CENTRAL WATER DISTRICT
400 Cox Road – Post Office Box 1869
Aptos, California 95001-1869
831.688.2767 www.centralwaterdistrict.us.com

Board of Directors
Robert Marani, President
Frances Basich Whitney, Vice-President
Marco Romanini
Robert Postle
John Previsich
District Manager
Ralph Bracamonte

BOARD OF DIRECTORS
REGULAR BOARD MEETING AGENDA

WEDNESDAY, AUGUST 19, 2026, 6:00 PM

MEETING LOCATION
Central Water District Office
400 Cox Road, Aptos, California

1. CALL TO ORDER AND ROLL CALL

2. ADDITIONS TO THE AGENDA

3. PUBLIC COMMENT
   The public may make a brief statement, not to exceed three (3) minutes, on matters within the jurisdiction of this District Board, which are not listed on the agenda. This is the appropriate place to comment on items on the Consent Agenda.

4. CONSENT AGENDA
   The Consent Agenda deals with routine and non-controversial matters. A Board member may pull an item from the Consent Agenda for discussion. One motion shall be made to approve all non-removed items.
   A. July 15, 2026 Minutes DRAFT
   B. Accounts Payable

5. RECEIVE WRITTEN COMMUNICATIONS

6. RECEIVE MANAGER’S REPORT

7. RECEIVE OPERATION SUPERVISOR’S REPORT

8. CAPITAL IMPROVEMENT PROJECTS
   A. Well 14 Project Updates

9. UNFINISHED BUSINESS
   A. Agreement for Fire Hydrants between CWD & Central Fire District Updates
   B. Consider and Approve C.J. Brown Company CPAs UPDATED Cost Proposal for Financial Audit Services (Fiscal Years 2027 - 31)

10. NEW BUSINESS

11. SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY (MGA)
   A. The next Board Meeting will be held on September 17, 2026.

12. RECEIVE INFORMATIONAL REPORTS
   - Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board (COB)
   - ACWA/Joint Powers Insurance Authority (ACWA/JPIA)
   - Integrated Regional Water Management (IRWM)
   - Water Conservation
   - This Month in History

13. FUTURE AGENDA ITEMS
   - Master Plan & CIP Projects

14. ADJOURNMENT
   - The next regular Board meeting will be held on Wednesday, September 16, 2026 at 6:00 p.m.
   - *Next Resolution No. 04-26*

The complete Board packet including subsequently distributed materials and presentations is available at the Board Meeting, in the Administrative Offices of the District, and posted on the District's website at https://www.centralwaterdistrict.us.com/board-meetings. All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

Any public record distributed to the Board less than 72 hours prior to this meeting in connection with any agenda item shall be made available for public inspection at the District office. Public records distributed during the meeting, if prepared by the District, will be available for public inspection at the meeting. If the public record is prepared by a third party and distributed at the meeting, it will be made available for public inspection following the meeting at the District office.

Notes: Requests for a disability-related modification or accommodation, including auxiliary aids or services, to attend or participate in a meeting should be made to District Administration during regular business hours at (831) 688-2767. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

CENTRAL WATER DISTRICT
400 Cox Road—Post Office Box 1869
Aptos, California 95001-1869
Board of Directors Meeting Minutes
July 15, 2026 – 6:00 p.m.

1. **CALL TO ORDER:** The meeting of the Board of Directors of the Central Water District was called to order on July 15, 2026 at 6:00 p.m. by Vice President Frances Basich Whitney.

ROLL CALL: Directors Present: Robert Postle, John Previsich, and Frances Basich Whitney

Directors Absent: Marco Romanini and Robert Marani

District Manager: Ralph M. Bracamonte

Secretary, Staff & Guests:
- Office Administration, Jennifer Collins and Heather Mazanek
- Operations Supervisor, Edward Flores, who arrived during the Capital Improvement Projects presentation.

2. **ADDITIONS TO THE AGENDA:** *NONE*

3. **PUBLIC COMMENT:** *NONE*

4. **CONSENT AGENDA:**
- **Meeting Minutes**
  June 17, 2026 Meeting Minutes DRAFT
- **Accounts Payable**
  The Board of Directors reviewed the Accounts Payable for the July 2026 Board Meeting.

  MOTION: Director Previsich made a motion to approve the June 17, 2026 minutes as presented and to approve the Accounts Payable for the July 2026 Board Meeting. The Accounts Payable totaled $269,850.66, and included vendor claims in the amount of $228,891.65, compensation for employees in the amount of $40,259.01, and Directors' compensation in the amount of $700. The Directors voted and passed the motion. Vote Count, Yes: Postle, Previsich, and Whitney. Vote Count, No: None. Vote Count, Absent: Romanini and Marani. Vote Count, Abstain: None.

DRAFT

5. **RECEIVE WRITTEN COMMUNICATIONS:** *NONE*

6. **DISTRICT MANAGER'S REPORT:** The District Manager and the Board of Directors discussed the Manager's Report, including the District's recent 75th Anniversary and Well 14 Project celebration, and recent triannual test results (e.g., Total Chromium versus Hexavalent Chromium results, etc.).

   Vice President Whitney directed that the Manager's Report be filed.

7. **OPERATIONS SUPERVISOR'S REPORT:** Since the Operation's Supervisor was in the field attending to emergency repairs at Well 12, which included replacement of the VFD, etc., the District Manager and the Board of Directors briefly discussed this report.

   Vice President Whitney directed that the Operations Supervisor's Report be filed.

8. **CAPITAL IMPROVEMENT PROJECTS:** The District Manager and the Board of Directors discussed the Well 14 Project updates, as well as Ardurra's recent proposal to provide permit amendment support to the District for the new Well 14, including the generation of a Drinking Water Source Assessment and Protection (DWSAP) for this new site.

   MOTION: After reviewing the attached proposal, Director Postle made a motion to approve the $15,800 project total. The Directors voted and passed the motion. Vote Count, Yes: Postle, Previsich, and Whitney. Vote Count, No: None. Vote Count, Absent: Romanini and Marani. Vote Count, Abstain: None.

DRAFT

9. **UNFINISHED BUSINESS:**
   Agreement for Fire Hydrants between CWD & Central Fire District
   No updates were available/presented at this time.

10. **NEW BUSINESS:**
    - **Consider and Approve C.J. Brown Company CPAs Cost Proposal for Financial Audit Services (Fiscal Years 2027-31)**
      The District Manager presented the proposal to the Board. However, at this time, the Board requested that District staff ask for a revised proposal, primarily due to the proposal's suggested +40% cost increase from the current $15,025 rate to the $21,070 end of contract rate. *No action was taken at this time.*

- **Consider and Approve CalPERS Pension Unfunded Accrued Liability (UAL) Payment Options for FY 26/27.**
  The District Manager presented the CalPERS UAL payment options to the Board.

  MOTION: Director Postle made a motion to pay the lump sum payment in the amount of $53,472 to take advantage of the approximate 3.3% savings compared to the monthly payment option. The Board voted and passed the motion.Vote Count, Yes: Postle, Previsich, and Whitney. Vote Count, No: None. Vote Count, Absent: Romanini and Marani. Vote Count, Abstain: None.

11. SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY (MGA):
- Received June 18, 2026 MGA Meeting update.
- The next Santa Cruz MGA Board Meeting will be held on September 17, 2026.

12. RECEIVE INFORMATIONAL REPORTS:
- ACWA/Joint Powers Insurance Authority (ACWA/JPIA)
- Integrated Regional Water Management (IRWM)
- Water Conservation
- This Month in History

13. FUTURE AGENDA ITEMS:
- Master Plan & CIP Projects Update

14. ADJOURNMENT: All present Board business having been concluded for the July 15, 2026 meeting, Vice President Whitney adjourned the meeting at 6:33 p.m. The next regular meeting will be held on August 19, 2026 at 6:00 p.m.

DRAFT

Respectfully submitted,

____

Jennifer Collins, Secretary to the Board

APPROVED:

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Frances Basich Whitney, Board Vice President

Accounts Payable

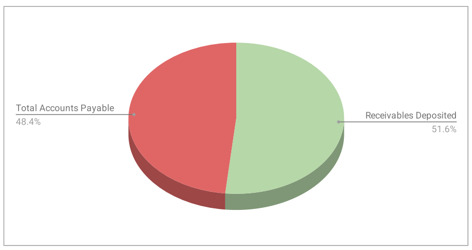
Central Water District August 2026

Account #		Account Description	Account Name	Purchase Description	Amount
General Expenditures					
681410	53010	Health, Dental, Vision	ACWA/JPIA	Sept. 2026 Health Benefits	$8,096.92
681410	61525	Liability Insurance	ACWA/JPIA	Cyber Liability Insurance Annual Premium	$724.92
681410	62381	Professional & Special Services	Badger Meter	Cellular & Hosting Services (July 2026)	$325.80
681420	61861	Service Line Repair Services	Betz Works	McDonald Service Line Leak	$6,880.00
681410	62381	Professional & Special Services	CivicPlus LLC	Monthly Website Subscription (2) Months	$628.00
681410	62381	Professional & Special Services	Continental Utility Solutions, Inc.	Annual Maintinance & Tech Support	$3,300.00
681420	61848	Main-Struct/Imps/Grds-Other-Services	Goble Sampson Associates Inc.	Pump Repair (2)	$2,140.28
681420	61846	Main-Struct/Imps/Grds-Other-Supplies	Goble Sampson Associates Inc.	Well 12 Chlorinator Update	$667.73
681410	62381	Professional & Special Services	Hope Services	July Billing Services & CR6 Notification Mailing	$600.00
681420	61846	Main-Struct/Imps/Grds-Other-Supplies	Iconix	Operations Supplies - Meter Fittings & Backflow Device	$2,442.59
681410	62381	Professional & Special Services	Michael K. Nunley & Associates, Inc.	Well 14 Engineering Design & Support Services	$3,475.50
681420	61846	Main-Struct/Imps/Grds-Other-Supplies	Mid Valley Supply	Chlorine	$717.61
681410	62381	Professional & Special Services	Mission Printers	CR6 Notice Printing	$191.90
681410	62304	Attorney	Noland Hamerly Etienne & Hoss	Monthly Attorney Fees	$1,260.00
681410	63074	Utilities	PG&E Company	General Operations	$153.36
681420	63074	Utilities	PG&E Company	Wells/Treatment	$15,004.21
681430	63074	Utilities	PG&E Company	Transmission/Distribution	$6,624.05
681410	62020	Membership	Underground Service Alert	Annual Membership	$300.00
681410	61915	Laboratory Fees	Wachtel Enviromental Consulting	Lab Courier Fee (7/8/2026 - 7/21/2026)	$120.00
US Bank					
681410	61221	Communications	Charter/Spectrum	Internet/Phone	$228.79
681410	61221	Communications	Southwest Answering Service	Answering Service	$284.20
681410	62111	Miscellaneous Expenses-Services	Amazon	(75th) Celebration Supplies	$301.67
681410	62111	Miscellaneous Expenses-Services	Home Depot	(75th) Celebration Supplies	$4.39
681410	62111	Miscellaneous Expenses-Services	Michael's	(75th) Celebration Supplies	$59.98
681410	62111	Miscellaneous Expenses-Services	Woodworm	(75th) Celebration Supplies	$26.15
681410	62111	Miscellaneous Expenses-Services	Costco	(75th) Celebration Supplies	$218.28
681410	62111	Miscellaneous Expenses-Services	Safeway	(75th) Celebration Supplies	$212.14
681410	62111	Miscellaneous Expenses-Services	Dollar Tree	(75th) Celebration Supplies	$29.75
681410	62111	Miscellaneous Expenses-Services	Bay Photo Lab	(75th) Celebration Supplies	$184.66
681410	62111	Miscellaneous Expenses-Services	Staples	(75th) Celebration Supplies	$95.65
681410	62111	Miscellaneous Expenses-Services	Aptos Hardware	(75th) Celebration Supplies	$41.58
681410	62219	PC Software Purchases	Google G Suite	Monthly Software Subscription	$316.80
681410	62221	Postage	USPS	Annual PO Box Fee	$450.00
681410	62221	Postage	USPS	Stamps for Billing	$156.00
681410	62221	Postage	UPS Store	GPS Loaner Equipment Return Shipping	$329.45
681410	62223	Office Supplies	Staples	Office Supplies - Ink & Lables	$171.78
681410	62223	Office Supplies	Safeway	Office Supplies	$44.95
681410	62381	Professional & Special Services	Exceedio	Monthly Network, Training, PC/Printer & Firewall	$710.61
681410	62381	Professional & Special Services	First Alarm	Quarterly Inspection, Testing & Monitoring	$463.62
681410	62381	Professional & Special Services	Network Solutions	(5 Year) Domain & Pro Email Renewal	$545.85
681410	62888	Special Dist Expenses-Services	Amazon	Work Vest & Surge Protector	$73.08
681410	62888	Special Dist Expenses-Services	Little Cesar's	Lunches - Service Line Repair	$23.41
681410	62888	Special Dist Expenses-Services	Aptos Hardware	Pest Control Supplies	$93.58
681410	62920	Gas, Oil, Fuel	Fuel	Vehicles	$538.27
681410	63074	Utilities	Dassle's	Propane (Office)	$145.20
681410	86203	Computer Equipment	Best Buy	Ethernet for SCADA	$36.12
681420	61846	Maint-Struct/Imps/Grds-Other-Supplies	Amazon	Operations Supplies - Power Station	$479.62
681420	61846	Maint-Struct/Imps/Grds-Other-Supplies	Aptos Hardware	Operations Supplies	$21.89
681420	61846	Maint-Struct/Imps/Grds-Other-Supplies	Home Depot	Operations Supplies - Shop Supplies	$218.68
681420	61846	Maint-Struct/Imps/Grds-Other-Supplies	USA Blue Book	Operations Supplies	$695.20
681420	62715	Small Tools & Instruments	Harbor Freight	Doyle Amp Reader	$93.28
681420	62715	Small Tools & Instruments	Home Depot	Mallet	$89.90
681430	62500	Equipment Lease & Rent	AT&T	Rental Line	$31.76
				Total General Claims:	**$61,069.16**
Pre-authorized Expenditures					
				Total Pre-authorized Expenditures:	**$0.00**
Capital Expenditures					
681430	86110	Building and Improvements	Amazon	Well 14 - Access Road Reinforcement	$220.56
681430	86110	Building and Improvements	Aptos Landscape	Well 14 - Access Road Reinforcement	$110.97
681430	86110	Building and Improvements	Aptos Hardware	Well 14 - Paint Supplies for Pump House	$22.95
681430	86110	Building and Improvements	Betz Works	Well 14 - Driveway Repair / Seal	$14,080.00
681430	86110	Building and Improvements	King's Paint	Well 14 - Paint for Pump House	$241.36
681430	86110	Building and Improvements	Home Depot	Well 14 - Driveway Repair & Acccess Road	$98.28
681430	86110	Building and Improvements	Sky Valley Engineering Services	Well 14 - SCADA Preparation	$3,795.13
681430	86110	Building and Improvements	USA Bluebook	Well 14 - Chlorinator Supplies	$1,019.68
				Total Capital Expenditures:	**$19,588.93**
Contributions to Other Agencies					
				Total Contributions to other Agencies:	**$0.00**
Credits					
681410	62111	Miscellaneous Expenses-Services	Amazon	(75th) Celebration supplies	-$27.43
681410	62111	Miscellaneous Expenses-Services	Michael's	(75th) Celebration supplies	-$32.72
				Total Credits:	**-$60.15**
				TOTAL CLAIMS:	**$80,597.94**

Staff Compensation			
	Ralph Bracamonte	Gross Pay 7/3/26	$8,120.00
	Edward Flores	Gross Pay 7/3/26	$5,892.02
	Heriberto Ruiz	Gross Pay 7/3/26	$3,235.50
	Jennifer Collins	Gross Pay 7/3/26	$2,951.03
	Heather Mazanek	Gross Pay 7/3/26	$2,747.50
	Ralph Bracamonte	Gross Pay 7/17/26	$8,120.00
	Edward Flores	Gross Pay 7/17/26	$6,607.98
	Heriberto Ruiz	Gross Pay 7/17/26	$2,942.29
	Jennifer Collins	Gross Pay 7/17/26	$3,583.39
	Heather Mazanek	Gross Pay 7/17/26	$3,548.13
	Ralph Bracamonte	Gross Pay7/31/26	$8,120.00
	Edward Flores	Gross Pay 7/31/26	$5,228.13
	Heriberto Ruiz	Gross Pay 7/31/26	$2,393.30
	Jennifer Collins	Gross Pay 7/31/26	$2,810.50
	Heather Mazanek	Gross Pay 7/31/26	$2,607.50
		Total Staff Compensation:	**$68,907.27**

Directors' Compensation			
	John Previsich	July Meeting	$100.00
	Robert Postle	July Meeting	$100.00
	Marco Romanini	July Meeting	$0.00
	Frances B. Whitney	July Meeting	$100.00
	Robert Marani	July Meeting	$0.00
		Total Board Compensation:	**$300.00**

Total Claims:	$80,597.94
Salaries:	$68,907.27
Directors' Compensation:	$300.00
Total Accounts Payable:	**$149,805.21**



Receivables Deposited **MTD**	**$159,945.29**
Total Accounts Payable	**$149,805.21**
Tax Revenue **MTD**	**$0.00**
Interest Revenue **MTD**	**$0.00**
Tax Revenue **YTD**	**$0.00**
Interest Revenue **YTD**	**$0.00**

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CENTRAL WATER DISTRICT
400 Cox Road – Post Office Box 1869
Aptos, California 95001-1869
(831) 688-2767

DATE: August 12, 2026
TO: Board of Directors
FROM: District Manager
SUBJECT: Monthly Report

District staff submitted the following reports to the indicated entities:

- A final Payroll Report was submitted to the State Fund, this is the District's workers' compensation insurance provider. An additional $141.48 in insurance premiums was owed for FY 25/26, based on the payroll totals reported.
- An accrued expenses report to the County of Santa Cruz, for expenses that required accrual to Fiscal Year 2025/2026
- Monthly Coliform Report to the State Water Resources Control Board (SWRCB)
- FY 25/26 Interim Audit documents were submitted to C.J. Brown & Company CPAs for review.

The California State Water Resources Control Board (SWRCB) established a new Hexavalent Chromium Maximum Contaminant Level (MCL) of 10 parts per billion (ppb), effective October 1, 2024. Initial monitoring completed by the Central Water District showed that one of the District's three water wells exceeded the new MCL, with an average result of 13 ppb. Additional testing was performed in June 2026, showing that the one well still exceeds the Hexavalent Chromium MCL, with a result of 14 ppb. Therefore, the District was required to send out a quarterly notice to all customers. See link below. The distribution was completed on July 29, 2026 and a Public Notification Certification form was submitted to the SWRCB. Following the distribution, the District's website was also updated to include this newest notice. *Note: Quarterly notices will continue to be distributed if the well is used for distribution and the Hexavalent Chromium test result exceeds the 10 ppm MCL, prior to the SWRCB's October 1, 2028 compliance deadline*.

Hexavalent Chromium Notice July 2026

District staff attended the following off-site ACWA JPIA training sessions this past month in order to review/develop their skill set:

- Traffic Control & Flagger Training (Operations Supervisor)
- HR Group Meeting/Training (Office Administrator & Admin. Assistant)

Vector Solutions, an online learning platform that the District has access to through ACWA JPIA, now offers a self-paced Fiscal and Financial Training course that fulfills the California Senate Bill 827 requirement. Board Directors who are interested in this training, can contact Office staff for more information.

District staff is currently reviewing the Well 14 Permit Amendment documents, including the Drinking Water Source Assessment that were prepared by Ardurra, formerly MKN & Associates, Inc.

Also, attached for your review is the following data:

1. Statistical Data Sheet
2. Cash Flow Report
3. Revenues/Monthly Interest Report
4. Expenditures
5. Monthly Financial Review Report

STATISTICAL DATA (JULY 2026)

BILLING	2026		2025	% Change
Total Accounts:	825 ^		826	
Accounts Billed on 8/3/26 (Routes 2 & 3):	373 ^		374	
Accounts Billed:	$118,910		$116,804	
Average Bill:	$319		$312	
Bi-Monthly Residential Consumption (gal):	7,781,444		8,067,180	**-4%**
Monthly Ag/Commercial Consumption (gal):	2,466,156		3,007,708	**-18%**
Total:	**10,247,600**		**11,074,888**	**-7%**
Average Residential Consumption (gal):	21,920		22,724	
Average Total Consumption (gal):	27,473		29,612	
District Office Use (gal):	Not Read		Not Read	

WELL DATA (Gallons)	Monthly Production	GPM	Monthly Production	GPM
Production Wells	**2026**		**2025**	
Well #4 *	**1,539,111**	133	**0**	0
Well #10 * **	**373,801**	266	**1,022,596**	214
Well #12	**12,355,937**	569	**14,162,603**	585
Total Production	**14,268,849**		**15,185,199**	
Annual Production Increase /Decrease	**-6.0%**		**-1.7%**	
Residential:				
Average Gallons per Day	**380,732**		**392,822**	
Avg. Gallons per Person /Day (*pop.* 2,700)	141		145	

** Note: In July 2025 Well #4 was offline for repairs.*

*** Note: In July 2026 Well #10 production was lower than normal due to ongoing repairs.*

^ Note: There is one less account in Route 3 due to a recent compound meter upgrade.

CENTRAL WATER DISTRICT CASH FLOW
July 2026

	MTD 7/1 - 7/31/26	FYTD 31-July-2026	Prior FYTD 31-July-2025
REVENUES:			
Taxes	$0.00	$0.00	$0.00
Interest	$0.00	$0.00	$5,885.39
Aid/Gov't Agencies	$0.00	$0.00	$0.00
Water Sales	$157,808.11	$157,808.11	$125,460.55
Fines, Forfeitures	$0.00	$0.00	$0.00
Connection Fees	$0.00	$0.00	$0.00
Hydrant Water Sales	$0.00	$0.00	$0.00
NSF Checks	-$224.26	-$224.26	$0.00
NSF Returned Check Fees	$50.00	$50.00	$0.00
Other Revenue	$2,311.44	$2,311.44	$580.46
	$159,945.29	**$159,945.29**	**$131,926.40**
EXPENDITURES:			
Salaries & Benefits	$104,089.73	$104,089.73	$101,126.65
Services & Supplies	$5,105.87	$5,105.87	$12,580.98
Fixed Assets	$1,982.68	$1,982.68	$120.82
Operating Transfer	$0.00	$0.00	$0.00
Contributions to Other Agencies	$1,322.86	$1,322.86	$1,322.86
	$112,501.14	**$112,501.14**	**$115,151.31**
NET REVENUE:	**$47,444.15**	**$47,444.15**	**$16,775.09**
Leak Adjustments	**$1,144.15**	**$1,144.15**	**$1,724.54**

CASH IN TREASURY	**End Month Balance**	**Prior Year EOM Balance**
General Fund (Includes Emergency & CIP Reserves)	$637,991.87	$1,606,294.27
Customer Deposits (Meter Trust) *	$14,987.89	$14,916.75
Building Deposits (Mainline Trust) * ^	$2,990.00	$2,990.00
Equity in Pooled Cash	**$655,969.76**	**$1,624,201.02**
Emergency Reserve	$500,000.00	$1,000,000.00
CIP Reserve	$155,969.76	$624,201.02
General Fund (Including Reimbursements and Transfers)	**$655,969.76**	**$1,624,201.02**

* Does not include issued or stale-dated refunds.
^ Entry from Construction Deposits Record, as of 7/31/26.
Note: 8/4/26 data was used for reporting.

Revenues

As Of = @prior-month-end; Years = 1; Chart Fields = FundType,Fund,Character,Object; Balances = Adopted Budget,Adjusted Budget,Month-To-Date Actual,Year-To-Date Actual,Year-To-Date Variance,PctYear-To-Date Variance; Revenues/Expenditures = R,E

Revenues/Expenditures [RV] and Fund Type [76] and Fund [76511, 76511]

Object	GL Object Title	FY 2027 Adopted Budget	FY 2027 Adjusted Budget	FY 2027 Month-To-Date Actual	FY 2027 Year-To-Date Actual	FY 2027 Year-To-Date Variance	Count
Fund Type: 76 – INVESTMT TRUST-LOCAL BOARDS IN							
Character: 01 – TAXES							
40100	PROPERTY TAX-CURRENT SEC-GEN	170,000.00	170,000.00	0.00	0.00	170,000.00	1
Total 01 – TAXES		170,000.00	170,000.00	0.00	0.00	170,000.00	1
Character: 10 – REV FROM USE OF MONEY & PROP							
40430	INTEREST	25,000.00	25,000.00	0.00	0.00	25,000.00	1
Total 10 – REV FROM USE OF MONEY & PROP		25,000.00	25,000.00	0.00	0.00	25,000.00	1
Character: 15 – INTERGOVERNMENTAL REVENUES							
40830	ST-HOMEOWNERS' PROP TAX RELIEF	700.00	700.00	0.00	0.00	700.00	1
Total 15 – INTERGOVERNMENTAL REVENUES		700.00	700.00	0.00	0.00	700.00	1
Character: 19 – CHARGES FOR SERVICES							
41842	CONNECTION FEES	350,000.00	350,000.00	0.00	0.00	350,000.00	1
Total 19 – CHARGES FOR SERVICES		350,000.00	350,000.00	0.00	0.00	350,000.00	1
Character: 23 – MISC. REVENUES							
42322	HYDRANT WATER SALES	2,500.00	2,500.00	0.00	0.00	2,500.00	1
42326	RESIDENTIAL WATER SALES	1,350,000.00	1,350,000.00	157,808.11	157,808.11	1,192,191.89	1
42380	NSF CHECKS	0.00	0.00	-224.26	-224.26	224.26	1
42381	NSF CHECKS-RETURNED CHECK FEES	0.00	0.00	50.00	50.00	-50.00	1
42384	OTHER REVENUE	100,000.00	100,000.00	2,311.44	2,311.44	97,688.56	1
Total 23 – MISC. REVENUES		1,452,500.00	1,452,500.00	159,945.29	159,945.29	1,292,554.71	5
Total 76 – INVESTMT TRUST-LOCAL BOARDS IN		1,998,200.00	1,998,200.00	159,945.29	159,945.29	1,838,254.71	9
		1,998,200.00	1,998,200.00	159,945.29	159,945.29	1,838,254.71	9

COUNTY OF SANTA CRUZ

LAURA BOWERS, CPA, CPFO
AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073
(831) 454-2500 FAX (831) 454-2660

August 5, 2026

Below is the interest rate information for the County of Santa Cruz Investment Pool for July 2026 and comparison rates for the prior year same month.

July 2026 average daily interest rate earned: 3.774%
July 2025 average daily interest rate earned: 4.115%

Fiscal 2026-27 year to date average interest rate: 3.774%
Fiscal 2025-26 year to date average interest rate: 4.115%

Interest rates vary and are determined by the market interest rate. Interest rates are calculated using 365 days in a year.

Monthly interest for your fund can be found in Finance Enterprise in your Fund's revenue detail under object 40430 – Interest. Interest posted to 40430 relates to apportioned interest by the County Treasurer for funds held in the County Treasury.

Interest is calculated based on fund daily cash balances, including negative cash balances. Positive cash balances at the end of the day earn interest. Negative cash balances at the end of the day are charged interest.

If you have any questions regarding the above information, please contact the Auditor-Controller-Treasurer-Tax Collector's office General Accounting Team.

Thank you,

Tracy Laine

Cc: Laura Bowers

Expenditures Summary

As Of = @prior-month-end; Years = 1; Chart Fields = FundType,Fund,Character,Object; Balances = Adopted Budget,Adjusted Budget,Month-To-Date Actual,Year-To-Date Actual,Year-To-Date Encumbrances,Year-To-Date Variance,PctYear-To-Date Variance; Revenues/Expenditures = R,E

Revenues/Expenditures [XP] and Fund Type [76] and Fund [76511]

		FY 2027						
Object	GL Object Title	Adopted Budget	Adjusted Budget	Month-To-Date Actual	Year-To-Date Actual	Year-To-Date Encumbrances	Year-To-Date Variance	Count
Fund Type: 76 – INVESTMT TRUST-LOCAL BOARDS IN								
Character: 50 – SALARIES AND EMPLOYEE BENEF								
51000	REGULAR PAY-PERMANENT	540,000.00	540,000.00	27,061.37	27,061.37	0.00	512,938.63	1
51005	OVERTIME PAY-PERMANENT	20,000.00	20,000.00	6,283.37	6,283.37	0.00	13,716.63	1
51025	REGULAR PAY-CALL BACK	8,000.00	8,000.00	364.00	364.00	0.00	7,636.00	1
52010	OASDI-SOCIAL SECURITY	40,000.00	40,000.00	2,655.23	2,655.23	0.00	37,344.77	1
52015	PERS	115,000.00	115,000.00	55,256.65	55,256.65	0.00	59,743.35	1
53010	EMPLOYEE INSURANCE & BENEFITS	110,000.00	110,000.00	8,096.92	8,096.92	0.00	101,903.08	1
53015	UNEMPLOYMENT INSURANCE	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	1
54010	WORKERS COMPENSATION INSURANCE	12,000.00	12,000.00	4,372.19	4,372.19	0.00	7,627.81	1
Total 50 – SALARIES AND EMPLOYEE BENEF		850,000.00	850,000.00	104,089.73	104,089.73	0.00	745,910.27	8
Character: 60 – SERVICES AND SUPPLIES								
61110	CLOTHING & PERSONAL SUPPLIES	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	1
61221	TELEPHONE-NON TELECOM 1099	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	1
61525	LIABILITY INSURANCE	55,000.00	55,000.00	0.00	0.00	0.00	55,000.00	1
61545	PROPERTY INSURANCE	12,000.00	12,000.00	0.00	0.00	0.00	12,000.00	1
61720	MAINT-MOBILE EQUIPMENT-SERV	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	1
61721	MAINT-MOBILE EQUIPMNT-SUPPLIES	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	1
61730	MAINT-OTH EQUIP-SERVICES	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	1
61846	MAINT-STRCT/IMPS/GRDS-OTH-SUPP	21,000.00	21,000.00	-105.79	-105.79	0.00	21,105.79	1
61848	MAINT-STRUCT/GRDS-OTH-SRV	35,000.00	35,000.00	211.66	211.66	0.00	34,788.34	1
61850	METER MAINTENANCE-SERVICES	4,000.00	4,000.00	0.00	0.00	0.00	4,000.00	1
61855	ROAD REPAIRS-SERVICES	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	1
61860	MAIN LINE REPAIRS-SERVICES	25,000.00	25,000.00	0.00	0.00	0.00	25,000.00	1
61861	SERVICE LINE REPAIRS-SERVICES	50,000.00	50,000.00	0.00	0.00	0.00	50,000.00	1
61915	LABORATORY FEES	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	1
62020	MEMBERSHIPS	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	1
62111	MISCELLANEOUS EXPENSE-SERVICES	12,500.00	12,500.00	3,000.00	3,000.00	0.00	9,500.00	1
62219	PC SOFTWARE PURCHASES	9,000.00	9,000.00	0.00	0.00	0.00	9,000.00	1
62221	POSTAGE	7,500.00	7,500.00	1,000.00	1,000.00	0.00	6,500.00	1
62223	SUPPLIES	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	1
62301	ACCOUNTING AND AUDITING FEES	15,000.00	15,000.00	0.00	0.00	0.00	15,000.00	1
62304	ATTORNEY	25,000.00	25,000.00	0.00	0.00	0.00	25,000.00	1
62327	DIRECTORS' FEES	7,500.00	7,500.00	1,000.00	1,000.00	0.00	6,500.00	1
62381	PROF & SPECIAL SERV-OTHER	75,000.00	75,000.00	0.00	0.00	0.00	75,000.00	1
62500	EQUIPMENT LEASE & RENT	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	1
62610	RENTS/LEASES-STRUC IMP & GRNDS	8,000.00	8,000.00	0.00	0.00	0.00	8,000.00	1
62715	SMALL TOOLS & INSTRUMENTS	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	1
62826	EDUCATION AND/OR TRAINING	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	1
62888	SPEC DIST EXP-SERVICES	15,000.00	15,000.00	0.00	0.00	0.00	15,000.00	1
62920	GAS, OIL, FUEL	6,500.00	6,500.00	0.00	0.00	0.00	6,500.00	1
63074	UTILITIES	195,000.00	195,000.00	0.00	0.00	0.00	195,000.00	1
Total 60 – SERVICES AND SUPPLIES		641,000.00	641,000.00	5,105.87	5,105.87	0.00	635,894.13	30
Character: 70 – OTHER CHARGES								
75231	CONTRIB TO OTHER AGENCIES-OTH	80,000.00	80,000.00	1,322.86	1,322.86	0.00	78,677.14	1
Total 70 – OTHER CHARGES		80,000.00	80,000.00	1,322.86	1,322.86	0.00	78,677.14	1

Expenditures Summary

As Of = @prior-month-end; Years = 1; Chart Fields = FundType,Fund,Character,Object; Balances = Adopted Budget,Adjusted Budget,Month-To-Date Actual,Year-To-Date Actual,Year-To-Date Encumbrances,Year-To-Date Variance,PctYear-To-Date Variance; Revenues/Expenditures = R,E

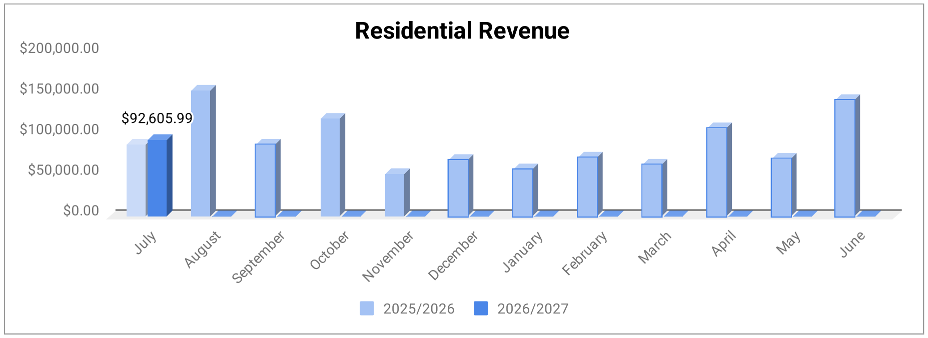
Revenues/Expenditures [XP] and Fund Type [76] and Fund [76511]

		FY 2027						
Object	GL Object Title	Adopted Budget	Adjusted Budget	Month-To-Date Actual	Year-To-Date Actual	Year-To-Date Encumbrances	Year-To-Date Variance	Count
Fund Type: 76 – INVESTMT TRUST-LOCAL BOARDS IN								
Character: 80 – FIXED ASSETS								
86110	BUILDINGS AND IMPROVEMENTS	450,000.00	450,000.00	1,982.68	1,982.68	0.00	448,017.32	1
86203	COMPUTER EQUIPMENT	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	1
Total 80 – FIXED ASSETS		460,000.00	460,000.00	1,982.68	1,982.68	0.00	458,017.32	2
Character: 98 – APPROP FOR CONTINGENCIES								
98700	APPROP FOR CONTINGENCIES	4,000.00	4,000.00	0.00	0.00	0.00	4,000.00	1
Total 98 – APPROP FOR CONTINGENCIES		4,000.00	4,000.00	0.00	0.00	0.00	4,000.00	1
Total 76 – INVESTMT TRUST-LOCAL BOARDS IN		2,035,000.00	2,035,000.00	112,501.14	112,501.14	0.00	1,922,498.86	42
		2,035,000.00	2,035,000.00	112,501.14	112,501.14	0.00	1,922,498.86	42

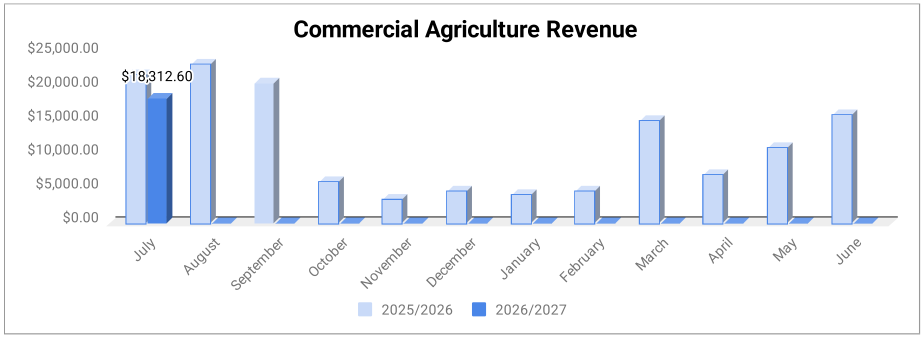
Financial Review 2026/2027

Based on Actual Revenues

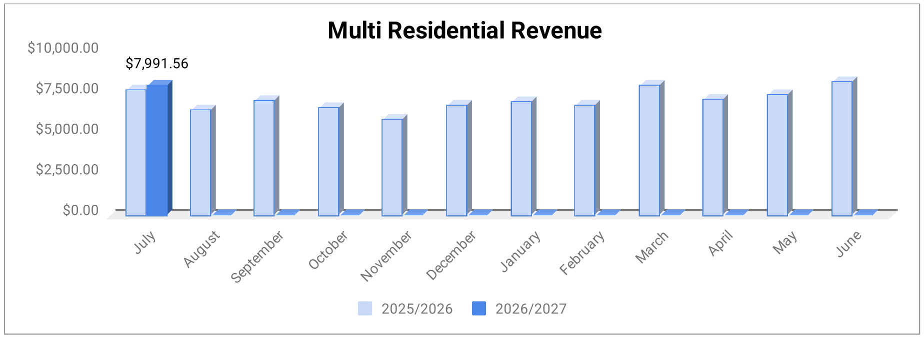
Residential			Billed on the 1st	
	2025/2026		**2026/2027**	**Percent +/-**
July	$87,363.70		$92,605.99	6.00%
August	$153,593.31			
September	$88,216.23			
October	$119,237.06			
November	$51,697.56			
December	$69,317.61			
January	$56,798.65	***Rates Updated***		
February	$71,031.09			
March	$63,171.47			
April	$107,132.33			
May	$70,065.42			
June	$141,975.41			
Total	**$1,079,599.84**		**$92,605.99**	



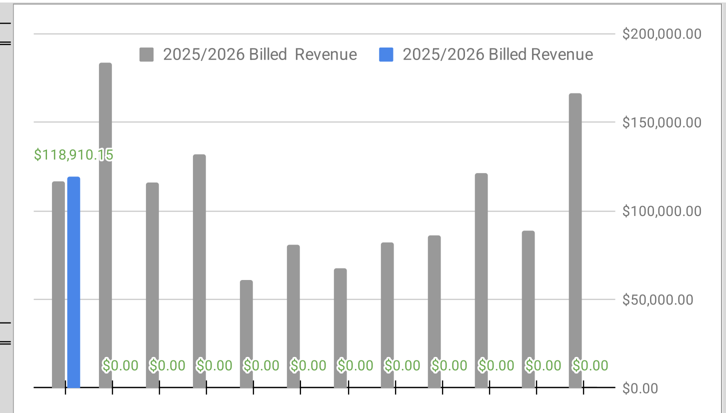
Commercial /Agriculture				
	2025/2026		**2026/2027**	**Percent +/-**
July	$21,727.20		$18,312.60	-15.72%
August	$23,323.38			
September	$20,525.05			
October	$6,048.73			
November	$3,447.07			
December	$4,508.98			
January	$4,035.89	***Rates Updated***		
February	$4,586.97			
March	$15,068.92			
April	$7,091.34			
May	$10,942.66			
June	$15,876.16			
	Total			
Total	**$137,182.35**		**$18,312.60**	



Multi Residential				
	2025/2026		**2026/2027**	**Percent +/-**
July	$7,713.21		$7,991.56	3.61%
August	$6,476.17			
September	$7,031.13			
October	$6,632.49			
November	$5,893.05			
December	$6,784.17			
January	$6,955.77	***Rates Updated***		
February	$6,759.12			
March	$7,960.32			
April	$7,143.92			
May	$7,398.72			
June	$8,206.53			
	Total			
Total	**$84,954.60**		**$7,991.56**	

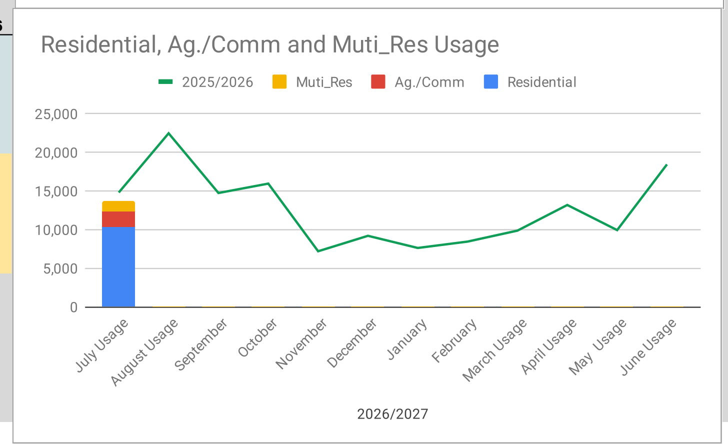


Total	2025/2026	Residential	Ag/Comm	Multi-Res	2026/2027	$ diff	
July	$116,804.11	$92,605.99	$18,312.60	$7,991.56	$118,910.15	$2,106.04	
August	$183,392.86	$0.00	$0.00	$0.00	$0.00		
September	$115,772.41	$0.00	$0.00	$0.00	$0.00		
October	$131,918.28	$0.00	$0.00	$0.00	$0.00		
November	$61,037.68	$0.00	$0.00	$0.00	$0.00		
December	$80,610.76	$0.00	$0.00	$0.00	$0.00		
January	$67,790.31	$0.00	$0.00	$0.00	$0.00		
February	$82,377.18	$0.00	$0.00	$0.00	$0.00		
March	$86,200.71	$0.00	$0.00	$0.00	$0.00		
April	$121,367.59	$0.00	$0.00	$0.00	$0.00		
May	$88,406.80	$0.00	$0.00	$0.00	$0.00		
June	$166,058.10	$0.00	$0.00	$0.00	$0.00		
Total	**$1,301,736.79**	**$92,605.99**	**$18,312.60**	**$7,991.56**	**$118,910.15**	**-$1,182,826.64**	**9.13%**



Residential billed revenue is for the last 60 days
Commercial & Agriculture billed revenue is for last 30 days

	2026/2027	Residential	Ag./Comm	Muti_Res	Total Usage in Units (748 Gallons per unit)	2025/2026
	July Usage	10,398	1,958	1,339	13,695	14,806
	August Usage					22,471
2026	September Usage					14,740
	October Usage					15,957
	November Usage					7,198
	December Usage					9,198
	January Usage					7,626
	February Usage					8,451
2027	March Usage					9,870
	April Usage					13,190
	May Usage					9,937
	June Usage					18,444
Total		10,398	1,958	1,339	13,695	
Gallons		7,777,704	1,464,584	1,001,572	10,243,860	
Acre Ft		23.87	4.49	3.07		
Total Acre feet		***31***				



CENTRAL WATER DISTRICT
400 Cox Road – Post Office Box 1869
Aptos, California 95001-1869
(831) 688-2767

DATE: August 13, 2026
TO: Board of Directors
FROM: Edward Flores, Operations Supervisor
SUBJECT: Operations Report

District staff continue to assist customers with identifying and resolving water leaks, including providing support to customers utilizing the EyeOnWater monitoring platform to identify abnormal water usage and monitor consumption following repairs. In addition, the Operations Supervisor completed and submitted the July SAFER Clearinghouse Drought & Conservation Report to the State, ensuring the District remains in compliance with monthly reporting requirements.

Well 14 Capital Improvement Project

Construction of the Well 14 facility continued to make significant progress as work advanced on the building, permanent mechanical equipment, and final site improvements.

During this reporting period, major milestones included:

- Completed painting and exterior finishing of the well building, including ventilation screens and framed discharge piping penetrations.
- Installed major mechanical components, including the 8-inch × 6-inch × 8-inch discharge tee, mainline check and shutoff valves, and new 8-inch Badger water meter.
- Began installation of weed-barrier fabric along the future permanent access road to reduce vegetation and long-term maintenance requirements.
- Completed remaining asphalt restoration associated with previous construction activities near the project site.

75th Anniversary Celebration & Community Outreach

Central Water District celebrated its **75th Anniversary** at New Hope Church while highlighting the continued progress of the Well 14 project. The event was well attended by the public and church community along with staff. The District displayed project visuals, answered the public's questions regarding the well's construction, location, purpose, and role in supporting the District's long-term water supply. The event provided a valuable opportunity to recognize the District's history while engaging the community on this significant infrastructure investment.

Well 12 VFD Failure

Staff responded to a VFD failure at Well 12 after identifying signs of overheating and internal electrical damage. Well 12 was immediately removed from service, requiring staff to manually rebalance system operations while Maggiora Bros. secured and installed replacement equipment. During the outage, staff operated the Valencia Pump Station to transfer water from the Rob Roy Zone into the Morrison Zone, adjusted Lower Primary operations to reduce demand, and manually operated Well 10 to supplement production. Tank levels were closely monitored and operations adjusted throughout the outage. Following installation, configuration, and testing of the replacement VFD, Well 12 was successfully returned to service.

Service Line Improvements & Customer Response
Staff completed the remaining service line renewal on McDonald Road, replacing the aging portion of the service that had experienced repeated failures. Final asphalt restoration was subsequently completed, concluding the project and providing a more reliable long-term service connection. Staff also responded to after-hours customer service calls, including isolation and restoration of a residential irrigation service following a private-side leak.

Cross-Connection Control & Fire Service Improvements
District staff responded to a significant after-hours fire-service leak near the Valencia Pump Station. After locating the buried isolation valve, staff successfully shut down the combination domestic/fire service and worked with the property owner and contractor to evaluate the failed 2-inch service. Because the property utilizes a buried double-check assembly similar to several existing fire services throughout the District, staff identified the location as an opportunity to develop a beta installation for future fire-service and backflow upgrades. The proposed configuration will allow staff to evaluate accessibility, maintenance requirements, installation standards, and overall functionality before establishing a consistent approach for similar services. This effort supports the District's continued implementation and updating of the State cross-connection control requirements.

Metering Infrastructure & AMI Implementation
District staff continued expansion of the District's Advanced Metering Infrastructure (AMI) program by upgrading 20 meters throughout Route 2 from manual-read meters to cellular-enabled technology. These improvements produced an immediate operational benefit, with staff completing the monthly meter reading cycle for Routes 2 and 3 within a single workday. Continued cellular meter deployment is reducing manual field reads, improving access to consumption data, and allowing staff to redirect time toward system maintenance, capital projects, and customer service.

Water Quality & Regulatory Compliance
District staff continued required water quality monitoring and regulatory compliance activities throughout the reporting period.

Major activities included:

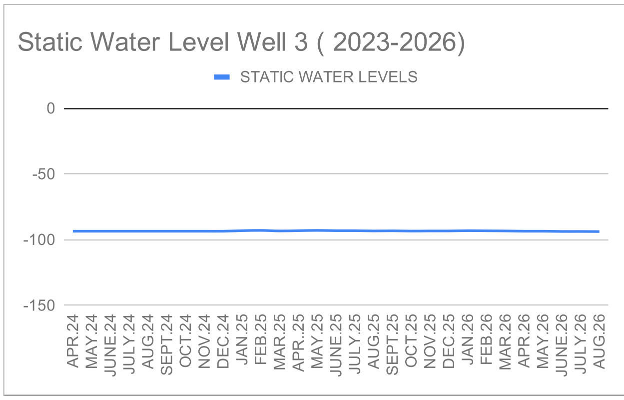
- Completed routine and quarterly well sampling and required disinfection byproduct monitoring.
- Completed required PFAS sampling at all currently operational well sites. Well 14 will be sampled once construction reaches a stage that allows the well to be operated for representative sample collection.
- Located and documented the Rob Roy Tank overflow discharge point and obtained information needed to complete remaining State Sanitary Survey requirements.

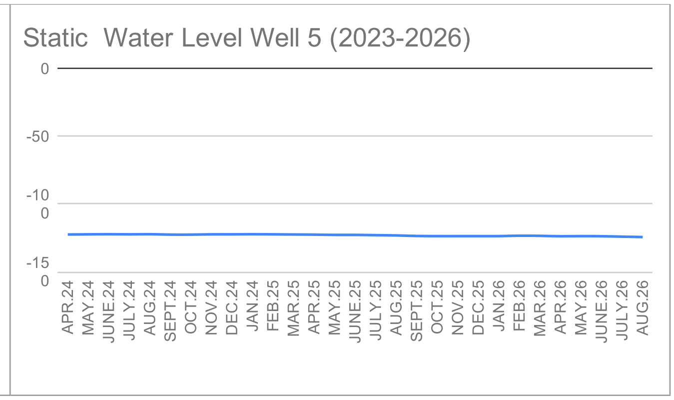
All applicable samples were submitted for laboratory analysis in accordance with the District's regulatory monitoring schedule.

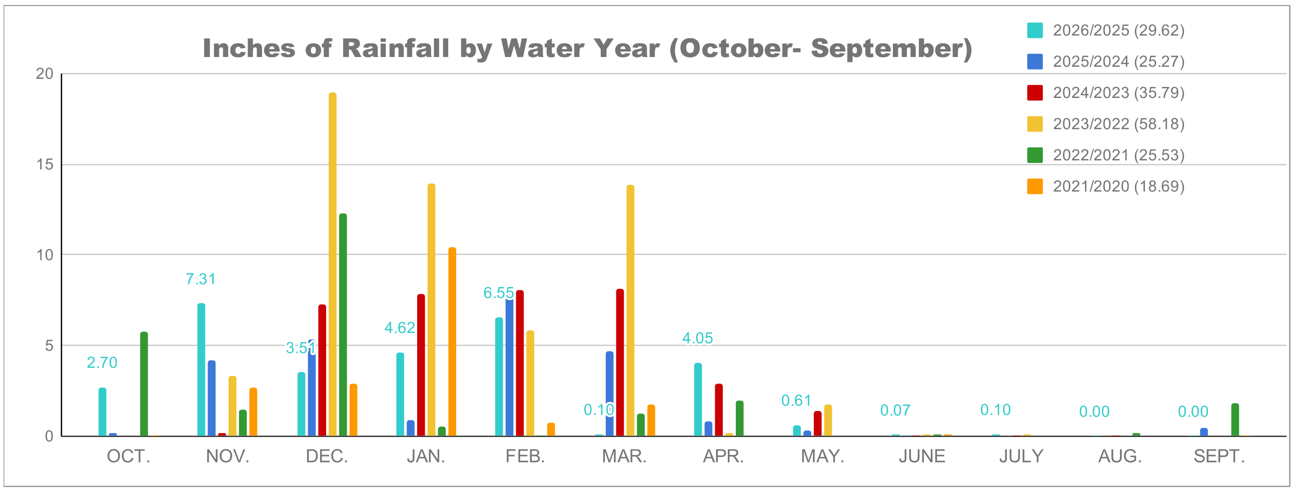
Staff Development & Safety
District staff attended an ACWA JPIA Traffic Control Safety training course at Cabrillo College. The course addressed safe traffic-control practices applicable to leak repairs, utility work, and other activities performed within or adjacent to public roadways. The training was completed in response to a recommendation identified during the District's annual ACWA JPIA risk assessment and supports continued improvement of employee and public safety during field operations.

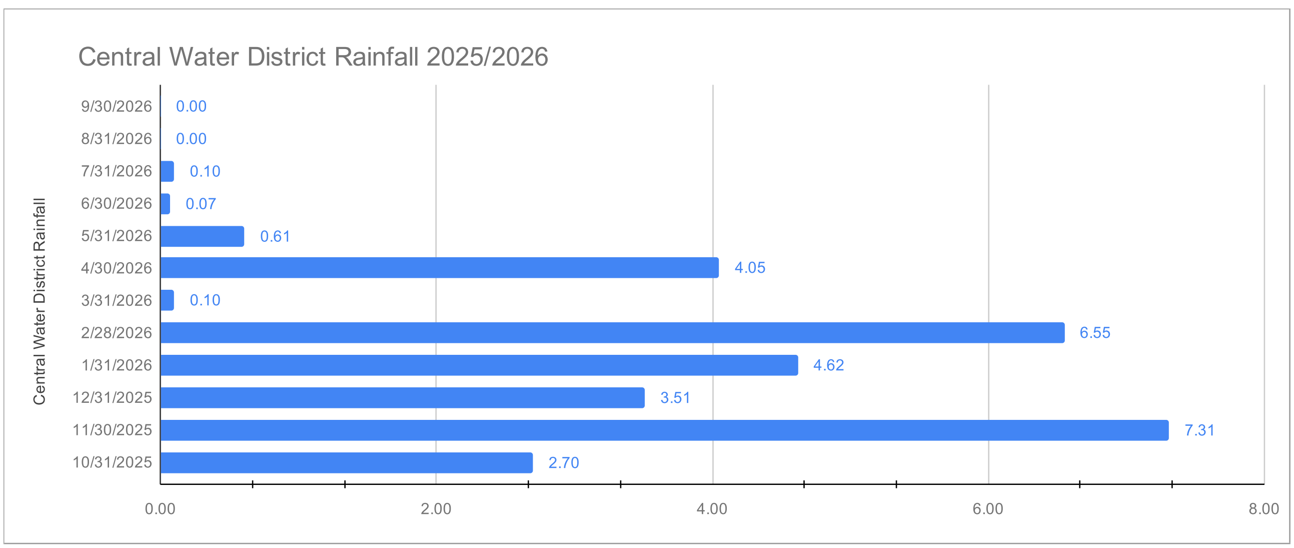
Blackwell 345
Monitoring Well 14 214

COX WELL FIELD

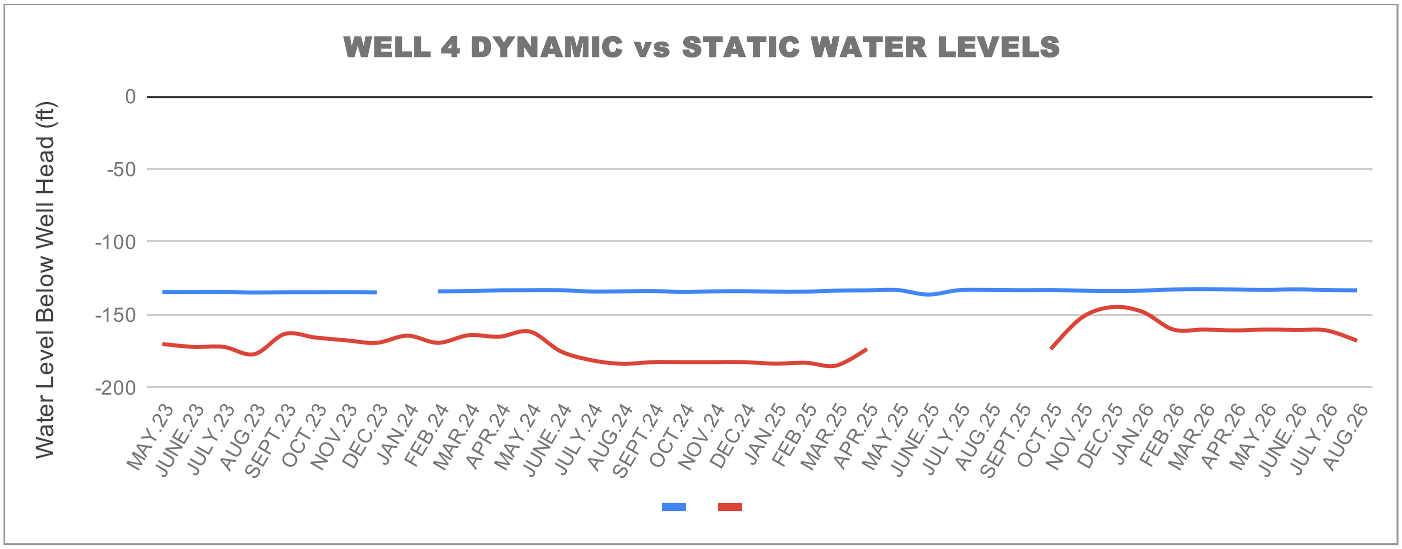


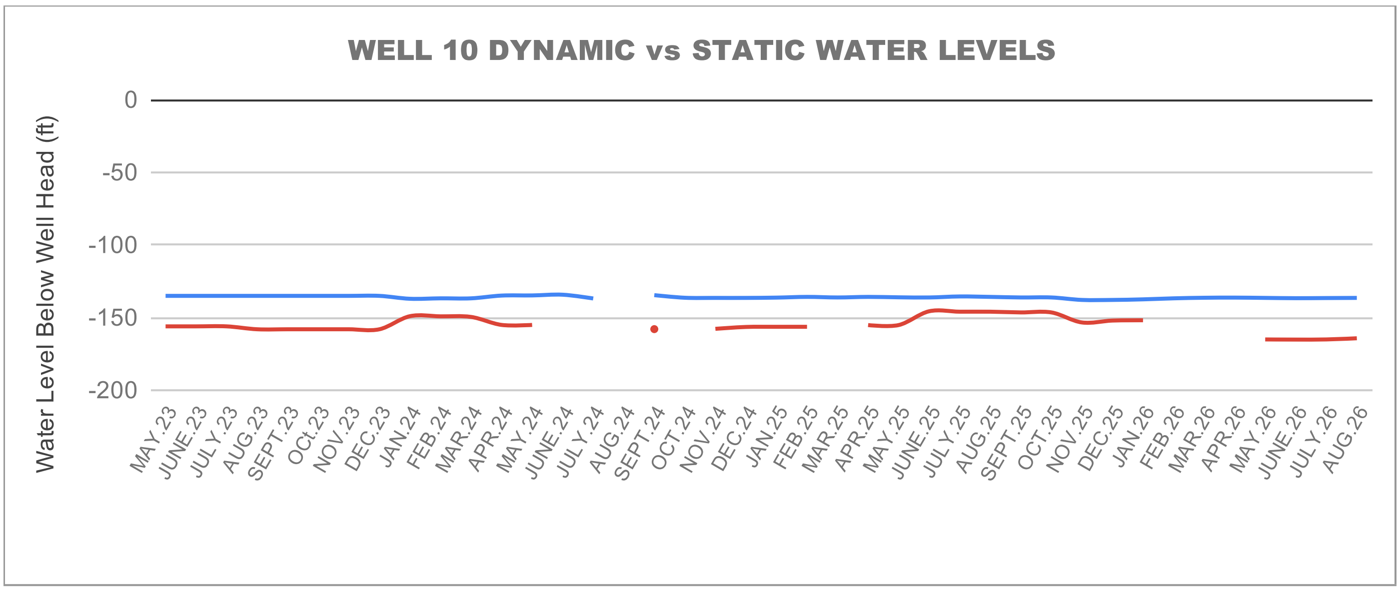


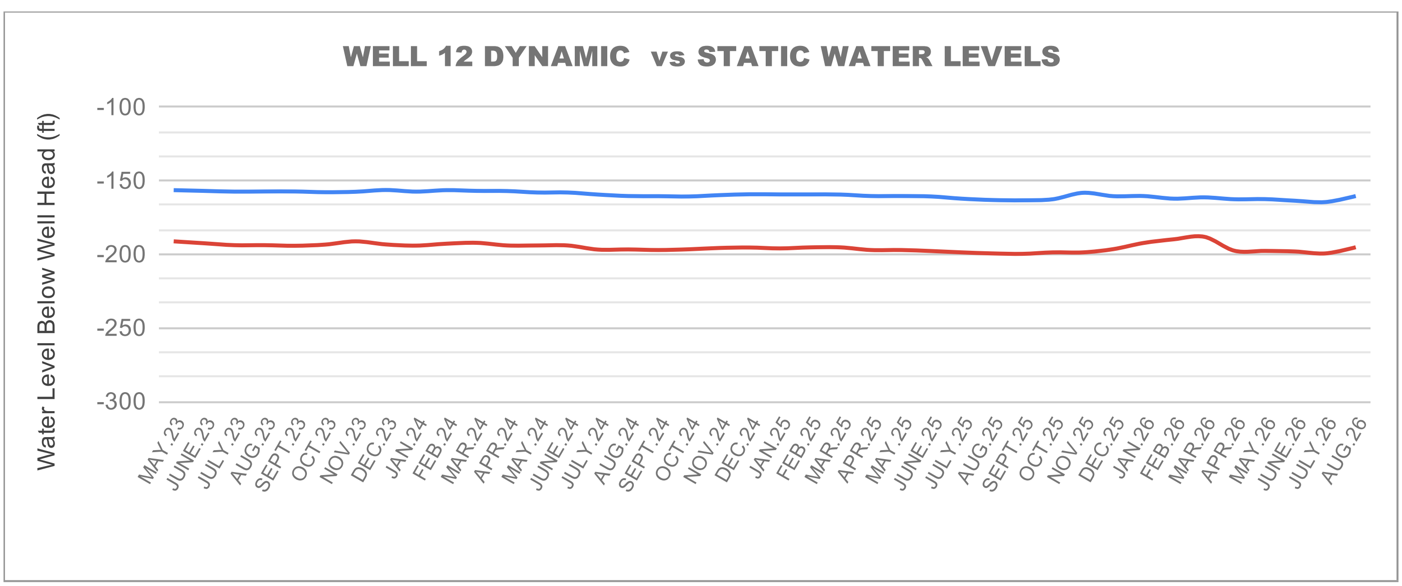




Rob Roy Well Field







CENTRAL WATER DISTRICT
400 Cox Road – Post Office Box 1869
Aptos, California 95001-1869
(831) 688-2767

DATE: August 13, 2026
TO: Board of Directors
FROM: District Manager
SUBJECT: Well 14 Project Updates

Well 14 Progress & Updates

During July and August, progress continued towards the completion of the Well 14 Project.

- Operations staff painted the Well 14 Pump Station building.
- Operations staff stabilized the dirt road leading to the well site, using landscape fabric and rock to protect the integrity of the road.
- Betz Works sealed the New Hope driveway/parking area and repaired a customer's driveway both affected by the Well 14 Project.
- Ardurra (formerly MKN & Associates, Inc.) prepared the Well 14 Permit Amendment documents, including the Drinking Water Source Assessment, for submission to the State Water Resources Control Board.

Next steps include the following:

- Installation and inspection of VFD & electrical panels.
- PG&E electrical meter installation & hookup.
- Tapping of the main line to install necessary access ports.
- Installation of the Chlorinator.
- Sampling/testing for remaining constituents.
- SCADA integration installation & setup.
- Fencing installation.
- State permit amendment approval.

Budget Status

Vendor	Contract Amt.	Paid to Date	Retention Due	Remaining Budget***	Status
J. Johnson & Co. (Water & Electrical Lines)	$276,925	$294,600.97	$0	-$17,675.97	Completed
Maggiora Bros. (Well Drilling)	$448,150	$441,637.19	$23,244.06	-$16,731.25	Near Completion
Maggiora Bros. (Pump Station)	$355,000	$147,250	$7,750	$181,354.66	Current
SyCal (SCADA Integration)**		$14,850.21			Current
Sky Valley Engineering (SCADA Integration)**		$3,795.13			Current
MKN (Project Mgmt.)	$185,800*	$157,848.10		$27,951.90	Current
Betz Works	N/A	$14,080		N/A	Completed
TOTALS		**$1,072,261.60**	**$30,994**	**$176,699.34**	

**Includes original $150,000 contract and added $20,000 for extended services and final as-built CAD work and $15,800 for permit amendment support. **Final cost to be determined. ***After retention is paid out.*

Project Schedule

Slight delays in the construction of the Well 14 Pump Station have pushed the completion of the Well 14 Project out several months, with a plan to have the replacement well fully operational by the end of 2026.

CENTRAL WATER DISTRICT
400 Cox Road – Post Office Box 1869
Aptos, California 95001-1869
(831) 688-2767

DATE:	August 11, 2026
TO:	Board of Directors
FROM:	District Manager
SUBJECT:	C.J. Brown & Company, CPAs REVISED Cost Proposal for Financial Audit Services (Fiscal Years 2027 - 2031)

C. J. Brown & Company, CPAs, formerly Fedak & Brown LLP, has successfully performed the Central Water District's annual financial audits since 2017.

At the July 2026 Board Meeting, an extended five-year Cost Proposal for Financial Audit Services (Fiscal Years 2027 - 2031) was presented to the Board of Directors. The Board ultimately directed District staff to ask C.J. Brown & Company CPAs to consider revising the agreement due to the proposal's approximate 40% cost increase from current FY 26 to FY 31.

After speaking with C.J. Brown & Company CPA's staff made the following changes to the agreement, reducing the FY 26 to FY 31 overall cost increase to approximately 30%.

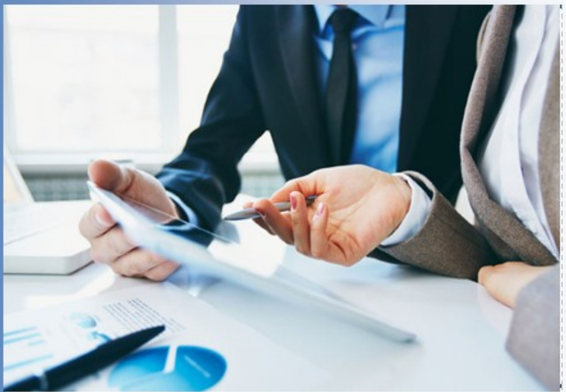
- The number of billable audit hours were reduced from 130 to 120 hours for each audit year.
- The Out of Pocket expenses were reduced from $1,500 to $1,400 for each audit year.
- The "Total All-Inclusive Maximum Price" which includes "Out of Pocket Expenses" as shown in Exhibit II, was reduced an average of $1,430 for each audit year.

The revised proposal is attached for your review, and shows an approximate fee increase of 17% from FY 26 to FY 27 for financial audit services (reduced by 9% from the original proposal), and an approximate 2.7% fee increase for each subsequent audit year. While this is the largest cost increase the District has observed from this vendor, there are service benefits summarized below:

- For the past ten years, cost increases have been kept to a minimum (1- 5% annually).
- Proposed costs ensure discounted rates.

- The Services offered remain all-inclusive, and include audit services, preparation of the District's annual State Controller's Report, and presentation of the final audit report to the Board of Directors, and
- The proposed costs fall within the average cost ($10K - $30K) for a small district's annual financial audit.

Possible Recommended Action(s): That, **BY MOTION**, the Board of Directors of the Central Water District accept the revised "Cost Proposal for Financial Audit Services" for fiscal years ending in June 30, 2027 through 2031, and direct the District Manager to notify C. J. Brown & Company, CPAs staff regarding the proposal's approval.



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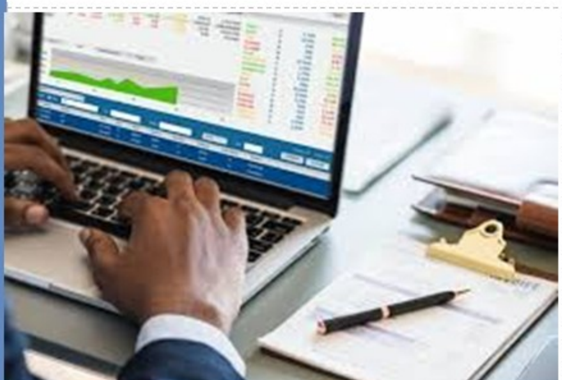
Accountants



Consultants

& Advisors

Central Water District

Cost Proposal to Provide Professional Audit Services

For the Fiscal Years Ended June 30, 2027 through 2031

Christopher J. Brown CPA, CGMA
Jonathan P. Abadesco, CPA

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C.J. Brown & Company, CPAs
An Accountancy Corporation

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July 27, 2026

Mr. Ralph Bracamonte, District Manager
Central Water District
400 Cox Road
Aptos, California 95003

Re: Request for Proposal for Professional Audit Services

Dear Mr. Bracamonte:

Based on our understanding of the Central Water District's (District) requirements, our total all-inclusive fee for services requested at our discounted rates for the fiscal year ending June 30, 2027, will be **$17,600**. This fee is based on our understanding of the District's audit requirements.

Assuming there is no substantial change in the District's activities and operations, our all-inclusive fee for the fiscal years ending June 30, 2028, and 2031, will be **$18,090**, **$18,580, $19,070,** and **$19,560,** respectively.

Our estimate for out-of-pocket expenses may not be utilized in total to the amount estimated. Again, these fees are based on the estimated costs to complete the audit. The components of this audit services fee proposal and out-of-pocket costs for the fiscal years ending June 30, 2027 through 2031, are itemized in the attached Exhibits.

Our fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Additional services not included in this proposal will be based on our discounted billing rates and the level of experience required. We would execute separate contracts for these services if they are requested by the Authority.

I am authorized to make representations for C.J. Brown & Company, CPAs – An Accountancy Corporation and am duly authorized to sign a contract with the Authority.

Christopher J Brown

Christopher J. Brown, CPA CGMA

July 27, 2026
Date

Exhibit I – Proposed Hours

Proposed Hours and Our Fees

We anticipate that, for the fiscal years ending June 30, 2027, through 2031, the financial audit of the District's annual comprehensive financial report will approximately 120 hours by major area, and are summarized as follows:

Break out of Financial Statement Audit Hours

Audit Steps	Partners	Mgr/Sup	Staff	Total
Planning	4	4	8	**16**
Risk Assessment	4	4	4	**12**
Controls Testwork	4	4	18	**26**
Substantive Testwork	4	11	32	**47**
Reporting	9	7	3	**19**
	25	30	65	**120**

As shown above, we expect approximately 46% of engagement hours to come from Partners, Managers, and Supervisors assigned to the engagement in the fiscal years 2027 through 2031, respectively.

Working on the premise that we will be provided with a year-end trial balance, along with an audit package of reconciled balances and supporting schedules of all balance sheet accounts, we expect to perform the audit of the District at fees as stated in the attached Exhibit II - Cost Proposal Schedule By Year on Page 3 for the fiscal years 2027 through 2031, respectively.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as, confirmations, report reproductions, postage, travel, etc.). We will obtain the assistance of the District's personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due upon submission. Based upon the present size and scope of the activities of the District, we expect to perform the services enumerated above at our fixed fee. Our rates vary according to the degree of responsibility involved and the level of experience of the personnel assigned to the audits. We have provided a breakdown of our fees, which would apply to this engagement on the attached Exhibit III - Schedule of Professional Fees on Pages 4 through 6 of this cost proposal.

In accordance with California Code of Regulations, Title 16, Section 68.3, under the authority of the California Board of Accountancy, and Firm Policies, we will maintain our work papers for at least seven years from the date of issuance of the report (report release date) and make them available to the District, state agencies, the General Accounting Office, and other parties upon the direction of the District.

We want the Board to understand that we will provide **any** assistance and answer **any** questions that the Authority's staff or members of the Board may have when they arise for the entire duration of our contract. We find it important to stay abreast of the Authority's activities and accounting issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the auditing services of the District. Because of our experience in special districts and our interest in the Authority, we will provide you with assistance in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

Exhibit II – Cost Proposal Schedule by Year

Central Water District

Fees By Fiscal Year		Audit Service Fees*	Out of Pocket Expenses**	State Controller's Report***	Total All-Inclusive Maximum Price
Fiscal Year 2027	$	15,500	1,400	700	**17,600**
Fiscal Year 2028		15,970	1,400	720	**18,090**
Fiscal Year 2029		16,440	1,400	740	**18,580**
Fiscal Year 2030		16,910	1,400	760	**19,070**
Fiscal Year 2031		17,380	1,400	780	**19,560**
Total Fees by Fiscal Year	$	82,200	7,000	3,700	**92,900**

* Professional audit services fees - labor only (including the preparation of the Annual Basic Financial Statements).

** Estimate of out-of-pocket costs consist of: travel, confirmation, postage and printing costs.

*** Preparation of the Financial Transactions Report due to the State Controller's Office by January 31st each year.

Please note that any additional services requested by the District during the audit period shall be negotiated at the stated hourly rates per year as noted in the following schedules.

Exhibit III – Schedule of Professional Fees

Central Water District
Fiscal Year 2027
Breakdown of Fees by Hours

Fiscal Year 2027 Audit of District's Annual Financial Report	Hours	Hourly Rates	Total
Engagement Partner	20	$ 180	$ 3,600
Technical Review Partner	5	180	900
Manager/Supervisor	30	150	4,500
Staff	65	100	6,500
Subtotal	120		15,500
Out-of-Pocket Expenses			1,400
Financial Statement Audit for 2027	120		16,900
Annual Financial Transactions Report (State Controller's Report)	5	140	700
Total All-Inclusive Maximum fee for 2027	125		$ 17,600

Central Water District
Fiscal Year 2028
Breakdown of Fees by Hours

Fiscal Year 2028 Audit of District's Annual Financial Report	Hours	Hourly Rates	Total
Engagement Partner	20	$ 185	$ 3,700
Technical Review Partner	5	185	925
Manager/Supervisor	30	155	4,650
Staff	65	103	6,695
Subtotal	120		15,970
Out-of-Pocket Expenses			1,400
Financial Statement Audit for 2028	120		17,370
Annual Financial Transactions Report (State Controller's Report)	5	144	720
Total All-Inclusive Maximum fee for 2028	125		$ 18,090

Exhibit III – Schedule of Professional Fees, continued

Central Water District
Fiscal Year 2029
Breakdown of Fees by Hours

Fiscal Year 2029 Audit of	Hours	Hourly Rates	Total
District's Annual Financial Report			
Engagement Partner	20	$ 190	$ 3,800
Technical Review Partner	5	190	950
Manager/Supervisor	30	160	4,800
Staff	65	106	6,890
Subtotal	120		16,440
Out-of-Pocket Expenses			1,400
Financial Statement Audit for 2029	120		17,840
Annual Financial Transactions Report (State Controller's Report)	5	148	740
Total All-Inclusive Maximum fee for 2029	125		$ 18,580

Central Water District
Fiscal Year 2030
Breakdown of Fees by Hours

Fiscal Year 2030 Audit of	Hours	Hourly Rates	Total
District's Annual Financial Report			
Engagement Partner	20	$ 195	$ 3,900
Technical Review Partner	5	195	975
Manager/Supervisor	30	165	4,950
Staff	65	109	7,085
Subtotal	120		16,910
Out-of-Pocket Expenses			1,400
Financial Statement Audit for 2030	120		18,310
Annual Financial Transactions Report (State Controller's Report)	5	152	760
Total All-Inclusive Maximum fee for 2030	125		$ 19,070

Central Water District
Fiscal Year 2031
Breakdown of Fees by Hours

Fiscal Year 2031 Audit of	Hours		Hourly Rates		Total
District's Annual Financial Report					
Engagement Partner	20	$	200	$	4,000
Technical Review Partner	5		200		1,000
Manager/Supervisor	30		170		5,100
Staff	65		112		7,280
Subtotal	120				17,380
Out-of-Pocket Expenses					1,400
Financial Statement Audit for 2031	120				18,780
Annual Financial Transactions Report (State Controller's Report)	5		156		780
Total All-Inclusive Maximum fee for 2031	125			$	19,560

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CENTRAL SANTA CRUZ COUNTY WATER DISTRICT

400 COX ROAD
APTOS, CALIFORNIA 95003

MINUTES

August 11, 1976

The regular meeting of the Board of Directors of the Central Santa Cruz Water District was called to order at 7:35 p.m.

Roll Call: Directors present: Ray AmRhein, Jim Patterson, John Randolph
Tom Kelley
Directors Absent: Carol Trengove

Minutes of July 14, 21, and 23, 1976: On paragraph five of page one of July 14th minutes drop the "s" on "Claims" and also drop the word "Forms". Minutes of July 21 second paragraph from the bottom on page #2 the resolution should read "Employees will be given a written evulation, by the manager, in six months.

Motion by Ray AmRhein that the minutes of July 14, 21, and 23, 1976 be approved as amended. Seconded by John Randolph. Ayes: Unanimous; Absent: Carol Trengove.

Correspondence: Two letters from LAFCO. The first was on the subject of the Pleasant Valley Annexation #453 and Arabian #444. The second letter was on the subject of the Eggleston Annexation #468. Both letters were requests from LAFCO to complete the annexations.

Motion by Ray AmRhein to adopt Resolution #6, 76-77 Series that as soon as Mrs. Dortha Hamilton deposits $75 with the Water District that the Manager will order from Ivan Parker a description and a map in proper form for use in the annexation proceedings. This with reference to the Hamilton Annexation #453. Seconded by Jim Patterson. Ayes: Unanimous; Absent: Carol Trengove.

Motion by Ray AmRhein to adopt Resolution #7, 76-77 Series that being a resolution ordering the annexation of Territory to the Central Santa Cruz County Water District. (The form of the Resolution be the form that LAFCO has provided.) Seconded by Jim Patterson. Ayes: Unanimous; Absent: Trengove.

Motion by Ray AmRhein that a letter be sent to LAFCO asking them to establish the old proceedings for annexation. Seconded by John Randolph. Ayes: Unanimous; Absent: Carol Trengove.

Motion by Ray AmRhein to adopt Resolution #8, 76-77 Series that as soon as Mr. Eggleston deposits $75 with the Water District that the Manager order from Ivan Parker a description and a map in proper form for use in the annexation proceedings. This is with reference to the Eggleston Annexation #468. Seconded by John Randolph. Ayes: Unanimous; Absent: Trengove.

Motion by Ray AmRhein to adopt Resolution #9 76-77 Series that being a Resolution

CENTRAL SANTA CRUZ COUNTY WATER DISTRICT
400 COX ROAD
APTOS, CALIFORNIA 95003

ordering the annexation of the territory known as Eggleston #468 to the Central Santa Cruz County Water District. Seconded by Jim Patterson. Ayes: Unanimous; Absent: Trengove.

Motion by Ray AmRhein to adopt Resolution #10 76-77 Series that if Soquel Creek County Water District doesn't arrange for the surveying and preparing of a map for the detachment of Carroll Way re-organization #469 that this District will arrange for the surveying and preparing of the map. The work is not to be ordered done until the District has the amount of $35 per parcel on deposit. Seocnded by Jim Patterson. Ayes: Unanimous. Absent: Trengove.

Accounts Payable: After discussion: Motion by Ray AmRhein to pay Accounts Payable in the amount of $4,477.97 and salaries of $1,651.12 totaling $6,129.09. Seconded by John Randolph. Ayes: Unanimous; Absent: Trengove.

Oral Communications: Tommy AmRhein brought to the attention of the Board that he found Ted Schultz digging around the bottom of the Pleasant Valley Booster Pump, near the foundation.

Briggs Easement: The Manager explained that the property in question is behind Ramada Lane. Mr. Briggs would like to extend the water main 190 feet, to run in front of one lot.

Motion by Ray AmRhein to adopt Resolution #11 76-77 Series that upon the recommendation of the Manager the Board approves the plans of Mr. Briggs easement subject to the approval of the District Engineer, Mark Thomas & Co., Inc. Seconded by John Randolph. Ayes: Unanimous; Absent: Trengove.

Director Kelley asked that the Manager make sure all the pumps are in good working order so in case of a fire the District would have no trouble making water available.

Manager's Report: Motion by Ray AmRhein to file the Manager's Report. Seconded by Jim Patterson. Ayes: Unanimous; Absent: Trengove.

Old Business: Manager asked that the Board reconsider letting Mr. Lewis have a meter - an out of district meter. He said that LAFCO has assured him that the Arabian #444 would not be denied.

Motion by John Randolph to grant Mr. Lewis an out-of-district meter on the conditions of: (1) that he agrees to meet all of the annexations requests of Arabian #444. Seconded by Jim Patterson. Ayes: Unanimous; Absent: Trengove.

Carl Miller: The manager said he submitted Carl Miller's easements to Mark Thomas & Co., Inc. and that they had a few changes. So far the easements haven't been corrected.

Tax Rate: Ray AmRhein's opinion is that the taxes be reduced and eventually elimated.

Motion by Jim Patterson to adopt Resolution #12 76-77 Series setting the tax 20¢ per $100 assessed valuation. (Using that tax rate form from last year.) Seconded by John Randolph. Ayes: John Randolph, Jim Patterson, Tom Kelley; Noes: Ray AmRhein; Absent: Carol Trengove.

Motion by John Randolph adopt Resolution #13 establishing the tax rate for Soquel Augmentation Rancho Maintenance District No. 1 at 70¢ per $100 assessed valuation. Seconded by Jim Patterson. Ayes: Unanimous; Absent: Trengove.

Bonds: Motion by John Randolph to authorize payment of bonds #2, 3, 4, 5, and 6. Seconded by Jim Patterson. Ayes: Unanimous; Absent: Trengove.

Motion by John Randolph to adopt Resolution #14 76-77 Series to transfer sufficient money from Account #25112 to Bond Account at Wells Fargo Bank. Sufficient money to cover all bond payments and penalty payments. Seconded by Ray AmRhein. Ayes: Unanimous. Absent: Trengove.

Henceforth a budget discussion.

Motion by John Randolph to adjourn the meeting to Monday August 16, 1976 at 7:30 p.m. Seconded by Ray AmRhein. Ayes: Unanimous; Absent: Trengove.

Meeting adjourned at 10:30 p.m.

Vicki Jo Silva