



SANTA CRUZ COUNTY SANITATION DISTRICT

701 OCEAN STREET, SUITE 410 · SANTA CRUZ, CA · 95060-4073
 (831) 454-2160 · FAX (831) 454-2089 · TDD: (831) 454-2123 · WWW.SCCSD.US
MATT MACHADO, DISTRICT ENGINEER

AGENDA DATE: MAY 16, 2024

BOARD OF DIRECTORS
 SANTA CRUZ COUNTY SANITATION DISTRICT
 701 Ocean Street, Room 410
 Santa Cruz, California 95060

SUBJECT: PUBLIC HEARING - RESOLUTION ADOPTING 2024/25 SEWER SERVICE CHARGES,
 EFFECTIVE JULY 1, 2024

Members of the Board:

On March 21, 2024, the Board set today, May 16, 2024, at 4:45 p.m. as the date and time for a hybrid public hearing to hear objections or protests, if any, to the proposed 2024/25 sewer service rate increases, and then to consider the attached resolution setting sewer service charges for the Santa Cruz County Sanitation District for fiscal year 2024/25.

The following proposed charges reflect an overall 7.6% increase over the last year and are based on the attached Hornberger Engineering Revenue Study for fiscal year 2024/25. The amount required to pay the City of Santa Cruz for wastewater treatment and plant improvements is increasing by 8.9%. This increase represents 2.4% of the District's total service charge increase. Inflation (based on the San Francisco/Oakland/San Jose Bay Area Consumer Price Index) is 2.6% and is a contributing factor increasing District operation and maintenance expenses. This contributes only 0.4% to the service charge increase, as capital equipment expenses have been reduced while operation costs have increased. Increased debt service to pay for \$29 million in sewer infrastructure projects is the largest contributor to the service charge increase at 5.4%. The District will spend less than last year in customer-funded capital projects to keep the charge increase from exceeding 7.6%.

RESIDENTIAL CUSTOMERS				
User Group ¹	Proposed Charges Per Year	Current Charges Per Year	Proposed Increase	
			Flat Charge Per Year	Change (%)
Single Family ²	\$1,073.28	\$997.56	\$75.72	7.6%
Multiple Family ³	\$923.52	\$861.36	\$62.16	7.2%
Mobile Home	\$788.64	\$738.84	\$49.80	6.7%

BOARD OF DIRECTORS, SCCSD
MAY 16, 2024
PAGE 2

COMMERCIAL CUSTOMERS AND SCHOOLS				
User Group ¹	Proposed Flat Charge Per Year ⁴	Current Flat Charge Per Year ⁴	Proposed Flat Charge Increase	
			Flat Charge Per Year	Change (%)
All Commercial and Schools	\$427.08	\$407.64	\$19.44	4.8%
User Group ¹	Plus Proposed Volume Charge Per HCF ⁴	Plus Current Volume Charge Per HCF ⁴	Proposed Volume Charge Increase	
			Volume Charge Per HCF ⁴	Change (%)
Bakeries/Donut Shops	\$15.42/HCF	\$14.01/HCF	\$1.41/HCF	10.1%
Restaurants/Catering	\$15.42/HCF	\$14.01/HCF	\$1.41/HCF	10.1%
Food Processing	\$18.20/HCF	\$16.54/HCF	\$1.66/HCF	10.0%
Hospitals / Convalescent Hospitals	\$12.14/HCF	\$11.04/HCF	\$1.10/HCF	10.0%
Other Businesses	\$11.64/HCF	\$10.59/HCF	\$1.05/HCF	9.9%
Schools (Sr. High ADA Basis)	\$40.56/ADA	\$36.89/ADA	\$3.67/ADA	9.9%
Schools (Sr. High Usage Basis)	\$11.24/HCF	\$10.22/HCF	\$1.02/HCF	10.0%
Schools (Elem. & Jr. High ADA Basis)	\$27.08/ADA	\$24.63/ADA	\$2.45/ADA	9.9%
Schools (Elem. & Jr. High Usage Basis)	\$11.24/HCF	\$10.22/HCF	\$1.02/HCF	10.0%
Junior Colleges (FTES Basis)	\$35.73/FTES	\$32.50/FTES	\$3.23/FTES	9.9%
State Parks	\$11.24/HCF	\$10.22/HCF	\$1.02/HCF	10.0%
Dominican Hospital	\$12.14/HCF	\$11.04/HCF	\$1.10/HCF	10.0%
Chaminade	\$15.85/HCF	\$14.40/HCF	\$1.45/HCF	10.1%

HCF = Hundred Cubic Feet

ADA = Average Daily Attendance

FTES = Full Time Equivalent Status

Note: Hundred Cubic Feet of Water for FY 2023/24 billing period was nine months, however HCF unit rates shown here for FY 2023/24 are the equivalent 12-month rates; for FY 2024/25 a 12-month rate will be used to cover the twelve months of water use and services.

¹The District does not apply sewer charges to vacant land or facilities on septic tanks.

²Single Family Group refers to houses.

³Multiple Family Group refers to condos, townhouses, Accessory Dwelling Units (ADUs) and apartments.

⁴Commercial customers and schools are charged flat rate plus a volume charge.

Once the attached resolution has been adopted, the District will place the service charge report on file with the District Secretary of the Board and will also post it on the District's website. This report, containing the Assessor's parcel number, the owner's name, and the amount of the charge will be available on, or before, May 30, 2024, which allows for public review at least two weeks prior to the June 13, 2024, public hearing. As in previous years, the service charge report must be approved by the Board and forwarded to the Auditor-Controller Treasurer Tax Collector by August 10, 2024, to be included on the 2024/25 property tax roll.

BOARD OF DIRECTORS, SCCSD
MAY 16, 2024
PAGE 3

It is therefore recommended that the Board of Directors take the following actions:

1. Open the public hearing and hear objections or protests, if any, to the proposed charges;
2. Close the Public Hearing, and upon its conclusion, adopt the attached Resolution setting the 2024/25 Sewer Service Charges;
3. Set Thursday, June 13, 2024, at 4:45 p.m. as the date and time for a public hearing on the service charge report; and
4. Direct the District Secretary to advertise the attached notice of public hearing, in the manner prescribed by law.

Yours truly,
DocuSigned by:

50EBAC64454C48C...
MATT MACHADO
District Engineer

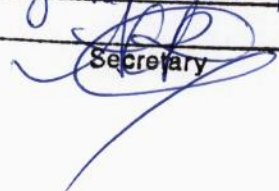
RI/B2771.docx

Attachments:

- A. Resolution with Exhibit A
- B. Notice of Public Hearing / Charge Reports
- C. Hornberger Engineering 2024-25 Revenue Study
- D. Correspondence Received

Copy to:

Hornberger Engineering
Renee Inlow
Fiscal Division

Adopted by the
Board of Directors, SCCSD
on May 16, 2024
ATTEST: 
Secretary

BEFORE THE BOARD OF DIRECTORS
OF THE SANTA CRUZ COUNTY SANITATION DISTRICT
SANTA CRUZ COUNTY, CALIFORNIA
RESOLUTION NO. 24-03

On the motion of Director Koenig
duly seconded by Alternate Director Bertrand
the following resolution is adopted:

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CRUZ COUNTY SANITATION DISTRICT
ADOPTING SEWER SERVICE CHARGES, EFFECTIVE JULY 1, 2024

WHEREAS, Santa Cruz County Sanitation District (the “District”) owns and operates a sewer collection system serving the communities of Live Oak, the City of Capitola, and portions of Aptos and Soquel; and

WHEREAS, the District desires to operate said sewer collection system in the most efficient and cost effective manner; and

WHEREAS, Government Code Section 61115 provides that the District may establish, revise and collect rates and other charges for the services and facilities furnished by it; and

WHEREAS, existing District sewer rates are not adequate to fund the operating, maintenance, and capital improvement costs of the sewer utility; and

WHEREAS, the rate increases are necessary because the District’s sewer utility relies primarily on revenues from service charges to fund the costs of providing service, and therefore sewer rates must be set at levels adequate to fund the costs of operating and maintaining the District’s sewer systems to support safe and reliable service; and

WHEREAS, sewer rate increases are also necessary to: a) support funding for capital improvements primarily needed to repair, replace, and/or upgrade aging infrastructure; and b) to help keep revenues in line with future cost inflation; and

WHEREAS, the sewer rates to be implemented by this Resolution cover no more than the cost that the District incurs to provide sewer services as detailed in the 2024/25 Revenue Study prepared by Hornberger Engineering and presented to the Board on March 21, 2024; and

WHEREAS, in accordance with the requirements of Proposition 218, official notice of the proposed sewer increases, and future annual inflationary rate adjustments, and the date, time and location of a public hearing was mailed to each record owner and customer of record, including property owners and tenant customers, on March 29, 2024, 45 days prior to a public hearing scheduled for May 16, 2024; and

RESOLUTION NO. 24- 03

WHEREAS, a public hearing was conducted by the Board of Directors on May 16, 2024, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the proposed sewer rate increases, and future annual inflationary adjustments, and to submit written protests; and

WHEREAS, after tabulating the written and not withdrawn protests, it was determined that a majority protest does not exist for either the proposed sewer rates or future annual inflationary rate adjustments to sewer rates; and

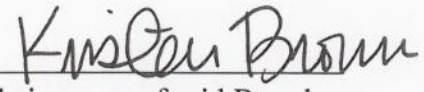
WHEREAS, the approval of this Resolution is exempt from CEQA pursuant to Public Resources Code Section 21080(b)(8).

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the Santa Cruz County Sanitation District that the sewer rates, as provided in Exhibit A, attached hereto and incorporated herein by reference, with an annual increase equal to the consumer price index unless changed by Resolution of the Board, are hereby adopted and shall become effective starting July 1, 2024, at which point they will replace previously adopted rates. Future rates are subject to annual review by the Board of Directors prior to implementation.

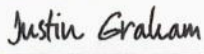
PASSED AND ADOPTED by the Board of Directors of the Santa Cruz County Sanitation District this 16th day of May, 2024, by the following vote:

AYES: ALTERNATE DIRECTOR BERTRAND, DIRECTOR KOENIG & DIRECTOR BROWN
NOES: NONE
ABSENT: DIRECTOR FRIEND
ABSTAIN: NONE

ATTEST: 
Secretary of said Board


Chairperson of said Board

Approved as to Form:

DocuSigned by:

40E85ACDEDAB42D...
Office of District Counsel

Notarizing
1 86.
County of Santa Cruz)

I the undersigned Secretary of the Board of Directors of the Santa Cruz County Sanitation District, County of Santa Cruz, State of California do hereby certify that the foregoing is a true and correct copy of an resolution passed and accepted by and entered in the Minutes of said Board.

Attachments:
Exhibit A

In witness whereof, I have hereunto set my hand and
placed the seal of the said Board on May 17, 2024

Distribution:
Hornberger Engineering
Renee Inlow
Fiscal Division

Signed: 

Resolution 24-^^
Exhibit A
2024/25 Rates
Santa Cruz County Sanitation District

User Group	2024/25 Rates	
	Flat Fee (\$/year)	Volume Fee (\$/HCF)(1)
Single Family	\$1,073.28	
Townhomes & Condominiums	\$923.52	
Multiple Family & ADUs	\$923.52	
Mobile Homes	\$788.64	
Bakeries/Donut Shops	\$427.08	\$15.42
Restaurants/Catering	\$427.08	\$15.42
Food Processing	\$427.08	\$18.20
Hospitals/Convalescent Hospitals	\$427.08	\$12.14
Other Businesses	\$427.08	\$11.64
Schools (Sr. High ADA Basis) (2)	\$427.08	\$40.56
Schools (Sr. High Usage Basis)	\$427.08	\$11.24
Schools (Elem. & Jr. High ADA Basis) (2)	\$427.08	\$27.08
Schools (Elem. & Jr. High Usage Basis)	\$427.08	\$11.24
Junior Colleges (FTES Basis) (3)	\$427.08	\$35.73
State Parks	\$427.08	\$11.24
Dominican Hospital	\$427.08	\$12.14
Chaminade	\$427.08	\$15.85

(1) Annual volume charge based on 12 months of service.

(2) Volume Rate = \$/ADA/year

(3) Volume Rate = \$/FTES/year



NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Board of Directors of the Santa Cruz County Sanitation District, at its regularly scheduled meeting on June 13, 2024, at 4:45 p.m., at the D. A. Porath Sanitation Facility meeting room, 2750 Lode Street, Santa Cruz, California, and Hybrid for Public Access - Virtual/Teleconference on Zoom: <https://us02web.zoom.us/j/87204523763> (Meeting ID: 872 0452 3763), Phone: +1 669 900 6833 US (San Jose), will hear public comment and consider all oral and written protests regarding the proposed increase in service charges and collection of same on the 2024/25 tax roll. A copy of said written report containing a description of each parcel of real property receiving sanitary sewage services from the District, and the amount of such charges for each such parcel, will be available for public inspection on or before May 30, 2024, at the Office of the District Secretary, in the Public Works Department, Room 410, Governmental Center Building, 701 Ocean Street, Santa Cruz, California 95060, and on the District's website, under the "Rates and Fees" tab: <https://sccsd.wpcomstaging.com/rates-fees/>

If you have any questions regarding the contents of the Notice of Public Hearing or the Service Charge Report; please call the District at (831) 454-2160.

BY ORDER OF the Board of Directors of the Santa Cruz County Sanitation District.

Signed: _____

A handwritten signature in blue ink, appearing to be "Chris Pina", is written over a horizontal line.

Dated: _____

May 16, 2024

Regardless of a person's ability or disability, the Santa Cruz County Sanitation District complies with the Americans with Disabilities Act (ADA). As a courtesy to those persons affected, please attend the meeting smoke and scent free. The Board of Directors' Chambers is located in an accessible facility. You may request a copy of the agenda in an alternative format. If you need special assistance, please contact the District at (831) 454-2160 (TDD/TTY- CALL 711) at least 72 hours in advance of the meeting. If you have a question about an agenda item, please call Sanitation District staff at (831) 454-2160.

Public Hearing.docx

ATTACHMENT C

SANTA CRUZ COUNTY SANITATION DISTRICT

2024/25 REVENUE STUDY



February 2024

Hornberger Engineering
San Jose, California



February 22, 2024

Mr. Matt Machado, P.E.
District Engineer
Santa Cruz County Sanitation District
701 Ocean Street
Santa Cruz, CA 95060

Subject: Santa Cruz County Sanitation District
2024/25 Revenue Study

Dear Mr. Machado,

We are pleased to submit this five-year program of sewer service charges for the Santa Cruz County Sanitation District. The purpose of this study is to incorporate the latest costs associated with the District's projects and programs and to project revenue requirements for the years 2024/25 through 2028/29. The study is based on the projected capital costs, operation and maintenance expenses and customer information prepared by the District staff.

This study assumes four bond issues will be issued as part of the District's Capital Improvement Program funding over the next ten years. The first bond issue will be for \$29.0 million in June 2024 to fund eleven projects. A second bond issue will be for \$24.0 million in April 2025 to fund the D.A. Porath facility improvements. A third bond issue will be for \$30.0 million in June 2026 to fund five projects and a fourth bond issue in June 2028 for \$25 million.

As a result of this study, the overall fee increase for fiscal year 2024/25 is 7.6%. Proposed fees for the individual user groups are shown in the following table. Increases of 7.6% to 7.0% are projected for the following four years.

We appreciate this opportunity to prepare this revenue study for the Santa Cruz County Sanitation District. Please do not hesitate to contact me if you have any questions or would like any additional information.

Sincerely,

Hornberger Engineering

Gary Hornberger

**Santa Cruz County Sanitation District
Proposed 2024/25 Fee Increases**

User Group	Proposed 2024/25 Fees		Existing 2023/24 Fees		2024/25 Increases
	Flat Fee (\$/year)	Volume Fee (\$/HCF)	Flat Fee (\$/year)	Volume Fee (\$/HCF)	Change (%)
Single Family	\$1,073.28		\$997.56		7.6%
Townhomes & Condominiums	\$923.52		\$861.36		7.2%
Multiple Family & ADUs	\$923.52		\$861.36		7.2%
Mobile Homes	\$788.64		\$738.84		6.7%
Bakeries/Donut Shops	\$427.08	\$15.42	\$407.64	\$14.01	9.6%
Restaurants/Catering	\$427.08	\$15.42	\$407.64	\$14.01	9.6%
Food Processing	\$427.08	\$18.20	\$407.64	\$16.54	9.9%
Hospitals/Convalescent Hospitals	\$427.08	\$12.14	\$407.64	\$11.04	9.9%
Other Businesses	\$427.08	\$11.64	\$407.64	\$10.59	8.2%
Schools (Sr. High ADA Basis) (1)	\$427.08	\$40.56	\$407.64	\$36.89	9.9%
Schools (Sr. High Usage Basis)	\$427.08	\$11.24	\$407.64	\$10.22	9.9%
Schools (Elem. & Jr. High ADA Basis) (1)	\$427.08	\$27.08	\$407.64	\$24.63	9.6%
Schools (Elem. & Jr. High Usage Basis)	\$427.08	\$11.24	\$407.64	\$10.22	9.6%
Junior Colleges (2)	\$427.08	\$35.73	\$407.64	\$32.50	9.9%
State Parks	\$427.08	\$11.24	\$407.64	\$10.22	9.6%
Dominican Hospital	\$427.08	\$12.14	\$407.64	\$11.04	10.0%
Chaminade	\$427.08	\$15.85	\$407.64	\$14.40	10.1%
Overall Increase					7.6%

(1) Volume Rate = \$/ADA/year

(2) Volume Rate = \$/FTES/year

SANTA CRUZ COUNTY SANITATION DISTRICT 2024/25 REVENUE STUDY

Introduction

The Santa Cruz County Sanitation District will require approximately 7.6% to 7.0% annual increases in revenue from fees for sewer service in the next five fiscal years, 2024/25 through 2028/29. The overall fee increase for 2024/25 developed in this study is 7.6%. These increases are primarily related to increased operating expenses, increased capital projects at the wastewater treatment plant operated by the City of Santa Cruz, the District's capital program with an additional \$108 million in bonds, and general inflation.

The District staff has reviewed connection charge revenue, capital outlay needs, operation and maintenance expenses, debt service and miscellaneous revenues for the next five fiscal years. Based on this updated information, proposed fees for sewer service in 2024/25 and estimated fees through 2028/29 have been calculated. The development of these fees is discussed in the following sections.

Requirements for Sewer Service Fees

The District's fees for sewer service are subject to the requirements contained in the Revenue Program Guidelines issued by the California State Water Resources Control Board. This is a condition of the State and Federal grants and loans received by the District.

The Guidelines require that fees for sewer service be designed to recover adequate revenues for the operation and maintenance of the District's facilities. In addition, each user and user class must pay its proportional share of those costs, based on its proportional contribution to the total wastewater loadings from all users. The District's sewer service fees have been reviewed by the State Water Resources Control Board staff and are in compliance with the Guidelines.

The District's fees are also subject to the requirements of Proposition 218. This proposition, passed in 1996, requires that fees shall not exceed the proportional cost of service attributable to any parcel.

Customer Revenue

The projected revenue received for sewer service under the current 2023/24 fees has increased by \$23,000, as shown in Table 1. This is a combination of a \$165,000 increase in residential revenue and a \$142,000 decrease in nonresidential revenue. The most significant usage increases in 2023 were for Cabrillo College, which was up 61%, and hospitals which were up 25%. Restaurants were down 5% and other businesses were down 11%. This increase in customer revenue has the effect of decreasing the proposed 2023/24 sewer service fees by 0.1%.

Table 1
Customer Revenue at Current 2023/24 Fees

Year	Residential Revenue (\$/year)	Nonresidential Revenue (\$/year)	Total Revenue (\$/year)
2023/24	\$27,213,000	\$5,358,000	\$32,571,000
2024/25	\$27,378,000	\$5,216,000	\$32,594,000
Difference	\$165,000 0.6%	(\$142,000) (2.7%)	\$23,000 0.1%

Connection Charge Revenue

Actual connection charge revenue the past two and one-half years has averaged \$386,000. Based on actual revenues, connection charges of \$300,000 have been projected for 2024/25 and the following years.

Capital Improvement Program Funding

Connection charge revenue and contributions from rates are used to fund the District's Capital Improvement Program projects that are not funded by loans or grants. The funding for 2024/25 is \$3,211,000. This will be generated by \$300,000 in connection charge revenue and \$2,911,000 in sewer service fees. The funding for those projects in the five years of the study period is show in Table 2. The projects included in

this program are listed in Table 3. Existing fund balances will be used for the additional costs of these projects.

**Table 2
Capital Improvement Program Funding**

Item	Annual Capital Improvement Program Funding				
	2024/25 (\$/year)	2025/26 (\$/year)	2026/27 (\$/year)	2027/28 (\$/year)	2028/29 (\$/year)
Connection Charge Revenue	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Contribution from Rates	\$2,911,000	\$2,232,000	\$2,970,000	\$3,934,000	\$6,520,000
Capital Improvement Program Funding	\$3,211,000	\$2,532,000	\$3,270,000	\$4,234,000	\$6,820,000

**Table 3
District Funded Capital Improvement Program**

Project	2024/25	2025/26	2026/27	2027/28	2028/29
East Cliff, Portola and Richmond Drives	\$500,000				
Pump Station Repairs/Modifications (Rodeo Pump Station)	\$670,000				
East Cliff Trans. Main Replacement at Murray St. Bridge	\$1,600,000				
D.A Porath Facility Improvements	\$300,000	\$300,000	\$300,000	\$300,000	\$0
Flowmeter Replacements and Repairs	\$0	\$40,000	\$0	\$45,000	\$0
Transmission Line Inspection	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
SCADA System Improvements	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Pump Station Sewage Level Monitoring	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Cathodic Protection	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Road Repairs	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Consulting Engineering Services	\$200,000	\$100,000	\$200,000	\$300,000	\$400,000
Minor Projects	\$500,000	\$500,000	\$400,000	\$700,000	\$700,000
Soquel FM Inspection		\$200,000			
East Cliff Force Main Inspection		\$200,000			
East Cliff Force Main Repairs - II			\$900,000		
Capitola Pump Station improvements	\$100,000				
Townsend Area Sewer Rehab (added Hidden lining)	\$25,000				
Santa Cruz Harbor Area Sewer Rehab Phase 2		\$100,000			
Hidden Beach Meter Main and Automatic Transfer Switch	\$140,000				
Concrete Stairs Rehab (Concrete Rehab Various PS)		\$420,000			
Access Hatch at Moran Pump Station	\$75,000				
Access Hatch Schwan Pump Station		\$276,080			
Soquel Pump Station Auxiliary Wet Well		\$100,000			
2027 Sewer Pipe Rehabilitation Project		\$100,000			
Other Rehab (Collection and Operations)					\$260,000
Contingencies	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Total District Funded Capital Projects	\$4,860,000	\$3,086,080	\$2,550,000	\$2,095,000	\$2,110,000

Operation and Maintenance Expenses

The projected operation and maintenance expenses include treatment costs paid to the City of Santa Cruz and the District's expenses for pump station and collection line maintenance, engineering, source control and fixed assets.

As shown in Table 4, projected treatment expenses have increased from those used in the 2023/24 fees. The District's share of treatment operations costs has increased by \$237,000 due to inflation. Significant increases in projects at the treatment plant are projected for the five-year study period. These projects are shown in Table 5. The District's 8/17 share of capital projects has increased by \$564,000. The total increase in City treatment costs for 2024/25 is \$801,000.

Table 4
2024/25 City Treatment Expenses

Year	Operations (\$/year)	Capital (\$/year)	Total (\$/year)
2023/24	\$5,808,000	\$3,157,000	\$8,965,000
2024/25	\$6,045,000	\$3,721,000	\$9,766,000
Difference	\$237,000 4.1%	\$564,000 17.9%	\$801,000 8.9%

As shown in Table 6, the District's O&M expense projections for the next fiscal year have increased by \$134,000 from those used in the 2023/24 fees. This includes increases of 4.6%, or \$719,000, in operating costs and a \$585,000 decrease in routine capital expenses.

**Table 5
Treatment Plant Capital Improvement Program**

Project	2024/25	2025/26	2026/27	2027/28	2028/29
Equipment Replacement	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Nearby Park Mitigation CIP	\$250,000	\$525,000	\$275,000	\$275,000	\$275,000
Jessie St. Park CIP	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Upgrade Digester Equipment		\$200,000			\$200,000
Digester Cleaning		\$700,000		\$700,000	
WWTP Paving	\$250,000				
Water Piping Rehabilitation	\$553,000				
Electrical System Upgrade Design	\$2,000,000	\$2,000,000	\$2,000,000		
Modernize Lab	\$500,000	\$1,500,000			
WWTP Infrastructure and Major Equipment	\$3,000,000	\$3,000,000	\$4,000,000	\$4,000,000	\$4,000,000
Total Treatment Plant Capital Projects	\$7,603,000	\$8,975,000	\$7,325,000	\$6,025,000	\$5,525,000

**Table 6
2024/25 District Operation and Maintenance Expenses**

Year	Operations (\$/year)	Capital (\$/year)	Total (\$/year)
2023/24	\$15,556,000	\$1,857,000	\$17,413,000
2024/25	\$16,275,000	\$1,272,000	\$17,547,000
Difference	\$719,000 4.6%	(\$585,000) (31.5%)	\$134,000 0.8%

Debt Service

The District currently has three projects funded by State Revolving Fund (SRF) loans. These include \$12 million for the Aptos Transmission Relocation Project, \$5 million for the Soquel Creek Pump Station Force Main and \$3.3 million for the Valencia Creek Sewer Relocation. The Capitola/Jewel Box Sewer project was funded by a \$7 million California Infrastructure and Economic Development Bank (IBank) loan.

In June 2022 the District issued \$19.9 million in revenue bonds to fund five projects. These included the East Cliff, Portola and Richmond Drive Trunklines, the Upper Rodeo Truckline, the Lower Rodeo Trunkline, the Rodeo Pump Station and the Arana Trunkline.

An assessment in 2021 of the condition of the District determined sewer infrastructure required over \$143 million (based on 2021 costs) in capital improvement projects to rehabilitate and/or replace all infrastructure poorly rated. Another \$80 million in capital improvements was required to address capacity issues that put the system at risk of overflowing in large storm events. The District's 10-year plan included \$42 million in funding for these projects in 2022/23. An additional \$181 million in capital projects for the following nine years will fix a significant portion of the deficiencies identified in 2021. The District plans to issue four revenue bonds starting in 2024/25. These include a \$29 million issue in June of 2024 to fund eleven projects, a \$24 million issue in April 2025 to fund the D.A. Porath Facility improvements, a \$30 million issue in June of 2026 to fund five projects, and a \$25 million issue in 2028. Additional funding would be generated from sewer service fees.

The District is participating in a \$3.5 million IBank loan for the Ultraviolet System Replacement project at the City wastewater treatment plant. In addition, the District will be participating in the funding for the Electrical System Upgrade at the plant. The latter project is under design with a preliminary construction cost of \$26 million. The actual project cost and funding have not been established at this time. Estimated debt service for this project has been included for the study period but is subject to change at a later date. The District will pay 8/17 of the debt service for both those projects.

The proposed projects funded by these loans and bonds over the next five fiscal years are shown in Table 7. The debt service schedules for all the District's loans and bonds for the study period are shown in Table 8.

Table 7
District Loan and Bond Funded Capital Improvement Program

Project	Prior Years	2023/24	2024/25	2025/26	2026/27	2027/28
State Revolving Fund Loans:						
Aptos Transmission Relocation	\$11,982,000					
Soquel Ck. PS FM Replacement	\$5,002,000					
Valencia Creek Sewer Relocation	\$3,265,000					
Bank Loans:						
Capitola / Jewel Box Sewer	\$7,000,000					
2022 Bond Issue:						
East Cliff, Portola, & Richmond Dr.	\$7,300,000					
Upper Rodeo, Lower Rodeo Trunklines and Rodeo PS	\$8,500,000					
Arana Trunkline	\$4,100,000					
Non Project	\$45,000					
Total 2022 Bond Issue	\$19,945,000					
2024 Bond Issue:						
Eddy Lane Sewer Rehabilitation		\$1,300,000				
Soquel Village Sewer Rehabilitation Phase 2		\$9,050,000				
Seacliff/Rio Del Mar Sewer Rehabilitation		\$2,700,000				
Hidden Beach Bypass		\$600,000				
Emergency Bypass Improvements		\$610,000				
DA Porath Bypass		\$1,300,000				
Upper Rodeo Gulch Trunkline		\$2,650,000				
Capitola Pump Station Roof/Drainage		\$400,000				
West Seaciff Sewer Rehabilitation		\$8,670,000				
East Cliff Drive Sewer Rehabilitation		\$500,000				
Arana Gulch Sewer Rehabilitation		\$1,220,000				
Total 2024 Bond Issue		\$29,000,000				
2025 Bond Issue:						
DA Porath Facility			\$24,000,000			
2026 Bond Issue:						
Soquel Pump Station Auxillary Wet Well				\$3,465,100		
Santa Cruz Harbor Sewer Rehabilitation Phase 2				\$6,456,900		
Capitola Village Phase 1				\$5,131,000		
Rio Del Mar Sewer Rehabilitation Phase 2				\$10,594,600		
2027 Sewer Pipe Rehabilitation				\$4,352,400		
Total 2026 Bond Issue				\$30,000,000		
2028 Bond Issue:						\$25,000,000
City WWTP Projects:						
UV Replacement (\$3.5 million X 8/17)	\$1,647,000					
Electrical System Construction (\$26.0 million X 8/17)					\$12,235,000	
Total City WWTP Projects	\$1,647,000	\$0	\$0	\$0	\$12,235,000	\$0
Total Loan and Bond Funded Projects	\$48,841,000	\$29,000,000	\$24,000,000	\$30,000,000	\$12,235,000	\$25,000,000

**Table 8
District Debt Service**

Item	Annual Debt Service				
	2024/25 (\$/year)	2025/26 (\$/year)	2026/27 (\$/year)	2027/28 (\$/year)	2028/29 (\$/year)
SRF Loan - Aptos Transmission Project	\$790,000	\$790,000	\$790,000	\$790,000	\$790,000
SRF Loan - Soquel Creek Pump Station	\$219,000	\$219,000	\$219,000	\$219,000	\$219,000
SRF Loan - Valencia Creek Sewer Relocation	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
lBank Loan - Capitola/Jewel Box	\$403,000	\$402,000	\$401,000	\$401,000	\$400,000
2022 Bond Issue - 5 Projects	\$1,199,000	\$1,197,000	\$1,199,000	\$1,200,000	\$1,195,000
2024 Bond Issue - 11 Projects	\$1,685,000	\$1,685,000	\$1,685,000	\$1,685,000	\$1,685,000
2025 Bond Issue - D.A. Porath Facility		\$1,440,000	\$1,440,000	\$1,440,000	\$1,440,000
2026 Bond Issue - 5 Projects			\$1,800,000	\$1,800,000	\$1,800,000
2028 Bond Issue					\$1,550,000
City WWTP lBank Loan - UV Replacement	\$83,000	\$83,000	\$83,000	\$83,000	\$83,000
City WWTP Electrical System Upgrade - Construction			\$828,000	\$828,000	\$828,000
Total Debt Service	\$4,504,000	\$5,941,000	\$8,570,000	\$8,571,000	\$10,115,000

Revenue Trust Interest Income

The District uses the investment income received in the Revenue Trust Fund to fund a portion of its operating expenses every year. This reduces the total revenues required from fees for sewer service. Based on actual earnings, the projected annual interest income for 2024/25 and the following years is \$100,000.

Reserve Fund

The District's Reserve Fund will have a balance of \$2,300,000 at the beginning of 2024/25 after a transfer out of \$1,900,000 in 2023/24. The District's plan is to continue annual increases of \$100,000 over the next ten years plus additional transfers back into this fund of \$200,000 in 2025/26, \$200,00 in 2026/27 and \$1,500,000 in 2027/28. This will bring the balance to \$4,700,000 by the end of 2028/29. These amounts will be recovered annually through sewer service fees.

Total Revenues

Projected revenues required for 2024/25 through 2028/29 from fees for sewer service are shown in Table 9. The total revenue required in 2024/25 is \$35,078,000, which will require an overall fee increase of \$2,484,000 or 7.6%. Annual fee increases for the following four years are projected to be 7.6% to 7.0%.

**Table 9
Total Revenue Requirements**

Item	Annual Revenue Requirement				
	2024/25 (\$/year)	2025/26 (\$/year)	2026/27 (\$/year)	2027/28 (\$/year)	2028/29 (\$/year)
Capital Improvement Funding	\$2,911,000	\$2,232,000	\$2,970,000	\$3,934,000	\$6,520,000
Debt Service	\$4,504,000	\$5,941,000	\$8,570,000	\$8,571,000	\$10,115,000
City Treatment	\$9,766,000	\$10,683,000	\$10,131,000	\$9,761,000	\$9,793,000
District O&M	\$17,547,000	\$18,311,000	\$18,335,000	\$19,255,000	\$19,604,000
Reserve Fund	\$100,000	\$300,000	\$300,000	\$1,600,000	\$100,000
Revenue Collection Expense	\$350,000	\$377,000	\$406,000	\$434,000	\$465,000
Interest Earnings	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)
Total Revenue Requirement	\$35,078,000	\$37,744,000	\$40,612,000	\$43,455,000	\$46,497,000
Fee Increase	7.6%	7.6%	7.6%	7.0%	7.0%

Sewer Service Fees

The proposed 2024/25 fees for sewer service, based on increased customer usage and total revenue requirements, are shown in Table 10. The overall 2024/25 fee increase is 7.6%. Residential increases are of 7.6% for single family residences, 7.2% for multiple and 6.7% for mobile homes.

These proposed fees are based the average wastewater discharges for the three residential classifications, as adopted by the District Board in January 2022. The discharge by customers in the single family classification is 5.1 HCF per month. The discharge by customers in the combined multiple family classification is 4.1 HCF per month. Mobile home discharge is 3.2 HCF per month.

Nonresidential fee increases vary based on customer size and strength of wastewater discharged. Restaurants, which have high strength wastewater, will have higher increases. Pollutant costs are a significant portion of their fees and those costs are increased as total City treatment costs increase in 2024/25. Increases for other high strength customers are similar.

A five-year fee program for the study period is shown in Table 11. This table includes adopted fees since 1991/92 and proposed increases through 2028/29.

Table 10
Proposed 2024/25 Fees

User Group	Proposed 2024/25 Fees		Existing 2023/24 Fees		2024/25 Increases		
	Flat Fee (\$/year)	Volume Fee (\$/HCF)	Flat Fee (\$/year)	Volume Fee (\$/HCF)	Flat Fee (\$/year)	Volume Fee (\$/HCF)	Change (%)
Single Family	\$1,073.28		\$997.56		\$75.72		7.6%
Townhomes & Condominiums	\$923.52		\$861.36		\$62.16		7.2%
Multiple Family & ADUs	\$923.52		\$861.36		\$62.16		7.2%
Mobile Homes	\$788.64		\$738.84		\$49.80		6.7%
Bakeries/Donut Shops	\$427.08	\$15.42	\$407.64	\$14.01	\$19.44	\$1.41	9.6%
Restaurants/Catering	\$427.08	\$15.42	\$407.64	\$14.01	\$19.44	\$1.41	9.6%
Food Processing	\$427.08	\$18.20	\$407.64	\$16.54	\$19.44	\$1.66	9.9%
Hospitals/Convalescent Hospitals	\$427.08	\$12.14	\$407.64	\$11.04	\$19.44	\$1.10	9.9%
Other Businesses	\$427.08	\$11.64	\$407.64	\$10.59	\$19.44	\$1.05	8.2%
Schools (Sr. High ADA Basis) (1)	\$427.08	\$40.56	\$407.64	\$36.89	\$19.44	\$3.67	9.9%
Schools (Sr. High Usage Basis)	\$427.08	\$11.24	\$407.64	\$10.22	\$19.44	\$1.02	9.9%
Schools (Elem. & Jr. High ADA Basis) (1)	\$427.08	\$27.08	\$407.64	\$24.63	\$19.44	\$2.45	9.6%
Schools (Elem. & Jr. High Usage Basis)	\$427.08	\$11.24	\$407.64	\$10.22	\$19.44	\$1.02	9.6%
Junior Colleges (FTES Basis) (2)	\$427.08	\$35.73	\$407.64	\$32.50	\$19.44	\$3.23	9.9%
State Parks (1)	\$427.08	\$11.24	\$407.64	\$10.22	\$19.44	\$1.02	9.6%
Dominican Hospital	\$427.08	\$12.14	\$407.64	\$11.04	\$19.44	\$1.10	10.0%
Chaminade	\$427.08	\$15.85	\$407.64	\$14.40	\$19.44	\$1.45	10.1%
Overall Increase							7.6%

(1) Volume Rate = \$/ADA/year

(2) Volume Rate = \$/FTES/year

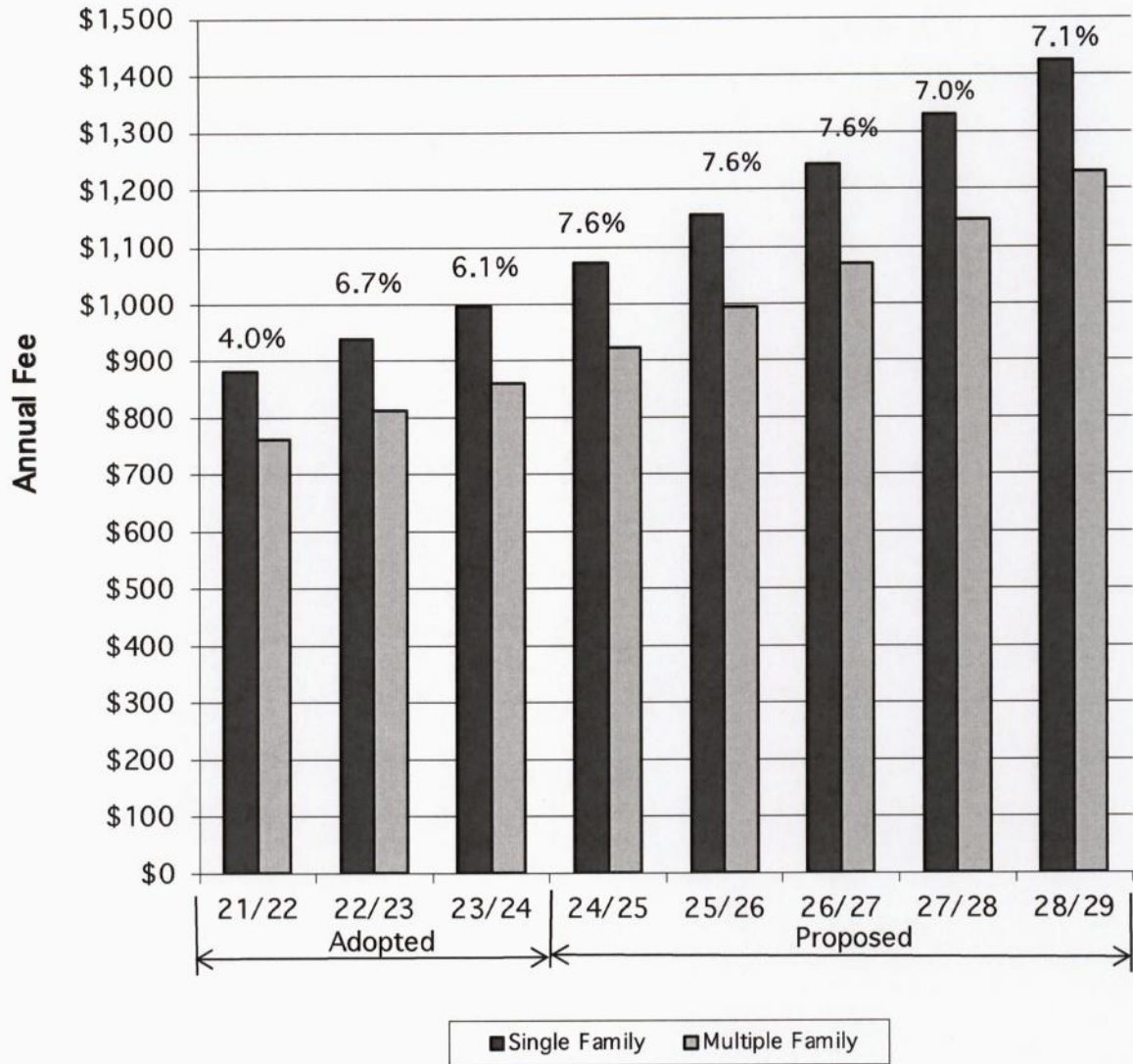
Summary

The overall projected increase in fees for sewer service for fiscal year 2024/25 is 7.6%. The annual increases for the following four years are 7.6% to 7.0%. These increases reflect increased customer usage, additional debt service, treatment plant operating costs and capital improvements and District operating costs and capital improvements. The proposed single family and multiple family annual fees are shown in Figure 1. Future fee increases are dependent upon the magnitude of treatment and collection operating costs, general inflationary trends, interest rates and customer usage.

**Table 11
Five-Year Fee Program**

Fiscal Year	Average Increase					
	Single Family	Multiple Family	Mobile Home	Average Other Business	Average Restaurant	Elementary School
	5.1 HCF/mo.	4.1 HCF/mo.	3.2 HCF/mo.	12 HCF/mo.	44 HCF/mo.	369 ADA
Adopted						
1991/92	27.1%	23.9%	23.9%			
1992/93	4.2%	13.5%	13.5%	4.5%	8.2%	0.4%
1993/94	22.4%	35.7%	35.7%	25.9%	30.3%	19.4%
1994/95	5.6%	5.4%	5.4%	5.9%	9.5%	5.5%
1995/96	5.3%	5.7%	5.7%	5.5%	-1.1%	5.9%
1996/97	4.4%	4.3%	4.3%	3.5%	9.6%	-25.8%
1997/98	3.1%	2.1%	2.1%	2.6%	12.5%	-2.0%
1998/99	2.9%	3.3%	3.3%	2.6%	2.2%	1.7%
1999/00	2.9%	3.3%	3.3%	3.2%	0.3%	2.1%
2000/01	4.7%	3.9%	3.9%	4.9%	7.9%	6.3%
2001/02	3.3%	3.0%	3.0%	3.8%	4.7%	4.0%
2002/03	9.8%	20.6%	-5.4%	-1.1%	-2.3%	-1.1%
2003/04	4.1%	4.1%	4.0%	4.6%	3.4%	5.1%
2004/05	4.9%	5.1%	5.3%	4.6%	3.7%	4.3%
2005/06	3.7%	1.2%	6.8%	5.7%	1.6%	4.9%
2006/07	2.3%	2.3%	2.5%	2.2%	-1.1%	2.7%
2007/08	3.2%	2.9%	2.6%	3.1%	6.5%	3.2%
2008/09	1.3%	0.9%	2.5%	7.2%	10.0%	7.8%
2009/10	5.2%	5.1%	5.0%	5.0%	4.3%	-30.6%
2010/11	4.2%	4.0%	4.0%	3.9%	5.5%	4.3%
2011/12	1.6%	3.9%	4.3%	11.0%	10.7%	10.6%
2012/13	3.7%	3.7%	3.7%	3.4%	2.0%	4.0%
2013/14	2.7%	2.8%	2.9%	2.0%	2.6%	2.0%
2014/15	0.2%	1.5%	3.9%	8.3%	9.9%	8.2%
2015/16	4.8%	4.9%	5.0%	2.3%	1.3%	2.4%
2016/17	2.7%	2.7%	2.7%	3.1%	1.1%	3.9%
2017/18	1.2%	4.5%	3.6%	8.7%	7.2%	9.3%
2018/19	3.3%	3.5%	3.7%	5.2%	0.7%	3.4%
2019/20	5.3%	5.3%	5.4%	5.2%	2.0%	5.7%
2020/21	2.8%	2.7%	2.6%	1.3%	2.2%	2.4%
2021/22	4.0%	4.2%	4.4%	4.3%	-0.4%	4.4%
2022/23	6.7%	6.5%	6.3%	6.4%	8.5%	-3.7%
2023/24	6.1%	6.0%	5.9%	5.9%	7.2%	6.1%
Proposed						
2024/25	7.6%	7.2%	6.7%	8.9%	9.8%	9.7%
2025/26	7.6%	7.6%	7.5%	7.4%	8.2%	7.7%
2026/27	7.6%	7.7%	7.8%	7.5%	6.4%	7.8%
2027/28	7.0%	7.1%	7.2%	7.1%	5.3%	7.3%
2028/29	7.0%	7.1%	7.2%	7.0%	5.0%	7.5%

Figure 1
Annual Residential Fees



ATTACHMENT D

CORRESPONDENCE

RECEIVED

PROPOSED SEWER SERVICE

CHARGE INCREASES

2024/25

4/15/2024

Board of Directors:

This letter is to protest the proposed
charge increases.

Regards,

~~Heather~~

Heather Harris

418 Palmer Ave.

Aptos, CA 95003

APN: 044 33218



Ms. Heather Harris
P.O. Box 1918
Aptos, CA 95001

SAN JOSE CA 950
17 APR 2024 PM 3 L



District Secretary Santa Cruz
Santa Cruz County Governmental Center
701 Ocean St. San. 410
Santa Cruz, CA 95060

95060-407099



James W. Lewis
2860 Lakeview Drive
Santa Cruz, CA 95062

April 23, 2024

District Secretary
Santa Cruz County Sanitation District, Governmental Center
701 Ocean Street, Room 410
Santa Cruz, CA 95060

Re: Parcel number 02827210

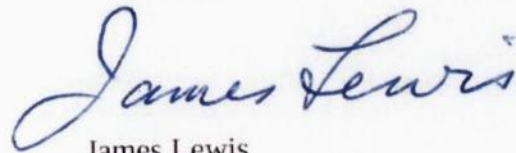
Dear Santa Cruz County Sanitation District,

I write on behalf of myself and my wife, Dale Roche, to protest your proposed rate increase for our property at the service address and parcel number given above.

Proposition 218 requires that rates for public services be proportional to the cost of service. When 218 was passed decades ago your rates were far out of compliance and *have steadily moved further out of compliance since then*. For example, the SCCSD Low Water Use Rate, which recognized the fact residences with low water use have lower sanitary flows, was repealed. Further, the assertion implicit in your proposed rates, that single family residences have **identical cost of service**, is demonstrably false. Many of your cost inputs depend directly on customer distance from the Lode Street final pumping plant, e.g., length of force mains, number of subsidiary pumping stations utilized, fraction of your million dollar plus electric bill spent pumping etc. Prop 218 requires distance dependant rates from the Lode Street plant, in our District.

Customers in Live Oak should not be paying a million dollars every year toward Aptos' sewer bill.

Sincerely,

A handwritten signature in blue ink that reads "James Lewis". The signature is written in a cursive, flowing style.

James Lewis

Maureen Dwyer
229 North Ave.
Aptos, CA 95003
APN#: 04204308
April 2, 2024

Santa Cruz County Sanitation District

This is a letter of discussion regarding the proposed Sewer Service Changes/Charges:

I am not writing to protest the need for increases. I understand that the economy and environment and all the things around it are all changing. I also understand that proactive maintenance has been sorely overlooked in our community. I do not have a good answer as to why. That can only be answered from this department. I can only hope moving forward this can be avoided. I would like to point out a few things that make the proposed increases disproportionate to the users.

The user groups - Single family and Mobile Family aren't necessarily different. Many people in these communities are one (fixed) income or low income. Also, the number of users putting stress on the system are less. The multi family has multiple sources of income and has a larger user group of the system. Secondly, I have been a consumer of eating establishments, State Parks and Fitness Facilities. These entities continually pass on increases to the consumer, thus those listed above are hit twice with the proposed increases.

Thirdly, I was an employee of Dominican Hospital for many years. The upper management at Commonsprits, if you look closely at their financial sheets, have an exorbitant amount of State and Federal tax breaks, the upper individuals as well as local management make 6 and 7 figure yearly bones and services and personnel are continually cut. These cuts are to ensure the management groups get higher salaries. Part of the problem with this organization is that it will not

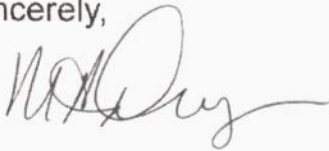
use its reserves for upgrades, rather that profit goes into its 300 Billion investment portfolio.

Also the above entity abuses the sanitation system. The things that go down it, unchallenged, is absurd. I would encourage the Board and Upper Management of the District to go out and visit these larger entities and witness first hand the use-age. And please, don't ask management to give you a tour. Ask the Engineering Department (not its manager either) to take you on a tour. And better yet, ask the nurses and staff what goes down the sewer on an average shift. I think you will be very enlightened.

The percent increase for the listed customers appears skewed in my opinion and that is what I am protesting. I would appreciate it if the Sanitation Department would make percent increases more fairly for those that are lower users of the system and those with higher use, misuse and abuse of our sewer system to pay a higher portion of its maintenance.

Thank you for your time reading my opinion.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Maureen Dwyer', written in black ink.

Maureen Dwyer

3030 Crystal Heights Drive
Soquel, CA 95073

April 30, 2024

District Secretary
Santa Cruz County Sanitation District
Governmental Center
701 Ocean Street Room 410
Santa Cruz, CA 95060

To the Board of Directors,

Re: Sewer Service Charge Proposed Increase

As an owner of 3030 Crystal Heights Drive, Soquel, CA 95073, assessor's parcel number 03707128, I am writing to inform you that I protest the proposed increase in sewer service charge. According to the mailing received, a raise of 7.6% is proposed for single family properties, which is more than double the inflation rate (of no more than 3.5% according to an online search) for the months of Jan - March this year

Thank you for your attention.

Cordially,



Venus Lee

Certificate Of Completion

Envelope Id: 21331EAA19544F80A4A35CDE66CF55EA	Status: Completed
Subject: Complete with DocuSign: URGENT - SCCSD Agenda Item May 16 - Sewer Rates Resolution	
Source Envelope: C9ED72CADA7746B3A40B3C8252CC4B48	
Document Pages: 29	Signatures: 1
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Terra Prestwich
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	701 Ocean Street
	Santa Cruz, CA 95060
	Terra.Prestwich@santacruzcountyca.gov
	IP Address: 63.194.190.100

Record Tracking

Status: Original	Holder: Terra Prestwich	Location: DocuSign
5/10/2024 6:58:24 AM	Terra.Prestwich@santacruzcountyca.gov	
Security Appliance Status: Connected	Pool: FedRamp	
Storage Appliance Status: Connected	Pool: County of Santa Cruz	Location: DocuSign

Signer Events

Justin Graham
 Justin.Graham@santacruzcountyca.gov
 Reviewed as to form / Assistant County Counsel
 County of Santa Cruz
 Security Level: Email, Account Authentication
 (None)

Signature

DocuSigned by:

 Justin Graham
 40E85ACDEDAB42D...
 Signature Adoption: Pre-selected Style
 Using IP Address: 73.252.159.108

Timestamp

Sent: 5/10/2024 7:09:05 AM
 Resent: 5/10/2024 9:50:18 AM
 Resent: 5/10/2024 10:28:42 AM
 Viewed: 5/10/2024 10:39:31 AM
 Signed: 5/10/2024 10:39:56 AM

Electronic Record and Signature Disclosure:

Accepted: 3/1/2022 10:15:00 AM
 ID: dd5bcf3a-9e05-49ae-af0f-0166e942a77f

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Andrea Gifford Andrea.Gifford@santacruzcountyca.gov Board Clerk County of Santa Cruz Security Level: Email, Account Authentication (None)	COPIED	Sent: 5/10/2024 10:39:58 AM
Electronic Record and Signature Disclosure: Accepted: 5/2/2022 11:48:55 AM ID: 098da81a-7523-4cdc-a1ac-872ede37676f		
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	5/10/2024 7:09:05 AM

Envelope Summary Events**Status****Timestamps**

Certified Delivered	Security Checked	5/10/2024 10:39:31 AM
Signing Complete	Security Checked	5/10/2024 10:39:56 AM
Completed	Security Checked	5/10/2024 10:39:58 AM

Payment Events**Status****Timestamps****Electronic Record and Signature Disclosure**

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, County of Santa Cruz (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact County of Santa Cruz:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: nada.algharib@santacruzcounty.us

To advise County of Santa Cruz of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at nada.algharib@santacruzcounty.us and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from County of Santa Cruz

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to nada.algharib@santacruzcounty.us and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with County of Santa Cruz

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to nada.algharib@santacruzcounty.us and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify County of Santa Cruz as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by County of Santa Cruz during the course of your relationship with County of Santa Cruz.