



SCOTTS VALLEY WATER DISTRICT

AGENDA PACKET

REGULAR BOARD MEETING

4/9/26 at 6:00 p.m.

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

This meeting is conducted in a hybrid setting.

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

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

BOARD OF DIRECTORS

Ruth Stiles, President

Bill Ekwall, Vice President

Wade Leishman, Director

Chris Perri, Director

Danny Reber, Director

Dominic Osorio, Associate Director

Demitri Vavaroutsos, Associate Director

David McNair, General Manager

Water Industry Acronyms

AF – Acre Foot	PVC Pipe – Polyvinyl Chloride Pipe
AFY – Acre Foot per Year	RWMF – Regional Water Management Foundation
ACWA – Association of California Water Agencies	RFP – Request for Proposals
ACWA JPIA – ACWA Joint Powers Insurance Authority	ROW – Right-of-way
AWWA – American Water Works Association	RWQCB – Regional Water Quality Control Board
BMP – Best Management Practices	SCADA – Supervisory Control & Data Acquisition
CCR – Consumer Confidence Report	SCWD – Santa Cruz Water Department (City of)
CD – Certificate of Deposit	SDWA – Safe Drinking Water Act
CEQA - California Environmental Quality Act	SGMA – Sustainable Groundwater Management Act
CIP – Capital Improvement Project	SLVWD – San Lorenzo Valley Water District
CSDA – California Special District Association	SMGWA – Santa Margarita Groundwater Agency
DHS – Department of Health Services	SqCWD – Soquel Creek Water District
DWR – Department of Water Resources	SWRCB – State Water Resources Control Board
EIR – Environmental Impact Report	TP – Treatment Plant
EPA – Environmental Protection Agency	WY – Water Year
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	



SCOTTS VALLEY WATER DISTRICT

BOARD OF DIRECTORS
PRESIDENT Ruth Stiles
VICE PRESIDENT Bill Ekwall
Wade Leishman
Chris Perri
Danny Reber
ASSOCIATE DIRECTORS
Dominic Osorio
Demitri Vavaroutsos
GENERAL MANAGER
David McNair

Board of Director

Regular Meeting

4/9/26 at 6:00 p.m.

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

Agenda

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

1. Convene

- 1.1. Call to Order and Roll Call
Director Perri is video/teleconferencing from 1018 N Corbin Ln, Spokane Valley, WA
- 1.2. Pledge of Allegiance and Reflection
- 1.3. Closed Session Report
- 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 & Water Resource Committee – 3/23/26
Finance & Personnel Committee 3/25/26
Executive & Public Affairs Committee (None)
Santa Margarita Groundwater Agency Board (None)

4. Consent

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

4.1. [Approval of Minutes – Regular Board Meeting 3/12/26](#)

Recommendation: Approve the minutes of the 3/12/26 Regular Board Meeting.

5. **Public Hearings** (None)

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

6. **Business** (None)

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

6.1. [Bethany Tank Design and Engineering Services Award Contract](#)

Recommendation: Award contract and authorize the General Manager to execute an agreement with Mesiti-Miller Engineering, Inc in the amount of \$508,401.00 for the design and engineering for the replacement of Bethany Tank.

6.2. [Proposed FY27 Projects Budget](#)

Recommendation: Receive information and provide input.

6.3. [FY27 Budget Assumptions](#)

Recommendation: Receive information and provide input.

6.4. [Investment Policy](#)

Recommendation: Update Policy P200-14-1 Investments.

6.5. [Intertie 1 Water Transfer and Purchase Agreement Between the Scotts Valley Water District and City of Santa Cruz](#)

Recommendation: Authorize the General Manager to execute the Water Transfer and Purchase Agreement Between the Scotts Valley Water District (District) and City of Santa Cruz (City) for the operation of the Intertie 1 Project.

7. **Staff Reports**

7.1. Legal

District Counsel

7.2. Administrative

General Manager – oral

7.3. Finance

Finance Manager – oral

[Financial Report 07.01.25 – 2.28.26](#)

7.4. Operations

Operations Report – oral

8. **Director's Reports**

9. **Written Correspondence**

10. **Community Relations**

[March Newsletter](#)

11. Closed Session (None)

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

12. Future Items

AB 2561 Public Hearing

14. Meetings and Event Calendar

Board Meetings

5/14/26

6/11/26

7/9/26

Committee Meetings

4/22/26 Finance and Personnel

4/27/26 Engineering and Water Resources

4/22/26 Executive and Public Affairs

Santa Margarita Groundwater Agency

Board Meeting 5/28/26

15. Events

City of Scotts Valley Wildfire Preparedness Event 4/30/26

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

Engineering and Water Resources Committee

District Conference Room

2 Civic Center Drive, Scotts Valley, California

3/23/26 at 2:00 p.m.

Meeting Report

1. Convene

The meeting convened at 2:00 p.m. in the Conference Room. It was conducted in a hybrid format.

Present: Committee Members Ekwall, Perri and Jager

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

Guest: Suzy Hunt

2. Oral Communications

None.

3. Business Items

None.

4. Discussion Items

4.1. Proposed Project Budget

Operations Manager Gillespie presented the Proposed Project Budget for FY27. Committee received information.

5. District Updates

General Manager McNair discussed upcoming meeting with Scotts Valley City Manager, and an upcoming Special Meeting to discuss rates.

6. Committee Member Reports

None.

7. Future Agenda Items

Think Twice Program

Rebate Program

Recycle Water Fill Station

8. Adjourn

The meeting adjourned at 2:55 p.m.



SCOTTS VALLEY WATER DISTRICT

svwd.org  svwater

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

3/25/26 4:00 p.m.

Meeting Report

1. Convene

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

Present: Committee Members Ekwall, Leishman, and Flint

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

Guest: Corstorphine

2. Oral Communications

None.

3. Action Items

3.1. Investment Policy

General Manager McNair introduced the item, Finance & Customer Service Manager Dillon presented the updated investment policy. Committee received information.

4. Discussion Items

4.1. Employment Law Update

Board Clerk/Executive Assistant Jensen presented Employment Law Updates for 2026. Committee discussed.

4.2. Budget Assumptions

Dillon presented the Budget Assumptions for FY27. Committee discussed.

4.3. Rate Study Update

McNair provided a status update of the Rate Study. Committee received information.

4.4. Financials 7.1.25 – 2.28.26

Dillon presented the financial report. Committee reviewed information.

5. District Updates

None.

6. Reports or Information from Committee Members

None.

7. Future Agenda Items

Debt Management Policy

8. Adjourn

The meeting adjourned at 5:05 p.m.

Board of Directors

Regular Meeting

3/12/26 at 6:00 p.m.

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

Minutes

1. Convene

1.1. Call to Order and Roll Call

President Stiles called the meeting to order at 6:02 p.m. in the Santa Margarita Community Room. The meeting was conducted in a hybrid setting. Director Perri indicated he would be teleconferencing from 1018 N Corbin Ln, Spokane Valley, WA.

Directors

Bill Ekwall

Wade Leishman

Ruth Stiles

Chris Perri

Staff

Terry Rein, Legal Counsel

Nate Gillespie, Operations Manager

John Dillon, Finance & Customer Service Manager

David McNair, General Manager

Rahni Jensen, Executive Assistant/Board Clerk

Junior Board

Dominic Osorio

Demitri Vavaroutsos

Guests

Sanjay Guar

Justin Shobe

Absent

Danny Reber

Charles Diamond

Philip L'Amoreaux

1.2. Pledge of Allegiance and Invocation

Director Ekwall led the pledge, and Director Leishman led the reflection.

1.3. Closed Session Report

None.

1.4. Additions/Deletions to the Agenda

None.

1.5. Oral Communications

None.

2. Presentation

Rate Study Update

Sanjay Guar with Water Economics provided a presentation. The Board discussed and provided direction.

Urban Water Management Plan Update

Justin Shobe with Shobe Engineering provided a presentation. The Board received information

and discussed.

3. Administrative

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

3.1. Committee and Other Agency Meeting Reports

Engineering & Water Resource Committee 2/23/26

Nothing to add to the written report.

Finance & Personnel Committee 2/23/26

Nothing to add to the written report.

Executive & Public Affairs Committee 2/25/26

Nothing to add to the written report.

Santa Margarita Groundwater Agency Board 2/26/26

Nothing to add.

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 2/12/26

Approved the minutes of the 2/12/26 Regular Board Meeting

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

5. Public Hearings (None)

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

6. Business (None)

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

7. Staff Reports

7.1. Legal

Legal Council Rein provided information regarding calculating ADU meter fees.

7.2. Administrative

McNair provided an update regarding current rainfall totals, and relations with City of Scotts Valley.

7.3. Finance

Financial Report 7/1/25 – 1/31/26

Customer Service & Finance Manager Dillon had nothing to add to the finance report, and indicated there would be a budget update next meeting

7.4. Operations

Operations Report

Production, Demand & Rainfall

Gillespie provided updates regarding design RFPs for Bethany tank, a new main project, flushing program update, and thanked work completed by staff at the Nob Hill shopping center.

8. Directors Reports

Director Stiles indicated that a future meeting will include review of the strategic goals.

9. Written Correspondence

ACWA Regulation Roundup

SVWD SB 1001 Letter

SB 1001 Information

10. Community Relations

February Newsletter

SMGWA Highlights

SC County Chrome Six Article

CA State Water Plan 2028

11. Closed Session (None)

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

13. Future Items

Proposed Projects Budget

14. Meetings and Event Calendar

Board Meetings

4/9/26

5/14/26

6/11/26

Committee Meetings

3/25/26 Finance & Personal

3/23/26 Engineering & Water Resource

4/22/26 Executive & Public Affairs

Santa Margarita Groundwater Agency

Board Meeting 5/28/26

15. Events (None)

16. Adjourn

The meeting adjourned at 8:15 p.m

Approved:

Attest:

Ruth Stiles, Board President

David McNair, Board Secretary

DRAFT

AGENDA REPORT

Scotts Valley Water District

Date: 04/9/2026

To: Board of Directors

Item: Business 6.1

Subject: **Bethany Tank Design and Engineering Services Award Contract**

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

SUMMARY

Recommendation: Award contract and authorize the General Manager to execute an agreement with Mesiti-Miller Engineering, Inc in the amount of \$508,401.00 for the design and engineering for the replacement of Bethany Tank.

Fiscal Impact: The total amount of this contract is \$508,401. Partial funds for this project are included in the proposed FY2026 Capital and Maintenance Projects Program budget, while remaining funding will be requested in the FY2027 Capital and Maintenance Project Program budget.

Previous Related Action: On 06/12/25 the Board approved the FY 2026 Budget that included \$481,837.00 in CIP funding for the Bethany Tank Replacement project.

BACKGROUND

In 1965, the SVWD constructed Bethany Reservoir, a 400,000-gallon welded-steel tank for storage of potable water. Bethany Reservoir provides potable water for the Bethany and the Northridge pressure zones. Bethany Reservoir is the highest elevation tank within city limits. The original tank design consists of a redwood beam and joist roof framing system that is supported by steel columns, which support a ribbed metal roof panel system. In 2023, a Condition Assessment was performed by Robert W. Miles Consulting Engineers. A Technical Memorandum of this Condition Assessment was issued which noted structural defects and indicated that this tank is at the end of its service life.

Throughout the history of Bethany Reservoir, there have been geological concerns associated with this site, primarily ridgetop fracturing. The District contracted with Pacific Crest Engineering, Inc, to conduct a geotechnical assessment of the reservoir site. The District had this geotechnical Technical Memorandum reviewed by Mesiti-Millier Engineering (MME) to determine

if this reservoir site can support the project concept of two welded steel reservoirs, based on the geological assessment. MME provided the District with a Technical Memorandum describing that the site can accommodate two welded steel tanks with a combined capacity of 550,000 gallons, utilizing a mat slab foundation.

DISCUSSION

The request for proposals for design and engineering services for this project was advertised on 1/21/2026 with a close date of 3/10/2026 in accordance with the District Administrative Code, section 3.10.030, Contracting for Professional Services over \$100,000. Three engineering firms provided the District with proposals. After an evaluation committee consisting of District staff reviewed each proposal utilizing specific criteria, Mesiti-Miller Engineering, Inc provided the District with the most qualified proposal.

Submitted,

David McNair
General Manager

Enclosed: Proposal Fee Schedule



MME

CIVIL + STRUCTURAL ENGINEERING • SINCE 1987

Engineering Fee Estimate												
prepared for Scotts Valley Water District												
CE and SE Services for Bethany Tank Replacement												
Mesiti-Miller Engineering, Inc.												
MME Project Number: 26103												
3/10/2026												
Item	Task Description	Personnel and Hourly Billing Rates										Total Fee
		Principal Engineer	Engineer VI	Engineer V	Engineer IV	Engineer III	Engineer II	Engineer I	Admin Mgr	Admin Asslet	Sub Consultant	
		\$281	\$260	\$238	\$216	\$195	\$173	\$151	\$151	\$108	x 1.1	
Task One - Project Management and Coordination based on 14-month design schedule												
1	Correspondence	14	14									\$7,574
2	Sub-consultant coord.		14									\$3,640
3	Progress reports (14)		14			14						\$6,370
4	Schedule (14)		7			7						\$3,185
5	Meetings (14)	3	14									\$4,483
6	Administration								14	14		\$3,626
Sub	Reservoir Design (Robert Miles)										\$4,800	\$5,280
Subtotals:		17	63	0	0	21	0	0	14	14	4,800	\$34,158
Task Two - Permitting												
1	DDW permit											\$0
i.	Coordination	3	6			20						\$6,303
ii.	Forms and mats		4			10						\$2,990
iii.	BODR	10	20		30							\$14,490
iv.	Responses		2			5						\$1,495
2	CEQA permit assist	4	10			20						\$7,624
Sub	Reservoir Design (Robert Miles)										\$23,190	\$25,509
Subtotals:		17	42	0	30	55	0	0	0	0	23,190	\$58,411
Task 3, 4, & 5 - Construction Documents, Project Design, & Design Deliverables												
1	90% Plans											\$0
i.	Cover		3					12				\$2,592
ii.	Site Plan	5				18						\$4,915
iii.	Grading	3				12						\$3,183
iv.	Drainage	3				14						\$3,573
v.	Piping	10				18						\$6,320
vi.	Piping profiles	3				8						\$2,403
vii.	Site Details	3				14						\$3,573
viii.	Erosion Control	3				8						\$2,403
ix.	Demo Plan		3					14				\$2,894
x.	Phasing Plan		3					14				\$2,894
xi.	Tank Fdn Plan		10					20				\$5,620
xii.	Foundation Details		30					24				\$11,424
2	100% Plans	8	24			20		20				\$15,408
3	90% & 100% Specs	5	5			16						\$5,825
4	Cost Estimate	4	4			15						\$5,089
5	QA/QC Final Review	6	10			12		12				\$8,438
Sub	Reservoir Design (Robert Miles and BACC)										\$44,980	\$49,478
Sub	Geotechnical (Pacifi Crest Engineering)										\$17,480	\$19,228
Sub	Survey (Alpha Land Surveys)										\$5,200	\$5,720
Subtotals:		53	92	0	0	155	0	116	0	0		\$160,980



MME

CIVIL + STRUCTURAL ENGINEERING • SINCE 1987

Task 6 - Bid Support											
1	Pre-bid meeting	3	3								\$1,623
2	Questions & Bid Adde	13	13			20					\$10,933
3	Clarification Memo	3	3			6					\$2,793
4	Administration							2	2		\$518
Sub	Reservoir Design (Robert Miles and BACC)									\$2,130	\$2,343
Subtotals:		19	19	0	0	26	0	0	2	2	\$18,210
Task 7 - Construction Support based on 16 month Construction Schedule											
1	Pre-con meeting		6			6					\$2,730
2	Coord. Subconsut.	15	8			30					\$12,145
3	Meetings (15 @ 1 H)	5	15			15					\$8,230
4	Change order review	6	6			15					\$6,171
5	RFIs	5	20			60					\$18,305
6	Tech Sub. Review		6			15					\$4,485
7	Deferred Sub. Review		6			15					\$4,485
8	Site visit (10 @ 3 H)	6	18			12					\$8,706
9	Punch List	6	6			20					\$7,146
10	Record Drawings	8	8			30					\$10,178
11	Administration	15	8			30					\$12,145
Sub	Cons Engr Svcs (Robert Miles)									\$25,200	\$27,720
Sub	Field obs & Coatings Insp (Robert Miles and BACC)									\$103,690	\$114,059
Subtotals:		66	107	0	0	248	0	0	0	0	\$236,505
MME In-house Services Subtotal:											\$258,927
Subconsultant Services Subtotal:											\$249,337
Services Subtotal:											\$508,264
Reimbursable Expenses											
1	Plotting and Delivery (per sheet)										\$100
2	Mileage							50		0.73	\$37
Subtotals:											\$137
Services and Expenses Total:											\$508,401

This is our estimate based on currently available information. We may redistribute compensation between phases to be consistent with the hours of services provided, but shall not exceed the total unless approved by the Client. This estimate is based on hourly rates effective through December 2026

Our subconsultants are specified within each task of our fee proposal.

The MME staff that we propose will work on this project are:

<u>Name</u>	<u>Title</u>
Rodney Cahill, PE	Principal
Bob Riley, SE	Engineer VI
Angie Hebard, PE	Engineer III
Tristan Sayre, PE	Engineer III
Nick Salibi, PE	Engineer III
Jacob Garibay	Engineer I (please note Jacob is a recent addition to the team and his MME resume is not yet final)
Isea Ashby	Administrative Manager
Ginger Sturgis	Administrative Assistant

Scotts Valley Water District CIP PROJECTS PROPOSAL FY 2027



FY 2026 Projects Status

- Total Budget \$15.954 million (\$6.881 million in grant funding)
- Total of 18 projects
- Estimated \$2.557 million in rollover funding
- Note: District 50% cost share of grant overages for Intertie 1 project are \$1.898M.

FY 2027 Proposed Projects Summary

- Prior year rollover \$2.56 million.
- New allocations \$2.896 million
- Total \$5.453 million for 18 projects.

1 Distribution System Projects

- Design: (\$460k in new allocations)
 - Sawyer Circle Main: Replacing 1,500LF of undersized 2" and 4" bluebell pipe with 8" C900. (Est. \$90k)
 - New main connecting Lockhart Gulch with Green Valley Dr. Approximately 2,000 LF of new main. (Est. \$90k)
 - Main replacement at Whispering Pines and Mt. Hermon rd. Existing undersized 6" and 4" in stretch of main. Approximately 1,350 LF. (Est. \$90k)
 - Design of main replacement on Cadillac Dr (Est \$90k)
 - Design and Construction of Lucinda St I-beam to span Bean Creek and connect at FY26 main improvements at Lucinda St. (\$100k).
- Monteville Distribution System Improvements: Main line isolation improvements (repair, replacement and installation of isolation valves). \$112,000 (rollover from FY26)
- System Wide Pressure reduction program: Design of Lauren Circle PRV Stations (\$75k, utilize rollover funding).

2 Water Treatment Plants

- El Pueblo WTP: (\$166k rollover funding)
 - Correction of Air Gap at El Pueblo Tank+ WEV 4" to 6" upgrade
 - Generator replacement
- Orchard Run WTP:
 - Installation of VFD on booster pumps 1, 2 and 3(\$160k rollover funding)
 - Re-design and construction of booster effluent manifold (\$75k new allocations)
- Well 10A
 - Upgrade Well 10A PLC (rollover funding)
 - Complete curb repair and asphalt sealing (\$15k new allocations)

3 Tanks

- Bethany Tank: Continue engineering and design following Glenwood Tank (Utilize \$331k in estimated rollover, add \$102k for actual design costs plus \$75k contingency)
- Glenwood Tank: Complete construction of Glenwood tank pin pile wall and site drainage improvements (utilize \$455k in rollover plus \$795k in new appropriations)
- Sequoia Tank: Utilize rollover funding for 1 year warranty inspection of FY26 coating improvements

4 Booster Stations

- Monte Fiore Pump Station Rehab:
 - In-house Site improvements including new electrical improvements, pumps, piping, and equipment shelter (\$339k rollover funding)
- Sand Hill Pump Station
 - Engineering to upgrade electrical components, controls, equipment shelter, pumps, piping and add a propane generator (\$90k in new appropriations)

5 Wells

- Sucinto Well: FY27 Site improvements include repaving, fencing, and backup power generator. (\$139k in FY 26 rollover)
- Grace Way Well: FY27 Complete site improvements, raw water main connection, well equipping, (FY26\$930k in rollover funding, \$835k is grant reimbursable, FY27 \$900k in new appropriations to complete project).
- Orchard Run Well: FY27 Maintenance rehab for well. (\$255k in rollover funding).

6 Technology Enhancements

- SCADA Improvements: Replace obsolete radio transmitters and RTU's at District treatment, pumping and storage facilities in a multi-year phased approach.
- FY 2027: upgrade four sites (\$147k rollover funding)

7 AMI & Meter Infrastructure Maintenance

- FY 2027 replace 150x Sensus meters meters of various sizes and 200 AMI transmitters. Utilize temporary labor to assist operations crew (Meters: \$26k, transmitters: \$38k, temp labor:\$50k, new allocations)

- # 8
Fleet &
Buildings

- Purchase F250 service truck (New FY27 \$85k)
- Specialized Operations Equipment: Purchase new backhoe/loader (Utilize \$39k in rollover funding, new allocations of 161k).
- Corporation Yard Improvements:
 - Re-line settling basin, move above ground filter rinse line to underground, repaint operations modular building, repair roof of lab building, purchase equipment cover (\$35k in rollover funding, 65k in new allocations)
- Administration Building Improvements- Roofing repairs, replace redwood decking, replace rotting siding (\$11k in rollover, 25k in new allocations)



SCOTTS VALLEY WATER DISTRICT

svwd.org  svwater

Nate Gillespie

Operations Manager

ngillespie@svwd.org

(831) 600-1903

SCOTTS VALLEY WATER DISTRICT										
FY 2027 Budget: Projects Program Projections										
CAPITAL IMPROVEMENT AND MAINTENANCE PROJECTS										
Category	Project Name	Project Description	Project #	Cap/ Mntce	FY 2026 Budget	FY26 YTD	FY 26 Est Year End	Est FY26 Roll Forward	FY27 New Budget Allocations	FY 2027 Total Budget (FY26 Rollover +New Allocations)
Buildings	Administrative Building Improvements	Repairs and modifications to the office facility to support business operations	C20040		20,000	8,528		11,472	25,000	36,472
Buildings	Corp Yard Improvements	Remove unused infrastructure, paving, heavy equipment shelter.	C24050		35,425			35,425	65,000	100,425
Buildings	Solar Installation	Installation of small scale solar systems at District facilities	OPSSOLAR		25,000					
Distribution System	System wide pressure reduction program	Utilize consultant to model water system and make recommendations to reduce overall pressure in the SVWD system. Implement recommendations where feasible in the distribution system.	C24030	Cap	339,402	195,930	197,000	142,402	-	142,402
Distribution System	Distribution system improvements in Montevelle	Make system improvements in Montevelle, including locating and mapping 200+ service lines, evaluate mainline condition. Based upon mainline condition, replace sections of main and/or add additional valves. Eventual replacement of 200+ polyethelene service lines with copper- multi year project.	C24040		112,045			112,045		112,045
Fleet	Vehicle Replacement Program	Replace aging fleet: one vehicle per year on average, starting FY 2019.	C19070	Cap	180,000	103,445	190,000	-	85,000	85,000
Fleet	Specialized Operations Equipment	Replace heavy equipment and specialized vehicles on as-needed basis.		Cap	49,227			39,227	160,773	200,000
Groundwater Supply	Conjunctive Use with SLVWD or/and SCWD	SLVWD to provide SVWD excess treated surface water in winter when available to reduce pumping and improve groundwater levels in the shared basin.	tbd		-					
Mains	Main Replacement Program - Potable	Replace and upgrade potable water mains based on leak history, service life, and size	C20010	Cap	540,000	235,568	276,068	-	460,000	460,000
Mains	Abandon no longer used mains									

SCOTTS VALLEY WATER DISTRICT										
FY 2027 Budget: Projects Program Projections										
CAPITAL IMPROVEMENT AND MAINTENANCE PROJECTS										
Category	Project Name	Project Description	Project #	Cap/ Mntce	FY 2026 Budget	FY26 YTD	FY 26 Est Year End	Est FY26 Roll Forward	FY27 New Budget Allocations	FY 2027 Total Budget (FY26 Rollover +New Allocations)
Mains	SCWD-SVWD System Intertie	Design and construction of component one: 12" bi-directional pipeline and pump station.	C23010	Cap	10,621,301	1,964,667	10,621,301			
Mains	Main Replacement Program - Recycled	Design, Replace old, poor condition recycled water main with high pressure rated pipe on Whispering Pines and Mt Hermon (about 1 mile).		Cap	-					
Meters	Automated Metering Infrastructure (AMI)	Install AMI transmitters on all meters over 3-4 year period.	M17011	Cap	16,000		16,000		38,000	38,000
	19070 Meter Replacement Program	Replace all meters installed before 2012 at the rate of 800-1000 meters per year.	M17011	Mntce	60,000		60,000		86,000	86,000
Pump Stations	Monte Fiore PS Rehab	Major upgrade to include equipment shelter, pumps, piping, propane generator, electrical refurbishments and controls.	C24020		402,412	22,435	63,435	338,977		338,977
Pump Stations	Sand Hill Pump Station	Major upgrade to include equipment shelter, pumps, piping, propane generator, and controls and potential relocation of pump station							90,000	90,000
Tanks	Bethany Tank Rehabilitation	Construct additional tank on-site to allow for roof reconstruction and interior and exterior coating replacement of 400,000 gallon Bethany Tank. Project extends tank service life and provides additional permanent storage and redundancy.	C16024	Cap	481,387	1,150	150,000	331,000	101,613	432,613
Tanks	Glenwood Tank Landslide Evaluation & Repair	Geotechnical evaluation and potential mitigation measures following landside below Glenwood Tank following the federally declared disaster in January 2023. FEMA/Cal OES funding might be available.	C24010	Cap	495,000	19,930	40,000	455,000	795,000	1,250,000
Tanks		Cathodic Protection upgrade at Glenwood								
Tanks		Cathodic protection upgrade at Recycled Tank								
Tanks	Sequoia Tank Roof Recoat	Sandblast, recoat roof of Sequoia tank per DDW Sanitary Survey report. Replace tank vents.	C26040	Mntce	292,280	247,905	263,000	29,280		10,000
Tanks	Potable: Resealing seams and Safety Upgrades on Bolted Steel Tanks	Aquastore (mfg of SVWD'sk, Glenwood Tank and Southwood Tank) recommended resealing exterior seams, seams of roof structure, and installing fall protection and railing to CalOSHA standards	POTTANKSE AMS	Mntce						
Tanks	Resealing seams and Safety Upgrades on Bolted Steel Tank Recycled Tank	Aquastore (mfg of SVWD's Recycled Water Tank) recommended resealing exterior seams, seams of roof structure, and installing fall protection and railing to CalOSHA standards	RWTANKSE AMS	Mntce						
Tanks	Mt Roberta Tank Replacement	Replace existing wood 50k gal Mt Roberta tank with a 100kgal+ bolted steel tank. Project includes land acquisition								
Tanks	Villa Fontenay Tank Replacement	Replace existing wood 30k gal Villa Fontenay tank with a 100kgal+ bolted steel tank.								
Technology	SCADA Improvements- Teledesign Radio and Kingfisher RTU Replacements		C25000		202,127	18,345	55,345	146,782		146,782

SCOTTS VALLEY WATER DISTRICT										
FY 2027 Budget: Projects Program Projections										
CAPITAL IMPROVEMENT AND MAINTENANCE PROJECTS										
Category	Project Name	Project Description	Project #	Cap/Mntce	FY 2026 Budget	FY26 YTD	FY 26 Est Year End	Est FY26 Roll Forward	FY27 New Budget Allocations	FY 2027 Total Budget (FY26 Rollover +New Allocations)
Treatment Plants	El Pueblo Water Treatment Plant Improvements	Upgrades to the water treatment infrastructure at the El Pueblo Water Treatment Facility	C19020	Cap	181,411		15,000	166,000		166,000
Treatment Plants	Treatment Facility for New Production Well	New Lompico Formation Production Well and Treatment Plant.	C20020	Cap	-					
Treatment Plants	Well 10 WTP Improvements	Implement upgrades to the Well 10 WTP Facility	C21010	Cap	200,000		5,000	195,000	15,000	210,000
Treatment Plants	VFD installation at Orchard WTP		C26020		175,000		15,000	160,000		160,000
Treatment Plants	Orchard Run Water Treatment Plant Improvements			Cap	-				75,000	75,000
Wells	Grace Wy Well	Construct a new production well that is needed to offset lost production capacity from Well 9 & Well 11A. The replacement well will in part be sited to provide for a more balanced withdrawal rate from the Lompico Aquifer.	C15007	Cap	930,866	531,465	930,866	-	900,000	900,000
Wells	Well 3B Replacement - Sucinto	Replace aging well 3B with new production well at the Sucinto Drive well site.	C22010	Cap	339,951	182,108	200,000	139,951		139,951
Wells		Orchard Run Well Rehab			255,000			255,000		255,000
Wells	New Production Well	Construct a new production well that is needed to offset lost production capacity from Well 11B.								
Wells		Well 10A rehab								
Wells		Sucinto rehab								
SCOTTS VALLEY WATER DISTRICT										
FY 2027 Budget: Projects Program Projections										
CAPITAL IMPROVEMENT AND MAINTENANCE PROJECTS										
Category	Project Name	Project Description	Project #	Cap/Mntce	FY 2026 Budget	FY26 YTD	FY 26 Est Year End	Est FY26 Roll Forward	FY27 New Budget Allocations	FY 2027 Total Budget (FY26 Rollover +New Allocations)
Total					15,953,834	3,531,476	13,098,015	FY26 Rollover	FY27 New Allocations	5,434,667
							\$ 13,098,015	\$ 2,557,561	\$ 2,896,386	\$ 5,434,667
								Big Items	Amt	
								Grace Way Well	\$900,000	
								Glenwood	\$795,000	

AGENDA REPORT

Scotts Valley Water District

Date: 04/09/26

To: Board of Directors

Item: Business 6.3

Subject: **Budget Assumptions FY 2027**

Reason: Supports District Mission and Strategic Goals

SUMMARY

Recommendation: Receive information and provide input.

Fiscal Impact: No direct impact from this action.

Previous Related Action: On 03/25/26 the Finance and Personnel Committee received a report on the FY 2027 budget assumptions.

BACKGROUND

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

DISCUSSION

One of the first steps of the budget preparation process is to develop a set of assumptions to generate revenue and expenditure projections. Below are the assumptions for the upcoming fiscal year.

Revenue

1. Water sales and water service from existing connections
 - FY 2027 consumption to be consistent with FY 2026
2. Water sales and water service from new connections
 - Water services revenue will include 11 new connections in FY 2027
3. Rate Study/ Increases (Basic Meter Charge and Consumption Rates)
 - 7% increase in water sales and service revenue beginning in January 2027, no drought surcharge
4. Capacity and meter fees from new connections
 - Approximately \$750K anticipated from 3 Multi Family Residential connections and 4 Single Family meter upgrades.
5. Property tax
 - 4.4% increase from FY 2026 Estimated Year End

Expense: Salaries and Benefits

1. Salaries

- Non-exempt employees (MOU terms).
 - o 2.37% COLA
 - o Step increases and bonuses are budgeted
- Exempt employees compensation adjustment of 5%

2. Health Benefits

- Medical, vision, life insurance premiums estimated to increase 10%

3. Retirement Benefits

- Required Employer Contribution percentages unchanged from FY 2026
 - o Tier 1 (2.7 at 55): 16.3%
 - o Tier 2 (2 at 55): 11.9%
 - o PEPRA (2 at 62): 7.9%
- Unfunded Liability payment of \$157K

Debt Service

Total debt service payments: principal of \$732,752 and interest of \$129,186. The estimated Debt Service Coverage Ratio (DSCR) of 5.5 will exceed the goal of 1.20. DSCR is calculated as net revenue (total revenue less operation and maintenance costs) over debt service payments.

Project Expenditures

Initial proposal of \$5.4M in total spending consisting of \$2.9M in new appropriations and \$2.5M rolled forward from FY2026.

Submitted,

David McNair
General Manager

Enclosed: Budget Assumptions Presentation



SCOTTS VALLEY
WATER DISTRICT

FY 2027 Budget

March 2026 – Assumptions and Year
End Projections



SCOTTS VALLEY WATER DISTRICT

FY 2027 Budget Calendar

Date	Activity	Group
1/28/2026	Budget Calendar Presented	Finance / Personnel Cmte
2/2/2026	Budget Development - Kickoff email	Division Managers
3/19/2026	FY 2026 Work Plan drafted	Executive Team
3/23/2026	Proposed Projects Budget developed and presented	Engineering/WR Cmte
3/25/2026	Operating Budget assumptions developed and presented	Finance / Personnel Cmte
4/2/2025	Proposed Operating Budget Assumptions Report drafted and included in Board Agenda Packet	
4/9/2026	Operating Budget assumptions presented Proposed Projects Budget presented	Board
4/10/2026	Proposed Operating Budget completed	
4/15/2026	Proposed Budget Summary developed and emailed	Finance / Personnel Cmte
4/22/2026	Proposed Operating and Projects Budget presented	Finance / Personnel Cmte
5/14/2026	Proposed Budget Summary presented	Board
5/27/2026	Final Proposed Budget, including carryovers, developed and presented (placeholder if Board requests significant changes)	Finance / Personnel Cmte
6/4/2026	Proposed Budget Report completed and included in Board Agenda Packet	
6/11/2026	Budget Approved	Board
6/17/2026	Budget posted on website	
6/18/2026	Approved Budget emailed to banks for debt compliance	



Year End

FY 26 Projection	FY 26 Budget	FY 26 Estimated YE
Beginning Reserves	12,507,148.00	10,845,601.00
Revenue Est YE		
Water Sales	5,618,300.00	5,506,170.67
Water Services	3,138,000.00	3,073,760.00
New Connections	91,184.00	426,250.00
Other - Property Taxes / Interest	1,637,492.00	1,747,851.00
Interest	429,794.00	336,405.00
Grant	3,315,000.00	4,717,849.73
Expenses Est YE		
Operating Expenses	7,796,526.00	7,536,125.76
Project Spending	12,134,400.00	7,165,570.45
Debt Payments	973,404.00	973,404.00
	5,832,588.00	10,978,787.19



SCOTTS VALLEY
WATER DISTRICT

Revenue Assumptions



SCOTTS VALLEY
WATER DISTRICT

Water Sales & Service

- 2026 Rate Study targets 7% increase in water sales and service.
- No demand increase except for new construction
- Increase from approx. 8.5M to 9M in revenue



SCOTTS VALLEY
WATER DISTRICT

New Connections

- 4575 Scotts Valley Dr - \$426,000
- 4444 Scotts Valley Drive - \$135,935
- 75 Mt Hermon - \$135,935
- 4 Single Family Home Meter Upgrades - \$54,384



Property Taxes

- Estimated 12.2 % Increase from FY25 to FY 26
- 10 Year Avg Increase – 7.4%
- Estimate 4.4% increase in FY27 (\$1.75M to \$1.82M)

FY	Property Tax	Increase
2015	724,433	2.0%
2016	775,679	7.1%
2017	839,095	8.2%
2018	923,894	10.1%
2019	975,085	5.5%
2020	1,030,321	5.7%
2021	1,057,540	2.6%
2022	1,241,664	17.4%
2023	1,389,578	11.9%
2024	1,557,187	12.1%
2025	1,557,681	0.0%
2026	1,747,851	12.2%
2027	1,824,756	4.4%



SCOTTS VALLEY
WATER DISTRICT

- Interest – Assume 2% on avg balance of \$10M
 - FY26 budget - \$420,000
 - FY27 Budget - \$200,000



SCOTTS VALLEY
WATER DISTRICT

Expense Assumptions



Salaries & Benefits

- 10% Increase in Benefit Costs
- 2.37% COLA
- Planned Step Increases and Bonuses
- FY26 Budget \$3.42M
- FY27 Budget \$3.49M
- 2% Increase



CalPERS

- Employer Contributions will remain the same as FY26, Included in Salaries and Benefits
- Unfunded Liability Payment projected to increase from \$121,554 to \$156,835



Services and Supplies

- Assume 3% General Inflation
- 10% Increase in Chemical and Energy Costs
- Removed FY26 one-time expenses
- Estimated increase from \$3.48M in FY26 to \$3.56M in FY27 (2.3% Increase over FY26 budget)



Debt Service

- JP Morgan loan: \$475,790 (principal of \$467,752 and interest of \$8,038) \$200k principal remaining through FY 2028
- First Foundation loan: \$386,148 (principal \$265,000 and interest of \$121,148) – Payoff expected in 2041
- Debt Coverage Ratio estimated at 5.5



CIP Projects

- \$2.5M FY26 spending rolled to FY27
- \$2.9M in new spending requests
- \$5.4M estimated total project expenses for FY27



FY27 Preliminary Budget Results

	FY27 Budget
Beginning Reserves	10,978,787.19
Revenue Est YE	
Water Sales	5,491,683.30
Water Services	3,434,940.12
New Connections	750,000.00
Other - Property Taxes / Interest	1,835,243.55
Interest	200,000.00
Grant	-
Expenses Est YE	
Operating Expenses	6,920,805.00
Project Spending	5,434,667.00
Debt Payments	732,752.00
Ending Reserves	9,602,430.16

AGENDA REPORT

Scotts Valley Water District

Date: 04/09/26

To: Board of Directors

Item: **Business 6.4**

Subject: **Investments Policy**

Reason: Establishes guidelines for investment of the District's surplus cash, reserves, trust funds and restricted monies.

SUMMARY

Recommendation: Update Policy P200-14-1 Investments.

Fiscal Impact: None.

Previous Related Action: On 04/13/23 the Board adopted Resolution 01-20 revising Policy P200-14-1 Investments. On 04/11/24 the board approved a clarification of investment types in the policy.

BACKGROUND

The Investments Policy is reviewed periodically to ensure that it is relevant, reflects best practices and conforms to all provisions of California Government Code Section 53600.

DISCUSSION

Policy P200-14-1 Investments was last revised and approved by the Board on 04/13/23 with a three-year review schedule. Staff has completed a review and recommends adding a statement of scope to the investment policy to reflect best practices recommended by Government Finance Officers of America (GFOA) and California Debt and Investment Advisory Commission (CDIAC). The statement of scope is intended to specify the funds to which the policy will and will not apply. For instance, bond proceeds are usually guided by the bond documents and thus, may not be a part of the investment policy. Similarly, pension funds are guided by other code sections and may have different investment objectives.

Submitted,

David McNair,
General Manager

Enclosed: Policy P200-14-1 Investments
Resolution 01-26



Number:	P200-14-1	Type of Policy:	Finance
Title:	Investments		
Description:	Establishes guidelines for investment of the District’s surplus cash, reserves, trust funds and restricted monies.		
Original Adoption:	02/13/14	Reviewed:	04/13/23
Review Cycle:	3 years	Resolution No.:	01-20

The Scotts Valley Water District invests its surplus cash, reserves, and operating monies in a manner that will provide the highest investment return with the maximum security while meeting the cash flow demands of the District and conforming to all provisions of California Government Code Section 53600, et seq.

1. SCOPE: This investment policy applies to all financial assets and investment activities of the Scotts Valley Water District's operating funds, surplus cash, and reserves. These funds are accounted for in the District’s annual financial reports.

This policy excludes the following types of funds, which are governed by separate policies, agreements, or legal requirements:

- Bond Proceeds: Governed by the applicable bond indentures or resolutions.
- Trust-Held Assets: Including, but not limited to, California Public Employees' Retirement System (CalPERS) funds, deferred compensation plans, and Internal Revenue Code Section 115 trust funds. These funds may be invested in asset classes (such as equities and real estate) that are not permitted under this general investment policy.

2. PRUDENCE: Scotts Valley Water District funds will be invested under the "prudent investor standard" in California Government Code Section 53600.3.

3. DELEGATION OF AUTHORITY: Authority to manage the Scotts Valley Water District investment program is derived from the California Government Code Section 53600, et seq. The authority to invest public funds is expressly delegated to the Board of Directors for the subsequent re-delegation to the District General Manager. The District General Manager will establish written procedures for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the District General Manager.

4. OBJECTIVES: The primary objectives of the Scotts Valley Water District's investment activities in priority order will be as follows:

A. SAFETY - Safety of principal is the foremost objective of the investment program. The District's investment portfolio will be designed and undertaken in a manner that seeks to ensure the preservation of the principal invested.

B. LIQUIDITY - The District's investment portfolio will be designed to remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.

C. RETURN ON INVESTMENTS - The District's investment portfolio will be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio.

5. PERFORMANCE STANDARDS: The Scotts Valley Water District's investment strategy is passive. Given this strategy, the basis used by the General Manager to determine whether market yields are being achieved will be the 6-month U.S. Treasury Bill and the Federal Funds rate. These indices are considered benchmarks for low risk investment transactions and therefore comprise a minimum standard for the portfolio's rate of return.

6. AUTHORIZED AND ACCEPTABLE INVESTMENTS: Investments will only be made as allowable by law with specific reference to California Government Code Section 53600, et seq., and any other applicable provisions of law. District funds will only be invested in the following investment instruments and within any limits indicated.

A. LAIF - The Local Agency Investment Fund (LAIF) was created by California Government Code Section 16429.1 through 16429.3. LAIF is an investment pool established and controlled by the State of California to afford smaller agencies the benefits of a large investment portfolio such as higher interest rates and greater diversification. Funds are completely liquid except for a limitation of ten (10) transactions per month.

B. LOCAL GOVERNMENT INVESTMENT POOLS - Established by public agencies in California for the purpose of pooling and investing local agency funds, qualified joint investment pools are authorized by California statute and organized as a Joint Powers Authority where all investments comply with the limits and restrictions placed on local investments by the applicable California statutes.

C. CERTIFICATES OF DEPOSIT - These are receipts for funds deposited in a bank, savings and loan or credit union for a specific term and rate of interest. The total principal and accrued interest per account and institution will not exceed the account or institution maximum statutory limits for full insurance coverage by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA). Further, the financial institution must be a nationally or state chartered commercial bank, savings bank, savings and loan association, or credit union.

D. PASSBOOK SAVINGS ACCOUNTS - This is a regular liquid savings account at a bank, savings and loan or credit union. The total principal and accrued interest per account and institution will not exceed the account or institution maximum statutory limits for full insurance coverage by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA) or meet the collateralization requirements for Public Funds accounts. Further, the financial institution must have a branch located in the United States.

E. U.S. TREASURY AND AGENCY SECURITIES - Government securities and debt obligations issued by the U.S. Government or its agencies which are secured by the full faith and credit of the federal government. Among these are Treasury Bills and Notes; Government National Mortgage Association (Ginnie Mae); Federal National Mortgage Association (Fannie Mae); Federal Land Bank (FLB) and Federal Farm Credit Banks (FFCB). Securities will be held by third party custodial agreement in an acceptable safekeeping account in the District's name. All confirmation and safekeeping receipts are to be mailed or transmitted directly to the District General Manager for audit.

F. ANY OTHER INVESTMENT - Any other investment not specifically specified here but which is allowable by all applicable provisions of the law, meets every objective and criteria of this policy and is duly approved by the District Board of Directors.

7. DIVERSIFICATION: The purpose of diversification is to reduce overall portfolio risk while attaining market or benchmark yields. The District will make an effort to diversify its investments by security type and institution, especially when there is no decrease in yield. With the exception of U.S. Treasury/Agency/FDIC insured securities and authorized pools, no more than 50% of the District's total investment portfolio will be invested in any single security type. The purchases of certificates of deposit will not, in total, exceed 30 percent of the agency's funds that may be invested for this purpose (California Government Code Section 53601.1).

8. MATURITY OF INVESTMENTS: In order to minimize the impact of market risk, to the maximum extent possible, all investments will be held until maturity. Projected cash flow requirements are the primary factor to be used in determining investment maturity terms. After cash flow needs, have been met, yield considerations will be the next factor in determining maturity terms, with the expectations that longer maturity periods will generally yield greater returns on investments. Investments may be sold before maturity if required for cash flow or appreciation purposes.

The maximum maturity term of any investment will not exceed five (5) years, unless prior expressed authority has been granted by the Board of Directors. The District will diversify its investments by maturity date in order to avoid over concentration in any one specific maturity sector. Investments will be made so that the maturity date is compatible with cash flow needs.

9. REPORTING: The District's Board of Directors will receive investment reports at least quarterly. The District General Manager will provide to the Board of Directors investment reports which provide a clear picture of the status of the current investment portfolio as required by law (California Government Code

Section 53646). Elements of the report will include the following:

- A. Listing of investments held at the end of the reporting period by authorized investment category to include investment type, issuer names, "days to" maturity, par value amounts, dollar amounts, and market values including the source of valuation.
- B. A listing and description of funds or programs that are under the management of contracted parties.
- C. Percentage of the portfolio represented by each investment category.
- D. Current yield on each investment.
- E. A statement of compliance with the investment policy or an explanation for non-compliance.
- F. A statement of the ability or inability to meet expenditure requirements for six months.

10. ETHICS AND CONFLICTS OF INTEREST: Officers and employees involved in the District's investment process will refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Officers, employees and investment officials involved in the District's investment process will disclose to the District General Manager any material financial interests in financial institutions that conduct business within the jurisdiction of the Scotts Valley Water District, and they will further disclose any large personal/investment positions that could be related to the performance of the District's investment portfolio. Additionally, the District's officers and employees will annually file the applicable financial disclosures as required by the Fair Political Practices Commission.

11. INVESTMENT POLICY ADOPTION: The District's investment policy will be adopted by resolution of the Scotts Valley Water District's Board of Directors and reviewed no less frequently than every three years.

RESOLUTION No. 01-26
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SCOTTS VALLEY WATER DISTRICT
REVISING SCOTTS VALLEY WATER DISTRICT POLICY P200-14-1 INVESTMENTS AND RESCINDING
RESOLUTION No. 01-20

WHEREAS:

1. Scotts Valley Water District Board of Directors adopted its initial Investment Policy by Resolution No. 09-10 on April 15, 2010;
2. The Investment Policy has been revised by Resolution No. 01-11 on January 13, 2011, by Resolution No. 01-14 on February 13, 2014, and by Resolution No. 01-20 on February 13, 2020.
3. District Counsel has determined that Policy P200-14-1 Investments is in compliance with Government Code Section 53600 et seq. regarding the investments of local governmental agencies funds.

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

1. Revises Scotts Valley Water District Policy P200-14-01 Investments effective immediately;
2. Rescinds Resolution No. 01-20.

PASSED AND ADOPTED this 9th day of April 2026, by the following vote:

AYES:

NOES:

ABSENT:

Ruth Stiles, President
Board of Directors

Attest: _____
David McNair, General Manager

AGENDA REPORT

Scotts Valley Water District

Date: 04/9/2026

To: Board of Directors

Item: Business 6.5

Subject: **Intertie 1 Water Transfer and Purchase Agreement Between the Scotts Valley Water District and City of Santa Cruz**

Reason: Complies with the Terms of the 2021 Urban and Multi-benefit Drought Relief Grant.

SUMMARY

Recommendation: Authorize the General Manager to execute the Water Transfer and Purchase Agreement Between the Scotts Valley Water District (District) and City of Santa Cruz (City) for the operation of the Intertie 1 Project.

Fiscal Impact: There is no fiscal impact resulting from this action. The Agreement's balanced exchange framework ensures that any water produced and transferred to the City is returned in an equivalent volume.

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

BACKGROUND

In 2013 the District partnered with the City and was awarded grant funding for a regional project under a California Department of Public Health Proposition 50 Grant. As one of several interties connecting water agencies in North Santa Cruz County, "Intertie 1" was a component of this regional project designed to establish regional emergency interties between the District and the City, with other interties between San Lorenzo Valley Water District, and the Mount Hermon Association. Due to a reduction in grant funding the Intertie 1 component was not constructed at that time.

In December 2021, the District and City collaborated on a grant application for funding from the California Department of Water Resources (DWR) 2021 through the Urban and Multi-Benefit Drought Relief Program. The District served as the applicant for the Regional Drought Resiliency Project that included two project components: an intertie between the drinking water systems of the District and City (Intertie 1 Project), and a new groundwater well for the District. In

March 2022, the District received a Letter of Commitment from DWR for grant funding of up to \$9,449,783 with a zero matching funds requirement for the Project. An implementation agreement was subsequently established defining the City as lead on the Intertie 1 Project and District as lead on the new well.

The purpose and need of the Intertie 1 Project is to increase the emergency and drought resiliency of both the District and the City by augmenting water supply, storage, and fire flow capacities. The Intertie 1 Project will enable the District and City to better coordinate and optimize the use of surface and groundwater supplies and facilitate passive groundwater recharge of the Santa Margarita Groundwater Basin.

The intertie, which will be used for both emergency and non-emergency water transfers and exchanges between the District and City, will be bi-directional and includes a pump station with a capacity of up to 1.0 million gallons per day (mgd). Construction of the Intertie 1 Project, including the pipeline and pump station, which is currently under construction and anticipated to be completed by May 2026.

DISCUSSION

Management and staff from the District and City have worked collaboratively to develop this initial operational agreement for Intertie 1. The agreement provides for transfers of up to 0.7 mgd in either direction and states the intention of both parties to use their best efforts to balance the volume of water exchanged during testing, commissioning, and operations so that equal volumes of water are exchanged by each party over the life of the Agreement.

This agreement is expected to be amended in the future to allow for increased capacity and to provide a framework for long-term water banking while continuing to provide for emergency transfers.

Submitted,

David McNair
General Manager

Enclosed: Intertie 1 Agreement

**COOPERATIVE WATER TRANSFER AND PURCHASE AGREEMENT
BETWEEN THE CITY OF SANTA CRUZ AND SCOTTS VALLEY WATER DISTRICT**

The parties to this COOPERATIVE WATER TRANSFER AND PURCHASE AGREEMENT (“Agreement”) are the CITY OF SANTA CRUZ, hereafter referred to as “City”, and the SCOTTS VALLEY WATER DISTRICT, hereafter referred to as “SVWD”. The City and SVWD are sometimes referred to herein individually as a “party” or collectively, as the “parties.”

RECITALS

- A. The City is charter city that owns and operates a municipal water system in the City of Santa Cruz and adjacent unincorporated and incorporated communities.
- B. SVWD is a County water district formed under Water Code Section 30000 et seq., located in Santa Cruz County which owns and operates a domestic water system that serves most of the City of Scotts Valley and adjacent unincorporated areas.
- C. SVWD is the recipient of Grant Funds from the State of California (Department of Water Resources) from the Urban and Multibenefit Drought Relief Grant (Grant Agreement Number 4600014630) (“DWR Grant Agreement”), the terms and conditions of which are incorporated herein by this reference.
- D. Pursuant to the terms and conditions of the DWR Grant Agreement, the City and SVWD are jointly constructing an intertie, primarily consisting of an intertie pipeline, intertie pump station, and associated appurtenances, between the City’s water system and SVWD’s water system, hereafter referred to as “Intertie 1” or the “Project”).The DWR Grant Agreement requires that the Project shall be operated, repaired, replaced and maintained for the useful life of the Project, ordinary and reasonable wear and depreciation excepted.
- E. The City and SVWD recognize that this agreement is fair and appropriate, benefits both parties and the community, and provides better management of locally available water resources.

NOW, THEREFORE, IT IS HEREBY AGREED:

1. AGREEMENT PURPOSE

- a. Pursuant to the DWR Grant, the City and SVWD agree to construct, test, maintain and make water transfers and purchases to support Intertie 1 testing, commissioning, and operations that shall commence upon execution of this Agreement. After the construction of the Project is complete, up to 0.7 million gallons per day of water shall be transferred between the parties. As provided in Paragraph 5 of this Agreement, the City and SVWD intend to use their best efforts to balance the volume of water exchanged between parties during testing, commissioning, and operations so that equal volumes of water are exchanged by each party over the life of this Agreement with reconciliations to be made pursuant to Paragraph 5 of this Agreement.

- b. Based on future studies and evaluations, the City and SVWD may amend this Agreement to facilitate water supply augmentation through water banking through in lieu or active aquifer recharge, groundwater basin sustainability, and/or water transfers to the San Lorenzo Valley Water District.

2. AGREEMENT TERM

- a. This Agreement shall commence on the Effective Date and shall continue in full force and effect for the Useful Life of the Project (the "Term"). For purposes of this Agreement, and in accordance with the DWR Grant Agreement, "Useful Life" is defined as the period during which the Project asset, property, or activity is expected to be usable for the purpose for which it was acquired or implemented. The parties acknowledge that the Term extends until such time as the Project is no longer capable of being used for its intended purpose, ordinary wear and depreciation excepted, or until the State's requirement to maintain the Project under the Grant Agreement expires or is otherwise waived in writing by the State.
- b. During the Term, the parties agree to ensure the continued operation of the Project in an efficient and economical manner and in strict accordance with the requirements of the DWR Grant Agreement. Specifically, the parties shall ensure that:
 - i. All repairs, renewals, and replacements necessary to the efficient operation of the Project are provided; and
 - ii. The Project is maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted.
- c. Notwithstanding any other provision in this Agreement, this Agreement may not be terminated for convenience by either party during the Useful Life of the Project if such termination would result in a breach of the DWR Grant Agreement regarding the obligation to operate and maintain the Project.

3. OWNERSHIP AND MAINTENANCE AFTER CONSTRUCTION

Upon completion of the construction of Intertie 1, ownership and maintenance of the Project will be as follows:

- a. The City shall own and shall be solely responsible for all costs and expenses relating to the operation, maintenance, repair, and replacement of the following infrastructure assets:
 - i. Intertie pipeline along La Madrona Drive, from Kite Hill tank to intertie pump station including: valves, hydrants, appurtenances, and access road (Firehouse Lane).
 - ii. The City is solely responsible for compliance with the DWR Grant Agreement relating to the City-owned portion of the infrastructure assets.

- b. SVWD shall own and shall be solely responsible for all costs and expenses relating to the operation, maintenance, repair, and replacement of the following infrastructure assets:
 - i. Intertie pump station property, stormwater basin, pump house, pumps, control valves, and the pipeline and appurtenances extending from its water system to the intertie pump station.
 - ii. SVWD is solely responsible for compliance with the DWR Grant Agreement relating to SVWD-owned portion of the infrastructure assets.

4. TERMS AND CONDITIONS FOR PROVIDING WATER

- a. Contingent upon the City securing any necessary permits and completion of the environmental review process in accordance with Paragraphs 6 and 7 below, water supplied by the City will be made available to SVWD for purchase within the scope of the City's valid water rights. The quantity and availability of water supplied by the City under the terms of this Agreement shall be based on the following conditions and at the sole discretion of the Director of the Water Department of the City. In determining whether supply can be provided, the City may take into account any or all of the following factors:
 - i. The City is providing flow for aquatic resources that meet regulatory requirements.
 - ii. The daily volume of water supplied shall not exceed the hydraulic capacity of Intertie 1, the City's system, or SVWD's system.
 - iii. The City has not determined, in its discretion, that the supply of water to SVWD must be suspended or discontinued due to anticipated or unanticipated circumstances, including under Water Code Section 350 et seq.
- b. Contingent upon SVWD securing any necessary permits and completion of the environmental review process in accordance with Paragraphs 6 and 7 below, water supplied by SVWD will be made available to the City for purchase. The quantity and availability of water supplied by SVWD under the terms of this Agreement shall be based on the following conditions and at the sole discretion of the General Manager of SVWD. In determining whether supply can be provided, SVWD may take into account any or all of the following factors:
 - i. Consistency with the sustainable management criteria and avoidance of undesirable results identified in the adopted Groundwater Sustainability Plan (GSP) for the Santa Margarita Groundwater Basin, and in any future revisions to the GSP.
 - ii. SVWD has determined, in its discretion, that the supply of water to the City must be suspended or discontinued due to anticipated or unanticipated circumstances, including under Water Code Section 350 et seq.

5. COST AND PAYMENT METHOD

To the extent practicable, the City and SVWD desire to maintain balanced, volumetrically equivalent water transfers between the City and District during the term of this Agreement. The parties shall coordinate operations under the approved Operations Plan attached hereto as **Exhibit A** to schedule and monitor transfers so that, to the greatest extent practicable, cumulative deliveries remain within five percent of parity in any fiscal year. If an imbalance exceeding this threshold occurs, subsequent deliveries should be adjusted to restore balance, and no financial true-up or billing shall occur unless the imbalance persists on June 30, 2031 and every five years thereafter, throughout the life of this Agreement (each, a "Reconciliation Period"). If, upon the conclusion of a Reconciliation Period a material imbalance remains after all reasonable operational adjustments have been made, invoices may be issued as follows:

- a. If the City provides a larger volume of water to SVWD than SVWD provides to the City during a Reconciliation Period, the City may invoice SVWD for the difference between water supplied and water received at the City's Direct Variable Cost of producing water.
- b. If SVWD provides a larger volume of water to the City than the City provides to SVWD during a Reconciliation Period, SVWD may invoice the City for the difference between water supplied and water received at SVWD's Direct Variable Cost of producing water.
- c. For the purposes of this Agreement, "Direct Variable Cost" shall mean the actual incremental costs incurred to produce and deliver the water, limited strictly to:
 - i. The actual cost of electricity or fuel required to pump, treat, and deliver the water to the Intertie. This shall be calculated using the applicable energy fees and costs (including peak/off-peak adjustments) at the time of delivery.
 - ii. The actual cost of all chemical additives (e.g., chlorine, coagulants, etc.) consumed in the treatment of the water exchanged.
- d. Exclusions: For the avoidance of doubt, Direct Variable Cost shall not include:
 - i. Salaries, benefits, or overtime of any personnel;
 - ii. General system maintenance or capital depreciation;
 - iii. Debt service or financing costs;
 - iv. Insurance, administrative overhead, or billing costs.

6. REGULATORY COMPLIANCE – PERMITTING

- a. The City shall be responsible for obtaining any permits or approvals required to support providing water to SVWD under this Agreement, and shall be responsible for compliance with all applicable laws and regulations, as necessary to make water available for purchase or transfer pursuant to this Agreement.
- b. SVWD shall be responsible for obtaining any permits or approvals required to support providing water to the City under this Agreement, and shall be responsible for compliance with all applicable laws and regulations, as necessary to make water available for purchase or transfer pursuant to this Agreement.

7. REGULATORY COMPLIANCE – TREATED WATER DELIVERIES

Delivered water shall be in compliance with all drinking water regulatory requirements at the intertie point of delivery. Once the water has been delivered the receiving party shall be responsible in all respects for that water, and its delivery and use, including without limitation, compliance with any distribution system requirements, any relevant water quality regulations and reporting.

8. OPERATIONS PLAN

The City and SVWD have jointly prepared and agree to implement an Operations Plan as the basis for joint operation attached hereto as **Exhibit A**. For the purposes of this Agreement, the parties shall abide by the record keeping and notification provisions in the Operations Plan. The City and the SVWD may amend the Operations Plan by written mutual agreement without otherwise amending this Agreement.

9. ACCESS TO PROPERTY AND FACILITIES

Each party agrees to grant the other party for necessary, reasonable, and noticed access to property and facilities as may be necessary for operations. Each party shall provide the other with three (3) days written notice of a need to access property and facilities, except in the case of an emergency. In the case of an emergency, each party shall use its best efforts to provide notice to the other party's contact as listed in the Operation Plan, attached hereto as **Exhibit A**, before the access, and provide written notice to the other party as soon as reasonably practicable.

10. NOTIFICATION OF STARTING AND STOPPING WATER DELIVERIES

The water to be delivered hereunder shall be delivered on an interruptible basis, depending upon the availability of water and the terms and conditions described in Paragraph 4 of this Agreement. A determination that the delivery of water must be interrupted shall be at the sole discretion of party delivering the water as determined by the City Water Department Director or SVWD General Manager, respectively. When possible, at least 24 hours' advanced notice of will be provided prior to interruption of delivery.

11. DATA COLLECTION, MONITORING, AND ANALYSIS

The City and SVWD agree to collect and share on an annual basis all data necessary for the operation of Intertie 1. The City and SVWD shall jointly share the cost to develop, and implement, any data collection, monitoring, and analysis programs to comply with DWR Grant Requirements and further characterize the mutual benefits of the proposed water transfers and identify potential issues, subject to the prior written approval of the scope and budget by both parties.

12. NATURE OF AGREEMENT

It is understood and acknowledged by SVWD and the City that this Agreement is intended to implement the DWR Grant Agreement, that the water rights of the City are not impacted, and that the water during the term hereof is solely dependent on the availability of surplus water as stated in this Agreement.

13. EFFECTIVE DATE; AMENDMENT

This Agreement shall become effective on the last date by which it is executed by all parties hereto following its approval by the governing bodies of the City and SVWD. This Agreement may be amended upon the mutual, written agreement of the parties.

14. IMPLEMENTATION

The City's Water Department Director and the SVWD General Manager are authorized to implement the day-to-day operations and administration of this Agreement. Further approval by the City Council or the SVWD Board of Directors shall not be required for the implementation or administration of this Agreement; provided, however, that any material modification of the terms and conditions of this Agreement shall require the formal approval of the City Council and the SVWD Board of Directors, respectively.

15. RELEASE AND INDEMNITY

- a. To the fullest extent permitted by law, the City shall indemnify, defend, and hold harmless SVWD, its elected and appointed officials, officers, employees, and agents from and against any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs, and expenses, including reasonable attorneys' fees and disbursements (collectively "Claims"), arising out of or relating to this Agreement, compliance with the DWR Grant Agreement, or permit or regulatory requirements, but only to the extent caused by: (i) the negligence, recklessness, or willful misconduct of the City or its employees, agents, or contractors; or (ii) the breach of this Agreement or the DWR Grant Agreement by the City.
- b. To the fullest extent permitted by law, SVWD shall indemnify, defend, and hold harmless the City, its elected and appointed officials, officers, employees, and agents from and against any and all Claims arising out of or relating to this Agreement, compliance with the DWR Grant Agreement, or permit or regulatory requirements, but only to the extent caused by: (i) the negligence,

recklessness, or willful misconduct of SVWD or its employees, agents, or contractors; or (ii) the breach of this Agreement or the DWR Grant Agreement by SVWD.

- c. In the event that City and SVWD are found to be comparatively at fault for any Claim, the parties agree to indemnify each other and contribute to the costs of defense and any resulting damages, judgments, or settlements on a comparative basis in proportion to their respective percentage of fault.

16. NOTICES

All notices, demands or requests from one party to another may be personally delivered, sent by facsimile, sent by recognized overnight delivery service, sent by mail, certified or registered, postage prepaid, return receipt requested, or by electronic mail, to the persons at the addresses set forth below. Notice shall be deemed given five (5) days after deposit in the United States mail. All notices must be give concurrently via email. parties may from time to time specify an alternate address in writing and it shall be effective at the time of personal delivery, facsimile transmission, mailing or electronic mailing to:

To City:

City of Santa Cruz Water Dept.
Water Director
212 Locust Street
Santa Cruz, CA 95060
Email: HLuckenbach@santacruzca.gov
Phone: 831-420-5200

To SVWD:

Scotts Valley Water District
General Manager
2 Civic Center Drive
Scotts Valley, CA 95066
Email: DMcNair@svwd.org
Phone: 831-600-1903

Changes to the above information shall be given to the other party in writing ten (10) business days before the change is effective.

17. SUCCESSORS AND ASSIGNS

This Agreement and each of its covenants and conditions shall be binding on and shall inure to the benefit of the parties and their respective successors and assigns. No party shall assign this Agreement without the written permission of the other.

18. COUNTERPARTS, ELECTRONIC SIGNATURES

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree that this Agreement may be executed and delivered by electronic signature (including portable document format (.pdf), DocuSign, or similar electronic transmission), and

that such electronic signatures shall have the same legal effect, validity, and enforceability as manual (wet ink) signatures.

19. FURTHER ASSURANCES

Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement.

20. NO PARTNERSHIP/AGENCY

This Agreement shall not make or be deemed to make any party to this Agreement an agent for or the partner of any other party. Neither party shall have authority, express or implied, pursuant to this Agreement to bind the other party to any obligation whatsoever.

21. SEVERABILITY

The unenforceability, invalidity or illegality of any provision of this Agreement shall not render the other provisions unenforceable, invalid, or illegal. If any provision of the Agreement is held invalid or unenforceable, then the remainder of this Agreement shall nevertheless remain in full force and effect.

22. WAIVER

The parties hereto, by or pursuant to action taken by their respective employees, may, to the extent legally permitted: (i) extend the time for the performance of any of the obligations or other acts of any other party; (ii) waive any inaccuracies in the representations or warranties of any other party contained in this Agreement or in any document or certificate delivered pursuant hereto; (iii) waive compliance or performance by any other party with any of the covenants, agreements or obligations of such party contained herein; and (iv) waive the satisfaction of any condition that is precedent to the performance by the party so waiving of any of its obligations hereunder. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. A waiver by one party of the performance of any covenant, agreement, obligation, condition, representation or warranty shall not be construed as a waiver of any other covenant, agreement, obligation, condition, representation or warranty. A waiver by any party of the performance of any act shall not constitute a waiver of the performance of any other act or an identical act required to be performed at a later time.

23. GOVERNING LAW

This Agreement shall be governed by and constructed in accordance with the laws of the State of California.

(SIGNATURE PAGE TO FOLLOW)

“City”

CITY OF SANTA CRUZ

Dated: _____

By: _____
City Manager

“SVWD”

SCOTTS VALLEY WATER DISTRICT

Dated: _____

By: _____
General Manager

APPROVED AS TO FORM:

Office of the City Attorney

District Counsel

EXHIBIT "A"
INTERTIE 1, OPERATIONS PLAN

Title: City/SVWD Interconnection Preliminary Operations Plan	Revision No.: 1
Prepared by: City and District Staff	Date Prepared: 10/13/25
Approved by CITY: Chris Coburn Approved by District: Nate Gillespie	Date Approved: 10/14/25 Date Approved: 10/13/25

BACKGROUND & PURPOSE

The City of Santa Cruz Water Department (SCWD or City) and the Scotts Valley Water District (SVWD or District) maintain a 12-inch bi-directional interconnection pipeline and pump station for the purpose of exchanging treated water between the two entities. The interconnection consists of approximately 9,600 linear feet of new, 12-inch diameter PVC pipe, running from the SCWD’s Pasatiempo tanks northward along Firehouse Lane, Sims Road and La Madrona Drive to the pump station located at 6000 La Madrona Drive in Scotts Valley. The pump station is currently sized to convey a maximum of flow rate of 1 MGD from the City to the District with three 40 hp, vertical multi-stage centrifugal pumps, with two pumps active and one in standby mode. Each pump is controlled by its own variable frequency drive (VFD). Each pump has a design output of 350 gpm and 240 feet of head. All three pumps connect to common suction and discharge headers – the suction header is an 8-inch diameter ductile iron pipe that is connected to the northerly terminus of the interconnection pipeline. The discharge header is a 6-inch ductile iron pipe that is connected to SVWD’s distribution system. There are two, 6-inch electromagnetic flow meters installed in the pump station, one that will measure pumped flow to the SVWD system, and the other, gravity flow from the SVWD system through the interconnection pipeline. Flow from SVWD to the City would be controlled through the flow control valve, and the District can currently serve approximately 0.4 MGD to the City.

SCWD owns, operates, and maintains the pipeline between the Pasatiempo Tanks and the 8-inch gate valve adjacent to the pump station building; including the 4” flushing line, flow meter, and air gapped sewer discharge piping to the La Madrona Drive sanitary sewer. Both entities shall collaborate on the use of the 4” flushing line with SVWD authorization required before any discharge to the sanitary sewer manhole on the pump station property. Additionally, SVWD will consult with the Scotts Valley Wastewater Division and inform SCWD of the maximum permissible flushing rate to the La Madrona Drive sanitary sewer. SVWD will own, operate and maintain the pump station, and utilize the District’s supervisory control and data acquisition (SCADA) system for remote control of the pump station. Pump status, valve status, and transfer flow meter rate will be monitored remotely by the City SCADA system, but the City will have no SCADA control ability.

SVWD’s pumps will be used to provide SCWD Pasatiempo Zone water to the SVWD distribution system, Sequoia Tank Zone. When SVWD is providing water to the City, their pumps will be off, the flow control valve will be open, and SVWD’s Sequoia Tank Zone will primarily supply the City’s Pasatiempo Zone.

SAMPLING REQUIREMENTS

The SVWD and the City will conduct sampling protocols that are compliant with the State Water Resources Control Board, Division of Drinking Water (SWRCB-DDW) regulations and approved monitoring plans. If the supplying party is utilizing groundwater as a supply source, the supplying party shall collect bacteriological samples from its online groundwater supply wells to satisfy the Groundwater Rule.

REPORTING REQUIREMENTS

Whenever water transfers occur, water quality data from the supplying party needs to be included in the receiving party's annual water quality report.

Each entity is responsible for providing the other with relevant source information and monitoring and compliance data so that the consecutive system can include this information in their annual water quality report.

In the case of a water system violation requiring public notice, each entity is responsible for giving public notice to the other as required in Title 22 §64463-General Public Notification Requirements, in a timeline that allows the other to meet public notice obligations.

Upon being notified of a routine E. coli (EC)-positive or total coliform (TC)-positive Revised Total Coliform Rule (RTCR) sample in the receiving party's distribution system, repeat, upstream and downstream locations will be collected within the receiving party's distribution system within 24 hours, in accordance with the RTCR rule and the approved Bacteriological Sample Siting Plan (BSSP). Additionally, the receiving party will notify the supplying party within 24 hours at (831) 420-5457 (City) or (831) 254-7809 (District), collect bacteriological samples from the two sample stations located at the interconnection, and will close the interconnection, as appropriate and determined by the Parties. The City and District will follow the appropriate emergency notification protocol with SWRCB-DDW following a positive bacteriological sample result.

During transfers, at a minimum, both entities will grab weekly samples for field analysis of free chlorine residual at the interconnection sample stations and will share the results.

FLOW METER CALIBRATIONS

The District will schedule annual flow meter testing by a third-party vendor each calendar year. Testing will be coordinated between the two entities and flow meter totalizers will be recorded before and after testing. Water used for testing will be limited to the minimum needed to complete the testing. Neither party will be charged for the transfer of water during flow meter testing. A copy of the test record will be provided to the City.

Access will be granted to the City for manual meter reads upon request.

POWER OUTAGES AND RESPONSE TO EMERGENCIES

In the event of a power outage, SVWD staff will be responsible for powering the pump station via portable generator, as needed. The City will assist with backup power needs only upon request from the District, and only with District staff oversight.

The site will be monitored by the District and City via SCADA and regular on-site inspections during normal working hours. In the event of an emergency such as a loss of pressure or a report of discharge, both the District and City have responders on call 24/7. The District will use remote SCADA control to quickly respond to urgent needs and request from the City, such as low tank level.

CITY'S PRIMARY EMERGENCY CONTACT:

Operator on Duty: (831) 420-5457

CITY'S BACKUP EMERGENCY CONTACTS:

Superintendent of Production: Dustin Holtzclaw (831) 227-5620

Water Quality Manager: Lindsay Neun (831) 419-7086

DISTRICT'S PRIMARY EMERGENCY CONTACT:

Operator on Duty: (831) 254-7809

DISTRICT'S BACKUP CONTACT NUMBERS:

Operations Supervisor: Ryan Ritchie (831) 818-8379

Operations Manager: Nate Gillespie (831) 226-9019

INTERCONNECTION OVERVIEW

The following describes the features of the City / District interconnection. Figure 1 provides an illustration of these features. Valve and pump identifiers used in this SOP and Figure 1 are for this SOP only, they do not match design drawings and control strategy identifiers.

Feature	Type	Function
SVWD to City Flow Control Valve	PRV	<ul style="list-style-type: none"> Controlled by District via SCADA Allows controlled flow of water from District to City.
SVWD to City Gravity Discharge Isolation Valve: GV#8	Gate Valve	<ul style="list-style-type: none"> Controlled by District via SCADA system When open, allows flow of water from District to City
City Distribution System Isolation Valve	8" Gate Valve	<ul style="list-style-type: none"> Prevents flow of water to City or District Outside Pump Station, right of door. Controlled manually by City
Pump Check Valves: CV-1, CV-2, CV-3	8" Check Valves	<ul style="list-style-type: none"> Prevent backflow from occurring when the pump is valved in but not running
Pump Inlet Valves: GV#2, GV#3, GV#4	8" Gate Valve	<ul style="list-style-type: none"> Pump isolation valves, suction side Controlled by District via SCADA
Pump Discharge Valves: GV#5, GV#6, GV#7	8" Gate Valves	<ul style="list-style-type: none"> Pump isolation valves, discharge side Controlled by District via SCADA
FLOW METER TO SCOTTS VALLEY	6" mag meter	<ul style="list-style-type: none"> Measures flow from SCWD to SVWD
FLOW METER TO City	6" Mag meter	<ul style="list-style-type: none"> Measures flow from SVWD to SCWD
PUMP NO. 1 PUMP NO. 2 PUMP NO. 3	Centrifugal pumps	<ul style="list-style-type: none"> Allows City to transfer water to District 40 HP Pumps with 350 gpm individual ratings Controlled by District via SCADA
SVWD PRESSURE SENSOR		<ul style="list-style-type: none"> Monitors Distribution pressure on District's side of interconnection
City PRESSURE SENSOR		<ul style="list-style-type: none"> Monitors Distribution pressure on City's side of interconnection
City Sample Station		<ul style="list-style-type: none"> Facilitates collection of a representative sample of water supplied to the District
District Sample Station		<ul style="list-style-type: none"> Facilities collection of a representative sample of water supplied to the City
City ISOLATION VALVE: GV-SC	8"	<ul style="list-style-type: none"> In pump station isolation valve Remotely controlled by SVDW SCADA?
SVWD ISOLATION VALVE: GV-SVDW	8"	<ul style="list-style-type: none"> Pump station isolation valve. Remotely controlled by SVDW SCADA?
TEE with BLOW-OFF BALL VALVE	2"	<ul style="list-style-type: none"> Facilitates the purging of interconnection piping of water

PROCEDURE

DISTRICT to transfer water to CITY for purposes of Water Quality

1. To maintain water quality and a chlorine residual in the pipeline, when water is not otherwise being transferred between the Parties, District water will be sent to the City at an initial flow rate of 15 GPM. Testing for free chlorine residual will be used to determine if flow rate changes are needed. Through verbal conversation or via email, the total volume, flow rate, or both, will be approved by mutual agreement prior to initiating any water transfer.
2. Flow meter totalizers will be recorded before activating the interconnection and any flushing water volume will be charged to the agency requesting the transfer of water. Flushing will not be required so long as the interconnection pipeline has been kept fresh via the bleed down of water from the District to the City, according to this section. Free chlorine residual at the interconnection will be used as the key indicator for pipeline freshness.
3. The City will only operate the City Distribution Isolation Valve, manually as needed, all other equipment will be operated by the District either via SCADA or manually.
4. With the SVWD to City Gravity Discharge Isolation Valve, the City Isolation Valve, and the Scotts Valley Isolation valves all open, and GV#5, GV#6, and GV#7 closed, the SVWD to the City Flow Control Valve will be opened to allow for the agreed upon flow, as measured by the Santa Cruz flow meter. This may be done remotely by the District via SCADA.
5. To end the water quality transfer, or in the event of over pressurization and/or tank overflow, SVWD shall close the SVWD to City Flow Control Valve.

CITY to transfer water to DISTRICT:

Through verbal conversation or via email, the total volume, flow rate, or both, to be transferred will be approved by mutual agreement prior to each water transfer. The City is able to transfer water to the District at a rate of up to 1 MGD and is currently limited to the capacity of the 8-inch interconnection and supporting City distribution system and pressure differential between the City and District.

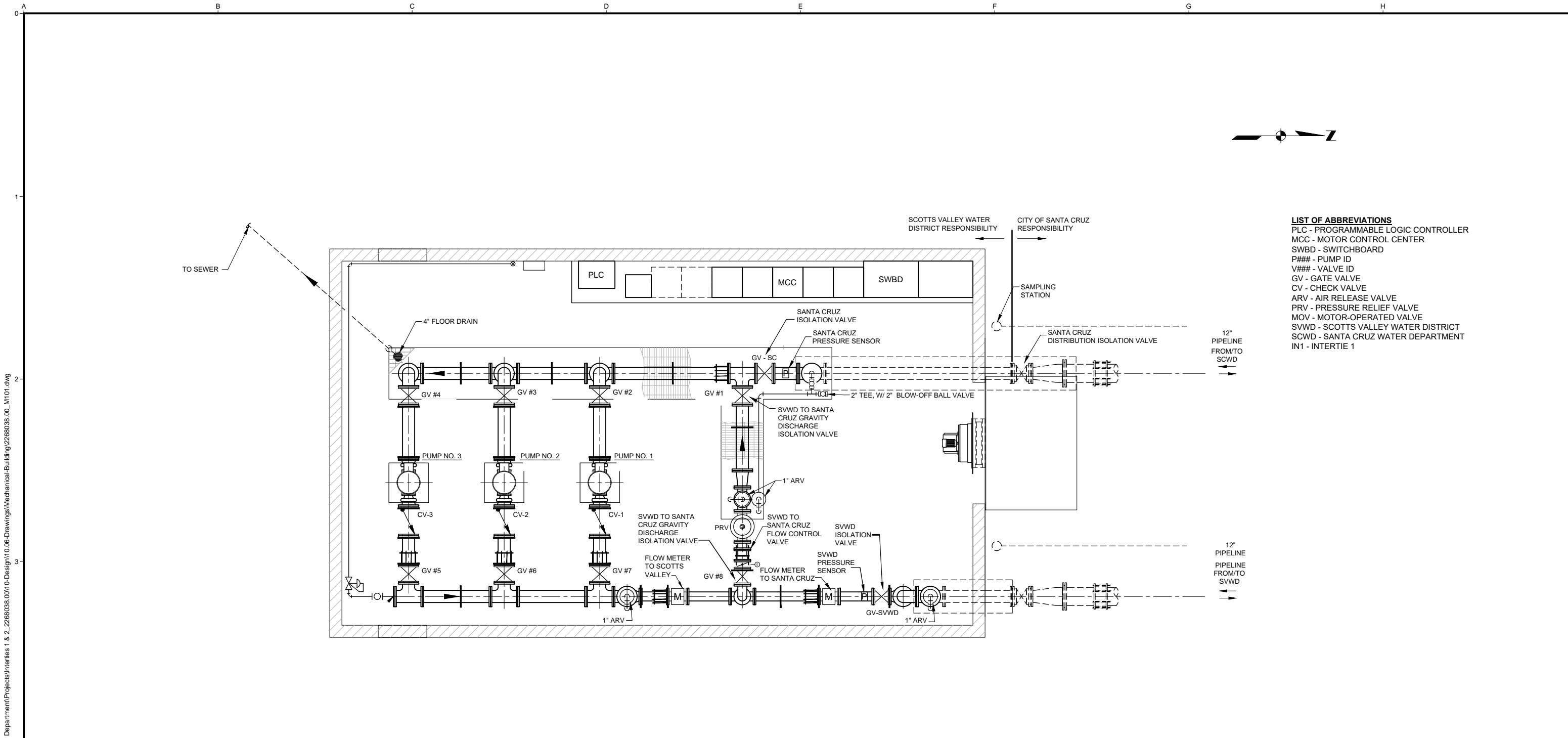
1. Flow meter totalizers will be recorded before activating the interconnection and any flushing water volume will be charged to the agency requesting the transfer of water. Flushing will not be required so long as the interconnection pipeline has been kept fresh via the bleed down of water from the District to the City, according to this section. Free chlorine residual at the interconnection will be used as the key indicator for pipeline freshness.
2. The City will only operate the manual City Distribution System Isolation Valve. All other equipment will be operated by the District either via SCADA or manually.
3. District will close the SVWD to City Gravity Discharge Isolation Valve (Gate Valve #8).
4. With the City Isolation Valve Open, and all pump isolation valves open, the District will operate pumps to reach the desired flow into the District.

5. To end the City to District transfer, or in the event of over pressurization and/or tank overflow, District shall turn off the pumps.
6. Upon completion of the transfer, the protocol for initiating the water quality transfer will be initiated.

District to transfer water to the City:

The District is currently limited to transferring approximately 350 gpm of water to the City because of the interconnection's hydraulic parameters.

1. Flow meter totalizers will be recorded before activating the interconnection and any flushing water volume will be charged to the agency requesting the transfer of water. Flushing will not be required so long as the interconnection pipeline has been kept fresh via the bleed down of water from the District to the City, according to this section. Free chlorine residual at the interconnection will be used as the key indicator for pipeline freshness.
2. The City will only operate the manual City Distribution System Isolation Valve, as needed. All other equipment will be operated by the District either via SCADA or manually.
3. With the SVWD to City Gravity Discharge Isolation Valve, the City Isolation Valve, and the SVWD Isolation valves all open, and GV#5, GV#6, and GV#7sclosed, the SVWD to City Flow Control Valve will be opened to allow for the agreed upon flow, as measured by the Flow Meter to the City . This may be done remotely by the District via SCADA.
4. To end the transfer, or in the event of over pressurization and/or tank overflow, SVWD shall close the SVWD to City Flow Control Valve.



- LIST OF ABBREVIATIONS**
- PLC - PROGRAMMABLE LOGIC CONTROLLER
 - MCC - MOTOR CONTROL CENTER
 - SWBD - SWITCHBOARD
 - P### - PUMP ID
 - V### - VALVE ID
 - GV - GATE VALVE
 - CV - CHECK VALVE
 - ARV - AIR RELEASE VALVE
 - PRV - PRESSURE RELIEF VALVE
 - MOV - MOTOR-OPERATED VALVE
 - SVWD - SCOTTS VALLEY WATER DISTRICT
 - SCWD - SANTA CRUZ WATER DEPARTMENT
 - IN1 - INTERTIE 1

PLAN

NO.	REVISION	DATE	BY	<p>SCALES</p> <p>0 — 1"</p> <p>0 — 25mm</p> <p>IF THIS BAR IS NOT DIMENSION SHOWN, ADJUST SCALES ACCORDINGLY.</p>	<p>DESIGNED</p> <p>AC</p> <hr/> <p>DRAWN</p> <p>AC</p> <hr/> <p>CHECKED</p> <p>TK</p>	<p>Santa Cruz Water Department</p> <p>INTERTIE NO. 1: SANTA CRUZ - SCOTTS VALLEY</p>	<p>SVWD-SCWD</p> <p>INTERTIE SCHEMATIC</p>	<p>FILE NAME</p> <hr/> <p>JOB NO.</p> <p>CWO-2023-003</p> <hr/> <p>DATE</p> <p>AUGUST 2025</p>

pw:\kpc-pw\benley.com\kpc-pw\Documents\Clients\Santa Cruz, City of CA\Santa Cruz Water Department\Projects\Interties 1 & 2_2268038.00\10-Design\10.06-Drawings\Mechanical\Building\2268038.00_M101.dwg

STAFF REPORT - Finance

Scotts Valley Water District

Date: 4/09/2026
To: Board of Directors
From: General Manager
Item: Staff Reports 7.3
Subject: **Financial Reports 7/1/2025 through 2/28/2026**

Summary

Fiscal Year-to-Date (YTD) figures reflect the period of 7/1/2025 through 2/28/2026. YTD revenues total \$10.47M and expenses total \$10.87M.

Revenue

February is the eighth month of the fiscal year. YTD potable water sales revenue is \$3.19M, water services revenue is \$1.96M and \$387K has been collected from new connections. Property tax revenue of \$909K has been collected. Interest from cash and investments is \$210K. Total YTD revenue in the potable water fund, excluding grants, is \$6.67M, equal to 65% of the budget and 5% higher than last year due to increased revenue from new connections.

YTD recycled water sales revenue is \$445K, water services revenue is \$71K, and \$39K from new connections for the period. Total YTD revenue of \$556K in the recycled water fund equals 76% of the budget, which is 14% higher than for the same period of last fiscal year.

Expenses

Combined YTD operating expenses are in-line with the budget, with expenses of \$4.94M representing 63% of the budget. Project expenditures total \$4.99M with \$3.23M funded by grants. Debt service principal and interest payments of \$1.12M have been made.

Fund Balance

At the end of February, cash reserves were approximately \$9.36M. An additional \$1.49M are held in investments and \$973K is booked in Accounts Receivable. Grants receivable are currently \$3.2M and \$2.8M in grant funds are payable to City of Santa Cruz.

Enclosed

Budget Status Balance 7/1/2025– 2/28/2026
Budget Status Revenue 7/1/2025– 2/28/2026
Budget Status Expense 7/1/2025– 2/28/2026
Projects Expense 7/1/2025- 2/28/2026
Balance Sheet 2/28/2026
Check Register 02/01/2026 – 2/28/2026

Budget Status - Balance



Period: 07/01/25 - 02/28/2026

FY Remain: 33%

	FY 2025 YTD Actual	FY 2026 YTD Actual	FY 2026 vs. FY 2025	YOY % change	FY 2026 Budget	FY 2026 Remaining Balance	%
Period: 8 months							
Potable Water - Fund 01							
Water Sales & Services (R10, R20)	\$ 5,197,569	\$ 5,145,162	\$ (52,408)	-1%	\$ 8,042,900	\$ 2,897,739	36%
New Connections (R25)	\$ 73,347	\$ 386,828	\$ 313,481	427%	\$ 91,184	\$ (295,644)	-324%
Other Revenue (R30)	\$ 1,128,375	\$ 1,145,287	\$ 16,912	1%	\$ 2,067,286	\$ 921,999	45%
Grant Revenue (R40)	\$ 55,500	\$ 3,237,442			\$ 3,315,000		
Potable Water Total	\$ 6,399,291	\$ 9,914,719	\$ 3,515,428	55%	\$ 13,516,370	\$ 3,601,652	27%
Recycled Water - Fund 02							
Water Sales & Services (R10, R20)	\$ 488,225	\$ 516,001	\$ 27,776	6%	\$ 713,400	\$ 197,399	28%
New Connections (R25)	\$ -	\$ 39,422	\$ 39,422	-	\$ -	\$ (39,422)	
Other Revenue (R30, R40)	\$ 1,050	\$ 750	\$ (300)	-29%	\$ 16,600	\$ 15,850	95%
Recycled Water Total	\$ 489,275	\$ 556,173	\$ 66,898	14%	\$ 730,000	\$ 173,827	24%
TOTAL REVENUE	\$ 6,888,566	\$ 10,470,892	\$ 3,582,326	52%	\$ 14,246,370	\$ 3,775,479	27%
Expenses - Fund 01 and Fund 02 Combined							
Salaries & Benefits (E01)	\$ 1,993,539	\$ 2,007,937	\$ 14,397	1%	\$ 3,424,196	\$ 1,416,259	41%
Services & Supplies (E03-E80)	\$ 2,794,100	\$ 2,929,347	\$ 135,247	5%	\$ 4,372,330	\$ 1,442,983	33%
Project Expenses	\$ 2,414,645	\$ 4,989,570	\$ 2,574,926	107%	\$ 13,286,410	\$ 8,296,839	62%
Debt Service - Principal	\$ 931,320	\$ 949,811	\$ 18,491	2%	\$ 949,811	\$ -	0%
TOTAL EXPENSES *	\$ 8,133,604	\$ 10,876,665	\$ 2,743,061	34%	\$ 22,032,747	\$ 11,156,081	51%
NET REVENUE	\$ (1,245,038)	\$ (405,774)	\$ 839,264		\$ (7,786,377)	\$ (7,380,603)	

Budget Status - Revenue



Period: 07/01/25 - 02/28/2026

FY Remain: 33%

Fund 01	Potable Water	FY 2025 YTD Actual	FY 2026 YTD Actual	FY 2026 vs. FY 2025	YOY % change	FY 2026 Budget	FY 2026 Remaining Balance	%
R10	Operating Revenue - Water Sales							
01-000-41101	Residential Consumption - SF	\$ 1,902,581	\$ 1,824,397	\$ (78,184)	-4%	\$ 2,938,200	\$ 1,113,803	38%
01-000-41102	Residential Consumption - MF	\$ 147,644	\$ 152,142	\$ 4,498	3%	\$ 239,200	\$ 87,058	36%
01-000-41103	CII Consumption	\$ 794,161	\$ 731,994	\$ (62,167)	-8%	\$ 1,288,700	\$ 556,706	43%
01-000-41105	Irrigation Consumption	\$ 388,136	\$ 388,136	\$ -	0%	\$ 514,000	\$ 125,865	24%
01-000-41106	CII Consumption - Other	\$ 79,500	\$ 75,719	\$ (3,781)	-5%	\$ -	\$ (75,719)	
01-000-41200	Other - Bulk Water	\$ 22,580	\$ 15,827	\$ (6,753)	-30%	\$ 31,000	\$ 15,173	49%
	R10 Sub Totals:	\$ 3,334,603	\$ 3,188,215	\$ (146,388)	-4%	\$ 5,011,100	\$ 1,822,886	36%
R20	Operating Revenue - Water Services							
01-000-41300	Other - Late Penalty	\$ 20,881	\$ 21,236	\$ 355	2%	\$ 18,100	\$ (3,136)	-17%
01-000-42100	Standby Basic Meter Charge	\$ 1,782,496	\$ 1,873,369	\$ 90,873	5%	\$ 2,920,300	\$ 1,046,931	36%
01-000-42121	Standby FP Basic Meter Charge	\$ 53,809	\$ 57,153	\$ 3,344	6%	\$ 84,700	\$ 27,547	33%
01-000-43300	Other Operating Revenue	\$ 5,781	\$ 5,189	\$ (592)	-10%	\$ 8,700	\$ 3,511	40%
	R20 Sub Totals:	\$ 1,862,967	\$ 1,956,947	\$ 93,980	5%	\$ 3,031,800	\$ 1,074,853	35%
R25	Operating Revenue - New Connections							
01-000-42101	Other Meter Fee	\$ 1,059	\$ 4,511	\$ 3,452	326%	\$ 1,300	\$ (3,211)	-247%
01-000-42102	Other Capacity Fee	\$ 69,104	\$ 380,347	\$ 311,243	450%	\$ 82,184	\$ (298,163)	-363%
01-000-42120	Other FP Meter Fee	\$ 315	\$ 945	\$ 630	200%	\$ 700	\$ (245)	-35%
01-000-43100	Other Will Serve	\$ 500	\$ 125	\$ (375)	-75%	\$ 1,000	\$ 875	88%
01-000-43200	Other Dev Proj Review	\$ 2,369	\$ 900	\$ (1,469)	-62%	\$ 6,000	\$ 5,100	85%
	R25 Sub Totals:	\$ 73,347	\$ 386,828	\$ 313,481	427%	\$ 91,184	\$ (295,644)	-324%
R30	Non-Operating Revenue - Other							
01-000-46000	Property Taxes	\$ 826,695	\$ 908,882	\$ 82,187	10%	\$ 1,637,492	\$ 728,610	44%
01-000-47110	Interest & Dividend	\$ 66,966	\$ 103,161	\$ 36,195	54%	\$ 110,494	\$ 7,333	7%
01-000-47120	Interest - LAIF	\$ 151,832	\$ 106,350	\$ (45,482)	-30%	\$ 309,700	\$ 203,350	66%
01-000-47520	Misc. Non-Operating Revenue	\$ 6,430	\$ 19,478	\$ 13,048	203%	\$ 9,600	\$ (9,878)	-103%
01-000-47540	Third-Party Reimbursements	\$ -	\$ 7,416	\$ 7,416		\$ -	\$ (7,416)	
	R30 Sub Totals:	\$ 1,072,875	\$ 1,145,287	\$ 85,948	7%	\$ 2,067,286	\$ 929,415	45%
01-000-45230	State Grant - DWR 2021	\$ 55,500	\$ 3,227,442	\$ 3,171,942	5815%	\$ 3,315,000	\$ 87,558	3%
01-000-45260	Local Grant	\$ -	\$ 10,000	\$ 10,000		\$ -	\$ (10,000)	
	R40 Sub Totals:	\$ 55,500	\$ 3,237,442	\$ 3,181,942	5733%	\$ 3,315,000	\$ 77,558	2%
	Fund 01 Revenue:	\$ 6,399,291	\$ 9,914,719	\$ 3,528,963	55%	\$ 13,516,370	\$ 3,609,068	27%
	Fund 01 Rev Excl Grants & Cap	\$ 6,343,791	\$ 6,677,277	\$ 347,021	5%	\$ 10,201,370	\$ 3,531,510	35%

Budget Status - Revenue



Period: 07/01/25 - 02/28/2026

FY Remain: 33%

		FY 2025 YTD Actual	FY 2026 YTD Actual	FY 2026 vs. FY 2025	YOY % change	FY 2026 Budget	FY 2026 Remaining Balance	%
Fund 02	Recycled Water							
R10	Operating Revenue - Water Sales							
02-000-41105	Irrigation Consumption	\$ 418,776	\$ 442,477	\$ 23,701	6%	\$ 607,200	\$ 164,723	27%
02-000-41200	Other - Bulk Water	\$ 1,439	\$ 2,711	\$ 1,272	88%	\$ -	\$ (2,711)	
	R10 Sub Totals:	\$ 420,215	\$ 445,188	\$ 24,973	6%	\$ 607,200	\$ 162,012	27%
02-000-41300	Other - Late Penalty							
02-000-42100	Standby Basic Meter Charge	\$ 67,910	\$ 70,688	\$ 2,778	4%	\$ 106,200	\$ 35,512	33%
02-000-43300	Other Operating Revenue	\$ 100	\$ 125	\$ 25	25%	\$ -	\$ (125)	
	R20 Sub Totals:	\$ 68,010	\$ 70,813	\$ 2,803	4%	\$ 106,200	\$ 35,387	33%
R25	Operating Revenue - New Connections							
02-000-42101	Other Meter Fee	\$ -	\$ 870	\$ 870		\$ -	\$ (870)	
02-000-42102	Other Capacity Fee	\$ -	\$ 38,552	\$ 38,552		\$ -	\$ (38,552)	
	R25 Sub Totals:	\$ -	\$ 39,422	\$ 39,422		\$ -	\$ (39,422)	
R30	Non-Operating Revenue - Other							
02-000-47110	Interest & Dividend	\$ 1,050	\$ 750	\$ (300)	-29%	\$ 6,600	\$ 5,850	89%
02-000-47560	Notes Receivable Payments	\$ -	\$ -	\$ -		\$ 10,000	\$ 10,000	100%
	R30 Sub Totals:	\$ 1,050	\$ 750	\$ (300)	-29%	\$ 16,600	\$ 15,850	95%
	Fund 02 Revenue:	\$ 489,275	\$ 556,173	\$ 66,898	14%	\$ 730,000	\$ 173,827	24%
	Fund 02 Rev Excl Grants & Cap	\$ 489,275	\$ 556,173	\$ 66,898	14%	\$ 730,000	\$ 173,827	24%
Revenue Totals:		\$ 6,888,566	\$ 10,470,892	\$ 3,595,861	52%	\$ 14,246,370	\$ 3,782,895	27%
Revenue Total Excl Grants & Cap Contributions		\$ 6,833,066	\$ 7,233,450	\$ 413,919	6%	\$ 10,931,370	\$ 3,705,337	34%

Budget Status - Expense



Period: 07/01/25 - 02/28/2026

FY Remain: 33%

		FY 2025 YTD Actual	FY 2026 YTD Actual	FY 2026 vs. FY 2025	YOY % change	FY 2026 Budget	FY 2026 Remaining Balance	%
Fund 01 and Fund 02 Combined								
Dept	Administration							
E01	Salaries & Benefits	\$ 338,591	\$ 363,634	\$ 25,043	7%	\$ 654,367	\$ 290,733	44%
E03	General & Admin - Services	\$ 223,228	\$ 239,147	\$ 15,919	7%	\$ 476,374	\$ 237,227	50%
E05	General & Admin - Supplies	\$ 12,440	\$ 11,059	\$ (1,381)	-11%	\$ 38,000	\$ 26,941	71%
E10	Source of Supply	\$ 166,905	\$ 209,480	\$ 42,575	26%	\$ 205,307	\$ (4,173)	-2%
E70	Other	\$ -	\$ -	\$ -		\$ -	\$ -	
	Dept 100 Sub Totals:	\$ 741,165	\$ 823,320	\$ 82,156	11%	\$ 1,374,048	\$ 550,728	40%
Dept	Finance/Customer Service							
E01	Salaries & Benefits	\$ 421,163	\$ 383,849	\$ (37,314)	-9%	\$ 672,434	\$ 288,585	43%
E03	General & Admin - Services	\$ 224,060	\$ 266,784	\$ 42,723	19%	\$ 283,200	\$ 16,416	6%
E05	General & Admin - Supplies	\$ 2,000	\$ -	\$ (2,000)	-100%	\$ 4,000	\$ 4,000	100%
E35	Customer Accounts	\$ 183,439	\$ 173,466	\$ (9,973)	-5%	\$ 291,246	\$ 117,780	40%
E70	Other	\$ 534,471	\$ 2,695	\$ (531,777)	-99%	\$ 1,000	\$ (1,695)	-169%
E80	Debt Service - Interest	\$ 78,121	\$ 68,366	\$ (9,755)	-12%	\$ 146,487	\$ 78,121	53%
	Dept 200 Sub Totals:	\$ 1,443,255	\$ 895,160	\$ (548,095)	-38%	\$ 1,398,367	\$ 503,207	36%
Dept	Operations							
E01	Salaries & Benefits	\$ 1,101,333	\$ 1,162,084	\$ 60,750	6%	\$ 1,867,501	\$ 705,418	38%
E03	General & Admin - Services	\$ 160,033	\$ 217,271	\$ 57,238	36%	\$ 395,836	\$ 178,565	45%
E05	General & Admin - Supplies	\$ 22,754	\$ 25,068	\$ 2,314	10%	\$ 70,430	\$ 45,362	64%
E07	General Production	\$ 77,196	\$ 92,800	\$ 15,604	20%	\$ 191,600	\$ 98,800	52%
E10	Source of Supply	\$ 17,436	\$ 76,043	\$ 58,608	336%	\$ 67,000	\$ (9,043)	-13%
E15	Pumping	\$ 427,502	\$ 510,686	\$ 83,184	19%	\$ 781,400	\$ 270,714	35%
E20	Water Treatment	\$ 375,670	\$ 414,884	\$ 39,214	10%	\$ 640,100	\$ 225,216	35%
E25	Transmission & Distribution	\$ 272,265	\$ 589,180	\$ 316,915	116%	\$ 507,500	\$ (81,680)	-16%
E35	Conservation	\$ -	\$ 274	\$ 274		\$ -	\$ (274)	
E70	Other	\$ -	\$ -	\$ -		\$ -	\$ -	
	Dept 300 Sub Totals:	\$ 2,454,189	\$ 3,088,291	\$ 634,101	26%	\$ 4,521,367	\$ 1,433,076	32%
Dept	Engineering							
E01	Salaries & Benefits	\$ 83,599	\$ 39,785	\$ (43,814)	-52%	\$ 137,448	\$ 97,663	71%
E03	General & Admin - Services	\$ 5,152	\$ 28,219	\$ 23,066	448%	\$ 252,650	\$ 224,432	89%
E05	General & Admin - Supplies	\$ 11,427	\$ -	\$ (11,427)	-100%	\$ 1,000	\$ 1,000	100%
	Dept 400 Sub Totals:	\$ 100,178	\$ 68,003	\$ (32,175)	-32%	\$ 391,098	\$ 323,095	83%
Dept	Board of Directors							
E01	Salaries & Benefits	\$ 48,853	\$ 58,585	\$ 9,732	20%	\$ 92,446	\$ 33,861	37%
E03	General & Admin - Services	\$ -	\$ 3,925	\$ 3,925		\$ 18,400	\$ 14,475	79%
E05	General & Admin - Supplies	\$ -	\$ -	\$ -		\$ 800	\$ 800	100%
	Dept 900 Sub Totals:	\$ 48,853	\$ 62,509	\$ 13,657	28%	\$ 111,646	\$ 49,137	44%

Budget Status - Expense



Period: 07/01/25 - 02/28/2026

FY Remain: 33%

		FY 2025 YTD Actual	FY 2026 YTD Actual	FY 2026 vs. FY 2025	YOY % change	FY 2026 Budget	FY 2026 Remaining Balance	%
Summary								
E01	Salaries & Benefits	\$ 1,993,539	\$ 2,007,937	\$ 14,397	1%	\$ 3,424,196	\$ 1,416,259	41%
E03	General & Admin - Services	\$ 612,473	\$ 755,345	\$ 142,872	23%	\$ 1,426,460	\$ 671,115	47%
E05	General & Admin - Supplies	\$ 48,621	\$ 36,127	\$ (12,494)	-26%	\$ 114,230	\$ 78,103	68%
E07	General Production	\$ 77,196	\$ 92,800	\$ 15,604	20%	\$ 191,600	\$ 98,800	52%
E10	Source of Supply	\$ 184,341	\$ 285,523	\$ 101,183	55%	\$ 272,307	\$ (13,216)	-5%
E15	Pumping	\$ 427,502	\$ 510,686	\$ 83,184	19%	\$ 781,400	\$ 270,714	35%
E20	Water Treatment	\$ 375,670	\$ 414,884	\$ 39,214	10%	\$ 640,100	\$ 225,216	35%
E25	Transmission & Distribution	\$ 272,265	\$ 589,180	\$ 316,915	116%	\$ 507,500	\$ (81,680)	-16%
E35	Customer Accounts	\$ 183,439	\$ 173,740	\$ (9,699)	-5%	\$ 291,246	\$ 116,085	40%
E70	Other	\$ 534,471	\$ 2,695	\$ (531,777)	-99%	\$ 1,000	\$ -	0%
E80	Debt Service - Interest	\$ 78,121	\$ 68,366	\$ (9,755)	-12%	\$ 146,487	\$ 78,121	53%
District Expense Total:		\$ 4,787,639	\$ 4,937,284	\$ 149,645	3%	\$ 7,796,526	\$ 2,859,516	37%
Fund 01 and 02 Combined								
E01	Salaries & Benefits	\$ 1,993,539	\$ 2,007,937	\$ 14,397	1%	\$ 3,424,196	\$ 1,416,259	41%
E03-E80	Services & Supplies	\$ 2,794,100	\$ 2,929,347	\$ 135,247	5%	\$ 4,372,330	\$ 1,442,983	33%
District Expense Total:		\$ 4,787,639	\$ 4,937,284	\$ 149,645	3%	\$ 7,796,526	\$ 2,859,242	37%

Projects - Expense



Period: 07/01/25 - 02/28/2026

FY Remain: 33%

		FY 2026 YTD Actual	FY 2026 Budget	FY 2026 Remaining Balance	%
Fund 01 and Fund 02 Combined					
Project	Description				
C15007	Grace Wy Well	\$ 913,977	\$ 930,866	\$ 16,889	2%
C16024	Bethany Tank Rehabilitation	\$ 1,150	\$ 481,387	\$ 480,237	100%
C17011	Automated Metering Infrastructure (AMI)	\$ -	\$ 16,000	\$ 16,000	100%
C19020	El Pueblo Water Treatment Plant Improvements	\$ 230	\$ 181,410	\$ 181,180	100%
C19070	Vehicle Replacement Program	\$ 101,563	\$ 180,000	\$ 78,437	44%
C20010	Main Replacement Program - Potable	\$ 235,568	\$ 542,000	\$ 306,432	57%
C20040	Administrative Building Improvements	\$ 8,528	\$ 20,000	\$ 11,472	57%
C21010	Well 10 WTP Improvements	\$ -	\$ 200,000	\$ 200,000	100%
C22010	Well 3B Replacement	\$ 188,254	\$ 339,951	\$ 151,697	45%
C22020	Specialized Operations Equipment	\$ -	\$ 49,227	\$ 49,227	100%
C23010	SCWD-SVWD System Intertie*	\$ 2,727,945	\$ 7,756,878	\$ 5,028,933	65%
C24000	Transit Center LID Phase 2	\$ 6,126			
C24010	Glenwood Tank Landslide Evaluation & Repair	\$ 19,930	\$ 495,000	\$ 475,070	96%
C24020	Monte Fiore PS Rehab	\$ 39,419	\$ 402,412	\$ 362,993	90%
C24030	System wide pressure reduction program	\$ 196,061	\$ 339,402	\$ 143,341	42%
C24040	Distribution system improvements in Montevalle	\$ -	\$ 112,045	\$ 112,045	100%
C24050	Corp Yard Improvements	\$ -	\$ 35,425	\$ 35,425	100%
C25000	SCADA Improvements- Teledesign Radio and Kingfi	\$ 22,962	\$ 202,127	\$ 179,165	89%
C26010	Orchard Run Well Rehab	\$ 78,876	\$ 255,000	\$ 176,124	69%
C26020	VFD installation at Orchard WTP	\$ -	\$ 175,000	\$ 175,000	100%
C26030	Solar Installation	\$ -	\$ 25,000	\$ 25,000	100%
C26040	Sequoia Tank Roof Recoat	\$ 264,244	\$ 292,280	\$ 28,036	10%
M17011	Meter Replacement Program	\$ 34,736	\$ 60,000	\$ 25,264	42%
C26050	PW Tank Seam Resealing	\$ 150,000	\$ 195,000	\$ 45,000	23%
Projects Expense Totals:		\$ 4,989,570	\$ 13,286,410	\$ 8,302,965	62%
Grant Reimbursement Total:		\$ 3,227,442			

Balance Sheet



Fund 01, Fund 02 and Fund 03 Combined

	2/28/25	2/28/26
Assets		
Cash	\$8,650,859	\$9,364,078
Investments	\$1,969,000	\$1,494,174
Accrued Interest	\$0	\$0
A/R Customer-Water	\$981,860	\$973,420
A/R - Other	(\$13,308)	\$3,225,307
Interfund Loan Receivable	\$1,093,007	\$1,093,007
Inventory	\$234,904	\$263,194
Prepaid Expense	\$56,322	\$57,913
Note Receivable	\$35,000	\$25,000
JPA Investment	\$149,345	\$208,513
Land & Right-of-ways	\$1,218,697	\$1,218,697
Construction-in-progress	\$5,343,851	\$8,341,722
Water Rights / Intangible Assets	\$5,267,833	\$5,267,833
Plant & Equipment	\$45,908,923	\$47,914,474
Depreciation/Amortization	(\$28,278,656)	(\$29,545,834)
Deferred Pension Outflows	\$1,366,327	\$888,208
Unfunded OPEB Liability	\$115,583	\$116,887
	\$44,099,546	\$50,906,593
Liabilities		
A/P & Accrued Expenses	\$175,253	\$2,853,137
Accrued Interest Payable	\$0	\$0
Customer Deposits	\$53,210	\$47,031
Interfund Loans	\$1,093,007	\$1,093,007
LT Liabilities Due in 1 Yr	\$1,013,357	\$796,317
Unearned Revenue	\$86,784	\$66,636
Long-term Liabilities	\$9,146,010	\$8,080,933
Deferred Pension Inflows	\$1,187,814	\$694,399
	\$12,755,435	\$13,631,460
Fund Balance		
Investment in Capital Assets	\$23,190,237	\$23,190,237
Unrestricted Net Position	\$5,545,730	\$11,301,683
	\$28,735,967	\$34,491,920
Total Liabilities and Fund Balance:	\$41,491,402	\$48,123,380
Total Retained Earnings:	\$2,608,145	\$2,783,213
Total Fund Balance and Retained Earnings:	\$31,344,112	\$37,275,133
Total Liabilities, Fund Balance, and Retained Earnings:	\$44,099,547	\$50,906,593

Vendor Name	Transaction Date	Check Number	Description	Amount
A T & T	2/26/2026	34660	SCADA Modem Dialer 1/13/26 - 2/12/26	110.35
AAA WORKSPACE	2/12/2026	34612	Correction Tape, Adhesive Pads, Notebook	56.99
AAA WORKSPACE	2/12/2026	34612	Overpayment	(50.00)
ACWA/JPIA	2/12/2026	ACH	EE & Retiree Benefits - January 2026	32,657.86
ACWA/JPIA	2/12/2026	ACH	WC Insurance QTR ending 12/31/2025	8,332.36
ADP, INC	2/12/2026	34613	ADP Payroll PW-2 January 2026	223.51
ADP, INC	2/12/2026	34613	ADP Payroll PW-4 January 2026	238.03
ADP, INC	2/12/2026	34613	ADP Time and Attendance PW-2 January 2026	228.00
ADP, INC	2/12/2026	34613	ADP Workforce Now PW-2 January 2026	123.25
ADP, INC	2/26/2026	ACH	ADP Year End Reporting / 2025 W2s	187.65
AFLAC	2/26/2026	34661	EE Self-Funded Supplemental Benefits February 2026	281.34
AFLAC	2/26/2026	34661	EE Self-Funded Supplemental Benefits January 2026	281.34
AFSCME COUNCIL 57	2/12/2026	34614	Union Dues January 2026	1,022.00
ANDERSON PACIFIC ENGINEERING CONSTRUCTION	2/12/2026	ACH	Granite Creek Watermain Replacement	24,111.25
ANDERSON PACIFIC ENGINEERING CONSTRUCTION	2/26/2026	ACH	Grace Way Well Site Improvements	194,014.11
AT&T MOBILITY	2/12/2026	34615	January 2026 Service	943.02
AUTOMATIONDIRECT.COM, INC	2/26/2026	ACH	AcuAMP DC Voltage Transducer	625.58
AUTOMATIONDIRECT.COM, INC	2/26/2026	ACH	DURApulse GS4 Series AC High Performance Drive	1,430.04
AUTOMATIONDIRECT.COM, INC	2/26/2026	ACH	Saginaw EnviroLine Series Enclosure, Subpanel, Drip Shield	1,938.19
AWWA-CANV SECTION	2/12/2026	34616	Backflow Certification Exam - Drew Carlson	340.00
BADGER METER	2/12/2026	34617	Cell Charges PW/RW Meter Reads January 2026	4,626.34
BAINBRIDGE ALAN	2/12/2026	34619	Reimburse Tow Truck - Truck #12 on Saturday 1/24/26 On-Call	275.00
BATTERIES PLUS BULBS #314	2/12/2026	34618	12V 4D Flooded 12 Green Gen	263.15
BATTERIES PLUS BULBS #314	2/12/2026	34618	12V 9AH Lead - Orchard Treatment	89.78
BATTERIES PLUS BULBS #314	2/12/2026	34618	12V 24M Dur Ultra AGM 30 - Southwood Tank Batteries	526.33
BATTERIES PLUS BULBS #314	2/12/2026	34618	12V 35AH Lead - Orchard 24 VDC	223.39
BATTERIES PLUS BULBS #314	2/12/2026	34618	12V Lead - Reclaim PRV	658.24
BATTERIES PLUS BULBS #314	2/12/2026	34618	Core Return	(144.00)
BATTERIES PLUS BULBS #314	2/12/2026	34618	X2P 4AMP Charger - Trickle Charger for El Pueblo Gate	62.50
BATTERIES PLUS BULBS #314	2/26/2026	34662	24 pk Duracell AA	43.79
BATTERIES PLUS BULBS #314	2/26/2026	34662	SL18DAFT 12V 8D Flooded Ft 12	699.71
BRENNTAG NORTH AMERICA LLC	2/12/2026	ACH	L A Chemchlor Sodium	2,644.07
BRENNTAG NORTH AMERICA LLC	2/26/2026	ACH	Aquapure 3672 NSF Bulk	1,695.35
BRENNTAG NORTH AMERICA LLC	2/26/2026	ACH	L A Chemchlor Sodium	3,912.63
CALIFORNIA AQUASTORE	2/12/2026	34620	Potable and Recycled Tank Sealing Seams	135,000.00
CALPERS	2/9/2026	ACH	ADM Retirement PW-6 Ended 2/2/26	1,446.68
CALPERS	2/9/2026	ACH	Employee Retirement Withholdings PW-6 Ended 2/2/26	6,113.81
CALPERS	2/9/2026	ACH	ENG Retirement PW-6 Ended 2/2/26	261.38
CALPERS	2/9/2026	ACH	FIN/CS Retirement PW-6 Ended 2/2/26	1,511.81
CALPERS	2/9/2026	ACH	OPS Retirement PW-6 Ended 2/2/26	5,333.39
CALPERS	2/23/2026	ACH	CalPERS Unfunded Liability - February 2026 Classic	6,270.58
CALPERS	2/23/2026	ACH	CalPERS Unfunded Liability - February 2026 PEPRA	716.00
CALPERS	2/23/2026	ACH	CalPERS Unfunded Liability - February 2026 Tier II	3,142.92
CANON FINANCIAL SERVICES	2/26/2026	34663	Copier Charge 02/26/26 - 03/25/2026	400.60
CIVIL CONSULTANTS GROUP INC	2/12/2026	34621	Grace Way Well Add Service Survey Staking	1,100.00
CIVIL CONSULTANTS GROUP INC	2/12/2026	34621	Grace Way Well Engineering January 2026	2,850.00
CIVIL CONSULTANTS GROUP INC	2/12/2026	34621	Monthly General Engineering January 2026	515.00
COASTAL EVERGREEN	2/12/2026	34622	Monthly Maintenance February 2026	650.00
CONTRACTOR COMPLIANCE & MONITORING	2/12/2026	34623	Labor Compliance Grace Way Well Site Improvements Jan 2026	943.75
CONTRACTOR COMPLIANCE & MONITORING	2/12/2026	34623	Labor Compliance Grace Way Wellhead Installation Jan 2026	225.00
CONTRACTOR COMPLIANCE & MONITORING	2/12/2026	34623	Labor Compliance Granite Creek Water Main Replacement Jan 2026	245.00
CONTRACTOR COMPLIANCE & MONITORING	2/12/2026	34623	Labor Compliance Meadow Way Well Site Improvements Jan 2026	131.25
CONTRACTOR COMPLIANCE & MONITORING	2/12/2026	34623	Labor Compliance Sequoia Tank Venting & Roof Recoating Jan 2026	350.00
DASSELS PETROLEUM	2/12/2026	34624	#47465 Diesel Charges for January 2026	2,191.84
DUDEK	2/12/2026	34625	Professional Services for the Period Sept 27 to Oct 24, 2025	719.90
EUROFINS DRINKING WATER AND WASTEWATER WES	2/26/2026	ACH	Compliance Well Testing El Pueblo	927.00
EUROFINS DRINKING WATER AND WASTEWATER WES	2/26/2026	ACH	Compliance Well Testing Multiple Sites	509.24
EUROFINS DRINKING WATER AND WASTEWATER WES	2/26/2026	ACH	Compliance Well Testing Well 10A	668.06
EUROFINS DRINKING WATER AND WASTEWATER WES	2/26/2026	ACH	Compliance Well Testing Well 11B	780.74
EXCEEDIO / XOBEE	2/12/2026	34626	IT Assets, Annual Licenses	7,200.00
EXCEEDIO / XOBEE	2/26/2026	34664	Managed Services 2/1/26 - 2/28/26	6,882.67
FASTENAL COMPANY	2/12/2026	34627	IndMstClnWipe, NitGuard	402.76
FIRST ALARM	2/26/2026	34665	Fire Alarm Service 3/1/26 - 5/31/26	372.78
GRAINGER	2/12/2026	34628	Fire Lane Parking Sign	31.68
GRAINGER	2/12/2026	34628	Fuel Filters, Hex Bushing	148.15
GRAINGER	2/12/2026	34628	Harness XL 310 Lb Capacity	921.84
GRAINGER	2/26/2026	34666	Linear Fixture, White	1,239.12
GRANITE CONSTRUCTION CO	2/12/2026	34629	3/4" Aggregatebase	303.76
GREENWASTE RECOVERY, LLC	2/12/2026	34630	Waste Service 70 El Pueblo 1/1/26 - 1/31/26	424.03
HAIGHT JUANELLA	2/12/2026	34631	Premium Reimbursement February 2026	415.59
HARRINGTON INDUSTRIAL PLASTICS, LLC	2/12/2026	34632	1/2" CPVC Relief Valves	1,534.81
HARRINGTON INDUSTRIAL PLASTICS, LLC	2/26/2026	34667	1-1/2" Fitting Instl Tee, Y-Strainer, Ball Valve	396.18
HEALTHEQUITY, INC	2/12/2026	34633	Monthly Fees - February 2026	32.45
HEALTHEQUITY, INC	2/12/2026	34633	Monthly Fees - January 2026	32.45
HOSE SHOP	2/12/2026	34634	Linear Trigger Gun, 48" Straight Lance, Nipple, Clamp	137.85
HOSE SHOP	2/26/2026	34668	50" Hose Assembly	921.84
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	1 1/2 Ford MIPX/MIP Ballcorp NL	253.13
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	2 1/2 FNST X 2 MIP Brass Hose	28.85
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	2 1/2 Fnst x 2 MIP Brass Hose Adapter, Brass Swivel Hose Adapter	198.98
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	3/4 Ford Flare X UT	424.82
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	3/4 FORD UJ CTS C UJ CTS CPLG NL	424.07
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	5" - 10" Gate Valve Key	554.34
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	6 Ford F1 Repair Clamps	993.11
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	6 Ford FS1 Repair Clamp	284.26
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	6 Nibco F-718-B 125# Flg'd Globe Valve	12,292.00
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	6H X 6H HYD BO EPOXY, CLOW 860 Hydrant CI 6H	7,703.71
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	B1017 Box, 8 Ring Flange-Tyte SBR Gasket, Coupling	570.99
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	Blue PVC Pipe, Flip Coupling	1,854.29
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	Blue PVC Pipe, Flip Coupling, Ford MIP x FIP	4,306.36

ICONIX WATERWORKS (US), INC	2/12/2026	ACH	Blue PVC Pipe, Mega Lug, DI Spool, Cast Iron Tapt Flange IMP	3,802.50
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	Clow 850 Hydrant, Clow 2639 MJXMJ NRS AWWA	4,773.35
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	Combo Air Valves	8,284.91
ICONIX WATERWORKS (US), INC	2/12/2026	ACH	Ford Ang BV FIPXMTR NL	1,006.24
ICONIX WATERWORKS (US), INC	2/26/2026	ACH	1 to 2 Ford Meter Adapter, Stainless Steel Meter Box Lid Remover	2,030.02
ICONIX WATERWORKS (US), INC	2/26/2026	ACH	1 Type Soft Blue Copper 60'Coil	1,246.76
ICONIX WATERWORKS (US), INC	2/26/2026	ACH	6H X 6H X 24 Hyd Solid Epoxy Ext IMP	431.72
ICONIX WATERWORKS (US), INC	2/26/2026	ACH	6MJ 45 & 90 ELL Epoxy IMP	1,141.73
ICONIX WATERWORKS (US), INC	2/26/2026	ACH	6x2 Tapt Cl Hydrant Flange Imp	104.74
ICONIX WATERWORKS (US), INC	2/26/2026	ACH	B1017 Steel Lid Water	621.59
ICONIX WATERWORKS (US), INC	2/26/2026	ACH	Returned original U2616003088 6 Ford F1 Repair Clamp (4)	(920.91)
ICONIX WATERWORKS (US), INC	2/26/2026	ACH	Stainless Steel Meter Box Lid Remover	127.91
IDEXX LABORATORIES, INC	2/12/2026	34635	200 Vessels W/ST and SB 200pk	332.16
INFOSEND	2/12/2026	34636	Statement Data Processing & Mailing January 2026	2,188.62
KASSIS JANETTE	2/12/2026	34637	Premium Reimbursement February 2026	506.29
KOFFLER ELECTRICAL MECHANICAL	2/26/2026	34669	Service - Change Out Motor #2, Pump #1	8,452.52
MILLER MAXFIELD, INC	2/12/2026	34638	Public Outreach Consulting Services January 2026	4,831.76
MISSION UNIFORM SERVICE	2/12/2026	34639	Uniform Laundering Service 1/15/26	463.60
MISSION UNIFORM SERVICE	2/12/2026	34639	Uniform Laundering Service 2/3/26	116.28
MISSION UNIFORM SERVICE	2/12/2026	34639	Uniform Laundering Service 2/10/26	194.05
MISSION UNIFORM SERVICE	2/26/2026	34670	Uniform Laundering Service 02/17/26	116.28
MISSION UNIFORM SERVICE	2/26/2026	34670	Uniform Laundering Service 02/24/26	194.05
MONRO INC	2/12/2026	ACH	Tire Installation 2019Ford F250 VIN30005	1,399.43
MONRO INC	2/12/2026	ACH	Truck 12 Brakes/Rotors - VIN 16277	1,253.99
MONRO INC	2/12/2026	ACH	Truck 12 Tire Repair - VIN 16277	35.00
MONTEREY BAY ANALYTICAL SERVICES	2/12/2026	ACH	Samples 01/13/26	129.00
MONTEREY BAY ANALYTICAL SERVICES	2/12/2026	ACH	Samples 01/22/26	43.00
MONTEREY BAY ANALYTICAL SERVICES	2/12/2026	ACH	Samples 01/23/26	135.00
MONTEREY BAY ANALYTICAL SERVICES	2/12/2026	ACH	Samples 01/27/26	226.00
MONTEREY BAY ANALYTICAL SERVICES	2/12/2026	ACH	Samples 01/28/26	483.00
MONTEREY BAY ANALYTICAL SERVICES	2/12/2026	ACH	Samples 02/03/26	140.00
MONTEREY BAY ANALYTICAL SERVICES	2/26/2026	ACH	Samples 2/10/26	476.00
MONTEREY BAY ANALYTICAL SERVICES	2/26/2026	ACH	Samples 2/11/26	175.00
MONTEREY BAY ANALYTICAL SERVICES	2/26/2026	ACH	Samples 2/13/26	310.00
MONTEREY BAY ANALYTICAL SERVICES	2/26/2026	ACH	Samples 2/17/26	270.00
NATIONWIDE RETIREMENT SOLUTIONS	2/9/2026	ACH	IRS 457 Plan PW-6 Ended 02/02/2026	2,807.72
NATIONWIDE RETIREMENT SOLUTIONS	2/23/2026	ACH	IRS 457 Plan PW-8 Ended 02/16/2026	2,807.72
NIGRO & NIGRO	2/12/2026	34640	Final Audit Work Ending 6/30/25	9,000.00
NORTH BAY FORD	2/12/2026	34641	2015 Ford Cab VIN 83921 Service - Oil, Filter, Check Brakes	401.76
NORTH BAY FORD	2/12/2026	34641	2016 Ford F650 VIN 04585 Service - Oil, Filter, Check Brakes	324.55
NORTH BAY FORD	2/12/2026	34641	2017 Ford F250 VIN 94355 Service - Oil, Filter, Check Brakes	193.53
NORTH BAY FORD	2/12/2026	34641	2021 Ford VIN 04907 Service - Oil, Filter, Check Brakes	302.61
NORTH BAY FORD	2/12/2026	34641	2022 Ford F250 VIN 69205 Service - Oil, Filter, Check Brakes	180.94
NORTH BAY FORD	2/12/2026	34641	Solenoid Engine Valves, Bulb, Lamp Assy Rear	1,860.10
NORTH BAY WATER WORKS	2/12/2026	34642	Eclipse #88 Sampling Station for Warm Climates	949.15
NORTON PATRICIA	2/12/2026	34643	Retiree Dental February 2026	33.72
NORTON PATRICIA	2/12/2026	34643	Retiree Medical February 2026	505.17
NORTON PATRICIA	2/12/2026	34643	Retiree Vision February 2026	18.56
O'REILLY AUTOMOTIVE INC	2/12/2026	34647	Antifreeze, Squeegee, Seat Covers, MicroCloth, Aerosol	160.72
O'REILLY AUTOMOTIVE INC	2/12/2026	34647	Hex Bits Set, Str Whl Cvr	61.44
O'REILLY AUTOMOTIVE INC	2/12/2026	34647	Led Pod, Butt Splice, Universal Joint	162.32
O'REILLY AUTOMOTIVE INC	2/12/2026	34647	Rcvr Bushing, Return Rec Tube	(13.17)
O'REILLY AUTOMOTIVE INC	2/12/2026	34647	Rec Tube, Adapter	63.63
O'REILLY AUTOMOTIVE INC	2/12/2026	34647	Return Str Whl Cvr	(5.48)
OLIVE SPRINGS QUARRY	2/12/2026	34644	3/8" MM HMA	367.79
ONESOURCE DISTRIBUTORS, LLC	2/12/2026	34645	Conex Boxes	1,240.70
ONPOINT GENERATORS, INC.	2/12/2026	34646	Annual Service on Emergency Generators	25,372.38
PACE SUPPLY CORP	2/26/2026	34671	Meter Stock	13,597.13
PACIFIC GAS & ELECTRIC	2/26/2026	34672	Service 01/09/26 - 02/09/26	51,585.95
PACIFIC GAS & ELECTRIC	2/26/2026	34672	Service 01/09/26 - 02/09/26 2 Civic Ctr	2,962.06
PACIFIC GAS & ELECTRIC	2/26/2026	34672	Service 01/09/26 - 02/09/26 6030 Scotts Valley Dr	83.22
PATHPOINT MERCHANT SERVICES	2/2/2026	ACH	PathPoint CC Processing Fees - January 2026	4,621.60
PERRI CHRISTOPHER	2/12/2026	34648	Premium Reimbursement February 2026	712.22
PITNEY BOWES INC	2/26/2026	34673	Postage Meter Service 11/23/25- 2/22/26	148.99
PLATT ELECTRIC SUPPLY	2/26/2026	34674	High Performance Variable Frequency Drive	12,266.47
PRESS BANNER	2/12/2026	34649	1/4 Monthly Ad 1/4 S-New Tab	820.00
RAPID GRADING SERVICES	2/12/2026	34650	Bulk RW Water Meter Refund Deposit	2,000.00
REBER DANIEL	2/12/2026	34651	Premium Reimbursement February 2026	2,209.51
REIN & REIN	2/12/2026	34652	Legal Counsel January 2026	3,500.00
SANTA CRUZ RECORDS MANAGEMENT	2/26/2026	34675	Document Destruction February	50.00
SANTA MARGARITA GROUNDWATER AGENCY	2/12/2026	ACH	FY2026 SMGWA Contribution	209,480.00
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	1 OZ Map Po Gas, Red Plastic Tape	47.16
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	2x12x12' #2 & BTR DF, Pipe Insulation	40.90
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	50 Amp Clip w/insul, In-line Fuse Holder, Auto Fuse	22.69
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Ace Household Sprayer	8.32
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Anti-Short Bushing, Alkaline Battery AAA, Occupancy Switch	128.82
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Conduit Fix, NM, Liquid Tite Fitting, Bushing Reduce	122.18
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Copper Male Adapter	29.55
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Credit Memo - returned items from Invoice 118699/1	(107.17)
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Erosion Control Sandbag	144.63
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Fuse Elect Equipment, Grease, 5mm 8 Metric Tap, Misc. Screws	37.68
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Hole Saw, DD Spade Bit Set, Strap Hngr Glv, Bar GRND/SQD Load Ct	82.46
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Linzer Chip Brush, Garden Sprayer	53.92
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Paper Towels	29.61
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Stihl Valve 4201	5.26
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/12/2026	ACH	Wallplate, S-Biner AHHH	27.60
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	2X12X20' #2 & BTR DF	27.69
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	9' Straight Cap Pigtail	17.55
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	10" Heavy Duty Pipe Wrench, Adj Wrench	41.68
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Acetone, Windex, Photocell Post, Photocell Junct Box	63.27
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Bolt U SQ 3/8"x3/7", Misc Screws	17.89

SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Bulk Propane	67.45
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Drill & Driver Bit Set 13 pc	13.16
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Easy Grip Scrub Brush, Gorilla Tape, Metal Repair Tape, Spray Pt	47.25
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Elbow 90, Flux Brush, Adapter, 3/4 Copper Cap	28.48
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Fuse ATM-Mini	7.89
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Graffiti Remover	41.68
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Graffiti Remover, Enamel Spray	35.09
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Hng Lid Tote, Shoe Box, Latch Storage Box	88.79
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Magnetic Hook	8.88
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Painters Tool, Scraper w/Blade Glass	28.60
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Rigid Pipe Cutter, Scissors, Tube Cutter, Thread Tape	144.46
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Verastk Tool Tote, Misc Screws	79.34
SCARBOROUGH LUMBER & BUILDING SUPPLY	2/26/2026	ACH	Vinyl Tubing	120.70
SCHAAF & WHEELER	2/26/2026	34676	On-Call Support Meetings January 2026	4,042.50
SCHAAF & WHEELER	2/26/2026	34676	SA-225 On-Call Support Victor Square	630.00
SCHAAF & WHEELER	2/26/2026	34676	SA-226 On-Call Support 75 Mt Hermon Rd	2,100.00
SCOTTS VALLEY SPRINKLER	2/12/2026	34653	Nipple, Hex Bush	32.89
SCOTTS VALLEY SPRINKLER	2/12/2026	34653	PVC Pipe Sch80	170.00
SCOTTS VALLEY SPRINKLER	2/26/2026	34677	Ball Valve Brass, Pipe Thread Seal, Teflon Tape	59.22
SCOTTS VALLEY SPRINKLER	2/26/2026	34677	Citrus Scrub Towels, Teflon Tape,	89.94
SCOTTS VALLEY SPRINKLER	2/26/2026	34677	F-8 Box 12" Roundx12" H,	73.51
SCOTTS VALLEY SPRINKLER	2/26/2026	34677	Tee SCH80, Couple SCH80	43.31
SHOBE ENGINEERING LLP	2/12/2026	34654	2025 Urban Water Management Plan 1/1/26 - 1/31/26	9,413.75
STILES RUTH	2/12/2026	34655	Premium Reimbursement February 2026	398.21
STREET SCENE ON & OFF ROAD	2/26/2026	34678	Reprint check for Flashers FOR 2025 Chevrolet Blazer EV LT	2,346.41
STREET SCENE ON & OFF ROAD	2/26/2026	34678	Reprint for Flashers FOR 2025 Ford F150	4,642.03
SYCAL ENGINEERING, INC	2/12/2026	ACH	Engineering Grace Way Well	728.00
SYCAL ENGINEERING, INC	2/12/2026	ACH	Engineering Mt Fiore	728.00
SYCAL ENGINEERING, INC	2/12/2026	ACH	Engineering Scotts Valley Water-Cont. Asst	1,848.17
SYCAL ENGINEERING, INC	2/12/2026	ACH	Grace Way Well	98,687.77
SYCAL ENGINEERING, INC	2/26/2026	ACH	Engineering-Grace Way Well February	3,768.00
SYCAL ENGINEERING, INC	2/26/2026	ACH	Engineering-Mt Fiore February	3,989.76
SYCAL ENGINEERING, INC	2/26/2026	ACH	Engineering-Scotts Valley Water-Cont. Asst February	809.36
TIMELY FIRE PROTECTION	2/26/2026	34679	Fire Alarm Bell & 2" Flow-swirch on Riser Replacement	2,822.00
UNITED RENTALS, INC	2/12/2026	34656	Rammer - Large 2900-3600 Lbs	1,668.01
UNITED RENTALS, INC	2/12/2026	34656	Road Work/Paper Safety Signs	153.43
UNITED RENTALS, INC	2/26/2026	34680	Vib Plate Medium 3000-5000# Make: Wacker	725.02
UNITED SITE SERVICES	2/12/2026	34657	Restroom Rental 2/4/26 - 3/3/26	408.92
UNITED SITE SERVICES	2/26/2026	ACH	Restroom Rental 2/18/26 -3/17/26	357.90
UNITED SITE SERVICES	2/26/2026	ACH	Restroom Rental 02/24/26 - 3/23/26	408.92
UNIVERSAL BUILDING SERVICES	2/12/2026	34658	Monthly Janitorial Services-2 Civic Center January 2026	628.00
UNIVERSAL BUILDING SERVICES	2/12/2026	34658	Monthly Janitorial Services-EI Pueblo January 2026	511.00
UNIVERSAL BUILDING SERVICES	2/26/2026	34681	Restroom Supplies	366.33
USABLUBOOK	2/12/2026	ACH	Botl Boston Round I-Chem 500mL	431.33
VERTEXONE SOFTWARE LLC	2/12/2026	ACH	Monthly WaterSmart Maint. January 2026	65.51
WATER RESOURCES ECONOMICS	2/12/2026	34659	SVWD 2025 Rate Study, Project Management - January	12,663.75
WATER RESOURCES ECONOMICS	2/12/2026	34659	SVWD 2025 Rate Study, Project Management December	9,692.50
WATER SYSTEMS CONSULTING, INC	2/26/2026	34682	Services 1/1/26 - 1/31/26, As needed Modeling	377.50
WELLS FARGO	2/23/2026	ACH	WFB CC Payment-February (January Charges)	2,272.79
WEST COAST COMMUNITY BANK	2/23/2026	ACH	WCCB CC Payment February (Jan Charges)	5,006.47
XPRESS BILL PAY	2/6/2026	ACH	Xpress Bill Payment Processing Fees - January 2026	3,502.02

Grand Total: \$ 1,081,132.26

West Coast Community Bank - Credit Card

Vendor Name	Transaction Date	Description	Amount
AMAZON	1/6/2026	Coffee Supplies, Filter, Dish Soap	\$ 75.47
AMAZON	1/7/2026	Paper Trimmer	79.23
AMAZON	1/9/2026	Tea for Office	495.54
AMAZON	1/15/2026	Car Charger	26.28
AMAZON	1/15/2026	Lightning Charger	20.29
AMAZON	1/22/2026	3500 Lumen Flashlight	102.26
AMAZON	1/23/2026	3500 Lumen Flashlight	52.41
B AND B SMALL ENGINE	1/23/2026	Repair Wacker Jumping Jack SN5811417	240.24
CAPITOLA CHEVROLET	1/12/2026	GM NACS DC Adapter	312.92
COMCAST	2/21/2026	Internet - El Pueblo 2/1/26-2/28/26	402.93
EVO STUDIOS INC.	1/22/2026	Website Hosting & Support	124.00
HOME DEPOT	1/23/2026	Spray Foam Insulation -Conex El Pueblo	1,835.22
LEO'S U-SAVE LIQUORS	1/7/2026	Feed Crew After Lucinda Main Leak	8.98
ROUND TABLE PIZZA	1/7/2026	Feed Crew After Lucinda Main Leak	100.02
TAQUERIA LOS GALLOS	1/5/2026	Feed Crew After SV Drive Main Break	95.95
UPS STORE	1/15/2026	Meter Returns	773.16
WEATHERTECH DIRECT	1/27/2026	FR & RR Floor liners	221.57
ZOOM	1/25/2026	Zoom Cloud Recording 12/25/25 - 1/24/26	40.00
Total:			\$ 5,006.47

Wells Fargo Credit Card

Vendor Name	Transaction Date	Description	Amount
Adobe	11/25/2025	Adobe License	287.88
Amazon	11/25/2025	Office Supplies - Coffee	36.78
AT&T	12/11/2025	Backup Internet - El Pueblo	128.40
AT&T	11/28/2025	Backup Internet - 2 Civic Ctr	128.40
Comcast	12/9/2025	Internet - 2 Civic Ctr	525.82
Icon Cloud Services	12/9/2025	Phone Service - El Pueblo / 2 Civic Ctr	419.76
Labor Law Center LLC	12/13/2025	Annual Labor Post Updates	87.75
MailChimp	12/31/2025	Digital Marketing	116.00
Planet Orange	12/22/2025	Pest Control - El Pueblo	75.00
Planet Orange	12/15/2025	Pest Control - 2 Civic Ctr	110.00
Times Publishing Group	12/15/2025	Monthly Advertising	178.50
Times Publishing Group	12/4/2025	Monthly Advertising	178.50
Total:			2,272.79

NEWSLETTER



SCOTTS VALLEY
WATER DISTRICT



HIGHLIGHTS

Intertie Project Update

SVWD Board Appoints
Junior Board Members

Interie Project

Milestones in March

Construction on the **Santa Cruz–Scotts Valley Intertie** is hitting key milestones this March, including wrapping up final details on La Madrona Drive, installing the project’s final fire

Grace Way Well Project Moves Forward

First Phase of Water Main Flushing Complete

hydrant near the Highway 17 exit and moving on to concrete finishing as well as other tasks at 6000 La Madrona.

Thanks for your patience while the District and the Santa Cruz Water Department build a more resilient water system!

Make sure to follow District's [Facebook](#) and [Instagram](#) pages for more updates.



Two Scotts Valley residents named as junior board members on District Board

Two new Junior Associate Board Members joined the Scotts Valley Water District's Board of Directors, continuing a first-of-its-kind program among California water district boards.

The new Junior Associate Board members are Dominic Osorio and Demetri Vavaroutsos. The two will attend monthly Board meetings through the end of 2027.

Osorio, a Scotts Valley resident and recent graduate of Scotts Valley High School, attends Cabrillo College. He plans to become a civil engineer/city planner. Vavaroutsos, also of Scotts Valley, has a bachelor's degree in business administration from Arizona State University. He applied for the position to learn more about local government as he pursues a career in law enforcement.

“The District is proud to have these young advisors contribute their perspectives to our discussions,” said David McNair, General Manager of Scotts Valley Water District. “This program strengthens connections between the District and the community, while giving participants a firsthand look at how water management decisions are made.”

[Read the complete press release](#) on the District's website.



Wellhead at Grace Way project connected to raw water main

The Grace Way Well Project hit a major milestone in late February when crews connected the wellhead to the District's raw water main after weeks of trenching from the project site to Scotts Valley Drive.

The next steps to bring the well online to deliver water to customers include completing construction of the motor control center building, installing electrical connections, site paving and installing a perimeter fence. That work also includes building a bioretention basin on-site – an engineered area on the site that collects and treats stormwater runoff.

The project adds a well that's 970 feet deep that will produce water for the District, drawing water from the Butano and Lompico aquifers before sending it for processing to the El Pueblo Water Treatment Plant. The Grace Way Well – along with the five other wells owned and operated by the District – is funded by a combination of a grant from the Department of Water Resources and ratepayer dollars. Once online, this new well will be an essential part in delivering water to residents and businesses served by the District.

Visit the District's website to learn more about how the District is ensuring delivery of sustainable, high-quality water services through Capital Improvement Projects.



Phase 1 and 2 of water main flushing completed ahead of schedule

The first and second phase of the water main flushing by the Scotts Valley Water District are complete, finishing ahead of schedule. This is an essential, annual maintenance process that cleans the inside of pipes to remove sediment.

How does it work? By sending water through the District's network of pipes at a high-rate of speed, scouring the inside of the pipes. By removing sediment built up in the system, the capacity of the pipes is maintained and water quality is protected.

Customers are asked to please minimize water use between 8 a.m. and 4 p.m. on weekdays on your flushing day. The final phase of the flushing project is expected to begin in late April.

Find out when your neighborhood is scheduled for flushing, visit the [District's website](#).



**SCOTTS VALLEY
WATER DISTRICT**
svwd.org



[View email in browser](#)

[update your preferences](#) or [unsubscribe](#)