



SCOTTS VALLEY WATER DISTRICT

AGENDA PACKET

REGULAR BOARD MEETING

5/9/24 at 6:00 p.m.

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

This meeting is conducted in a hybrid setting.

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

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

BOARD OF DIRECTORS

Wade Leishman, President

Danny Reber, Vice President

Bill Ekwall, Director

Chris Perri, Director

Ruth Stiles, Director

Alex Schulz, Associate Director

Jasmin Schulz, Associate Director

David McNair, General Manager

Water Industry Acronyms

AF – Acre Foot

AFY – Acre Foot per Year

ACWA – Association of California Water Agencies

ACWA JPIA – ACWA Joint Powers Insurance Authority

AWWA – American Water Works Association

BMP – Best Management Practices

CCR – Consumer Confidence Report

CD – Certificate of Deposit

CEQA - California Environmental Quality Act

CSDA – California Special District Association

DHS – Department of Health Services

DWR – Department of Water Resources

EIR – Environmental Impact Report

EPA – Environmental Protection Agency

FY – Fiscal Year

GASB – Governmental Accounting Standards Board

IRWM – Integrated Regional Water Management

JPA – Joint Powers Agreement

LAIF – Local Agency Investment Fund

LAFCO – Local Agency Formation Commission

LID – Low Impact Development

MCL – Maximum Containment Level

MGD – Million Gallons per Day

MGY – Million Gallons per Year

MOU – Memorandum of Understanding

O&M – Operations and Maintenance

PERS – Public Employees Retirement System

PHG – Public Health Goal

PPB – Parts Per Billion

PRV – Pressure Relief Valve

PVC Pipe – Polyvinyl Chloride Pipe

RWMF – Regional Water Management Foundation

RFP – Request for Proposals

ROW – Right-of-way

RWQCB – Regional Water Quality Control Board

SCWD – Santa Cruz Water Department (City of)

SDWA – Safe Drinking Water Act

SGMA – Sustainable Groundwater Management Act

SLVWD – San Lorenzo Valley Water District

SMGWA – Santa Margarita Groundwater Agency

SqCWD – Soquel Creek Water District

SWRCB – State Water Resources Control Board

TP – Treatment Plant

WY – Water Year



SCOTTS VALLEY WATER DISTRICT

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

Board of Director

ASSOCIATE DIRECTORS
Alex Schulz
Jasmin Schulz

Regular Meeting
5/9/24 at 6:00 p.m.

GENERAL MANAGER
David McNair

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

Agenda

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

1. Convene

- 1.1. Call to Order and Roll Call
- 1.2. Pledge of Allegiance and Invocation
- 1.3. Closed Session Report (None)
- 1.4. Additions/Deletions to the Agenda
- 1.5. Oral Communications

2. Presentation

[Pressure Management Study Presentation](#)

WSC, Jeroen Olthof

3. Administrative

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

- 3.1. Summer Meeting Schedule
- 3.2. [Committee and Other Agency Meeting Reports](#)
Engineering and Water Resource Committee 4/22/24
Finance & Personnel Committee 4/24/24

Executive & Public Affairs Committee 4/24/24

Santa Margarita Groundwater Agency Board (none)

4. Consent

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

4.1. Approval of Minutes – Regular Board Meeting 4/11/24

Recommendation: Approve the minutes of the 4/11/24 Board Meeting.

4.2. Think Twice Program and Rebate Program

Recommendation: 1) Approve the Think Twice Program; and 2) Approve the Rebate Program

5. Public Hearings (None)

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

6. Business

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

6.1. Proposed FY2025 Budget Review

Recommendation: Review proposed budget, and provide feedback

6.2. FY2025 Strategic Work Plan

Recommendation: Approve the updated Management Objectives and accept the FY2025 Work Plan, and provide feedback

6.3. Water Supply Conditions and Demand Strategies, WY 2024

Recommendation: Remain in Normal Water Supply Conditions.

7. Staff Reports

7.1. Legal

District Counsel – oral

7.2. Administrative

General Manager – oral

7.3. Finance

Financial Reports 07/01/23 through 3/31/24

Q3 FY2024 Financials

7.4. Operations

Operations Report – oral

Production, Demand & Rainfall Data through 4/30/24

8. Directors Reports

Travel and Meetings

9. Written Correspondence (None)

10. Community Relations (None)

11. Closed Session (None)

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

13. Future Items

Fiscal Year 2025 Budget

14. Meetings and Event Calendar

Board Meetings

06/13/24

07/11/24

08/08/24

Committee Meetings

05/22/24 Finance and Personnel

05/20/24 Engineering and Water Resources

07/24/24 Executive and Public Affairs

Santa Margarita Groundwater Agency

Board Meeting 05/23/24

15. Events (None)

16. Adjourn

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

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



Scotts Valley Water District

Pressure Management Study

May 2024

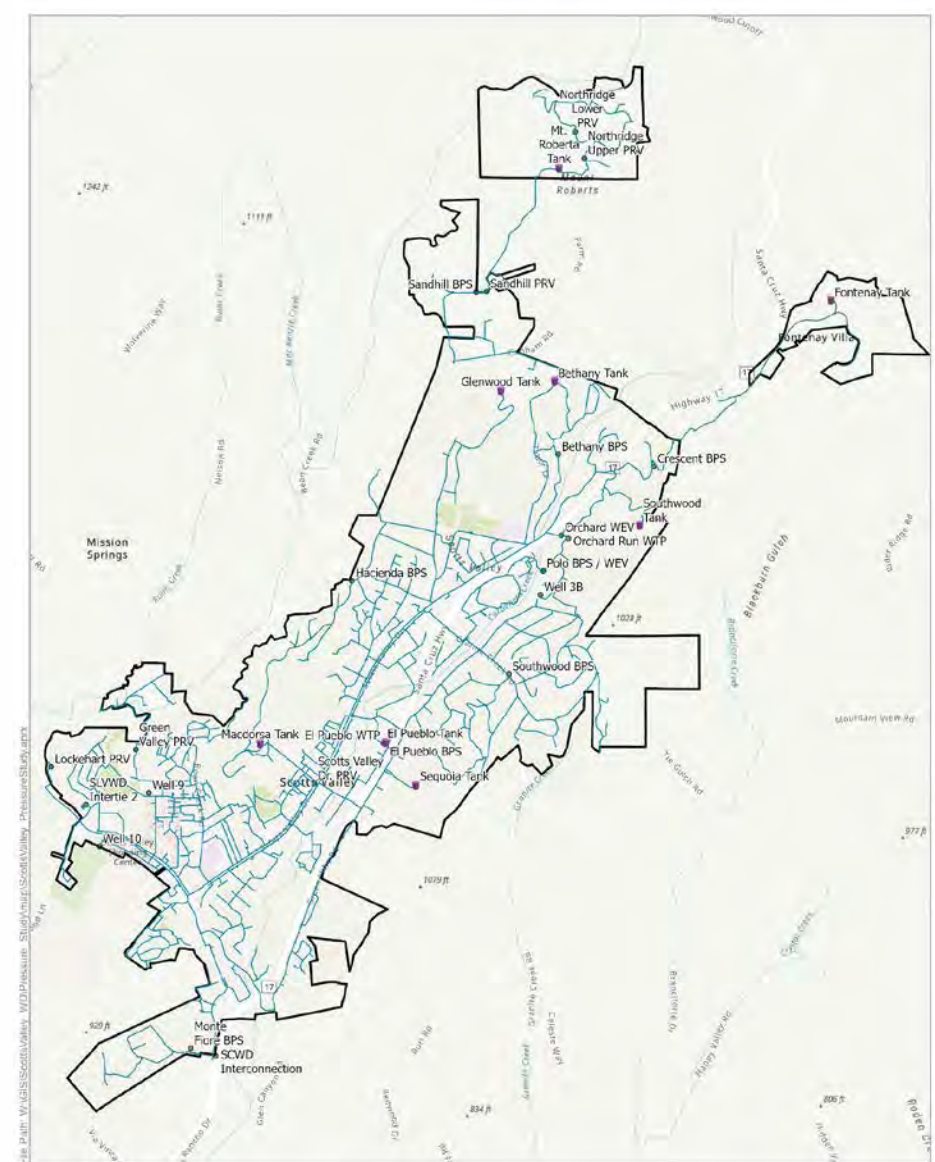
Project Overview

- Reduced wear and tear on infrastructure
- Reduced water loss through leakage
- Reduced need for individual pressure reducing valve (PRV) at customer connection

- Evaluation of Current Conditions using Updated Hydraulic Model
- Identification and Evaluation of Pressure Reduction Concepts
- Development of Potential Projects to Move Forward

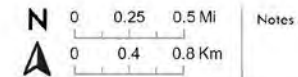
Study Area

- Approximately 4,000 parcels
- Elevations range from 350 to 1,500 feet above sea level



Legend

- Potable Tanks
- Potable Mains
- Service Boundary
- Facility Labels



Notes

Prepared by



Prepared for

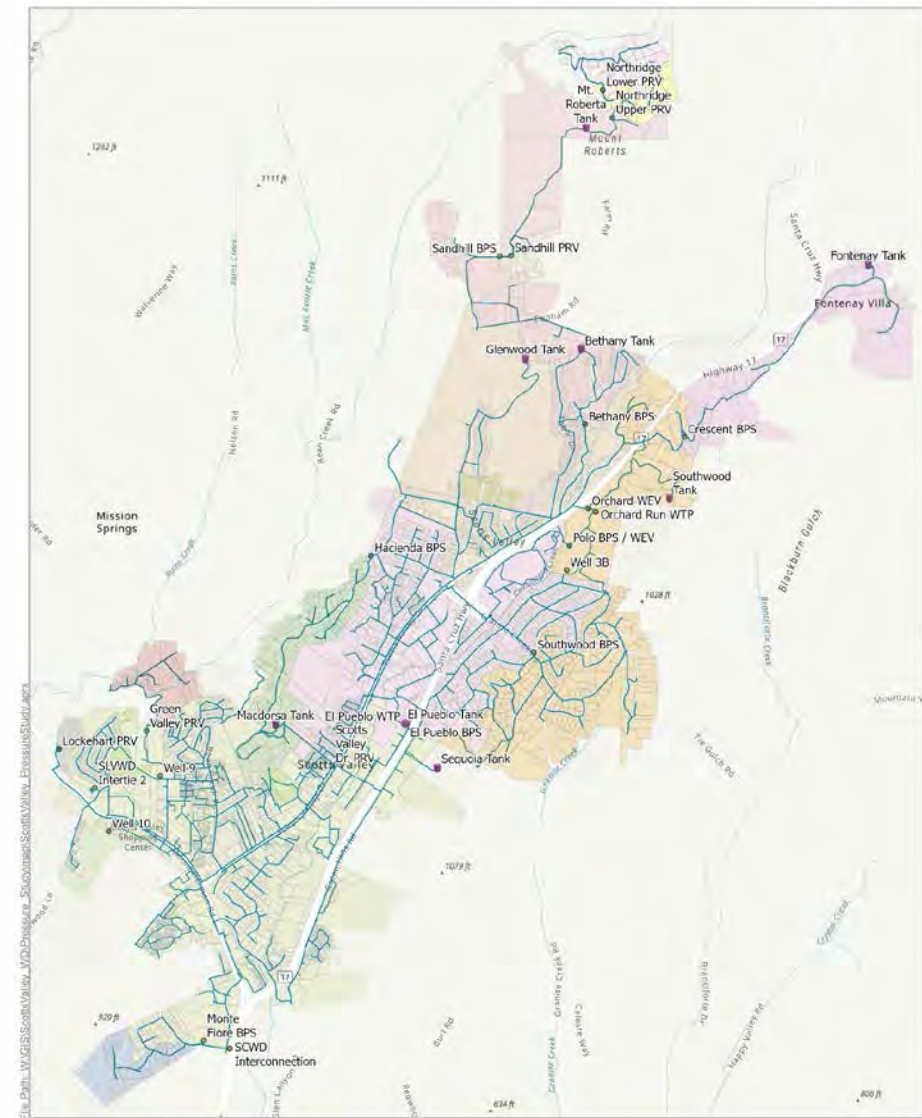


**Scotts Valley Water District
Pressure Management Study**

SVWD Service Area and Water System

Pressure Zones

- 14 Pressure Zones
- Hydraulic grade line elevation defined by
 - Storage Tank,
 - Booster Pump Station, or
 - Pressure Reducing Valve
- Pressure for each customer based on difference between
 - Hydraulic grade line elevation and
 - Elevation of their property



Legend

Parcels by Pressure Zone	Lockhart
Zone	MacDorsa
Bethany	Monte Fiore
Camp Evers	Sand Hill
Fontenay	Sand Hill Reduced
Glenwood	Southwood
Green Acres 1	<all other values>
Green Acres 2	Potable Tanks
Green Valley	Potable Mains
Hacienda	Facility Labels

Scale: 0 0.25 0.5 Mi / 0 0.4 0.8 Km

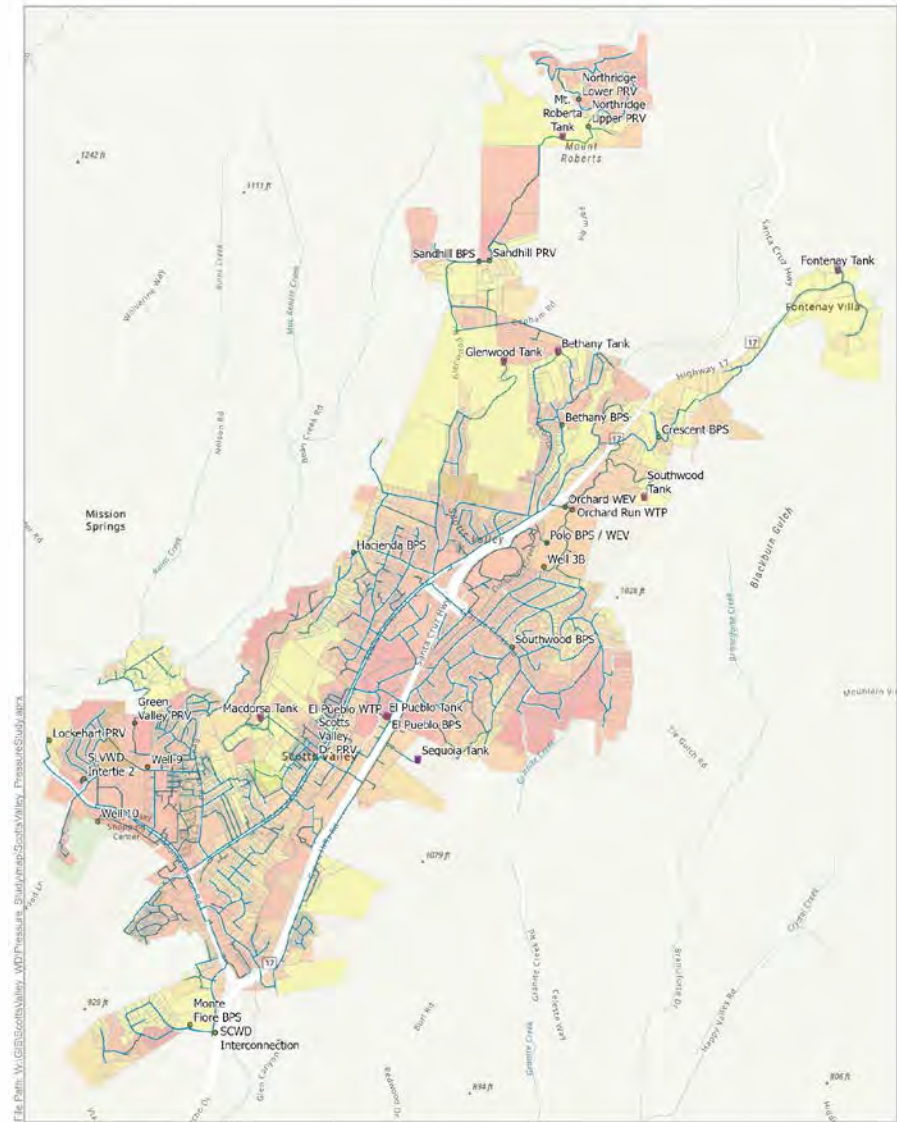
Notes:

Prepared by **WSC** Prepared for **SCOTT'S VALLEY WATER DISTRICT**

Scotts Valley Water District
Pressure Management Study
Distribution System & Pressure Zones

Existing Pressures

- Approximately 4,000 parcels
- Approximately 90 percent have static pressure over 85 psi



Legend

Static Pressure (psi)

- 0 - 80
- 80 - 100
- 100 - 120
- 120 - 160
- Over 160

■ Potable Tanks
— Potable Mains
• Facility Labels

Scale:
0 0.25 0.5 Mi
0 0.4 0.8 Km

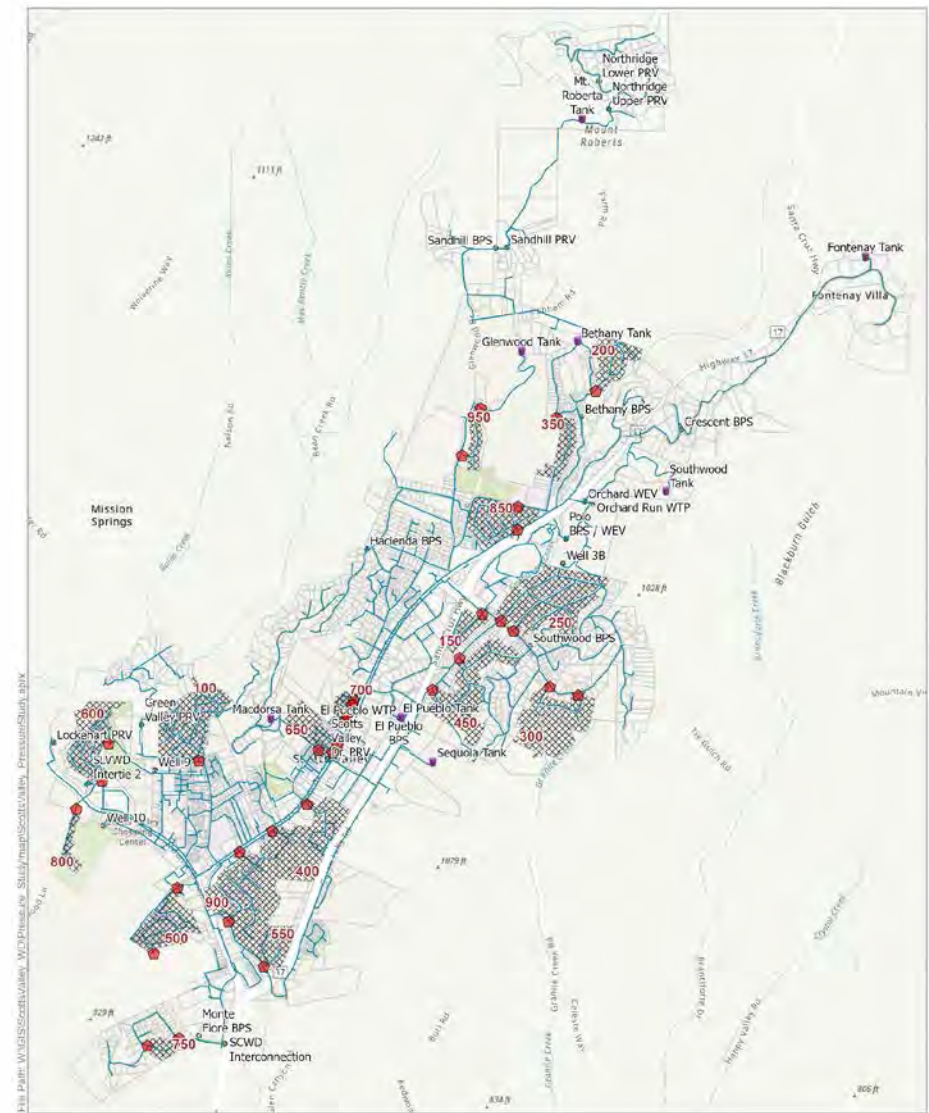
Notes

Prepared by **WSC** Prepared for **SCOTT'S VALLEY WATER DISTRICT**

Scotts Valley Water District Pressure Management Study
Calculated Static Pressure during Average Day Demands (by Parcel)

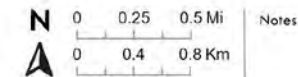
Reduction Concepts

- Areas to be isolated and served through one or more PRV Stations
- Each area defined by
 - Number of parcels included
 - Average pressure under current conditions
 - Infrastructure required



Legend

- ▨ Potential Reduction Areas
- ◆ Potential New PRVs
- Parcels
- Potable Mains
- Facility Labels
- Potable Tanks



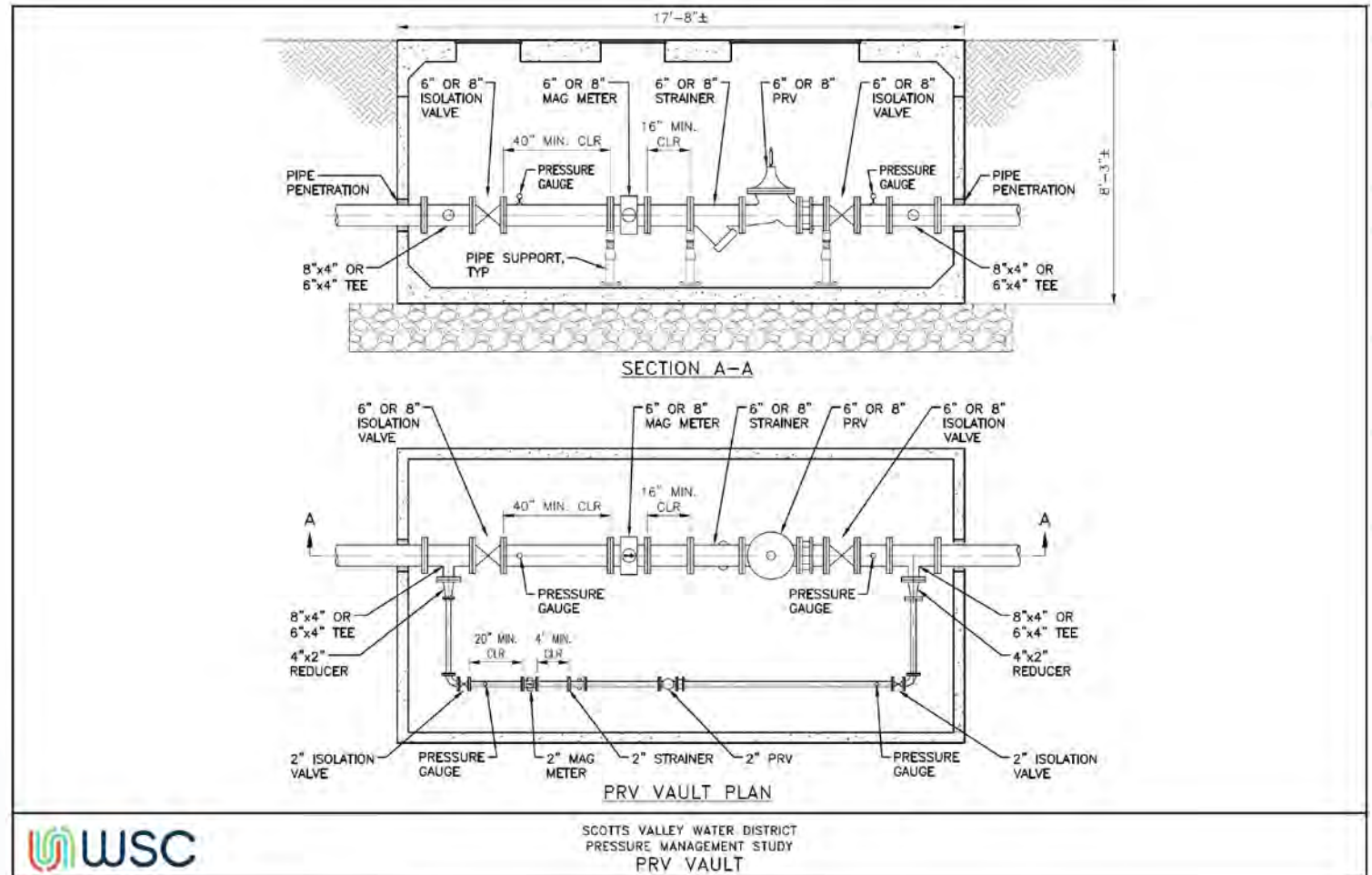
Prepared by
WSC

Prepared for
SCOTT'S VALLEY
WATER DISTRICT

**Scotts Valley Water District
Pressure Management Study**
Conceptual Areas for Pressure
Reduction Projects

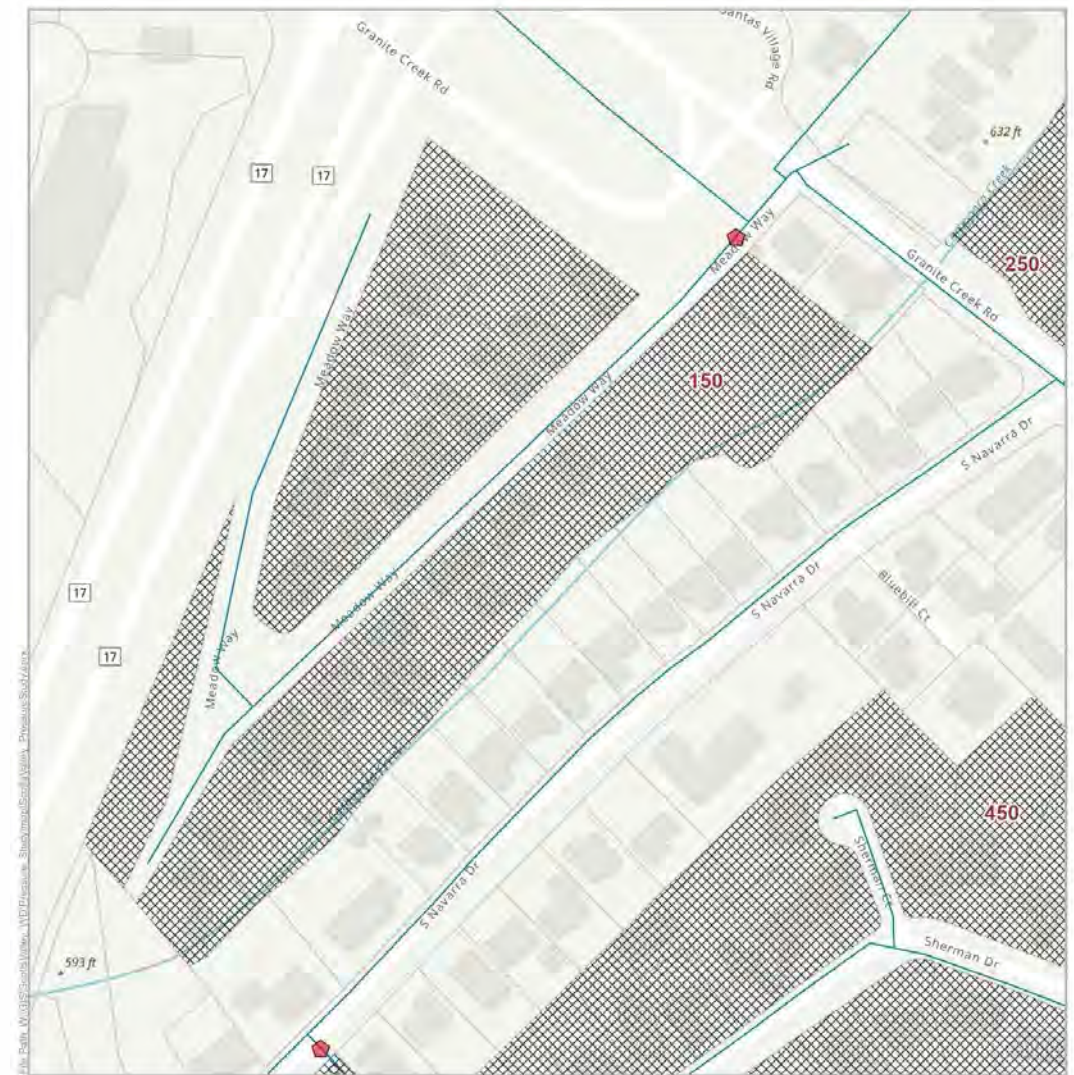
Potential Infrastructure

- Vault with two PRVs, one for low flows and one for high flows
- Could be connected to District SCADA system for monitoring and control
- Could include microturbine to offset power used for communication and control



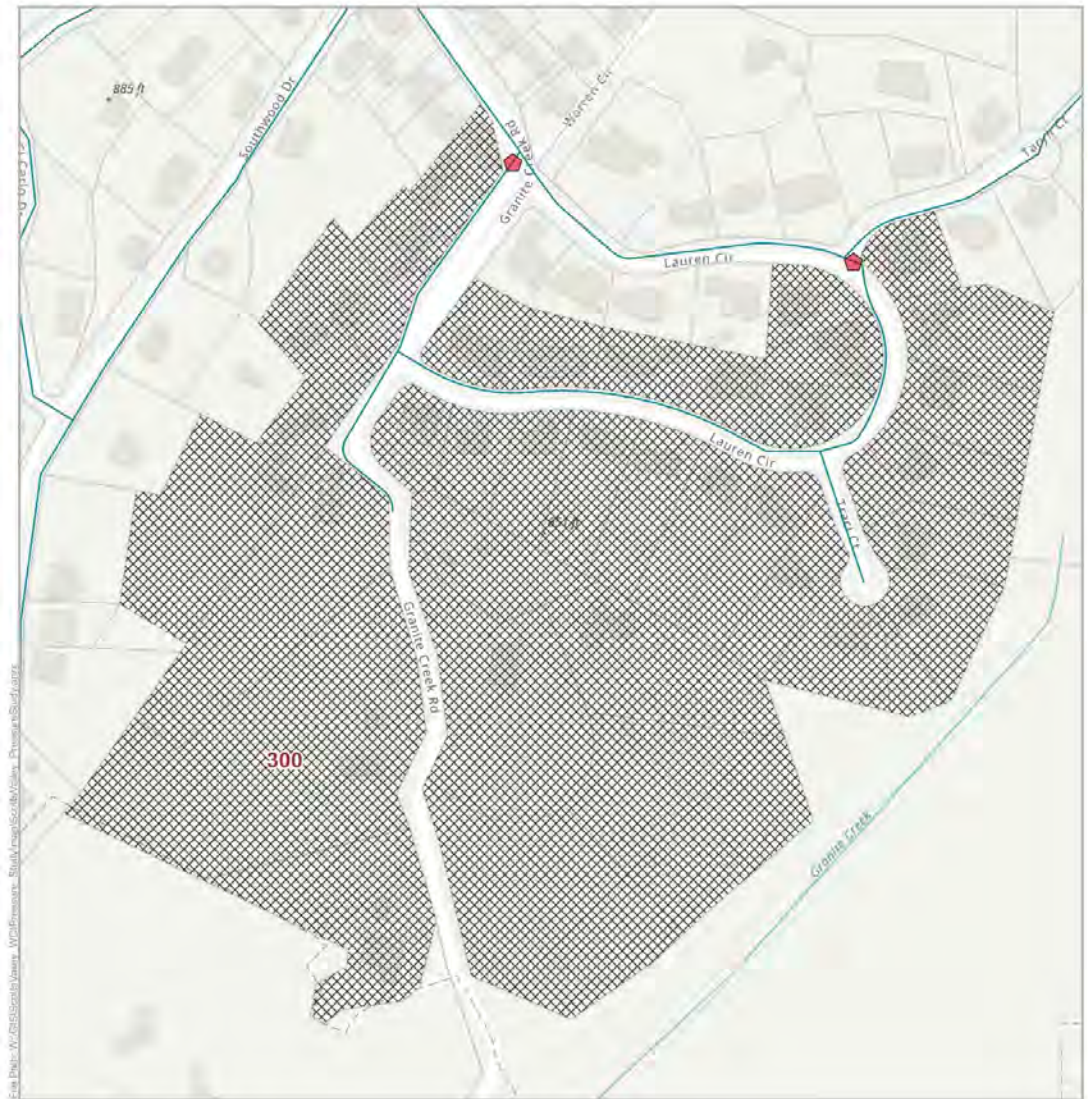
Area 150

- Meadow Way
- One PRV station
- 28 parcels with current average pressure 152 psi



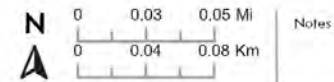
Area 300

- Lauren Circle
- Two PRV stations
- 40 parcels with current average pressure 172 psi



Legend

- ▨ Potential Reduction Areas
- ⬠ Potential New PRVs
- Potable Mains
- Potable Tanks
- Facility Labels
- Parcels



Prepared by
 WSC

Prepared for
 SCOTTS VALLEY WATER DISTRICT

Scotts Valley Water District
Pressure Management Study
Conceptual Areas for Pressure Reduction
Projects

Area 600

- Sky Park Area
- Two PRV Stations
- 194 parcels with current average pressure of 131 psi



Implementation Considerations



Zone Modification Concepts

Pressure Zone	Concept	Impact	Notes
MacDorsa	Reduce pressure 20 to 30 psi by having a small balancing tank below the MacDorsa Tank. Would require a new pump station to fill MacDorsa Tank.	Could reduce pressure for 920 parcels (approximately 1/4 of the District)	Could require parcels at the highest portions of the zone to have individual booster pumps
Camp Evers	Reduce pressure 20 to 30 psi by having a small balancing tank below the Sequoia Tank. Would require a new pump station to fill Sequoia Tank.	Could reduce pressure for 1,900 parcels (approximately 1/2 the District)	Could require parcels at the highest portions of the zone to have individual booster pumps
Hacienda	Reduce pressure 20 to 30 psi by reducing output pressure of Hacienda Booster Pump Station	Could reduce pressure for 121 parcels	Could require parcels at the highest portions of the zone to have individual booster pumps
Monte Fiore	Reduce pressure 20 to 30 psi by reducing output pressure of Monte Fiore Booster Pump Station	Could reduce pressure for 40 parcels	Could require parcels at the highest portions of the zone to have individual booster pumps

Next Steps

- Consider moving forward with planning, design and implementation of an initial project or set of projects
- Maintain parcel database to update and prioritize future efforts



Questions



WASC



SCOTTS VALLEY WATER DISTRICT

svwd.org  svwater

Engineering and Water Resources Committee

Santa Margarita Community Room

2 Civic Center Drive, Scotts Valley, California

4/22/24 at 4:00 p.m.

Meeting Report

1. Convene

The meeting convened at 4:00 p.m. in the Conference Room. It was conducted in a hybrid format.

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

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

Guests: None.

2. Oral Communications

None.

3. Business Items

None.

4. Discussion Items

4.1. Water Supply Outlook

General Manager McNair reported that the total rainfall for the District for this rain year had reached 78% of average rainfall, placing the District in Stage 1. No additional drought measures will need to be taken this rain year.

4.2. Recycle Fill Station

McNair announced that the Recycle Fill Station would not be opening this summer because of the current rainfall totals.

4.3. Think Twice

Finance & Customer Service Manager Kurns presented the Think Twice Program for annual review, with one change to add language regarding the State's ban on irrigating non-functional turf.

4.4. Rebate Programs

Kurns presented the Rebate Program for annual review, with one change to remove a rebate that has not been utilized much over recent years.

4.5. Strategic Work Plan

McNair, Kurns, Operations Manager Gillespie, and Executive Assistant / Board Clerk Jensen presented the Strategic Work Plan for Fiscal Year 2025. The Committee discussed.

5. District Updates

Gillespie provided a status update for the Sucinto Well drilling, and Well 11b.

6. Committee Member Reports

None.

7. Future Agenda Items

None.

8. Adjourn

The meeting adjourned at 5:03 p.m.



SCOTTS VALLEY WATER DISTRICT

svwd.org  svwater

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

1. Convene

The meeting convened at 4:04 p.m. in the District Conference Room. It was conducted in a hybrid setting.

Present: Committee Members Perri, Stiles, and Hunt

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

Guests: None.

Absent: Corstorphine

2. Oral Communications

None.

3. Action Items

None.

4. Discussion Items

4.1. Audit Services Proposals

Finance Manager Kurns provided a summary of the vendors that submitted proposals for audit services. The committee discussed.

4.2. Financial Reports 07.01.23 – 03.31.24

Kurns presented the Financial Reports. The committee discussed.

4.3. Proposed Budget Review

Kurns presented the Proposed Budget. The committee discussed.

5. District Updates

5.1. Executive Assistant/Board Clerk Jensen provided an update to the Utility Service Technician recruitment. The District has offered the position to a candidate and they have accepted.

6. Reports or Information from Committee Members

None.

7. Future Agenda Items

Bulk Meter Daily Fee

8. Adjourn
The meeting adjourned at 4:46 p.m.



SCOTTS VALLEY WATER DISTRICT

svwd.org  svwater

Executive and Public Affairs Committee
District Conference Room
2 Civic Center Drive, Scotts Valley, California
4/24/24 12:00 p.m.
Meeting Report

1. Convene

The meeting convened at 12:03 p.m. in the District Conference Room.

Present: Committee Members Wade Leishman and Danny Reber.

Staff: General Manager David McNair

2. Business Items

None.

3. Discussion Items

3.1. Employee Survey

The committee discussed previous survey methods and discussed a future survey.

3.2. Presidents Retreat

The committee discussed various options for a president's retreat.

4. Oral Communications

5. Future Agenda Items

None.

6. Adjournment

The meeting adjourned at 12:25 p.m.

Board of Directors
Regular Meeting
4/11/24 at 6:00 p.m.

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

Minutes

1. Convene

1.1. Call to Order and Roll Call

President Leishman called the meeting to order at 6:03 p.m. in the Santa Margarita Community Room. The meeting was conducted in a hybrid setting.

Directors

Bill Ekwall

Wade Leishman

Chris Perri

Danny Reber

Staff

Robert Bosso, Legal Counsel

Nate Gillespie, Operations Manager

Rahni Jensen, Executive Assistant / Board Clerk

Nick Kurns, Finance and Customer Service Manager

David McNair, General Manager

Absent

Ruth Stiles

Junior Board

Alex Schulz

Guests

Tim Carson

Jasmin Schulz

1.2. Pledge of Allegiance and Invocation

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

1.3. Closed Session Report

None.

1.4. Additions/Deletions to the Agenda

None.

1.5. Oral Communications

None.

2. Presentation

Item 6.1 was presented. See item 6.1 for details.

3. Administrative

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

3.1. Committee and Other Agency Meeting Reports

Engineering and Water Resource Committee 3/25/24

Nothing to add to the written report.

Finance & Personnel Committee 3/27/24

Nothing to add to the written report.

Executive & Public Affairs Committee (none)

Santa Margarita Groundwater Agency Board (none)

4. Consent

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

4.1. Approval of Minutes – Regular Board Meeting 3/14/24

Approved the minutes of the 3/14/24 Regular Board Meeting.

4.2. Investment Policy

Updated Policy P200-14-1 Investments.

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

5. Public Hearings (none).

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

6. Business

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

6.1. Integrated Regional Water Management Plan (IRWMP) MOA

Carson with the Regional Water Management Foundation for Santa Cruz County provided a presentation of the IRWMP. The Board discussed.

MOTION Perri/Reber carried to approve and authorize the General Manager to execute the 2024 MOA by unanimous voice vote, Director Stiles absent.

6.2. Fiscal Year 2025 Capital Improvements Projects Proposal

Operations Manager Gillespie presented the capital improvements projects proposal for fiscal year 2025.

6.3. Budget Assumptions FY2025

Finance & Customer Service Manager Kurns presented the budget assumptions for fiscal year 2025. The Board discussed.

7. Staff Reports

7.1. Legal

District Counsel Bosso had no legal updates, he announced his retirement at the end of this year.

7.2. Administrative

General Manager McNair discussed recent decreasing water demand trend. The rainfall for this rain year had reached 30.68 inches providing at least 75% of average rainfall, which moves the District into Stage 1. McNair discussed other District updates regarding current and upcoming projects.

7.3. Finance

Financial Reports 07/01/23 through 2/29/24
Kurns presented the Financial Report.

7.4. Operations

Operations Report
Rainfall Data through 03/31/24
Operations Manager Gillespie discussed updates for Sucinto Well, and Well 11b.

8. Directors Reports

Director Reber announced an upcoming celebration for his birthday. Director Perri asked a clarifying question regarding the Investment Policy update, Kurns provided additional information.

9. Written Correspondence (none).

10. Community Relations

Santa Cruz IRWM Region Fact Sheet

11. Closed Session (none).

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

13. Future Items

Proposed Budget Review

14. Meetings and Event Calendar

Board Meetings

05/09/24

06/13/24

07/11/24

Committee Meetings

04/24/24 Finance & Personal

04/22/24 Engineering & Water Resource

04/24/24 Executive & Public Affairs

Santa Margarita Groundwater Agency

Board Meeting 05/23/24

15. **Events** (none).

16. **Adjourn**

The meeting adjourned at 7:22 p.m.

Approved:

Attest:

Wade Leishman, Board President

David McNair, Board Secretary

DRAFT

AGENDA REPORT

Scotts Valley Water District

Date: 05/09/24

To: Board of Directors

Item: Business 4.2

Subject: **Think Twice Program and Rebate Program**

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

SUMMARY

Recommendation: Approve the Think Twice and Rebate Programs effective 07/1/2024.

Fiscal Impact: Direct cost of the activities for the 2024 Think Twice and Rebate Programs is approximately \$65,000. Most of the budget is to fund the lawn replacement rebate.

Previous Related Action: On 06/14/23 the Board approved the 2023 Think Twice Program and 2023 Rebate Program updates.

On 04/22/24 the Engineering and Water Resources Committee reviewed and discussed the proposed 2024 Think Twice Program and 2024 Rebate Program updates.

BACKGROUND

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

DISCUSSION

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

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

The rebate program will discontinue the Spray Irrigation rebate as of 6/30/2024. The program will continue to offer the \$2 per square foot lawn replacement rebate. Other rebates the program continues to offer include weather-based irrigation controllers, pool covers, rain barrels, pressure regulators, toilets, and water monitoring devices. The updates to the rebate program will be effective 07/01/2024 with the start of the new fiscal year.

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

Submitted,

David McNair
General Manager

Enclosed: Think Twice Program 2024
Rebate Program 2024



Program

Type:	Water Use Efficiency		
Title:	Think Twice		
Description:	Establishes a set of activities to support the District’s long-term sustainable water supply planning efforts and its Water Shortage Contingency Plan		
Review Date:	06/08/23 <u>05/09/24</u>	Initial Date:	05/14/15
Review Cycle:	1 Year	Effective Date:	07/01/ 23 <u>24</u>

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

Program Components:

1. Education & Outreach

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

2. Rebates

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

3. Restrictions & Prohibitions

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

4. Water Waste Policy

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



Program

Type:	Water Use Efficiency		
Title:	Rebates		
Description:	Establishes guidelines for indoor and outdoor water efficiency rebates		
Review Date:	06/08/23 <u>05/09/24</u>	Initial Date:	05/04/15
Review Cycle:	1 Year	Effective Date:	07/01/ 23 <u>24</u>

Available to District potable water customers registered in WaterSmart. Rebates are issued by check unless account credit is requested. Funding levels for the rebate program are set annually as part of the budget.

It is the customer's responsibility to review eligibility requirements specific to each rebate.

Lawn - \$2.00 per square foot

For replacement of existing irrigated lawn with any combination of low water use plants, mulch, artificial turf, or pervious hardscape.

Existing high-volume irrigation must be permanently disabled or converted to low volume or sub-surface irrigation. District will also consider low water turf blends or low water groundcover if paired with subsurface or rotary small-stream spray irrigation. Rebate cannot be combined with spray irrigation rebate.

~~**Spray Irrigation** - \$0.50 per square foot~~

~~For replacement of existing high-volume sprinkler system with low-volume irrigation such as drip, micro-spray, or bubbler emitters. Sprinkler valves and heads no longer in use must be removed and capped. Low volume and high-volume irrigation may not be mixed on the same valve.~~

Weather Based Irrigation Controller - up to \$100 per controller

For installation of new irrigation controller that utilizes local weather data for setting irrigation schedules. Stand-alone rain sensors not eligible.

New controllers must be US EPA WaterSense Certified.

Pool Cover – 50% of cost, maximum of \$1,000 per pool every 3 years

For purchase and installation of pool cover.

Rainwater Catchment - \$0.25 per gallon of storage capacity, maximum of \$750 per account

For installation of rainwater catchment cisterns. Cisterns must be installed to CA UPC standards, adhere to all building regulations, and may not be connected to a potable water supply.

Pressure Regulator - \$100 per regulator, maximum of \$200 per account every 5 years

Toilet

\$125 for replacing a higher than 1.6 gallons per flush (gpf) toilet with a lower than 1.28 gpf toilet

\$100 for replacing a higher than 1.6 gpf toilet with a 1.28 gpf toilet

\$50 for replacing a 1.6 gpf toilet to a toilet with 1.28 gpf toilet or lower

New toilets must be US EPA WaterSense Certified.

Water Monitoring Devices - \$50 per device every 5 years. Only users served by master meters are eligible.

AGENDA REPORT

Scotts Valley Water District

Date: 05/09/24
To: Board of Directors
Item: Business 6.1
Subject: **Operating and Projects Budget Draft FY 2025**
Reason: Supports District Strategic Goal - Financial Stewardship

SUMMARY

Recommendation: Receive information and provide direction

Fiscal Impact: The Fiscal Year 2025 (FY 2025) proposed budget includes \$16.4 Million in expenditures, excluding carryover for projects and purchase orders. The proposed budget is comprised of \$7.0M in operating expenses, \$1.1M in debt service, and \$8.3M in new project appropriations.

FY 2025 operating costs, excluding debt service, are proposed to increase by 3%. The proposed operating budget assumes that the contribution to the Santa Margarita Groundwater Agency (SMGWA) will decrease by \$40,058 from \$239,629 to \$199,629.

Proposed revenues total \$14.4M. The FY 2025 revenue budget for water sales is projected to be four percent higher than the estimated actual revenue in FY 2024 and three percent higher than the FY 2024 budget. Total revenue, excluding grant revenue, is projected to be seven percent higher than the FY 2024 budget and one percent higher than the FY 2024 estimated actual of \$10.2M. The District anticipates that Fund Balance will decrease by approximately \$6.2M in FY 2025 to \$6.3M. The reserve target is \$5.7M.

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

On 03/27/24, the Finance and Personnel Committee received a report on FY 2025 budget assumptions.

On 04/11/24, the Board received a report on FY 2025 budget assumptions.

On 04/24/24, the Finance and Personnel Committee reviewed the draft FY 2025 revenue projections and operating expenditure budget summary.

BACKGROUND

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

DISCUSSION

The proposed budget includes revenue, projects and fund balance projections. The District collects revenue from Potable Water (PW) and Recycled Water (RW) sales, water services, new connections, grants, and other non-operating sources such as property tax, and interest income. Excluding grant revenue, staff projects a seven percent revenue increase from the FY 2024 Budget. This figure assumes the 5% increase in rates will be implemented 01/01/2025. Actual revenue in FY 2024 will be lower than budget due to the timing of grant funded projects. Staff anticipates that a substantial amount of the project spending and associated grant revenue will shift from FY 2024 to future years. Enclosure 1 presents a summary of anticipated revenue by fund.

The FY 2025 proposed Expense budget consists of operating, debt service, and project costs with focus on the District's operations, which consists of personnel, goods, and services to support the District's services and the Board's strategic priorities. Overall operating costs are expected to increase 3%. Enclosure 2 presents a summary of year-to-year operating changes. Increased costs in the Operations division budget total 14 percent, with funding added for main maintenance, hydrant replacements, and increased pumping costs.

The budget for capital and maintenance projects in FY 2025-2029 prioritizes projects based on merit, relative importance to effective operations and cumulative cost. While only the upcoming year budget is approved by the board, future years' project costs are presented as part of Enclosure 3.

The Fund Balance table in Enclosure 4 summarizes the anticipated position at the end of FY 2025. The fund balance projection displays estimated actuals for FY 2024 rather than budget, to provide a more accurate estimate of the expected fund balance on 6/30/24. The Fund Balance Projection Chart in Enclosure 5 helps to show the projected fund balance by year for the next four years, with assumptions displayed for revenue growth and project timing.

The final FY 2025 Proposed Budget will be presented to the Board for approval at the June meeting.

Submitted,

David McNair
General Manager

Enclosed: 1) FY 2025 Budget - Revenue
 2) FY 2025 Budget - Expense
 3) FY 2025-2029 Budget – Projects
 4) FY 2025 Budget - Fund Balance
 5) FY 2025 Budget – Financial Plan

Scotts Valley Water District
FY 2025 Proposed Budget: Revenue
Fund 01 and Fund 02

Revenue Categories	FY 2024 Budget	FY 2024 Est. Actual	FY 2025 Budget	FY 2025 Budget to FY 2024 Budget Increase (Decrease)	
Potable Fund 01					
Operating Revenue - Water Sales	\$ 4,612,700	\$ 4,536,544	\$ 4,734,400	\$ 121,700	3%
Operating Revenue - Water Services	\$ 2,739,400	\$ 2,813,821	\$ 2,912,800	\$ 173,400	6%
Operating Revenue - New Connections	\$ 180,000	\$ 500,037	\$ 178,900	\$ (1,100)	-1%
Non-Operating Revenue	\$ 1,474,074	\$ 1,760,286	\$ 1,904,376	\$ 430,303	29%
Grant Revenue	\$ 3,693,244	\$ 336,170	\$ 4,113,830	\$ 420,586	0%
Total Potable Fund Revenues	\$ 12,699,418	\$ 9,946,858	\$ 13,844,306	\$ 1,144,889	9%
Recycled Fund 02					
Operating Revenue - Water Sales	\$ 534,900	\$ 474,268	\$ 491,500	\$ (43,400)	-8%
Operating Revenue - Water Services	\$ 95,800	\$ 97,451	\$ 102,300	\$ 6,500	7%
Operating Revenue - New Connections	\$ -	\$ 10,321	\$ -	\$ -	-
Non-Operating Revenue	\$ 6,600	\$ 6,505	\$ 6,600	\$ -	0%
Notes Receivable *	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	0%
Total Recycled Fund Revenues	\$ 647,300	\$ 598,545	\$ 610,400	\$ (36,900)	-6%
Combined Fund 01 and Fund 02					
Operating Revenue - Water Sales	\$ 5,147,600	\$ 5,010,812	\$ 5,225,900	\$ 78,300	2%
Operating Revenue - Water Services	\$ 2,835,200	\$ 2,911,272	\$ 3,015,100	\$ 179,900	6%
Operating Revenue - New Connections	\$ 180,000	\$ 510,358	\$ 178,900	\$ (1,100)	-1%
Non-Operating Revenue	\$ 1,480,674	\$ 1,766,791	\$ 1,910,976	\$ 430,303	29%
Grant Revenue	\$ 3,693,244	\$ 336,170	\$ 4,113,830	\$ 420,586	11%
Notes Receivable *	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	0%
Total Revenue	\$ 13,346,718	\$ 10,545,403	\$ 14,454,706	\$ 1,107,989	8%
Total excluding Grant Revenue	\$ 9,653,474	\$ 10,209,234	\$ 10,340,876	\$ 687,403	7%

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

Scotts Valley Water District

FY 2025 Proposed Budget: Operating Expenses & Debt Service

Combined Fund 01 and Fund 02

	FY 2024 Budget	FY 2024 Est. Actual	FY 2025 Budget	FY 2025 Budget to FY 2024 Budget		
Administration						
Salaries & Benefits	\$ 828,133	\$ 553,675	\$ 557,987	\$ (270,146)	-33%	Included 2 temp positions
Services	\$ 412,973	\$ 335,626	\$ 343,275	\$ (69,699)	-17%	
Supplies	\$ 17,152	\$ 20,050	\$ 27,620	\$ 10,468	61%	
Source of Supply	\$ 299,629	\$ 249,629	\$ 259,571	\$ (40,058)	-13%	
Other	\$ 5,000	\$ -	\$ -	\$ (5,000)	-100%	
Dept (100) Expense Total:	\$ 1,562,888	\$ 1,158,980	\$ 1,188,453	\$ (374,435)	-24%	
Finance/Customer Service						
Salaries & Benefits	\$ 613,357	\$ 544,551	\$ 649,129	\$ 35,772	6%	
Services	\$ 167,079	\$ 178,630	\$ 217,550	\$ 50,471	30%	\$20K FA Study \$20K Rate Study
Supplies	\$ 4,000	\$ 4,000	\$ 4,000	\$ -	0%	
Customer Accounts	\$ 307,995	\$ 296,905	\$ 306,946	\$ (1,048)	0%	Includes \$60k Turfs Up
Other	\$ 1,000	\$ 1,542	\$ 1,000	\$ -	0%	
Debt Service (Interest Expense)	\$ 184,603	\$ 184,603	\$ 165,759	\$ (18,844)	-10%	
Dept (200) Expense Total:	\$ 1,278,033	\$ 1,210,232	\$ 1,344,384	\$ 66,350	5%	
Operations						
Salaries & Benefits	\$ 1,723,988	\$ 1,580,474	\$ 1,835,606	\$ 111,618	6%	
Services	\$ 271,486	\$ 228,550	\$ 324,496	\$ 53,011	20%	
Supplies	\$ 40,195	\$ 71,330	\$ 60,080	\$ 19,885	49%	
General Production	\$ 139,782	\$ 116,051	\$ 154,215	\$ 14,433	10%	
Source of Supply	\$ 120,000	\$ 90,500	\$ 80,000	\$ (40,000)	-33%	
Pumping	\$ 543,936	\$ 479,658	\$ 704,546	\$ 160,610	30%	Pumping (PG&E) up 22%
Water Treatment	\$ 605,962	\$ 584,400	\$ 621,100	\$ 15,138	2%	
Transmission & Distribution	\$ 271,300	\$ 216,930	\$ 471,300	\$ 200,000	74%	Emergency repairs - \$50K Hydrants - \$80K Northridge vault - \$25k El Pueblo Main -\$20k
Conservation	\$ 1,500	\$ 100	\$ 100	\$ (1,400)	-93%	
Dept (300) Expense Total:	\$ 3,718,149	\$ 3,367,993	\$ 4,251,444	\$ 533,294	14%	

Scotts Valley Water District

FY 2025 Proposed Budget: Operating Expenses & Debt Service

Combined Fund 01 and Fund 02

	FY 2024 Budget	FY 2024 Est. Actual	FY 2025 Budget	FY 2025 Budget to FY 2024 Budget	
				Emergency repairs - \$50K Hydrants - \$80K Northridge vault - \$25k El Pueblo Main -\$20k	
Engineering					
Salaries & Benefits	\$ 128,171	\$ 111,888	\$ 133,828	\$ 5,658	4%
Services	\$ 111,212	\$ 12,280	\$ 122,150	\$ 10,938	10%
Supplies	\$ 5,878	\$ 7,440	\$ 11,000	\$ 5,122	87%
Dept (400) Expense Totals:	\$ 245,261	\$ 131,608	\$ 266,978	\$ 21,718	9%
Board					
Salaries & Benefits	\$ 82,093	\$ 79,110	\$ 79,761	\$ (2,332)	-3%
Services	\$ 26,007	\$ 6,280	\$ 18,400	\$ (7,607)	-29%
Supplies	\$ 840	\$ 400	\$ 800	\$ (40)	-5%
Dept (900) Expense Totals:	\$ 108,940	\$ 85,790	\$ 98,961	\$ (9,979)	-9%
Total Expenses	\$ 6,913,271	\$ 5,954,603	\$ 7,150,219	\$ 236,948	3%
View by Major Categories					
Salaries & Benefits	\$ 3,375,742	\$ 2,869,698	\$ 3,256,311	\$ (119,431)	-4%
Services & Supplies	\$ 3,537,529	\$ 3,084,905	\$ 3,893,908	\$ 356,379	10%
Total Expenses	\$ 6,913,271	\$ 5,954,603	\$ 7,150,219	\$ 236,948	3%

Water Modeling
Consultant - \$100k

SCOTT'S VALLEY WATER DISTRICT														
FY 2025 Budget: Projects Program Projections														
CAPITAL IMPROVEMENT AND MAINTENANCE PROJECTS														
Category	Project Name	Project Description	FY 2024 Budget	FY 2024 YTD 02/29/2024	FY 2024 Est YE Actual	FY 2024 Carryover	FY 2025 Request	FY 2025 Budget	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected	TOTAL FY 2025-2029	Notes
Mains	Main Replacement Program - Potable	Replace and upgrade potable water mains based on leak history, service life, and size	\$ 200,000	\$ 31,003	\$ 202,173	\$ -	\$ 652,173	\$ 652,173	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,452,173	FY 24: Construction Bethany Dr Design/Engineering of 1400 Ft of main on La Madrona Dr. FY 25: Construction of La Madrona Dr Main (\$250/LF mains+ 30k for geotech eval) and BelAir Ct (\$230k). Design of undersized mains on Whispering Pines and Mount Hermon Rd (\$40k).
	Main Replacement Program - Recycled	Replace old, poor condition recycled water main with high pressure rated pipe on Whispering Pines and Mt Hermon (about 1 mile).	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000				\$ 250,000	TBD when: RW main near Valley Gardens - paid by developer
	SCWD-SVWD System Intertie	Design and construction of component one: 12" bi-directional pipeline and pump station.	\$ 2,350,000	\$ 12,775	\$ 100,000	\$ 2,250,000	\$ 594,778	\$ 2,844,778	\$ 3,159,897	\$ -			\$ 6,004,675	FY23: Well site land acquisition, planning, design, engineering, & environmental documents. FY24: Design, begin bidding FY25: construction; 50% cost share for grant overages FY26: projected 50% cost share of grant overages
	Funded by Local Project Sponsor (City of Santa Cruz)	System Intertie	\$ (2,350,000)	\$ (12,775)	\$ (100,000)	\$ (2,250,000)	\$ -	\$ (2,250,000)	\$ (3,159,897)	\$ -			\$ (5,409,897)	
	System Intertie	District Cost Share				\$ -	\$ -	\$ 1,322,366	\$ 274				\$ 1,322,660	
Treatment Plants	Orchard Run Water Treatment Plant Improvements	Implement esthetic taste & odor improvements to treatment process by adding new GAC filter and chlorine analyzer injection system. Infrastructure improvements include replacing ammonia based H2S air scrubbing system with a Bio Filtration scrubber. Replace 40,000 gallon bolted steel back wash tank and install new sewer lateral.		\$ 95,228	\$ 95,228	\$ -	\$ -	\$ -					\$ -	Project completed in FY22
	El Pueblo Water Treatment Plant Improvements	Replace manual 1980's filter control system with programmable automated control system linked with SCADA.	\$ 206,008	\$ 10,529	\$ 20,000	\$ 186,008	\$ 186,008	\$ 186,008				\$ 1,500,000	\$ 1,686,008	FY 24: Filter media replacement following sand from W11B, Flow control valve installation; future upgrades dependent upon Grace Wy Well. FY25: Correction of air gap on El Pueblo Tank drain Future: installation of plant control panel by in house staff, and District SCADA contractor (pending Grace Wy Well WQ)
	Well 10 WTP Water Quality Improvements	Implement esthetic taste & odor improvements by adding additional filter bed and Chlorine analyzer equipment.	\$ 300,000	\$ 118,850	\$ 282,860	\$ 17,140	\$ -	\$ 17,140	\$ 150,000		\$ 1,500,000		\$ 1,667,140	FY24: pilot study of Greensand Filter Media; recast filter vessel, replace filter media, installation of VFD at Well 10a; replace Media at ORWTP, replace underdrains and spray arms at ORWTP Filter; Filter media replacement at El Pueblo WTP Future: Replace WTP PLC, Electrical upgrade, Add backwash tank
	VFD installation at Orchard WTP					\$ -	\$ 110,000	\$ 110,000	\$ 65,000					FY25: Installation of VFD's for Boosters 1,2,3 (including hardware, SCADA control). FY 26 installation of VFD at Well Motor
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.	\$ 139,258	\$ 18,261	\$ 20,000	\$ 119,258	\$ 50,000	\$ 169,258	\$ 4,816,000				\$ 4,985,258	FY23: evaluation assessment FY24: concept alternatives analysis; FY 25: geotechnical eval of concept (\$50k), begin design \$50k FY 26: construction
	Sequoia Tank Roof Recoat	Sandblast, recoat roof of Sequoia tank per DDW Sanitary Survey report. Replace tank vents.					\$ 125,000	\$ 125,000					\$ 125,000	FY25: Sandblast and Re-coat roof at Sequoia Tank; replace tank vents with AWWA approved vents
	Glenwood Tank Landslide Evaluation & Repair	Geotechnical evaluation and potential mitigation measures following landslide below Glenwood Tank following the Federally declared disaster in January 2023. FEMA/Cal OES funding will be available.	\$ 500,000	\$ 4,705	\$ 5,000	\$ 495,000	\$ 495,000	\$ 495,000					\$ 495,000	FY23: Geotech Eval; FY24: FEMA; FY 25: Engineering, design and construction of Geotech Recommendations
Pump Stations	Hacienda PS Improvements	Pump shed structure is in poor condition and needs to be replaced. Pumps are very loud and run 24 hours a day. Noise mitigation and structural upgrades will provide better protection for pumps and motors and reduce noise emissions considerably.	\$ 15,000	\$ 9,933	\$ 15,000	\$ -	\$ -	\$ -					\$ -	Install pumps, controls, and backup generator system. To be completed FY23
	Monte Fiore PS Rehab	Major upgrade to include new building, pumps, piping, propane generator, and controls.	\$ 75,000	\$ -	\$ 77,412	\$ -	\$ 202,412	\$ 202,412	\$ 500,000				\$ 702,412	FY24: Rehab or relocation alternatives analysis FY25 Design (paceholder) FY26 Construction (paceholder)
	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	\$ 2,400,000	\$ 274,302	\$ 300,000	\$ 2,100,000	\$ 300,000	\$ 2,400,000					\$ 2,400,000	FY23: property acquisition, design & permitting; FY24: continued design and permitting FY25: construction (carry over \$2.4 m from FY 24); equipment (\$300k)
	DWR Drought Grant Reimbursement	Component 1: Intertie 1	\$ (1,200,000)	\$ (225,521)	\$ (236,170)	\$ (963,830)	\$ (150,000)	\$ (1,113,830)	\$ (1,113,830)				\$ (2,227,660)	

SCOTT'S VALLEY WATER DISTRICT														
FY 2025 Budget: Projects Program Projections														
CAPITAL IMPROVEMENT AND MAINTENANCE PROJECTS														
Category	Project Name	Project Description	FY 2024 Budget	FY 2024 YTD 02/29/2024	FY 2024 Est YE Actual	FY 2024 Carryover	FY 2025 Request	FY 2025 Budget	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected	TOTAL FY 2025-2029	Notes
Wells	Well 38 Replacement	Replace aging well 38 with new production well at the Sucinto Drive well site.	\$ 2,972,175	\$ 694,559	\$ 700,000	\$ 2,272,175	\$ 27,000	\$ 2,299,175					\$ 2,299,175	FY21: Design; FY23: Permitting & construction; FY24: construction, budget adjustment including equipping costs, hotels, 10% contingency FY25: Property easement acquisition (\$27k)Wellhead design/construction/programming
	2022 Loan Disbursement					\$ -	\$ -	\$ -					\$ -	
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.	\$ -			\$ -	\$ -	\$ -					\$ -	FY18: SVWD entered into an MOU agreement with SLVWD, SVWD and the County. FY21: develop a scope and initial budget/ Include in the Operating Budget/
	SV Transit Center LID Retrofit Phase 2 GW Recharge - Grant Reimbursement	IRWM Prop 1 Round 2 Grant (75-25)	\$ 500,000	\$ 5,713	\$ 10,000	\$ 490,000	\$ 1,500,000	\$ 1,990,000					\$ 1,990,000	FY 24- \$500k is SVWD's 25% match for grant fund.
Recycled Water Supply	Purified Recycled Water Recharge	Supplemental supply project to increase groundwater reliability, especially in dry years (climate change related change). Could be shifted to SMGWA or replaced with conjunctive use.	\$ 100,000	\$ -		\$ 100,000		\$ 100,000					\$ 100,000	Collaborate with COSV to explore partnership and further evaluation of a regional project in support of SMGWA GSP. FY24- Modeling of low volume injection program
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.	\$ 75,000	\$ 32,079	\$ 52,040	\$ 22,960	\$ 250,000	\$ 272,960	\$ 125,000	\$ 125,000			\$ 522,960	FY24: Distribution system modeling/evaluation; FY25: Implementation of distribution system improvements from modeling recommendations. Future: Further implementation of recommendations (placeholder)
	Distribution system improvements in Monteville	Make system improvements in Monteville, including locating and mapping 200+ service lines, evaluate mainline condition. Based upon mainline condition, replace sections of main and/or add additional valves. Eventual replacement of 200+ polyethylene service lines with copper-multi year project.	\$ 150,000	\$ -	\$ 21,701	\$ 128,299		\$ 128,299	\$ 150,000				\$ 278,299	FY24: Have 3rd party locate and map service lines in Monteville & install insertion valve at 1st entrance of neighborhood. FY25: Installation and/or repair of additional system valves and/or replacing sections to improve isolation capabilities in neighborhood. FY26: Replace 25 service laterals.
Meters	Automated Metering Infrastructure (AMI)	Install AMI transmitters on all meters over 3-4 year period.	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ 12,750	\$ 12,750	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 32,750	FY25: 100 Beacon endpoints for Replacement as needed (\$127.50 each)
	Meter Replacement Program	Replace all meters installed before 2012 at the rate of 800-1000 meters per year.	\$ 42,000	\$ 36,306	\$ 42,000	\$ -	\$ 52,550	\$ 52,550	\$ 45,000				\$ 97,550	FY25: Replace Sensus meters 150x 5/8" per year (\$23,550). Also replace 5x 3/4"(\$950); 25x 1 1/2" (\$16,050); 14x 2" (\$12,000) Future: continue to replace Sensus meters
Technology	SCADA Improvements- Teledesign Radio and Kingfisher RTU Replacements					\$ -	\$ 150,000	\$ 150,000	\$ 300,000	\$ 260,000	\$ 80,000		\$ 790,000	Upgrade obsolete RTU's and Teledesign Radios with Allen Bradley RTUs and GE Orbit Cell Radios in a phased approach. FY25: Upgrade Orchard Run WTP, Southwood tank, southwood booster, polo booster FY26: Monte Fiore, Crescent, Villa Fontenay, Mt Roberts, Sand Hill, Glenwood Tank, Bethany tank and booster; FY 27: Well 10, Sequoia Tank, Well 9, El Pueblo, MacBorsa, 11B, 11A, FY28: Recycle WEV, Recycle Tank
Fleet	Vehicle Replacement Program	Replace aging fleet: one vehicle per year on average, starting FY 2019.	\$ 75,000	\$ -		\$ 75,000		\$ 75,000	\$ 70,000	\$ 50,000	\$ 50,000		\$ 245,000	FY 24: Replace Dodge Journey with EV (not completed) FY25: Rollover of Dodge Journey; FY26: Replace F350; Future: Replace F250s
	Specialized Operations Equipment	Replace heavy equipment and specialized vehicles on as-needed basis.	\$ 163,967	\$ -	\$ 117,431	\$ 46,536	\$ 120,000	\$ 166,536		\$ 150,000			\$ 316,536	FY24: Valve turning machine (\$100k) & EV-charging station (\$50k) FY 25: mounting valve turning machine on new F650 frame (\$120,000); Future: backhoe
Buildings	Administrative Building Improvements	Repairs and modifications to the office facility to support business operations	\$ 5,000	\$ 26,447	\$ 26,447	\$ -	\$ 20,000	\$ 20,000					\$ 20,000	FY24: Replace redwood decking at HQ and other improvements as determined from FY22 investigation FY24: Heavy Equipment Shelter;
	Corp Yard Improvements	Remove unused infrastructure, paving, heavy equipment shelter.	\$ 25,000	\$ 6,685	\$ 6,685	\$ 18,315	\$ 10,000	\$ 28,315	\$ 15,000	\$ 15,000			\$ 58,315	FY25: roof repair on block building; gutter replacement on block building; perimeter fencing repair. Future: paving improvement; re-line settline ponds
	Solar Installation	Installation of small scale solar systems at District facilities	\$ 25,000	\$ -		\$ 25,000		\$ 25,000	\$ 25,000				\$ 50,000	
Total Projects			\$ 10,323,408	\$ 1,377,375	\$ 2,098,977	\$ 8,345,691	\$ 4,176,663	\$ 12,522,354	\$ 11,198,283	\$ 805,274	\$ 1,835,000	\$ 1,705,000	\$ 19,658,354	
Less Grant Funding			\$ (3,550,000)	\$ (238,296)	\$ (336,170)	\$ (3,213,830)	\$ (900,000)	\$ (4,113,830)	\$ (5,023,727)	\$ -	\$ -	\$ -	\$ (9,137,557)	
Net Projects			\$ 6,773,408	\$ 1,139,079	\$ 1,762,807	\$ 5,131,861	\$ 3,276,663	\$ 8,408,524	\$ 6,174,556	\$ 805,274	\$ 1,835,000	\$ 1,705,000	\$ 10,520,797	

**Scotts Valley Water District
FY 2025 Proposed Budget
Fund Balance Projection**

	Potable Fund 01	Recycled Fund 02	Combined Fund 01 and Fund 02
FY 2023			
Audited Cash Balance 6/30/2023:	\$ 10,743,088	\$ 192,350	\$ 10,935,438
FY 2024 (Estimated Actual)			
Audited Cash Balance 6/30/2023:			\$ 10,935,438
Revenue	\$ 9,610,688	\$ 598,545	\$ 10,209,234
Grant reimbursements	\$ 336,170		\$ 336,170
Operating Expense	\$ (5,130,405)	\$ (639,595)	\$ (5,770,000)
Debt Service	\$ (1,115,923)	\$ -	\$ (1,115,923)
Project Costs	\$ (2,098,977)		\$ (2,098,977)
Increase/(Decrease) of Fund Balance	\$ 1,601,553	\$ (41,050)	\$ 1,560,503
Projected Fund Balance 6/30/2024	\$ 12,344,641	\$ 151,300	\$ 12,495,941
FY 2025 (Proposed Budget)			
Projected Fund Balance 6/30/2024			\$ 12,495,941
Revenue	\$ 9,730,476	\$ 610,400	\$ 10,340,876
Grant reimbursements	\$ 4,113,830		\$ 4,113,830
Operating Expense	\$ (6,262,275)	\$ (722,186)	\$ (6,984,460)
Debt Service	\$ (1,115,570)	\$ -	\$ (1,115,570)
Project Budget Request	\$ (8,345,691)	\$ -	\$ (8,345,691)
Project Carryover	\$ (4,176,663)	\$ -	\$ (4,176,663)
Increase/(Decrease) of Fund Balance	\$ (6,055,892)	\$ (111,786)	\$ (6,167,678)
Projected Fund Balance 6/30/2025	\$ 6,288,749	\$ 39,515	\$ 6,328,263

Debt Service Coverage Ratio for FY 2024	3.98
Debt Service Coverage Ratio for FY 2025	3.01
Debt Service Coverage Ratio for FY 2025 excluding revenue from new connections	2.85

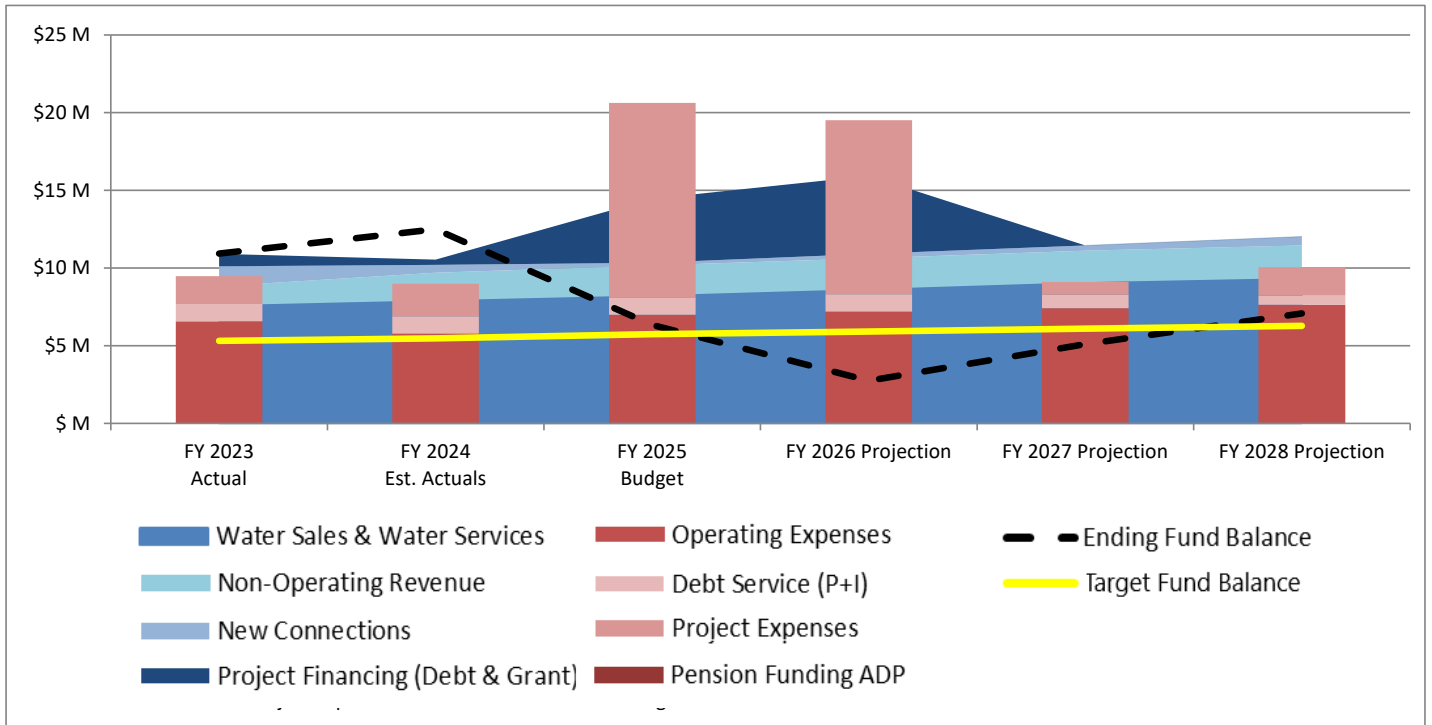
* required Debt Service Coverage Ratio = 1.2

Scotts Valley Water District
FY 2025 Proposed Budget
Fund Balance Projection

Assumptions:

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

	FY 2023 Actual	FY 2024 Est. Actuals	FY 2025 Budget	FY 2026 Projection	FY 2027 Projection	FY 2028 Projection
Water Sales & Water Services	\$ 7,605,864	\$ 7,922,084	\$ 8,241,000	\$ 8,653,050	\$ 9,085,703	\$ 9,358,274
New Connections	\$ 1,281,338	\$ 510,358	\$ 178,900	\$ 274,453	\$ 335,999	\$ 571,734
Non-Operating Revenue	\$ 1,223,952	\$ 1,776,791	\$ 1,920,976	\$ 1,978,605	\$ 2,037,963	\$ 2,099,102
Project Financing (Debt & Grant)	\$ 799,104	\$ 336,170	\$ 4,113,830	\$ 5,023,727	\$ -	\$ -
Total Revenue	\$ 10,910,258	\$ 10,545,403	\$ 14,454,706	\$ 15,929,835	\$ 11,459,664	\$ 12,029,109
Operating Expenses	\$ 6,565,212	\$ 5,770,000	\$ 6,984,460	\$ 7,193,994	\$ 7,409,814	\$ 7,632,108
Debt Service (P+I)	\$ 1,125,217	\$ 1,115,923	\$ 1,115,570	\$ 1,119,891	\$ 861,937	\$ 588,094
Project Expenses	\$ 1,783,907	\$ 2,098,977	\$ 12,522,354	\$ 11,198,283	\$ 827,783	\$ 1,835,000
Total Expenses	\$ 9,474,336	\$ 8,984,900	\$ 20,622,384	\$ 19,512,168	\$ 9,099,534	\$ 10,055,202
Beginning Fund Balance	\$ 9,499,516	\$ 10,935,438	\$ 12,495,941	\$ 6,328,263	\$ 2,745,930	\$ 5,106,061
Ending Fund Balance	\$ 10,935,438	\$ 12,495,941	\$ 6,328,263	\$ 2,745,930	\$ 5,106,061	\$ 7,079,969



AGENDA REPORT

Scotts Valley Water District

Date: 05/09/24

To: Board of Directors

Item: Business 6.2

Subject: **District Work Plan FY 2025**

Reason: Supports District Mission and Strategic Goals

SUMMARY

Recommendation: Approve the updated Management Objectives and accept the FY 2025 Draft Work Plan.

Fiscal Impact: The impact is unknown at this phase of planning. Final FY 2025 Work Plan will be matched with the proposed balanced budget for the upcoming fiscal year.

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

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

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

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

On 06/08/23 the Board approved the FY 2024 Budget including the FY 2024 Work Plan.

BACKGROUND

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

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

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

DISCUSSION

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

The Work Plan will be finalized in parallel with FY 2025 budget preparation.

Submitted,

David McNair
General Manager

Enclosed: FY 2025 Draft Work Plan

SCOTTS VALLEY WATER DISTRICT WORK PLAN FY 2025 DRAFT		
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2025 TASKS	P/O
1. Water Resource Management: SVWD meets the water supply needs of its customers by developing new, sustainable sources and maximizing the use of existing sources.		
1.1 Pursue the potential of wastewater for beneficial uses	Work with City PW's staff as they develop treatment plant upgrades. Ensure new processes benefit the ongoing production of recycle water.	O
	Explore opportunities to expand the recycle water system to meet irrigation needs for City required RHNA development.	O/P
	Work with City PW's staff to start engineering analysis on tertiary plant for much needed upgrades	O
1.2 Identify and implement conjunctive use projects in the region	Continue recently started conjunctive use discussions with SLVWD. Be an advocate for SLVWD during their EIR process to expand points of use for their surface water sources.	O
	Complete Intertie I operations agreement and SOP. Complete Intertie rate analysis. Model conjunctive use outcomes to formulate basin benefits.	P
1.3 Optimize the efficient use of water	Meet or exceed 2022 water loss audit score of 85 in 2023.	O
	Utilize data from WaterSmart to generate charts and other visual aids to report on customer leaks, rebates, and other water use efficiency metrics.	O
	Implement the pilot project as CIP budget allows from the 2024 WSC Pressure Management Study	O
	Ensure that account data in Springbrook is maintained with sufficient detail to comply with the new requirements; prepare and submit the reports.	O
2. Infrastructure Integrity: SVWD provides continuous investment in its infrastructure and process improvements to ensure the efficiency of its operations.		
2.1 Maintain all assets within their useful life threshold	Implement projects in Montevalle to focus on isolation of the neighborhood, including adding, repairing and replacing mainline valves.	O/P
	Get in contract with a geotechnical firm to conduct geotechnical evaluation of the existing tank site to determine feasibility of the proposed conceptual project of replacing 400k gal tank with two 200k gal tanks.	P
	Begin and complete construction on Grace way well and conduct initial water quality monitoring samples.	P
	Sucinto Well: Complete Well 3B equipping including installing wellhead piping, electrical service and control panel in order to place well online.	P
	Continue to make improvements to El Pueblo Yard, FY25 will be enhanced perimeter fencing, repair of roof and gutters on concrete block building	O
2.2 Utilize technology and innovative solutions for improving operational efficiencies	Replace obsolete Teledesign radios and Kingfisher Remote Terminal Units (RTU's) by upgrading four sites to GE Orbit Radios and Allen Bradley RTU's.	O
	Conduct an assessment of production data collecting practices and align collection of data gathering with billed read data. Complete pilot study of recycled production vs consumption. Move on to controlled areas of the distribution system.	O
	Focus on low scale solar opportunities. Replace pool vehicle with an electric vehicle.	O
	Implement Self Certification Site Supervisor Training on the SVWD website. Continue to look for 3rd party solutions for permit tracking.	O

SCOTTS VALLEY WATER DISTRICT WORK PLAN FY 2025 DRAFT		
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2025 TASKS	P/O
2.3 Optimize the redundancy and effectiveness of the system and facilities	Complete construction on Grace Wy Well.	P
	Solicit an RFP for design/build firms to propose energy upgrades at District facilities, focusing on low scale opportunities.	O/P
3. Financial Stewardship: SVWD manages its financial resources in a manner that ensures the reliability of its operations and provides the greatest value to its customers.		
3.1 Provide seamless customer experience	Provide customer support and training that demonstrates the value of engagement with the platform, and communicate those benefits in customer interactions.	O
	Implement new payment solution that enables single sign-on (SSO) for online payments and WaterSmart functionality	O
3.2 Exploit integrated data management for maximum efficiency and transparency	Produce a visual aid to display the precise timing of each utility billing activity	O
3.3 Design and manage balanced and fair revenue sources that are sufficient for meeting operating and capital needs while providing for adequate reserves	Pursue investment opportunities in local government investment pools (LGIP's) and additional discretionary payments toward the District's unfunded pension liability.	O
	Conduct board strategic planning session in fall/winter 2024 to develop clear priorities and objectives for FY 2026 budget.	O
	Coordinate activities in support of DWR Urban and Multibenefit Drought Relief Grants 1 and 2.	O/P
4. Community Engagement: SVWD proactively creates opportunities for strategic alliances and mutually beneficial relationships with its customers and partners.		
4.1 Use creative approaches and technology for engaging the community	Participate in 4th of July Parade and SV Art Wine Beer Festival.	O
	Include operators to narrate tours of various system operational components	O
	Demo/Pilot the Owl hybrid video equipment to improve District hybrid meeting experience.	O
4.2 Increase youth involvement and education on water matters	Partner with Scotts Valley High School in implementing their Career Exploration Program if determined to reconvene the activities.	O
	Continue managing the Youth Outreach Program (internship) for Santa Margarita Groundwater Agency.	O
4.3 Identify, develop and strengthen strategic alliances, both private and public	Create opportunities for GM and Board President to connect with the community	O

SCOTTS VALLEY WATER DISTRICT WORK PLAN FY 2025 DRAFT		
STRATEGIC GOALS MANAGEMENT OBJECTIVES	FY 2025 TASKS	P/O
5. Organizational Vitality: SVWD recruits and retains the highest quality employees and board members by offering a work environment in which they can thrive and succeed.		
5.1 Value and reward competence, team spirit and creativity	Include various staff members in community educational events such as virtual system tours.	O
	Continue regular meetings between City of Scotts Valley Wastewater and District staff.	O
	Continue to identify relevant opportunities for each employee and Director to attend at minimum 1 training and/or professional event annually.	O
	Achieve 100% participation for each employee and Director to volunteer at a community event at least once a year.	O
	Sponsor 1 employee and/or Director to participate in Leadership Santa Cruz County civic program.	O
5.2 Cultivate productive work conditions, positive workforce culture and work environment	Offer our location to ACWA JPIA to hold safety training sessions with the goal of quarterly trainings that are also made available for employees of other agencies in the region.	O
	Contract with DuAll safety to complete an assessment of compliance of the SVWD Safety Program. Implement recommendations from assessment.	O
	Organize and host at least one annual employee non-work event.	O
	Continue to execute the annual records management plan in compliance with the District's Records Retention Policy.	O
P/O - Project or Operations Budget		

AGENDA REPORT

Scotts Valley Water District

Date: 05/09/24

To: Board of Directors

Item: Business 6.3

Subject: **Water Supply Outlook and Demand Strategy 2024**

Reason: Supports District Mission

SUMMARY

Recommendation: Continue Normal Water Supply Conditions

Fiscal Impact: None

Previous Related Action:

On 05/13/21 the Board established Stage 2 Water Supply Conditions for WY2021 and approved the Add-on Drought Rates for 2 billing periods (July-October).

On 05/12/22 the Board established Stage 2 Water Supply Conditions for WY2022 and implemented Add-on Drought Rates.

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

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

BACKGROUND

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

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

On March 24, 2023, Governor Gavin Newsom enacted changes to Executive Order N-5-23 that rolled back major elements of prior emergency orders related to water restrictions ending a 15% water conservation goal. Additionally, the State officially moved out of drought status in April of 2023.

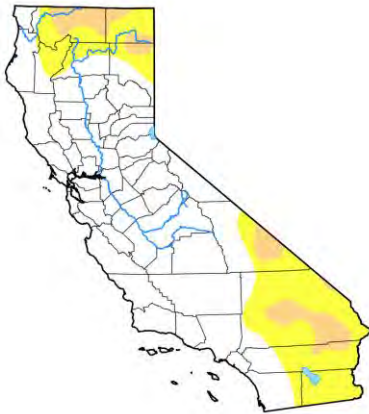
DISCUSSION

District rainfall total so far in WY2024 is 32” and is 78% of the Districts historical rainfall average of 41”.

WATER SUPPLY CONDITION - AS OF May 1, 2024															
		Average Rainfall	Rainfall (inches)					Rainfall (percent of average)					Cumulative		Single Year
			2020	2021	2022	2023	2024	2020	2021	2022	2023	2024	3-year	2-year	
Stage 1	Cumulative rainfall over 2 years < 80% of average and/or Single year rainfall < 75% of average	41.01	20.9	16.78	27.27	54.12	31.99	51%	41%	66%	132%	78%		105%	78%
Stage 2	Cumulative rainfall over 2 years < 70% of average and/or Single year rainfall < 60% of average	41.01	20.9	16.78	27.27	54.12	31.99	51%	41%	66%	132%	78%	92%	105%	78%
Stage 3	Cumulative rainfall over 3 years < 50% of average and/or Single year rainfall < 50% of average	41.01	20.9	16.78	27.27	54.12	31.99	51%	41%	66%	132%	78%	92%	105%	78%
Stage 4 Stage 5	Same or worse than Stage 3	41.01	20.9	16.78	27.27	54.12	31.99	51%	41%	66%	132%	78%	92%		

The State of California experienced 3 atmospheric river events this season. Snowpack levels are 87% of historical average across the Sierra Nevada Mountain Range. Statewide water conditions continued to improve with two small areas listed as abnormally dry.

April 25, 2023



April 25, 2024



Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

In addition to rainfall, the District also considers the groundwater conditions when performing its Annual Water Supply and Demand Assessment. At the March 14, 2023 Board Meeting, Montgomery & Associates presented the Santa Margarita Basin Water Year (WY)2023 Annual Report. The report states that 2,361 acre-feet of groundwater was extracted by all users from the Santa Margarita Basin in WY23. WY22 had 2485 acre-feet pumped from the basin which

was the lowest annual volume extracted from the basin since WY1985. With wetter than average conditions in WY23, pumping was down by 124 acre-feet from WY22.

Attached is the annual Montgomery & Associates Groundwater Report. The report concludes that despite a drier than average wet season in WY2024, the combination of wet conditions in WY2023 and decreasing groundwater extraction is benefitting all aquifers in the District. Groundwater recharge from precipitation in wet years and in-lieu recharge from decreased extraction have led to stable to increasing groundwater levels and groundwater in storage.

This year the Recycle Water Fill Station will remain closed this summer. The small bulk recycle water station at the site will remain open for customers who want to use it.

Other activities such as the 2 days a week irrigation requirement and the Water Waste Policy remain in effect. Public outreach will remain focused on water use efficiency, nonfunctional turf replacement, project updates, and driving more customers to the WaterSmart portal.

Submitted,

David McNair
General Manager

Enclosed: M&A Annual Groundwater Conditions Report

May 3, 2024

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

SUBJECT: REVIEW OF APRIL 2024 GROUNDWATER CONDITIONS IN THE SCOTTS VALLEY WATER DISTRICT AREA

Dear Mr. McNair:

Montgomery & Associates prepared this letter report for Scotts Valley Water District (District) to review end of wet season groundwater conditions and dry season groundwater supply shortages. The report summarizes District precipitation, groundwater extraction, and groundwater level data for the wet season of Water Year (WY) 2024 from October 1, 2023, to April 30, 2024. The information reviewed was used to prepare an Annual Water Supply and Demand Assessment, as outlined in Section 13.2 of the 2020 Urban Water Management Plan (UWMP), which will determine if there is a need to implement the Water Shortage Contingency Plan (WSCP). The data are also compared to sustainability metrics in the Santa Margarita Basin Groundwater Sustainability Plan (GSP) to evaluate progress implementing this plan. Due to steadily decreasing annual extraction volumes, recent wetter than average conditions, and stable to increasing groundwater level trends, the District will continue to have adequate supply in WY2024 to operate extraction wells consistent with prior years.

PRECIPITATION SUMMARY

The partial WY2024 rainfall total through May 1 measured at the El Pueblo Yard Station in Scotts Valley is 31.9 inches (Figure 1). This rainfall total is 77% of the long-term average annual precipitation of 41.3 inches in Scotts Valley. Like most years, much of the wet season precipitation occurred from the end of December 2023 to the end of March 2024 (Figure 2). WY2024 total precipitation will be wetter than about 31% of years since 1947 (Figure 1).

May rainfall probability is used to project the likely total rainfall for the remainder of the wet season. April is typically the end of the wet season in Scotts Valley, though about 25% of years have May rainfall greater than 1 inch. Figure 3 shows the likelihood of receiving various amounts of rain in March (blue line), April, (orange line), and May (grey line). The median

rainfall for May is 0.57 inches (Figure 3), therefore total annual precipitation in WY2024 will likely be about 32.5 inches.

Since rainfall in prior years can influence current groundwater conditions in the region, the 2-year and 3-year averages are a useful metric for evaluating water supply and recharge. The 2-year and 3-year average precipitation are also specific triggers in the 2020 UWMP Water Supply and Demand Assessment. The 3-year period included 2 drier than average years in WY2022 and WY2024 and 1 wet year in WY2023. The 2-year average precipitation from WY2023 through April 30, 2024, is 44.0 inches, which is 107% of average; the 3-year average precipitation from WY2022 through April 30, 2024, is 38.4 inches, which is 93% of average.

Another indicator of regional climate conditions is the National Integrated Drought Information System (NIDIS) online tool¹. The NIDIS program provides real time and historical drought information at the local, state, and federal levels. NIDIS classifies Scotts Valley as being in severe to extreme drought from April 2021 to January 2023. However, after wet conditions in WY2023, the region is no longer in a state of drought.

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

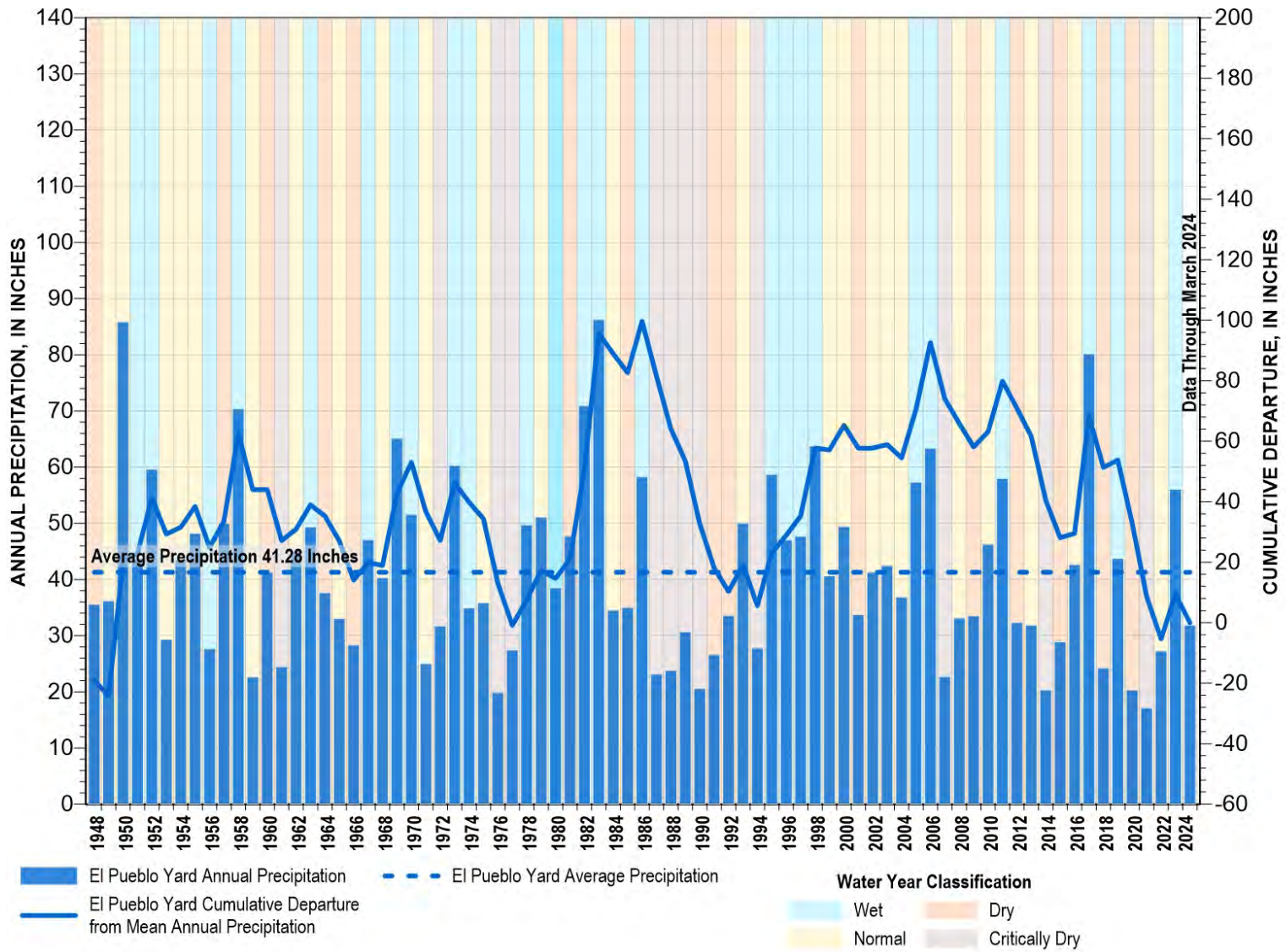


Figure 1. Annual Rainfall at El Pueblo Yard

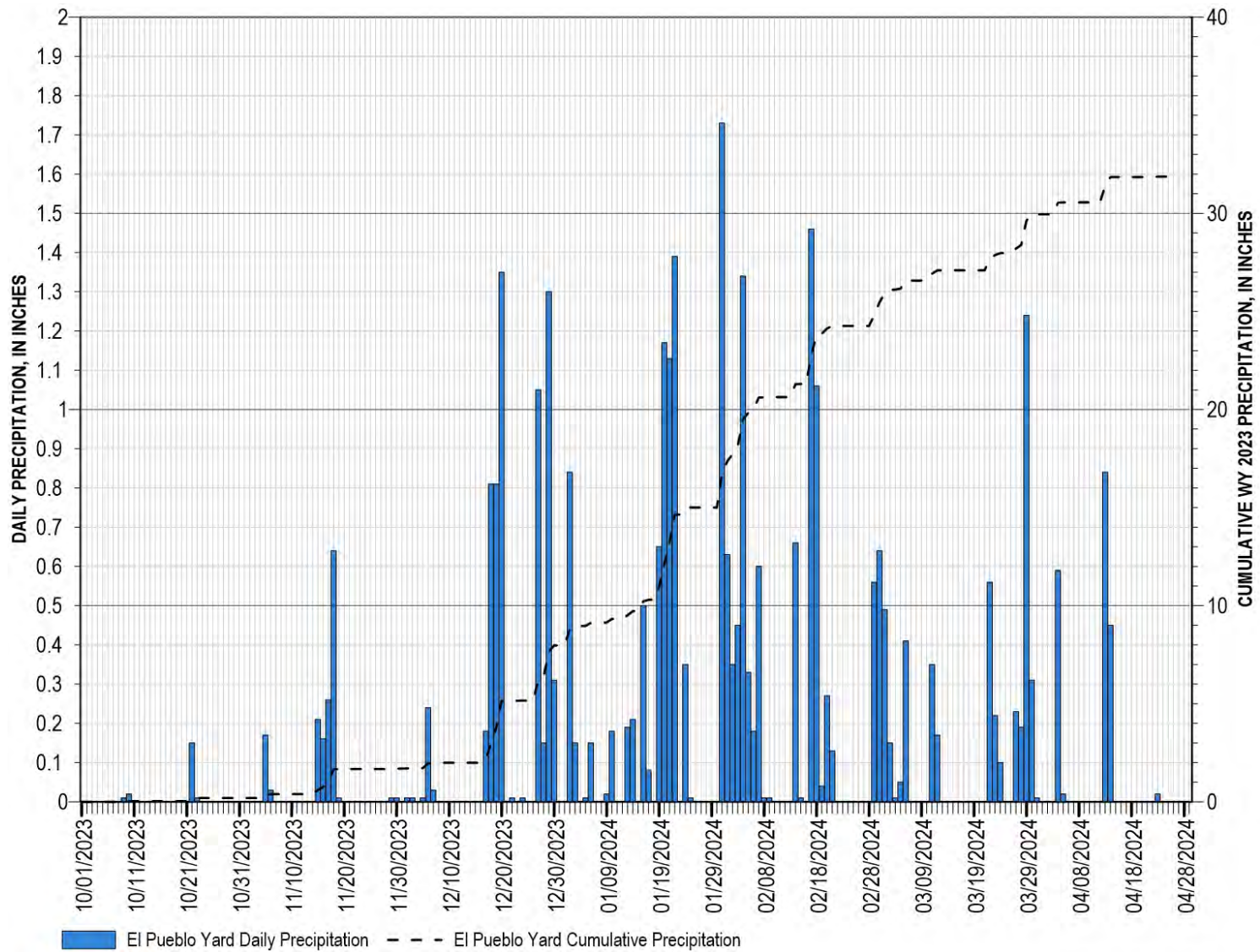


Figure 2. WY2024 Daily Rainfall at El Pueblo Yard

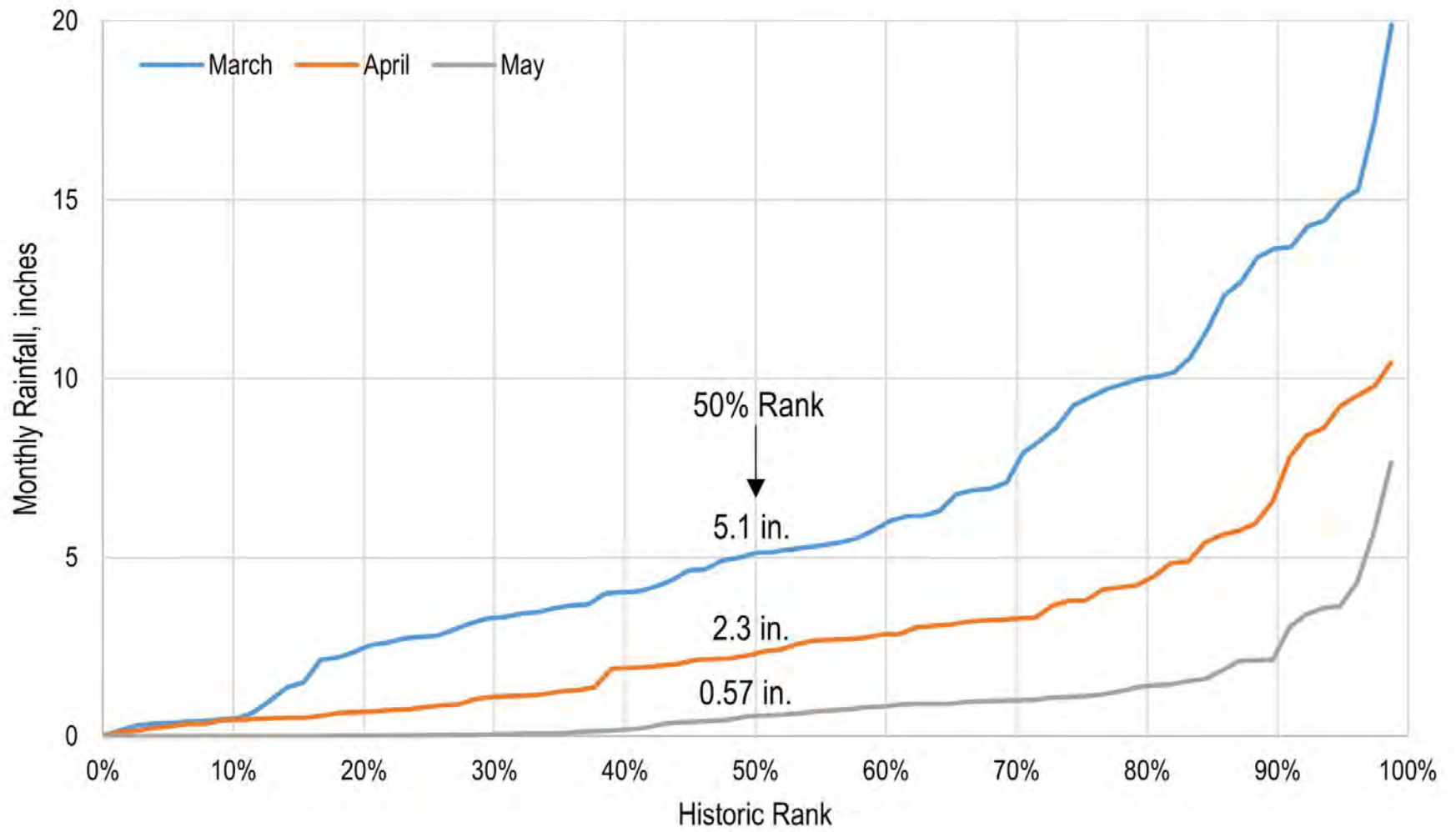


Figure 3. Historical March through May Rainfall Ranking

GROUNDWATER EXTRACTION SUMMARY

Groundwater provides nearly all water supply distributed by the District. About 200 acre-feet (AF) per year of recycled water is also used to supplement groundwater. The District’s active supply wells are screened in the Lompico and/or Butano aquifers. Extraction wells #10A, #11A, and #11B are screened in the Lompico aquifer and Orchard Well is screened in both the Lompico and Butano aquifers. Well #3B was abandoned in March 2024 prior to the work associated with installing the new Sucinto well, scheduled to be completed by the end of 2024. The Sucinto Well will be screened in the Lompico and Butano aquifers similar to the Orchard Well. Extraction well locations are shown on Figure 4.

District groundwater extraction is 447.7 AF from October 1, 2023 to March 31, 2024. WY2024 extraction to date is about 20 to 150 AF lower than historical extraction volumes during the wet season in the past 5 years (Table 1). About 50% of extraction was from Lompico Wells #10A and #11B and 50% of extraction was from Lompico/Butano Orchard Well. Well #11A was pumped minimally producing 1.1 AF in November 2023 and Well #3B was inactive prior to being abandoned.

Table 1. Summary of Wet Season Extraction

Time Period	Lompico Extraction Wells #10A, #11A and #11B (AF)	Lompico/Butano Extraction Orchard Well (AF)*	Total (AF)
WY2019 Oct 2018 - Mar 2019	97.6	422.7	520.4
WY2020 Oct 2019 - Mar 2020	250.8	301.2	552.0
WY2021 Oct 2020 - Mar 2021	468.4	127.5	595.9
WY2022 Oct 2021 - Mar 2022	193.8	311.4	505.2
WY2023 Oct 2022 - Mar 2023	248.2	218.6	466.8
WY2024 Oct 2023 - Mar 2024	222.8	224.9	447.7

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

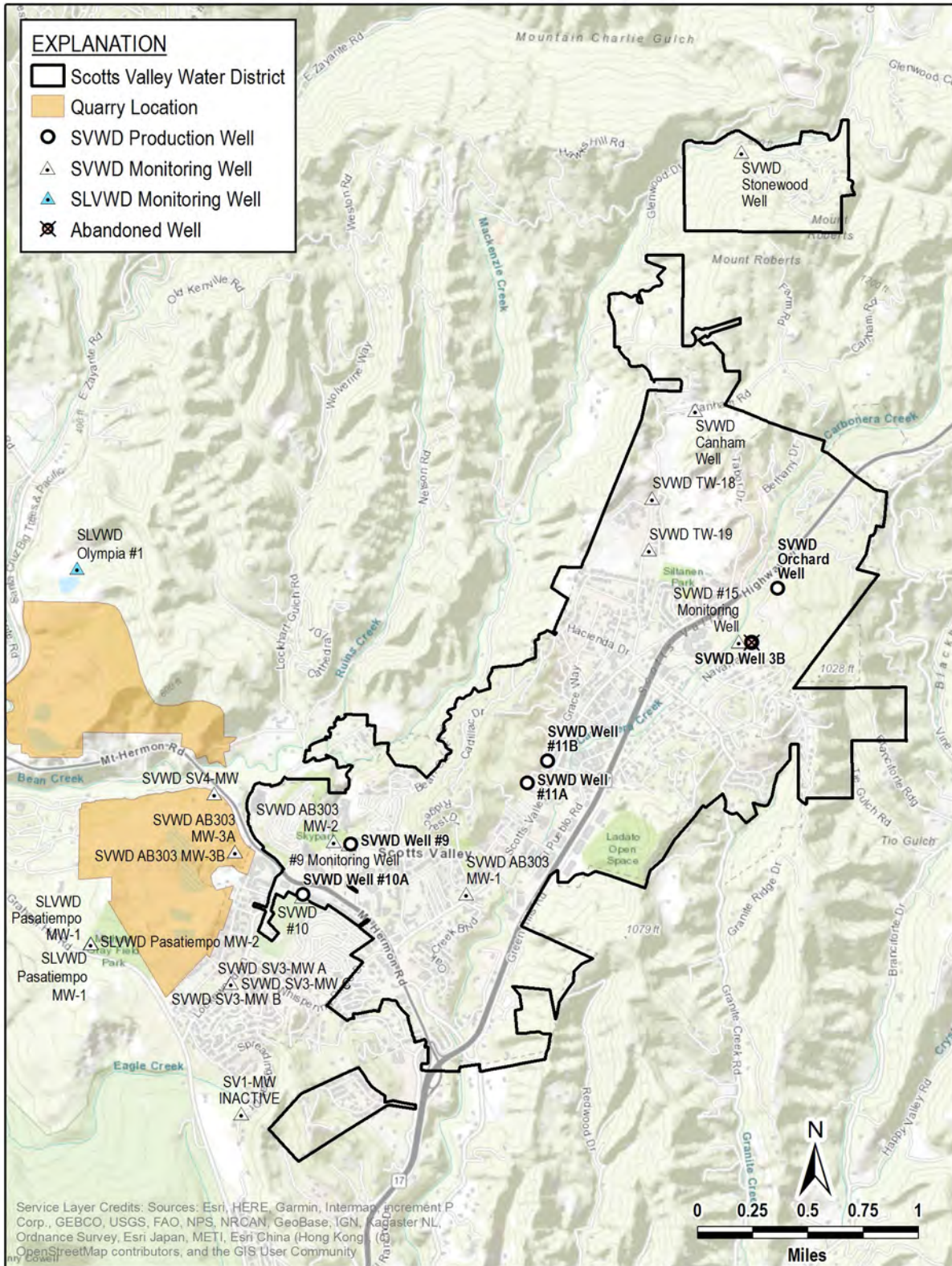


Figure 4. Extraction and Monitoring Well Locations

District extraction for the first half of WY2024 and totals from prior water years are summarized on Figure 5. In WY2023, the District pumped 1,049 AF, which is the lowest annual volume on record since WY1986. WY2023 extraction distribution was similar to the first half of WY2024, with about 498 AF (48% of total extraction) from Lompico aquifer wells and 550 AF (53% of total extraction) from Lompico/Butano aquifer wells.

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

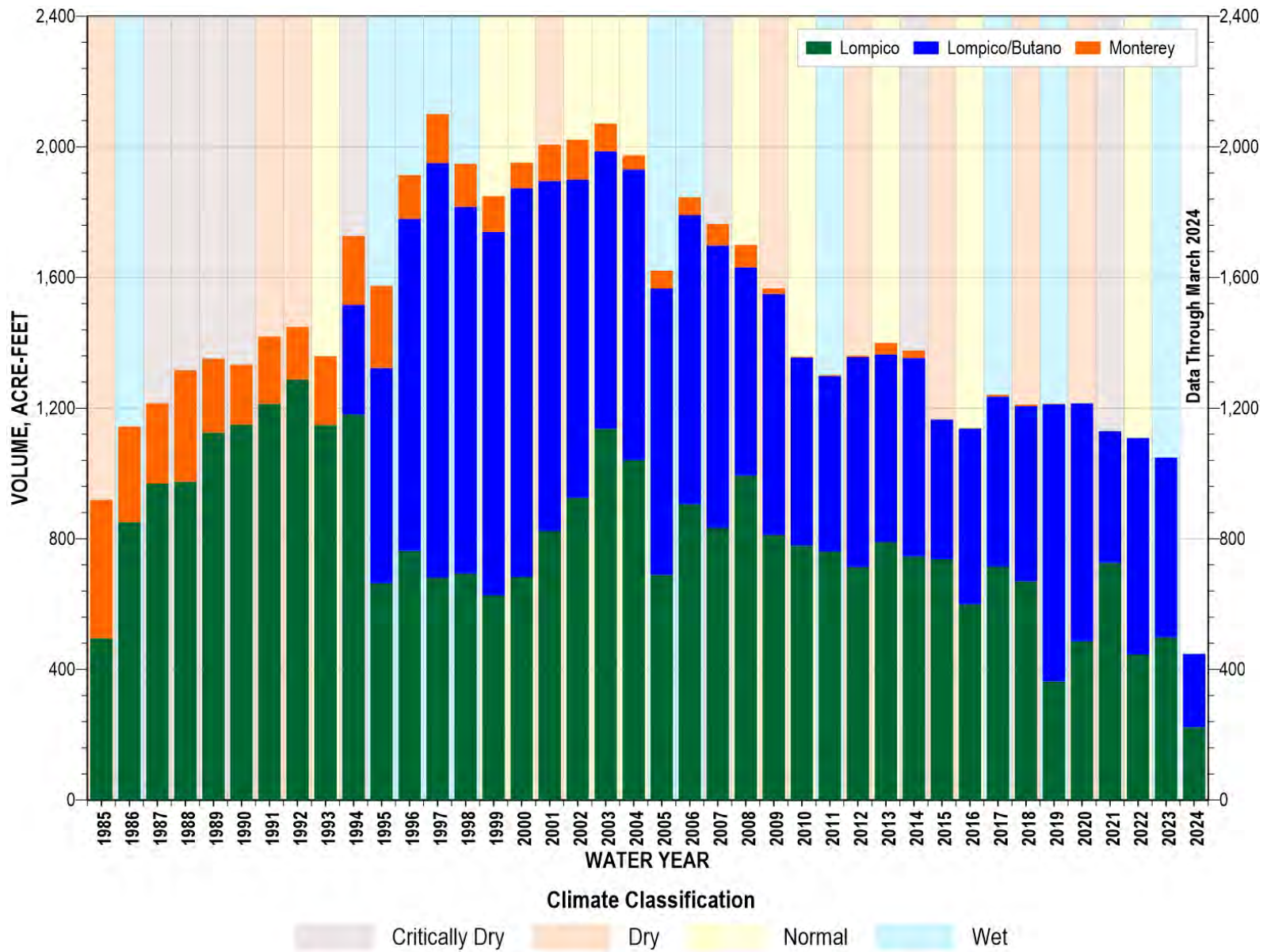


Figure 5. Groundwater Extraction by Water Year and Aquifer

GROUNDWATER LEVELS SUMMARY

Groundwater levels in the District are measured in both monitoring and inactive extraction wells screened in the Santa Margarita, Lompico, and Butano aquifers and the Monterey Formation. Each aquifer in the District's service area has unique responses to precipitation and pumping conditions, based on depth, overlying geology, and proximity to extraction wells as discussed below. Groundwater levels measured in active extraction wells are not indicative of regional aquifer conditions so are omitted from this analysis.

Groundwater levels are manually measured in District wells at least quarterly unless a well is actively being used for extraction. Most monitoring wells have transducers that record daily groundwater levels. Table 2 summarizes groundwater levels in April 2024 relative to October 2023, which preceded a wet year, and October 2017, which preceded the 2012 to 2016 drought. Hydrographs showing groundwater elevations over time at selected wells are referenced in Table 2. Well locations are shown on Figure 4.

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

Groundwater levels are on track for achieving groundwater level SMC for the District RMPs. In general, groundwater levels in District monitoring wells have been stable to increasing since 2017. Spring 2024 groundwater elevations in 6 out of 9 RMP wells are above the MO with no groundwater levels close to MTs.

Santa Margarita Aquifer Groundwater Levels

Groundwater levels in the Santa Margarita aquifer are generally stable in the District because the aquifer is no longer used by the District or nearby quarries for water supply. However, San Lorenzo Valley Water District still extracts from the Santa Margarita aquifer south of Scotts Valley in their Pasatiempo well field and in their Olympia and Quail Hollow well fields north of Bean Creek. The Santa Margarita aquifer is also an important aquifer for baseflow to streams and

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

April 2024 groundwater levels in the 3 Santa Margarita aquifer monitoring wells in the southern portion of the District have remained generally stable over the past 7 years, indicated as follows:

- Monitoring well AB303 MW-1 typically demonstrates a few feet of seasonal groundwater level fluctuation with little to no net annual change (Figure 6). Groundwater levels in April 2024 are 3.6 feet higher than October 2023 and 6.1 feet higher than October 2017 in AB303 MW-1 (Table 2).
- Monitoring wells AB303 MW-3B and SV4-MW groundwater levels are relatively stable most years with rising and falling levels occurring only in the wettest years (Figure 7 and Figure 8). In dry periods such as from 2020 to 2022 and 2012 to 2016, groundwater levels are about 10 to 20 feet lower than peaks in spring 2017 and 2023. Groundwater levels in April 2024 are within 1 foot of levels measured in October 2017 and 2023 (Table 2).

SV4-MW is the only RMP for the Santa Margarita aquifer in the southern part of the District. This well is used to evaluate depletion of interconnected surface water from Bean Creek. The groundwater elevation in SV4-MW is 31 feet above the MT and 25 feet above the MO (Table 3).

Santa Margarita well TW-18 in the northern portion of the District fluctuates very little, with all groundwater level measurements within a range of a few feet (Figure 9). The April 2024 groundwater elevation is within a foot of the MO and is about 8 feet higher than the MT (Table 3).

Monterey Formation Groundwater Levels

The Monterey Formation groundwater levels have a long-term increasing trend in the only District well screened in this aquifer, Well #9. The Monterey Formation is no longer used as a water supply by the District. Groundwater levels in Well #9 continue to steadily increase since the well has barely been used as a water source since 2008 (Figure 10). The groundwater level in April 2024 is 2 feet higher than October 2023 and about 24 feet higher than fall October 2017 (Table 2). The April 2024 groundwater elevation is 4 feet above the MO for the well (Table 3).

Lompico Aquifer Groundwater Levels

Groundwater level fluctuation in the deeper Lompico aquifer is influenced more by pumping than precipitation. As depicted on the hydrograph for Well #10 on Figure 11, groundwater levels in the Lompico aquifer in south Scotts Valley declined substantially through the early 2000s when District and other regional pumping volumes were greater. Reduced extraction since 2010 has allowed groundwater levels to stabilize from 2010 to 2016. Ongoing pumping reductions through water use efficiency measures and conservation measures have resulted in increasing groundwater elevations since 2016, despite dry years from 2020 to 2022.

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

Groundwater levels in Well #10, which is close to the District's southernmost extraction at Well #10A and relatively close to the SLVWD's Pasatiempo wells, have shown sustained increases in both seasonal high and seasonal low groundwater levels since 2016 (Figure 11). Well #10's April 2024 groundwater level is 5.4 feet higher than October 2023 and 16.6 feet higher than October 2017. Groundwater levels in Well #10 fluctuate by about 30 to 40 feet during annual cycles due to pumping at nearby Well #10A. Well #10's April 2024 groundwater elevation is 20 feet above the MO (Table 3).

Well #11A and #11B have been used to pump less in recent years than Well #10A, therefore groundwater levels have less seasonal fluctuation than observed at Well #10. Groundwater levels have steadily increased in Well #11A since 2017 (Figure 12). Well #11A's April 2024 groundwater level is about 2 feet higher than the groundwater level in October 2023 and 36 feet higher than October 2017 (Table 2). The April 2024 groundwater elevation is 12 feet above the MO (Table 3).

Other Lompico monitoring wells, TW-19 and AB303 MW-2, also have increasing groundwater level trends similar to Well #10 and #11A but without seasonal fluctuation due to nearby pumping (Figure 13 and Figure 14, respectively). Differing increases in groundwater levels in different parts of Scotts Valley reaffirms our understanding that groundwater levels in the Lompico aquifer are recovering because of decreased pumping, indicated as follows:

- TW-19 is in north Scotts Valley and not close to an active extraction well (Figure 4). Regional groundwater levels at TW-19 demonstrate a steady increasing trend since 2017. The April 2024 groundwater elevation is 6.5 feet higher than October 2023 and 42 feet higher than October 2017 (Table 2). The groundwater elevation at TW-19 is 8 feet above the MO (Table 3).

- AB303 MW-2's groundwater level increase is less pronounced than TW-19 as it is closer to active extraction Well #10A (Figure 4). The April 2024 groundwater level in AB303 MW-2 is 4 feet higher than October 2023 and 15 feet higher than October 2017 (Table 2).

Lompico/Butano Aquifer Groundwater Levels

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

The groundwater level in April 2024 at Well #15 is 4 feet higher than October 2023 and 22 feet lower than October 2017 (Table 2). The April 2024 groundwater elevation is about 22 feet below the MO and 20 feet above the MT (Table 3). The groundwater elevation has been above the MO at times during the past few years (Figure 15). Since the groundwater elevation is very sensitive to active and inactive pumping cycles, and the MO was recently achieved, this goal is still achievable in the near term. A future dedicated Butano monitoring well near the District Lompico and Butano extraction wells would help provide insight into deep aquifer groundwater level fluctuations in this area.

Butano Aquifer Groundwater Levels

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

Groundwater levels in the Butano aquifer monitoring wells are relatively stable, as indicated by the following:

- Stonewood monitoring well groundwater levels have a slight increasing trend over time. The groundwater level in April 2024 is 1.4 feet higher than October 2023 and 5.2 feet higher than October 2017 (Table 2). The April 2023 groundwater elevation in Stonewood is 5 feet above the MO.

- The Canham monitoring well has a long term stable trend with very little fluctuation, other than a minor increase related to well vault flooding during the extreme December 2022 atmospheric river storms. The April 2024 groundwater level is 1.3 feet lower than October 2023 and 2 feet lower than Fall 2017. The Canham well groundwater level is 25 feet below the MO and 15 feet above the MT (Table 3). The MO is based on hypothetical groundwater model simulations for an expanded conjunctive use concept in the Basin and may not have the simulated affect in this area. The MO is higher than any groundwater elevation measured in the well since monitoring began in 2011.

A deep dedicated monitoring well in the Butano aquifer closer to the District’s Lompico/Butano aquifer pumping wells is planned as part of the Santa Margarita Groundwater Agency implementation of its GSP. This well will provide an additional groundwater level data point closer to where Butano pumping is occurring to help the District monitor and manage Butano aquifer extraction.

Table 2. Groundwater Level Summary

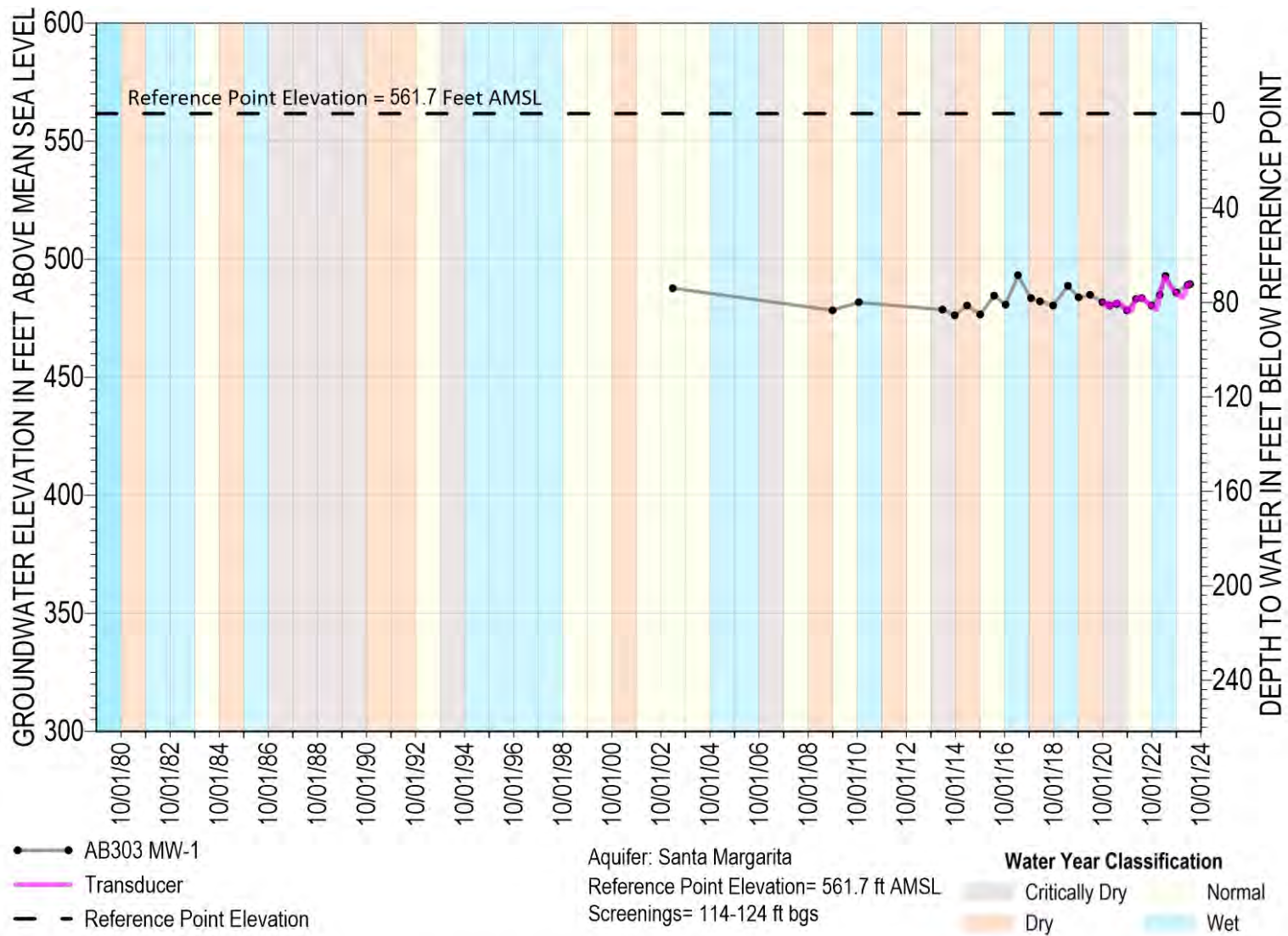
Well	Groundwater Level April 2024 (feet below ground surface)	Change in Groundwater Level Since Oct 2023 (feet)	Change in Groundwater Level Since Oct 2017 (feet)	Hydrograph Figure Number
Santa Margarita Aquifer				
AB303 MW-1	72.2	3.6	6.1	Figure 6
AB303 MW-3B	111.7	0.0	3.2	Figure 7
SV4-MW	42.5	-0.9	0.1	Figure 8
TW-18	244.5	0.4	0.7	Figure 9
Monterey Formation				
Well #9	165.6	2.1	24.0	Figure 10
Lompico Aquifer				
Well #10	168.3	5.4	16.6	Figure 11
Well #11A	273.7	2.4	36.3	Figure 12
TW-19	274.8	6.5	42.2	Figure 13
AB303 MW-2	119.7	3.9	14.8	Figure 14
Lompico/Butano Aquifer				
Well #15	349.2	3.7	-22.3	Figure 15
Lompico/Butano Aquifer				
Stonewood	49.4	1.4	5.2	Figure 16
Canham	340.9	-1.3	-1.9	Figure 17

Table 3. Groundwater Level Sustainable Management Criteria Evaluation

Aquifer	Well Name				Minimum Groundwater Elevation (feet above mean sea level)			
		Minimum Threshold	Interim Milestone #1 (2027)	Measurable Objective	WY2021	WY2022	WY2023	April WY2024
					Critically Dry WY	Normal WY	Wet	---
Santa Margarita	TW-18	462	471	471	471.8	470.9	470.4	470.5
	SV4-MW*	381	387	387	404.1	405.7	408.7	412.8
Monterey	Well #9	301	340	358	351.0	354.0	356.0	362.6
Lompico	Well #10	286	302	322	330.3	338.1	350.1	342.6
	Well #11A	288	299	317	308.0	312.6	320.2	328.9
	TW-19	314	357	376	370.4	370.0	378.4	384.8
Lompico/Butano	Well #15	291	310	333	307.1	307.9	306.5	310.8
Butano	Stonewood	836	844	844	845.0	845.8	847.6	849.1
	Canham	427	447	467	441.7	441.2	441.2	441.9

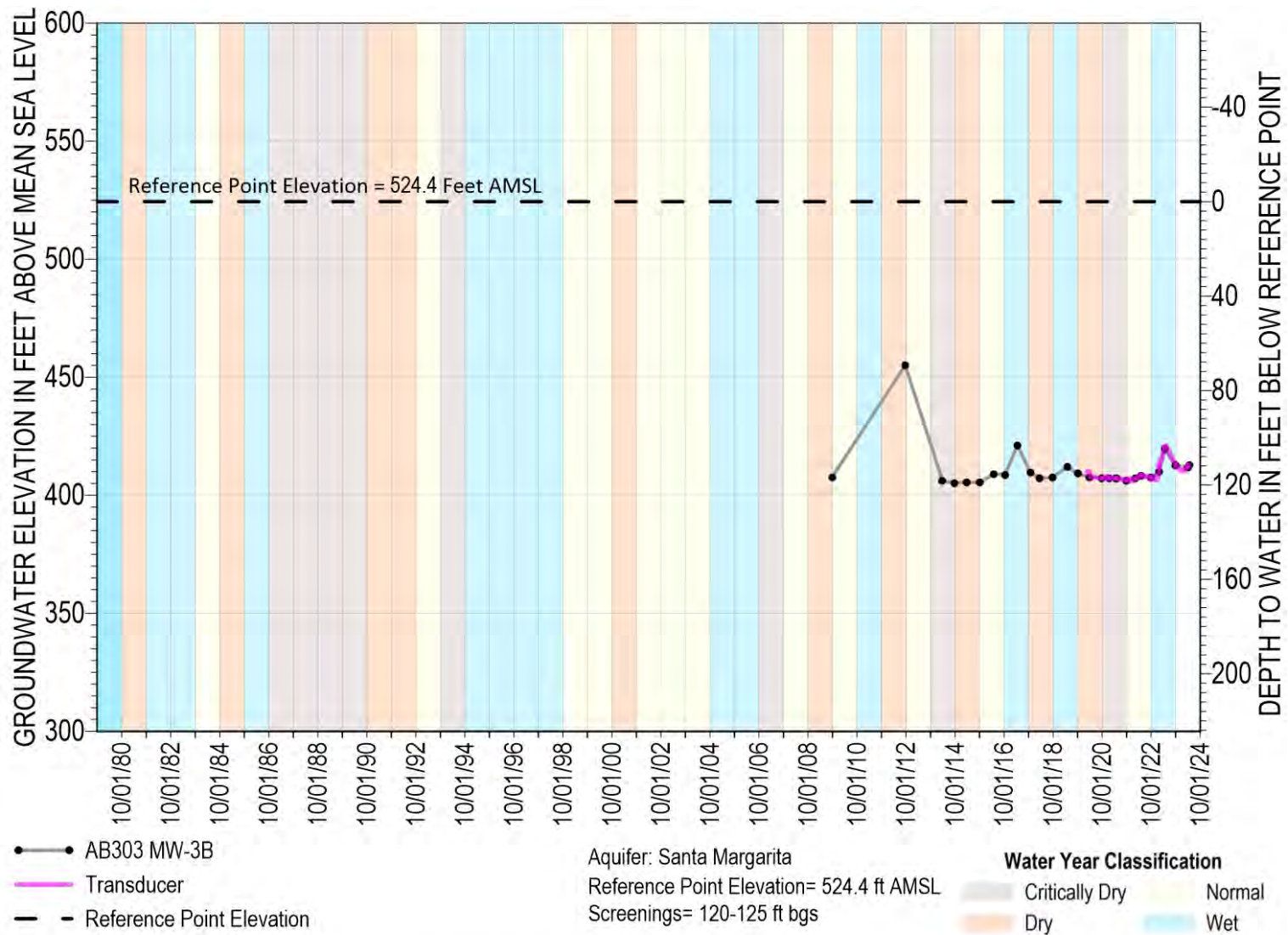
*SV4-MW is an RMP for the interconnected surface water sustainability indicator

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



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

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



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

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

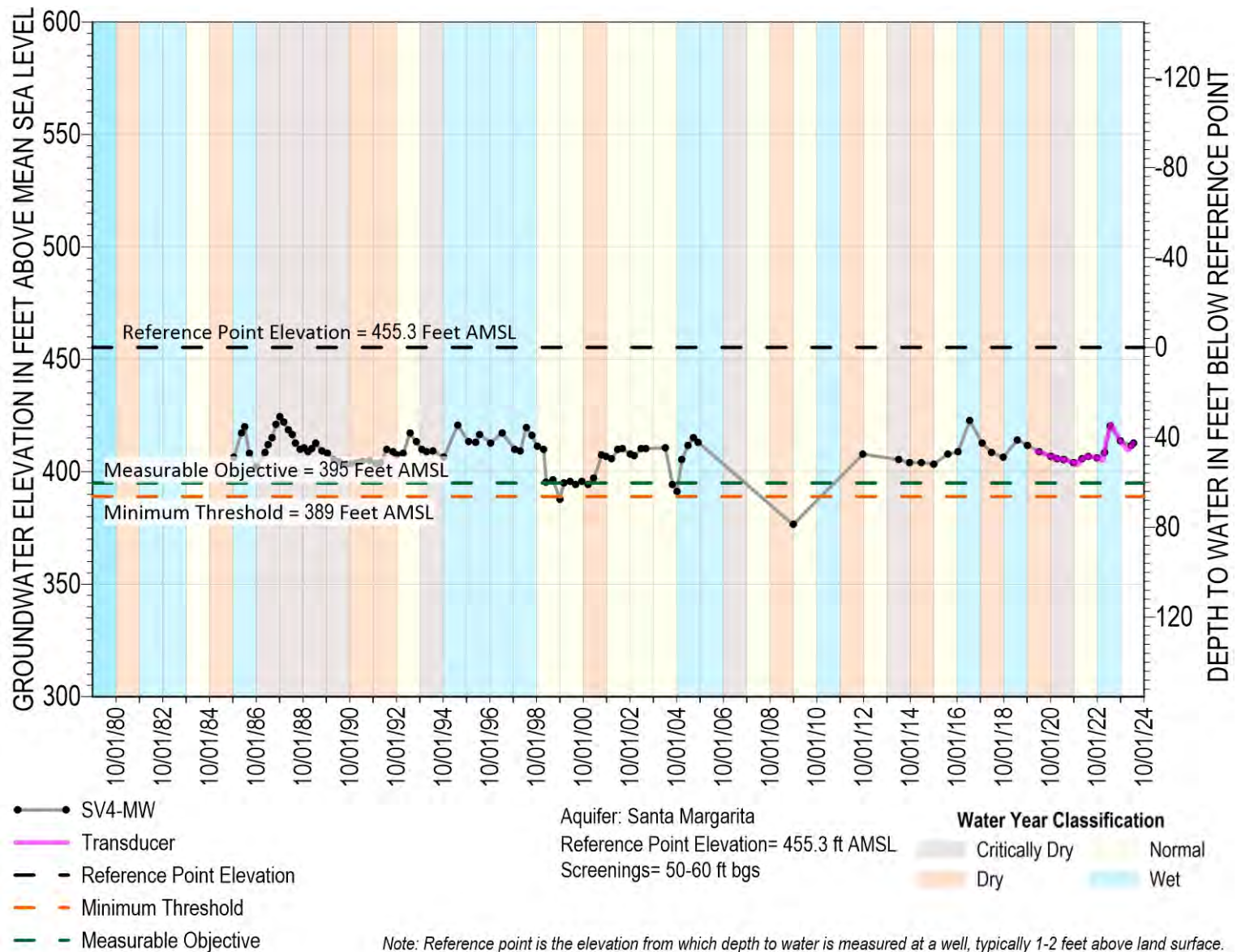
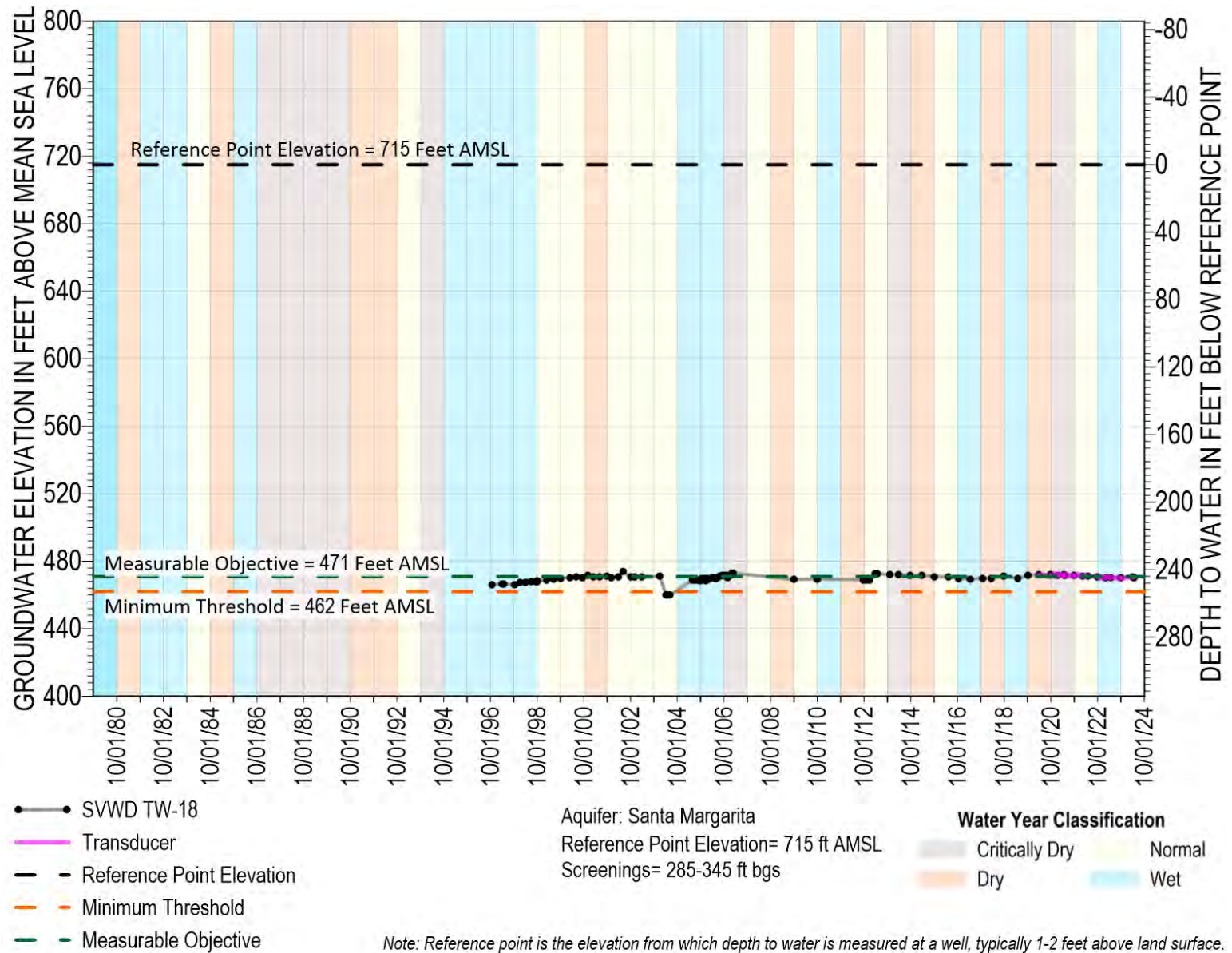
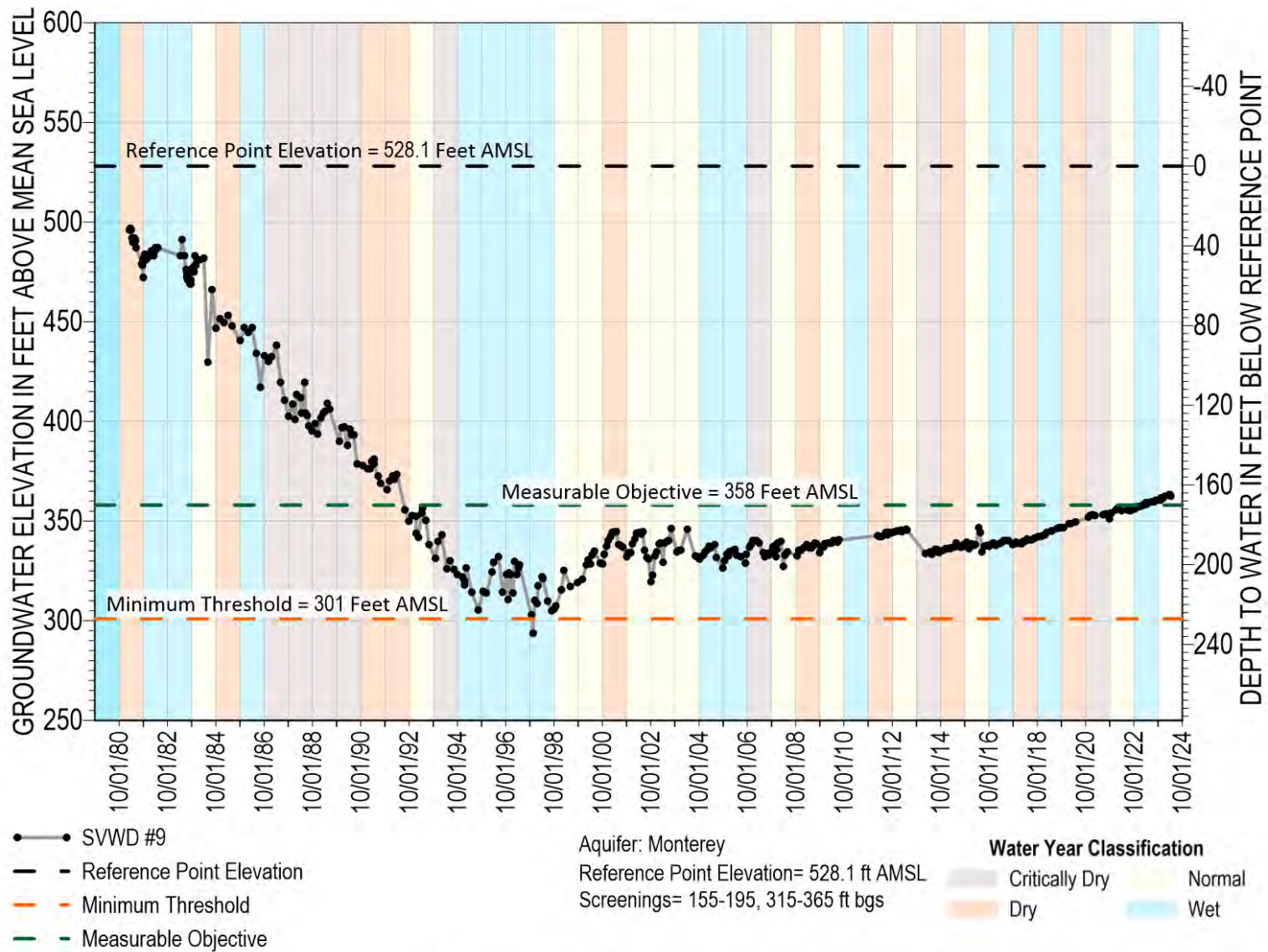


Figure 8. SV4-MW Hydrograph (Santa Margarita Aquifer)



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

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



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

Figure 10. Well #9 Hydrograph (Monterey Formation)

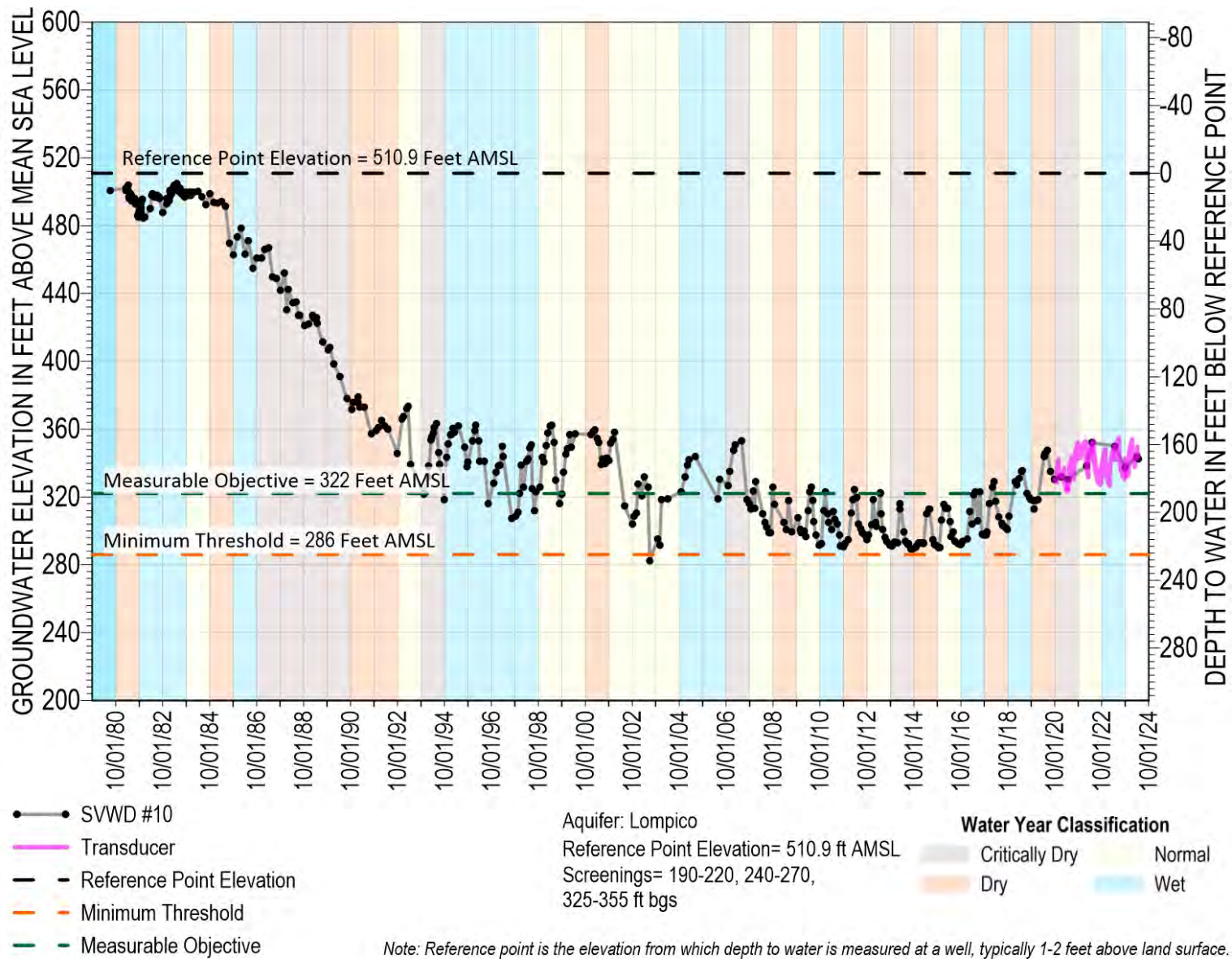
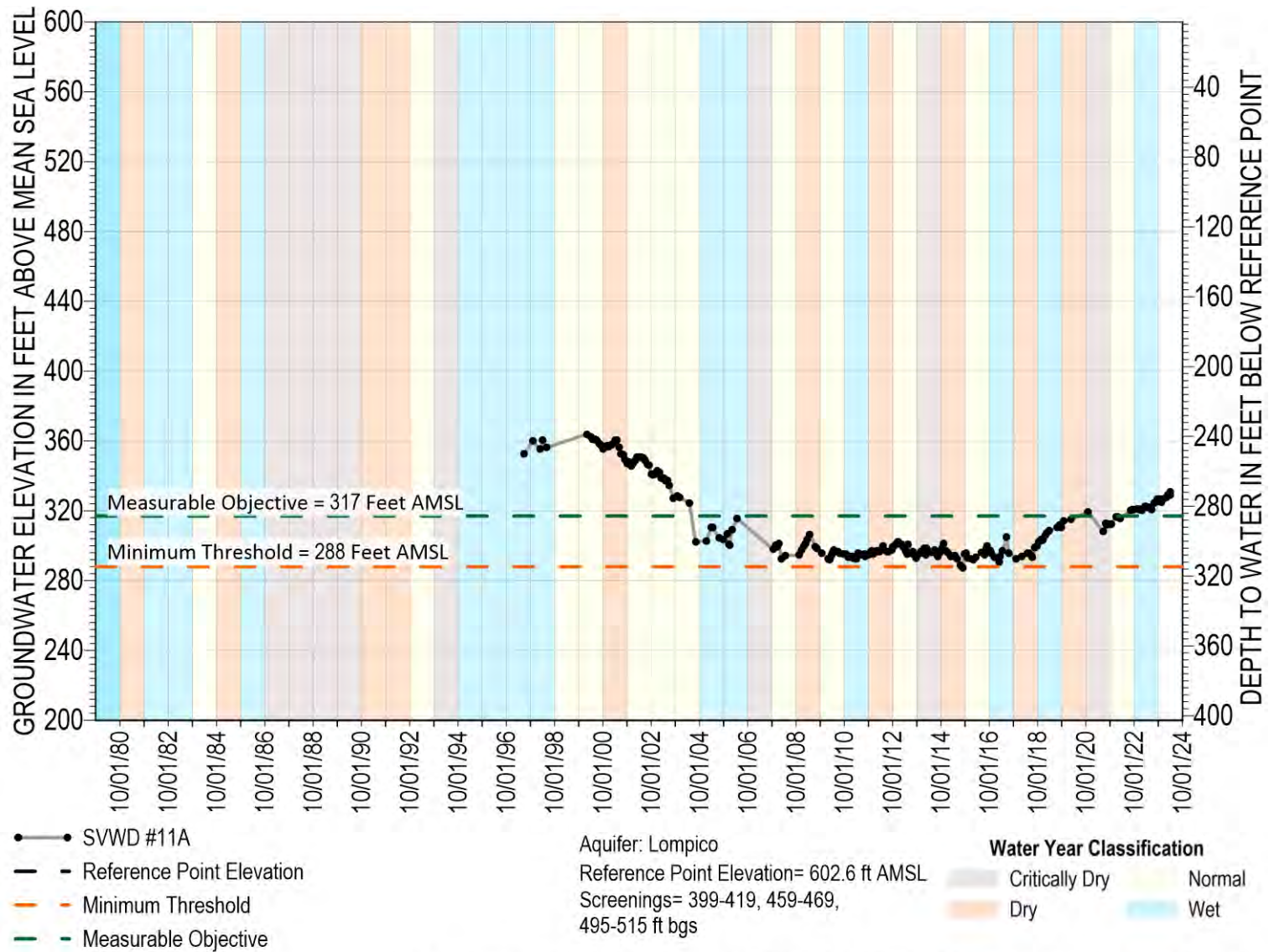


Figure 11. Well #10 Hydrograph (Lompico Aquifer)



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

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

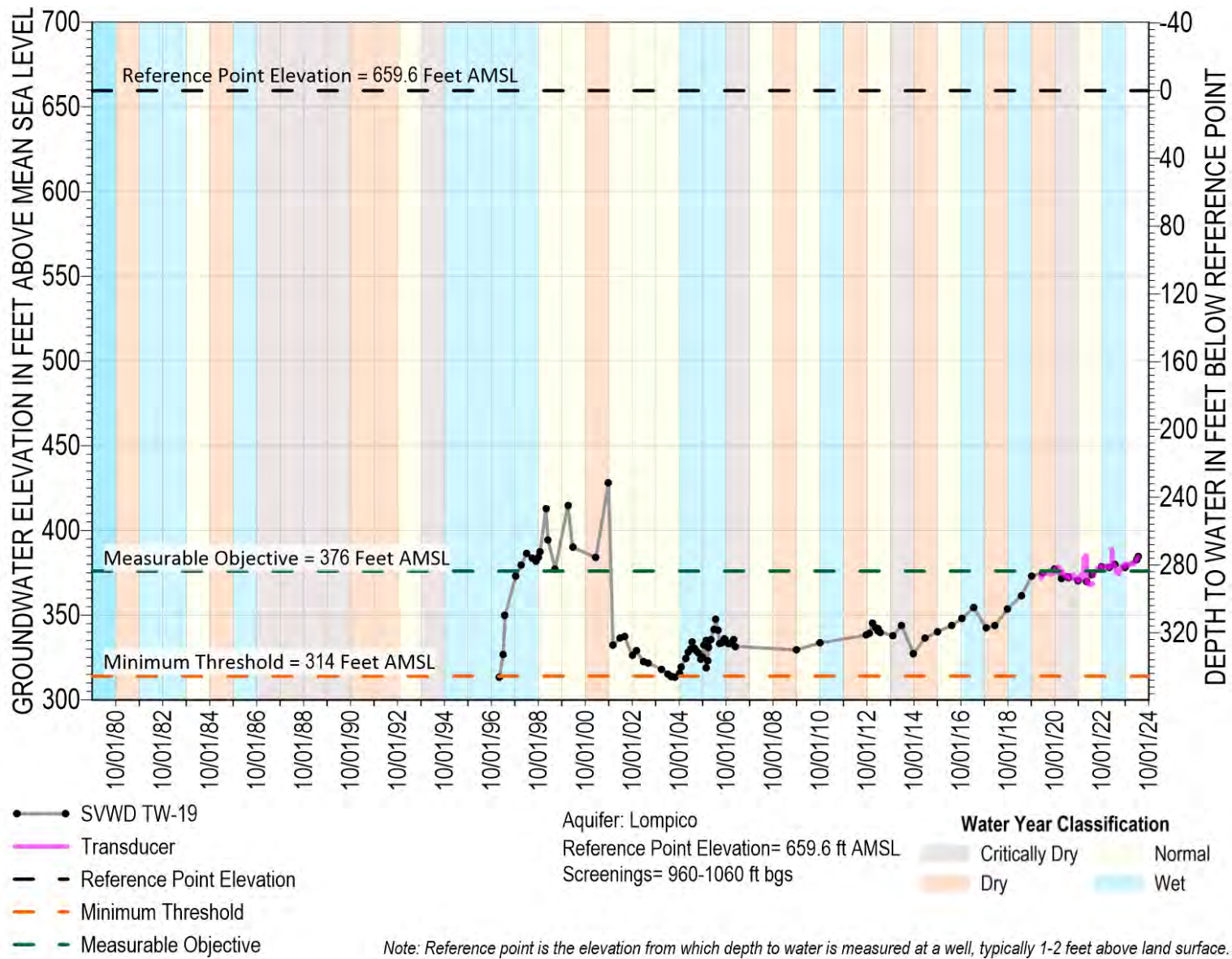
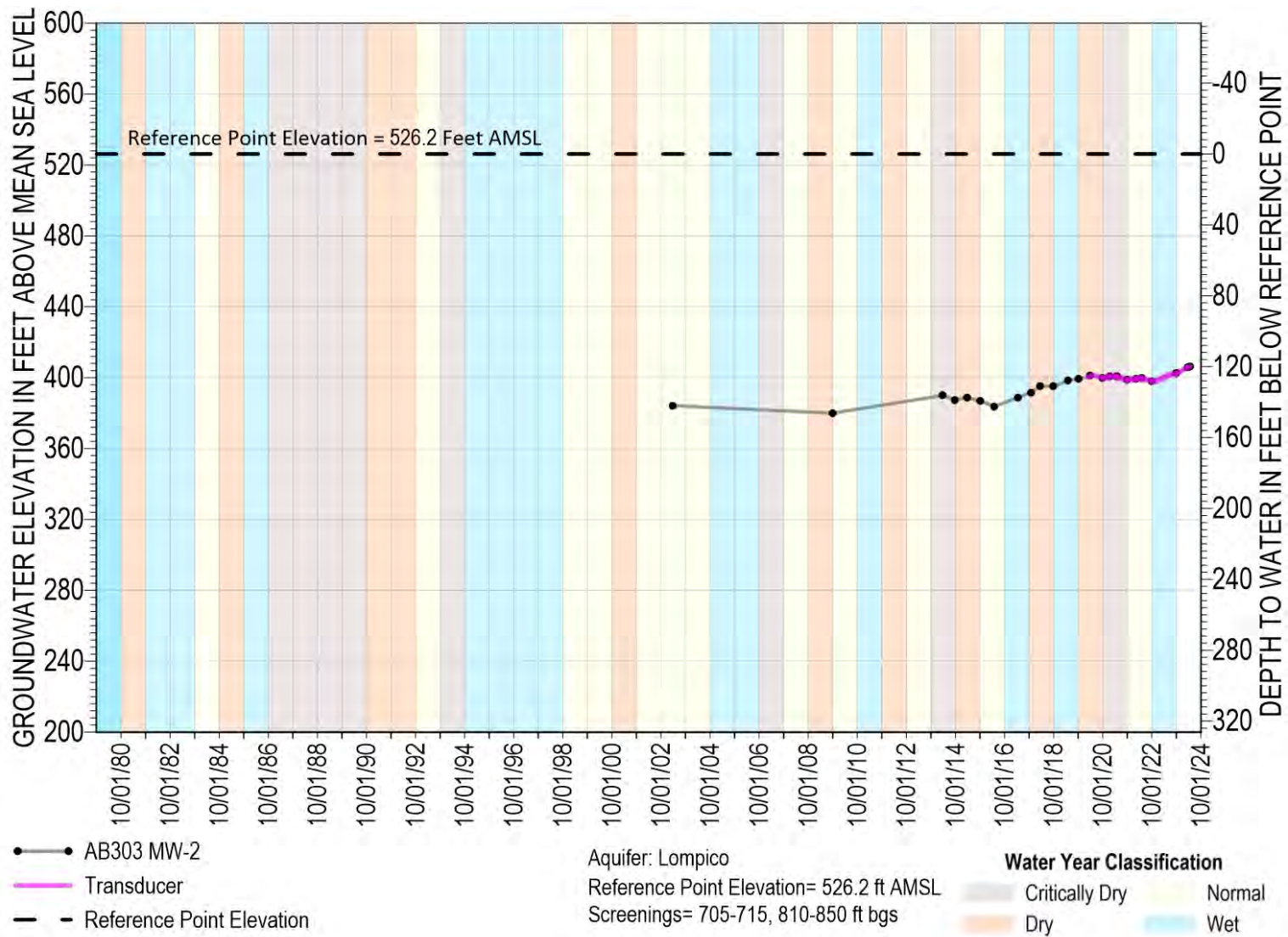


Figure 13. TW-19 Hydrograph (Lompico Aquifer)



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

Figure 14. AB303-MW2 Hydrograph (Lompico Aquifer)

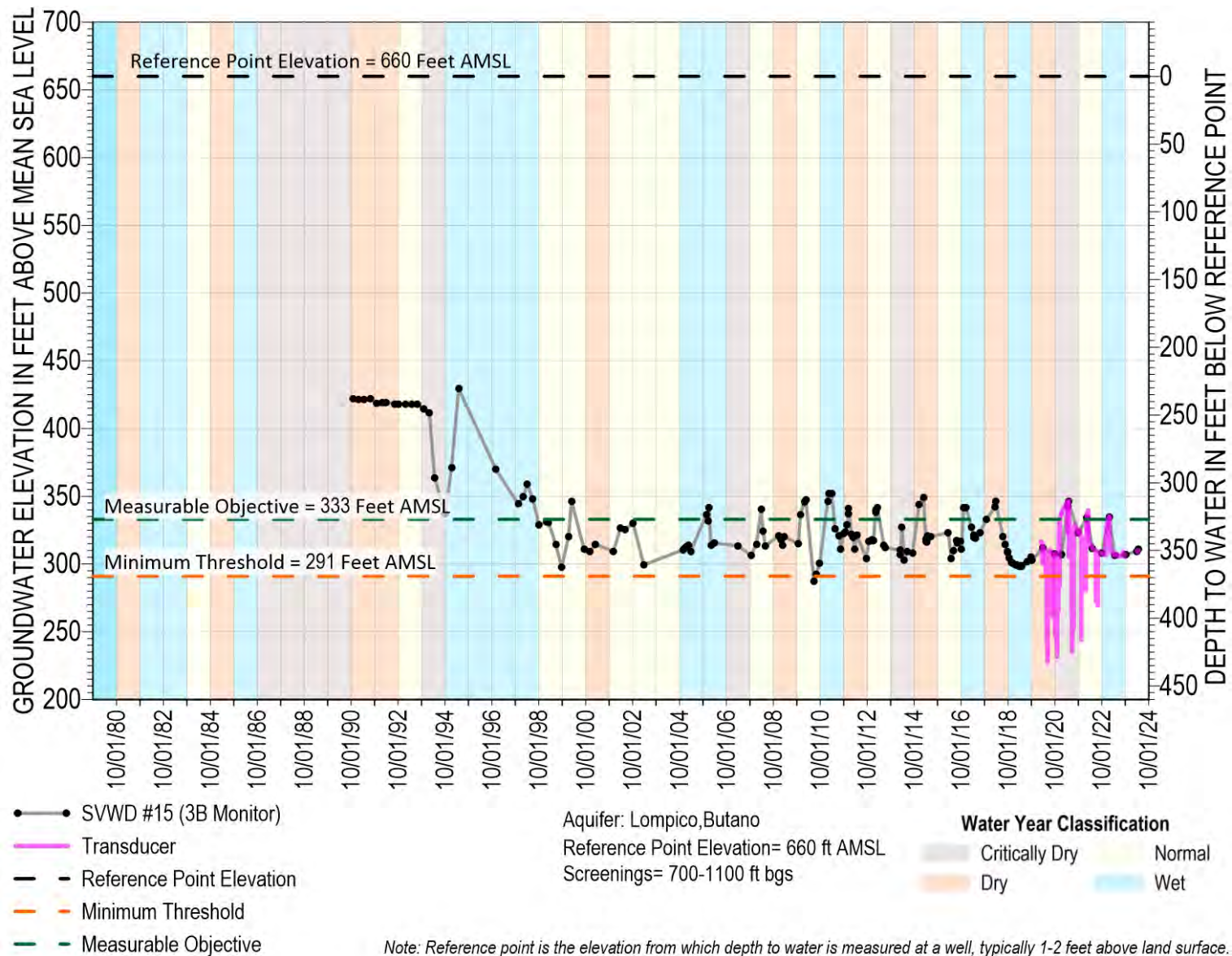


Figure 15. Well #15 Hydrograph (Lompico/Butano Aquifers)

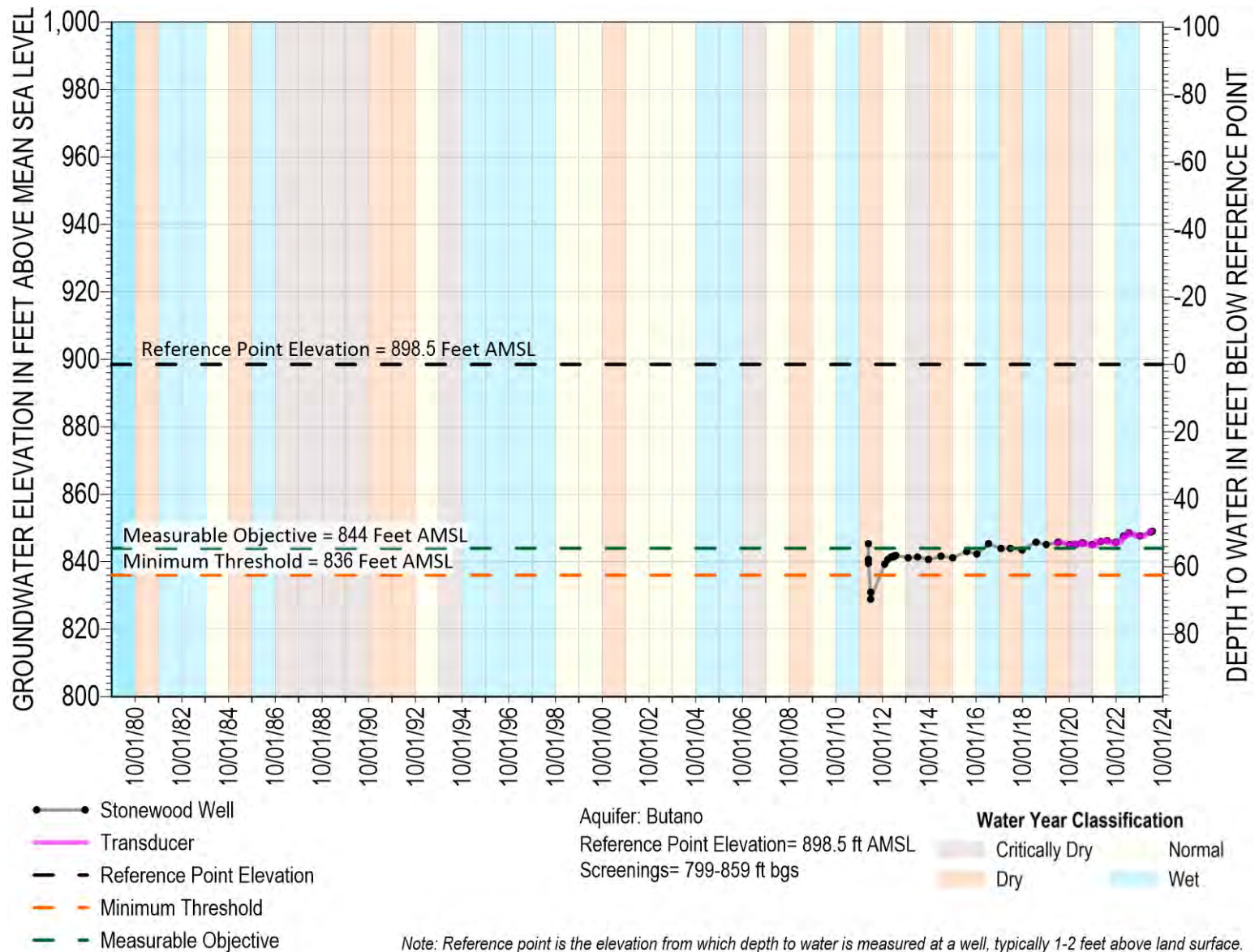


Figure 16. Stonewood Hydrograph (Butano)

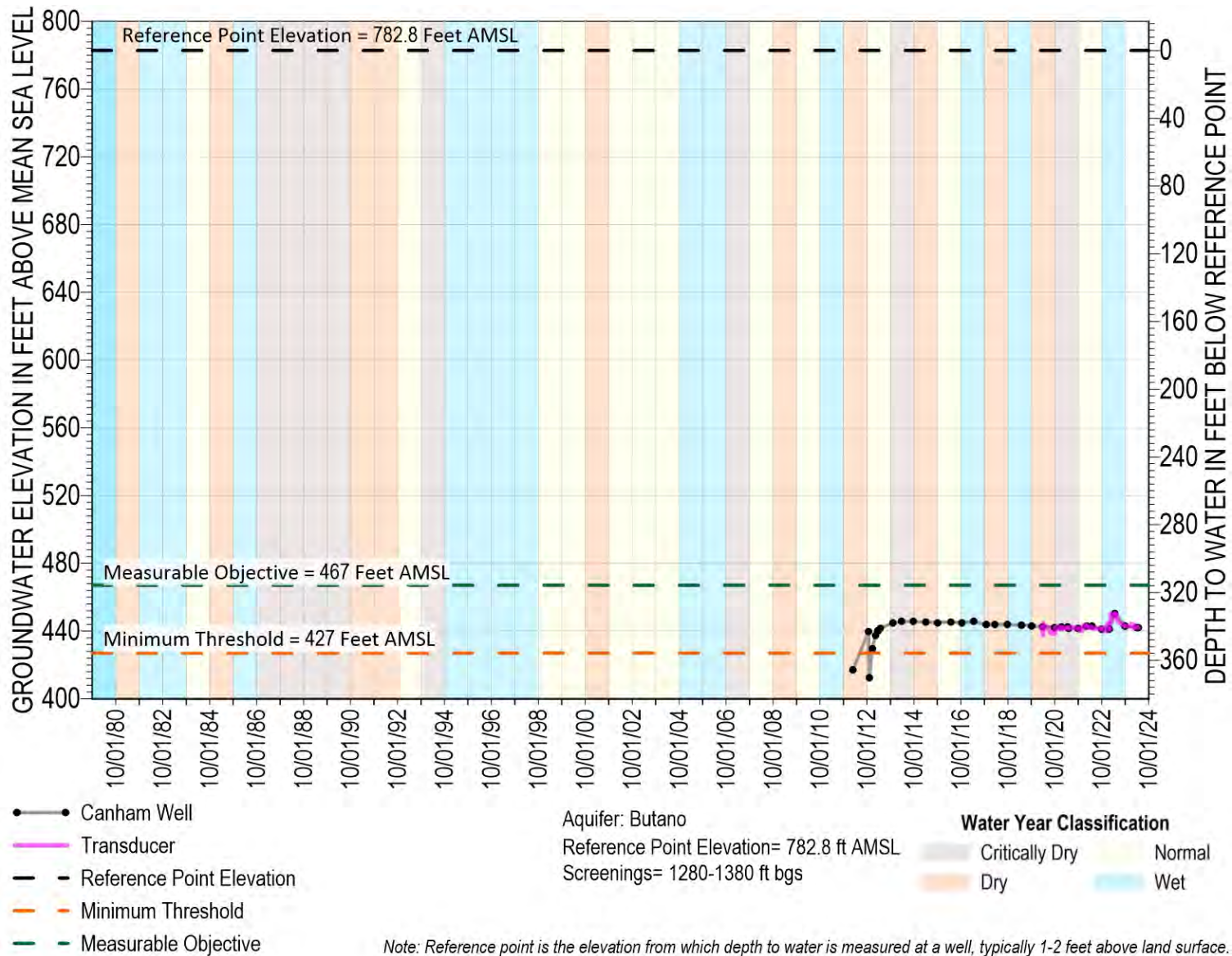


Figure 17. Canham Hydrograph (Butano)

WATER SUPPLY CONDITIONS SUMMARY

Long-term decreasing groundwater extractions are benefiting regional groundwater levels in all aquifers in the District area. Despite dry conditions from 2012 to 2016 and 2020 to 2022, above-average rainfall in WY2017, WY2019, and WY2023 recharged the shallow Santa Margarita aquifer. The Lompico and Butano aquifers—which are used for District water supply—are deeper and mostly confined beneath the Monterey Formation, so these aquifers generally do not respond immediately to rainfall like the Santa Margarita aquifer does. Reduced extraction from the Lompico aquifer and Monterey Formation has reversed long-term declining groundwater level trends. Groundwater levels in the Monterey Formation are clearly increasing, year after year, even during dry years. The Lompico aquifer has generally been recovering throughout the District since 2017. The Butano aquifer groundwater levels appear to be stable, though the current Butano aquifer monitoring network does not fully capture regional trends due to uncertain hydrogeologic connection with the extraction wells only partially screened in the aquifer. A new dedicated Butano aquifer monitoring well is planned through GSP implementation that will help the District better monitor Butano groundwater levels closer to the active extraction wells.

WATER SUPPLY AND DEMAND ASSESSMENT

Ensuring that adequate water supplies are available to meet existing and future water demands is essential for the District to operate sustainably. The WSCP in the 2020 UWMP establishes trigger levels for water resource management actions during periods of drought or increased extractions that result in water supply shortages relative to demand. There are specific triggers related to precipitation, groundwater level, and groundwater extraction data that require operational changes by the District if exceeded. Groundwater conditions triggers from the 2020 UWMP are summarized on Figure 18.

Precipitation and groundwater level data presented earlier in this report are used to evaluate WY2024 conditions relative to applicable triggers. At this time none of the WSCP triggers have been exceeded and therefore no management changes by the District are necessary. A summary of precipitation and groundwater conditions relative to triggers is as follows:

- Annual precipitation in WY2024 is 77% of average, 2-year precipitation is 107% of average, and 3-year precipitation is 93% of average which exceeds all precipitation triggers. The Stage 1 precipitation trigger is annual precipitation less than 75% and/or 2-year precipitation less than 80% of average (Figure 18).
- The District's baseline annual extraction referenced in the 2020 UWMP is 950 AF from the Lompico aquifer and 350 AF from the Butano aquifer. These baseline values are consistent with the groundwater in storage SMC in the GSP. Using the GSP assumption

that 40% of extraction from the Lompico/Butano aquifer extraction wells is sourced from the Lompico aquifer, WY2023 extractions totaled 718 AF from the Lompico aquifer and 330 AF from the Butano aquifer. WY2023 extraction volumes are 76% of baseline extraction for the Lompico aquifer and 94% of baseline extraction for the Butano aquifer and do not exceed thresholds on Figure 18 that start at 120% of baseline. Because groundwater extractions for WY2024 to date have been less than wet seasons in prior water years, the District appears to be on track to maintain extraction volumes less than the baseline for the duration of WY2024.

- As shown in Table 3, WY2023 groundwater levels are 10 feet or more above the MTs for the District's Monterey Formation, Lompico, and Butano aquifer wells, so do not exceed supply shortage thresholds on Figure 18. As discussed in this report, April 2024 groundwater levels are stable or increasing in all Monterey Formation, Lompico, and Butano aquifer monitoring wells.

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

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

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

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

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

Figure 18. Groundwater Conditions Trigger Levels - 2020 UWMP

CONCLUSIONS

Despite a drier than average wet season in WY2024, the combination of wet conditions in WY2023 and decreasing groundwater extraction is benefitting all aquifers in the District. Groundwater recharge from precipitation in wet years and in-lieu recharge from decreased extraction have led to stable to increasing groundwater levels and groundwater in storage. All District groundwater extraction is from the deeper Lompico and Butano aquifers, with District extraction from those aquifers decreasing annually since 2017. The wet year in WY2023 directly benefits groundwater recharge in the shallower Santa Margarita and Monterey aquifers and will eventually recharge the deeper aquifers. Prior reviews of groundwater conditions concluded that “based on groundwater level trends and pumping volumes in the Lompico aquifer through the 2012 to 2016 drought and beyond, keeping total District annual pumping below 1,250 AF per year should not stress the aquifers being pumped even in below average rainfall years over the short-term.” The District has been able to maintain extraction volumes below the 1,250 AF per year threshold in recent years. With planned future urban growth and climate uncertainty, declines in groundwater levels in all aquifers still may occur, so the District should remain vigilant and continue to closely monitor and evaluate groundwater levels and extraction volumes.

Sincerely,
MONTGOMERY & ASSOCIATES



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



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

STAFF REPORT - Finance

Scotts Valley Water District

Date: 05/09/2024
To: Board of Directors
From: General Manager
Item: Staff Reports 7.3
Subject: **Preliminary Financial Reports 07/01/23 through 03/31/2024**

Summary

Fiscal Year-to-Date (YTD) preliminary figures reflect the period of 07/01/23 through 03/31/24. YTD revenues total \$7.1M and expenses total \$6.7M.

Revenue

March is the ninth month of the fiscal year. YTD potable water sales revenue is \$3.2M, water services revenue is \$2.0M and new connections revenue is \$205K. Property tax revenue is \$816K and grant revenue through Q1 totaled \$269K. Total YTD revenue in the potable water fund, excluding grants, is \$6.5M, equal to 71% of the budget and 14% lower than the same period last year due to a decline in one-time revenue from new connections.

YTD recycled water sales revenue is \$328K, water services revenue is \$73K, and no revenue from new connections for the period. Total YTD revenue of \$402K in the recycled water fund equals 62% of the budget, which is 10% higher than for the same period of last fiscal year.

Expenses

Combined YTD operating expenses are in-line with the budget, with expenses of \$4.3M representing 62% of the budget. Net project expenditures total \$1.1M and the debt service principal payments of \$931K have been made.

Fund Balance

At the end of March, cash reserves were approximately \$10.0M. An additional \$2.0M are held in investments and \$0.8M is booked in Accounts Receivable.

Enclosed

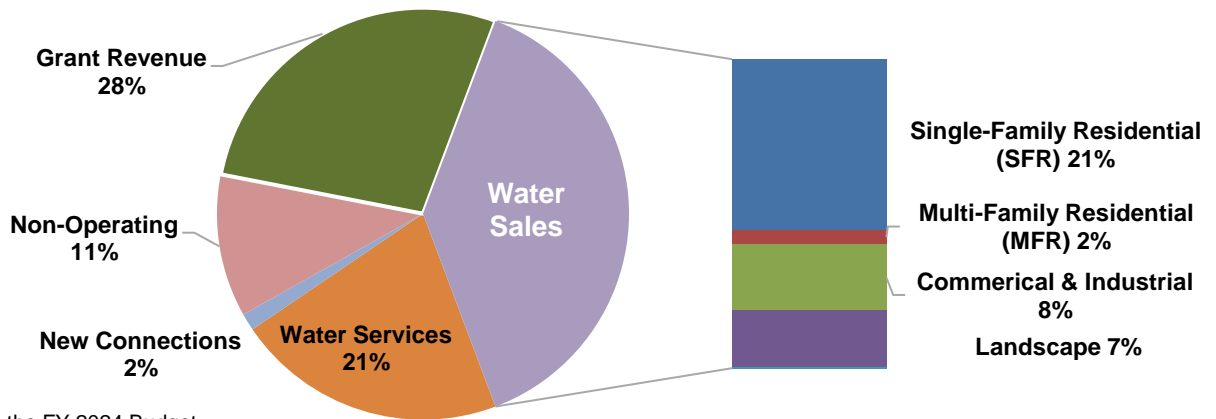
Quarterly Financial Report 07/01/23 – 03/31/24
Budget Status Balance 07/01/23 – 03/31/24
Budget Status Revenue 07/01/23 – 03/31/24
Budget Status Expense 07/01/23 – 03/31/24
Projects Expense 07/01/23 - 03/31/24
Balance Sheet 03/31/24
Check Register 03/01/24 – 03/31/24
Investment Summary 03/31/24

FY 2024 – Q3 Financial Report

July 1, 2023 – March 31, 2024

Revenues

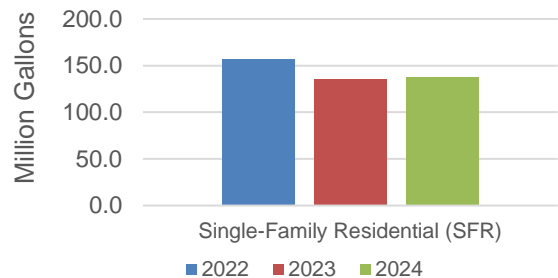
Scotts Valley Water District revenues come from four main sources: Water Sales, Water Services (Basic Service Charge), New Connections, and Non-Operating*.



*Data from the FY 2024 Budget

The District's largest revenue category is Single Family Residential (SFR) Water Sales. Revenue in the SFR category for the period July through March is down 4% from the same period in the prior year. Revenue in the prior year included drought surcharges.

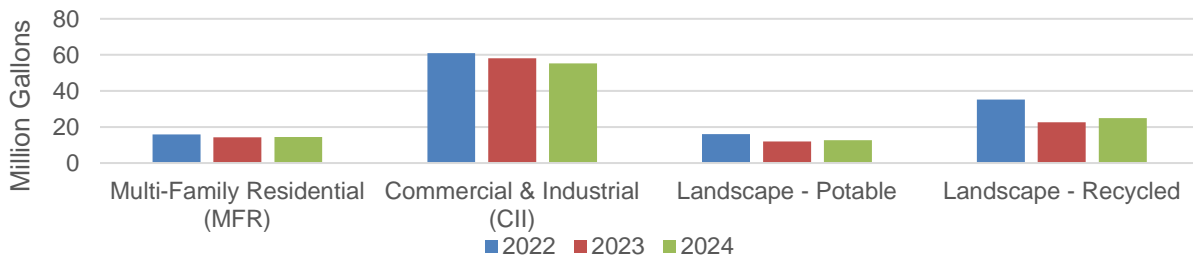
Consumption 3 Year History : SFR (July through March)



Consumption

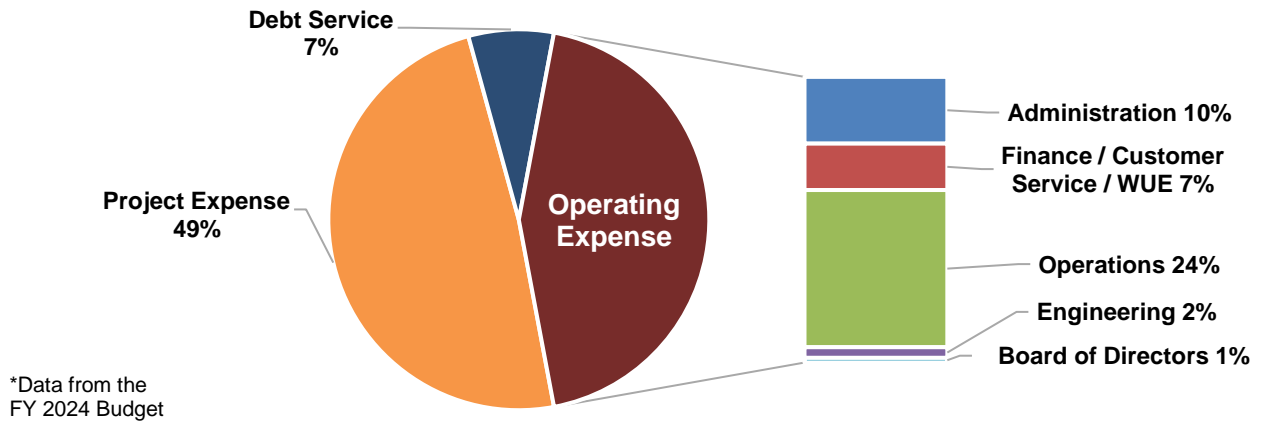
Water consumption by SFR customers through the third quarter is 137 million gallons, up 2.0 million gallons or 1.5% from FY 2023.

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



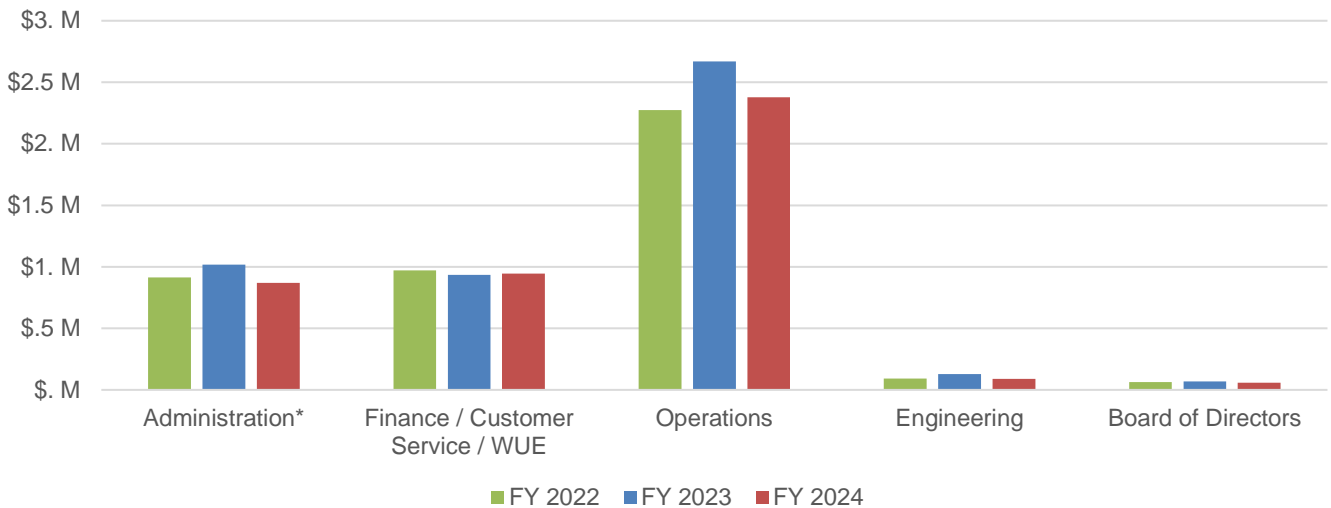
Expenses

District expenses are comprised of three major categories: Operating Expenses, Project Expenses, and Debt Service. The chart below presents the FY 2024 Budget by expense category, with Operating Expenses broken down by Division*.



Operating expenses are the organization's largest expense category. District operating expenses reflect the cost of providing uninterrupted high-quality water service across the service area. Operating expenses in Q3 of FY 2024, which accounts for activity from July 2023 through March 2024, are tracking in-line with the budget. Total operating expenses in FY 2024 are lower than the FY 2023 total for the same period by 6%. The chart below compares Operating Expenditures by Division for each of the past three fiscal years. Several factors have led to cost decreases in the Operations Division such as significant one-time repair costs on mains were completed in FY 2023..

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

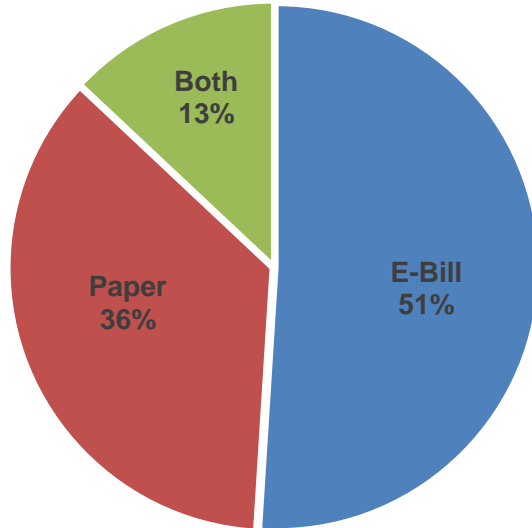


Customer Accounts

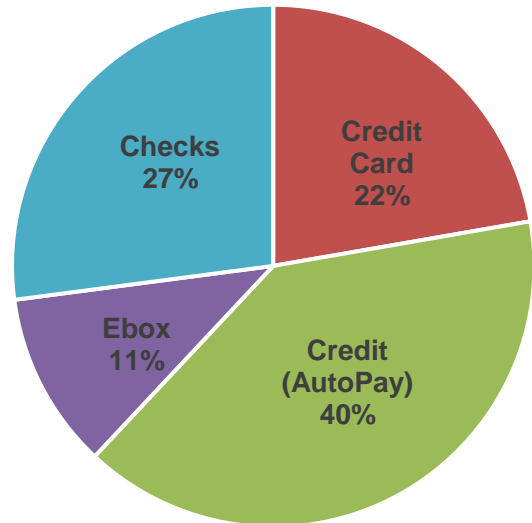
The charts below provide additional information on how customers interact with the District.

Total Accounts: 4,534

How do customers RECEIVE their bill?



How do customers PAY their bill?



	FY 24 Q2	FY 24 Q3	change
E-Bill	51.0%	51.3%	0.3%
Paper	36.3%	35.9%	(0.4%)
Both	12.7%	12.8%	0.1%

	FY 24 Q2	FY 24 Q3	change
Credit Card	23%	22%	(1%)
Credit (AutoPay)	42%	40%	(2%)
Ebox	10%	11%	1%
Checks	25%	27%	2%

Delinquent Accounts

Billing	Reminder		
	Date	Accounts	Emails
October	3-Nov	545	420
November	4-Dec	584	468
December	4-Jan	692	541
January	1-Feb	603	506
February	4-Mar	543	444
March	4-Apr	438	363

Late Payment Penalty		
Date	Accounts	Past Due Balance
11/7/2023	285	\$90,553.08
12/6/2023	365	\$104,063.64
1/9/2024	317	\$110,812.49
2/6/2024	246	\$57,422.17
3/6/2024	310	\$67,792.44
4/8/2024	276	\$53,472.53

Rebates

Rebates Processed	# of Rebates	Total Amount
FY 2024 (July 2023 – March 2024)		
FY 2023 (July 2022 – March 2023)		
Lawn Removal	16/12	\$56,331/\$40,791
Low Volume Irrigation	0/2	\$0/\$3,832
Toilet Replacement	14/19	\$875/\$1,150
Pressure Regulators	12/25	\$500/\$2,500
Pool Covers	1/3	\$121/\$2,650
Smart Controllers	4/9	\$391/\$857

Rebates / Give-Away Summary						
Rebate/Give Away	Rebate Offerings	Accounts	Units/ Gals/ Sq. ft	Cost	Water Savings gal/year	Gallons Saved per \$ Spent
High-Efficiency Toilet	\$50-\$150	19	14	\$1,150	7,665	6.67
Lawn Removal	\$2.00 / sq.ft.	12	19,499	\$38,997	347,058	8.90
Low Volume Irrigation	\$0.50 / sq.ft.	2	7,664	\$3,832	68,207	17.80
Smart Irrigation Controller	\$100	9	9	\$857	67,500	78.76
Shower Head	Free		9	0	.7 gpm	Average gallons saved per \$ spent
Faucet Aerator	Free		9	0	1.45 gpm	
Hose Timers	Free		1	0	Prevents waste	
Shut Off Nozzle	Free		23	0		
Totals		42		\$44,836	490,430	10.94

Budget Status - Balance



Period: 07/01/23 - 03/31/2024

FY Remain: 25%

	FY 2023 YTD Actual 07/01/22 - 03/31/23	FY 2024 YTD Actual 07/01/23 - 3/31/2024	FY 2024 vs. FY 2023	YOY % change	FY 2024 Budget	FY 2024 Remaining Balance	%
Period: 9 months							
Potable Water - Fund 01							
Water Sales & Services (R10, R20)	\$ 5,363,969	\$ 5,244,849	\$ (119,121)	-2%	\$ 7,352,100	\$ 2,107,251	29%
New Connections (R25)	\$ 1,290,739	\$ 210,785	\$ (1,079,954)	-84%	\$ 180,000	\$ (30,785)	-17%
Other Revenue (R30, R40)	\$ 1,425,933	\$ 1,272,075	\$ (153,857)	-11%	\$ 5,167,318	\$ 3,895,243	75%
Potable Water Total	\$ 8,080,641	\$ 6,727,709	\$ (1,352,932)	-17%	\$ 12,699,418	\$ 5,971,709	47%
Recycled Water - Fund 02							
Water Sales & Services (R10, R20)	\$ 354,944	\$ 400,772	\$ 45,828	13%	\$ 630,700	\$ 229,928	36%
New Connections (R25)	\$ 10,321	\$ -	\$ (10,321)	-100%	\$ -	\$ -	#DIV/0!
Other Revenue (R30, R40)	\$ 1,798	\$ 1,479	\$ (319)	-18%	\$ 21,600	\$ 20,121	93%
Recycled Water Total	\$ 367,063	\$ 402,251	\$ 35,188	10%	\$ 652,300	\$ 250,049	38%
TOTAL REVENUE	\$ 8,447,704	\$ 7,129,960	\$ (1,317,744)	-16%	\$ 13,351,718	\$ 6,221,758	47%
Expenses - Fund 01 and Fund 02 Combined							
Salaries & Benefits (E01)	\$ 2,374,991	\$ 2,265,923	\$ (109,068)	-5%	\$ 3,413,259	\$ 1,147,336	34%
Services & Supplies (E03-E80)	\$ 2,448,820	\$ 2,073,794	\$ (375,026)	-15%	\$ 3,584,909	\$ 1,511,115	42%
Project Expenses	\$ 1,193,691	\$ 1,413,054	\$ 219,363	18%	\$ 6,773,408	\$ 5,360,354	79%
Debt Service - Principal	\$ 976,991	\$ 931,320	\$ (45,671)	-5%	\$ 931,320	\$ -	0%
TOTAL EXPENSES *	\$ 6,994,493	\$ 6,684,091	\$ (310,402)	-4%	\$ 14,702,896	\$ 8,018,805	55%
NET REVENUE	\$ 1,453,211	\$ 445,869	\$ (1,007,342)		\$ (1,351,178)	\$ (1,797,047)	
Period: 07/01/23 - 02/29/24 (8 months)							
Total Revenue	\$ 8,447,704	\$ 7,129,960	\$ (1,317,744)	-16%	\$ 13,351,718	\$ 6,221,758	47%
Total Expenses *	\$ 6,994,493	\$ 6,684,091	\$ (310,402)	-4%	\$ 14,702,896	\$ 8,018,805	55%
Net Revenue	\$ 1,453,211	\$ 445,869	\$ (1,007,342)		\$ (1,351,178)		
Period: 07/01/23 - 02/29/24 (8 months)							
Total Revenue	\$ 6,956,455	\$ 6,571,975	\$ (384,480)	-6%	\$ 13,351,718	\$ 6,779,743	51%
Total Expenses *	\$ 6,364,329	\$ 6,156,591	\$ (207,738)	-3%	\$ 14,702,896	\$ 8,546,305	58%
Net Revenue	\$ 592,126	\$ 415,384	\$ (176,742)		\$ (1,351,178)		

* Expense totals do not include depreciation expense

Budget Status - Revenue



Period: 07/01/23 - 03/31/2024

FY Remain: 25%

Fund 01	Potable Water	FY 2023 YTD Actual	FY 2024 YTD Actual	FY 2024 vs. FY 2023	YOY % change	FY 2024 Budget	FY 2024 Remaining Balance	%
R10	Operating Revenue - Water Sales							
01-000-41101	Residential Consumption - SF	\$ 2,067,509	\$ 1,907,424	\$ (160,085)	-8%	\$ 2,845,300	\$ 937,876	33%
01-000-41102	Residential Consumption - MF	\$ 161,811	\$ 164,887	\$ 3,076	2%	\$ 240,200	\$ 75,313	31%
01-000-41103	CII Consumption	\$ 827,564	\$ 722,807	\$ (104,757)	-13%	\$ 1,106,700	\$ 383,893	35%
01-000-41105	Irrigation Consumption	\$ 291,566	\$ 296,004	\$ 4,438	2%	\$ 398,600	\$ 102,596	26%
01-000-41106	CII Consumption - Other	\$ 71,970	\$ 68,337	\$ (3,633)	-5%	\$ -	\$ (68,337)	
01-000-41200	Other - Bulk Water	\$ 14,630	\$ 64,039	\$ 49,409	338%	\$ 21,900	\$ (42,139)	-192%
	R10 Sub Totals:	\$ 3,435,050	\$ 3,223,499	\$ (211,552)	-6%	\$ 4,612,700	\$ 1,389,201	30%
R20	Operating Revenue - Water Services							
01-000-41300	Other - Late Penalty	\$ 24,534	\$ 23,950	\$ (584)	-2%	\$ 18,100	\$ (5,850)	-32%
01-000-42100	Standby Basic Meter Charge	\$ 1,845,033	\$ 1,933,947	\$ 88,914	5%	\$ 2,639,400	\$ 705,453	27%
01-000-42121	Standby FP Basic Meter Charge	\$ 53,927	\$ 58,028	\$ 4,101	8%	\$ 75,000	\$ 16,972	23%
01-000-43300	Other Operating Revenue	\$ 5,425	\$ 5,425	\$ -	0%	\$ 6,900	\$ 1,475	21%
	R20 Sub Totals:	\$ 1,928,919	\$ 2,021,350	\$ 92,431	5%	\$ 2,739,400	\$ 718,050	26%
R25	Operating Revenue - New Connections							
01-000-42101	Other Meter Fee	\$ 10,571	\$ 3,497	\$ (7,074)	-67%	\$ 1,700	\$ (1,797)	-106%
01-000-42102	Other Capacity Fee	\$ 1,271,283	\$ 204,578	\$ (1,066,705)	-84%	\$ 160,700	\$ (43,878)	-27%
01-000-42120	Other FP Meter Fee	\$ 7,640	\$ 901	\$ (6,739)	-88%	\$ 10,600	\$ 9,699	92%
01-000-43100	Other Will Serve	\$ 625	\$ 1,000	\$ 375	60%	\$ 1,000	\$ -	0%
01-000-43200	Other Dev Proj Review	\$ 620	\$ 809	\$ 189	30%	\$ 6,000	\$ 5,191	87%
	R25 Sub Totals:	\$ 1,290,739	\$ 210,785	\$ (1,079,954)	-84%	\$ 180,000	\$ (30,785)	-17%
R30	Non-Operating Revenue - Other							
01-000-46000	Property Taxes	\$ 736,906	\$ 816,067	\$ 79,161	11%	\$ 1,361,456	\$ 545,389	40%
01-000-47110	Interest & Dividend	\$ 506	\$ 7,662	\$ 7,156	1414%	\$ 718	\$ (6,944)	-967%
01-000-47115	Interest & Dividend - Restrict	\$ -	\$ -	\$ -		\$ -	\$ -	
01-000-47120	Interest - LAIF	\$ 85,600	\$ 118,166	\$ 32,565	38%	\$ 91,700	\$ (26,466)	-29%
01-000-47520	Misc. Non-Operating Revenue	\$ 79,563	\$ 1,821	\$ (77,742)	-98%	\$ 20,200	\$ 18,379	91%
01-000-47530	Unrealized Gain/Loss on Invest	\$ (36,590)	\$ 58,170	\$ 94,760	-259%	\$ -	\$ (58,170)	
01-000-47540	Third-Party Reimbursements	\$ 10,000	\$ 498	\$ (9,502)	-95%	\$ -	\$ (498)	
01-000-47560	Rental Revenue	\$ 3,000	\$ -	\$ (3,000)	-100%	\$ -	\$ -	
	R30 Sub Totals:	\$ 878,985	\$ 1,002,384	\$ 123,399	14%	\$ 1,474,074	\$ 530,358	36%
01-000-45230	State Grant - DWR 2021	\$ 546,948	\$ 269,691	\$ (277,256)	49%	\$ 3,693,244	\$ 3,423,553	93%
	R40 Sub Totals:	\$ 546,948	\$ 269,691	\$ (277,256)	-51%	\$ 3,693,244	\$ 3,423,553	93%
	Fund 01 Revenue:	\$ 8,080,641	\$ 6,727,709	\$ (1,435,190)	-17%	\$ 12,699,418	\$ 6,030,377	47%
	Fund 01 Rev Excl Grants & Cap	\$ 7,533,694	\$ 6,458,018	\$ (1,157,934)	-14%	\$ 9,006,174	\$ 2,606,824	29%

Budget Status - Revenue



Period: 07/01/23 - 03/31/2024

FY Remain: 25%

		FY 2023 YTD Actual	FY 2024 YTD Actual	FY 2024 vs. FY 2023	YOY % change	FY 2024 Budget	FY 2024 Remaining Balance	%
Fund 02	Recycled Water							
R10	Operating Revenue - Water Sales							
02-000-41105	Irrigation Consumption	\$ 281,514	\$ 326,423	\$ 44,908	16%	\$ 534,900	\$ 208,477	39%
02-000-41200	Other - Bulk Water	\$ 4,569	\$ 1,625	\$ (2,944)	-64%	\$ -	\$ (1,625)	
	R10 Sub Totals:	\$ 286,083	\$ 328,048	\$ 41,965	15%	\$ 534,900	\$ 206,852	39%
02-000-41300	Other - Late Penalty							
02-000-42100	Standby Basic Meter Charge	\$ 68,860	\$ 72,474	\$ 3,613	5%	\$ 95,800	\$ 23,326	24%
02-000-43300	Other Operating Revenue	\$ -	\$ 250	\$ 250		\$ -	\$ (250)	
	R20 Sub Totals:	\$ 68,860	\$ 72,724	\$ 3,863	6%	\$ 95,800	\$ 23,076	24%
R25	Operating Revenue - New Connections							
02-000-42101	Other Meter Fee	\$ 266	\$ -	\$ (266)	0%	\$ -	\$ -	
02-000-42102	Other Capacity Fee	\$ 10,055	\$ -	\$ (10,055)	-100%	\$ -	\$ -	
02-000-42130	GW Rep-Impact Fees	\$ -	\$ -	\$ -		\$ -	\$ -	
	R25 Sub Totals:	\$ 10,321	\$ -	\$ (10,321)	-100%	\$ -	\$ -	
R30	Non-Operating Revenue - Other							
02-000-47110	Interest & Dividend	\$ 1,798	\$ 1,479	\$ (319)	-18%	\$ 6,600	\$ 5,121	78%
02-000-47560	Notes Receivable Payments	\$ -	\$ -	\$ -		\$ 15,000	\$ 15,000	100%
	Fund 02 Revenue:	\$ 367,063	\$ 402,251	\$ 35,188	10%	\$ 652,300	\$ 250,049	38%
	Fund 02 Rev Excl Grants & Cap	\$ 367,063	\$ 402,251	\$ 35,188	10%	\$ 652,300	\$ 250,049	38%
Revenue Totals:		\$ 8,447,704	\$ 7,129,960	\$ (1,400,002)	-16%	\$ 13,351,718	\$ 6,280,426	47%
Revenue Total Excl Grants & Cap Contributions		\$ 7,900,757	\$ 6,860,268	\$ (1,122,746)	-13%	\$ 9,658,474	\$ 2,856,873	30%

Budget Status - Expense



Period: 07/01/23 - 03/31/2024

FY Remain: 25%

		FY 2023 YTD Actual	FY 2024 YTD Actual	FY 2024 vs. FY 2023	YOY % change	FY 2024 Budget	FY 2024 Remaining Balance	%
Fund 01 and Fund 02 Combined								
Dept	Administration							
E01	Salaries & Benefits	\$ 542,904	\$ 381,391	\$ (161,513)	-30%	\$ 839,870	\$ 458,479	55%
E03	General & Admin - Services	\$ 240,139	\$ 240,714	\$ 575	0%	\$ 426,144	\$ 185,430	44%
E05	General & Admin - Supplies	\$ 11,391	\$ 7,295	\$ (4,097)	-36%	\$ 17,320	\$ 10,026	58%
E10	Source of Supply	\$ 224,472	\$ 240,656	\$ 16,184	7%	\$ 299,629	\$ 58,973	20%
E70	Other	\$ -	\$ -	\$ -	-	\$ 5,000	\$ 5,000	100%
	Dept 100 Sub Totals:	\$ 1,018,906	\$ 870,056	\$ (148,850)	-15%	\$ 1,587,963	\$ 717,907	45%
Dept	Finance/Customer Service							
E01	Salaries & Benefits	\$ 434,637	\$ 454,132	\$ 19,496	4%	\$ 621,002	\$ 166,870	27%
E03	General & Admin - Services	\$ 131,095	\$ 148,561	\$ 17,466	13%	\$ 170,200	\$ 21,639	13%
E05	General & Admin - Supplies	\$ 900	\$ -	\$ (900)	-100%	\$ 4,000	\$ 4,000	100%
E35	Customer Accounts	\$ 221,051	\$ 233,357	\$ 12,306	6%	\$ 308,446	\$ 75,089	24%
E70	Other	\$ 2,964	\$ 21,261	\$ 18,298	617%	\$ 1,000	\$ (20,261)	-2026%
E80	Debt Service - Interest	\$ 145,414	\$ 87,638	\$ (57,777)	-40%	\$ 184,603	\$ 96,965	53%
	Dept 200 Sub Totals:	\$ 936,061	\$ 944,949	\$ 8,888	1%	\$ 1,289,251	\$ 344,302	27%
Dept	Operations							
E01	Salaries & Benefits	\$ 1,247,436	\$ 1,300,506	\$ 53,071	4%	\$ 1,739,934	\$ 439,428	25%
E03	General & Admin - Services	\$ 134,480	\$ 173,811	\$ 39,331	29%	\$ 285,367	\$ 111,556	39%
E05	General & Admin - Supplies	\$ 30,900	\$ 47,451	\$ 16,551	54%	\$ 40,000	\$ (7,451)	-19%
E07	General Production	\$ 120,819	\$ 80,080	\$ (40,739)	-34%	\$ 146,600	\$ 66,520	45%
E10	Source of Supply	\$ 105,238	\$ 44,921	\$ (60,317)	-57%	\$ 120,000	\$ 75,079	63%
E15	Pumping	\$ 369,533	\$ 347,931	\$ (21,603)	-6%	\$ 544,000	\$ 196,069	36%
E20	Water Treatment	\$ 358,894	\$ 258,147	\$ (100,748)	-28%	\$ 611,800	\$ 353,653	58%
E25	Transmission & Distribution	\$ 303,370	\$ 123,988	\$ (179,382)	-59%	\$ 252,800	\$ 128,812	51%
E35	Conservation	\$ 1,259	\$ -	\$ (1,259)	-100%	\$ -	\$ -	-
E70	Other	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
	Dept 300 Sub Totals:	\$ 2,671,928	\$ 2,376,834	\$ (295,094)	-11%	\$ 3,740,501	\$ 1,363,667	36%
Dept	Engineering							
E01	Salaries & Benefits	\$ 86,424	\$ 75,125	\$ (11,299)	-13%	\$ 129,980	\$ 54,855	42%
E03	General & Admin - Services	\$ 40,741	\$ 8,930	\$ (31,812)	-78%	\$ 117,400	\$ 108,471	92%
E05	General & Admin - Supplies	\$ 781	\$ 4,911	\$ 4,130	529%	\$ 6,400	\$ 1,489	23%
	Dept 400 Sub Totals:	\$ 127,947	\$ 88,966	\$ (38,981)	-30%	\$ 253,780	\$ 164,814	65%
Dept	Board of Directors							
E01	Salaries & Benefits	\$ 63,591	\$ 54,769	\$ (8,822)	-14%	\$ 82,473	\$ 27,704	34%
E03	General & Admin - Services	\$ 5,379	\$ 4,144	\$ (1,235)	-23%	\$ 28,400	\$ 24,256	85%
E05	General & Admin - Supplies	\$ -	\$ -	\$ -	-	\$ 800	\$ 800	100%
	Dept 900 Sub Totals:	\$ 68,970	\$ 58,913	\$ (10,057)	-15%	\$ 111,673	\$ 52,760	47%

Budget Status - Expense



Period: 07/01/23 - 03/31/2024

FY Remain: 25%

		FY 2023 YTD Actual	FY 2024 YTD Actual	FY 2024 vs. FY 2023	YOY % change	FY 2024 Budget	FY 2024 Remaining Balance	%
Summary								
E01	Salaries & Benefits	\$ 2,374,991	\$ 2,265,923	\$ (109,068)	-5%	\$ 3,413,259	\$ 1,147,336	34%
E03	General & Admin - Services	\$ 551,834	\$ 576,159	\$ 24,325	4%	\$ 1,027,511	\$ 451,352	44%
E05	General & Admin - Supplies	\$ 43,972	\$ 59,657	\$ 15,685	36%	\$ 68,520	\$ 8,863	13%
E07	General Production	\$ 120,819	\$ 80,080	\$ (40,739)	-34%	\$ 146,600	\$ 66,520	45%
E10	Source of Supply	\$ 329,710	\$ 285,578	\$ (44,133)	-13%	\$ 419,629	\$ 134,051	32%
E15	Pumping	\$ 369,533	\$ 347,931	\$ (21,603)	-6%	\$ 544,000	\$ 196,069	36%
E20	Water Treatment	\$ 358,894	\$ 258,147	\$ (100,748)	-28%	\$ 611,800	\$ 353,653	58%
E25	Transmission & Distribution	\$ 303,370	\$ 123,988	\$ (179,382)	-59%	\$ 252,800	\$ 128,812	51%
E35	Customer Accounts	\$ 222,310	\$ 233,357	\$ 11,047	5%	\$ 308,446	\$ 54,828	18%
E70	Other	\$ 2,964	\$ 21,261	\$ 18,298	617%	\$ 6,000	\$ -	0%
E80	Debt Service - Interest	\$ 145,414	\$ 87,638	\$ (57,777)	-40%	\$ 184,603	\$ 96,965	53%
	Purchase Order Carryover					\$ 20,000		
District Expense Total:		\$ 4,823,811	\$ 4,339,717	\$ (484,094)	-10%	\$ 7,003,168	\$ 2,638,451	38%
Fund 01 and 02 Combined								
E01	Salaries & Benefits	\$ 2,374,991	\$ 2,265,923	\$ (109,068)	-5%	\$ 3,413,259	\$ 1,147,336	34%
E03-E80	Services & Supplies	\$ 2,448,820	\$ 2,073,794	\$ (375,026)	-15%	\$ 3,569,909	\$ 1,496,115	42%
	Purchase Order Carryover					\$ 20,000		
District Expense Total:		\$ 4,823,811	\$ 4,339,717	\$ (484,094)	-10%	\$ 7,003,168	\$ 2,643,451	38%

Projects - Expense



Period: 07/01/23 - 03/31/2024

FY Remain: 25%

		FY 2024 YTD Actual	FY 2024 Budget	FY 2024 Remaining Balance	%
Fund 01 and Fund 02 Combined					
Project	Description				
C15007	Grace Way Well	\$ 282,049	\$ 2,400,000	\$ 2,117,951	88%
---	<i>Grace Way Well- Grant Reimb</i>	\$ (256,916)	\$ (1,200,000)	\$ (943,084)	79%
C15021	Purified Recycled Water Recharge		\$ 100,000	\$ 100,000	100%
C16023	Orchard Run Water Treatment Plant	\$ 95,228	\$ -	\$ (95,228)	
C16024	Bethany Tank Rehabilitation	\$ 18,261	\$ 139,258	\$ 120,998	87%
M17011	Meters with AMI	\$ 36,306	\$ 42,000	\$ 5,694	14%
C17011	AMI Technology for Meters	\$ -	\$ 5,000	\$ 5,000	100%
C19020	El Pueblo WTP Improvements	\$ 10,529	\$ 206,008	\$ 195,479	95%
C19030	Hacienda Pump Station	\$ 16,973	\$ 15,000	\$ (1,973)	-13%
C19070	Vehicle Replacement Program		\$ 75,000	\$ 75,000	100%
C20010	Main Replacement Program - PW	\$ 31,169	\$ 200,000	\$ 168,831	84%
C20040	Admin Building Improvements	\$ 26,447	\$ 5,000	\$ (21,447)	-429%
C21010	Well 10 Water Quality Improvements	\$ 119,657	\$ 300,000	\$ 180,343	60%
C22010	Well 3B Replacement	\$ 701,607	\$ 2,972,175	\$ 2,270,568	76%
C22020	Specialized Operations Equipment		\$ 163,967	\$ 163,967	100%
C23010	SCWD-SVWD System Intertie	\$ 12,775	\$ 2,350,000	\$ 2,337,225	99%
---	<i>SCWD-SVWD System Intertie - Grant Reimb</i>	\$ (12,775)	\$ (2,350,000)	\$ (2,337,225)	99%
C24000	SV Transit Center LID Retrofit - Phase 2	\$ 5,713	\$ 500,000	\$ 494,287	99%
C24010	Glenwood Tank Landslide Evaluation & Repair	\$ 4,705	\$ 500,000	\$ 495,295	99%
C24020	Monte Fiore Pump Station Rehab	\$ 6,744	\$ 75,000	\$ 68,256	91%
C24030	System-Wide Pressure Reduction Program	\$ 38,208	\$ 75,000	\$ 36,793	49%
C24040	Service Line Replacement - Montevalle	\$ -	\$ 150,000	\$ 150,000	100%
C24050	Corp Yard Improvements	\$ 6,685	\$ 25,000	\$ 18,315	73%
C24060	Solar Installation	\$ -	\$ 25,000	\$ 25,000	100%
Projects Expense Totals:		\$ 1,143,363	\$ 6,773,408	\$ 5,605,045	83%

Balance Sheet



Fund 01, Fund 02 and Fund 03 Combined

	3/31/23	3/31/24
Assets		
Cash	\$10,325,880	\$9,949,155
Investments	\$0	\$1,985,826
Accrued Interest	\$40,666	\$6
A/R Customer-Water	\$761,697	\$846,410
Property Tax Receivable	\$0	\$8,747
A/R - Other	\$258	(\$1,320)
Interfund Loan Receivable	\$888,040	\$888,040
Inventory	\$213,404	\$227,243
Prepaid Expense	\$32,131	\$33,894
Note Receivable	\$65,833	\$45,834
JPA Investment	\$398,572	\$149,345
Land & Right-of-ways	\$650,697	\$1,218,697
Construction-in-progress	\$1,692,981	\$1,712,157
Water Rights / Intangible Assets	\$5,267,833	\$5,267,833
Plant & Equipment	\$44,102,981	\$45,395,340
Depreciation/Amortization	(\$25,834,981)	(\$27,044,711)
Deferred Pension Outflows	\$2,441,687	\$2,020,105
Unfunded OPEB Liability	\$121,850	\$115,583
	\$41,169,529	\$42,818,181
Liabilities		
A/P & Accrued Expenses	\$154,097	\$203,852
Accrued Salaries & Wages	\$92,938	\$82,052
Accrued Interest Payable	\$48,483	\$0
Customer Deposits	\$47,810	\$73,278
Interfund Loans	\$888,040	\$888,040
LT Liabilities Due in 1 Yr	\$38,838	\$994,207
Unearned Revenue	\$79,141	\$74,288
Long-term Liabilities	\$12,243,360	\$10,089,764
Deferred Pension Inflows	\$1,263,330	\$1,712,349
	\$14,856,037	\$14,117,829
Fund Balance		
Investment in Capital Assets	\$20,391,522	\$20,391,522
Unrestricted Net Position	\$2,826,213	\$5,549,981
	\$23,217,735	\$25,941,503
Total Liabilities and Fund Balance:	\$38,073,772	\$40,059,332
Total Retained Earnings:	\$3,095,757	\$2,758,849
Total Fund Balance and Retained Earnings:	\$26,313,492	\$28,700,353
Total Liabilities, Fund Balance, and Retained Earnings:	\$41,169,529	\$42,818,182

Scotts Valley Water District
AP Check Register
March 2024

Vendor Name	Check Date	Check No.	Check Amount	Description
AFLAC	3/19/2024	32815	222.72	EE Self Funded Supplemental Benefits - Feb 2024
AT&T MOBILITY	3/19/2024	32816	86.48	SCADA 4G Modem
AWWA-CA/NV SECTION	3/19/2024	32817	100.00	Water Quality Analyst Cert Renewal - Gillespie
BADGER METER	3/19/2024	32818	4,349.73	Cell Charge for PW/RW Meter Reads
BRASS KEY LOCKSMITH	3/19/2024	32819	49.29	Vehicle Keys
BRENNTAG PACIFIC, INC	3/19/2024	32820	13,578.48	Water Treatment Chemicals
CIVIL CONSULTANTS GROUP, INC	3/19/2024	32821	515.00	General Engineering - Feb 2024
CIVIL CONSULTANTS GROUP, INC	3/19/2024	32821	420	Grace Way Well - Demo Plan
CIVIL CONSULTANTS GROUP, INC	3/19/2024	32821	2800	Sucinto Well - Bid Docs
CIVIL CONSULTANTS GROUP, INC	3/19/2024	32821	2700	Sucinto Well - Easement Legal & Plat
CONTRACTOR COMPLIANCE & MONITORING	3/19/2024	32822	166.5	PW Main Replacement - Labor Compliance Monitoring
CONTRACTOR COMPLIANCE & MONITORING	3/19/2024	32822	190.25	Sucinto Well - Labor Compliance Monitoring
COUNTY OF SANTA CRUZ - CLERK OF THE BOARD	3/20/2024	32858	2,916.75	Grace Way Well - CDFW Filing Fee
COUNTY OF SANTA CRUZ - CLERK OF THE BOARD	3/20/2024	32858	50.00	Grace Way Well - Document Processing Fee
COUNTY OF SANTA CRUZ - DPW	3/19/2024	32823	74.97	Landfill Fees
DASSELS PETROLEUM	3/19/2024	32824	750.97	Vehicle Fuel
EUROFINS EATON ANALYTICAL	3/19/2024	32825	590.00	Lab Testing for Water Quality
FASTENAL COMPANY	3/19/2024	32826	554.05	Driver; Circ Saw
FASTENAL COMPANY	3/19/2024	32826	4,056.07	Lights for Night Work
GRAINGER	3/19/2024	32827	199.52	Hour Meters
GRAINGER	3/19/2024	32827	29.89	Return Air Grille
GRAINGER	3/19/2024	32827	616.22	Vac Truck Inverter
GREENWASTE RECOVERY, LLC	3/19/2024	32828	421.63	Monthly Trash Service - El Pueblo
HAIGHT JUANELLA	3/19/2024	32829	412.45	Retiree Medical - March 2024
ICONIX WATERWORKS (US), INC	3/19/2024	32830	561.88	Couplings
ICONIX WATERWORKS (US), INC	3/19/2024	32830	4,524.05	Hydrant; Parts
IDEXX LABORATORIES, INC	3/19/2024	32831	274.06	Sampling Vessels
INFOSEND	3/19/2024	32832	1,740.46	PW/RW UB Statement Printing / Mailing - Feb 2024
INLAND POTABLE SERVICES, INC	3/19/2024	32833	4,488.00	Clean & Inspect El Pueblo Tank
KASSIS JANETTE	3/19/2024	32834	373.15	Retiree Medical - March 2024
LAW OFFICE OF ROBERT E BOSSO	3/19/2024	32835	3,500.00	Legal Counsel Services - Feb 2024
LEISHMAN WADE	3/19/2024	32836	11.80	Director Medical - Feb 2024 Remaining Amount
LEISHMAN WADE	3/19/2024	32836	11.80	Director Medical - Jan 2024 Remaining Amount
LEISHMAN WADE	3/19/2024	32836	208.43	Director Medical - March 2024
MCGLAZE GILLIAN	3/19/2024	32837	858.00	Customer Rebates - Lawn Replacement
MILLER MAXFIELD, INC	3/19/2024	32838	5,457.50	Communications & Public Outreach Svcs - Feb 2024
MISSION UNIFORM SERVICE	3/19/2024	32839	594.62	Uniform Laundering / Rental Svc - Feb 2024
MONTEREY BAY ANALYTICAL SERVICES	3/19/2024	32840	621.00	Lab Testing for Water Quality
NORTON PATRICIA	3/19/2024	32841	517.01	Retiree Medical - March 2024
PACIFIC GAS & ELECTRIC	3/19/2024	32842	900.41	Electricity - Polo Ranch
PACIFIC GAS & ELECTRIC	3/19/2024	32842	95.71	Electricity - Sky Park
PACIFIC TRUCK & TRACTOR	3/19/2024	32843	332.64	ADM Building Generator Maint
PACIFIC TRUCK & TRACTOR	3/19/2024	32843	851.20	Pump & Booster Generator Main - Portable Green
PACIFIC TRUCK & TRACTOR	3/19/2024	32843	613.36	Pumps & Boosters Generator Maint - Monte Fiore
PACIFIC TRUCK & TRACTOR	3/19/2024	32843	488.41	WTP Generator Maint - Polo Generac
PERRI CHRISTOPHER	3/19/2024	32844	979.88	Director Medical - March 2024
PIED PIPER EXTERMINATORS	3/19/2024	32845	270.00	Pest Control @ Pump Buildings
PRESS BANNER	3/19/2024	32846	322.00	Monthly Advertising
REBER DANIEL	3/19/2024	32847	46.15	Director Medical - Feb 2024 Remaining Amount
REBER DANIEL	3/19/2024	32847	46.15	Director Medical - Jan 2024 Remaining Amount
REBER DANIEL	3/19/2024	32847	1,433.37	Director Medical - March 2024
SAFEGUARD BUSINESS SYSTEMS	3/19/2024	32848	330.95	FIN Supplies - AP Checks - Qty 500
SAN LORENZO VALLEY WATER DISTRICT	3/19/2024	32849	5,636.78	Intertie Water for Resale
SCARBOROUGH LUMBER & BUILDING SUPPLY	3/19/2024	32850	14.26	Batteries (2 Civic Ctr)
SCARBOROUGH LUMBER & BUILDING SUPPLY	3/19/2024	32850	440.57	Light Bulbs; Roofing; Lumber
SCARBOROUGH LUMBER & BUILDING SUPPLY	3/19/2024	32850	334.61	Measuring Wheel, Snips, Drill Bits, Stakes
SCARBOROUGH LUMBER & BUILDING SUPPLY	3/19/2024	32850	123.27	Misc Screws, Hose, Bucket
SCARBOROUGH LUMBER & BUILDING SUPPLY	3/19/2024	32850	55.94	Pipe Wrap
SCARBOROUGH LUMBER & BUILDING SUPPLY	3/19/2024	32850	87.37	Vent Cover, Bungee, Grease, Drill Bits
SPRINGBROOK HOLDING COMPANY, LLC	3/19/2024	32851	4,482.00	CC Payment Transaction Fees - Feb 2024
STILES RUTH	3/19/2024	32852	398.21	Director Medical - March 2024
SYCAL ENGINEERING, INC	3/19/2024	32853	740.00	Engineering for SCADA
U.S. BANK EQUIPMENT FINANCE	3/19/2024	32854	372.14	Copier Lease - March 2024

AP Check Register cont.
March 2024

Vendor Name	Check Date	Check No.	Check Amount	Description
UNITED SITE SERVICES	3/19/2024	32855	340.27	Portable Toilet Rental - Well 10
UNIVERSAL BUILDING SERVICES	3/19/2024	32856	589	Janitorial Service - 2 Civic Center
UNIVERSAL BUILDING SERVICES	3/19/2024	32856	479	Janitorial Service - El Pueblo
WATER SYSTEMS CONSULTING, INC	3/19/2024	32857	6128.75	System Wide Pressure Reduction - Project Dev
			86,525.13	

Wire / ACH Payments
March 2024

Vendor Name	Trans Date	Check No.	Trans Amount	Description
ADP	3/8/2024	n/a	357.80	ADP Workforce Now / Time & Attendance Fees - Feb 2024
ADP	3/8/2024	n/a	557.80	ADP PW06, PW08 Fees
BlueFin	3/4/2024	n/a	85.30	Bluefin Civic PayPad Fees - Feb 2024
BlueFin	3/4/2024	n/a	8,307.16	Bluefin CC Processing Fees - Feb 2024
BlueFin	3/4/2024	n/a	81.22	Bluefin - Municipal Pay Fee - Feb 2024
CalPERS	3/7/2024	n/a	13,822.89	CalPERS Retirement PW 06
CalPERS	3/21/2024	n/a	13,475.01	CalPERS Retirement PW 08
Nationwide	3/21/2024	n/a	2,740.79	IRS 457 Plan - Payroll Date 3/8/24
Nationwide	3/21/2024	n/a	2,740.79	IRS 457 Plan - Payroll Date 3/22/24
			42,168.76	

WFB Credit Card Payment
March 2024

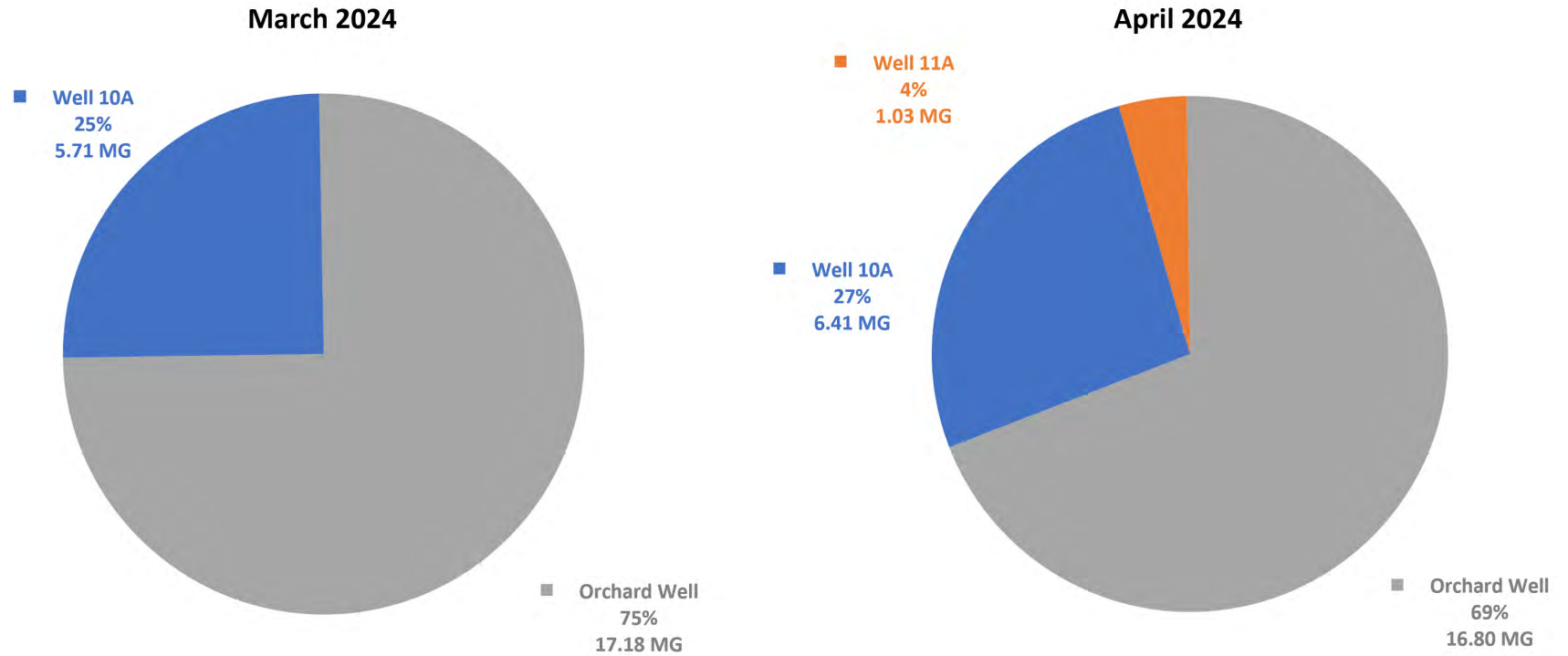
Vendor Name	Trans Date	Check No.	Trans Amount	Description
First Alarm	3/2/2024		340.41	Alarm Service - 2 Civic Ctr
Verizon	3/1/2024		407.01	Cell Phones / Tablets
Amazon	2/27/2024		65.08	Office Supplies - Coffee
Zoom	2/25/2024		599.90	Zoom Annual Subscription
Comcast	2/23/2024		467.92	Internet - El Pueblo
7-11 Scotts Valley	2/23/2024		5.40	Well 11B Failure - Water for Work Crew
Chestnut Identity Apparel	2/23/2024		20.74	Uniform Clothes with Logos
Amazon	2/22/2024		23.01	Name Plates
EvoGov	2/22/2024		124.00	Website Hosting / Support
Los Gallos Taqueria - Scotts Valley	2/22/2024		32.21	Well 11 B Failure - Meal for Work Crew
North Bay Ford	2/22/2024		741.91	Truck # Oil Change; Diagnosis
In-Situ	2/21/2024		529.38	Rugged Troll Data Logger
Davis Instruments	2/16/2024		47.40	Annual Subscription
Amazon	2/15/2024		36.93	US Flag
Planet Orange	2/14/2024		104.00	Pest Control - 2 Civic
Planet Orange	2/14/2024		69.00	Pest Control - El Pueblo
Mountain Hardwear	2/14/2024		164.60	Uniform Jacket
Icon Cloud Solutions	2/13/2024		326.39	Phone Service - 2 Civic Ctr
Icon Cloud Solutions	2/13/2024		108.80	Phone Service - El Pueblo
Amazon	2/9/2024		36.93	CA State Flag
Amazon	2/9/2024		43.85	California State Flag
Taxbandits.com	2/8/2024		52.25	Annual Vendor 1099 Filing
Chestnut Identity Apparel	2/8/2024		859.05	Uniform Clothes with Logos
Comcast	2/6/2024		467.92	Internet - 2 Civic
Redwood Sandwich - Scotts Valley	2/6/2024		189.30	Lunch for Safety Training Meeting
Safeway - Scotts Valley	2/6/2024		19.01	Drinks - Safety Training Meeting
MailChimp	2/3/2024		92.00	Digital Marketing Services
AT&T	2/3/2024		101.65	Backup Internet - 2 Civic Ctr
AT&T	2/3/2024		85.60	Backup Internet - El Pueblo
			6,161.65	

Scotts Valley Water District
Investment Summary
As of 03/31/2024

Institution	Investment	CUSIP	Purchased	Maturity	Purchase \$	Rate		Balance as of:		Market Value
						12/31/2023	3/31/2024	12/31/2023	3/31/2024	3/31/2024
Unrestricted Funds:										
LAIF	Local Agency Investment Fund		various			3.59%	4.30%	\$ 6,224,770	\$ 6,224,770	\$ 6,188,612
WFB	Checking - General		various			1.09%	1.08%	\$ 29,620	\$ 37,966	\$ 37,966
WFB	Checking - Payroll		various			1.09%	1.08%	\$ 11,895	\$ 9,665	\$ 9,665
WFB	Checking - Revenue		various			1.65%	1.65%	\$ 2,556,631	\$ 3,628,860	\$ 3,628,860
US Bank	Checking - Investments		various			0.16%	0.16%	\$ 19,166	\$ 24,792	\$ 24,792
US Bank	Safekeeping - BofA CD - 2 Yr	06051V5X0	12/6/2023	12/8/2025	\$ 244,000	5.05%	5.05%	\$ 244,000	\$ 244,000	\$ 244,516
US Bank	Safekeeping - SCE FCU CD - 2 Yr	78413RAG2	12/12/2023	12/12/2025	\$ 248,000	5.00%	5.00%	\$ 248,000	\$ 248,000	\$ 248,331
US Bank	Safekeeping - Discover CD - 3 Yr	254676CHO	12/11/2023	12/11/2026	\$ 244,000	4.85%	4.85%	\$ 244,000	\$ 244,000	\$ 244,927
US Bank	Safekeeping - Greenwood MFCU CD - 3 Yr	39729LAK7	12/11/2023	12/11/2026	\$ 248,000	4.90%	4.90%	\$ 248,000	\$ 248,000	\$ 249,277
US Bank	Safekeeping - US Treasury Bill	912797HS9	11/23/2023	5/30/2024	\$ 499,827	5.27%	5.27%	\$ 499,827	\$ 499,827	\$ 508,576
US Bank	Safekeeping - US Treasury Note	91282CFX4	11/23/2023	11/30/2024	\$ 499,862	4.50%	4.50%	\$ 496,862	\$ 496,862	\$ 497,598
Subtotal for Unrestricted Funds:						%		\$ 10,822,771	\$ 11,906,742	\$ 11,883,118
<i>Weighted Average Yield</i>										3.05%

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

Well Production

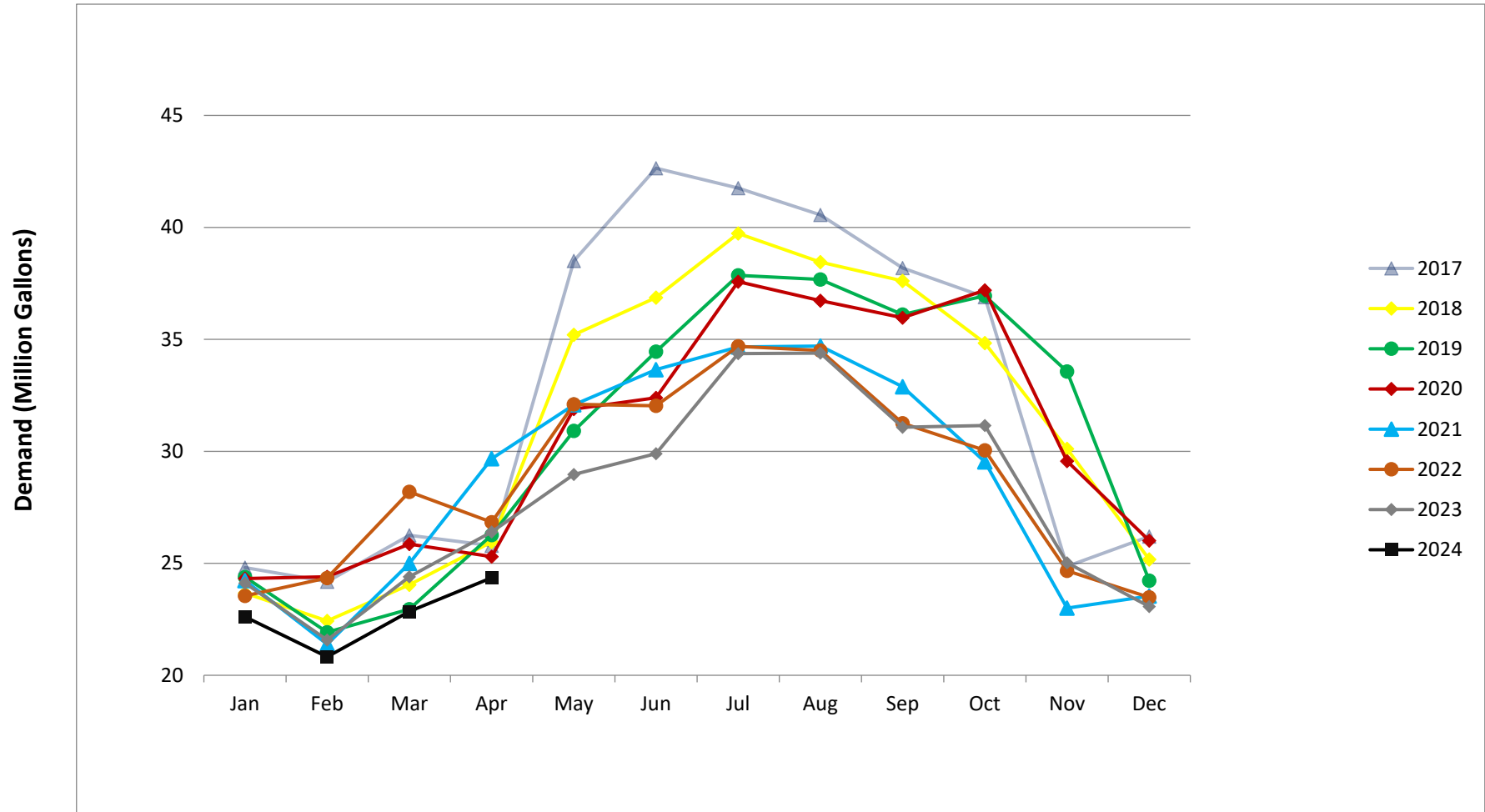


Total Production (Million Gallons)

March 2024	22.89 MG	8.28 % increase from February
April 2024	24.24 MG	5.90 % increase from March

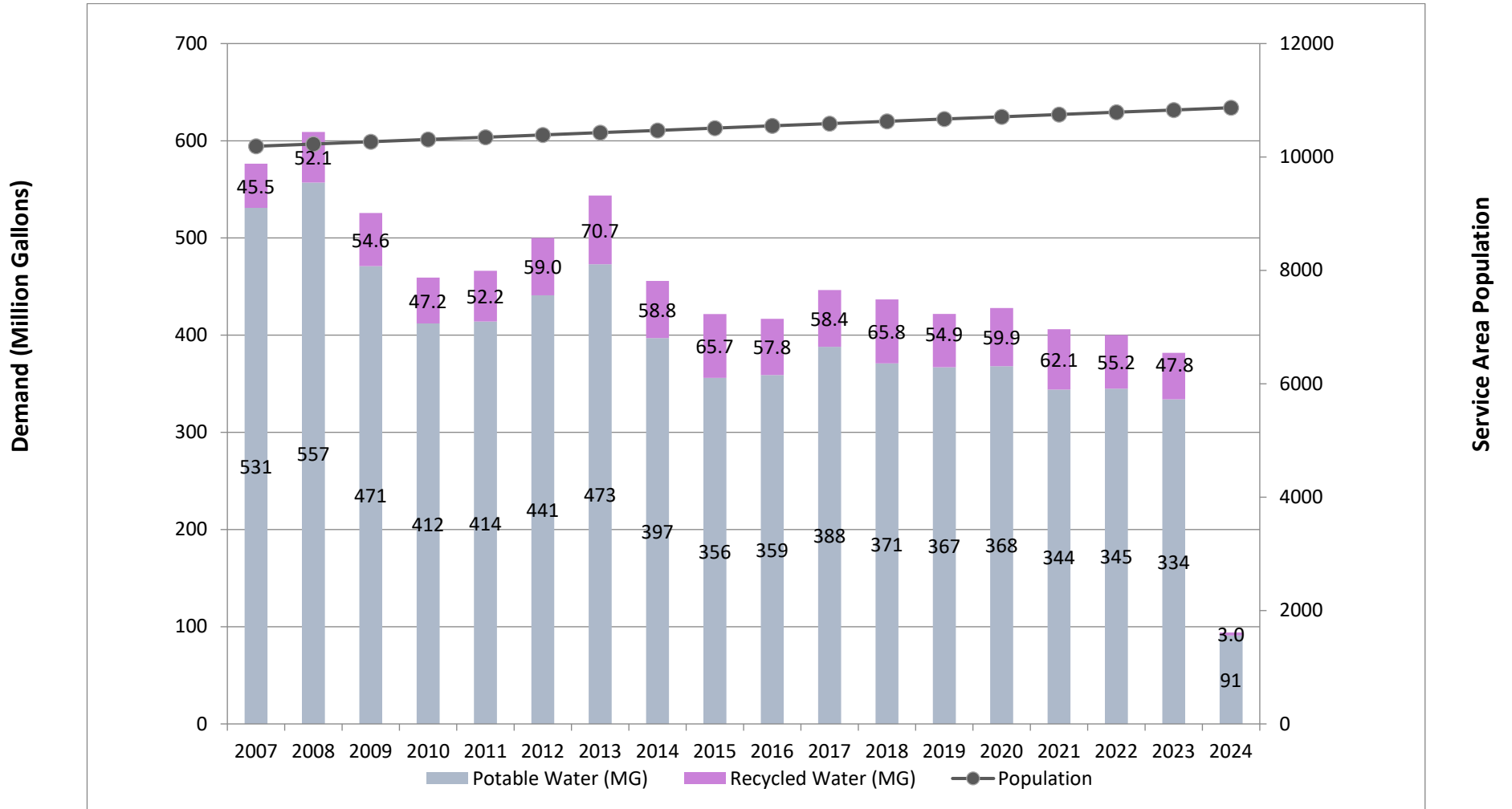
Production is Water Pumped +/- Water used for Well Maintenance Activities

Potable Water Demand



Demand is Production +/- Change in Storage

Potable and Recycled Water Demand vs. Population



Demand is Production +/- the Change in Storage

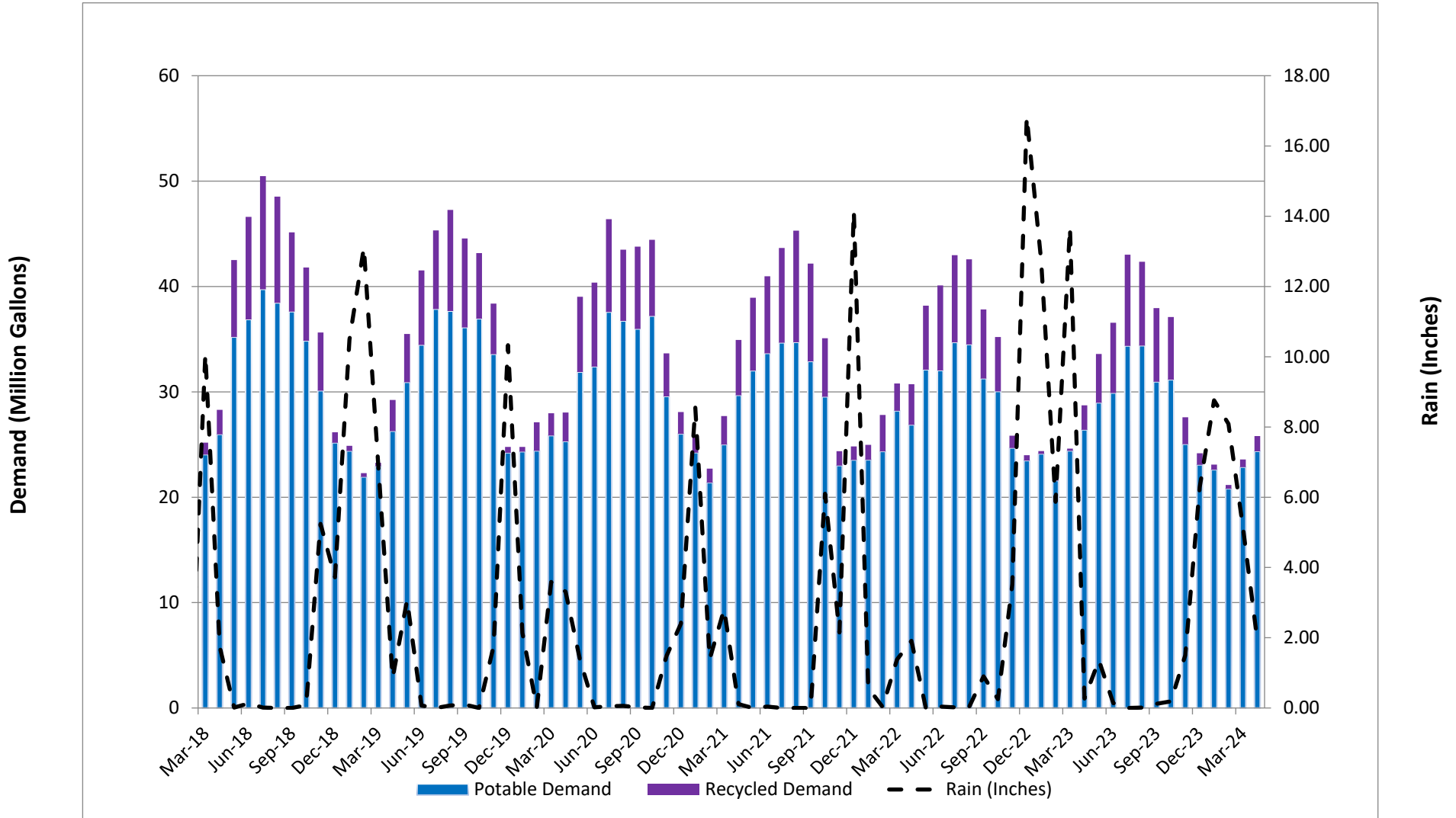
Potable and Recycled Water Demand

Potable Water Demand												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Average
Jan.	33,252,872	24,822,615	23,085,736	24,789,618	23,674,051	24,378,894	24,319,853	24,231,996	23,549,899	24,119,305	22,612,521	24,803,396
Feb.	24,779,862	23,217,640	21,968,896	23,490,314	22,427,754	21,923,206	24,323,667	21,387,258	24,348,603	21,575,598	20,824,472	22,751,570
March	27,946,154	30,953,420	23,910,892	25,837,232	24,042,754	22,954,225	25,855,924	24,995,557	28,195,901	24,399,552	22,891,909	25,634,865
April	28,875,831	29,909,260	28,400,861	25,477,561	25,992,670	26,027,391	25,297,107	29,671,141	26,838,945	26,400,163	24,354,490	27,022,311
May	38,675,936	30,478,823	31,995,591	38,043,826	33,751,004	30,912,986	31,885,131	32,077,872	32,099,180	28,966,291		32,888,664
June	39,525,236	32,726,825	36,842,416	42,310,983	36,786,677	34,451,155	32,393,746	33,647,606	32,036,135	29,896,397		35,061,718
July	41,957,386	34,544,613	38,892,200	41,757,891	39,648,922	37,857,926	38,411,455	34,662,207	34,689,147	34,363,749		37,678,550
Aug.	41,020,790	35,765,167	38,541,952	39,982,246	38,720,060	37,666,598	36,637,898	34,701,240	34,501,423	34,386,798		37,192,417
Sept.	36,533,116	33,498,030	35,653,167	38,190,535	35,202,216	36,106,611	35,968,389	32,885,092	31,253,961	31,079,985		34,637,110
Oct.	34,840,142	32,589,534	30,517,556	36,888,905	34,746,760	36,940,853	37,193,525	29,533,005	30,045,717	31,153,726		33,444,972
Nov.	25,524,197	24,110,286	24,388,656	24,864,436	30,389,575	33,566,905	29,565,349	23,000,320	24,666,665	25,025,140		26,510,153
Dec.	24,261,522	23,866,862	24,379,124	26,194,926	25,160,789	24,225,007	26,013,773	23,538,533	23,479,712	23,072,563		24,419,281
Total	397,193,044	356,483,075	358,577,047	387,828,472	370,543,233	367,011,756	367,865,818	344,331,827	345,705,288	334,439,267	90,683,392	362,997,883

Recycled Water Demand												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Average
Jan.	3,019,613	635,420	862,984	156,267	838,172	493,100	450,147	1,560,234	1,416,939	257,000	487,999	925,261
Feb.	1,248,862	1,545,957	1,813,868	94,521	2,589,717	366,055	2,714,767	1,331,033	3,460,316	556,474	354,948	1,461,502
March	1,579,882	4,231,231	972,360	544,666	1,141,831	322,464	2,109,739	2,709,295	2,600,242	211,737	729,105	1,559,323
April	4,163,175	4,720,887	4,381,911	713,802	2,333,176	2,969,672	2,737,245	5,249,782	3,856,106	2,324,685	1,454,527	3,173,179
May	8,409,175	6,686,359	6,909,436	7,908,386	7,306,666	4,584,239	7,142,605	6,914,742	6,081,095	4,632,368		6,657,507
June	9,135,056	7,488,534	9,639,221	8,940,094	9,739,276	7,067,867	7,971,453	7,319,935	8,066,685	6,663,896		8,203,202
July	9,911,697	9,935,422	10,841,389	10,981,309	10,744,706	9,461,005	8,810,329	8,995,659	8,277,840	8,655,000		9,661,436
Aug.	8,542,111	10,471,389	8,767,020	9,618,897	10,078,073	9,594,307	6,760,659	10,595,314	8,072,792	7,955,736		9,045,630
Sept.	6,176,224	9,092,727	8,287,511	7,957,562	7,522,571	8,451,961	7,814,358	9,281,685	6,569,246	6,989,264		7,814,311
Oct.	5,282,253	7,233,408	3,956,097	7,557,695	6,967,548	6,228,883	7,236,784	5,554,683	5,155,789	5,948,841		6,112,198
Nov.	1,131,988	2,817,778	1,053,779	2,234,592	5,514,338	4,805,871	4,087,453	1,364,789	1,171,421	2,567,105		2,674,911
Dec.	236,228	1,119,017	529,158	1,670,966	994,336	544,650	2,075,116	1,282,474	504,442	1,096,264		1,005,265
Total	58,836,264	65,978,129	58,014,734	58,378,757	65,770,410	54,890,074	59,910,655	62,159,624	55,232,913	47,858,370	3,026,579	58,702,993

Demand is Production +/- the Change in Storage

Potable and Recycled Water Demand vs. Rainfall

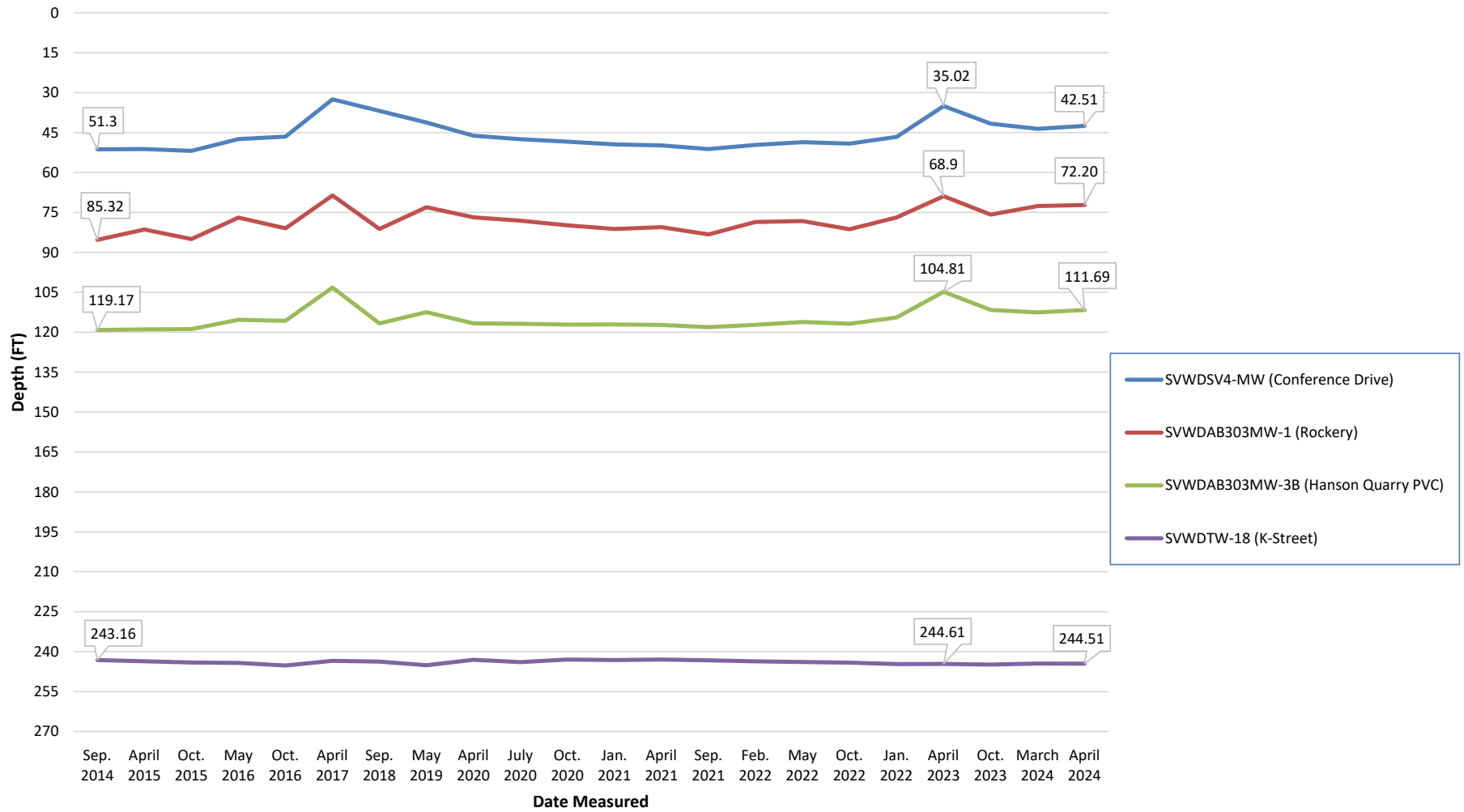


Demand is Production +/- the Change in Storage

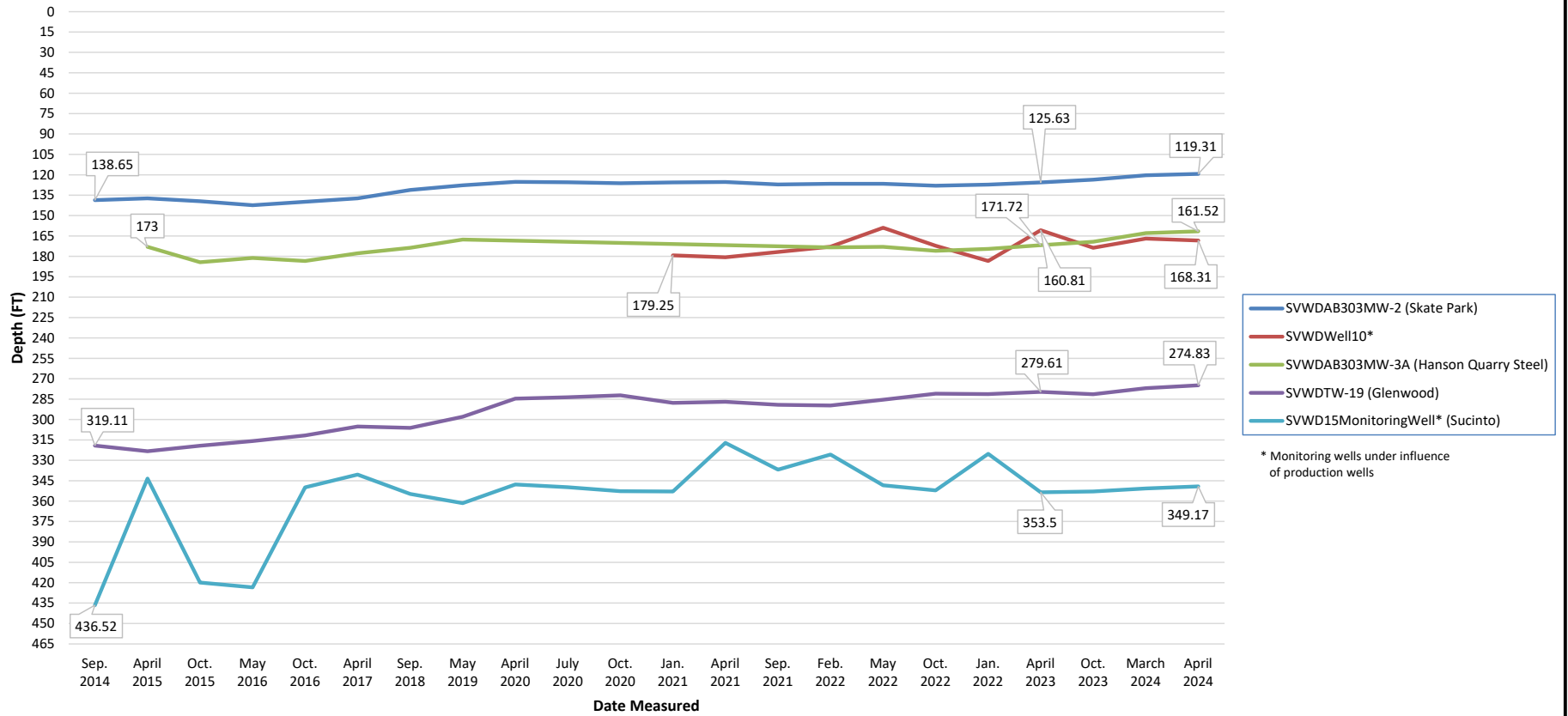
Rainfall
El Pueblo Weather Station

WATER YEAR		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	TOTAL	% of Avg.
High Year	1981-82	0.14	11.20	5.90	28.80	6.88	8.26	8.40	0.03	0.00	0.00	0.04	1.28	70.93	173%
	1982-83	5.35	10.50	7.74	13.90	18.00	19.90	7.80	0.98	0.00	0.00	0.17	1.91	86.25	210%
	1983-84	1.70	12.70	12.90	0.54	2.49	2.62	1.13	0.02	0.18	0.01	0.00	0.25	34.54	84%
	1984-85	2.80	13.80	2.95	1.72	4.20	7.92	0.73	0.11	0.15	0.09	0.02	0.54	35.03	85%
	1985-86	1.12	7.14	2.62	7.38	22.40	15.00	0.48	0.83	0.00	0.00	0.00	1.30	58.27	142%
	1986-87	0.03	0.05	2.47	4.51	9.06	6.31	0.70	0.00	0.02	0.00	0.00	0.00	23.15	56%
	1987-88	1.19	2.30	10.70	4.58	0.68	0.00	3.13	1.07	0.16	0.00	0.00	0.00	23.81	58%
	1988-89	0.19	5.90	8.89	2.06	1.39	10.60	0.67	0.08	0.03	0.00	0.03	0.83	30.67	75%
	1989-90	3.53	1.58	0.01	3.42	3.69	2.13	0.16	5.79	0.00	0.00	0.12	0.15	20.58	50%
	1990-91	0.50	0.24	1.65	0.61	5.39	17.19	0.51	0.06	0.40	0.00	0.02	0.07	26.64	65%
	1991-92	2.37	1.46	5.42	3.03	15.30	4.65	0.45	0.00	0.82	0.00	0.05	0.00	33.55	82%
	1992-93	3.41	0.20	11.54	18.51	10.22	3.17	1.37	0.96	0.68	0.00	0.00	0.00	50.06	122%
	1993-94	0.73	2.74	5.52	3.51	9.72	0.68	2.75	2.10	0.01	0.00	0.00	0.05	27.81	68%
	1994-95	1.79	8.29	4.78	23.88	0.65	13.62	3.79	0.89	1.04	0.01	0.00	0.00	58.74	143%
	1995-96	0.00	0.32	10.03	13.52	11.35	5.14	2.38	4.31	0.03	0.00	0.00	0.00	47.08	115%
	1996-97	2.89	6.95	22.43	12.33	0.17	1.50	0.58	0.16	0.12	0.00	0.54	0.00	47.67	116%
	1997-98	0.68	10.12	4.06	14.21	21.81	6.17	2.85	3.65	0.01	0.00	0.01	0.17	63.74	155%
	1998-99	1.02	9.11	1.85	9.25	11.08	5.22	2.58	0.03	0.36	0.00	0.02	0.14	40.66	99%
	1999-00	0.35	5.69	0.53	18.02	17.57	2.77	2.69	1.01	0.18	0.00	0.20	0.40	49.41	120%
	2000-01	5.14	1.38	0.94	8.68	10.65	4.05	2.67	0.00	0.07	0.00	0.00	0.16	33.74	82%
	2001-02	1.13	9.93	16.45	4.97	2.69	4.66	0.52	0.90	0.00	0.00	0.05	0.00	41.30	101%
	2002-03	0.00	5.80	21.40	2.77	2.95	2.54	5.75	1.09	0.16	0.00	0.00	0.00	42.46	104%
	2003-04	0.19	3.93	17.55	4.44	9.69	1.19	0.65	0.07	0.00	0.06	0.00	0.11	37.88	92%
	2004-05	7.24	3.25	14.39	8.30	7.20	10.01	3.79	2.13	0.94	0.02	0.00	0.08	57.35	140%
	2005-06	0.19	2.84	21.73	6.55	5.26	15.29	10.44	1.01	0.01	0.00	0.01	0.00	63.33	154%
	2006-07	0.25	3.30	5.67	0.89	9.24	0.30	2.17	0.46	0.00	0.10	0.01	0.33	22.72	55%
	2007-08	1.93	0.52	5.50	17.59	6.96	0.36	0.35	0.00	0.00	0.01	0.00	0.04	33.26	81%
	2008-09	1.59	4.80	4.38	1.80	15.28	3.47	0.52	1.42	0.01	0.00	0.00	0.26	33.53	82%
	2009-10	9.70	0.33	5.21	11.37	8.66	4.35	5.41	1.17	0.00	0.01	0.07	0.00	46.28	113%
	2010-11	3.92	5.13	15.36	1.97	10.59	13.40	0.75	3.42	3.40	0.00	0.04	0.02	58.00	141%
	2011-12	2.93	3.41	0.15	6.80	2.75	11.97	4.09	0.02	0.20	0.02	0.00	0.02	32.36	79%
	2012-13	1.61	11.32	13.25	1.31	0.47	2.66	0.43	0.01	0.11	0.00	0.00	0.70	31.87	78%
	2013-14	0.01	0.87	0.78	0.05	11.52	4.02	2.02	0.01	0.02	0.09	0.01	0.92	20.32	50%
	2014-15	0.44	4.36	16.52	0.00	4.69	0.47	2.13	0.19	0.04	0.00	0.03	0.02	28.89	70%
	2015-16	0.07	2.54	6.67	16.20	1.16	14.26	1.18	0.35	0.00	0.00	0.00	0.22	42.65	104%
	2016-17	8.66	3.29	10.77	26.13	19.56	7.09	4.47	0.06	0.07	0.00	0.00	0.04	80.14	195%
	2017-18	0.10	4.02	0.08	6.43	0.56	10.07	2.85	0.01	0.13	0.01	0.00	0.00	24.26	59%
	2018-19	0.08	5.24	3.72	10.49	13.11	6.91	0.86	3.07	0.07	0.00	0.07	0.10	43.72	107%
Low Year	2019-20	0.00	1.76	8.57	2.14	0.01	3.59	3.31	1.37	0.02	0.05	0.06	0.02	20.90	51%
	2020-21	0.00	1.48	2.40	8.55	1.39	2.81	0.11	0.00	0.04	0.00	0.00	0.00	16.78	41%
	2021-22	6.10	2.15	14.15	0.57	0.03	1.37	1.91	0.00	0.04	0.02	0.03	0.90	27.27	66%
	2022-23	0.25	3.53	16.83	12.74	5.87	13.68	0.27	1.36	0.14	0.00	0.01	0.12	54.80	134%
	2023-24	0.19	1.50	6.28	8.76	8.09	5.13	1.92						31.87	78%
Cumulative 2023-2024		0.19	1.69	7.97	16.73	24.82	29.95	31.87							
Monthly Avg. 1981-2024		1.94	4.65	8.20	8.20	7.67	6.46	2.38	0.96	0.23	0.01	0.04	0.27	41.01	
Cumulative Avg. 1981-2024		1.94	6.59	14.79	22.99	30.67	37.13	39.51	40.46	40.69	40.71	40.74	41.01	41.01	

Scotts Valley Water District Monitoring Wells Depth to Water Santa Margarita Aquifer

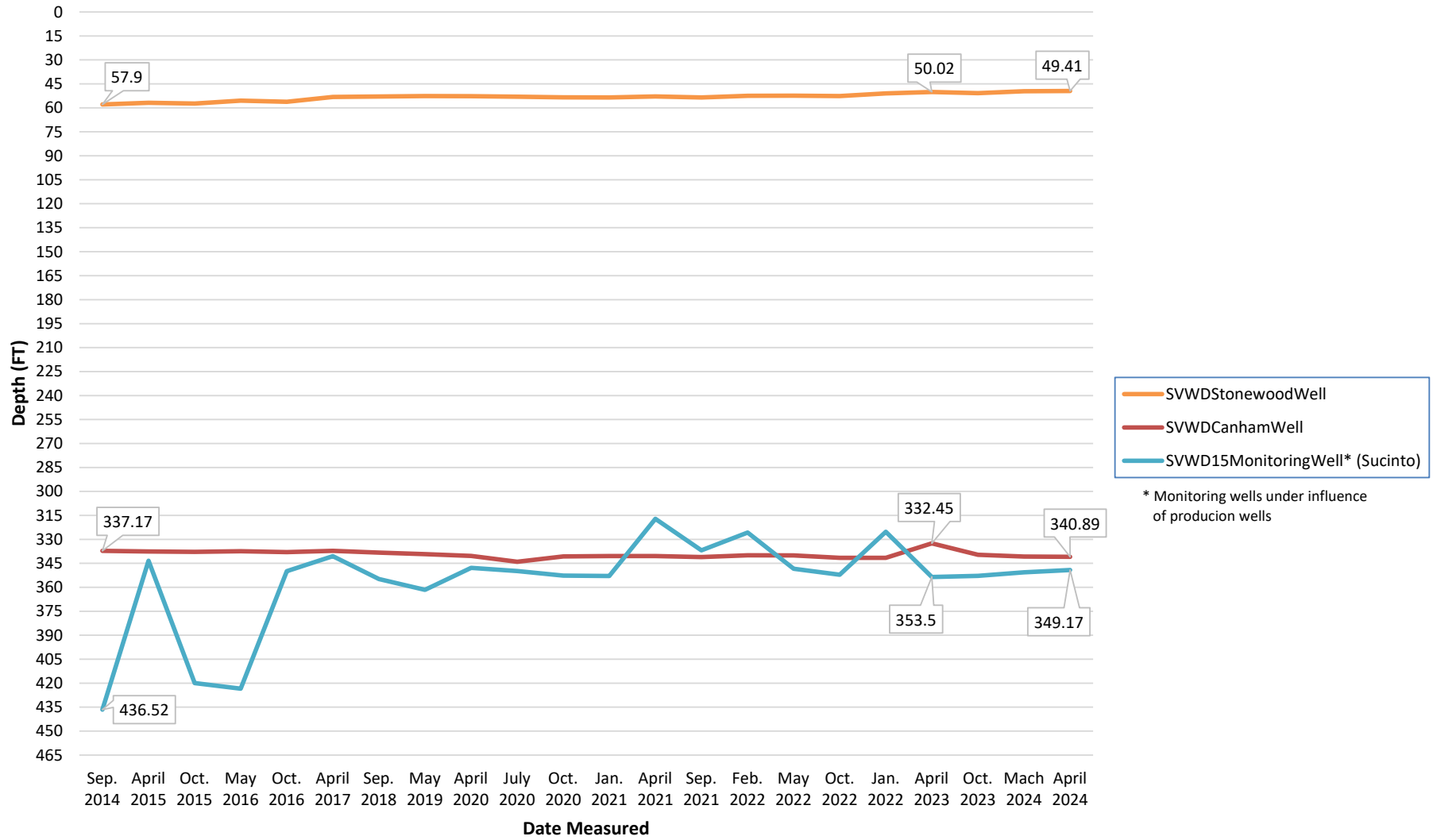


Scotts Valley Water District Monitoring Wells Depth to Water Lompico Aquifer



* Monitoring wells under influence of production wells

Scotts Valley Water District Monitoring Wells Depth to Water Butano Aquifer



* Monitoring wells under influence of production wells