



County of Santa Cruz



HEALTH SERVICES AGENCY
Environmental Health Division
701 Ocean St. Room 312, Santa Cruz, CA 95060
(831) 454-2022 TDD/ TTY: Call 711
EnvironmentalHealth@santacruzcountyca.gov
www.scceh.org

AGENDA

SANTA CRUZ COUNTY WATER ADVISORY COMMISSION AND SMALL WATER SYSTEMS FORUM JOINT MEETING Wednesday April 1, 2026, 4pm

This meeting will be held in hybrid format. Commissioners are expected to attend in person.

In-Person: **Solarium Conference Room, 1060 Emeline Avenue.** Members of the public can join in person at either location but are encouraged to join virtually using the link below due to limited space.

PLEASE NOTE: The meeting room is on the second floor, above the Water Quality Lab entrance. The door must remain locked after 5pm, but staff will be able to provide access to all attendees as they arrive.

Remote via Teams: [Join Meeting Here](#)

Meeting ID: 229 328 266 270 46 Passcode: XX3K3ZP7

Dial in by phone +1 831-454-2222 Phone conference ID: 858 522 417#

A. OPENING

1. Call to Order
2. Roll Call
3. Elections of Officers as outlined in Santa Cruz County Code 2.38.120:

(1) Commission officers shall be elected during the commission's first meeting after the commission is established at which a majority of the members are present. Annually, thereafter, commission officers shall be elected during the first meeting in April, or if the commission does not meet in April, at the next subsequent meeting. Commission officers may serve for up to two consecutive years and shall be eligible to serve again after a one- year "sit-out" period.

B. PUBLIC COMMUNICATIONS

Opportunity for the public to comment on items under the purview of the Water Advisory Commission but not on today's agenda.

C. CONSENT AGENDA

Items on the consent agenda are considered to be routine in nature and will be acted

upon in one motion. Specific items may be removed by members of the advisory body or public for separate consideration and discussion. Routine items that will be found on the consent agenda are meeting minutes, drought response updates, and Groundwater Sustainability Agency updates.

1. Approval of Meeting Minutes for February 4, 2026
2. Update from Groundwater Sustainability Agencies
3. Drought Response Updates

D. COMMISSIONERS' REPORTS

Opportunity for Commissioners to provide brief updates

E. STAFF REPORTS AND ANNOUNCEMENTS

Opportunity for staff to provide brief updates

F. COMMISSION UNFINISHED BUSINESS and UPDATES

1. Water Advisory Commission Workplan

The WAC will review the 2026–2027 Work Plan developed by the appointed subcommittee, and take action to approve it.

Attachments: 2026–2027 Work Plan Redline and Final

G. SMALL WATER SYSTEMS FORUM

1. Small Water Systems Forum Support for Compliance

County staff will provide a presentation about managing emerging contaminants:

1. PFAS
2. Hexavalent Chromium
3. Point of Use Treatment Systems

Attachments: POU Treatment System Guidance Document

2. Feedback Regarding the Continuation of the Local Primacy Agency

County staff will be presenting an update on the status of the Local Primacy Agency and seeking feedback from the water system community.

Attachments: Staff Report

3. Release of the Small Water System Consolidation Guidebook

County staff have completed the Strategies for Small Water System Resilience Guidebook, funded by a grant from the Department of Water Resources and including feedback provided by the Commission.

Attachments: Final Guidebook

H. CORRESPONDENCE

None

I. BOARD OF SUPERVISORS ACTION ON ITEMS AFFECTING WATER:

J. ITEMS OF INTEREST

- 1) [Is Santa Cruz Tap Water Safe? Chromium-6 Explained](#)
- 2) [Santa Cruz County free well water testing expands detected chemicals](#)

K. AGENDA ITEMS FOR FUTURE MEETINGS

LAMP Updates

New Environmental Health Software (HS Gov Tech)

Evaluation of the LPA

Presentation by Sarah Perez on water supply

Updates on Rountree PFAS

GSA annual reports – we put updates on the consent agenda but we could have an update from the agencies on the highlights of the reports.

RCD presentation on recharge, maybe include LID requirements.

L. ADJOURNMENT



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Minutes

SANTA CRUZ COUNTY WATER ADVISORY COMMISSION

Wednesday February 4, 2026, 4pm

In-Person: 701 Ocean Street; **5th Floor Redwood Room**

A. OPENING

1. Call to Order
2. Roll Call
3. Introduction to Ryuun Ernst, new Commissioner for District 2.

Commissioners in attendance:

Cheap	Present
Ernst	Present
Lockwood	Present arrived at 4:05
Perez	Present
Wilson	Present
Lego	Present
Gillespie	Present

Staff: Sierra Ryan, Kevin Harmon, Nathan Salazar

B. PUBLIC COMMUNICATIONS

None

C. CONSENT AGENDA

Items on the consent agenda are considered to be routine in nature and will be acted upon in one motion.

1. Approval of Meeting Minutes for December 3, 2025
2. Update from Groundwater Sustainability Agencies
3. Drought Response Updates
4. Water Advisory Commission Meeting Schedule for 2026

Commissioner Perez notes a mistake on how her position is identified. Lego moved

consent with the correction to the minutes, second by Cheap. Gillespie abstains from minutes. All in favor.

D. COMMISSIONERS' REPORTS

Opportunity for Commissioners to provide brief updates:

Commissioner Lego says Chromium-6 MCL was again set to 10 ppb which has been challenged by small mutuals. The judge reviewing the challenge to Chromium-6 standard will do the review on Feb 26.

At LAFCO meeting, the San Andreas Mutual and Soquel Creek Water District (SqCWD) had an Extra-Territorial Service Agreement approved for an intertie for emergency use. SqCWD is extending their main to Renaissance High and it is only 700 additional feet to extend to San Andreas Mutual. Construction on the Renaissance main extension is in 2027, and they are hoping to find funding to do the full extension at the same time. Commissioner Lego attended the Pajaro Valley Water Management Agency (PVWMA) rate committee meeting and thinks commissioner Lockwood has an interesting and difficult job, and farmers are really smart.

Commissioner Cheap says he attended City of Santa Cruz Water Commission meeting Monday and was very impressed. Detailed update on all the capital projects. Staff was prepared and detailed. Also there was information on climate change modeling. He was also appointed as a private well owner Director on the Santa Margarita Groundwater Agency Board. He hopes to push more education for domestic well owners. Would like to get information out, along with septic system maintenance.

Commissioner Lockwood says rate increase process is happening at the 5-year schedule for PVWMA and Watsonville so the Pajaro Valley will feel it. Watsonville is trying to go into effect July 1.

Commissioner Gillespie says Scotts Valley Water District is doing a rate study as well, looking to complete same cycle

Commissioner Perez says Santa Cruz is also updating rates.

E. STAFF REPORTS AND ANNOUNCEMENTS

Ms. Ryan discussed the presentation to the Board of Supervisors on the Water Status Report. Dr. Emily Donham has moved on from the County and Eric Baugher will be the new Supervising Water Quality Specialist. The County is beginning the Strategic Planning process and there are town halls in each District.

Commissioner Cheap asked about the discussion of private water users contributing financially in the Mid-County Groundwater Basin. Ms. Ryan said the Board of the MGA will receive a report outlining a suite of options at their March meeting and will create a subcommittee to discuss the next steps.

F. NEW BUSINESS

1. Review of County Water Resources Programs

County staff planned to provide an introduction and discussion about two areas of Water Resources:

- a. Streamwood and Fish Monitoring Program
- b. Drinking Water Regulatory Program including the Local Primacy Agency.

Attachments: Staff Report

Item F.1.a was postponed.

The Commission received a powerpoint presentation by Nathan Salazar on the Local Primacy Agency.

Commissioner Cheap asks if is there a plan to sample the Buena Vista Migrant Center PFAs treatment for Chromium-6?

A - The treatment is removing all the PFAS as designed. They have not

Public Comment from Ms. Steinbruner – Is Merced the county with jurisdiction over the Buena Vista Migrant Center?

A - Stanislaus Regional Housing Authority operates the Migrant Center. They manage and maintain the water system. Santa Cruz County Public Works is responsible for the Rountree system. They have grant funding to install the treatment system. They are still finalizing the process.

Q - Is the County monitoring 1-2-3 TCP?

A - All community and NTNC systems have to monitor for 1-2-3 TCP.

Commissioner Lego asks if there is a possibility of doing a tour of the ion-exchange system at the migrant center.

Ms. Ryan says the County has been evaluating returning the LPA to the Division of Drinking Water due to the high cost of the program.

Commissioner Lego says he would be scared to have the move to the State. The posture of the State relative to consolidation and Chromium-6 has not been

attentive to needs. He would campaign that systems are better off paying higher rates.

Commissioner Lockwood asks about the process – it may make sense to have a joint meeting. Pay more money or give it back. Recommends a survey.

Commissioner Lego points out that a survey before a meeting may not make as much sense, as systems won't be well informed.

Mr. Salazar says we could potentially invite some of the local systems the County has already returned to State oversight to present. They could speak to their experience with the Monterey office.

Ms. Ryan mentions that many counties are giving back their LPAs. Mr. Salazar estimates the number of LPAs has gone from around 37 to around 25 in the last decade.

Mr. Abbey says that LPA funding is a perennial issue. There may be a chance for legislation in the future but nothing is currently being proposed.

Public Comment from Ms. Steinbruner – What was the outreach in Monterey?
A – Mr. Salazar didn't ask that, he thinks it was likely a meeting or two to discuss. Doesn't think they did anything to ask systems in advance. She also expresses fear of forced consolidation.

2. Commission Workplan

The WAC will discuss their priorities for the 2026–2027 Work Plan and take action to appoint a subcommittee to develop a Work Plan.

Attachments: Staff Report

2024–2025 Work Plan

Process for Updating Work Plan

Commissioners Lego, Gillespie, and Lockwood were the committee in 2024. At that time the Commission elevated water quality.

Consolidation is a slow-moving stone so it may not be a high priority.

Lockwood thinks the top 3 are still really important. PVWMA is finishing a document evaluating risks evaluated with climate change and what programs can be moderated, and how to set our region up for Prop 4 funding. Prop 4 will be very competitive. The WAC does not deal a lot with the costs associated with managing water. It's not clear though

what would be actionable to the Board of Supervisors. The other thing PV is doing is the multi-benefit land repurposing project. That is less in this Commission's duty.

Cheap says domestic well owners are generally under-represented on water issues. LAMP and septic system regulations impact everyone. Drought plan could likely use some updates. Possibility for drought early warning systems based on monitoring wells. Likely out of the work plan, but Santa Cruz County is an island and if things get really bad, what is going to happen? Pipe to Santa Clara? Desal?

Ms. Ryan mentions a concept proposal that the County recently submitted to conduct a water supply emergency event (such as an earthquake) table-top exercise.

Wilson is interested in including emergency supply issues. Also, surface water issues such as concerns about using the rivers for water supply to a growing population.

Lego generally agrees with Commissioner Lockwood's priorities. The hardest part last time was figuring out what the WAC role is.

Cheap reminds the Commissioners to go back to the Supervisors to ask them what their priorities for the WAC are.

Perez agrees a lot with the top 3. Emergency preparedness may be able to be included under Drought and Climate Change. As the LAMP might be changing, involving the WAC in modifications would be appropriate.

Ernst says the top 3 are inter-related. Wants to learn a little more before weighing in too heavily. SF has an emergency seawater fire system. Knows that we have done interties, likes the regional effect and collaboration.

Gilespe says the top 3 are definitely of interest.

Lockwood suggests in the next plan just list the top items and eliminate the executive summary. PVWMA has done some tabletop exercises of worst-case scenarios. What comes from that could be actional. Since the County just finished the Multi-Jurisdiction Hazard Mitigation Plan, we could those outcomes to the table-top.

Public Comment from Ms. Steinbruner – This group could work with LAFCO for connecting the drops. This commission could play a role in it. Would like to see the Commission analyze the Big Basin Water Company failure and use that as a guidebook for other small systems and the regulators. Would like to see small project Managed Aquifer Recharge where people could do small projects to capture where people could do more

in their backyard. Nothing highly technical or expensive. Could recommend workshops. This group could evaluate Glenwood reservoir to collect stormwater runoff for recharge. SqCWD owns it.

Commissioners Lego, Cheap, and Perez volunteer to update the document based on comments.

Commissioner Lockwood notes that the Inter-commission Working Group hasn't met, so coordination with other commissions may not be an appropriate priority any longer. Ms. Ryan suggests that perhaps that could be expanded to coordination with partners both within and outside of the County government to include partnerships and presentations by groups like the Groundwater Agencies and Resource Conservation District.

Lockwood makes a motion that a subcommittee be formed of Commissioners Lego, Perez, and Cheap. Gillespie seconds. Unanimous.

G. UNFINISHED BUSINESS and UPDATES

None

H. CORRESPONDENCE

No discussion

I. BOARD OF SUPERVISORS ACTION ON ITEMS AFFECTING WATER:

No discussion

J. ITEMS OF INTEREST

No discussion

K. AGENDA ITEMS FOR FUTURE MEETINGS

LAMP Updates

New Environmental Health Software (HS Gov Tech)

Hexavalent Chromium Rules

Evaluation of the LPA

Presentation by Sarah Perez on water supply

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Subject: April 1, 2026 Water Advisory Commission Consent Agenda

Title: Groundwater Sustainability Agency Updates

Background

There are three groundwater basins in the County subject to the Sustainable Groundwater Management Act. The following updates come from the Groundwater Sustainability Agencies tasked with managing and monitoring those basins.

Santa Cruz Mid-County Groundwater Agency

- The Agency Board met on March 19, 2026. At the meeting, the Board:
 - Received an update and authorized submittal of the Basin Groundwater Sustainability Plan (GSP) Annual Report for Water Year 2025.
 - Received a report and presentation on the investigation of increasing chlorides in the Seascape area of the Mid-County Basin.
 - Received a memorandum and update on the evaluation of funding options for expenses associated with Sustainable Groundwater Management Act (SGMA) compliance. The Board tabled the proposed action to appoint an ad hoc committee to further consider funding options and directed member agency staff to meet with their respective agency Board representatives to report back at the June meeting on what they believe is not working with the current Agency funding allocation model.
- The reports received by the Board can be accessed at the links for the March 19 Board meeting at: <https://www.midcountygroundwater.org/board-meetings/>.
- The next regular meeting of the Agency is on June 18, 2026, at 6:00 pm.

Santa Margarita Groundwater Agency

- The Agency Board met on February 26, 2026, at 6:00 pm. At the meeting, the Board:
- Received an update and authorized submittal of the Basin GSP Annual Report for Water Year 2025. The report is available at: <https://www.smgwa.org/AnnualGSPReports>.
- Received an update on the Basin GSP Periodic Evaluation, directed staff to begin preparation of a GSP amendment, and appointed an ad hoc

committee to consider components of the GSP amendment and make recommendations for Board consideration.

- The next regular meeting of the Agency is on May 28, 2026, at 6:00 pm.

By: Sierra Ryan, Water Resources Program Manager with information from Rob Swartz



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Subject: April 1, 2026, Water Advisory Commission

Title: Drought Response & Outreach Plan (DROP) Update

Background:

On September 23, 2021, Senate Bill (SB) 552 was signed into law and requires that “a county shall establish a standing county drought and water shortage task force to facilitate drought and water shortage preparedness for state small water systems and domestic wells within the county’s jurisdiction”. The Water Advisory Commission assumed responsibility for implementing [SB 552](#) and receives regular updates on the progress of implementation.

Updates:

- Currently, roughly 250 applicants have enrolled in the Regional Waterboards free well testing program. 226 wells have been tested and there is a steady stream of new applicants.
 - A new outreach effort is underway, including a new press release, radio ads, a billboard in south county, and mailers.
- Since the February meeting, 30 new testing results have been received. Of those tested, 6 exceeded a drinking water MCL, specifically E. coli, Nitrate, or Hexavalent Chromium (CR6).
 - In total, 38 wells have exceeded an MCL, or 16.8% of all wells tested.
- Staff provided guidance to several well-owners with E. coli exceedances and detections of Total Coliforms.
- POU devices were installed at two homes impacted by CR6 and were confirmed to reduce CR6 to non-detectable levels.
- County staff has approved the installer to purchase the POU treatment systems for the Rountree Facility in South County, which is above the limit for PFOA. Staff hope to have the units installed in April of 2026.

By: Sean Abbey

Water Quality Specialist III



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Water Advisory Commission 2026 – 2027 Work Plan

March 2026

SUMMARY of ISSUES

The priority issues of the Water Advisory Commission's 2026 - 2027 Workplan are:

1. Water Quality,
2. Sustainable Groundwater Management,
3. Drought and Climate Change Impacts on Water Resources, and
4. Other Issues as Needed

OVERVIEW

Consistent with its bylaws, the Water Advisory Commission (WAC) will focus on priority water resource related issues, policies and projects, with the intent of taking one or more of the following actions:

- Advise the Board of Supervisors (BOS) on issues related to water resources.
- Work cooperatively with county departments, other county commissions, public and private agencies, and concerned members of the public, to formulate advice to the BOS.
- Serve as an information clearinghouse for the BOS and other County commissions.
- Advise the BOS on potential areas of cooperation with other public and private agencies and organizations.
- Provide a public forum to educate the WAC and the community on water issues.
- Support the work of County staff in implementing water resource programs.
- Monitor and evaluate implementation of key policies and programs and advise the BOS as needed.
- Proactively identify water resource issues of concern that are not being addressed by other advisory bodies to the BOS.

BACKGROUND

The Water Advisory Commission (Commission) was established in 1975 to serve as a policy advisory body to the BOS on issues relating to the use and protection of the county's water resources. The Commission consists of seven members, five of whom are concerned citizens appointed by individual supervisors and two that are appointed at large. The two at large positions represent public water purveyors (200 or more connections) and private or mutual water companies (five to 199 connections) in the

County. The Environmental Health Services (EHS) Division of the Health Services Agency provides staff support for the Commission. In March 2026, Sierra Ryan, Water Resources Manager, is serving as lead staff.

The Commission meets bi-monthly for two hours for a total of 12 hours of meeting time per year. Staffing, funding, and other resources available to the Commission necessarily limit the duties and responsibilities of the Commission. Therefore, the Commission utilizes discretion in devoting time to those activities that are most important to achieving its overall goal of enhancing and preserving Santa Cruz County water resources. County departments including Environmental Health and Community Development and Infrastructure will assist the Commission in its work, by including the Commission in water related correspondence with the BOS, and by having staff provide timely oral reports on pending issues. For more information about the Commission visit its webpage:

<https://scceh.com/Home/Programs/WaterResources/WaterAdvisoryCommission.aspx>

PRIORITY ISSUES

1. WATER QUALITY

Background

The creation and maintenance of a sustainable water supply is not solely about the availability of water. In some cases, consumers have access to water, but that water is not safe to drink due to various water quality issues. Also, Federal and state water regulatory agencies have, over time, added to and tightened regulations for water quality such that water sources that were once considered potable no longer meet water quality standards.

While larger water providers generally have the required resources and infrastructure to measure water quality and comply with changing standards, compliance with current water quality standards can create a significant operational and financial burden for small water companies and individual well owners. In many cases, the cost of compliance with new Maximum Contaminant Levels (MCLs) is onerous enough to put a small water company at risk of bankruptcy or make potable water unaffordable for an individual well owner. The California Department of Water Resources has taken the position that the primary solution to these problems should be consolidation of small water companies and individual well owners into larger water providers. Water systems considering consolidation, however, often face many operational, financial and political hurdles which prevent consideration of consolidation until the situation becomes an "emergency".

Current water quality issues in Santa Cruz County include, but are not limited to:

- High Nitrate levels – Many well owners and small water companies have Nitrate levels near or above the 10Mg/L (Nitrate as N) MCL due to agricultural or septic system effluents near their water source.
- Chromium 6 – Chromium 6 occurs naturally at 15–30 ppb in several Santa Cruz County aquifers. Historical MCL's of 50 or 100 ppb did not

require mitigation of Chrome 6. Recent changes to the MCL from 50 to 10 ppb will require significant planning and expensive treatment to meet the new MCL.

- PFAS Compounds – PFAS “forever” compounds are just gaining recognition as water contaminants and have resulted in multi-billion dollar lawsuits and settlements with companies like 3M, Dupont and Tyco. Testing and quality standards are new and many water companies are just discovering that they may have PFAS contamination.
- Salt Water Intrusion – Salt water intrusion is a well-known issue within Santa Cruz County. While largely managed by the Groundwater Sustainability Agencies (GSA’s), salt water intrusion can be a major issue for coastal private well owners, small water companies, and large water districts.
- Biological Contaminants – Biological contaminants including E coli and Enterococcus, affect both drinking water and health hazards for recreational waters.
- Harmful Algal Blooms – These naturally occurring processes can create toxins resulting in health hazards for recreational waters.
- Other emerging contaminants – Federal and state water agencies may add to the list of potential new water contaminants and/or update the MCL’s for existing contaminants resulting in new regulations and compliance issues.

WAC Role

The WAC should gain first-hand knowledge of the details of water quality issues in the County, including the current MCL’s/standards, the effects of contaminants in excess of the standards, and the procedures, equipment and costs required to test and treat water to within those standards. The WAC should identify and understand who, within Santa Cruz County, is affected by these water quality issues including, in particular, small water providers and well-owners. The WAC should receive reports on research, and advocate for policies, education and grant funding to help county water users, particularly small and disadvantaged water systems and well owners, comply with water quality standards. The WAC should educate the BOS about water quality issues and resources for compliance, and help the BOS understand the hurdles of well owners and small water companies related to both water treatment and consolidation to help prevent “emergency” situations like Big Basin Water Company.

2. SUSTAINABLE GROUNDWATER MANAGEMENT

Background

The Sustainable Groundwater Management Act (SGMA), codified at Water Code §§10720 et seq., required that groundwater basins form Groundwater Sustainability Agencies (GSAs) by 2015 and develop and implement plans to achieve sustainability. Santa Cruz County includes several groundwater basins

as identified by the California Department of Water Resources, some of which are high priority and managed; others are low priority and not managed, [click here for a map viewer](#). Groundwater basins in the county managed by a GSA include the Santa Margarita Basin, the Santa Cruz Mid-County Basin, and the Corralitos Basin.

From north to south, the three GSAs that exist within the County are: the [Santa Margarita Groundwater Agency](#) (est. 2015), the [Santa Cruz Mid- County Groundwater Agency](#) (est. 2015), and the [Pajaro Valley Water Management Agency](#) (est. 1984). The County, while not a water purveyor, is involved in each of the three GSAs, either directly via a joint powers authority, or indirectly by means of committee-level participation. The County has the responsibility of reviewing and approving well permit and septic system applications, and many domestic wells as well as small state systems are located in unincorporated Santa Cruz County.

SGMA defines a sustainable groundwater basin as one that is not experiencing:

- Significant and unreasonable chronic lowering of groundwater levels indicating a depletion of supply
- Significant and unreasonable reduction of groundwater storage
- Significant and unreasonable seawater intrusion
- Significant and unreasonable degradation of groundwater quality
- Significant and unreasonable land subsidence
- Depletions of interconnected surface water that have significant and unreasonable adverse impacts on beneficial uses of the surface water

WAC Role

The WAC should maintain a focus on the issues of sustainable groundwater management, support regional supply planning efforts (especially in regard to developing conjunctive use and groundwater recharge opportunities), proactively engage the BOS in advancing support for sustainable regional water supply alternatives as they emerge, and advise the BOS as appropriate. The WAC should receive, review, and potentially accept regular reports from County staff and/or representatives from GSAs and the water purveyors within the County.

3. DROUGHT AND CLIMATE CHANGE IMPACTS ON WATER RESOURCES

Background

[California's Fourth Climate Change Assessment, Central Coast Region Report](#) (Langridge, 2018) states, "*The Central Coast Region is notable for its extensive natural ecosystems, many of which will be impacted by climate change. Hardwood forests, scrublands, and herbaceous grasslands comprise most of its*

land cover, with significantly less intensive agriculture and small-to medium-sized cities in the region. There is a strong demand for development in rural areas and agriculture is being developed on lands formerly supporting grazing or natural vegetation. The region continues to reflect an economic and social disconnect between prosperous coastal communities and agricultural areas with many low-income farm workers, inequalities that may result in disadvantaged groups suffering disproportionately from the impacts of climate change."

With respect to water resources, the report states that climate changes that will affect the Central Coast include:

- Temperatures, both maximums and minimums, are anticipated to increase through the next century, with greater increases in the inland region.
- Precipitation is expected to increase slightly, but precipitation variability will increase substantially.
- Atmospheric river events are expected to increase.
- Sea level is expected to continue rising.
- Fog impacts are uncertain.
- Droughts are predicted to remain a serious challenge to already stressed water supplies.
- Water supply shortages, already common during drought, will be exacerbated. In 2025, approximately 270,768 people used 50,004 acre-feet of water (including agricultural uses) within the County. Groundwater accounted for 79% of the total supply, surface water accounted for 18%, and recycled water accounted for 3%. Total municipal water use remains lower than it was when recent drought restrictions were in place and is around 23% below the water use levels of the early 1980s ([Santa Cruz County Water Resources Report for 2025](#)).

In early 2026, the entire state of California was drought free for the first time in over 20 years. Even so, the County must be prepared for when drought will eventually recur. Drought conditions lead to less rainfall and groundwater recharge, and can result in increased water use. Increased groundwater production may lead to lowering of groundwater levels, increased seawater intrusion, groundwater quality degradation, subsidence, and loss of interconnectivity between surface streams and groundwater dependent ecosystems. In a worst case scenario, drought can lead to emergency water shortage conditions requiring local action to alleviate impacts.

WAC Role

The WAC should maintain a focus on potential drought and climate change impacts on water resources, including emergency preparedness, and receive, review, and potentially accept reports from County staff and/or experts in the field. The WAC should proactively engage with the BOS on issues related to climate change impacts on water resources and advise the BOS.

On December 13, 2022, the Santa Cruz County Board of Supervisors adopted the Drought Response and Outreach Plan (DROP) as part of the Climate Action and Adaptation Plan. The DROP was created in response to SB 552, which requires Counties to develop plans to assess potential drought and water shortage risk and propose interim and long-term solutions for state small water systems and domestic wells within the county, including the following 5 elements:

- Consolidations for existing water systems and domestic wells.
- Domestic well drinking water mitigation programs.
- Provision of emergency and interim drinking water solutions.
- An analysis of the steps necessary to implement the plan.
- An analysis of local, state, and federal funding sources available to implement the plan

The role of the WAC is now to act as the standing task force, as required by SB552, which is confirming that the elements proposed in the DROP are implemented.

4. OTHER ISSUES AS NEEDED

Background

The WAC occasionally becomes aware of issues that warrant investigation and interaction with the BOS regarding County policy. While many of these issues fall within broader subject areas already on the WAC agenda, other issues may arise that are outside of the WAC's current scope. Two examples may include Karst Protection Zones and the Pajaro River Flood Protection Project.

WAC Role

While the County is well supported by knowledgeable policy-makers and other water stakeholder groups that can inform the BOS, the WAC is the only advisory body specifically focused on water resource management, as enabled by County code, and should maintain and strengthen that role with the BOS as much as possible, including through coordination with other County Commissions. These somewhat urgent, new issues are not unusual, and maintaining the ability to respond to them in a timely manner is of great importance to the WAC. The meeting frequency of the BOS and WAC often limits the opportunity for timely engagement on new issues, but the WAC should endeavor to maintain involvement in them, nonetheless. Specifically, the WAC should exercise the option to hold emergency meetings to address issues like this as they arise.

2026 – 2027 Work Plan

August-March 2024-2026

SUMMARY of TOPICS/ISSUES

The primary/ory priority elements/issues of the Water Advisory Commission's 2026 - 2027 Workplan are:

1. Water Quality,
2. Sustainable Groundwater Management,
3. Drought and Climate Change Impacts on Water Resources, and
—COORDINATION WITH OTHER COUNTY COMMISSIONS
4. Other Issues as Needed (TBD)

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- Serve as an information clearinghouse for the BOS and other County commissions.
- Advise the BOS on potential areas of cooperation with other public and private agencies and organizations.
- Provide a public forum to educate the WAC and the community on water issues.
- Support the work of County staff in implementing water resource programs.
- Monitor and evaluate implementation of key policies and programs and advise the BOS as needed.
- Proactively identify water resource issues of concern that are not being addressed by other advisory bodies to the BOS.

BACKGROUND

The Water Advisory Commission (Commission) was established in 1975 to serve as a policy advisory body to the BOS on issues relating to the use and protection of the county's water resources. The Commission consists of seven members, five of whom are concerned citizens appointed by individual supervisors and two that are appointed at large. The two at large positions represent public water purveyors (200 or more connections) and private or mutual water companies (five to 199 connections) in the County. The Environmental Health Services (EHS) Division of the Health Services Agency provides staff support for the Commission. In July 2024/March 2026, Sierra Ryan, Water Resources Manager, is serving as lead staff.

The Commission meets bi-monthly for two hours for a total of 12 hours of meeting time

per year. Staffing, funding, and other resources available to the Commission necessarily limit the duties and responsibilities of the Commission. Therefore, the Commission utilizes discretion in devoting time to those activities that are most important to achieving its overall goal of enhancing and preserving Santa Cruz County water resources. County departments including Environmental Health and Community Development and Infrastructure will assist the Commission in its work, by including the Commission in water related correspondence with the BOS, and by having staff provide timely oral reports on pending issues. For more information about the Commission visit its webpage:

<https://scceh.com/Home/Programs/WaterResources/WaterAdvisoryCommission.aspx>

PRIORITY ISSUES

1. WATER QUALITY

Background

The creation and maintenance of a sustainable water supply is not solely about the availability of water. In some cases, consumers have access to water, but that water is not safe to drink due to various water quality issues. Also, Federal and state water regulatory agencies have, over time, added to and tightened regulations for water quality such that water sources that were once considered potable no longer meet water quality standards.

While larger water providers generally have the required resources and infrastructure to measure water quality and comply with changing standards, compliance with current water quality standards can create a significant operational and financial burden for small water companies and individual well owners. In many cases, the cost of compliance with new Maximum Contaminant Levels (MCLs) is onerous enough to put a small water company at risk of bankruptcy or make potable water unaffordable for an individual well owner. The California Department of Water Resources has taken the position that the primary solution to these problems should be consolidation of small water companies and individual well owners into larger water providers. Water systems considering consolidation, however, often face many operational, financial and political hurdles which prevent consideration of consolidation until the situation becomes an "emergency".

Current water quality issues in Santa Cruz County include, but are not limited to:

- High Nitrate levels – Many well owners and small water companies have Nitrate levels near or above the 10Mg/L (Nitrate as N) MCL due to agricultural or septic system effluents near their water source.
- Chromium 6 – Chromium 6 occurs naturally at 15–30 ppb in several Santa Cruz County aquifers. Historical MCL's of 50 or 100 ppb did not require mitigation of Chrome 6. Recent proposed changes of to the MCL from 50 to 10 ppb will require significant planning and expensive treatment to meet to meet the new MCL.
- PFAS Compounds – PFAS "forever" compounds are just gaining

recognition as water contaminants and have resulted in multi-billion dollar lawsuits [and settlements](#) with companies like 3M, [Dupont and Tyco](#). Testing and quality standards are [fairly new](#) and many water companies are just discovering that they may have PFAS contamination.

- Salt Water Intrusion – Salt water intrusion is a well-known issue within Santa Cruz County. While largely managed by the Groundwater Sustainability Agencies (GSA’s), salt water intrusion can be a major issue for coastal private well owners, small water companies, and large water districts.
- Biological Contaminants – Biological contaminants including E coli and Enterococcus, affect both drinking water and health hazards for recreational waters.
- Harmful Algal Blooms – These naturally occurring processes can create toxins resulting in health hazards for recreational waters.
- Other emerging contaminants – Federal and state water agencies may add to the list of potential new water contaminants and/or update the MCL’s for existing contaminants resulting in new regulations and compliance issues.

WAC Role

The WAC should gain first-hand knowledge of the details of water quality issues in the County, including the current MCL’s/standards, the effects of contaminants in excess of the standards, and the procedures, equipment and costs required to test and treat water to within those standards. The WAC should identify and understand who, within Santa Cruz County, is affected by these water quality issues including, in particular, small water providers and well-owners. The WAC should receive reports on research, and advocate for policies, [education](#) and grant funding to help county water users, particularly small and disadvantaged water systems and well owners, comply with water quality standards. The WAC should educate the BOS about water quality issues and resources for compliance, and help the BOS understand the hurdles of well owners and small water companies related to both water treatment and consolidation to help prevent “emergency” situations like Big Basin Water Company.

2. SUSTAINABLE GROUNDWATER MANAGEMENT

Background

The Sustainable Groundwater Management Act (SGMA), codified at Water Code §§10720 et seq., required that groundwater basins form Groundwater Sustainability Agencies (GSAs) by 2015 and develop and implement plans to achieve sustainability. Santa Cruz County includes several groundwater basins as identified by the California Department of Water Resources, some of which are high priority and managed; others are low priority and not managed, [click here for a map viewer](#). Groundwater basins in the county managed by a GSA include

the Santa Margarita Basin, the Santa Cruz Mid-County Basin, and the Corralitos Basin.

From north to south, the three GSAs that exist within the County are: the [Santa Margarita Groundwater Agency](#) (est. 2015), the [Santa Cruz Mid- County Groundwater Agency](#) (est. 2015), and the [Pajaro Valley Water Management Agency](#) (est. 1984). The County, while not a water purveyor, is involved in each of the three GSAs, either directly via a joint powers authority, or indirectly by means of committee-level participation. The County has the responsibility of reviewing and approving well permit and septic system applications, and many domestic wells as well as small state systems are located in unincorporated Santa Cruz County.

SGMA defines a sustainable groundwater basin as one that is not experiencing:

- Significant and unreasonable chronic lowering of groundwater levels indicating a depletion of supply
- Significant and unreasonable reduction of groundwater storage
- Significant and unreasonable seawater intrusion
- Significant and unreasonable degradation of groundwater quality
- Significant and unreasonable land subsidence
- Depletions of interconnected surface water that have significant and unreasonable adverse impacts on beneficial uses of the surface water

WAC Role

The WAC should maintain a focus on the issues of sustainable groundwater management, support regional supply planning efforts (especially in regard to developing conjunctive use and groundwater recharge opportunities), proactively engage the BOS in advancing support for sustainable regional water supply alternatives as they emerge, and advise the BOS as appropriate. The WAC should receive, review, and potentially accept regular reports from County staff and/or representatives from GSAs and the water purveyors within the County.

3. DROUGHT AND CLIMATE CHANGE IMPACTS ON WATER RESOURCES

Background

[California's Fourth Climate Change Assessment, Central Coast Region Report](#) (Langridge, 2018) states, "*The Central Coast Region is notable for its extensive natural ecosystems, many of which will be impacted by climate change.*

Hardwood forests, scrublands, and herbaceous grasslands comprise most of its land cover, with significantly less intensive agriculture and small-to medium-sized cities in the region. There is a strong demand for development in rural areas and agriculture is being developed on lands formerly supporting grazing or

natural vegetation. The region continues to reflect an economic and social disconnect between prosperous coastal communities and agricultural areas with many low-income farm workers, inequalities that may result in disadvantaged groups suffering disproportionately from the impacts of climate change."

With respect to water resources, the report states that climate changes that will affect the Central Coast include:

- Temperatures, both maximums and minimums, are anticipated to increase through the next century, with greater increases in the inland region.
- Precipitation is expected to increase slightly, but precipitation variability will increase substantially.
- Atmospheric river events are expected to increase.
- Sea level is expected to continue rising.
- Fog impacts are uncertain.
- Droughts are predicted to remain a serious challenge to already stressed water supplies.
- Water supply shortages, already common during drought, will be exacerbated. In 2025³, approximately 273,132,270,768 people used 44,845,50,004 acre-feet of water (including agricultural uses) within the County. Groundwater accounted for 796% of the total supply, surface water accounted for 2018%, and recycled water accounted for 3.6%. Total municipal water use remains lower than it was when recent drought restrictions were in place and is around 23% below the water use levels of the early 1980s (Santa Cruz County Water Resources Report for 2025).

(Santa Cruz County Water Resources Report for 2023Resources Report for 2025).

In early 2026, the entire state of California was drought free for the first time in over 20 years. Even so, the County must be prepared for when drought will eventually recur.

Drought conditions lead to less rainfall; and less groundwater recharge, and resulting can result in increased water use.:

Increased groundwater production may lead to lowering of groundwater levels, increased seawater intrusion, groundwater quality degradation, subsidence, and loss of interconnectivity between surface streams and groundwater dependent ecosystems. In a worst case scenario, drought can lead to emergency water shortage conditions requiring local action to alleviate impacts.

WAC Role

The WAC should maintain a focus on potential drought and climate change impacts on water resources, including emergency preparedness, and receive, review, and potentially accept reports from County staff and/or experts in the field. The WAC should proactively engage with the BOS on issues related to climate change impacts on water resources and advise the BOS.

On December 13, 2022, the Santa Cruz County Board of Supervisors adopted the Drought Response and Outreach Plan (DROP) as part of the Climate Action and Adaptation Plan. The DROP was created in response to SB 552, which requires Counties to develop plans to assess potential drought and water shortage risk and propose interim and long-term solutions for state small water systems and domestic wells within the county, including the following 5 elements:

- Consolidations for existing water systems and domestic wells.
- Domestic well drinking water mitigation programs.
- Provision of emergency and interim drinking water solutions.
- An analysis of the steps necessary to implement the plan.
- An analysis of local, state, and federal funding sources available to implement the plan

The role of the WAC is now to act as the standing task force, as required by SB552, which is confirming that the elements proposed in the DROP are implemented.

~~4. CONSOLIDATION~~

~~Background~~

~~Consolidation is the combining of two or more water systems. In general, consolidations involve a smaller water system being absorbed into a larger water system. As water infrastructure is aging, regulations and water quality monitoring requirements are increasing, and finding qualified staff to operate water systems is becoming increasingly difficult, smaller water agencies may consider consolidation with a larger water agency to provide stable water service to its customers. Other reasons for consolidation can be a mandatory consolidation in the event of a water system failing to meet water quality standards, or failing to meet water supply requirements. The California State Water Resources Control Board may order mandatory consolidations for systems that are classified as a Public Water System or State Small Water System, the system serves a disadvantaged community, and the system consistently fails to provide an adequate supply of safe drinking water.~~

~~As there are a large number of small water systems in Santa Cruz County that may not have resources (technical, managerial, or financial, or any combination thereof) to provide consistent water supply, consolidation will likely become more widespread in the future.~~

~~WAC Role~~

~~The Water Advisory Commission should focus on the following activities related to water system consolidation:~~

- ~~a. Gain first hand knowledge of the details of a system that is looking to consolidate with a larger water system. Including what happens to the water system if the consolidation effort fails.~~

- b. Gain first hand knowledge of the details of the larger water system that a smaller agency could potentially consolidate into. Including:
 - i. The feasibility of connecting a larger system to a smaller system.
 - ii. The challenges of expanding the system and taking on extra monitoring and maintenance of the smaller system.
- c. Educate the County Supervisors, affected water users and other stakeholders regarding the processes for consolidation.
- d. Advocate for policies and grant funding to assist small and large water systems with consolidation efforts.

5. COORDINATION WITH OTHER COUNTY COMMISSIONS

Background

In 2014, discussion was initiated between three County commissions (Commission on the Environment (COE), Fish and Wildlife Advisory Commission (FWAC) and Water Advisory Commission (WAC)) that have significant overlap in their scopes regarding protection of water resources and related environmental issues. The Inter-Commission Coordination Working Group (ICCWG) was formed in an attempt to clarify the distinct and shared areas of focus of each commission.

In 2024, the BOS instituted a Commission Restructuring Process to try to improve the efficiency of the County's Commissions. As part of that process, the scope of the WAC and COE were modified and the overlaps between the three commissions reduced. This should keep the scope of the ICCWG to issues that are large and multi-faceted, making more efficient use of Commissioners time.

WAC Role

Developing the three commissions' alignment around positions on water resource management issues and identifying and maintaining discrete roles of the commissions respective to their particular subject matter expertise and bylaws should continue to be the focus of this work. The WAC should continue to participate in the ICCWG and joint commission meetings, focus on resolving joint strategies on issues that require coordination with other commissions, reduce redundancy in effort and find synergies with these other commissions' work where possible. This will ensure that the BOS is kept apprised of significant water resource management issues in a meaningful manner that is inclusive of other related significant issues the County currently faces (fisheries conservation and recovery, climate change adaptation, etc.)

6.4. OTHER ISSUES AS NEEDED

Background

The WAC occasionally becomes aware of issues that warrant investigation and interaction with the BOS regarding County policy. While many of these issues

fall within broader subject areas already on the WAC agenda, other issues may arise that are outside of the WAC's current scope. Two examples may include Karst Protection Zones and the Pajaro River Flood Protection Project.

WAC Role

While the County is well supported by knowledgeable policy-makers and other water stakeholder groups that can inform the BOS, the WAC is the only advisory body specifically focused on water resource management, as enabled by County code, and should maintain and strengthen that role with the BOS as much as possible, including through coordination with other County Commissions. These somewhat urgent, new issues are not unusual, and maintaining the ability to respond to them in a timely manner is of great importance to the WAC. The meeting frequency of the BOS and WAC often limits the opportunity for timely engagement on new issues, but the WAC should endeavor to maintain involvement in them, nonetheless. Specifically, the WAC should exercise the option to hold emergency meetings to address issues like this as they arise.



County of Santa Cruz

Health Services Agency – Environmental Health

701 Ocean Street, Room 312, Santa Cruz, CA 95060

(831) 454-2022 TDD/TTY - Call 711 <http://www.scceh.org>

DrinkingWater@santacruzcountyca.gov



Guide to Utilizing Point-of-Use (POU) Treatment

What Is Point-of-Use (POU) Treatment?

Point-of-Use treatment means installing a small water treatment device at the point where drinking water is used (such as a kitchen sink), instead of treating all water pumped from a water system's source(s) at a centralized plant.

Who Can Apply to Use POUs?

A public water system (except a brand-new community system without a permit) that already qualifies under Health & Safety Code section 116380(a) may request approval to use POUs to meet water quality standards—so long as the contaminants to be removed are **not**:

- Microbial (germs)
 - Volatile organic chemicals (VOCs)
 - Organic inhalation hazards (1,2,3-TCP, among others)
 - Radon
-

Key Requirements for POU Treatment Approval

Your water system must meet all the following requirements, more details on these items are provided below. The relevant code sections are also linked at the top of each section.

This guide is meant to summarize the key requirements for POU treatment- please carefully review the full text of the requirements in the regulations linked below and contact our office with questions.

1. Show that centralized treatment is not economically feasible
2. Apply for any federal, state, or local funding.
3. Plan for every home to have a POU installed

4. Select and test a POU device at one or more homes prior to installing them in every home (pilot testing)
 5. Apply for a Permit Amendment and include the following:
 - POU Treatment Strategy
 - POU Operations & Maintenance Plan
 - POU Monitoring Plan
 6. For Community Systems, results of a public hearing showing no “strong opposition”.
-

Permit Duration ([Health and Safety Code \(H&SC\) section 116552](#)):

The issuance of a permit amendment for POU Treatment shall be limited to **not more than three (3) years**. If centralized treatment is still infeasible at the end of that 3-year period, the permit will need to be renewed to allow continued use of POU treatment. For community systems, the permit renewal will require that a new public hearing take place, using the same process described below, to confirm that there continues to be no substantial opposition to the plan by the customers of the water system.

Economic Feasibility ([22 CCR § 64418.1](#))

To demonstrate that centralized treatment is infeasible, you must obtain a cost estimate for installation of centralized treatment. Once that is obtained, the full cost of installing and maintaining the centralized treatment should be determined and converted into an annual cost per household served. This cost is considered infeasible if both metrics below are met:

1. **Centralized Treatment Cost Threshold**

The annual cost of running centralized treatment, on a per-household basis, is **more than 1%** of your customers’ median household income (MHI).

2. **Total Water Cost Threshold**

If the cost of Centralized Treatment Cost exceeds the threshold above, add that number to the Median annual water bill per household (from the last 12 months)

If that combined total cost exceeds: **2% of your customers MHI**, you may claim that Centralized Treatment is not Economically Feasible

In addition to centralized treatment, a cost estimate for POU treatment should also be created. This will be used to not only determine if the cost is “feasible”, but also to provide the expected cost increase to the customers during the public hearing process described below.

Plan for every home to have an installed POU

To be considered in full compliance with the MCL your system is exceeding, the water system should ensure that every home has an installed POU device.

However, there may be instances where POU's cannot be used for every household, but centralized treatment is still not feasible. The County may include a permit provision that waives this requirement. This will be decided on a case-by-case basis.

POU Device Standards & Pilot Testing ([22 CCR § 64418.2](#))

A POU device should be selected prior to the permit application process. POU devices must be either independently ANSI-certified for the targeted contaminant or individually approved by the State Board ([Residential Water Treatment Devices](#)). Water systems (or its contractor) must own, operate, maintain, and monitor every POU to guarantee compliance.

The County can reduce or waive pilot tests if you supply equivalent, documented test data under similar water-quality and flow conditions.

Permit Application Documents

Once it has been determined that POU devices may be a viable means of compliance, a Permit revision must be requested to allow the system to utilize POU treatment. There will be four documents required as part of the permit application.

1. POU Treatment Strategy ([22 CCR § 64418.3](#))

This is the summary document that defines the compliance goals and explains how POU's will meet drinking-water standards. This document will explain a range of topics, including how the devices will be installed, how customers will be educated and how agreement will be reached on this treatment strategy.

2. POU Operations & Maintenance (O&M) Program ([22 CCR § 64418.4](#))

The O&M Program that defines all the activities that will be undertaken to ensure ongoing compliance for all the units. Your O&M Program must include essential items such as, who is responsible for maintenance, when maintenance will be completed, and waste handling protocol.

3. POU Monitoring Program ([22 CCR § 64418.5](#))

The Monitoring Plan defines how you will verify treated water meets all drinking-water standards. The Monitoring Program must include items, such as what the sample schedule will be, when reduced sampling will be implemented, and what to do in response to an exceedance.

Public Acceptance ([22 CCR § 64418.6](#))

Upon submitting the previous 3 documents, a community water system must hold a public hearing that will provide customers with the relevant details in those documents. Once the public hearing is held, a customer survey will be provided to all customers to determine if there is any substantial opposition to the plan. The plan will be deemed to have no substantial opposition if:

- Fewer than half of all customers either don't vote or vote against POUs, **and**
- No more than 25% of customers vote against POUs.



County of Santa Cruz



HEALTH SERVICES AGENCY

Environmental Health Division

701 Ocean St. Room 312, Santa Cruz, CA 95060

(831) 454-2022 TDD/ TTY: Call 711

EnvironmentalHealth@santacruzcountyca.gov

www.scceh.org

Subject: April 1, 2026 Water Advisory Commission Consent Agenda

Title: Local Primacy Agency Status

Background

Santa Cruz County currently serves as a Local Primacy Agency (LPA) for oversight of small public water systems under a delegation agreement with the California State Water Resources Control Board (State Water Board). As an LPA, the County is responsible for regulating, permitting, and ensuring compliance with qualifying small public water systems that have less than 200 service connections with state and federal drinking water standards.

Historically, the State of California and the County have shared responsibility for regulating these systems. The passage of AB 2995 in 1992 required the state to take over regulation of these systems while creating the delegation process.

Santa Cruz County applied for (and received) primacy in 1994 based on the rationale that local oversight would allow for more responsive regulation, stronger relationships with small public water systems, and improved public health protection through local knowledge and engagement. At that time, 36 California counties had applied for primacy. However, over time, the cost of operating the LPA program has increased significantly, a trend seen statewide. There are now 25 LPA counties, with Monterey County terminating their primacy in September 2025. When county primacy is terminated, the regulated water systems fall back to the oversight of the State Water Board.

While local primacy was originally established to preserve local control and strengthen working relationships with small water systems and the communities they serve, current fiscal conditions raise questions about the sustainability of this program. Returning primacy to the State would impact around 70 public water systems. The County would retain regulatory oversight of an additional 30 state small systems with up to 14 service connections.

CONSIDERATIONS

County permit fees for small public water systems are substantially higher than the fees these systems would pay if regulated directly by the State. Despite these higher fees, program expenses exceed permit revenue, requiring ongoing subsidies from the County General Fund. Recognizing that many LPAs faced similar struggles, the State had historically provided grants. The last grant funds were expended in 2021 and the State has confirmed there are currently no plans to offer further grants.

The LPA program has always operated at a deficit, though that has increased over time from around 10% to currently nearly 50% of the budget. The current deficit based on staff time of 1.3 FTE plus administrative support, is around \$160,000 per year. Returning primacy to the State would eliminate these General Fund impacts but would also shift regulatory authority away from the County.

Annual fees for County small public water system permits range from \$1,151–\$3,543. Annual permit fees charged by the State Water Board for small community water systems (less than 200 connections) range from \$339–\$2,253, including discounts for disadvantaged community status.

The State Water Board charges an annual permit fee of \$3.76 per customer served for nontransient–noncommunity systems (NTNC, typically, school and office facilities) with a minimum fee of \$862. Our NTNC fee is a flat fee of \$2,798. The annual permit fee from the State Water Board for a transient–noncommunity system (e.g. campgrounds, retail facilities) is a \$1,509 flat fee compared to the County’s fee of \$1,821. Based on our calculations, there is only one system currently regulated by the County that would not see their permit fees drop should the primacy end.

In order to completely cover the cost of the program, permit fees would need to double from their current levels, bringing them in some cases to as much as four times the DDW fees.

MITIGATION STRATEGIES

The County has two potential paths forward to address the funding gap. One option is to return local primacy to the State, transitioning regulatory oversight of small public water systems back to the State Water Board.

A second option is to increase permit fees further to more closely align revenue with program costs, which would exacerbate affordability concerns for regulated systems.

A third option to reduce program expenditures by decreasing staffing levels and budgeted full-time equivalent (FTE) positions within the LPA program was considered. However, staff could not identify any feasible opportunities for savings that would not compromise mandated activities, so this option will not be discussed further.

Each option involves tradeoffs related to fiscal sustainability, regulatory effectiveness, local control, and impacts to small public water systems.

NEXT STEPS

The LPA will be sending a survey to water systems after the meeting asking for their feedback.

Submitted by Sierra Ryan



2026

Strategies for Small Water System Resilience

*A Small Water System's Guide
to Maintaining Safe, Affordable,
and Reliable Water*

SANTA CRUZ COUNTY



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For more information about the strategies and resources mentioned in this report, contact:
Sean.Abbey@santacruzcountyca.gov

Challenges Facing Small Water Systems

Most people in Santa Cruz County receive their water from one of six large water systems, which work diligently to ensure reliable and affordable service now and into the future. Smaller systems, however, often face different challenges. With fewer customers to share the costs, it can be harder to maintain infrastructure, respond to emergencies, and keep rates affordable.

Common challenges include:

1. Expanding Regulatory Requirements:

Small water systems, serving as few as 25 residents, must comply with many of the same regulations as the largest systems. Costs from new reporting requirements or contaminant treatment (e.g., PFAS or Hexavalent Chromium) are spread across fewer customers, increasing the financial burden.

2. Aging Infrastructure:

Many Small Water Systems were built between the 1960s and 1980s and utilize much of the original infrastructure. As these components reach the end of their useful life, significant investment is needed for replacement.

3. Lack of Personnel:

Most small systems are operated by volunteers and often struggle to find individuals to manage operations. While contractors can assist with some tasks, these systems still require consistent oversight.

4. Fiscal Sustainability:

Many Small Water Systems do not collect sufficient revenue to cover unexpected expenses or regularly scheduled repair work. When a major system component fails, the cost is usually covered through a one-time assessment. These unexpected financial burdens can be particularly difficult for residents on fixed incomes.

5. Vulnerable Potable Water Supply:

Many small systems rely on a single water source with limited options for backup. If the primary source fails or water quality declines, the system may be left without a potable supply.

This guide is designed to help small water systems navigate these challenges and ensure a reliable water supply for their customers into the future.

Definitions

Terms used throughout this guide include:

- **Consolidation:** When a smaller water system is permanently connected to a Large Water System and subsequently dissolved. Its customers become part of the larger system and receive water service directly from it.
- **Household Well:** A water system that serves between 1 and 4 residential connections. Also referred to as an *Individual Water System*.
- **Interconnection/ Intertie:** A physical connection between a smaller water system and a Large Water System, allowing the smaller system to purchase water as a backup supply. The smaller system remains independent. This arrangement is often referred to as an *intertie*.
- **Large Water System:** A water system that serves more than 200 residential connections.
- **Local Agency Formation Commission (LAFCO):** Agency that ultimately approves the connection of two water systems.
- **Managerial Consolidation:** Occurs when a water system is no longer managed locally. Instead, all management responsibilities are handled by a separate company or agency that also manages at least one other water system. There is no physical connection between the systems.
- **Resource Sharing Agreement:** A formal agreement—often in the form of a Memorandum of Understanding (MOU)—between two nearby water systems (typically small systems) to share costs or resources.
- **Small Water System:** A water system that serves between 15 and 199 residential connections, or 25 or more yearlong residents.
- **State Small Water System (SSWS):** A water system that serves between 5 and 14 residential connections, and less than 25 yearlong residents.

Where to Start

1) Contact the County.

Water systems are strongly encouraged to contact County staff if they face any issue—listed or not—that might affect their ability to provide safe, affordable, and reliable water. Our office will be able to provide key details that can aid you in determining what strategies are feasible for your water system. These details include:

- **Cost estimate for physical connections:** If you are interested in physically connecting with a Large Water System, we have created a cost estimate for interties between all the small water systems and their nearest Large Water System (Appendix A). Note, this estimate will only include the cost of installing the pipeline to connect the two systems. Costs related to design, permitting, management, and connection fees would not be included. County staff have discussed consolidation with all the Large Water Systems and can provide additional insights depending on the system.
- **Service Boundary information.** Water service providers are only allowed to provide services within specific areas. County staff can tell you if your water system is already within the consolidating system’s boundary or not.

Contacts: The county can connect you with the water system you are interested in partnering with, and the Division of Drinking Water SAFER Engagement Unit. Another important contact will be the Local Agency Formation Commission (LAFCO), which will ultimately approve an interconnection between your water system and another. [Visit the LAFCO website](#) to learn more about their processes.



Well head of a Small Water System

2) Review your system documents and consider internal changes.

To successfully pursue any of the strategies outlined below, it's essential to have a thorough understanding of your water system. Start by gathering key documents, such as:

- Operating permits
- System schematics
- Governing rules and bylaws
- Water quality records
- Violation history
- Rate structure
- Financial records

These materials will not only help you assess your system's current condition but will also be critical when collaborating with external partners. Sharing this information allows others to better understand your system and support your efforts.

Another important step is to review these documents to identify internal changes that could help address existing challenges. One area to pay particular attention to is your **rate structure**. Updating rates to reflect current conditions can provide two major benefits:

- **Increased revenue** to fund system improvements or hire professional operators. It is likely that significant upgrades will be required as part of a consolidation process, so having the revenue to cover those costs will be critical. This is discussed further below.
- **Alignment with potential consolidation partners**, which can ease the transition for customers. Starting this process early allows for gradual rate adjustments, helping residents adapt over time.

If you're considering **managerial consolidation**, aligning your rates with those of the prospective managing entity can also make your system more attractive. It reduces the likelihood that the new manager will need to implement immediate rate increases upon taking over.

Supply Resilience Strategies

There are four primary strategies to address the five challenges that were identified above, however not every strategy will be a solution for every challenge. The table below summarizes the four main strategies and indicates whether each one addresses the specific challenges.

Challenge	Expanding Regulation	Aging Infrastructure	Lack of Personnel	Fiscal Sustainability	Loss of Potable Water	Cost
Strategy 1: Consolidation						\$\$\$\$
Strategy 2: Interconnection						\$\$
Strategy 3: Managerial consolidation						\$
Strategy 4: Resource Sharing Agreement						\$

Table 1: Solution, Partial Solution, Not a Solution

Depending on the challenge your system is facing, you should select the most appropriate strategy and review the steps provided below.

Strategy 1: Consolidation

Consolidation has the potential to address all five of the previously outlined challenges, however it will be the most expensive and time-consuming option.

In addition to the cost of the intertie pipeline (Appendix A), many other factors must be considered when estimating the total cost of consolidation. A rough estimate for these additional costs is approximately \$50,000 per connection, on top of the expense to physically link the two systems. This represents a significant financial burden, and most Small Water Systems are unlikely to have the resources to cover it. While grant funding opportunities for consolidation do exist through the [State Water Resources Control Board](#), they are primarily targeted toward communities classified as disadvantaged. Currently, very few areas in Santa Cruz County meet this

designation, and most of those are already served by Large Water Systems. To qualify for any available funding, Small Water Systems will likely need to conduct an income survey of their customers to determine if they meet the eligibility criteria. Funding may also be available for systems that are considered failing.

Step 1 - Contact the Large Water System you will be working with

After completing the steps in the “Where to Start” section, use the table below to find key information on connection fees, rate schedules, and contacts for the water system you are interested in consolidating with.

Water System	New Connection Service Fee	Customer Water Rates	Consolidation Contact Person and Email Address
City of Santa Cruz	New Service Fees	Water Rates	Engineering Dept waterengineering@santacruzca.gov
City Of Watsonville	New Service Fees	Water Rates	Beau Kayser beau.kayser@watsonville.gov
Soquel Creek Water District	See rates and fees	Water Rates and Fees	Emma Western emmaw@soquelcreekwater.org
San Lorenzo Valley Water District	See rates and fees	Water Rates and Fees	Jason Lillion jlillion@slvwd.com
Scotts Valley Water District	See rates and fees	Water Rates and Fees	Dave McNair dmcnair@svwd.org
Central Water District	New Service Fee	Water Rates	Ralph Bracamonte admin@centralwaterdistrict.us.com

Table 2

Step 2 – Complete an engineering report

Unless you have an existing report, you will need to complete an engineering report that will show the Large Water System if your water system infrastructure meets its requirements. Generally, that will mean meeting the same standard as a brand-new residential service, which are the [American Water Works Association \(AWWA\) standards](#). AWWA standards are extensive and include properly sized pipes, shut-off valves, fire-hydrants, residential meters, and more. If your water system does not meet AWWA standards, the Large Water System will likely not proceed with consolidation until those standards are met.

An engineering firm can review your existing water system and determine what work is needed to make it acceptable for the Large Water System. They should also be able to provide an estimated cost to complete the upgrades.

Helpful resources:

- Santa Cruz County maintains a list of [engineering consultants with drinking water system experience](#).
- [UCLA Luskin Center for Innovation's Resource Guide: Designing Water System Consolidation Projects | Considerations for California Communities](#)

Step 3 – Create a financial support mechanism

Now that you have an estimated cost to upgrade your system, the next step is to establish a way to fund those improvements. Small water systems must create a funding mechanism that ensures every customer contributes, which can be challenging. One option is to form a County Service Area (CSA). For details on this process, visit the Santa Cruz County Public Works webpage on [CSA Formation](#).

More guidance on funding for infrastructure upgrades can be found through [The Rural Community Assistance Partnership \(RCAP\) Guide on Obtaining Infrastructure Funding](#).

Step 4 – Hire a contractor to complete the work

Once the financing is in place, a contractor should be hired to complete full design, permitting and construction of your Small Water System upgrades. There should be ongoing communication with your system and the Large Water System throughout this process to ensure nothing is overlooked.

Step 5 – Dissolve the Smaller Water System

Once the consolidation is completed, your water system will need to provide a written request to Santa Cruz County asking that its domestic water supply permit be cancelled. It will be necessary to cancel any associated business licenses and insurances for the dissolved public water system. Also consider the need to close bank accounts and transfer deeds, titles, and surface water rights if applicable. And finally, make sure to provide important records, such as distribution maps and operations plans, to the consolidating water system.



Santa Cruz County Pipeline Installation

Strategy 2: Interconnection

With this strategy, your system remains independently managed but purchases water from another system. This approach is useful if your water supply is unreliable, for example, if your source could fail or is affected by emerging contaminants such as PFAS or Hexavalent Chromium. Connecting to a nearby system provides water with known quality and capacity, reducing the regulatory burden of meeting water quality standards. However, this option will not address issues like failing distribution infrastructure or lack of managerial capacity within your system.

Step 1 – Complete an engineering report

You will need to complete an engineering report that will determine the best method of connecting to the Large Water System. This should be a significantly lower cost to design than the reports required for consolidation, because your water system will not need to be upgraded to meet AWWA standards. An engineering firm should be able to provide an estimated cost to complete the intertie. For reference, Santa Cruz County maintains a list of [engineering consultants with drinking water system experience](#).

Step 2 – Create a financial support mechanism

Unlike full consolidation, an intertie may have a price range that allows you to avoid creating a CSA to cover the cost of the project. Using the engineering report and cost estimate, your water system could pursue a private loan to cover the cost of installation. The monthly payment on that loan could then be incorporated into the customer's bill.

When planning potential rate changes due to the intertie installation, you should also consider the ongoing cost of connection fees for the Large Water System ([see Table 2](#)). These are a set charge that may be billed to the connection regardless of whether water is used or not.

More guidance on funding for infrastructure upgrades can be found through the [Rural Community Assistance Partnership \(RCAP\) Guide on Obtaining Infrastructure Funding](#).

Step 3 – Hire a contractor to complete the work

Once the financing is in place, a contractor should be hired to complete full design, permitting and construction of your intertie. There should be ongoing communication with your system and the Large Water System throughout this process to ensure nothing is overlooked.



Possible routes from a large water system pipeline to the small water systems in Santa Cruz County.

Strategy 3: Managerial Consolidation

In this strategy, the water system does not physically connect to any other system, but an outside agency takes over the governance, management and operation of the water system. This could be a neighboring Large Water System or a private company that operates water systems, such as [California American Water](#) (CalAm). This can solve problems related to the local management capacity.

Step 1 – Contact the possible managers

If the manager is a local public water system, please see the contact information provided in [Table 2](#). If you are looking for a private company to manage the system, a list of possible agencies is below.

Before contacting the manager, you should have already gathered and reviewed the documentation listed in the [“Where to Start”](#) section.

Note: if your system has not been increasing rates to keep up with rising costs, this can make your system less attractive to a new manager. Most managers will be hesitant to take over a Small Water System if it requires an immediate and substantial rate increase.

Company Name	Phone Number	Email
California American Water	888-237-1333	Nichole.Baxter@amwater.com
Lawrence M. Morales Precision Investments, LLC	909-727-0760	larry@precinvest.org
Tom Adcock Alco Water		Tom@alcowater.com
San Jose Water	408-279-7900	engineering.dept@sjwater.com

While Large Water Agencies may consider consolidation requests on a case-by-case basis, systems that do not meet current AWWA standards may face additional barriers to managerial consolidation. Aging infrastructure often requires significant repair or replacement, and those costs must be addressed to avoid financial impacts on existing ratepayers. As a result, Small Water Systems should not view managerial consolidation as a substitute for making necessary infrastructure investments, but rather as a potential partnership that works best when core system improvements are already underway or completed.

Strategy 4: Agreements for Shared Resources

This strategy can help two (or more) water systems work together to access greater economies of scale. As an example, two water systems may be independently contracting with an operator to collect samples and perform general inspections. By jointly contracting an operator, those systems may be able to negotiate a single contract that can be spread across the members of both systems, reducing the total cost per resident.

As part of our consolidation study, the County analyzed the estimated driving time between water systems as a proxy for how likely the water systems would be to utilize a Resource Sharing Agreement. This was largely based on a service provider, such as an Operator, being able to effectively serve both systems in a single day. This analysis generated a table that showed each water system and all the neighboring water systems that were within a reasonable proximity, such as a 10-minute drive (Appendix B).

Alternatively, your system could utilize the States [Consolidation Outreach Map Tool](#). This map tool allows users to locate water systems near an address or other existing water system

Step 1 – Contact the neighboring water system

Once you have reviewed Appendix B, you should be able to identify the water systems that you may wish to create a Resource Sharing Agreement with. Upon request, Santa Cruz County staff can provide contact information for any water system that you would like to contact. If desired, County staff can also facilitate communication between your systems.

Step 2 – Create and approve the agreement

Once your two water systems agree to work together, you will need to create a Resource Sharing Agreement and/or Memorandum of Understanding (MOU) that details specifically what your systems are expecting from one another. The State Water Quality Control Board has created a [Water Partnerships Toolbox](#) that includes an MOU writing guide.

Once created, both water systems governing bodies should review and approve the document before it becomes official. At that point, the document can be executed, and new contracts can be drafted accordingly.

Conclusion

Ensuring a safe, reliable, and affordable water supply for small systems in Santa Cruz County requires proactive planning and collaboration. The challenges facing small water systems—aging infrastructure, limited financial resources, and increasing regulatory requirements—cannot be solved by a single approach. This guide outlines four strategies that offer practical solutions, from full consolidation to resource-sharing agreements, each designed to strengthen resilience and protect public health.

When evaluating these options, it is important to consider both short-term feasibility and long-term sustainability. While consolidation offers the most comprehensive solution, it also requires significant investment and planning. Interconnection and managerial consolidation can address specific vulnerabilities, such as unreliable water sources or lack of management capacity, while resource-sharing agreements provide cost-effective ways to improve operations without major structural changes. Selecting the right strategy depends on your system's unique circumstances, financial capacity, and community priorities.

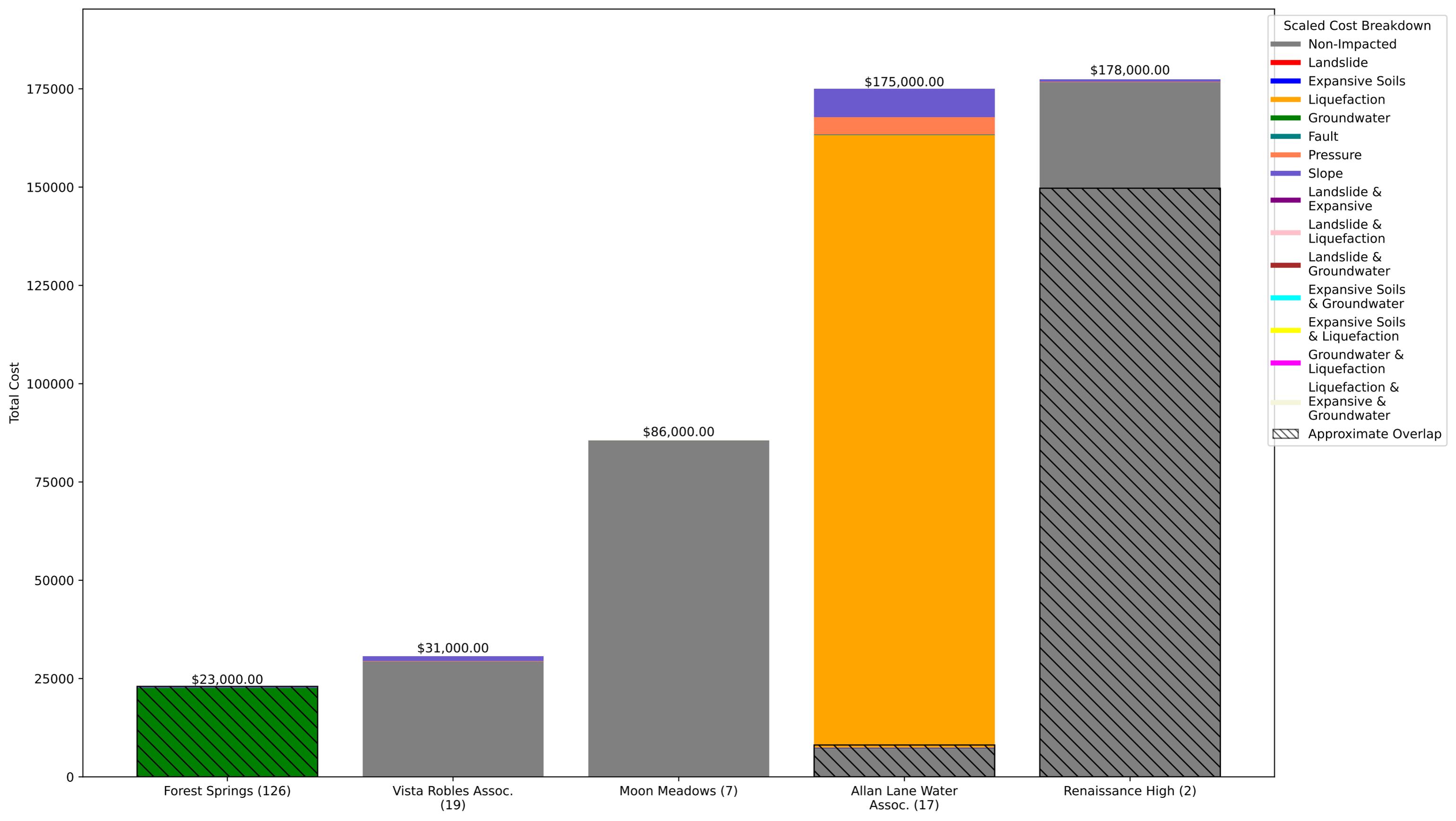
Ultimately, the success of any strategy depends on early engagement, transparent communication, and a willingness to adapt. Begin by reviewing your system's documents, assessing its financial health, and reaching out to County staff for guidance. By taking these steps now, small water systems can position themselves to meet future challenges and ensure that every customer has access to safe, dependable water for years to come.

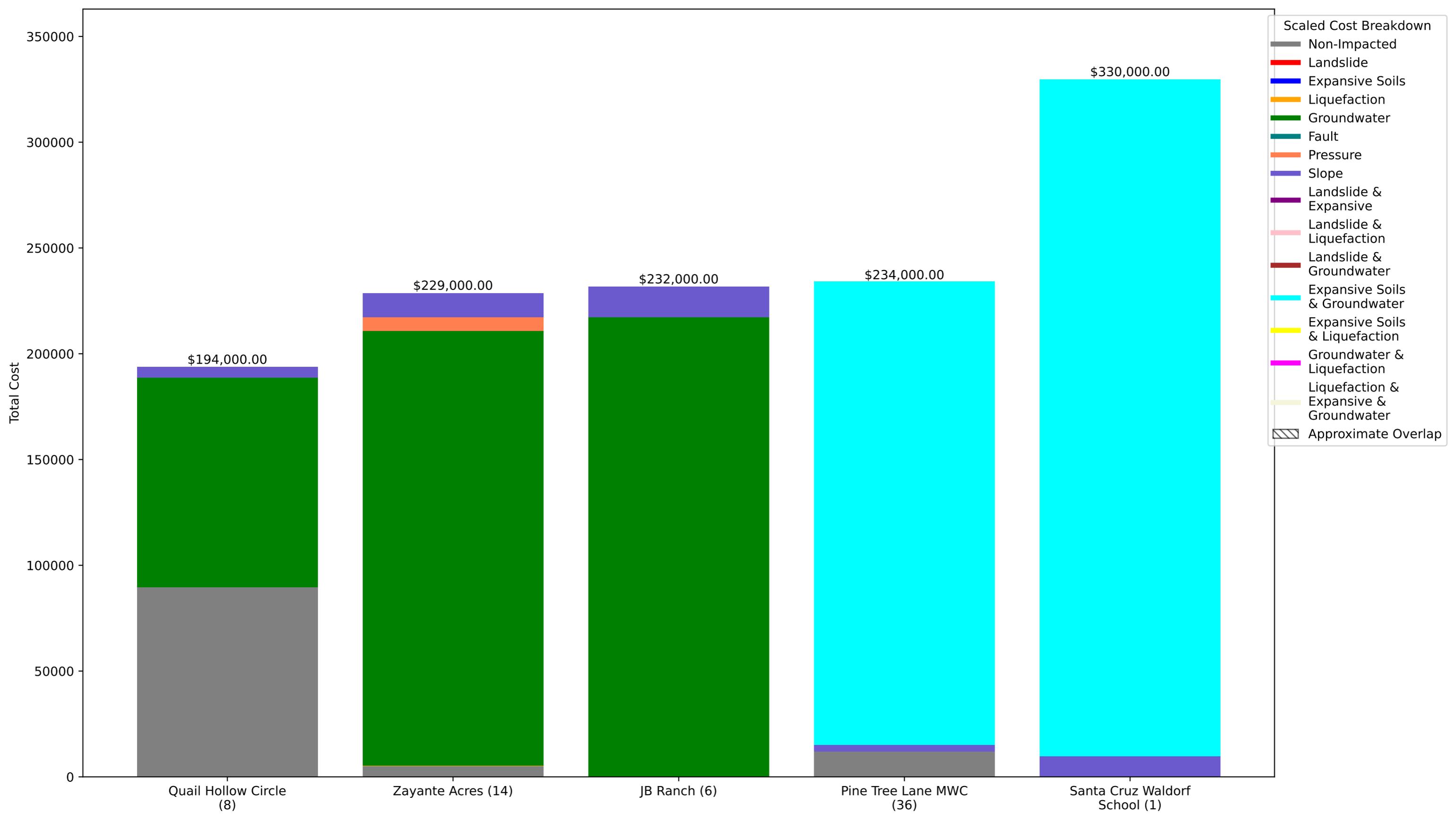
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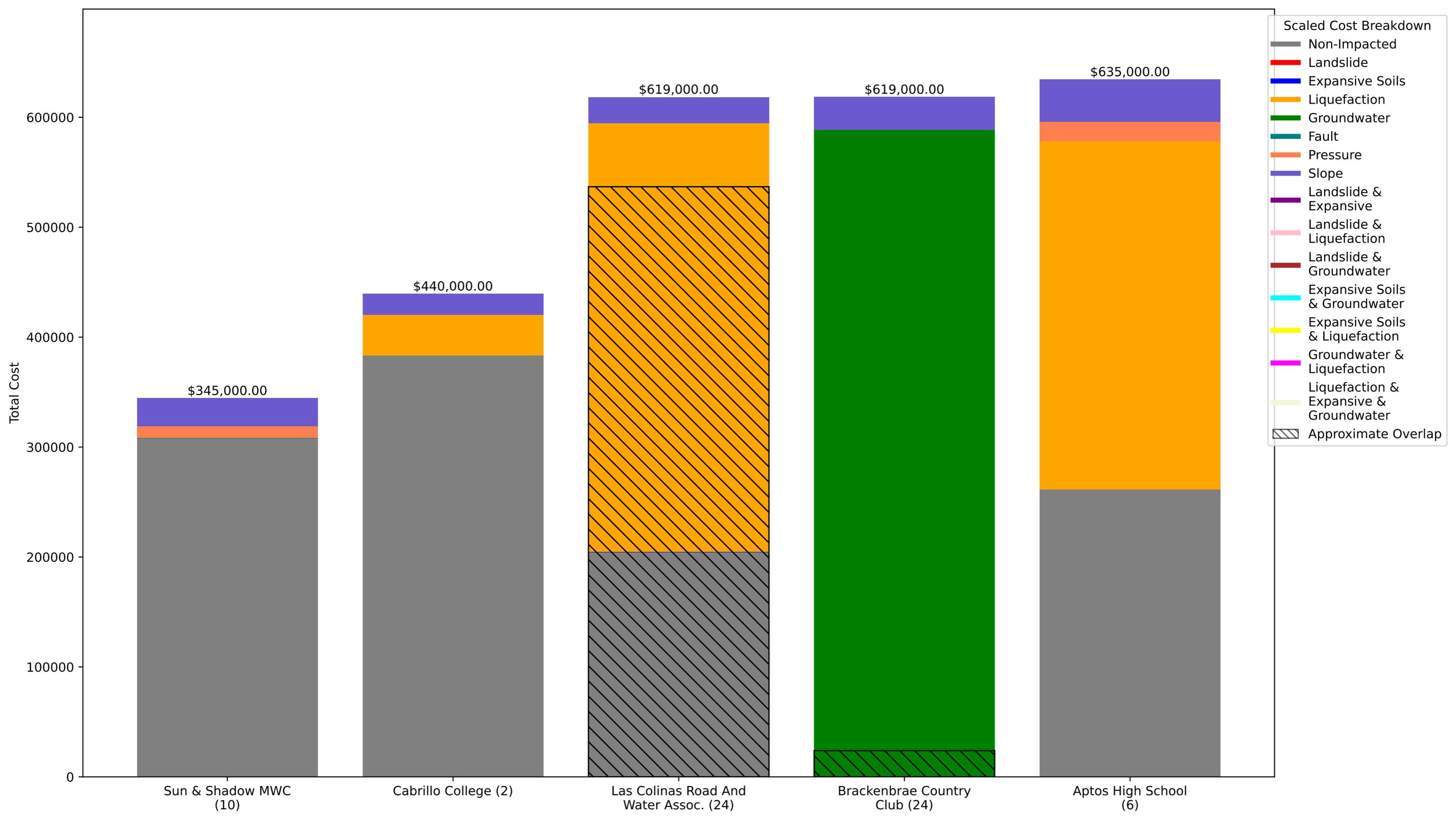
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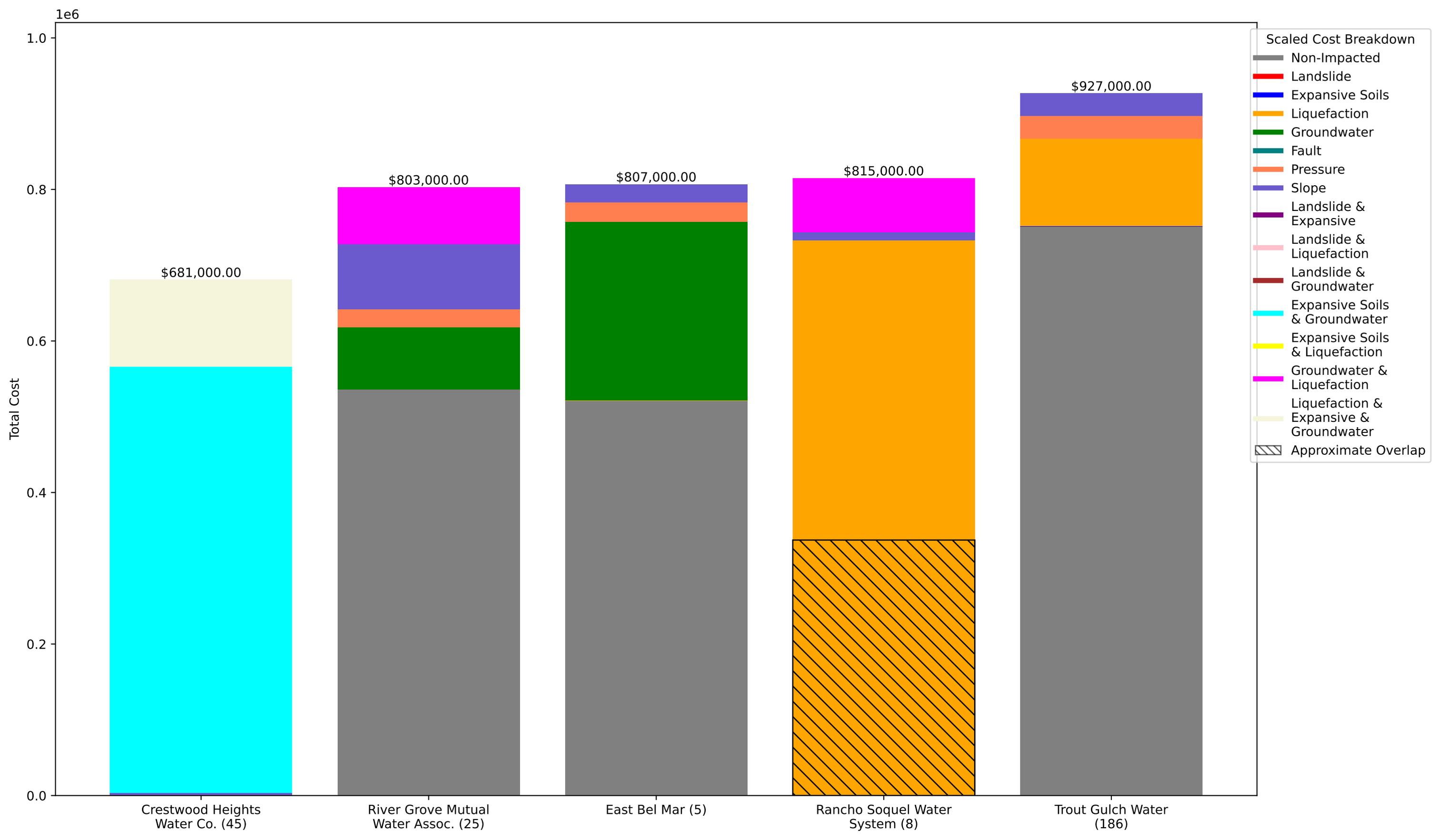


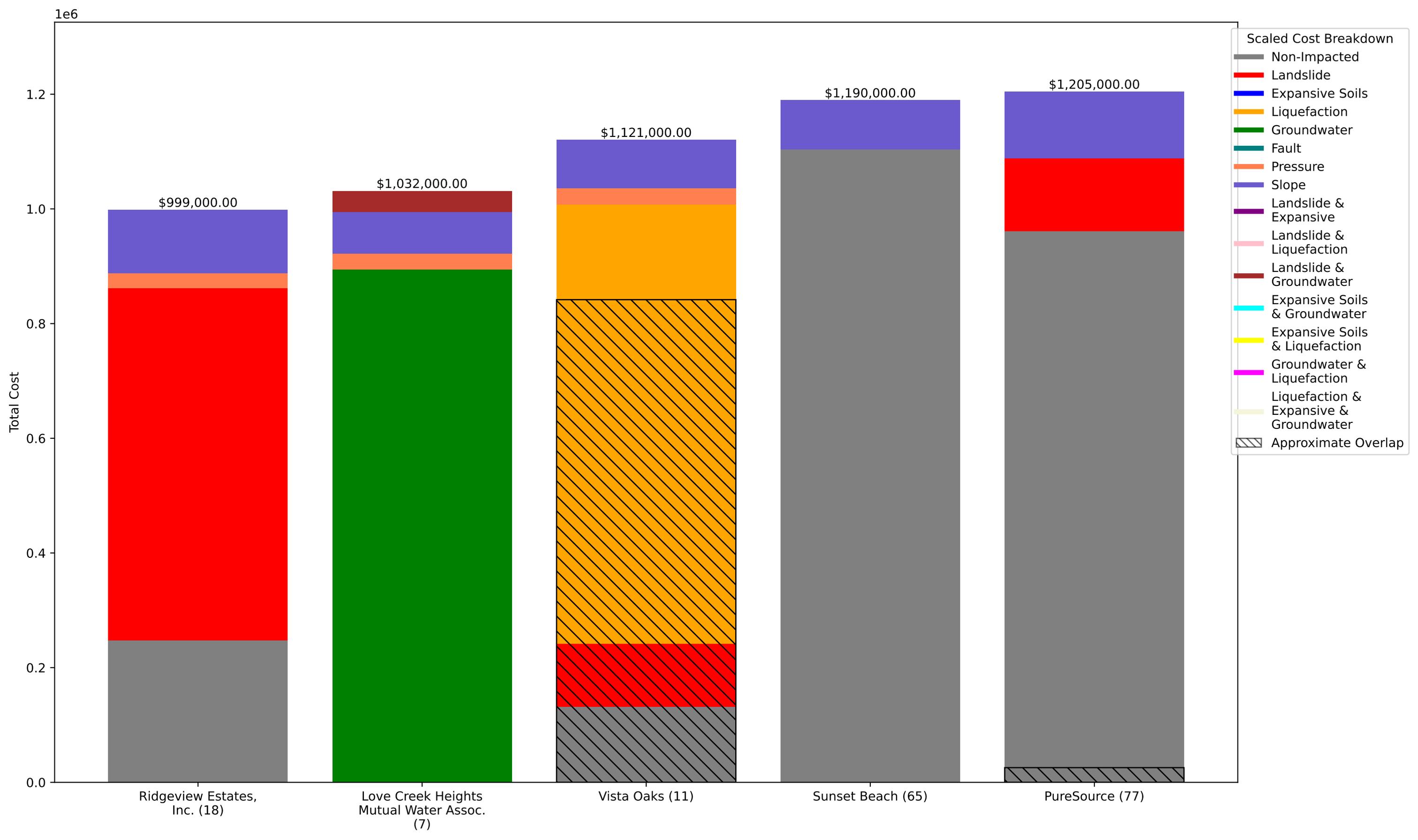
Appendix A

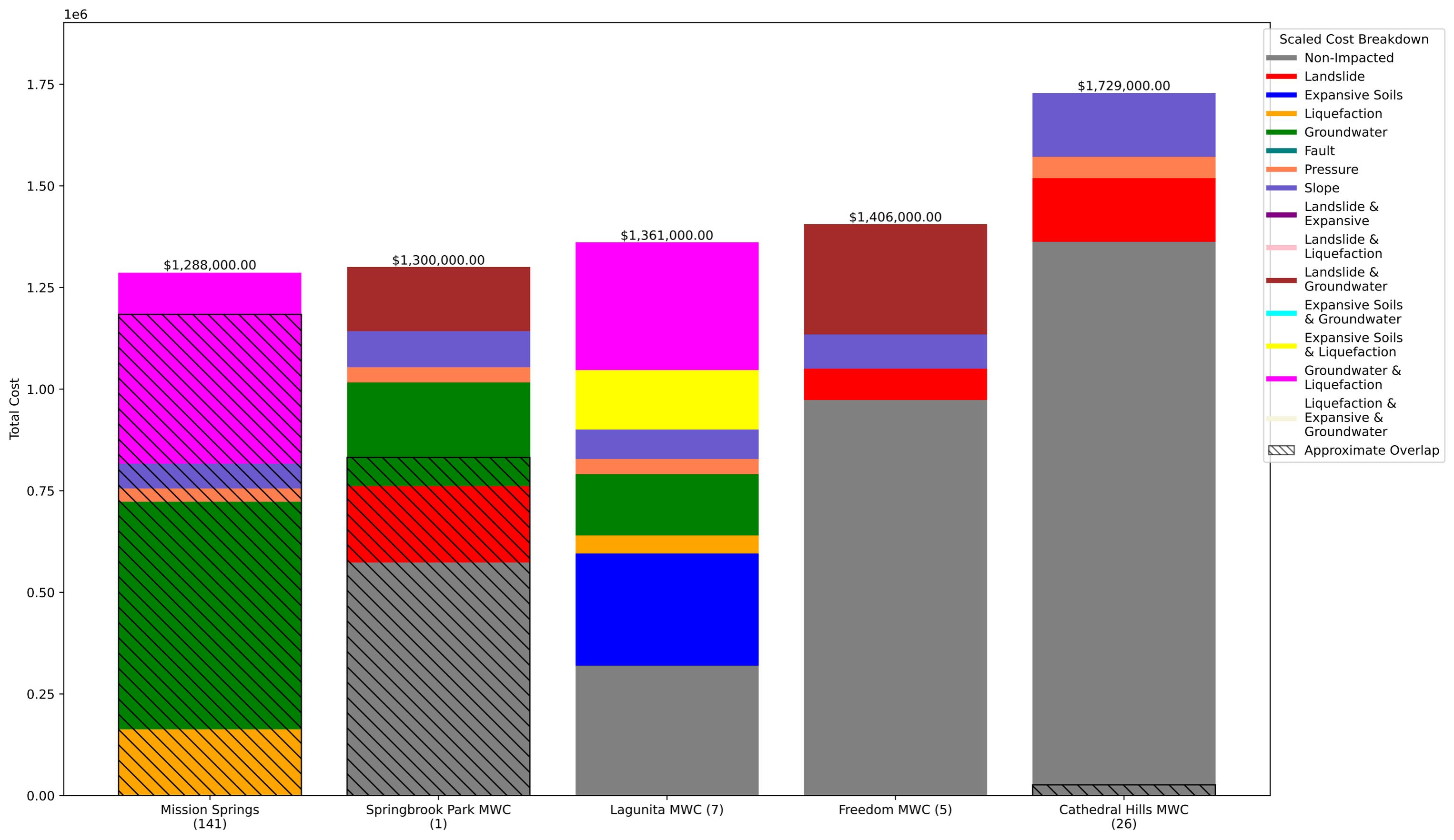


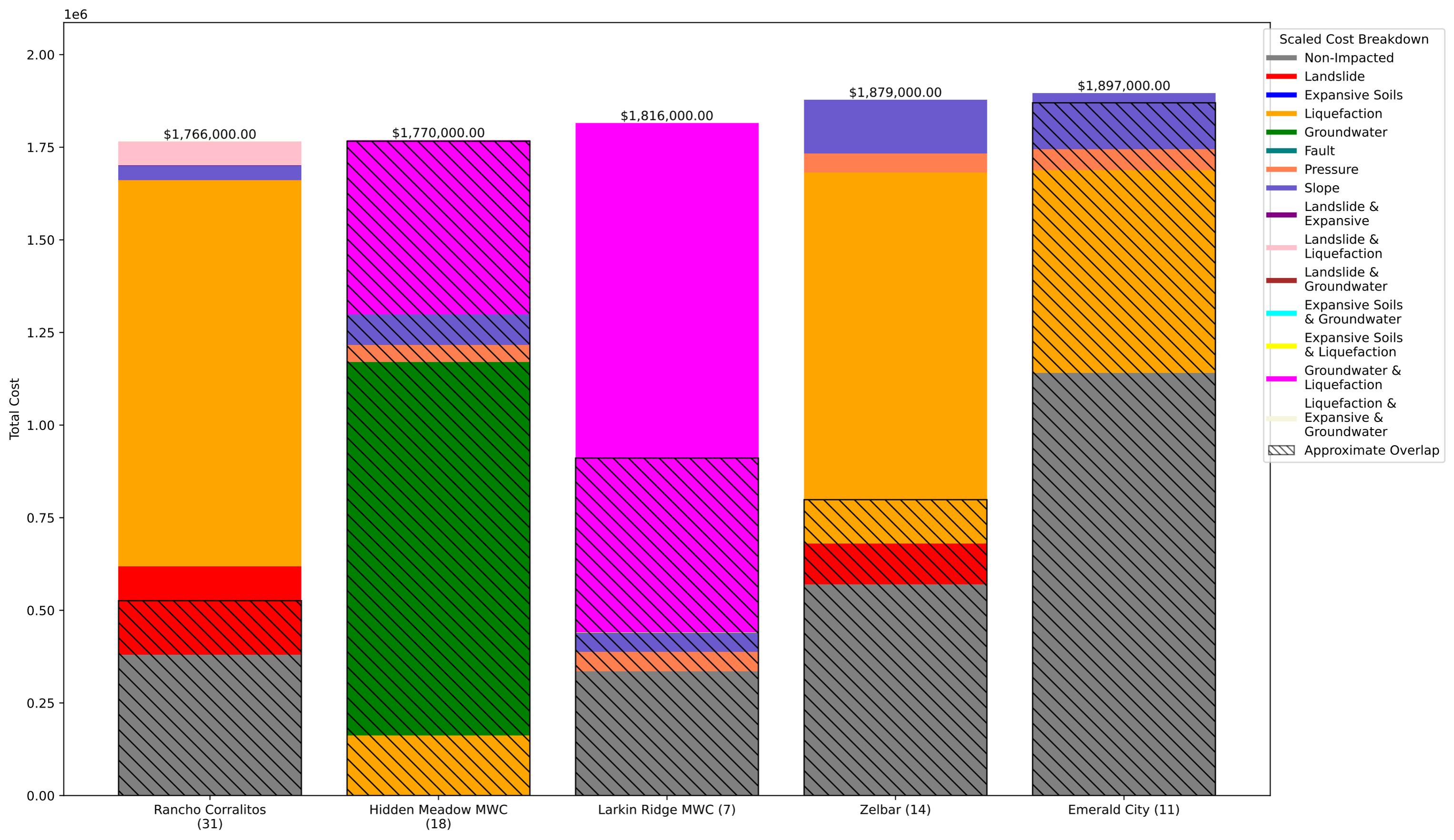


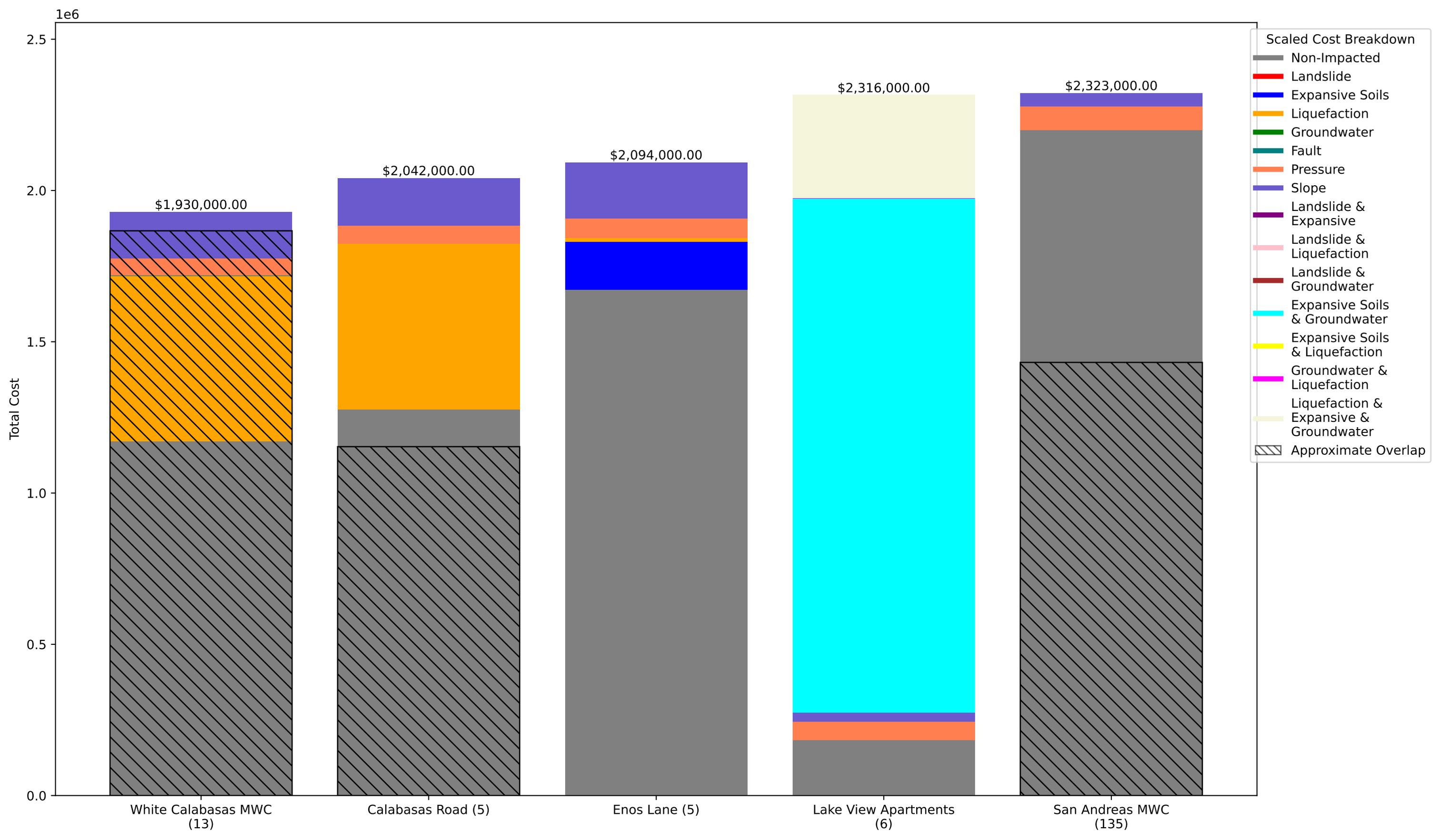


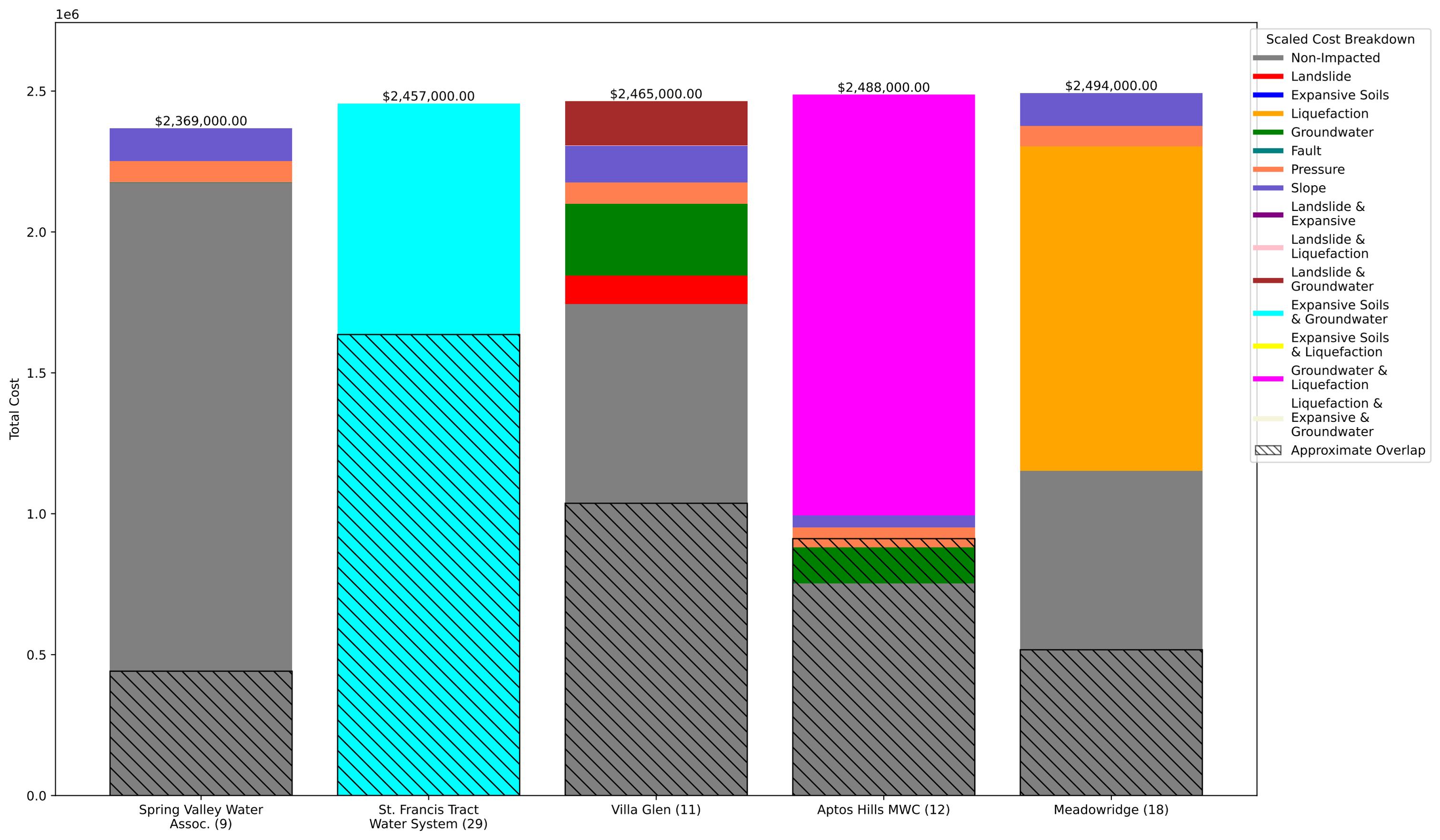


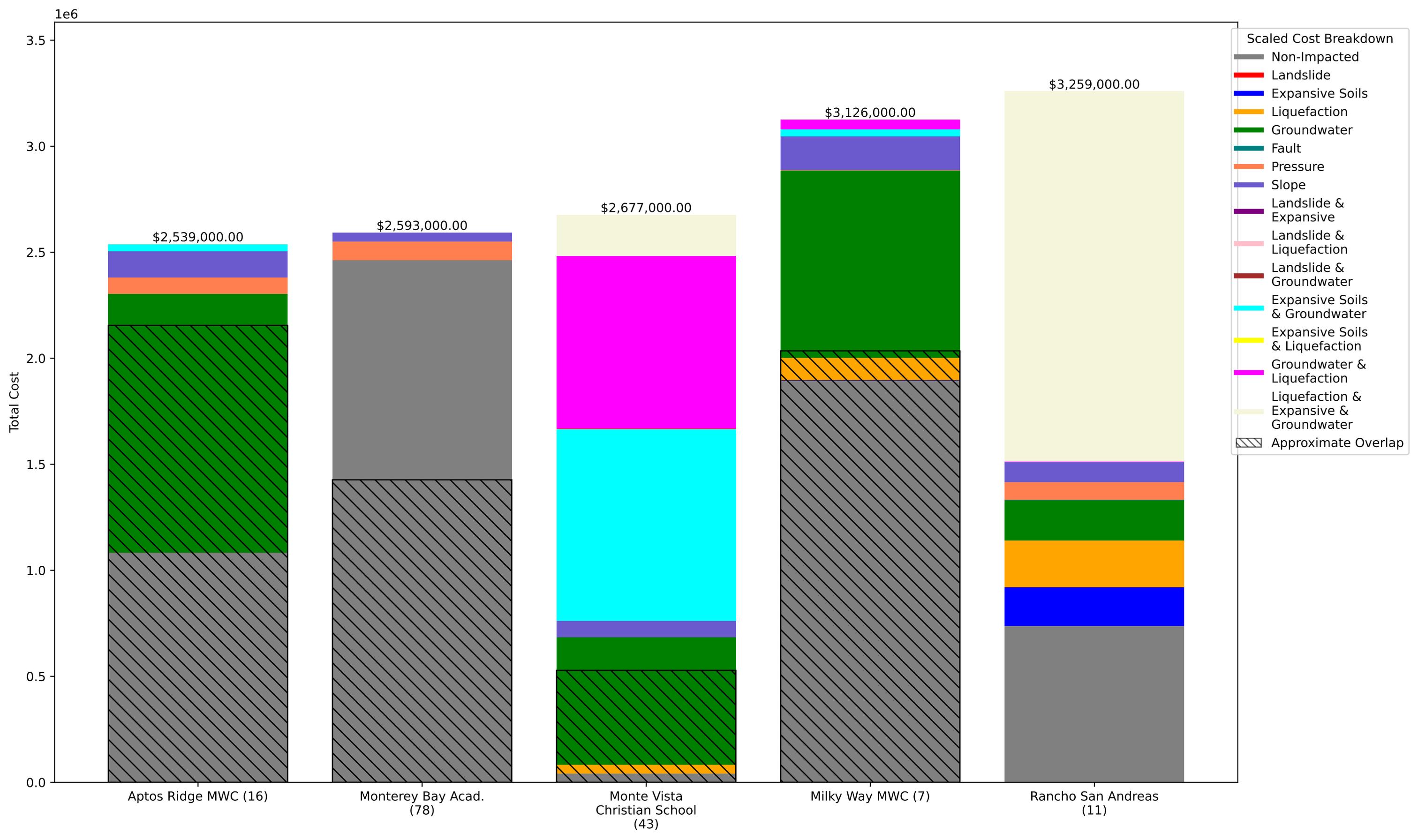


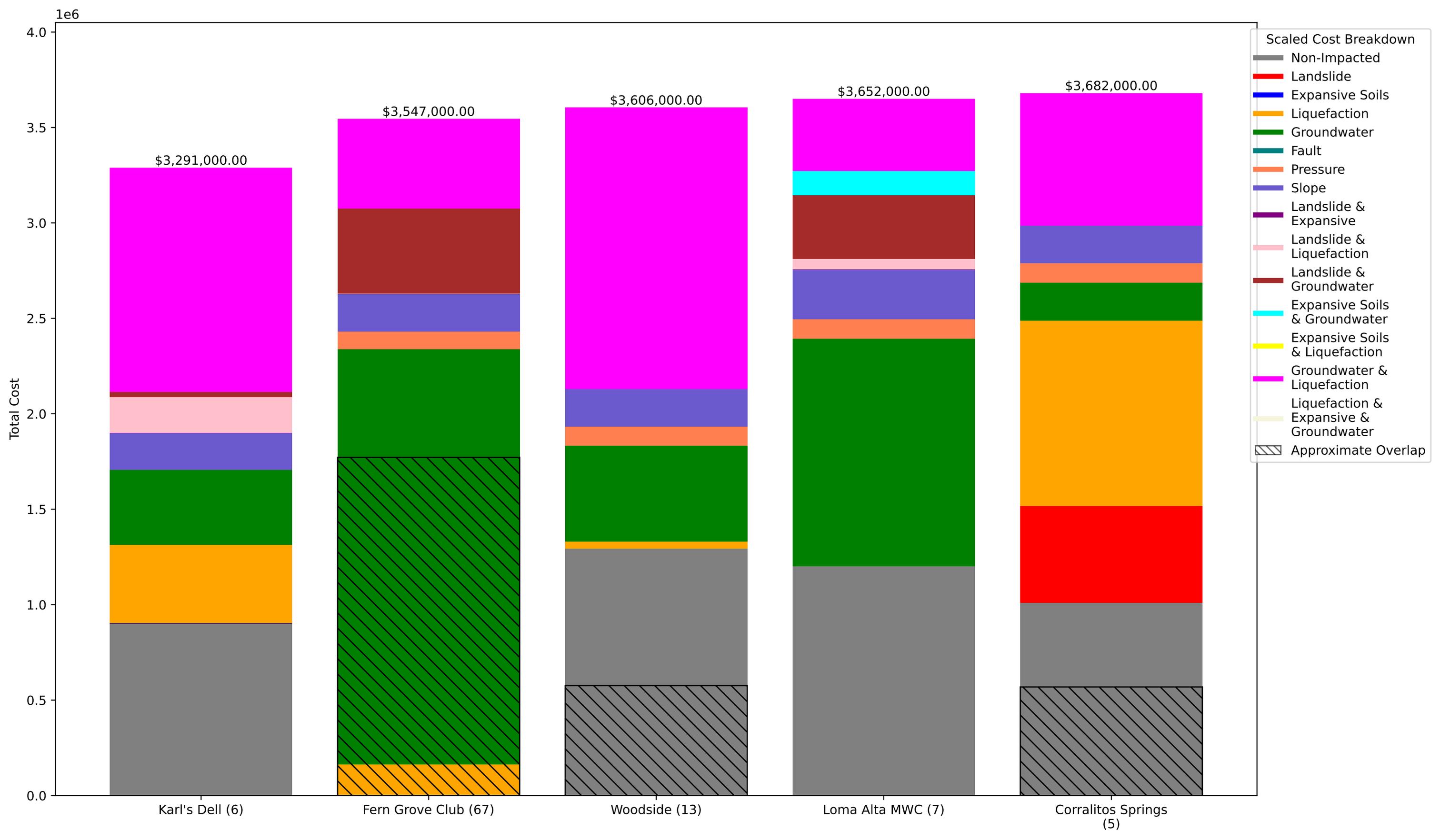


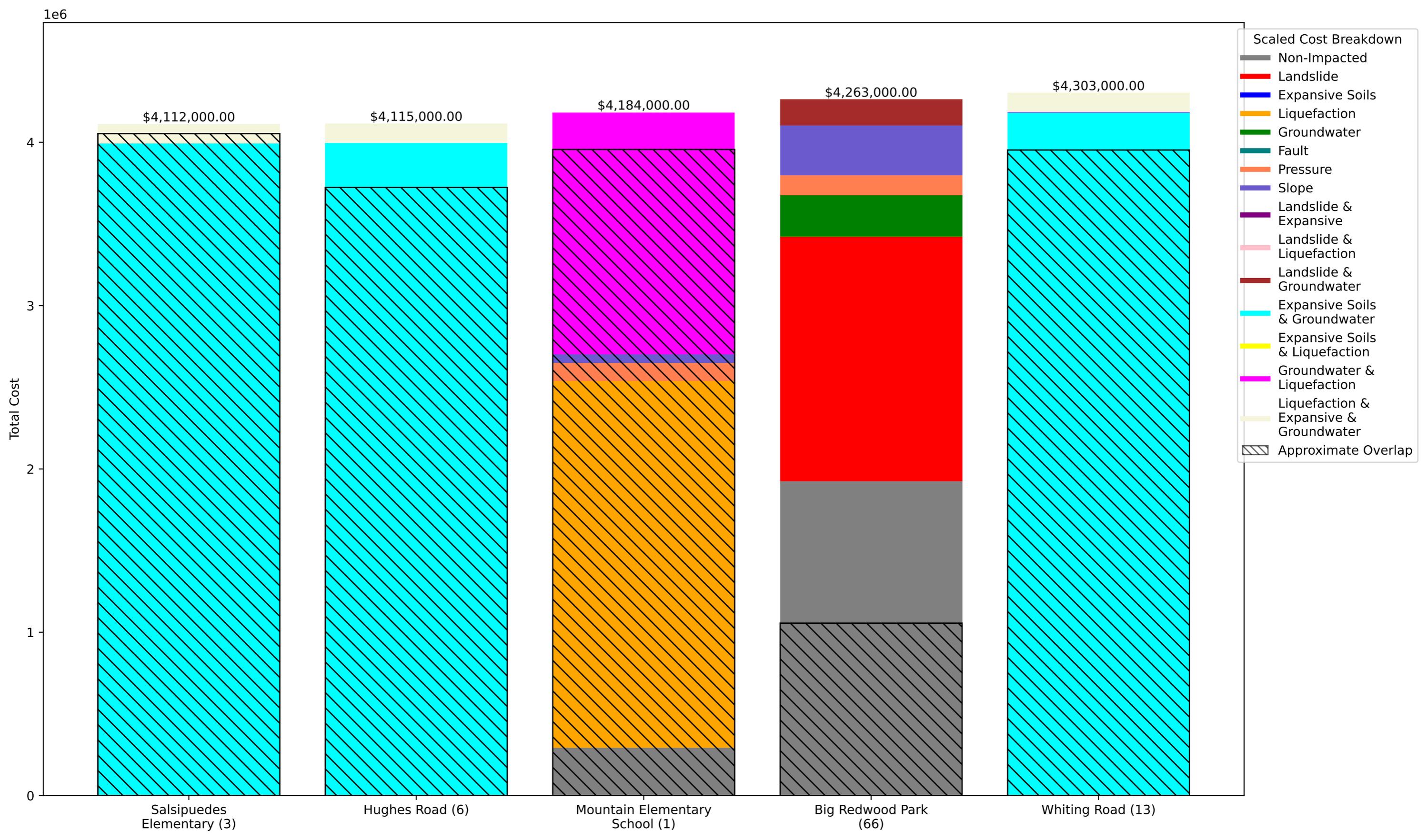


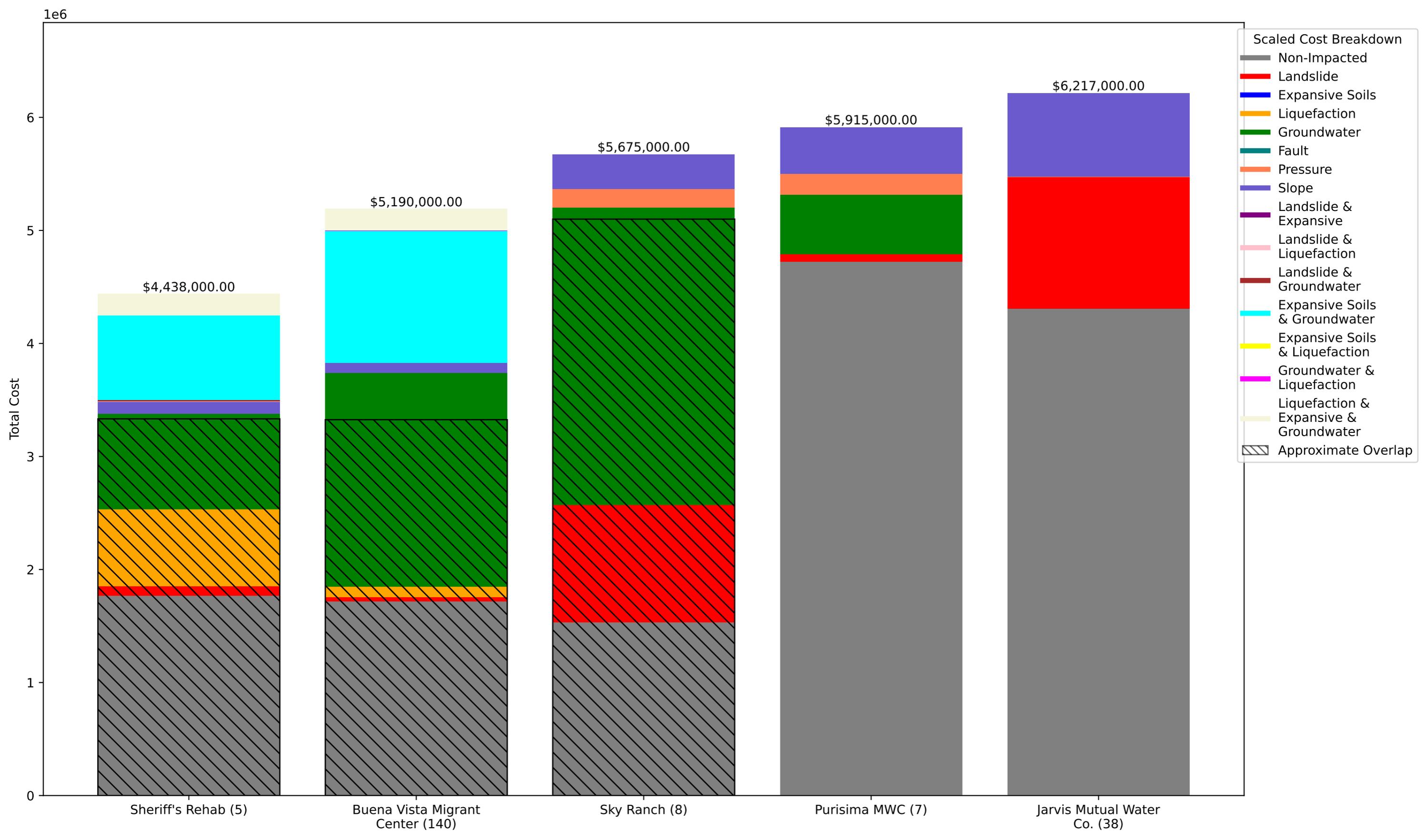


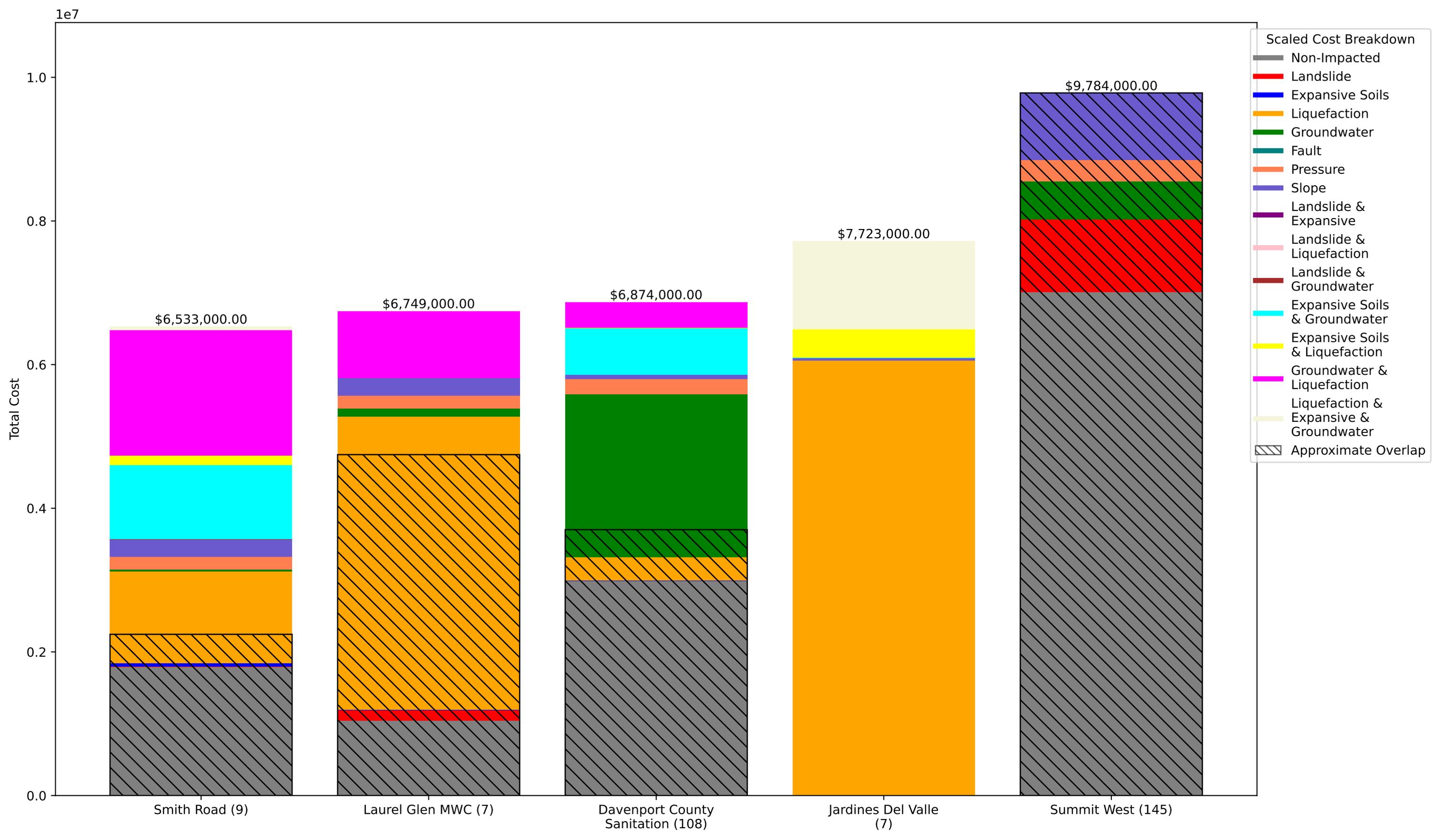


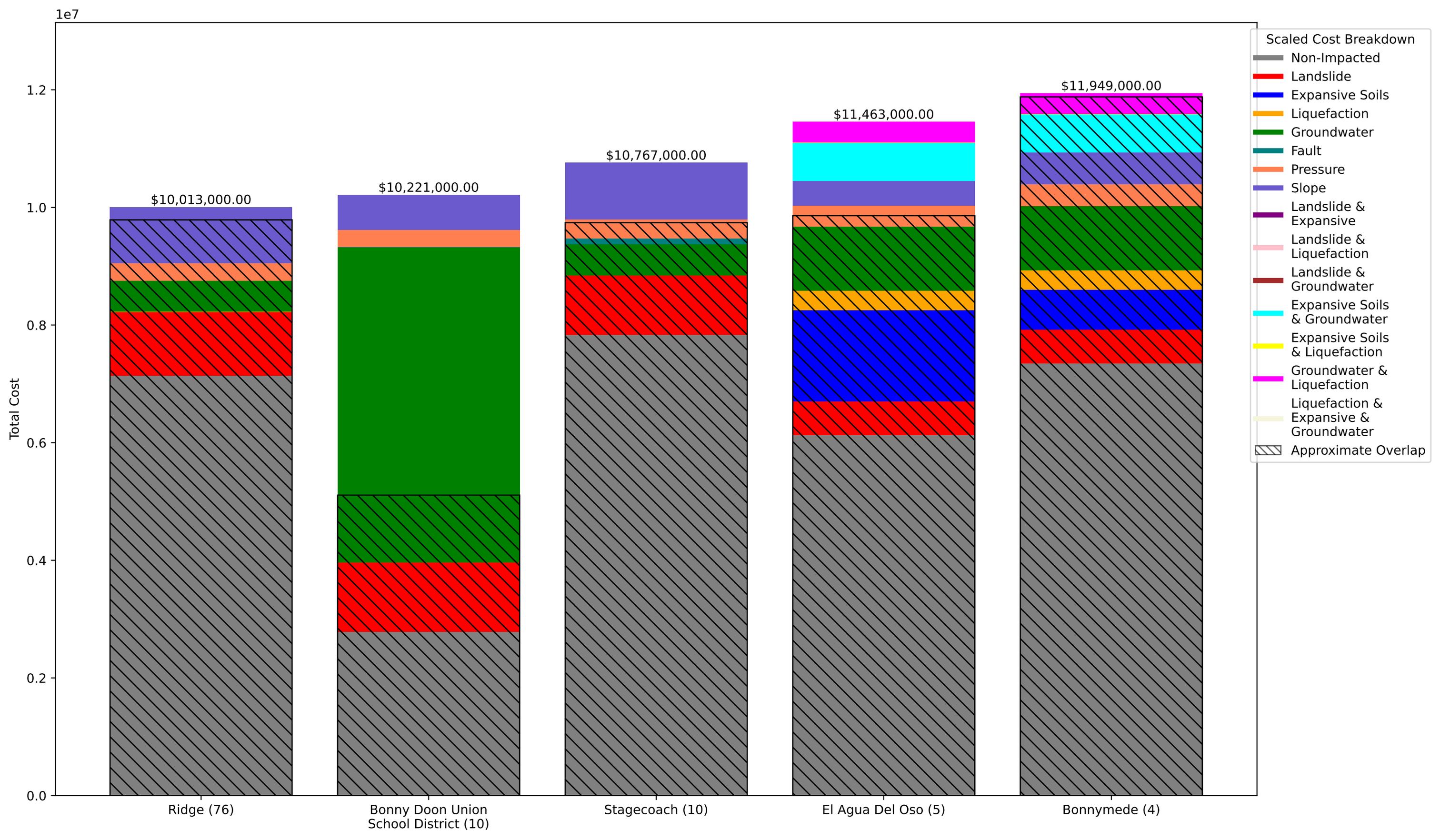


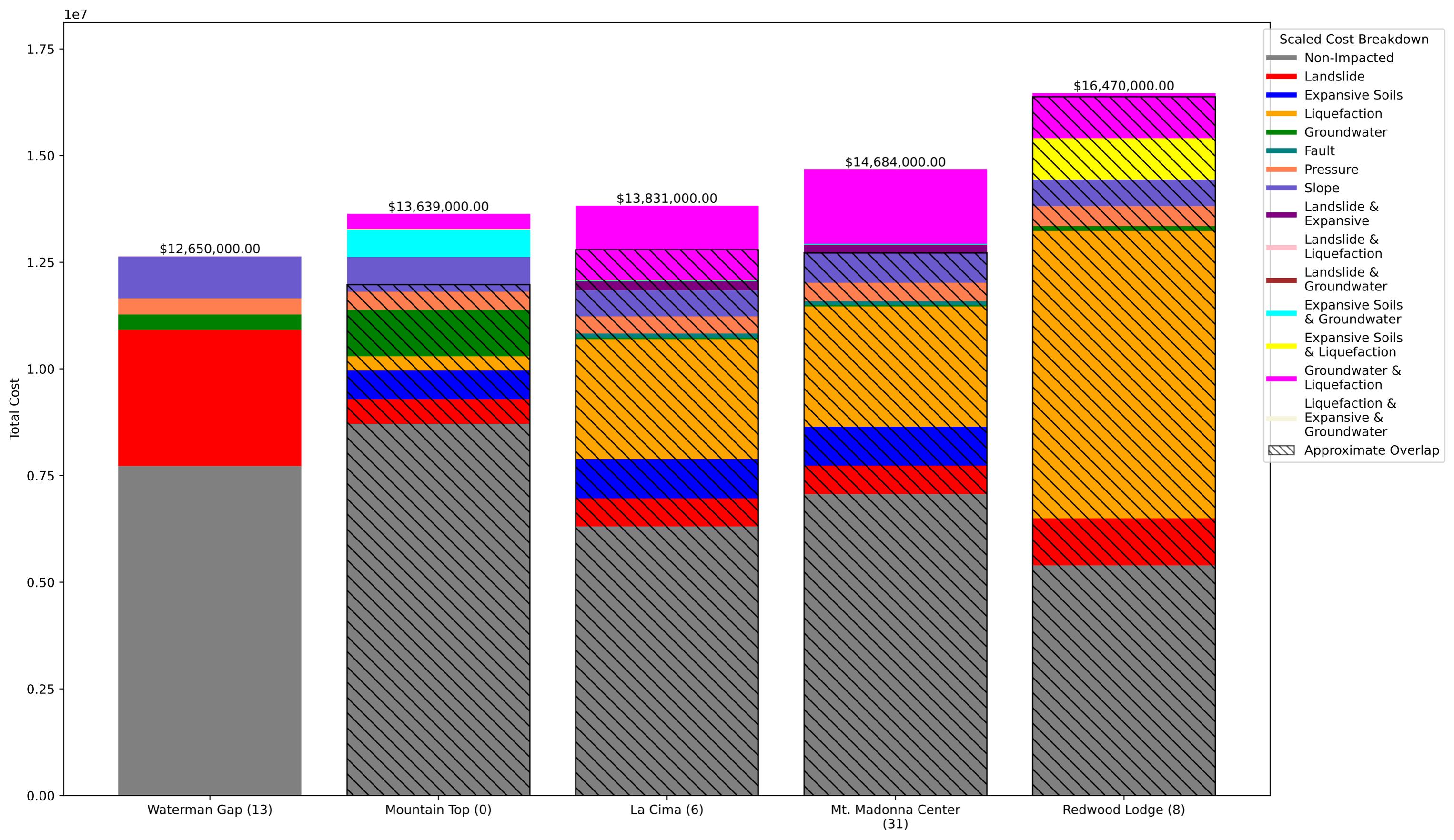


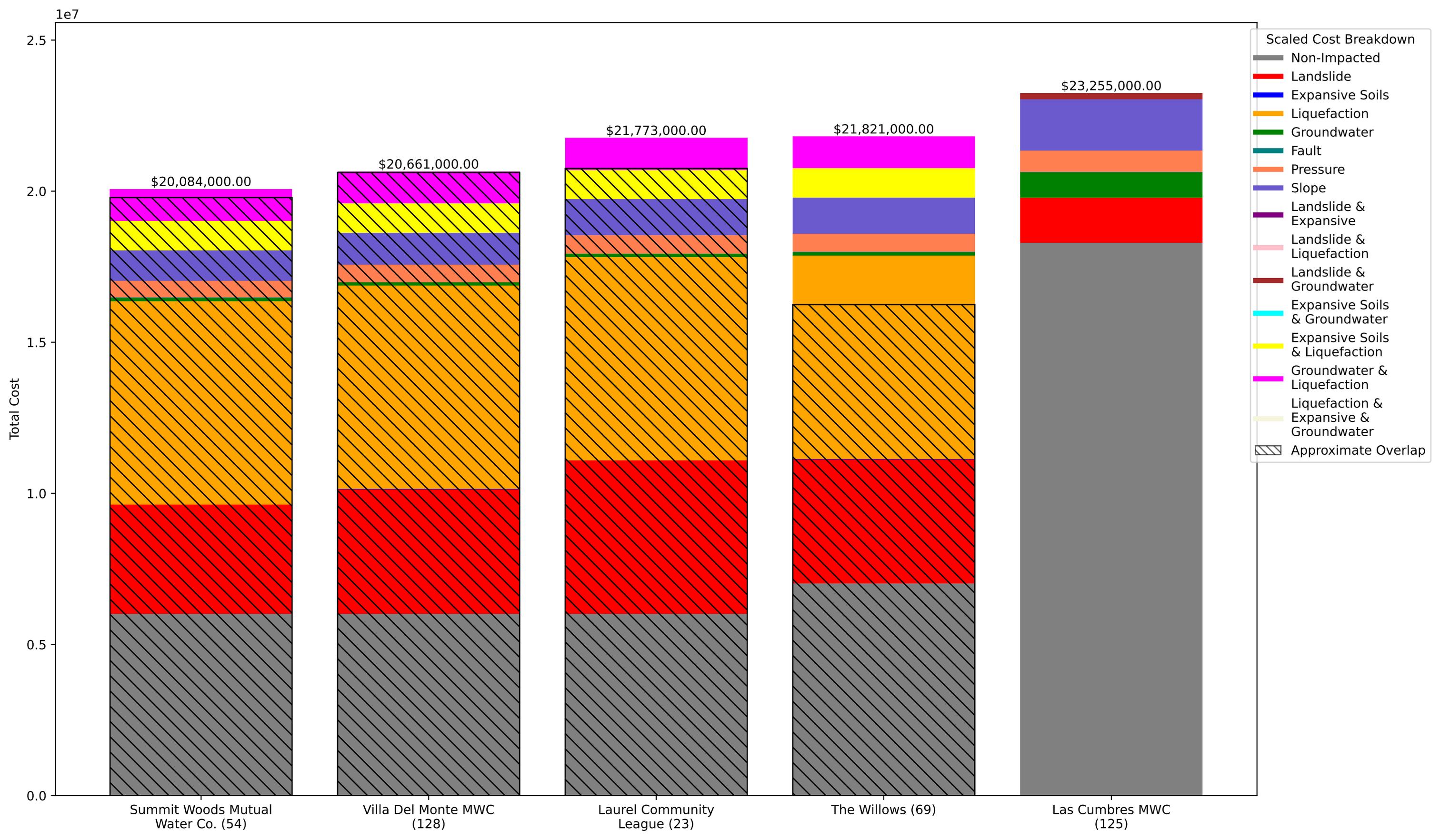












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Appendix B

