



Central Water District Biannual Report

*Serving Our Community with
Quality Water for 75 Years*



January 21, 2026 : Part 1

Central Water District

2025-2026 BOARD OF DIRECTORS

Robert Marani - Board President

Frances Basich Whitney - Vice-President

Marco Romanini - Board Secretary

John Previsich - Director

Robert Postle - Director



DISTRICT MANAGER

Ralph Bracamonte

LEGAL COUNSEL

Heidi A. Quinn, Esq.

INDEPENDENT AUDITOR

C.J. Brown & Company, CPAs

TO THE BOARD OF DIRECTORS ...

Financial Highlights

In the 2025-26 Fiscal Year the current water rate structure brought in the required District revenue to achieve certain goals set on an annual basis.

- The District's cash net position on 6/30/25 increased by \$68,465.88 or 4.16% from the previous fiscal year end cash net position.
- Total revenues increased 11.64% compared to last year's total revenue.
- Total expenses increased 6.89% compared to last year's expenses .



Strategic Highlights



75 Years of Service

The Central Water District is proud to be seventy-five (75) years young, serving 820 customers with the **highest quality water**.

This milestone reflects a long-standing commitment to the community and sustainable resource management.



Lowest Water Rates

The District has achieved the lowest water rates in Santa Cruz and Monterey Counties, setting an example of how a public agency can thrive while providing affordable water service, while being **completely debt free**.



Customer Base

Serving 820 customers across domestic, fire, irrigation, public, and commercial service connections. The District covers approximately 5 square miles with a population of about 2,700 to 3,000 residents.



Leadership & Commitment

Strong leadership from elected Boards and a **dedicated staff** of five employees have driven success through exceptional customer service, resource management, conservation efforts, and ongoing infrastructure development.

Operating Highlights



Meter Replacement Program

The District continues its ongoing meter replacement program to enhance accuracy and efficiency in water usage measurement across the service area. New meter technologies allow for smoother operations by allowing the operators to know where the water demand is the highest.



Infrastructure & Upgrades

New water sample stations have been installed at several locations. A trailer-mounted generator was acquired through a grant several years ago. Fire brush and tree clearing occurred at two main locations funded by grants. New operations vehicles were purchased in 2016 and 2022 to support field activities. Maintenance Zone 1000 gallon storage tank was replaced.



System Enhancements & Upgrades

SCADA improvements have been implemented at key locations to improve system monitoring and control. Upgrades to Wells 4, 10, and 12, and vent replacement and recoating of the top of the Morrison water storage were completed.

The construction of new Well 14 is currently in progress to bolster the District's capacity to meet high water demand in the summer months.

Groundwater Management & Agencies

Groundwater Management History

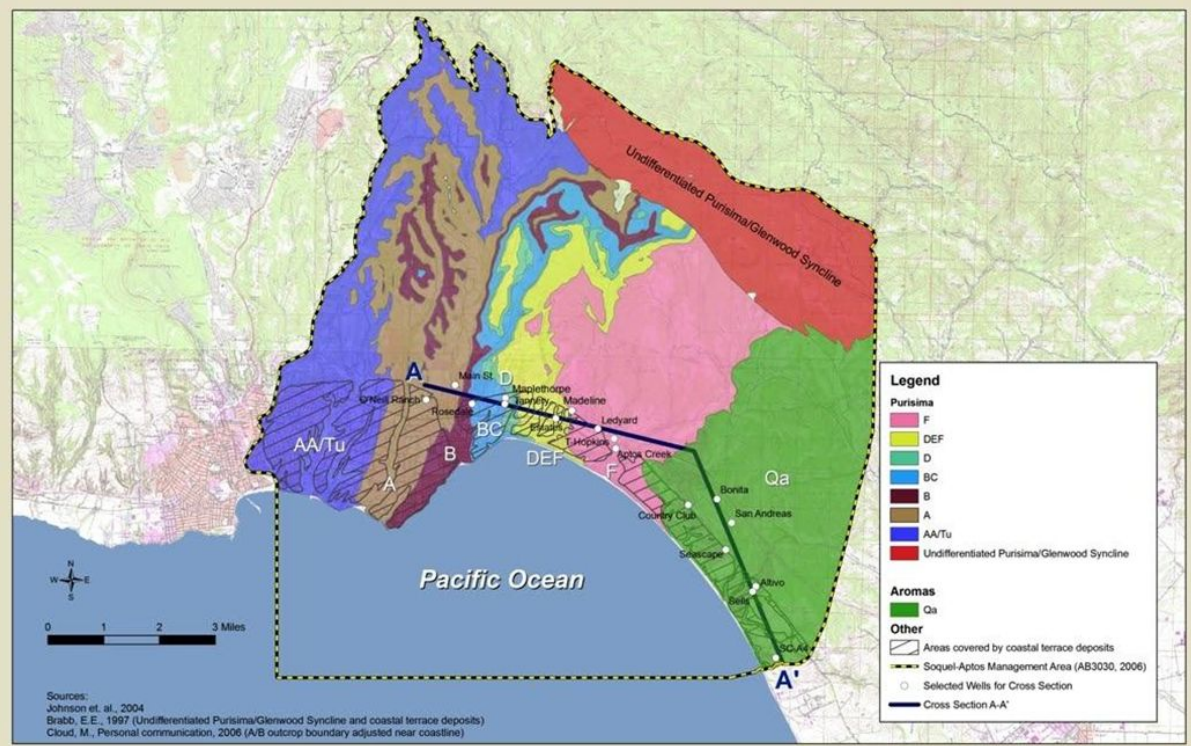
Since 1951, Central Water District has managed groundwater resources. In 1995, under Assembly Bill 3030, CWD entered a Joint Exercise of Powers Agreement with Soquel Creek Water District to develop a groundwater management plan for the Soquel-Aptos Area.

Sustainable Groundwater Management Act (SGMA)

In 2016, SGMA led to the creation of the Santa Cruz Mid-County Groundwater Agency (MGA), a Joint Exercise of Powers Agreement among County of Santa Cruz, City of Santa Cruz, Central Water District, and Soquel Creek Water District.

MGA Governance and Role

The MGA Board has 11 members: two from each agency and three public representatives. The agencies share funding and implement a Groundwater Sustainability Plan to manage the Santa Cruz Mid-County Groundwater Basin sustainably.



Water Distribution Facilities



Pipe System

The District's water distribution system includes approximately **23.4 miles of pipe** ranging from 2 to 10 inches in diameter, with about three miles of older 6-inch steel pipe requiring maintenance and replacement. In 2018/19, one mile of old steel main on Valencia Road was replaced.



Pressure Zones

The distribution system is separated into **five pressure zones**. Each zone is supplied with either production well or booster pumps and storage tanks. The main zones are also connected by pressure zone valves



Storage Tanks Capacity

The District maintains **seven storage tanks** ranging from 1,000 to 500,000 gallons, with a total capacity of 1.217 million gallons.



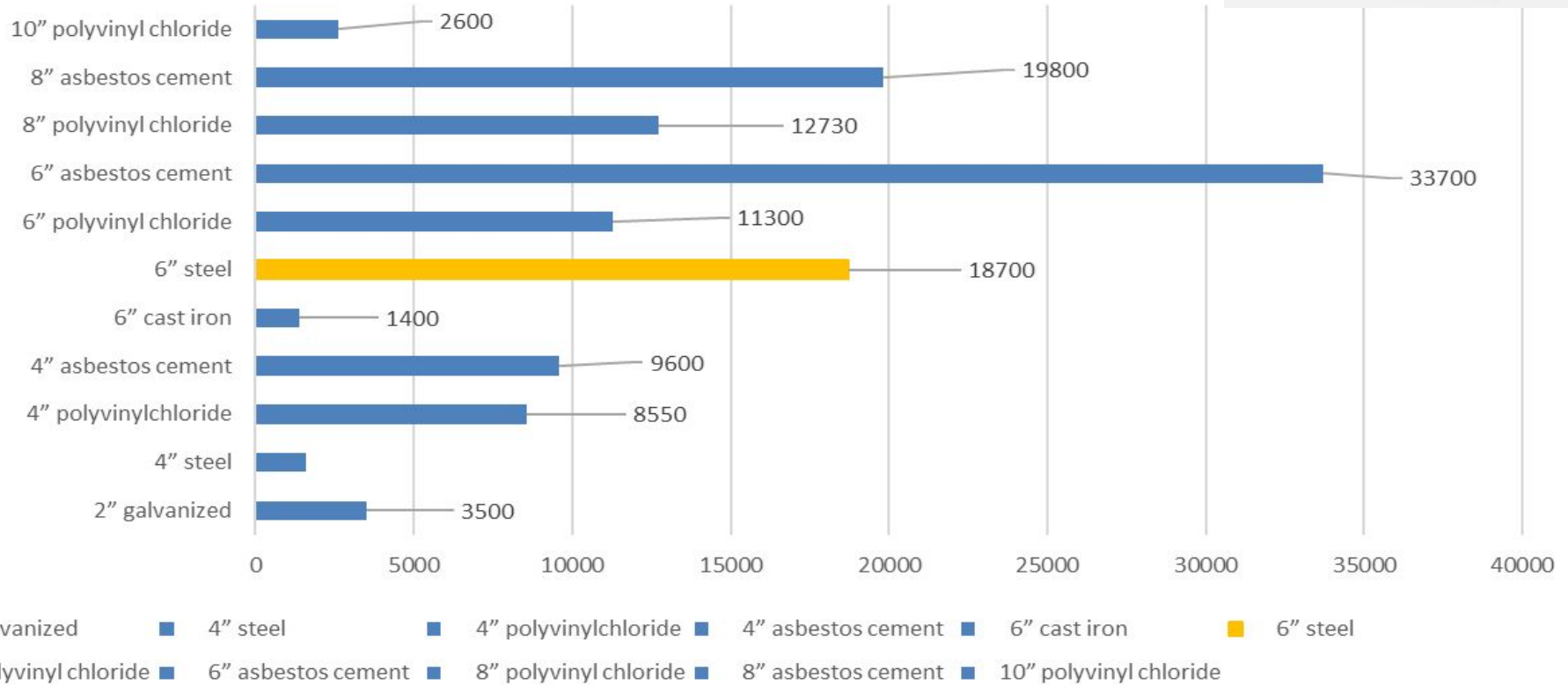
Recent Upgrades

Recent projects include **replacing a 5,000-gallon steel tank** with a new plastic tank, recoating and repairing the Morrison tank, and ongoing main replacements such as nearly one mile on Valencia Road increasing pipe size from 6 to 8 inches.

Water System Asset Allocations by Water Pipe Type

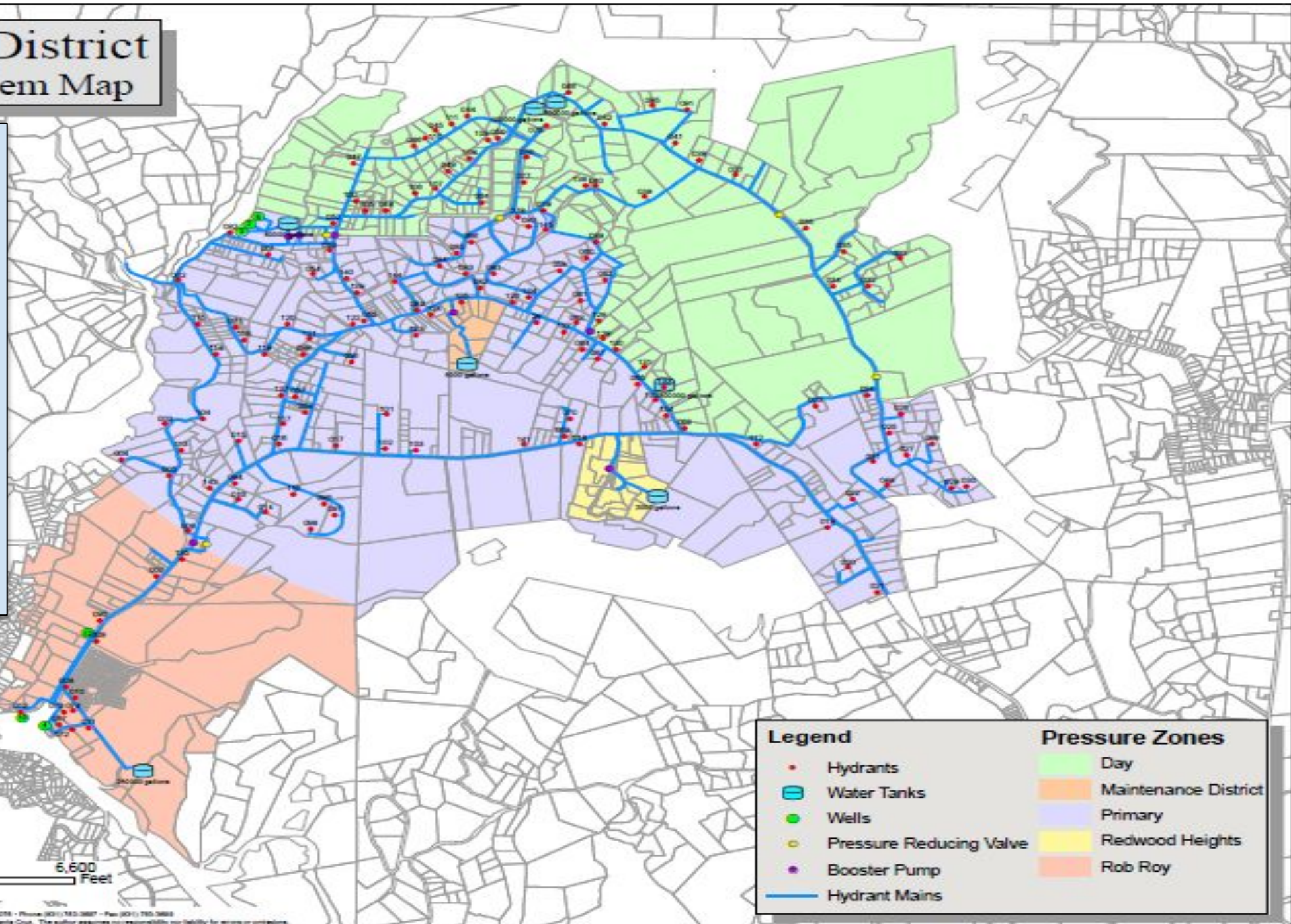


Distrubution Pipe Type



Central Water District Pressure Zone System Map

The distribution system is separated into five pressure zones. Each zone is supplied either production well or booster pumps and storage tanks. The main zones are also connected by pressure zone valves.



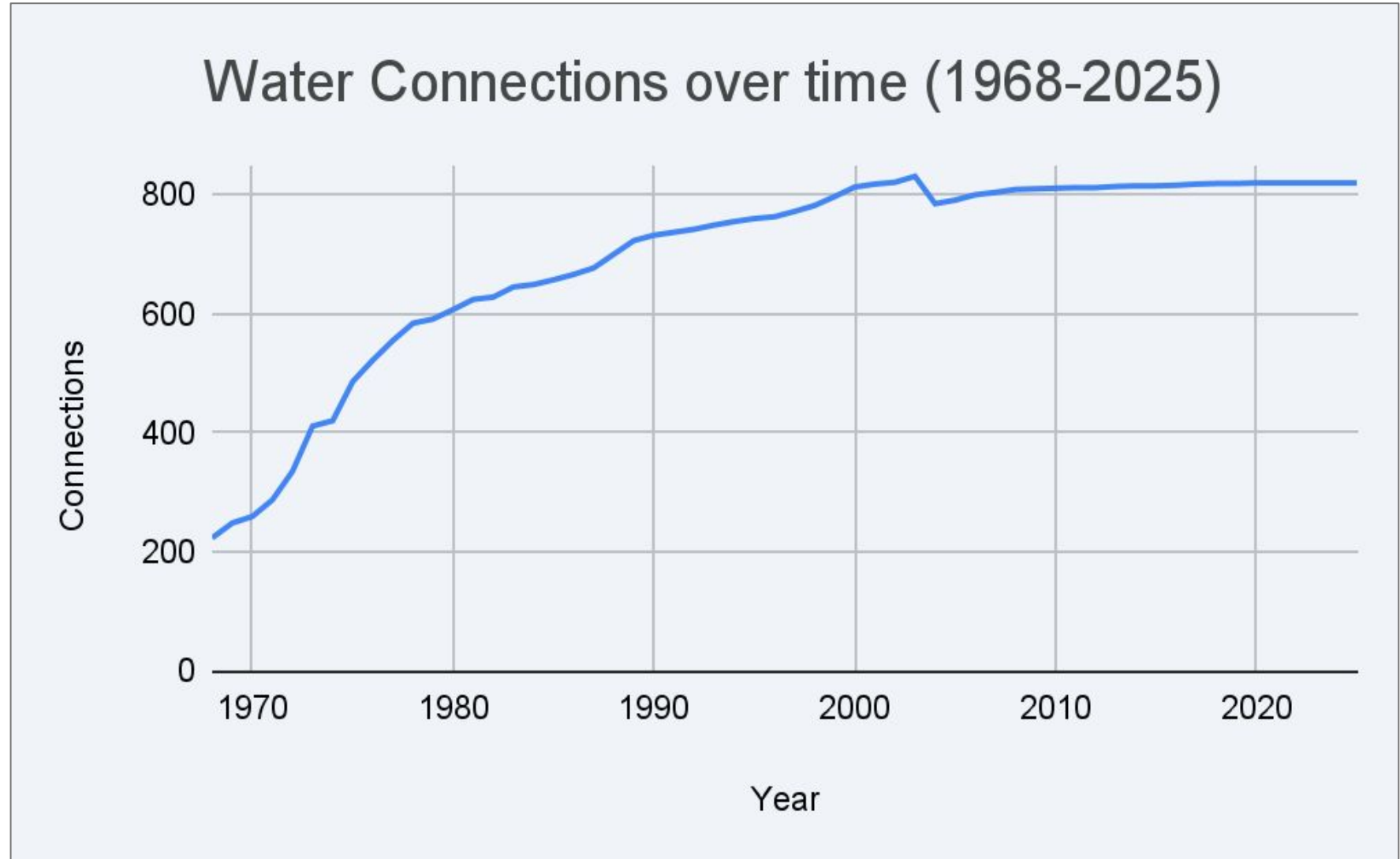
Legend		Pressure Zones	
•	Hydrants	■	Day
■	Water Tanks	■	Maintenance District
●	Wells	■	Primary
●	Pressure Reducing Valve	■	Redwood Heights
●	Booster Pump	■	Rob Roy
—	Hydrant Mains		

Prepared September 2008 for the Central Water District by TriAxial Data Systems - Berkeley, CA 94704 - Phone (916) 752-3887 - Fax (916) 752-3888
This is a graphic representation of data provided by the Central Water District and the County of Santa Cruz. The publisher accepts no responsibility for errors or omissions.

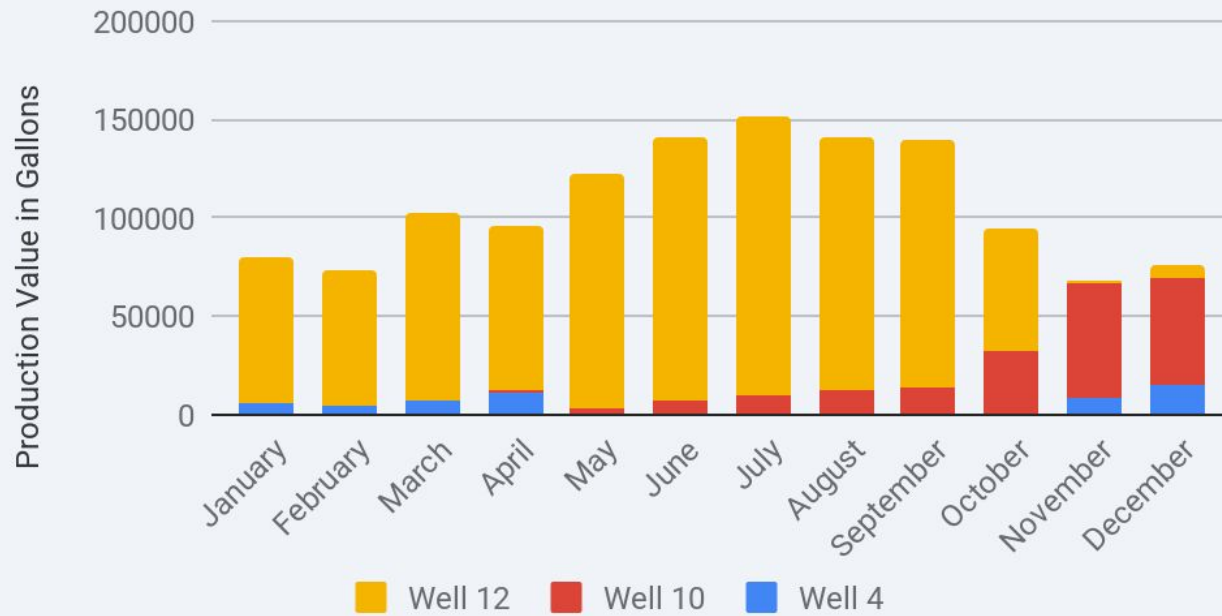
Water Connections

The District has 820 connections.

Fire service connections are not included in this reporting to provide a better representation of actual customers with connections.



2024/2025 Production Breakdown by Well



Water Production & Usage

In the 24/25 fiscal year the District produced 132.7 million gallons or 405 acre feet of water and customers consumed 115 million gallons or 353 acre feet of water. Approximately 17 Million gallons ran to waste due to flushing programs, tank cleaning and known leaks. These amounts account for 94.2% of the water produced. The remaining 6.8% is unaccounted for water. There was an increase in production of 13% percent and 10% percent increase in consumption.

WELL 4 shows the lowest overall water usage among the three wells across the entire time period

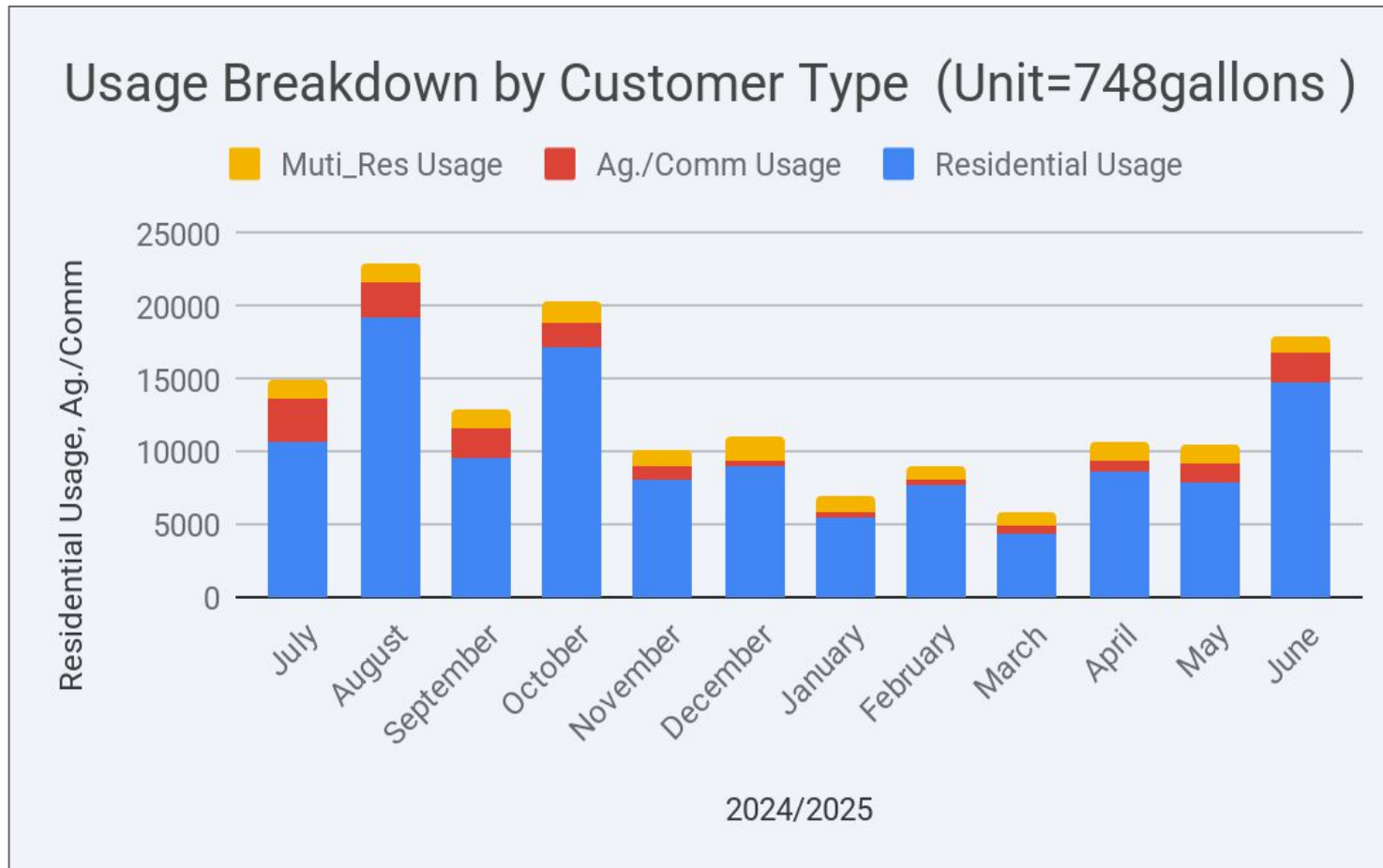
WELL 10 initially had the highest usage in the 1980's and 1990's, but its usage has dropped significantly in recent years, particularly since the 2010's.

WELL 12 generally has the highest water usage, especially from the late 1990's onward.

Water Usage Over Time by Well



Additional Production & Consumption Usage Information



- Residential customers usage accounts for the majority of all units consumed, making up 80.97% of the total usage.
- As expected, water usage is directly connected weather conditions. Residential usage usually peaks in August with March being the lowest usage month.
- Multi-Family and Agriculture/Commercial usage is significantly smaller, accounting for 9.74% and 9.30% of the total usage, respectively.
- The Multi-Family user is the most stable user, with a minimal range of units consumed, suggesting a consistent baseline demand.

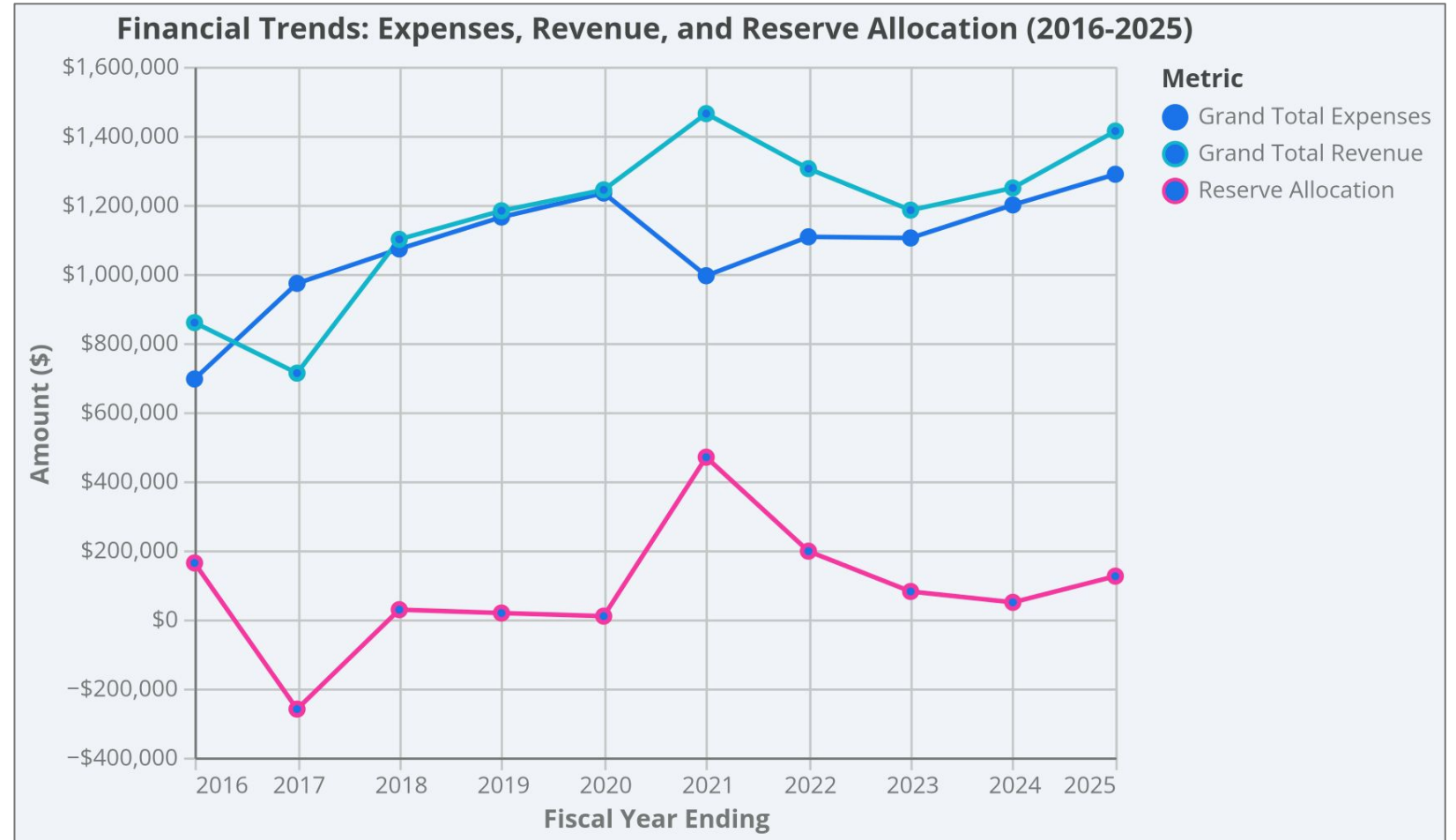
The District is currently drilling Well 14, a new well that is expected to significantly enhance the water supply for years into the future. This well will be capable of meeting high summer demands and facilitating the transfer of higher quality water across all pressure zones.

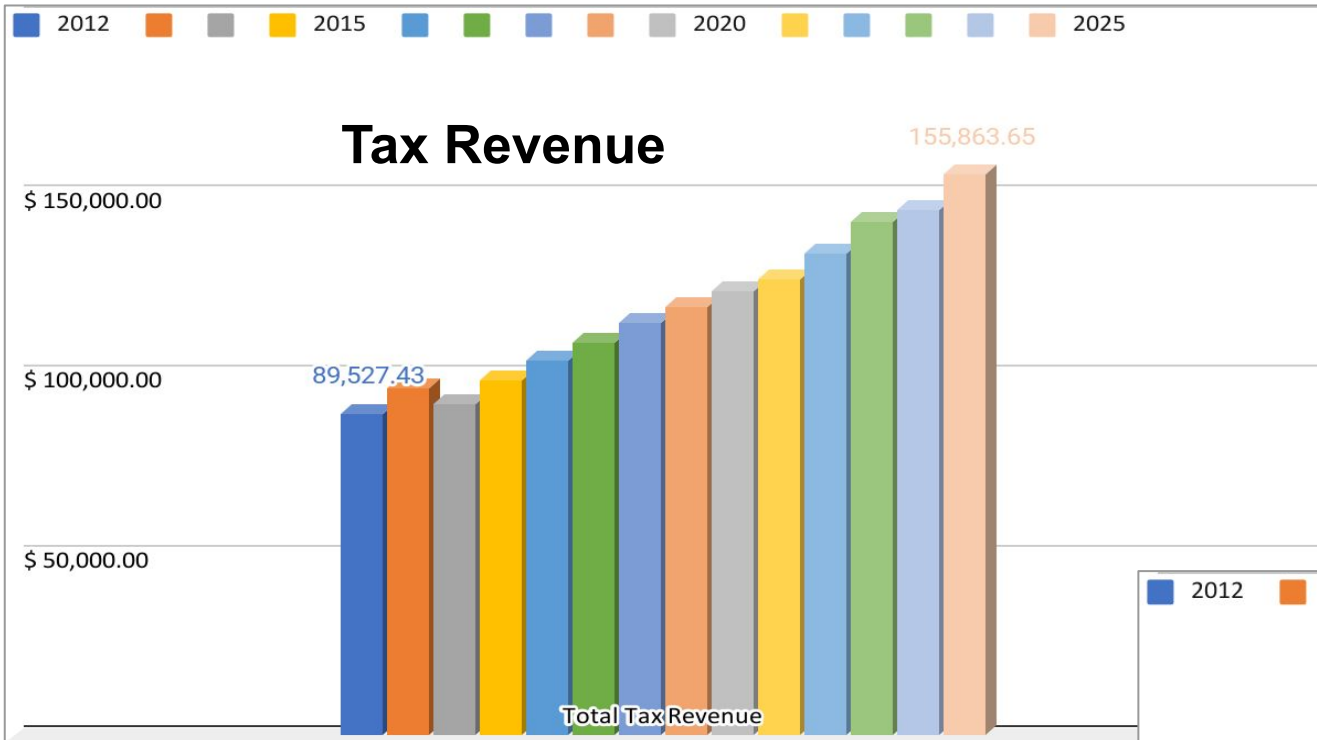
Financial Summary



Operating Revenue

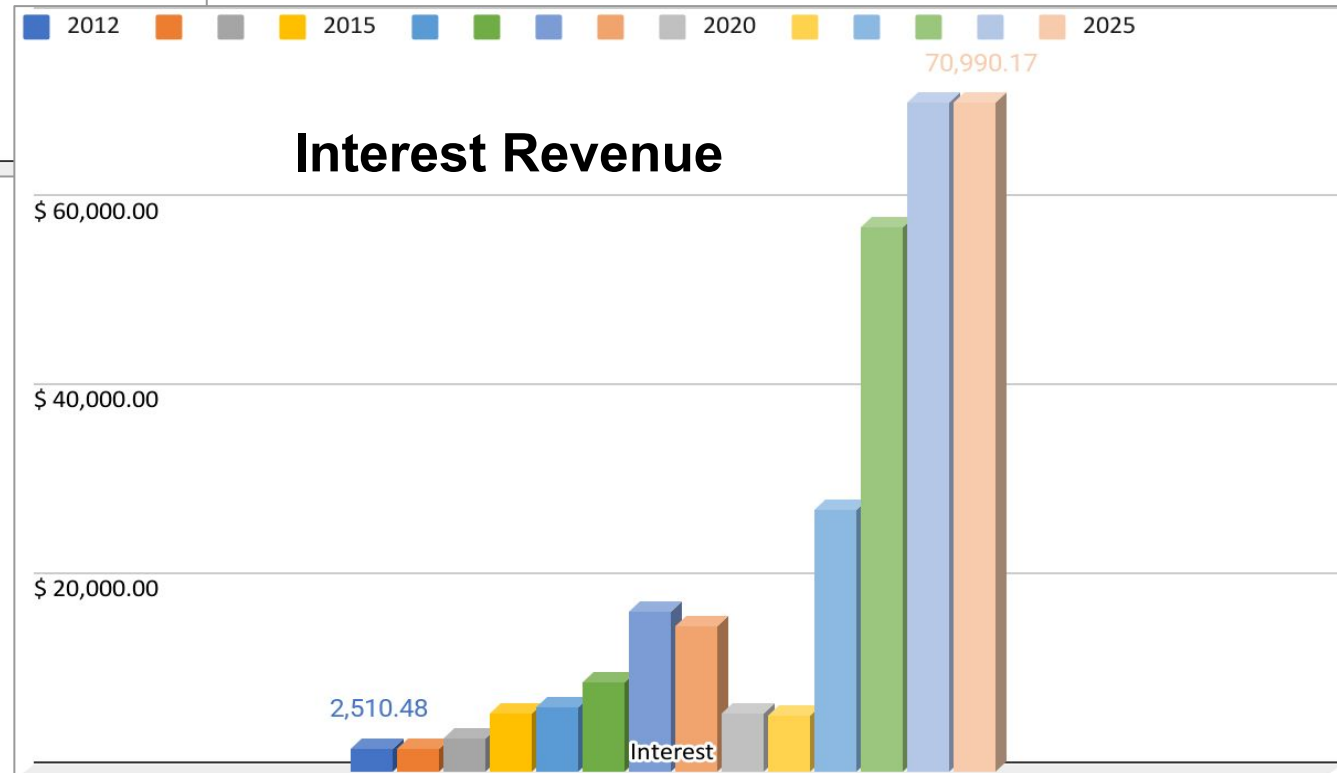
The District continues to meet the objectives required to be financially stable. In FY 24/25 the District received \$1,172,635.91 in operating revenue, with a increase of approximately \$130,319.35 from the previous fiscal year (FY) or 10.97%. The total revenue was \$1,413,353.81 at the 24/25 Fiscal Year End.





Additional revenue was received from **non-operating revenue**, which consists of tax revenue, interest and miscellaneous revenue. The majority of the non-operating revenue usually comes from tax revenue. In FY 24/25 the tax revenue was \$155,863.65, an increase in 6.19% compared to the previous FY's tax revenue of \$146,208.77.

The District received \$70,990.17 in interest revenue in FY 24/25. This an increase of \$13,150.92 over last year's revenue of \$57,839.25.

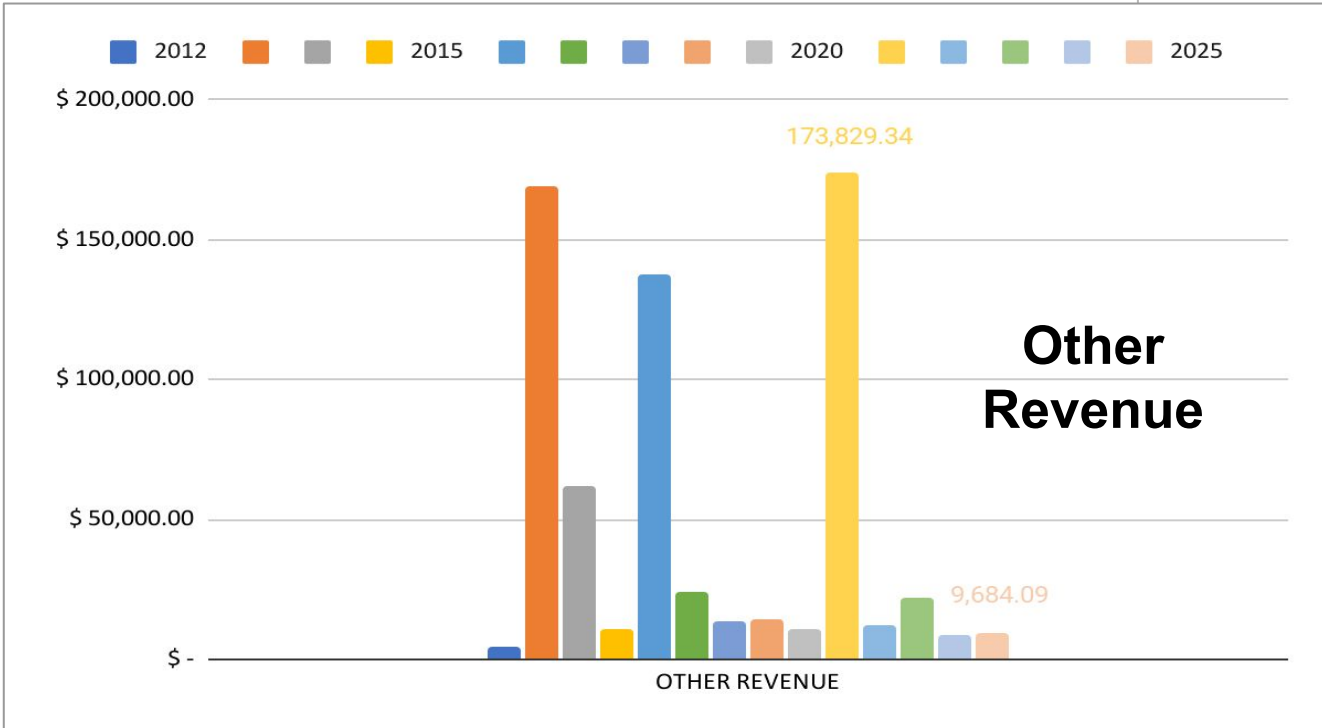
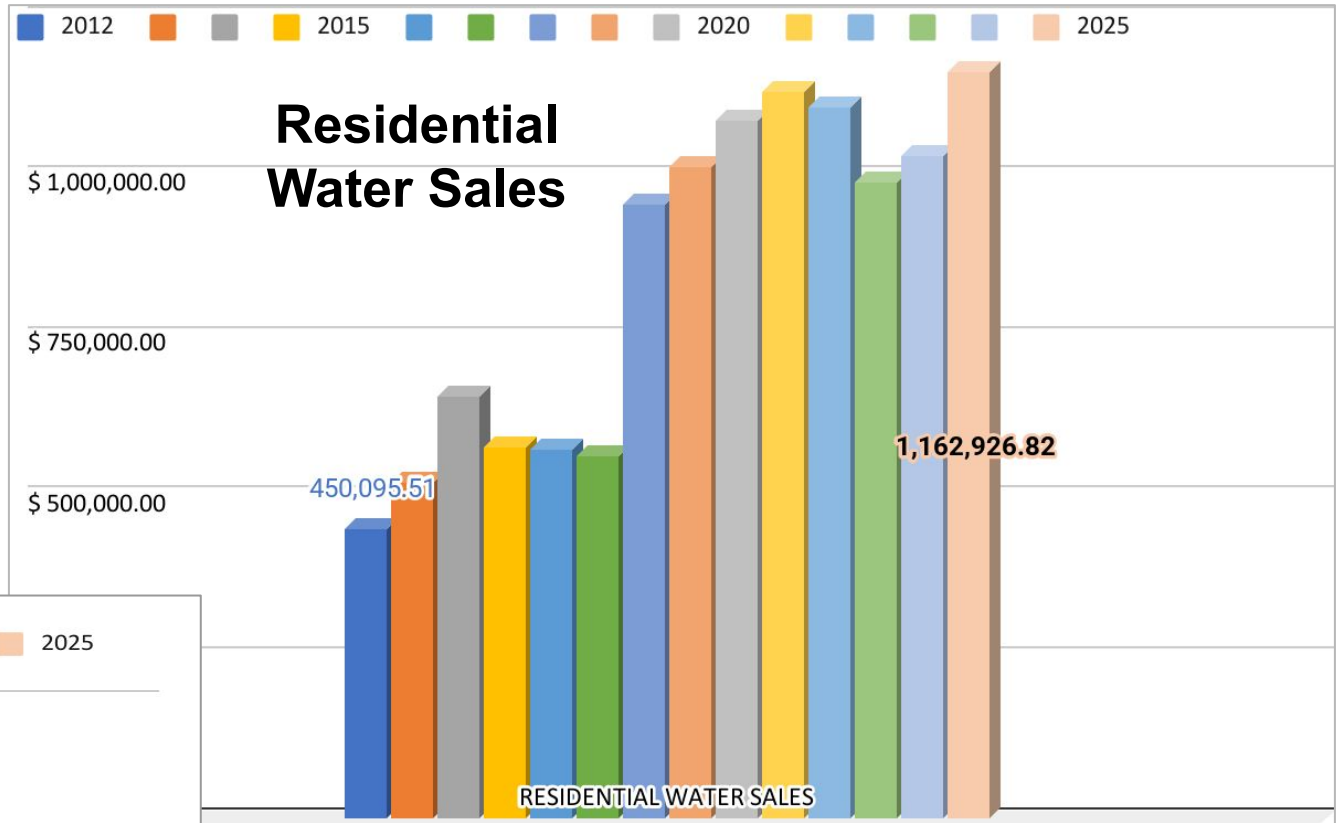


Financial Summary
Tax & Interest Revenue

Financial Summary

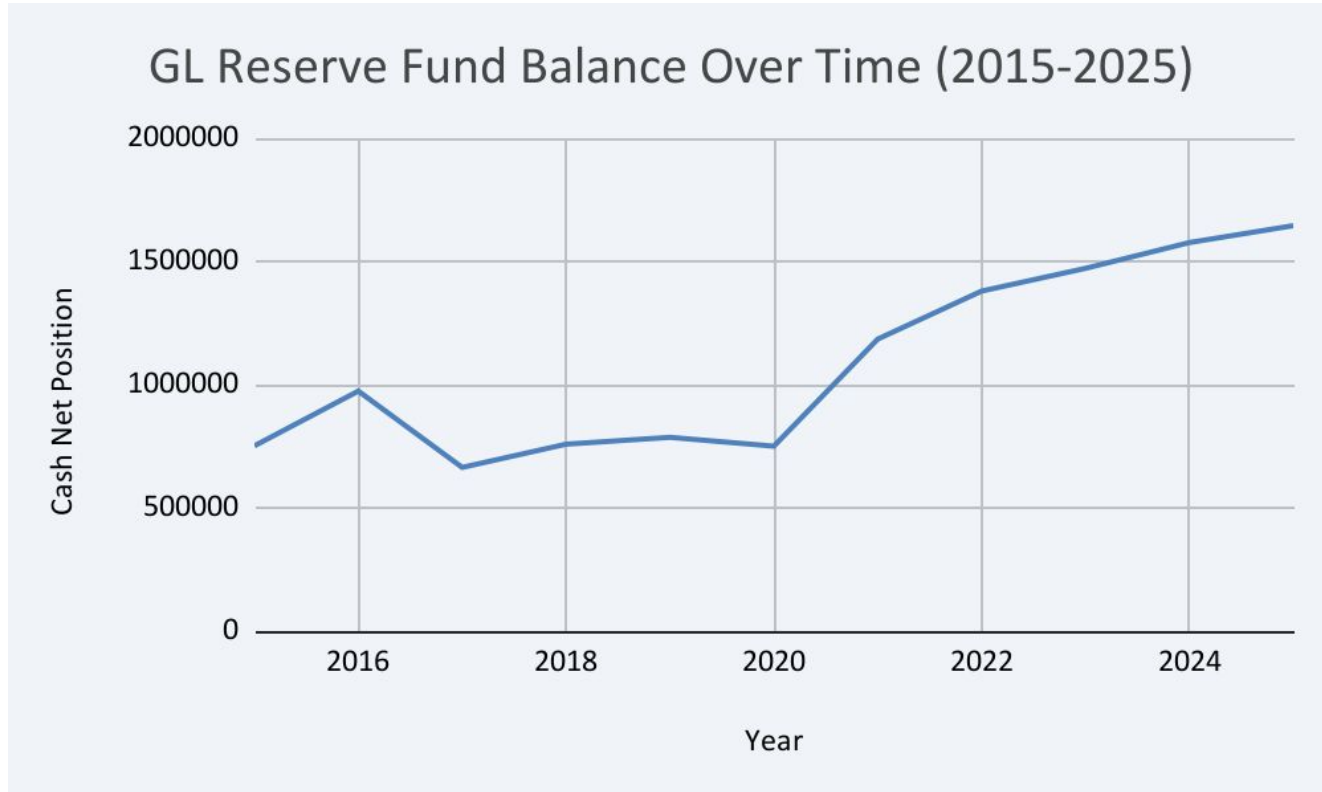
Water Sales & Other Revenue

Residential Water Sales revenue for FY 24/25 reached a total of \$1,162,926.82. This represents an increase of \$130,319.35, or 11.19% in revenue compared to the previous fiscal year.



Other Revenue sources include late fees, rebates, and grants. The bars showing higher-than-usual revenue indicate fiscal years when the District received grant funds.

Financial Summary: Net Financial Position Past, Present & Projected



Aggressive Growth in the Latter Half (2020–2025)

The most significant trend is the dramatic and sustained increase in the Cash Net Position starting in 2021 and continuing through 2025. *The graph clearly illustrates the significant jump in the cash net balance after 2020.*

The balance experienced a period of explosive growth, increasing by approximately **119.3%** from 2020 (\$750,145) to 2025 (\$1,644,830).

The fund has consistently reached a new maximum each year since 2021, culminating in the highest projected balance in 2025.

Overall Substantial Expansion Despite Early Volatility

Despite a period of decline early in the data set, the fund's overall performance shows a strong upward trajectory.

Overall, the Cash Net Position grew by approximately **118.8%** from the starting value in 2015 (\$751,575) to the ending value in 2025 (\$1,644,830).

**Next month staff will present on
Expenditures /Capital Improvement/ Future Opportunities
and Concerns**



Thank you!