



WATER DEPARTMENT

The mission of the Water Department is to ensure public health and safety by providing a clean, safe, and reliable supply of water. We strive to serve the community in a courteous, efficient, cost-effective, and environmentally sustainable manner.

We monitor water quality and have had zero violations of drinking water standards. We protect the local watersheds our drinking water comes from and the operation of the Loch Lomond Recreation Area. In addition to meeting the daily needs of our customers, the department is developing long-term solutions and collaborative partnerships with neighboring water agencies.



Our Responsibilities Include:

- ✓ Collection of Water
- ✓ Water Treatment
- ✓ Water Storage
- ✓ Production of Drinking Water
- ✓ Water Distribution
- ✓ Monitoring of Drinking Water

Contact Us:

- ☎ 831-420-5200
- 🌐 www.cityofsantacruz.com/government/city-departments/water
- 📍 212 Locust St., Santa Cruz

💧 *Loch Lomond Recreation Area*
100 Loch Lomond Way, Felton

💧 *Water Administration, Water Engineering, and
Santa Cruz Municipal Utilities (SCMU)*
212 Locust St., Santa Cruz

Core Services

Every day, department staff work hard to produce and deliver millions of gallons of water to nearly 100,000 customers in Santa Cruz and several other parts of the county. Staff perform daily utility, land, and natural resource management activities needed to provide reliable, high quality water service to our community. In addition to these daily duties, the department is undergoing a major reinvestment in water infrastructure and water supply augmentation initiatives to adapt to climate change and ensure the community continues to receive clean, safe, and reliable drinking water. This includes upgrades to the water treatment plant, improvements to the Loch Lomond dam, the replacement of all system meters, and projects to augment our local water supply. To perform this work, the Water Department is organized into four areas: Operations; Engineering; Customer Service; and Administration.

Operations - The Operations group is responsible for managing the watersheds; collecting, treating, and testing untreated and treated water; and storing and distributing treated water to our customers. The group includes the following sections: Water Resources; Water Production; Water Quality Control (laboratory); Distribution; and the Water Recreation Facility (Loch Lomond Reservoir).

- The Water Resources Management section is responsible for drinking water source protection, environmental regulatory compliance, and general natural resource management. The section coordinates environmental projects related to water rights, water supply, habitat conservation, and environmental resource protection.
- The Water Production section is responsible for production, operation, and maintenance of water storage, diversion, collection, pumping, and treatment facilities from all sources throughout the system. This 24/7 work is made more challenging with the Concrete Tank Replacement project underway and planned upgrades to the Graham Hill Water Treatment Plant soon. Despite the challenges presented, staff continue to produce millions of gallons of water for customers daily.
- The Water Quality Control (laboratory) section performs all water quality testing and oversees matters pertaining to water quality control to maintain compliance with State and Federal standards and for planning for future treatment needs.

- The Water Distribution section is responsible for the maintenance and operation of all transmission mains, distribution mains, service lines, and hydrants in the service area. Distribution staff also replace significant segments of distribution mains as part of the Capital Investment Program (CIP).
- The Water Recreation Facility section operates and maintains Loch Lomond Recreation Area. This section is also responsible for patrolling watershed property and protecting source water quality. Watershed Rangers also provide in-person watershed education programs for local elementary school children at Loch Lomond.

Engineering - The Water Engineering section is composed of two main functions: Engineering and Utility and Environmental Planning.

- The Water Engineering section provides engineering, planning, project design, and construction management necessary for water facilities, as well as evaluation and installation of water-saving technologies. The section keeps current with new technologies and water quality issues, remaining sensitive to mitigation of environmental impacts; reviews all requests for water services; maintains

record of facilities, installations, and maps; and oversees the Backflow Prevention Program. In 2017, the department embarked on an ambitious system-wide reinvestment with the Engineering section at the helm. This program includes the replacement of large storage tanks, pipelines, and the exploration of increasing storage in underground aquifers in partnership with neighboring agencies.

- The Utility and Environmental Planning group helps the department adequately plan for the impacts of climate change and building a resilient water system. Foundational documents such as the Urban Water Management Plan guide future projects by ensuring there are adequate water supplies. In addition, there are numerous Federal, State, and local environmental laws the department must comply with to complete the planned infrastructure investments in the water system.

Customer Service - The Customer Service group consists of three sections: Customer Service; the Meter Shop; and Customer Assistance. These three sections interface with the public frequently and strive to provide excellent customer service.

- The Customer Service section (Santa Cruz Municipal Utilities –

SCMU) provides customer service for water, sewer, refuse, and recycling services to the residents and businesses of the City of Santa Cruz, plus water services to other parts of the county. This section manages utility accounts and billing, processes opening and closing of accounts, and provides service in response to customer requests.

- The Meter Shop section is responsible for reading, inspecting, installing, maintaining, and replacing water meters in the service area. As part of a large capital project, all water meters in the service area are being replaced. The new meters will give water customers more timely and accurate usage information as well as improve the billing process.
- The Customer Assistance section helps customers resolve leaks and implements a water affordability program for low-income households.
- Administration - The Water Administration section coordinates and manages department business by focusing on the following operational areas: human resources, finances, community relations, safety, and regulatory compliance. Administration is responsible for maintaining a rate structure that reflects cost-of-service, solicits Federal, State, and other funds to finance the department's CIP, and ensures adequate financial reserves. This section also facilitates communication and interaction with the Water Commission, City Council, City Manager's Office, and regulatory agencies.



FY 2025 Accomplishments

FY 2025 Accomplishments	<i>Fiscal Sustainability & Transparency</i>	<i>Strong Businesses & Vibrant Downtown</i>	<i>Housing</i>	<i>Homelessness Response</i>	<i>Public Safety & Community Well-Being</i>	<i>Natural & Built Infrastructure</i>	<i>Thriving Organization</i>
Finalized low-interest State Revolving Fund financing and secured a Congressional grant for the Newell Creek Pipeline Replacement Project 🌲 ⚖️ ❤️	X					X	X
Contributed to restoration efforts in the Mid-County and Santa Margarita groundwater basins 🌲 ⚖️ ❤️						X	X
Completed pilot testing at Beltz 9 and advanced multiple aquifer storage and recovery projects in coordination with regional partners to bolster drought resilience 🌲 ⚖️ ❤️						X	
Introduced the City's first Utility Customer Assistance Program, offering monthly bill credits to qualifying low-income households 🌲 ⚖️ ❤️	X				X		X
Commenced construction activities on critical infrastructure projects to meet sustainability goals, including: University Tank 4 Replacement Project, Newell Creek Pipeline Replacement Project – Felton/Graham Hill, Regional Drought Resiliency Project – Santa Cruz-Scotts Valley Intertie 1, Beltz 12 Ammonia Removal Improvements, Beltz 12 Upgrades for Aquifer Storage and Recovery Project, and Union Locust Emergency Generator Project 🌲 ⚖️ ❤️	X					X	
Maintained 100% compliance with state and federal drinking water standards, earning laboratory certification and national recognition 🌲 ⚖️ ❤️					X	X	

FY 2025 Accomplishments	<i>Fiscal Sustainability & Transparency</i>	<i>Strong Businesses & Vibrant Downtown</i>	<i>Housing</i>	<i>Homelessness Response</i>	<i>Public Safety & Community Well-Being</i>	<i>Natural & Built Infrastructure</i>	<i>Thriving Organization</i>
Supported two workforce development initiatives including hosting the third annual high school "Trades Day," drawing ~600 students, and the second annual Skilled Trades Job Fair for people who are 18 years or older, which had about 350 attendees, to promote training and career opportunities in the skilled trades 🌲 ⚖️ ❤️					X		X
Completed Meter Replacement Project by replacing remaining large meters using in-house staff, and leveraged the new meter capabilities to decrease in-field work orders by nearly one-third, improving operational efficiency and responsiveness 🌲 ⚖️ ❤️	X					X	X
Received a NOAA Fisheries award for outstanding partnership in anadromous salmonid conservation efforts 🌲 ⚖️ ❤️						X	X



FY 2026 Goals

FY 2026 Goals	<i>Fiscal Sustainability & Transparency</i>	<i>Strong Businesses & Vibrant Downtown</i>	<i>Housing</i>	<i>Homelessness Response</i>	<i>Public Safety & Community Well-Being</i>	<i>Natural & Built Infrastructure</i>	<i>Thriving Organization</i>
Initiate a comprehensive cost-of-service study and rate-setting process for 2027–2031, aligning with the Department’s long-term financial planning 🌲 ⚖️ 💖	X						X
Reach substantial completion on key infrastructure projects, including the Santa Cruz–Scotts Valley Intertie, Concrete Tanks replacement project, Beltz 12 ASR, and University 4 tank to improve system reliability and enhance drought resiliency 🌲 ⚖️ 💖	X					X	
Broaden leak notification and financial assistance to multi-family and commercial customers and analyze leak patterns to optimize outreach effectiveness 🌲 ⚖️ 💖	X					X	X
Finalize amended water rights, secure Section 10 permit for the Anadromous Salmonid Habitat Conservation Plan, launch expanded juvenile salmonid population monitoring in the San Lorenzo River and implement the first year of the Non-Flow Conservation Fund project 🌲 ⚖️ 💖	X					X	
Contribute to the citywide utility billing system replacement project (NATE) to improve transparency, convenience, and customer service 🌲 ⚖️ 💖	X					X	X
Seek state or federal funding for rehabilitation of the Tait Diversion facility, incorporating fish passage and habitat	X					X	X

FY 2026 Goals	<i>Fiscal Sustainability & Transparency</i>	<i>Strong Businesses & Vibrant Downtown</i>	<i>Housing</i>	<i>Homelessness Response</i>	<i>Public Safety & Community Well-Being</i>	<i>Natural & Built Infrastructure</i>	<i>Thriving Organization</i>
improvements, and groundwater storage projects to support supply reliability goals 🌲 ⚖️ ❤️							
Establish a new valve maintenance and replacement program to improve system reliability and emergency response 🌲 ⚖️ ❤️	X					X	X



Workload Indicators

Workload Indicators	Strategic Plan Focus Area	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Goal
Drinking water consumed (billions of gallons)	Public Safety and Community Well-Being	2.22	2.24	2.33	2.29	2.47
# of phone calls, emails, and lobby visits handled by Santa Cruz Municipal Utilities' Customer Service Unit 🏛️ 🌲 ❤️	Thriving Organization	49,664	57,141	55,099	50,000	50,000
Amount of dollars of new construction investments (in millions) 🏛️ 🌲 ❤️	Natural and Built Infrastructure	\$52.7	\$49.0	\$45.3	\$44.2	\$48.8
Acres of watershed lands protected 🌲	Natural and Built Infrastructure	22,873	22,873	22,873	22,873	22,873
Value of water system infrastructure maintained to ensure the safe delivery of drinking water 🌲	Natural and Built Infrastructure	\$1B	\$1B	\$1B	\$1B	\$1B



Performance Measures

Performance Measures	Strategic Plan Focus Area	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Goal
Compliance with drinking water standards ⚖️ 🌲 ❤️	Public Safety and Community Well Being	100%	100%	100%	100%	100%
# of workers comp claims requiring employee absence greater than 30 days	Thriving Organization; Public Safety and Community Well Being	0	1	0	0	0
Maintain excellent bond ratings to ensure favorable borrowing rates thereby reducing cost to customers ⚖️ 🌲 ❤️	Fiscal Sustainability and Transparency; Thriving Organization	AA-/A-	AA-/A-	AA-/A-	AA-/A-	AA-/A-
% of customer bills paid within 60 days	Fiscal Sustainability and Transparency	97%	94%	97%	99%	97%



Staffing

Positions	FY 2023 Amended*	FY 2024 Amended*	FY 2025 Amended*	FY 2026 Adopted	FY 2026 Change
Administrative Assistant I/II	2.00	2.00	2.00	2.00	-
Administrative Assistant III	2.00	2.00	2.00	2.00	-
Administrative Assistant III- Limited Term	-	-	1.00	1.00	-
Assistant Engineer I/II	4.00	4.00	5.00	5.00	-
Associate Planner I/II	3.00	4.00	4.00	4.00	-
Associate Professional Engineer	4.75	4.75	4.75	4.75	-
Chief Ranger	1.00	1.00	1.00	1.00	-
Community Relations Specialist**	1.00	-	-	-	-
Customer Service Manager	1.00	1.00	1.00	1.00	-
Data Analyst	-	-	1.00	1.00	-
Deputy Water Director/Engineering Mgr	1.00	1.00	1.00	1.00	-
Deputy Water Director/Operations Mgr	1.00	1.00	1.00	1.00	-
Director of Water Department	1.00	1.00	1.00	1.00	-
Engineering Associate	1.00	1.00	1.00	2.00	1.00
Engineering Technician	3.00	3.00	3.00	3.00	-
Environmental Microbiologist I/II/III	2.00	2.00	2.00	2.00	-
Environmental Programs Analyst I/II	1.00	3.00	1.00	-	(1.00)
GIS Analyst	-	-	-	1.00	1.00
Laboratory Technician	2.00	2.00	2.00	2.00	-
Management Analyst	3.00	3.00	3.00	3.00	-
Principal Management Analyst	2.00	2.00	2.00	2.00	-
Principal Planner	1.00	1.00	1.00	1.00	-
Program Analyst	-	-	2.00	2.00	-
Ranger I/II	3.00	3.00	3.00	3.00	-
Ranger Assistant	3.50	3.50	3.50	3.50	-
Senior Electrician	1.00	1.00	1.00	1.00	-
Senior Professional Engineer	1.00	2.00	2.00	2.00	-
Senior Ranger	2.00	2.00	2.00	2.00	-
Senior Water Distribution Operator	6.00	6.00	6.00	6.00	-
Superintendent of Water Treatment & Production	1.00	1.00	1.00	1.00	-
Superintendent of Water Distribution	1.00	1.00	1.00	1.00	-
Utility Account Specialist	4.00	4.00	4.00	4.00	-

Positions	FY 2023 Amended*	FY 2024 Amended*	FY 2025 Amended*	FY 2026 Adopted	FY 2026 Change
Utility Maintenance Technician	4.00	4.00	4.00	4.00	-
Utility Service Field Technician I/II	2.00	2.00	2.00	2.00	-
Utility Service Representative I/II	6.00	6.00	6.00	6.00	-
Utility Service Representative I/II- Limited Term	-	-	2.00	2.00	-
Utility Supervisor	1.00	1.00	1.00	1.00	-
Water Chief Financial Officer/Assistant Finance Director	1.00	1.00	1.00	1.00	-
Water Conservation Representative	2.00	-	-	-	-
Water Distribution Crew Leader III/IV	6.00	6.00	6.00	6.00	-
Water Distribution Operator II/ III	9.00	9.00	9.00	9.00	-
Water Distribution Sup V Chief Distribution Operator	1.00	1.00	1.00	1.00	-
Water Facilities Electrical/Instr Tech II/III	1.00	1.00	2.00	2.00	-
Water Facilities Field Supervisor	2.00	2.00	2.00	1.00	(1.00)
Water Facilities Mechanical Tech II/III	2.00	2.00	2.00	2.00	-
Water Facilities Mechanical Supervisor	1.00	1.00	1.00	1.00	-
Water Meter Specialist I/II	3.00	3.00	3.00	3.00	-
Water Meter Specialist Lead	-	1.00	1.00	1.00	-
Water Meter Supervisor	1.00	1.00	1.00	1.00	-
Water Meter Technician	1.00	1.00	1.00	-	(1.00)
Water Quality Chemist I/II/III	2.00	2.00	2.00	2.00	-
Water Quality Manager	1.00	1.00	1.00	1.00	-
Water Resources Analyst	3.00	3.00	3.00	3.00	-
Water Resources Supervisor	1.00	1.00	1.00	1.00	-
Water SCADA Analyst	1.00	1.00	1.00	1.00	-
Water Treatment Operator II/III/IV	8.00	8.00	8.00	8.00	-
Water Treatment OIT II/III/IV	1.00	1.00	1.00	1.00	-
Water Treatment Sup IV/V-Chief Plant Operator	1.00	1.00	1.00	1.00	-
Watershed Compliance Manager	1.00	1.00	1.00	1.00	-
Total	121.25	123.25	129.25	128.25	(1.00)

* "Amended" refers to the FTE count as of the adopted budget of the indicated fiscal year, plus any adjustments authorized by City Council within the course of the year

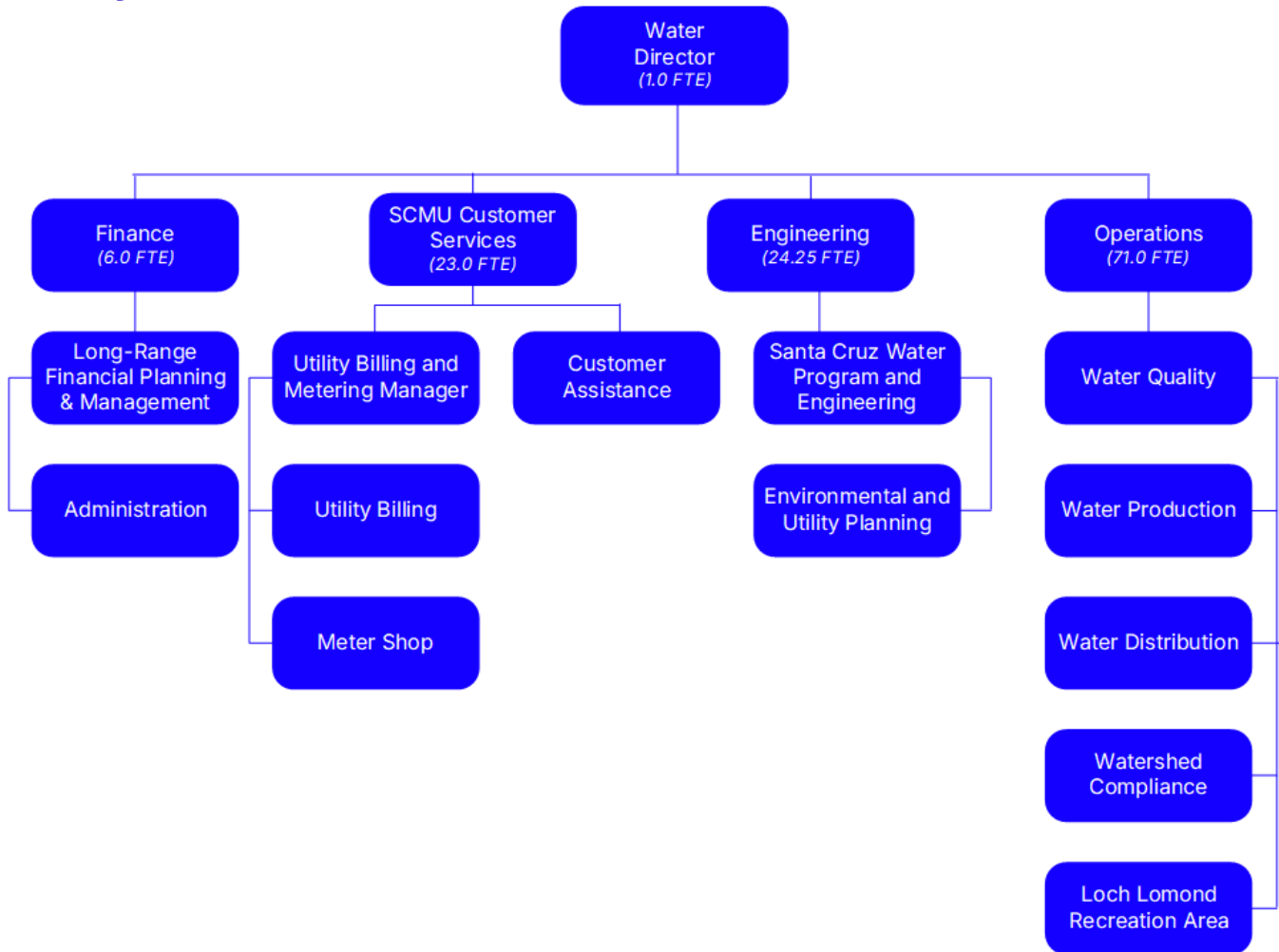
** 1.00 FTE Community Relations Specialist began reporting to City Manager's Office in FY 2024

Budget Summary - Water

		Fiscal Year 2025				Fiscal Year
		Fiscal Year 2024	Adopted	Amended	Year-End	2026
		Actuals*	Budget*	Budget*	Estimate*	Adopted*
EXPENDITURES BY CHARACTER:						
Personnel Services		16,305,462	18,972,431	21,063,081	17,380,876	20,429,758
Services, Supplies, and Other Charges		15,721,859	19,967,519	20,432,621	17,387,982	21,425,138
Capital Outlay		263,344	536,400	729,033	424,663	1,485,371
Debt Service		5,742,420	7,271,880	7,286,880	6,680,616	12,340,263
Total Expenditures		38,033,086	46,748,230	49,511,615	41,874,137	55,680,530
EXPENDITURES BY ACTIVITY:						
Water Administration	7101	7,241,379	8,639,904	8,643,415	7,981,257	9,661,246
Water Engineering	7102	2,545,240	3,928,960	4,474,967	3,210,958	4,722,995
Water Customer Services	7103	2,653,453	2,985,332	3,319,906	2,609,791	3,417,890
Water Customer Assistance	7104	599,848	1,026,585	873,194	589,303	551,937
Water Resources	7105	1,924,837	2,745,161	2,863,427	1,386,583	2,779,639
Water Production	7106	7,399,589	8,934,367	9,631,497	8,750,997	9,649,855
Water Quality	7107	1,979,439	2,497,213	2,767,211	2,443,422	2,612,942
Water Distribution	7108	5,022,430	5,428,785	6,115,314	5,057,498	6,609,297
Water Recreation	7109	1,503,766	1,531,262	1,564,536	1,475,626	1,599,524
Water Operations	7110	524,579	663,795	778,923	680,617	598,315
Water Meter Shop	7113	941,106	1,349,986	1,462,344	1,217,471	1,311,627
Water Debt Service	7140	5,697,420	7,016,880	7,016,880	6,470,616	12,165,263
Subtotal Other Funds		38,033,086	46,748,230	49,511,615	41,874,137	55,680,530
Total Expenditures		38,033,086	46,748,230	49,511,615	41,874,137	55,680,530
RESOURCES BY FUND:						
Technology Surcharge	295	1,768	-	3,429	5,000	5,200
Water	711	46,386,570	55,043,799	55,051,932	55,329,030	59,040,557
Water Rate	713	2,967,479	3,301,080	3,301,080	3,056,490	3,301,080
Stabilization Fund						
Water System	715	687,129	420,000	420,000	1,205,130	1,240,000
Development Fees Fund						
Total Resources		50,042,945	58,764,879	58,776,441	59,595,650	63,586,837
NET GENERAL FUND COST:		12,009,859	12,016,649	9,264,827	17,721,513	7,906,307
TOTAL AUTHORIZED PERSONNEL:		FY 2024 123.25			FY 2025 129.25	FY 2026 128.25

*Sums may have discrepancies due to rounding

Organization Chart



* The above chart shows permanent employees only; 3.0 FTE for the Administrative Assistant III and Utility Service Representative I/II limited-term positions are not included in the FTE count