12th day of September 2024, by the following vote:

AYES: Ekwall, Leishman, Perri, Reber and Stiles
NOES: None.
ABSENT: None.

Wade Leishman, President
Board of Directors

Attest: _____
David McNair, General Manager

Exhibit A



FEE SCHEDULE FOR NEW CONNECTIONS

Effective 9/13/2024

Capacity fees are required when an existing customer replaces an existing water meter with a larger sized meter. In this event, the fee will equal the difference between the current capacity fee for the new larger sized meter and the existing smaller sized meter.

If a customer replaces a water meter with a smaller sized meter or discontinues water service, no capacity fee refund will be issued.

Capacity fees will be subject to annual adjustments based on Engineering News Record (ENR) Cost Index and Meter Fees will be subject to annual adjustments based on actual costs.

Potable Service Connections			
Meter Size	Capacity Fee	Meter Fee *	Total Fee
5/8"	\$26,138	\$315	\$26,453
COMBO SMALL SYSTEM **	\$26,138	\$631	\$26,769
5/8" MULTI UNIT RESIDENTIAL ***	\$15,683	\$315	\$15,998
DETAIL 4A (3/4") MULTI UNIT RESIDENTIAL ****	\$15,683	\$353	\$16,036
COMBO MULTI UNIT RESIDENTIAL **/***	\$15,683	\$631	\$16,314
3/4"	\$39,209	\$353	\$39,562
1"	\$65,345	\$436	\$65,781
1 1/2"	\$130,689	\$870	varies
2"	\$209,103	\$1,107	varies
3"	\$457,412	\$3,116	varies
4"	\$823,340	\$4,559	varies

Recycled Service Connections			
Meter Size	Capacity Fee	Meter Fee *	Total Fee
5/8"	\$7,413	\$315	\$7,728
3/4"	\$11,119	\$353	\$11,472
1"	\$18,532	\$436	\$18,968
1 1/2"	\$37,064	\$870	varies
2"	\$59,304	\$1,107	varies
3"	\$129,726	\$3,116	varies
4"	\$233,506	\$4,559	varies

Fire Service Connections *****			
Meter Size/Hydrant	Capacity Fee	Meter Fee *	Total Fee
Private Fire Service (5/8" detection meter)	\$0	\$315	\$315
Fire Hydrant - Publicly Owned	\$0	-	\$0
Fire Hydrant - Privately Owned	\$0	-	\$0

* Cost of the actual meter provided and installed by District

** Combo Small System combined 5/8" domestic meter with 5/8" fire detection meter

*** 5/8 Multi Unit Residential is a domestic meter (for indoor use) installed for individual units in a high-density development that uses recycled water for irrigation

**** Detail 4A (3/4") Multi Unit Residential is a domestic meter (for indoor use) installed for individual units in a high-density development that uses recycled water for irrigation

***** Regardless of the required pipe size, District installs 5/8" detection meter for all Private Fire Services

Technical Memorandum

To: David McNair, General Manager – Scotts Valley Water District
From: Sanjay Gaur, Founder/President – Water Resources Economics, LLC
Date: August 2, 2024
Re: Capacity Fee Policy Evaluation

1. Introduction

BACKGROUND

Scotts Valley Water District (SVWD) engaged Water Resources Economics (WRE) to evaluate certain policies and practices relating to the assessment of capacity fees. Water capacity fees are one-time fees typically paid for by new connections to a water system, and are often referred to by other water agencies as connection fees, system development charges, capacity charges, etc. Capacity fees are necessary to ensure that new development contributes its fair share towards past capital investment in existing system capacity and/or future capital investment required to expand system capacity.

Capacity fees are generally applicable to new development and intensified redevelopment only. However, other unique circumstances may arise in which capacity fees may or may not be applicable. SVWD staff directed WRE to evaluate appropriate capacity fee policies/practices under three unique circumstances:

1. If a current customer replaces an existing water meter with a larger sized meter, should they be subject to an additional capacity fee? If yes, on what basis should the capacity fee be assessed?
2. If a current customer replaces an existing water meter with a smaller sized meter, should they be subject to a capacity fee refund? If yes, on what basis should the capacity fee refund be assessed?
3. If a current customer discontinues water service, should they be subject to a capacity fee refund? If yes, on what basis should the capacity fee refund be assessed?

OBJECTIVES

The key objectives of WRE's capacity fee evaluation were to:

- Conduct a survey to determine what policies/practices other retail water agencies in Santa Cruz County have in effect to address the three unique circumstances outlined above.
- Recommend policies to SVWD staff that address the three unique circumstances listed above.
- Provide recommended revisions to language in SVWD's capacity fee schedule, Administrative Code, and other formal documents to ensure that recommended capacity fee policies and practices are clearly communicated to the public.

2. Capacity Fee Survey Results

SURVEY OVERVIEW

WRE conducted a survey to compare neighboring water agencies' policies and practices relating to the three unique circumstances previously outlined. For this survey, WRE first reviewed publicly available online information contained in agency fee schedules, codes, rules and regulations, or other formal documents. WRE then contacted staff at each agency by email to address each question if publicly available information was not readily available online. WRE surveyed six retail water agencies in total, including five other agencies in Santa Cruz County.

- San Lorenzo Valley Water District (*Santa Cruz County*)
- City of Santa Cruz Water Department (*Santa Cruz County*)
- Soquel Creek Water District (*Santa Cruz County*)
- Central Water District (*Santa Cruz County*)
- City of Watsonville Department of Public Works and Utilities (*Santa Cruz County*)
- Marin Municipal Water District (*Marin County*)

SURVEY QUESTIONS

Survey Question #1: If a current customer replaces an existing water meter with a larger sized meter, are they subject to an additional capacity fee? If yes, on what basis is the capacity fee assessed?

Five of six agencies surveyed indicated that customers are subject to an additional capacity fee if a water meter is replaced with a larger meter. WRE was unable to discern whether one agency currently has an official policy in place. All five agencies that responded affirmatively indicated that a capacity fee would be assessed based on the incremental increase in required capacity. For agencies that assess capacity fees based on meter size, this means that a customer upsizing a 2-inch meter to a 3-inch meter would be subject to a capacity fee equal to the difference between the current capacity fee for a 3-inch meter and the current capacity fee for a 2-inch meter, for example.

Survey Question #2: If a current customer replaces an existing water meter with a smaller sized meter, are they subject to a capacity fee refund? If yes, on what basis is the capacity fee refund assessed?

Five of six agencies surveyed indicated that customers do not receive a refund if a water meter is replaced with a smaller meter. WRE was unable to discern whether one agency currently has an official policy in place.

Survey Question #3: If a current customer discontinues water service at their property, are they subject to a capacity fee refund? If yes, on what basis is the capacity fee refund assessed?

Five of six agencies surveyed indicated that customers do not receive a refund if a water service is discontinued. Staff at one agency did not indicate an official policy but suggested it would be "very unlikely" that a refund would be issued if service were discontinued.

SURVEY SUMMARY

A summary of survey responses from each of the six agencies is provided in the table below.

Water Agency	1. Capacity fee for meter upsizing?	2. Capacity fee refund for meter downsizing?	3. Capacity fee refund for discontinuing service?
San Lorenzo Valley Water District	Yes	No	No
City of Santa Cruz Water Department	Yes	No	No
Soquel Creek Water District	Yes	No	No
Central Water District	Undetermined	Undetermined	No
City of Watsonville Department of Public Works and Utilities	Yes	No	No
Marin Municipal Water District	Yes	No	No

3. Recommended Capacity Fee Policies

1. Meter Upsizing

WRE recommends that SVWD charge an additional capacity fee if a customer replaces an existing meter with a larger sized meter. We recommend that the additional capacity fee be set equal to the difference between the current capacity fee for the new larger meter size and the current capacity fee for the existing smaller meter size. This is consistent with practices at other retail water agencies in Santa Cruz County based on the results of our survey. This is also broadly consistent with the WRE project team’s experience conducting water and wastewater capacity fee studies for over 25 agencies statewide. When a customer increases their meter size, the agency is essentially required to maintain additional system capacity on behalf of the customer to ensure uninterrupted, reliable water service. Therefore, it is appropriate for a customer to be charged in proportion to increased capacity.

2. Meter Downsizing

WRE recommends that SVWD not issue a capacity fee refund if a customer replaces an existing meter with a smaller sized meter. We did not identify any agencies in our survey that issue capacity fee refunds for meter downsizing. Furthermore, we have not found any such examples of agencies issuing refunds for meter downsizing while conducting capacity fee studies for other agencies in California. Even if a customer downsizes a water meter, they still will have benefited from greater system capacity associated with the original meter size prior to downsizing. A refund would therefore fail to appropriately reflect a customer’s prior benefit of increased capacity provided by the original larger water meter.

3. Discontinued Service

WRE recommends that SVWD not issue a capacity fee refund if a customer discontinues water service. No retail water agencies in Santa Cruz County issue a capacity fee refund for discontinued service, and we have never found such an example while conducting capacity fees for other agencies in California. A refund would fail to recognize that a customer benefited from guaranteed system capacity prior to

discontinuing service. Please note that we do not believe it would be appropriate to charge a new capacity fee if service at the property in question is resumed at a later date (unless a larger water meter or additional water meters are installed).

4. Recommended Policy Language

SVWD FEE SCHEDULE FOR NEW CONNECTIONS

WRE recommends the addition of new language to SVWD's current "Fee Schedule for New Connections" to clearly articulate the three recommended policies outlined in Section 3. For reference, please refer to SVWD's current Fee Schedule for New Connections in Appendix 1.

As an example, the City of Santa Cruz's schedule of "Fees for New Water Services" clearly states the following at the top of the document: *"For all new or additional residential units or water services, or an increase in meter size, there is a [water capacity fee] which is in addition to the charges for installation of water services and private fire services."* The City's fee schedule also states that water capacity fees *"will be levied for additional services, or uses which require a larger meter, based on the proportionate increase in capacity."*

We recommend that SVWD add similar language to its fee schedule with a few key additions. More specifically, we recommend that SVWD staff add either a descriptive paragraph at the top of the fee schedule or footnotes to the bottom of the fee schedule that clearly articulate the following:

- Water capacity fees are required when an existing customer replaces an existing water meter with a larger sized meter. In this event, the required capacity fee shall equal the difference between the current capacity fees for the new larger sized meter and the existing smaller sized meter.¹
- If a customer replaces a water meter with a smaller sized meter or discontinues water service altogether, no capacity fee refund shall be issued.

SVWD ADMINISTRATIVE CODE CHAPTER 5.40: FEES FOR NEW SERVICE CONNECTIONS

Chapter 5.40 of the SVWD's Administrative Code contains information on capacity fees and other fees applicable to new service connections. For reference, please refer to Chapter 5.40 of the Administrative Code in Appendix 2. To align with the proposed recommendations outlined in Section 3, WRE recommends the following changes to Chapter 5.40:

- Remove the following paragraph from Chapter 5.40.010 (highlighted in Appendix 2): *"The fee for replacing an existing service connection with a different size or different type of supply will take into consideration relinquishing the equity buy-in of the existing connection by applying an appropriate credit to the fee."* This excerpt may be difficult for the public to understand, and it is likely inconsistent with the recommendations outlined in Section 3.
- Add language to Chapter 5.40.010 that articulates the same information recommended for the fee schedule, including that:

¹ Note that we do not believe it is necessary for the fee schedule to explicitly state the dollar amount associated with upsizing from one specific meter size to another meter size. A descriptive sentence stating that the fee shall equal the difference between the current capacity fees for the new larger sized meter and the existing smaller sized meter is sufficient.

Technical Memorandum - SVWD Capacity Fee Policy Evaluation

- Water capacity fees are required when an existing customer replaces a water meter with a larger sized meter. In this event, the required capacity fee shall equal the difference between the current capacity fees for the new larger sized meter and the existing smaller sized meter.
 - If a customer replaces a water meter with a smaller sized meter or discontinues water service altogether, no capacity fee refund shall be issued.
- Change the title of Chapter 5.40.020 from “Refunding of Fees” to “Refunding of Main Extension Fees” (see highlighted title at the bottom of Appendix 2). This is necessary to clarify that Chapter 5.40.020 pertains solely to main extension fees and not to capacity fees.

OTHER RECOMMENDATIONS

WRE recommends that SVWD staff review any other formal documentation of SVWD policies pertinent to the recommendations outlined in Section 3. This may include formal policies adopted by the Board of Directors, ordinances/resolutions, etc. This is necessary to ensure that there are no contradictions to or inconsistencies with existing district policies and practices in the event that SVWD staff proceeds with implementing the recommendations outlined in Section 3.

Appendix 1: SVWD Current Fee Schedule for New Connections



FEE SCHEDULE FOR NEW CONNECTIONS

Effective 1/1/2024

Potable Service Connections			
Meter Size	Capacity Fee	Meter Fee *	Total Fee
5/8"	\$26,138	\$315	\$26,453
COMBO SMALL SYSTEM **	\$26,138	\$631	\$26,769
5/8" MULTI UNIT RESIDENTIAL ***	\$15,683	\$315	\$15,998
DETAIL 4A (3/4") MULTI UNIT RESIDENTIAL ****	\$15,683	\$353	\$16,036
COMBO MULTI UNIT RESIDENTIAL **/****	\$15,683	\$631	\$16,314
3/4"	\$39,209	\$353	\$39,562
1"	\$65,345	\$436	\$65,781
1 1/2"	\$130,689	\$870	varies
2"	\$209,103	\$1,107	varies
3"	\$457,412	\$3,116	varies
4"	\$823,340	\$4,559	varies

Recycled Service Connections			
Meter Size	Capacity Fee	Meter Fee *	Total Fee
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1"	\$18,532	\$436	\$18,968
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2"	\$59,304	\$1,107	varies
3"	\$129,726	\$3,116	varies
4"	\$233,506	\$4,559	varies

Fire Service Connections *****			
Meter Size/Hydrant	Capacity Fee	Meter Fee *	Total Fee
Private Fire Service (5/8" detection meter)	\$0	\$315	\$315
Fire Hydrant - Publicly Owned	\$0	-	\$0
Fire Hydrant - Privately Owned	\$0	-	\$0

* Cost of the actual meter provided and installed by District

** Combo Small System combined 5/8" domestic meter with 5/8" fire detection meter

*** 5/8 Multi Unit Residential is a domestic meter (for indoor use) installed for individual units in a high-density development that uses recycled water for irrigation

**** Detail 4A (3/4") Multi Unit Residential is a domestic meter (for indoor use) installed for individual units in a high-density development that uses recycled water for irrigation

***** Regardless of the required pipe size, District installs 5/8" detection meter for all Private Fire Services

Note: Capacity Fees will be subject to annual adjustments based on Engineering News Record (ENR) Cost Index and Meter Fees will be subject to annual adjustments based on actual costs

Appendix 2: SVWD Current Administrative Code: Chapter 5.40

Chapter 5.40

Fees for New Service Connections

5.40.010 Fees for New Connections in District Service Area

The Board has determined that a fee for new connections to the water system will be applied to each new service in order to pay for their fair share of the public water system (equity buy-in). Such fee is necessary to pay a proportional share of the water system expansion or replacement costs essential to provide water to the new or additional service.

A fee will not be extended, imposed, or increased unless it meets all requirements of the California Constitution, Article XIII A and D §6(a).

When the owner requesting water service provides benefit to the District, including but not limited to: dedication of land to the District; participation in an assessment district which provides a source of water supply or storage equal to or greater than that needed to serve the applicant's premises, or other similar forms of benefit; the District may enter into a negotiated agreement to waive the new connection fees, in an amount equal to the value of the benefit received by the District in excess of the property's water demand and/or storage requirement.

Connection fees are based on the meter size and are required in order to connect to either the potable or recycled water system. The fee is also established for connections that are installed for fire protection purposes.

The fee for replacing an existing service connection with a different size or different type of supply will take into consideration relinquishing the equity buy-in of the existing connection by applying an appropriate credit to the fee.

The fees for Accessory Dwelling Units will be in compliance with California Government Code Section 65852.2 (e) and (f) 2.A.

When the applicant desires a service connection for which a fee has not been established by the Board, such fee will be determined by written agreement with the District.

5.40.020 Refunding of Fees

Refunds can only be requested by the original service agreement applicant requiring a main extension and paid for such extension within ten (10) years after the date of such agreement. Upon the request of the applicant, the District will collect from any future applicant(s) connecting to such main extension, a proportionate share of the original cost of the main extension to the degree of benefit received. The total reimbursement to the original applicant will be one hundred percent (100%) of the main extension cost, less that percentage of cost benefiting the parcel(s) of the original applicant. The proportionality will be based on front footage, parcel area, gross floor area of structures, number of connections or such other formula which is deemed by the General Manager to be both reasonable and fair. The District is obligated to make said reimbursement only to the extent that moneys are received from future applicant(s) who have connected to the main extension installed by the original applicant, and not from any other funds or revenues of the District. The District may charge a processing fee for administering the refunding of the fees, which will be subtracted from the amount payable to the original applicant.

STAFF REPORT - Finance

Scotts Valley Water District

Date: 09/12/2024

To: Board of Directors

From: General Manager

Item: Staff Reports 7.3

Subject: **Preliminary Financial Reports 07/01/24 through 07/31/2024**

Summary

Fiscal Year-to-Date (YTD) preliminary figures reflect the period of 07/01/24 through 07/31/24. YTD revenues total \$0.9M and expenses total \$1.3M.

Revenue

July is the first month of the fiscal year. YTD potable water sales revenue is \$558K, water services revenue is \$230K and no revenue from new connections. Property tax revenue has also not yet been collected. Total YTD revenue in the potable water fund, excluding grants, is \$792K, equal to 6% of the budget and 8% higher than last year due to increased water sales.

YTD recycled water sales revenue is \$102K, water services revenue is \$8K, and \$0 from new connections for the period. Total YTD revenue of \$110K in the recycled water fund equals 18% of the budget, which is 13% higher than for the same period of last fiscal year.

Expenses

Combined YTD operating expenses are in-line with the budget, with expenses of \$392K representing 5% of the budget. Net project expenditures total \$4K and the debt service principal payments of \$949K have been made.

Fund Balance

At the end of July, cash reserves were approximately \$9.5M. An additional \$2.0M are held in investments and \$1.4M is booked in Accounts Receivable.

Enclosed

Quarterly Financial Report 07/01/24 – 07/31/24

Budget Status Balance 07/01/24 – 07/31/24

Budget Status Revenue 07/01/24 – 07/31/24

Budget Status Expense 07/01/24 – 07/31/24

Projects Expense 07/01/24 – 07/31/24

Balance Sheet 06/30/24

Check Register 07/01/24 – 07/31/24

Budget Status - Balance



Period: 07/01/24 - 07/31/2024

FY Remain: 92%

	FY 2024 YTD Actual 07/01/23 - 7/31/2023	FY 2025 YTD Actual 07/01/24 - 7/31/2024	FY 2025 vs. FY 2024	YOY % change	FY 2025 Budget	FY 2025 Remaining Balance	%
Period: 1 month							
Potable Water - Fund 01							
Water Sales & Services (R10, R20)	\$ 736,417	\$ 787,713	\$ 51,295	7%	\$ 7,647,200	\$ 6,859,487	90%
New Connections (R25)	\$ 125	\$ -	\$ (125)	-100%	\$ 178,900	\$ 178,900	100%
Other Revenue (R30, R40)	\$ 138	\$ 4,617	\$ 4,479	3236%	\$ 6,018,207	\$ 6,013,590	100%
Potable Water Total	\$ 736,681	\$ 792,330	\$ 55,649	8%	\$ 13,844,307	\$ 13,051,977	94%
Recycled Water - Fund 02							
Water Sales & Services (R10, R20)	\$ 97,619	\$ 110,693	\$ 13,075	13%	\$ 593,800	\$ 483,107	81%
New Connections (R25)	\$ -	\$ -	\$ -	-	\$ -	\$ -	#DIV/0!
Other Revenue (R30, R40)	\$ 22	\$ -	\$ (22)	-100%	\$ 16,600	\$ 16,600	100%
Recycled Water Total	\$ 97,641	\$ 110,693	\$ 13,053	13%	\$ 610,400	\$ 499,707	82%
TOTAL REVENUE	\$ 834,321	\$ 903,023	\$ 68,702	8%	\$ 14,454,707	\$ 13,551,684	94%
Expenses - Fund 01 and Fund 02 Combined							
Salaries & Benefits (E01)	\$ 229,383	\$ 270,473	\$ 41,091	18%	\$ 3,256,312	\$ 2,985,839	92%
Services & Supplies (E03-E80)	\$ 447,634	\$ 122,083	\$ (325,551)	-73%	\$ 3,893,809	\$ 3,771,726	97%
Project Expenses	\$ -	\$ 3,808	\$ 3,808	#DIV/0!	\$ 12,522,354	\$ 12,518,546	100%
Debt Service - Principal	\$ 931,320	\$ 949,811	\$ 18,491	2%	\$ 949,811	\$ -	0%
TOTAL EXPENSES *	\$ 1,608,337	\$ 1,346,176	\$ (262,161)	-16%	\$ 20,622,286	\$ 19,276,110	93%
NET REVENUE	\$ (774,016)	\$ (443,153)	\$ 330,863		\$ (6,167,579)	\$ (5,724,426)	

* Expense totals do not include depreciation expense

Budget Status - Revenue



Period: 07/01/24 - 07/31/2024

FY Remain: 92%

		FY 2024 YTD Actual	FY 2025 YTD Actual	FY 2025 vs. FY 2024	YOY % change	FY 2025 Budget	FY 2025 Remaining Balance	%
Fund 01	Potable Water							
R10	Operating Revenue - Water Sales							
01-000-41101	Residential Consumption - SF	\$ 306,381	\$ 337,319	\$ 30,938	10%	\$ 2,770,200	\$ 2,432,881	88%
01-000-41102	Residential Consumption - MF	\$ 19,993	\$ 19,576	\$ (417)	-2%	\$ 238,600	\$ 219,024	92%
01-000-41103	CII Consumption	\$ 96,983	\$ 110,935	\$ 13,952	14%	\$ 1,126,900	\$ 1,015,965	90%
01-000-41105	Irrigation Consumption	\$ 56,234	\$ 66,799	\$ 10,565	19%	\$ 516,200	\$ 449,401	87%
01-000-41106	CII Consumption - Other	\$ 8,043	\$ 12,804	\$ 4,760	59%	\$ -	\$ (12,804)	
01-000-41200	Other - Bulk Water	\$ 26,144	\$ 10,617	\$ (15,527)	-59%	\$ 82,500	\$ 71,883	87%
	R10 Sub Totals:	\$ 513,778	\$ 558,049	\$ 44,271	9%	\$ 4,734,400	\$ 4,176,351	88%
R20	Operating Revenue - Water Services							
01-000-41300	Other - Late Penalty	\$ 2,938	\$ 2,121	\$ (817)	-28%	\$ 18,100	\$ 15,979	88%
01-000-42100	Standby Basic Meter Charge	\$ 212,902	\$ 220,062	\$ 7,160	3%	\$ 2,812,800	\$ 2,592,738	92%
01-000-42121	Standby FP Basic Meter Charge	\$ 6,349	\$ 6,655	\$ 306	5%	\$ 75,000	\$ 68,345	91%
01-000-43300	Other Operating Revenue	\$ 450	\$ 825	\$ 375	83%	\$ 6,900	\$ 6,075	88%
	R20 Sub Totals:	\$ 222,639	\$ 229,663	\$ 7,024	3%	\$ 2,912,800	\$ 2,683,137	92%
R25	Operating Revenue - New Connections							
01-000-42101	Other Meter Fee	\$ -	\$ -	\$ -		\$ 7,600	\$ 7,600	100%
01-000-42102	Other Capacity Fee	\$ -	\$ -	\$ -		\$ 144,700	\$ 144,700	100%
01-000-42120	Other FP Meter Fee	\$ -	\$ -	\$ -		\$ 19,600	\$ 19,600	100%
01-000-43100	Other Will Serve	\$ 125	\$ -	\$ (125)	-100%	\$ 1,000	\$ 1,000	100%
01-000-43200	Other Dev Proj Review	\$ -	\$ -	\$ -		\$ 6,000	\$ 6,000	100%
	R25 Sub Totals:	\$ 125	\$ -	\$ (125)	-100%	\$ 178,900	\$ 178,900	100%
R30	Non-Operating Revenue - Other							
				US Bank & CLASS				
01-000-46000	Property Taxes	\$ -	\$ -	\$ -		\$ 1,637,267	\$ 1,637,267	100%
01-000-47110	Interest & Dividend	\$ 123	\$ 4,617	\$ 4,494	3642%	\$ 5,810	\$ 1,193	21%
01-000-47115	Interest & Dividend - Restrict	\$ -	\$ -	\$ -		\$ -	\$ -	
01-000-47120	Interest - LAIF	\$ -	\$ -	\$ -		\$ 241,100	\$ 241,100	100%
01-000-47520	Misc. Non-Operating Revenue	\$ 15	\$ -	\$ (15)	-100%	\$ 20,200	\$ 20,200	100%
01-000-47530	Unrealized Gain/Loss on Invest	\$ -	\$ -	\$ -		\$ -	\$ -	
01-000-47540	Third-Party Reimbursements	\$ -	\$ -	\$ -		\$ -	\$ -	
01-000-47560	Rental Revenue	\$ -	\$ -	\$ -		\$ -	\$ -	
	R30 Sub Totals:	\$ 138	\$ 4,617	\$ 4,479	3236%	\$ 1,904,377	\$ 1,899,760	100%
01-000-45230	State Grant - DWR 2021	\$ -	\$ -	\$ -		\$ 3,363,830	\$ 3,363,830	100%
01-000-45231	State Grant - DWR 2022	\$ -	\$ -	\$ -		\$ 750,000	\$ 750,000	100%
	R40 Sub Totals:	\$ -	\$ -	\$ -		\$ 4,113,830	\$ 4,113,830	100%
	Fund 01 Revenue:	\$ 736,681	\$ 792,330	\$ 55,649	8%	\$ 13,844,307	\$ 13,051,977	94%
	Fund 01 Rev Excl Grants & Cap	\$ 736,681	\$ 792,330	\$ 55,649	8%	\$ 9,730,477	\$ 8,938,147	92%

Budget Status - Revenue



Period: 07/01/24 - 07/31/2024

FY Remain: 92%

		FY 2024 YTD Actual	FY 2025 YTD Actual	FY 2025 vs. FY 2024	YOY % change	FY 2025 Budget	FY 2025 Remaining Balance	%
Fund 02	Recycled Water							
R10	Operating Revenue - Water Sales							
02-000-41105	Irrigation Consumption	\$ 89,011	\$ 101,952	\$ 12,941	15%	\$ 491,500	\$ 389,548	79%
02-000-41200	Other - Bulk Water	\$ 584	\$ 302	\$ (282)	-48%	\$ -	\$ (302)	
	R10 Sub Totals:	\$ 89,594	\$ 102,253	\$ 12,659	14%	\$ 491,500	\$ 389,247	79%
02-000-41300	Other - Late Penalty							
02-000-42100	Standby Basic Meter Charge	\$ 7,874	\$ 8,365	\$ 491	6%	\$ 102,300	\$ 93,935	92%
02-000-43300	Other Operating Revenue	\$ 150	\$ 75	\$ (75)	-50%	\$ -	\$ (75)	
	R20 Sub Totals:	\$ 8,024	\$ 8,440	\$ 416	5%	\$ 102,300	\$ 93,860	92%
R25	Operating Revenue - New Connections							
02-000-42101	Other Meter Fee	\$ -	\$ -	\$ -		\$ -	\$ -	
02-000-42102	Other Capacity Fee	\$ -	\$ -	\$ -		\$ -	\$ -	
02-000-42130	GW Rep-Impact Fees	\$ -	\$ -	\$ -		\$ -	\$ -	
	R25 Sub Totals:	\$ -	\$ -	\$ -		\$ -	\$ -	
R30	Non-Operating Revenue - Other							
02-000-47110	Interest & Dividend	\$ 22	\$ -	\$ (22)	-100%	\$ 6,600	\$ 6,600	100%
02-000-47560	Notes Receivable Payments	\$ -	\$ -	\$ -		\$ 10,000	\$ 10,000	100%
	R30 Sub Totals:	\$ 22	\$ -	\$ (22)	-100%	\$ 16,600	\$ 16,600	100%
	Fund 02 Revenue:	\$ 97,641	\$ 110,693	\$ 13,053	13%	\$ 610,400	\$ 499,707	82%
	Fund 02 Rev Excl Grants & Cap	\$ 97,641	\$ 110,693	\$ 13,053	13%	\$ 610,400	\$ 499,707	82%
Revenue Totals:		\$ 834,321	\$ 903,023	\$ 68,702	8%	\$ 14,454,707	\$ 13,551,684	94%
Revenue Total Excl Grants & Cap Contributions		\$ 834,321	\$ 903,023	\$ 68,702	8%	\$ 10,340,877	\$ 9,437,854	91%

Budget Status - Expense



Period: 07/01/24 - 07/31/2024

FY Remain: 92%

		FY 2024 YTD Actual	FY 2025 YTD Actual	FY 2025 vs. FY 2024	YOY % change	FY 2025 Budget	FY 2025 Remaining Balance	%
Fund 01 and Fund 02 Combined								
Dept	Administration							
E01	Salaries & Benefits	\$ 42,050	\$ 98,370	\$ 56,319	134%	\$ 557,987	\$ 459,617	82%
E03	General & Admin - Services	\$ 33,502	\$ 3,897	\$ (29,605)	-88%	\$ 343,274	\$ 339,377	99%
E05	General & Admin - Supplies	\$ 1,469	\$ 831	\$ (638)	-43%	\$ 27,620	\$ 26,789	97%
E10	Source of Supply	\$ 239,629	\$ -	\$ (239,629)	-100%	\$ 259,571	\$ 259,571	100%
E70	Other	\$ -	\$ -	\$ -		\$ -	\$ -	
	Dept 100 Sub Totals:	\$ 316,650	\$ 103,097	\$ (213,553)	-67%	\$ 1,188,452	\$ 1,085,355	91%
Dept	Finance/Customer Service							
E01	Salaries & Benefits	\$ 48,786	\$ 41,002	\$ (7,784)	-16%	\$ 649,129	\$ 608,127	94%
E03	General & Admin - Services	\$ 60,009	\$ 48,038	\$ (11,970)	-20%	\$ 217,550	\$ 169,512	78%
E05	General & Admin - Supplies	\$ -	\$ -	\$ -		\$ 4,000	\$ 4,000	100%
E35	Customer Accounts	\$ 26,030	\$ 12,468	\$ (13,561)	-52%	\$ 306,946	\$ 294,478	96%
E70	Other	\$ 337	\$ 218	\$ (119)	-35%	\$ 1,000	\$ 782	78%
E80	Debt Service - Interest	\$ -	\$ -	\$ -		\$ 165,759	\$ 165,759	100%
	Dept 200 Sub Totals:	\$ 135,161	\$ 101,727	\$ (33,434)	-25%	\$ 1,344,384	\$ 1,242,657	92%
Dept	Operations							
E01	Salaries & Benefits	\$ 132,651	\$ 115,762	\$ (16,889)	-13%	\$ 1,835,607	\$ 1,719,845	94%
E03	General & Admin - Services	\$ 39,458	\$ 35,511	\$ (3,947)	-10%	\$ 324,497	\$ 288,986	89%
E05	General & Admin - Supplies	\$ (6,683)	\$ 465	\$ 7,148	-107%	\$ 60,080	\$ 59,615	99%
E07	General Production	\$ 1,494	\$ 49	\$ (1,444)	-97%	\$ 154,216	\$ 154,167	100%
E10	Source of Supply	\$ -	\$ -	\$ -		\$ 80,000	\$ 80,000	100%
E15	Pumping	\$ 44,183	\$ -	\$ (44,183)	-100%	\$ 704,546	\$ 704,546	100%
E20	Water Treatment	\$ 1,429	\$ 8,410	\$ 6,981	489%	\$ 621,100	\$ 612,690	99%
E25	Transmission & Distribution	\$ 6,778	\$ 643	\$ (6,135)	-91%	\$ 471,300	\$ 470,657	100%
E35	Conservation	\$ -	\$ -	\$ -		\$ 100	\$ 100	100%
E70	Other	\$ -	\$ -	\$ -		\$ -	\$ -	
	Dept 300 Sub Totals:	\$ 219,310	\$ 160,842	\$ (58,469)	-27%	\$ 4,251,446	\$ 4,090,604	96%
Dept	Engineering							
E01	Salaries & Benefits	\$ 4,696	\$ 10,417	\$ 5,721	122%	\$ 133,828	\$ 123,411	92%
E03	General & Admin - Services	\$ -	\$ 125	\$ 125		\$ 122,150	\$ 122,025	100%
E05	General & Admin - Supplies	\$ -	\$ 11,427	\$ 11,427		\$ 11,000	\$ (427)	-4%
	Dept 400 Sub Totals:	\$ 4,696	\$ 21,969	\$ 17,273	368%	\$ 266,978	\$ 245,009	92%
Dept	Board of Directors							
E01	Salaries & Benefits	\$ 1,200	\$ 4,922	\$ 3,723	310%	\$ 79,761	\$ 74,839	94%
E03	General & Admin - Services	\$ -	\$ -	\$ -		\$ 18,400	\$ 18,400	100%
E05	General & Admin - Supplies	\$ -	\$ -	\$ -		\$ 800	\$ 800	100%
	Dept 900 Sub Totals:	\$ 1,200	\$ 4,922	\$ 3,723	310%	\$ 98,961	\$ 94,039	95%

Budget Status - Expense



Period: 07/01/24 - 07/31/2024

FY Remain: 92%

		FY 2024 YTD Actual	FY 2025 YTD Actual	FY 2025 vs. FY 2024	YOY % change	FY 2025 Budget	FY 2025 Remaining Balance	%
Summary								
E01	Salaries & Benefits	\$ 229,383	\$ 270,473	\$ 41,091	18%	\$ 3,256,312	\$ 2,985,839	92%
E03	General & Admin - Services	\$ 132,968	\$ 87,571	\$ (45,397)	-34%	\$ 1,025,871	\$ 938,300	91%
E05	General & Admin - Supplies	\$ (5,214)	\$ 12,723	\$ 17,937	-344%	\$ 103,500	\$ 90,777	88%
E07	General Production	\$ 1,494	\$ 49	\$ (1,444)	-97%	\$ 154,216	\$ 154,167	100%
E10	Source of Supply	\$ 239,629	\$ -	\$ (239,629)	-100%	\$ 339,571	\$ 339,571	100%
E15	Pumping	\$ 44,183	\$ -	\$ (44,183)	-100%	\$ 704,546	\$ 704,546	100%
E20	Water Treatment	\$ 1,429	\$ 8,410	\$ 6,981	489%	\$ 621,100	\$ 612,690	99%
E25	Transmission & Distribution	\$ 6,778	\$ 643	\$ (6,135)	-91%	\$ 471,300	\$ 470,657	100%
E35	Customer Accounts	\$ 26,030	\$ 12,468	\$ (13,561)	-52%	\$ 306,946	\$ 295,260	96%
E70	Other	\$ 337	\$ 218	\$ (119)	-35%	\$ 1,000	\$ -	0%
E80	Debt Service - Interest	\$ -	\$ -	\$ -		\$ 165,759	\$ 165,759	100%
District Expense Total:		\$ 677,017	\$ 392,557	\$ (284,460)	-42%	\$ 7,150,121	\$ 6,757,565	95%
Fund 01 and 02 Combined								
E01	Salaries & Benefits	\$ 229,383	\$ 270,473	\$ 41,091	18%	\$ 3,256,312	\$ 2,985,839	92%
E03-E80	Services & Supplies	\$ 447,634	\$ 122,083	\$ (325,551)	-73%	\$ 3,893,809	\$ 3,771,726	97%
District Expense Total:		\$ 677,017	\$ 392,557	\$ (284,460)	-42%	\$ 7,150,121	\$ 6,757,565	95%

Projects - Expense



Period: 07/01/24 - 07/31/2024

FY Remain: 92%

		FY 2025 YTD Actual	FY 2025 Budget	FY 2025 Remaining Balance	%
Fund 01 and Fund 02 Combined					
Project	Description				
C15007	Grace Way Well	\$ -	\$ 2,400,000	\$ 2,400,000	100%
---	<i>Grace Way Well- Grant Reimb</i>	\$ -	\$ (1,113,830)	\$ (1,113,830)	100%
C15021	Purified Recycled Water Recharge	\$ -	\$ 100,000	\$ 100,000	100%
C16023	Orchard Run Water Treatment Plant	\$ -	\$ -	\$ -	
C16024	Bethany Tank Rehabilitation	\$ -	\$ 169,258	\$ 169,258	100%
M17011	Meters with AMI	\$ -	\$ 52,550	\$ 52,550	100%
C17011	AMI Technology for Meters	\$ -	\$ 12,750	\$ 12,750	100%
C19020	El Pueblo WTP Improvements	\$ -	\$ 186,008	\$ 186,008	100%
C19030	Hacienda Pump Station	\$ -	\$ -	\$ -	
C19070	Vehicle Replacement Program	\$ -	\$ 75,000	\$ 75,000	100%
C20010	Main Replacement Program - PW	\$ -	\$ 652,173	\$ 652,173	100%
C20040	Admin Building Improvements	\$ -	\$ 20,000	\$ 20,000	100%
C21010	Well 10 Water Quality Improvements	\$ -	\$ 17,140	\$ 17,140	100%
C22010	Well 3B Replacement	\$ -	\$ 2,299,175	\$ 2,299,175	100%
C22020	Specialized Operations Equipment	\$ -	\$ 166,536	\$ 166,536	100%
C23010	SCWD-SVWD System Intertie	\$ -	\$ 2,844,778	\$ 2,844,778	100%
---	<i>SCWD-SVWD System Intertie - Grant Reimb</i>	\$ -	\$ (2,250,000)	\$ (2,250,000)	100%
C24000	SV Transit Center LID Retrofit - Phase 2	\$ -	\$ 1,990,000	\$ 1,990,000	100%
---	<i>SV Transit Center LID Retrofit - Phase 2</i>	\$ -	\$ (750,000)	\$ (750,000)	100%
C24010	Glenwood Tank Landslide Evaluation & Repair	\$ -	\$ 495,000	\$ 495,000	100%
C24020	Monte Fiore Pump Station Rehab	\$ -	\$ 202,412	\$ 202,412	100%
C24030	System-Wide Pressure Reduction Program	\$ -	\$ 272,960	\$ 272,960	100%
C24040	Service Line Replacement - Montevalle	\$ -	\$ 128,299	\$ 128,299	100%
C24050	Corp Yard Improvements	\$ -	\$ 28,315	\$ 28,315	100%
C24060	Solar Installation	\$ -	\$ 25,000	\$ 25,000	100%
C25000	SCADA Improvements 2025	\$ 3,808	\$ 150,000	\$ 146,192	97%
C25XXX	VFD Installation at Orchard WTP	\$ -	\$ 110,000	\$ 110,000	100%
M25XXX	Sequoia Tank Roof Recoat	\$ -	\$ 125,000	\$ 125,000	100%
Projects Expense Totals:		\$ 3,808	\$ 8,408,524	\$ 8,404,716	100%

Balance Sheet



Fund 01, Fund 02 and Fund 03 Combined

	7/31/23	7/31/24
Assets		
Cash	\$10,869,923	\$9,564,346
Investments	\$0	\$1,974,693
Accrued Interest	\$49,731	\$82,533
A/R Customer-Water	\$1,242,876	\$1,395,433
Property Tax Receivable	\$68,605	\$0
A/R - Other	\$536,764	(\$3,142)
Interfund Loan Receivable	\$888,040	\$888,040
Inventory	\$213,404	\$234,904
Prepaid Expense	\$38,717	\$76,397
Note Receivable	\$52,500	\$35,000
JPA Investment	\$398,572	\$149,345
Land & Right-of-ways	\$650,697	\$1,218,697
Construction-in-progress	\$2,044,157	\$3,680,539
Water Rights / Intangible Assets	\$5,267,833	\$5,267,833
Plant & Equipment	\$44,102,981	\$45,395,340
Depreciation/Amortization	(\$25,834,981)	(\$27,044,711)
Deferred Pension Outflows	\$2,441,687	\$2,020,105
Unfunded OPEB Liability	\$121,850	\$115,583
	\$43,153,356	\$45,050,934
Liabilities		
A/P & Accrued Expenses	\$563,056	\$308,237
Accrued Salaries & Wages	\$57,889	(\$0)
Accrued Interest Payable	\$97,306	\$87,638
Customer Deposits	\$44,610	\$60,010
Interfund Loans	\$888,040	\$888,040
LT Liabilities Due in 1 Yr	\$970,158	\$989,764
Unearned Revenue	\$77,326	\$70,122
Long-term Liabilities	\$11,312,040	\$10,076,438
Deferred Pension Inflows	\$1,263,330	\$1,712,349
	\$15,273,754	\$14,192,597
Fund Balance		
Investment in Capital Assets	\$15,842,955	\$20,391,522
Unrestricted Net Position	\$11,816,924	\$9,959,049
	\$27,659,880	\$30,350,571
Total Liabilities and Fund Balance:	\$42,933,633	\$44,543,167
Total Retained Earnings:	\$219,723	\$507,766
Total Fund Balance and Retained Earnings:	\$27,879,603	\$30,858,337
Total Liabilities, Fund Balance, and Retained Earnings:	\$43,153,356	\$45,050,934

Scotts Valley Water District
AP Check Register
July 2024

Vendor Name	Check Date	Check No.	Check Amount	Description
A T & T	7/3/2024	33118	104.20	SCADA Auto Modem Dialer
ACWA/JPIA	7/24/2024	33160	13,623.26	WC Insurance - Qtr ending 06/30/2024
ACWA/JPIA	7/24/2024	33160	40,491.11	EE & Retiree Benefits - July 2024 (Reissue Check #33077)
ACWA/JPIA	7/24/2024	33160	32,127.53	EE & Retiree Benefits - August 2024
ACWA/JPIA	7/24/2024	33160	2,806.41	Cyber Liability - FY 2025
ACWA/JPIA	7/24/2024	33161	42,580.77	Property Insurance - FY2025
AFLAC	7/3/2024	33119	159.36	EE Self Funded Supplemental Benefits
AFSCME COUNCIL 57	7/24/2024	33162	1,025.03	Union Dues - June 2024
AIRTEC SERVICE	7/3/2024	33120	605.00	HVAC Preventative Maint
AIRTEC SERVICE	7/24/2024	33163	993.00	HVAC Maintenance - 2 Civic Center
ALLQUIP UNIVERSAL	7/24/2024	33164	195.74	Vector Truck Nozzle
ALPHA LAND SURVEYS, INC	7/3/2024	33121	1,800.00	Metro Center LID - Surveying Ow Easement
AQUA-METRIC SALES CO	7/24/2024	33165	40.10	Strainer Gasket
AUSTIN JAMES	7/24/2024	33166	1,000.00	Customer Rebates - Pool Cover
AUTOMATIONDIRECT.COM, INC	7/24/2024	33167	1,854.78	2025 SCADA Improvements - Fontenay Tank
BADGER METER	7/24/2024	33168	(9,667.17)	Invoice Credit - Returned Meters
BADGER METER	7/24/2024	33168	4,316.97	Cell Charge for Meter Reads - May 2024
BADGER METER	7/24/2024	33168	4,356.10	Cell Charge for Meter Reads - March 2024
BADGER METER	7/24/2024	33168	4,352.46	Cell Charge for Meter Reads - June 2024
BADGER METER	7/24/2024	33168	4,292.40	Cell Charge for Meter Reads - April 2024
BATTERIES PLUS BULBS #314	7/3/2024	33122	251.63	Monte Fiori Standby Generator Battery
BAYWORK	7/24/2024	33169	765.00	Regional Workforce Consortium
BRENNTAG PACIFIC, INC	7/3/2024	33123	3,768.44	Water Treatment Chemicals
BRENNTAG PACIFIC, INC	7/24/2024	33170	7,127.77	Water Treatment Chemicals
CITY OF SANTA CRUZ WATER DEPT	7/24/2024	33171	1,918.75	Grant Funds Payable to City of Santa Cruz - Per Ended 3/31/24
CITY OF SCOTTS VALLEY	7/3/2024	33124	480.00	Bacti Samples
CITY OF SCOTTS VALLEY	7/24/2024	33172	360.00	Bacti Samples - June 2024
CIVIL CONSULTANTS GROUP, INC	7/24/2024	33173	480.00	General Engineering - June 2024
CONTRACTOR COMPLIANCE & MONITORING	7/24/2024	33174	807.75	Sucinto Well - Labor Compliance Monitoring - June 2024
CONTRACTOR COMPLIANCE & MONITORING	7/24/2024	33174	266.25	Main Replacement - Labor Compliance Monitoring - June 2024
COUNTY OF SANTA CRUZ - DPW	7/24/2024	33125	1,165.29	Landfill Fees - May 2024
COUNTY OF SANTA CRUZ - DPW	7/24/2024	33175	20.00	Landfill Fees - June 2024
DILLON JOHN	7/3/2024	33126	200.00	Employee Reimbursement - CSMFO Financial Mgmt/Analysis - Dillon
DUNCAN AUTO TECH	7/3/2024	33127	204.33	Oil Change, Tire Rotation - Truck #22
DUNCAN AUTO TECH	7/3/2024	33127	110.51	Oil Change - Truck #24
DYNAMIC FUEL SOLUTIONS	7/24/2024	33176	8,867.23	Generator Fuel Polishing
EUROFINS EATON ANALYTICAL	7/24/2024	33177	3,900.00	Lab Testing for Water Quality
EXCEEDIO	7/24/2024	33178	217.13	Replace UPS
EXCEEDIO	7/24/2024	33178	45.00	DVD Drive
FASTENAL COMPANY	7/3/2024	33128	428.44	Saw Blades; Nuts / Bolts
FASTENAL COMPANY	7/3/2024	33128	797.45	Safety Glasses; Nuts/Bolts; Gloves
FASTENAL COMPANY	7/24/2024	33179	1,040.33	Utility Pumps, Batteries
FLYERS ENERGY, LLC	7/24/2024	33180	464.94	Diesel for Generators
GATEWAY BIBLE CHURCH	7/3/2024	33129	2,000.00	Bulk Water Meter Deposit Refund
GRAINGER	7/3/2024	33130	158.11	Truck 28 - Water Pump Plier
GRANITE CONSTRUCTION CO	7/3/2024	33131	160.23	Dump Charge
GREENWASTE RECOVERY, LLC	7/24/2024	33181	421.63	Trash Service - El Pueblo
GREENWASTE RECOVERY, LLC	7/24/2024	33181	175.77	Trash Service - 2 Civic Center
HAIGHT JUANELLA	7/3/2024	33132	412.45	Retiree Medical - June 2024
HAIGHT JUANELLA	7/24/2024	33182	412.45	Retiree Medical - July 2024
ICONIX WATERWORKS (US), INC	7/3/2024	33133	471.38	Repair Clamps
ICONIX WATERWORKS (US), INC	7/3/2024	33133	48.17	PVC Pipe; Fittings
ICONIX WATERWORKS (US), INC	7/3/2024	33133	1,945.86	Meter Adapters; PVC / Brass Fittings
ICONIX WATERWORKS (US), INC	7/3/2024	33133	3,828.76	Gate Valves
ICONIX WATERWORKS (US), INC	7/3/2024	33133	60.59	Brass Fittings
ICONIX WATERWORKS (US), INC	7/24/2024	33183	405.00	HYMAX Coupling
ICONIX WATERWORKS (US), INC	7/24/2024	33183	238.49	Gaskets
IN-SITU, INC	7/24/2024	33185	11,426.80	Monitoring Well Data Cables
INFOSEND	7/24/2024	33184	1,756.24	UB Statement Printing / Mailing - June 2024
INSTRUMART	7/24/2024	33186	1,953.67	2025 SCADA Improvements - Fontenay Tank
KASSIS JANETTE	7/3/2024	33134	373.15	Retiree Medical - June 2024
KASSIS JANETTE	7/24/2024	33187	373.15	Retiree Medical -
KBA DOCUMENT SOLUTIONS, LLC	7/24/2024	33188	78.64	Copier Maint / Printing Fees - July 2024
KENNEDY/JENKS CONSULTANTS	7/3/2024	33135	48,891.12	Transit Center LID Retrofit Project Management

AP Check Register cont.
July 2024

Vendor Name	Check Date	Check No.	Check Amount	Description
KENNEDY/JENKS CONSULTANTS	7/24/2024	33189	7,396.71	Monte Fiore Booster Rehab - Project Management
KING MANAGEMENT - ATTN: SAVHANNA NEVIN	7/24/2024	33190	189.00	Customer Rebates - Sparay Irrigation Replacement - 108 Viki Ct
KINGS VILLAGE SHOPPING CENTER	7/24/2024	33191	1,280.00	Transit Center LID Retrofit - Reimbursement for Easement Review
KURNS NICK	7/24/2024	33192	68.05	Reimbursement - 4th of July Parade - Pizza
LEISHMAN WADE	7/3/2024	33136	208.43	Director Medical - June 2024
LEISHMAN WADE	7/24/2024	33193	208.43	Director Medical - July 2024
MCNAIR DAVID	7/3/2024	33137	105.00	Reimbursement - D5 Cert Renewal - McNair
MESITI-MILLER ENGINEERING, INC	7/24/2024	33194	710.00	Bethany Tank - Engineering Support
MILLER MAXFIELD, INC	7/24/2024	33195	19,128.38	Communication & Public Outreach - June 2024
MISSION UNIFORM SERVICE	7/24/2024	33196	297.22	Uniform Rental / Laundering - June 2024
MONTEREY BAY ANALYTICAL SERVICES	7/24/2024	33197	826.00	Lab Testing for Water Quality
MONTGOMERY & ASSOCIATES, INC	7/3/2024	33138	944.00	Sucinto Well - Reporting
MONTGOMERY & ASSOCIATES, INC	7/24/2024	33138	25,859.98	Sucinto Well - Construction Management
MONTGOMERY & ASSOCIATES, INC	7/3/2024	33138	34,189.92	Sucinto Wel - Construction Management
MONTGOMERY & ASSOCIATES, INC	7/3/2024	33138	1,097.00	Grace Way Well - Permit Support
MONTGOMERY & ASSOCIATES, INC	7/3/2024	33138	3,942.59	Grace Way Well - Bid Assistance
NORTON PATRICIA	7/3/2024	33139	517.01	Retiree Medical - June 2024
NORTON PATRICIA	7/24/2024	33198	18.56	Retiree Vision -
NORTON PATRICIA	7/24/2024	33198	464.73	Retiree Medical - July 2024
NORTON PATRICIA	7/24/2024	33198	33.72	Retiree Dental -
O'REILLY AUTOMOTIVE, INC	7/3/2024	33142	71.82	Car Wash Supplies
OLIVAS JAMES R.	7/3/2024	33140	181.11	Refund Check 005606-000, 101 SAN AUGUSTINE WAY
ONSITE EQUIPMENT AND TRACTOR REPAIR, INC	7/3/2024	33141	3,959.69	Equipment Repair
PACIFIC GAS & ELECTRIC	7/3/2024	33143	158.40	Electricity - Skypark
PACIFIC GAS & ELECTRIC	7/3/2024	33143	81.42	Electricity - Polo Ranch
PACIFIC GAS & ELECTRIC	7/24/2024	33199	81.42	Electricity - Polo Ranch
PALACE BUSINESS SOLUTIONS	7/3/2024	33144	420.80	OPS Office Supplies - Printer Ink, Markers
PALACE BUSINESS SOLUTIONS	7/24/2024	33200	578.00	Office Desk Install
PERRI CHRISTOPHER	7/3/2024	33145	979.88	Director Medical - June 2024
PERRI CHRISTOPHER	7/24/2024	33201	979.88	Director Medical - July 2024
PIED PIPER EXTERMINATORS	7/3/2024	33146	270.00	Pest Control @ Pump Buildings
PRESS BANNER	7/3/2024	33147	322.00	Recruitment Ad - Utility Service Technician
PRESS BANNER	7/3/2024	33147	322.00	Monthly Advertising
PRESS BANNER	7/24/2024	33202	322.00	Monthly Advertising
RAFTELIS FINANCIAL CONSULTANTS, INC	7/24/2024	33203	9,665.00	Intertie / Wheeling Rate Study
REBER DANIEL	7/3/2024	33148	1,433.37	Director Medical - June 2024
REBER DANIEL	7/24/2024	33204	1,433.37	Director Medical - July 2024
ROHRBOUGHS TREE SERVICE	7/3/2024	33149	4,800.00	Tree Trimming / Clean up - Southwood Tank, Sequoia Tank
SANTA CRUZ FIRE EQUIPMENT CO	7/3/2024	33150	1,168.00	Fire Extinguisher Annual Maintenance - El Pueblo
SCHULZ ALEXANDER	7/24/2024	33205	50.00	Associate Director Fees - Apr - Jun 2024
SCOTTS VALLEY SPRINKLER	7/3/2024	33151	7.67	Valve
SCOTTS VALLEY SPRINKLER	7/3/2024	33151	(55.92)	Return - Fittings
SCOTTS VALLEY SPRINKLER	7/3/2024	33151	40.17	Pipe Fittings
SCOTTS VALLEY SPRINKLER	7/3/2024	33151	162.27	Fittings
SCOTTS VALLEY SPRINKLER	7/24/2024	33206	28.51	Thread Seal, PVC Cement
SCOTTS VALLEY SPRINKLER	7/24/2024	33206	6.56	PVC Fittings
SPRING LAKES MOBILE HOME PARK	7/3/2024	33152	2,194.23	Refund Check 007450-000, 225 MT HERMON RD
SPRINGBROOK HOLDING COMPANY, LLC	7/24/2024	33207	2,634.00	CC Payment Transaction Fees - June 2024
ST LEGER BARTER STAN G.	7/24/2024	33208	2,420.00	Customer Rebates - Lawn Replacement
STEVENSON LANDSCAPING	7/3/2024	33153	1,500.00	Landscaping @ OPS Locations
STEVENSON LANDSCAPING	7/3/2024	33153	600.00	Landscaping
STILES RUTH	7/3/2024	33154	398.21	Director Medical - June 2024
STILES RUTH	7/24/2024	33209	398.21	Director Medical - July 2024
SYCAL ENGINEERING, INC	7/3/2024	33155	2,094.10	Ethernet Polling
SYCAL ENGINEERING, INC	7/24/2024	33210	1,810.00	Sucinto Well - Engineering for SCADA
SYCAL ENGINEERING, INC	7/24/2024	33210	3,169.62	Ethernet Polling
THEISSEN ULI	7/3/2024	33156	3,904.00	Customer Rebates - Lawn Replacement
TOTAL COMPENSATION SYSTEMS, INC	7/3/2024	33157	1,530.00	GASB 75 Valuation
TWO BROTHERS CATHODIC SERVICES	7/24/2024	33211	3,500.00	Annual Service - Water Tanks
U.S. BANK EQUIPMENT FINANCE	7/24/2024	33212	372.14	Copier Lease
UNDERGROUND SERVICE ALERT OF NORTHERN CA AND NEV	7/24/2024	33213	933.66	USA Dig Safe Fees - FY 2025
UNITED SITE SERVICES	7/3/2024	33158	340.27	Portable Toilet Rental - Well 10
UNIVERSAL BUILDING SERVICES	7/24/2024	33214	479.00	Janitorial Service - El Pueblo - June 2024
UNIVERSAL BUILDING SERVICES	7/24/2024	33214	589.00	Janitorial Service - 2 Civic Center - June 2024
VALERO FLEET	7/3/2024	33159	89.43	Vehicle Fuel - June 2024
WEBSOFT DEVELOPERS, INC	7/24/2024	33215	24,700.00	Mobile MMS Subscription - FY2025

434,942.97

Wire / ACH Payments

July 2024

Vendor Name	Trans Date	Check No.	Trans Amount	Description
ADP	7/12/2024	n/a	324.30	ADP Workforce Now / Time & Attendance Fees - June 2024
ADP	7/12/2024	n/a	416.00	ADP PW24, PW26 Fees
BlueFin	7/2/2024	n/a	79.89	Bluefin Civic PayPad Fees - May 2024
BlueFin	7/2/2024	n/a	8,083.70	Bluefin CC Processing Fees - May 2024
BlueFin	7/2/2024	n/a	157.01	Bluefin - Municipal Pay Fee - May 2024
CalPERS	7/11/2024	n/a	13,981.52	CalPERS Retirement PW 28
CalPERS	7/17/2024	n/a	73,411.00	CalPERS Unfunded Liability Payment
CalPERS	7/25/2024	n/a	14,524.40	CalPERS Retirement PW 30
Nationwide	7/11/2024	n/a	2,955.79	IRS 457 Plan - Payroll Date 06/14/24
Nationwide	7/25/2024	n/a	2,955.79	IRS 457 Plan - Payroll Date 06/28/24
Wells Fargo Bank	7/29/2024	n/a	9,855.99	WFB CC Payment - June 2024
			126,745.39	

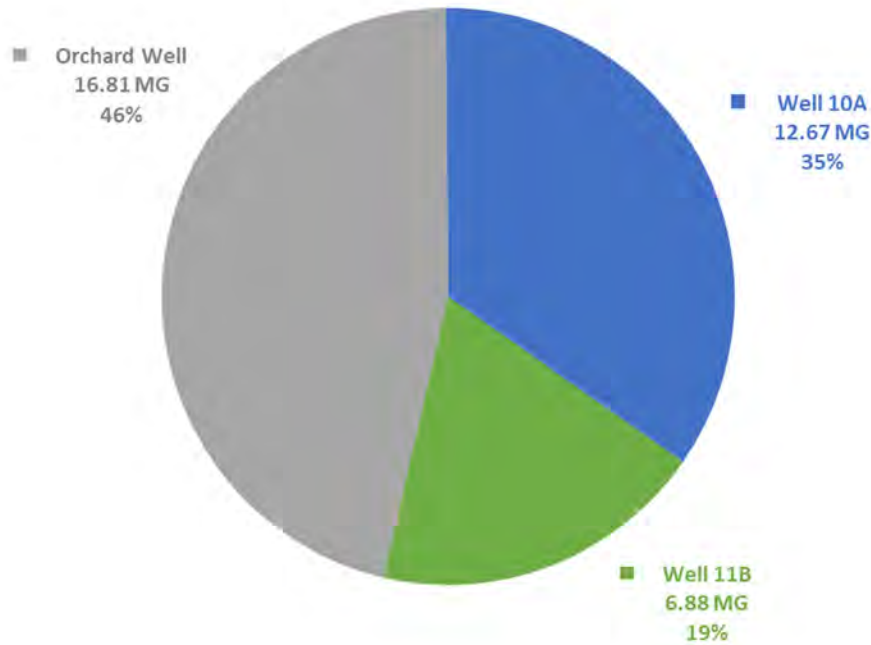
WFB Credit Card Payment

July 2024

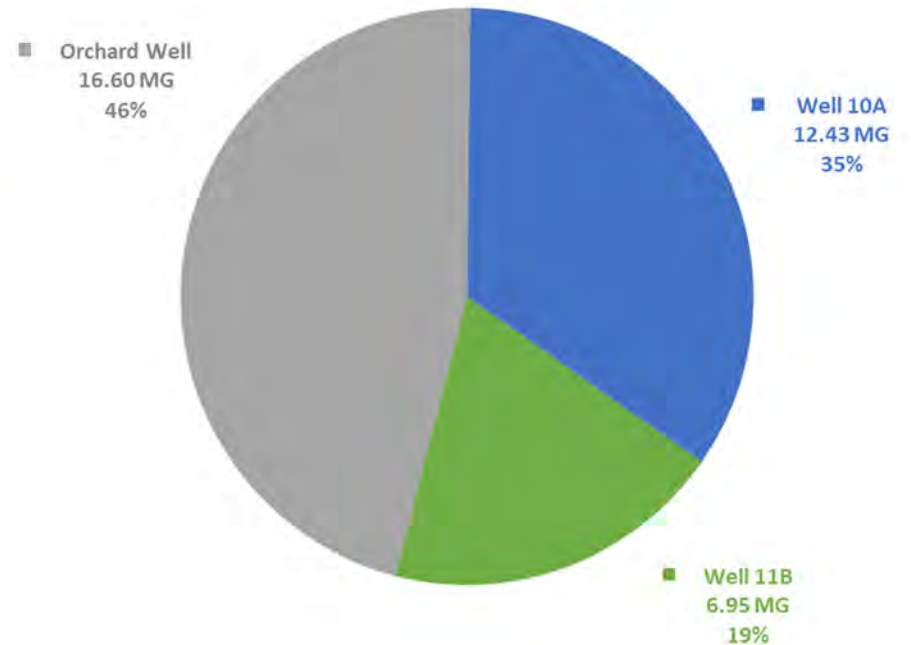
Vendor Name	Trans Date	Check No.	Trans Amount	Description
A T & T	6/4/2024	n/a	85.60	Backup Internet - El Pueblo
A T & T	6/4/2024	n/a	101.65	Backup Internet - 2 Civic Ctr
ADOBE	6/12/2024	n/a	266.28	Acrobat Pro License
AMAZON	6/6/2024	n/a	21.84	Concrete Sealant
AMAZON	6/11/2024	n/a	14.26	Cardstock Paper
AMAZON	6/12/2024	n/a	41.66	Ipad Chargers
AMAZON	6/12/2024	n/a	15.35	Document Storage Band
AMAZON	6/17/2024	n/a	39.87	Charging Cables
AMAZON	6/18/2024	n/a	61.53	Envelopes
AMAZON	6/27/2024	n/a	35.12	Waterproof Module Transformer
AMAZON	6/27/2024	n/a	21.92	Antenna for Routers
APPLE, INC.	6/27/2024	n/a	474.78	Ipad/Case for Director
AUNTIE MAME'S CAFE	6/20/2024	n/a	41.48	Director Lunch Meeting
COMCAST	6/6/2024	n/a	467.92	Internet - 2 Civic Center
COMCAST	6/23/2024	n/a	467.92	Internet - El Pueblo
EVO STUDIOS INC.	6/22/2024	n/a	124.00	Website Hosting / Maint
HILTON - SCOTTS VALLEY, CA	6/4/2024	n/a	2,174.83	Sucinto Well - Lodging for Residents
HILTON - SCOTTS VALLEY, CA	6/8/2024	n/a	1,700.78	Sucinto Well - Lodging for Residents
LAUGHING MONK BREWERY - SCOTTS VALLEY	6/14/2024	n/a	57.49	Director Lunch Meeting
MAILCHIMP	6/4/2024	n/a	92.00	Digital Marketing
NATIONAL RURAL WATER ASSOCIATION	6/4/2024	n/a	125.00	Utility Management Certification Training - McNair
PLANET ORANGE	6/14/2024	n/a	69.00	Pest Control - El Pueblo
PLANET ORANGE	6/14/2024	n/a	104.00	Pest Control - 2 Civic Center
PORTOFINO INN & SUITES - ANAHEIM	6/14/2024	n/a	1,214.48	AWWA Conference - Ritchie
PORTOFINO INN & SUITES - ANAHEIM	6/14/2024	n/a	1,214.48	AWWA Conference - Flores
TARGET - SCOTTS VALLEY	6/21/2024	n/a	35.85	Drinks for Work Crew
TIMES PUBLISHING GROUP, INC	6/4/2024	n/a	178.50	Monthly Advertising
TIMES PUBLISHING GROUP, INC	7/1/2024	n/a	178.50	Monthly Advertising
UPS STORE	6/28/2024	n/a	14.09	ADM Shipping
VERIZON WIRELESS	7/1/2024	n/a	375.81	Cell Phones / Tablets
ZOOM	6/25/2024	n/a	40.00	Zoom Cloud Recording
			9,855.99	

Well Production

July 2024



August 2024

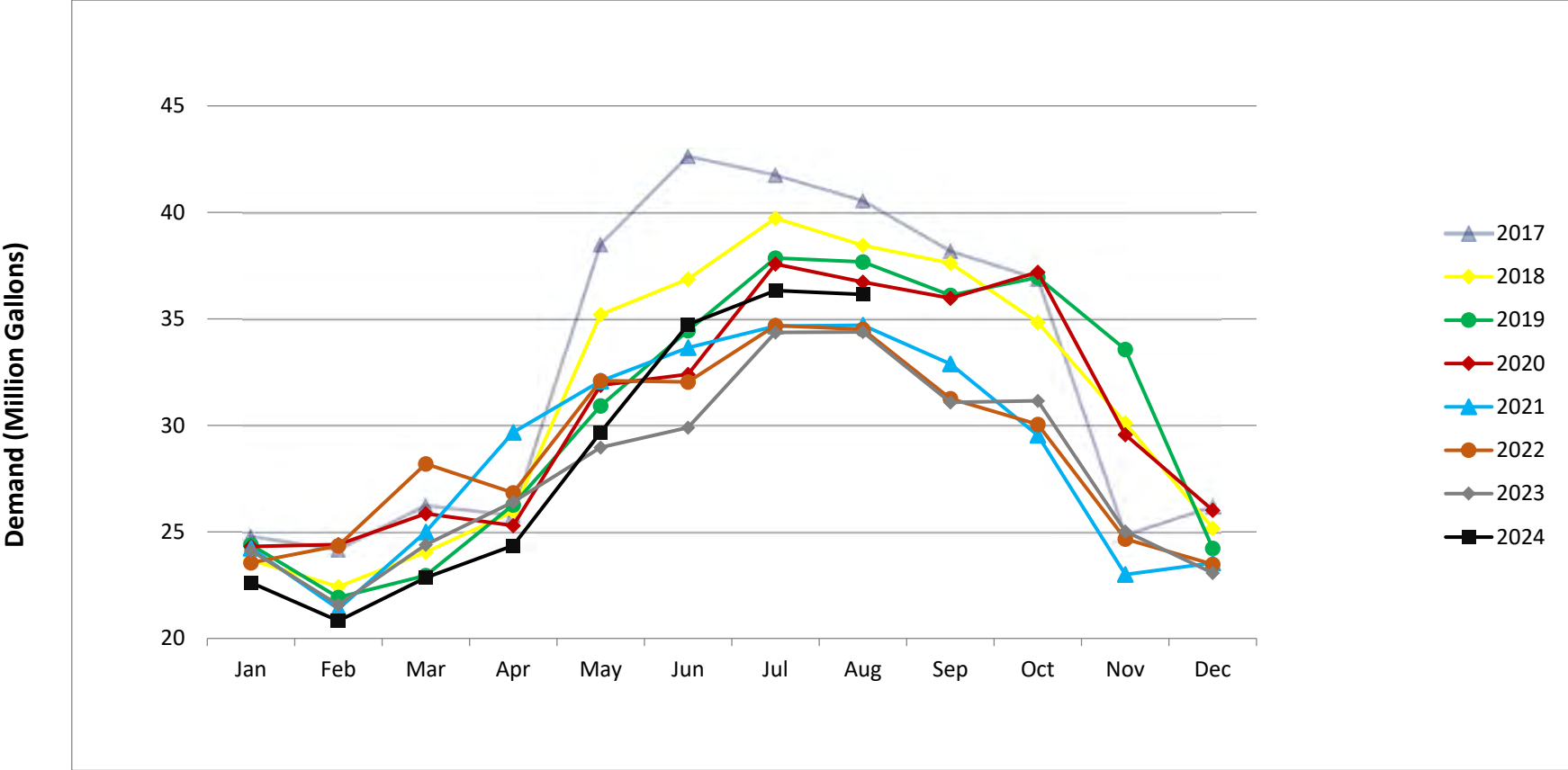


Total Production (Million Gallons)

July 2024	36.36 MG	4.51 % increase from June
August 2024	35.98 MG	1.05% decrease from July

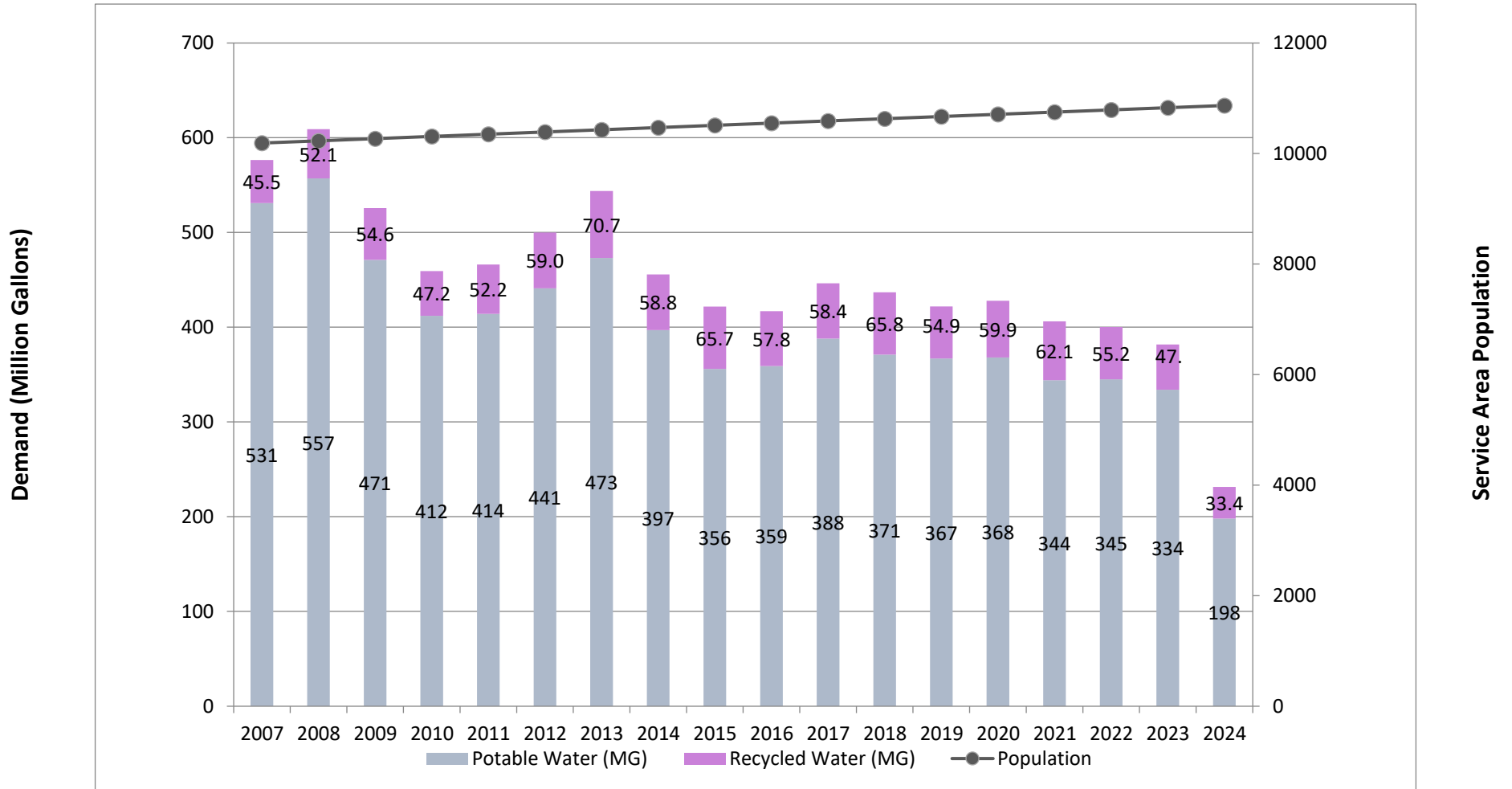
Production is Water Pumped +/- Water used for Well Maintenance Activities

Potable Water Demand



Demand is Production +/- Change in Storage

Potable and Recycled Water Demand vs. Population



Demand is Production +/- the Change in Storage

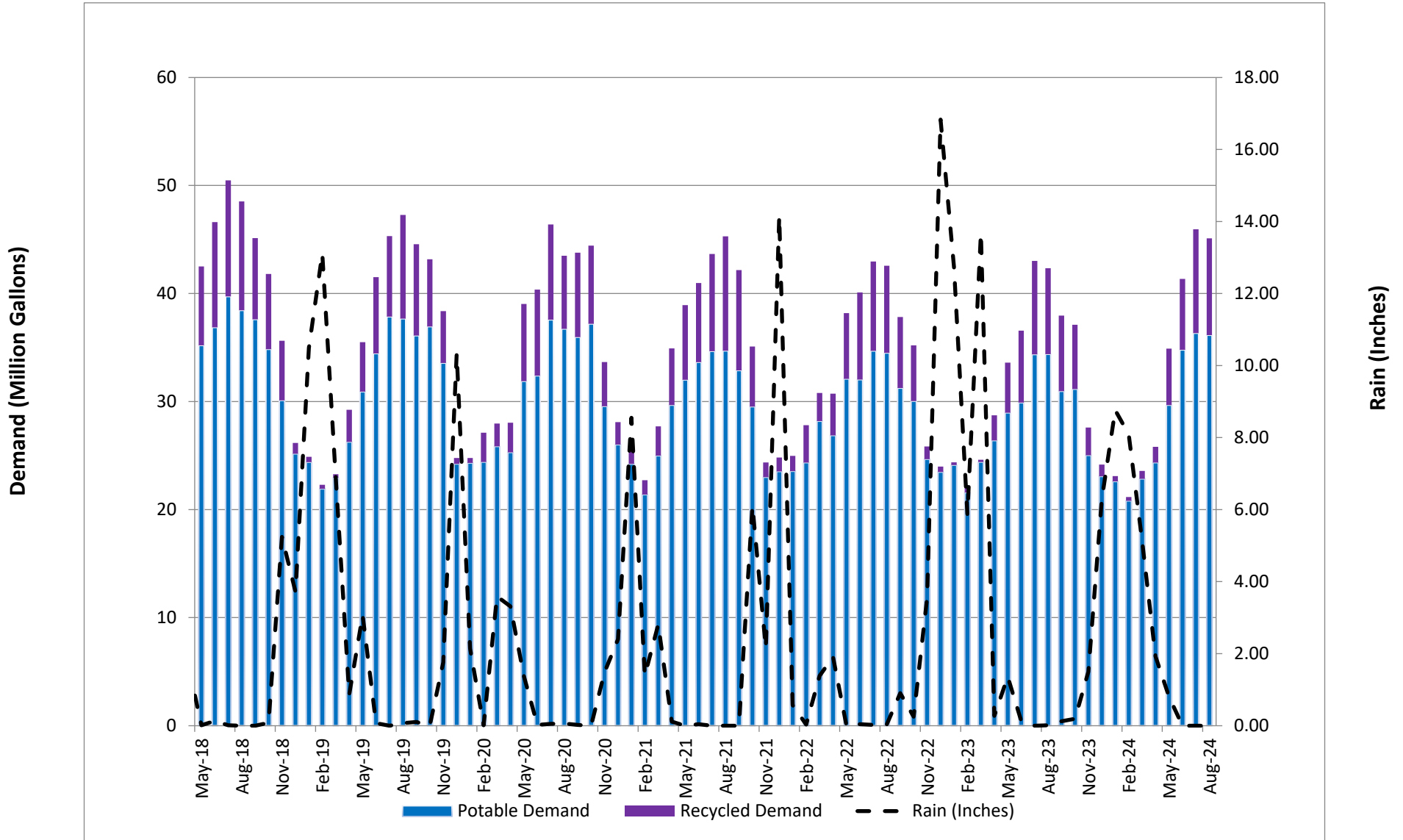
Potable and Recycled Water Demand

Potable Water Demand												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Average
Jan.	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	24,119,305	22,612,521	24,803,396
Feb.	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	21,575,598	20,824,472	22,751,570
March	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	24,399,552	22,891,909	25,634,865
April	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	26,400,163	24,354,490	27,022,311
May	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	28,966,291	29,670,848	32,888,664
June	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	29,896,397	34,787,137	35,036,756
July	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	34,363,749	36,331,090	37,556,053
Aug.	41,020,790	35,765,167	38,541,952	39,982,246	38,720,060	37,666,598	36,637,898	34,701,240	34,501,423	34,386,798	36,149,775	37,097,632
Sept.	36,533,116	33,498,030	35,653,167	38,190,535	35,202,216	36,106,611	35,968,389	32,885,092	31,253,961	31,079,985		34,637,110
Oct.	34,840,142	32,589,534	30,517,556	36,888,905	34,746,760	36,940,853	37,193,525	29,533,005	30,045,717	31,153,726		33,444,972
Nov.	25,524,197	24,110,286	24,388,656	24,864,436	30,389,575	33,566,905	29,565,349	23,000,320	24,666,665	25,025,140		26,510,153
Dec.	24,261,522	23,866,862	24,379,124	26,194,926	25,160,789	24,225,007	26,013,773	23,538,533	23,479,712	23,072,563		24,419,281
Total	397,193,044	356,483,075	358,577,047	387,828,472	370,543,233	367,011,756	367,865,818	344,331,827	345,705,288	334,439,267	197,951,394	362,997,883

Recycled Water Demand												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Average
Jan.	3,019,613	635,420	862,984	156,267	838,172	493,100	450,147	1,560,234	1,416,939	257,000	487,999	925,261
Feb.	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	556,474	354,948	1,461,502
March	1,579,882	4,231,231	972,360	544,666	1,141,831	322,464	2,109,739	2,709,295	2,600,242	211,737	729,105	1,559,323
April	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	2,324,685	1,454,527	3,173,179
May	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	4,632,368	5,225,680	6,527,341
June	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	6,663,896	6,566,276	8,054,390
July	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	8,655,000	9,618,930	9,657,571
Aug.	8,542,111	10,471,389	8,767,020	9,618,897	10,078,073	9,594,307	6,760,659	10,595,314	8,072,792	7,955,736	8,956,104	9,037,491
Sept.	6,176,224	9,092,727	8,287,511	7,957,562	7,522,571	8,451,961	7,814,358	9,281,685	6,569,246	6,989,264		7,814,311
Oct.	5,282,253	7,233,408	3,956,097	7,557,695	6,967,548	6,228,883	7,236,784	5,554,683	5,155,789	5,948,841		6,112,198
Nov.	1,131,988	2,817,778	1,053,779	2,234,592	5,514,338	4,805,871	4,087,453	1,364,789	1,171,421	2,567,105		2,674,911
Dec.	236,228	1,119,017	529,158	1,670,966	994,336	544,650	2,075,116	1,282,474	504,442	1,096,264		1,005,265
Total	58,836,264	65,978,129	58,014,734	58,378,757	65,770,410	54,890,074	59,910,655	62,159,624	55,232,913	47,858,370	33,393,569	58,702,993

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	211%
	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	58%
	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	50%
	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	65%
	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	82%
	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	115%
	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	156%
	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	121%
	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	101%
	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	140%
	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	155%
	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	81%
	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	113%
	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	142%
	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	79%
	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	104%
	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	196%
	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	59%
	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	107%
Low Year	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%
	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	41%
	2021-22	6.10	2.15	14.15	0.57	0.03	1.37	1.91	0.00	0.04	0.02	0.03	0.90	27.27	67%
	2022-23	0.25	3.53	16.83	12.74	5.87	13.68	0.27	1.36	0.14	0.00	0.01	0.12	54.80	134%
	2023-24	0.19	1.50	6.28	8.76	8.09	5.13	1.92	0.80	0.00	0.00	0.00		32.67	80%
Cumulative 2023-2024		0.19	1.69	7.97	16.73	24.82	29.95	31.87	32.67	32.67	32.67	32.67			
Monthly Avg. 1981-2024		1.90	4.58	8.16	8.22	7.68	6.43	2.37	0.95	0.23	0.01	0.04	0.27	40.83	
Cumulative Avg. 1981-2024		1.90	6.48	14.63	22.85	30.53	36.96	39.33	40.28	40.51	40.52	40.56	40.83	40.83	

NEWSLETTER



SCOTTS VALLEY
WATER DISTRICT



HIGHLIGHTS

Billing Changes on Tap

New METRO Center Project

Sucinto Well

Bill pay feature coming to WaterSmart

Changes are coming to the District's auto-payment system this fall! The auto-pay feature will be available within **WaterSmart**, the free online platform that helps customers track and manage their water use.

Festival Recap

Enroll now in **WaterSmart** to be prepared for this new service, debuting in October.

Save water by switching aerators

Expanded groundwater recharge system planned for Cavallaro Transit Center

The Scotts Valley Water District will develop the second phase of groundwater recharge system at the Cavallaro Transit Center on Kings Village Drive.

Funded through the California Department of Water Resources Urban Community Drought Relief Grant Program, the project will provide “low impact development” parking lot features to reduce stormwater volumes, improve water quality and increase groundwater recharge through the capture and treatment of stormwater from the south end of the parking lot at the property.

This work is the second phase of an aquifer recharge project that began in 2016. Three tree-well biofiltration units will be installed to treat stormwater before it percolates into the aquifer. A hydrodynamic separator will remove any solids, such as trash, as part of this process.

The first phase included the excavation for the infiltration gallery and construction of a retaining wall and bio swale. Once captured and treated, the water seeps through the soil into the aquifer that SVWD draws on to provide water to customers. It can take years for water to travel through layers of soil and sandstone into the aquifer.

SVWD has monitored the rate and volume of percolation of the existing recharge area. Approximately 3-acre feet – nearly 1 million gallons – of water has recharged to the aquifer each year since 2017. The expansion of the groundwater recharge system is expected to increase the annual recharge to 2.3 million gallons.

Work hours will be Monday to Friday from 8 a.m. to 4:30 p.m. The work is expected to be completed by early January 2025. The \$1.5million project has been approved by the City of Scotts Valley and Santa Cruz METRO.

There will be temporary parking changes at the **transit center**: overflow parking will be available in the City-owned dirt lot across the street and disabled parking will be relocated to the northwest end of the parking lot during construction.



Sucinto Well project nears completion

Test pumping for the **Sucinto Well** is ongoing. The driller is working on a plan to enhance pump development with the goal of improving yield from the well.

This week, the pump depth will be lowered and test pumping should resume . The test pumping is done to ensure that the well reaches its maximum potential yield in order to

Thanks Art Beer & Wine Festival!

District staff had a great time pouring free, local, ice-cold water at the **Scotts Valley Art, Beer & Wine Festival** earlier this month. Thanks to everyone who came out for this fun community event.

Check out this fun video montage featuring the District's gorgeous new water dispensing setup. It's very demure, very mindful.

provide a consistent supply of water to District customers.



Finding a new flow in your bathroom

Have you considered swapping the aerators in your sink? That simple action could save as much as 0.5 to 1 gallon of water per minute when you use the bathroom sink. SVWD customers can come to the District office and pick up an aerator for their home.

Follow the District on [Facebook](#) and [Instagram](#) for tips, news and updates!



**SCOTTS VALLEY
WATER DISTRICT**
svwd.org