



A Meeting of the  
**BOARD OF DIRECTORS  
 OF THE  
 CENTRAL COAST WATER AUTHORITY**

will be held at 9:00 a.m., on Thursday, September 23, 2021  
 via URL: <https://meetings.ringcentral.com/j/1445423926>  
 or via telephone by dialing 1(623) 404-9000 and entering code 144 542 3926 #

CCWA's Board meetings are conducted pursuant to California Government Code Section 54953 and Governor Newsom's Executive Orders (N-25-20, N-29-20 and N-35-20), temporarily suspending portions of the Brown Act in response to the COVID-19 pandemic. Members of the Board will participate in this meeting by video call or telephone.

Eric Friedman  
 Chairman  
 Ed Andrisek  
 Vice Chairman  
 Ray A. Stokes  
 Executive Director

Brownstein Hyatt  
 Farber Schreck  
 General Counsel

*Member Agencies*

City of Buellton

Carpinteria Valley  
 Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water  
 Conservation District,  
 Improvement District #1

*Associate Member*

La Cumbre Mutual  
 Water Company

Public Comment on agenda items may occur via video call or telephonically, or by submission to the Board Secretary via email at [lfw@ccwa.com](mailto:lfw@ccwa.com) no later than 8:00 a.m. on the day of the meeting. In your email, please specify (1) the meeting date and agenda item (number and title) on which you are providing a comment and (2) that you would like your comment read into the record during the meeting. If you would like your comment read into the record during the meeting (as either general public comment or on a specific agenda item), please limit your comments to no more than 250 words.

Every effort will be made to read comments into the record, but some comments may not be read due to time limitations. Please also note that if you submit a written comment and do not specify that you would like this comment read into the record during the meeting, your comment will be forwarded to Board members for their consideration.

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available on the CCWA internet web site, accessible at <https://www.ccwa.com>.

**I. Call to Order and Roll Call**

**II. Public Comment – (Any member of the public may address the Board relating to any matter within the Board’s jurisdiction. Individual Speakers may be limited to three minutes; all speakers to a total of fifteen minutes.)**

**III. Consent Calendar – For Approval**

- \* A. Minutes of the July 22, 2021 Regular Meeting
- \* B. Bills
- \* C. Controller’s Report
- \* D. Operations Report

**IV. Executive Director’s Report**

- A. CCWA Employee Recognition – *For Information Only*
- B. CCWA 30 Year Anniversary – *For Information Only*
- C. Water Supply Situation Report – *For Information Only*
- \* D. 2021 Supplemental Water Purchase Program Update – *For Information Only*
- \* E. Montecito Water District Request for CCWA to Facilitate Supplemental Water Purchase – *For Approval*
- \* F. Request for Approval of Carryover of Project Funds for FY 20/21 to FY 21/22 - \$761,415.66 – *For Approval*
- \* G. Request for Approval of Water Treatment Plant Programmable Logic Controller Upgrade Project (C-20PLCUPG and C-21PLCUPG) - Procurement of Engineering Services in the Amount of \$393,500 – *For Approval*

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 Buellton, CA 93427  
 (805) 688-2292  
 Fax (805) 686-4700  
[www.ccwa.com](http://www.ccwa.com)

*Continued*

\* Indicates attachment of document to original agenda packet.

**IV. Executive Director's Report - Continued**

- \* H. DWR Statement of Charges: Overview of Protests Made – *For Information Only*
- I. State Water Contractors Update – *For Information Only*
- \* J. Legislative Report – *For Information Only*
- \* K. Legal Update: Amendments to Brown Act re. Teleconferencing – *Action Item*

**V. CLOSED SESSION**

- A. CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Government Code section 54956.8  
Property: *State Water Supply Contract*  
Agency negotiator: *Ray Stokes and Legal Counsel*  
Negotiating parties: *Department of Water Resources and State Water Contractors*  
Under negotiation: *Price and Terms*
- B. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
Government Code section 54956.9(d)(1)  
Name of case: *CCWA et al. v. SBCFCWCD et al.* [Case No. 21CV02432]

**VI. Return to Open Session**

**VII. Reports from Board Members for Information Only**

**VIII. Items for Next Regular Meeting Agenda**

**IX. Date of Next Regular Meeting: October 28, 2021**

**X. Adjournment**

**MINUTES OF THE  
CENTRAL COAST WATER AUTHORITY  
BOARD OF DIRECTORS**

**July 22, 2021**

The Board meeting was conducted pursuant to California Government Code Section 54953 and Governor Newsom's Executive Orders, N-25-20, N-29-20 and N-35-20, temporarily suspending portions of the Brown Act to implement social distancing in response to the COVID-19 pandemic. Members of the Board participated in this meeting by video call or telephone. Public Comment on agenda items also occurred via e-mail, video call or telephonically.

Ms. Lisa Watkins, CCWA Board Secretary, confirmed that all Board members could hear each other, had received a copy of the meeting agenda, and could hear the proceedings.

**I. Call to Order and Roll Call**

Chairman Friedman called the Central Coast Water Authority (CCWA) Board of Directors meeting to order at 9:01 AM.

CCWA member agencies with voting privileges were represented by:

<u>Representative</u>	<u>Agency/City</u>	<u>Voting %</u>
Farfalla Borah	Goleta Water District	17.20%
Jeff Clay	Santa Ynez River Water Conservation District, ID #1	7.64%
Eric Friedman	City of Santa Barbara	11.47%
Shirley Johnson	Carpinteria Valley Water District	7.64%
Etta Waterfield	City of Santa Maria	43.19%
Floyd Wicks	Montecito Water District	9.50%

**II. Public Comment**

There was no public comment related to items not on the agenda.

**III. Consent Calendar**

- A. Minutes of the June 24, 2021 Regular Meeting
- B. Bills
- C. Operations Report
- D. Budget Transfer

A motion to approve the Consent Calendar was made by Director Johnson, seconded by Director Borah and carried following a roll call vote, with Directors Borah, Clay, Friedman, Johnson, Waterfield and Wicks in favor and none opposed.

#### **IV. Executive Director's Report**

##### **A. CCWA Employee Recognition**

Mr. Ray Stokes, CCWA Executive Director, commended Michael Steinbock, CCWA Water Treatment Plant Operator, for his 25 years of service to CCWA, noting Mike joined CCWA just prior to startup of operations in 1997.

Mr. Mark Mintz, recently hired as CCWA's Safety and Environmental Specialist was introduced to the Board.

##### **B. Carryover/Transfer Request for CCWA Board Room Audio-Visual Upgrade Project - \$31,900**

Ms. Watkins, CCWA Office Manager, explained the request to upgrade the audio visual equipment in the Administrative Building Board Room, noting that new equipment would be needed to continue video meetings in a large group format. The project was not budgeted, so staff is requesting carryover and transfer of funds from the FY 2020/21 Budget for travel expenses to create a new project for the upgrade.

Ms. Borah requested the item be tabled until a later date pending additional information on what the state will be requiring for meetings, as well as COVID regulations.

##### **C. CCWA 2021 Supplemental Water Purchase Program Update**

CCWA initiated the 2021 Supplemental Water Purchase Program and five project participants have requested 2,010 AF additional supplies through four different programs and transactions: the SWC Dry Year Transfer Program, Yuba Accord, Casitas Municipal Water District and Mojave Water Agency. Mr. Stokes explained the different transactions, noting that the SWC Dry Year transfer program may not be able to provide the anticipated 282 AF due to the extremely dry conditions. The purchases of 250 AF water from Casitas Municipal Water District at \$700/AF and 1,000 AF from the Mojave Water Agency at \$1,000/AF are both possible under the water management amendment with DWR.

##### **D. DWR Calendar Year 2022 Statement of Charges**

CCWA prepares its annual budget for approval in April each year, prior to DWR release of the next year Statement of Charges (SOC) on July 1. For 2022, DWR's SOC was approximately \$2 million less than CCWA estimated in the FY 2021/22 Budget. The \$2 million will be applied as credits against the following year's fixed charges or credited to the DWR Reserve Fund for each participant.

Ms. Borah requested an update at a future meeting on the status of project funds owed to CCWA by DWR.

##### **E. State Water Contractors Update**

State Water Contractors are focused on the ongoing drought and water quality, which is creating ongoing challenges and issues. DWR has expressed it will not

execute the contract extension until resolution of Article 13B issues concerning charges resulting from 3<sup>rd</sup> party litigation, primarily related to the Oroville Dam. This means the cost compression and the effect on long term financing of capital expenditures is magnifying and SWC is working with DWR on mitigation, and has concerns related to large increases in capital costs until the extension is complete. Mr. Stokes will provide more information on this matter at a future meeting, but stated currently the State Water Contractors are continuing to impress on DWR's Director the importance of executing the amendment to avoid significant financial issues for Contractors.

Discussion ensued regarding options for maximizing utilization of CCWA's state water, including storage of carryover water in San Luis Reservoir, as CCWA has more limited storage options than other State Water Contractors. Mr. Stokes stated he anticipates that the October Board meeting will include the results of the Water Management Study, which will address this issue.

In response to a question from the Board, Mr. Brady reviewed the operational changes that will likely go into effect with low flow in DWR facilities. Mr. Stokes explained that DWR fixed power costs will likely increase due to loss of power generation at the State's Oroville facilities as the lake level drops below the outlet works.

Mr. Stokes also stated that CCWA has begun planning for operational challenges that would be expected in the event of a 0% allocation if all participant's carryover water has been expended, noting that issues are anticipated due to low flows both at the DWR aqueduct and within the Coastal Branch.

Chairman Friedman requested additional information on anticipated large capital projects and timing on financing for those projects on the State level. Mr. Stokes stated that State Water Contractors have requested information from DWR, and State Water Contractors staff have developed a program to allocate those costs to all the State Water Contractors for planning purposes.

I. Legislative Update

The item was included in the Board materials for the information of the Board, noting that AB 559 is weaving through legislature and should provide some funding for subsidence work.

**V. CLOSED SESSION**

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
Government Code section 54956.9(d) (1)  
Name of case: Central Coast Water Authority, et al. v. Santa Barbara County Flood Control and Water Conservation District, et al. (Case No. 21CV02432)
- B. CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Government Code section 54956.8  
Property: State Water Contract  
Agency negotiator: Ray Stokes

The Board adjourned to closed session at 10:00 AM.

**VI. Return to Open Session**

The Board reconvened from closed session at 10:50 AM.

Ms. Hastings reported there were no actions to report as a result of either of the two closed session items.

**VII. Reports from Board Members for Information Only**

There were no reports from Board members.

**VIII. Items for Future Meeting Agendas**

- A. Article 13B and the Effect on the Contract Extension
- B. Effect of 0% Allocation
- C. Alternatives to Stabilize Water Supply
- D. Summary of Protest Items Submitted to DWR and Status

**IX. Date of Next Regular Meeting: September 23, 2021**

Following discussion, the Board canceled the August 26, 2021 meeting.

**X. Adjournment**

The meeting was adjourned at 10:54 AM.

Respectfully submitted,

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Elizabeth Watkins  
Secretary to the Board



## CENTRAL COAST WATER AUTHORITY

### Normal and Recurring Costs

Bills for Ratification - July & August 2021

VENDOR	INVOICE AMOUNT	DESCRIPTION
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>		
Adam, Lacey	51.00	Reimbursable expenses - Notary Bond
AWWA	459.00	Dues and Memberships
Bank of America Business Card	100.00	Certification Renewal
Bank of America Business Card	145.84	Staff meetings
Bank of America Business Card	620.50	Hotel for Training
California Chamber of Commerce	669.00	Membership 2021-22
California Rural Water Association	218.00	Membership 2020-21
Federal Express	676.02	Express shipping
KnowBe4 Inc	790.50	Safety Training
Pitney Bowes	417.98	Postage - postage machine
Schneider Electric USA, Inc.	3,427.88	ProWORX 32 Training Class
Sorenson, Robert	105.00	Reimbursable expenses - Certification renewal
Thompson, James	50.51	Reimbursable expenses - Meals for Training
Underground Service Alert	828.95	Annual Membership
United Parcel Service	2,786.59	Shipping expenses
US Bank	166.31	Staff Meeting
Watkins, Lisa	74.75	Reimburse Mileage
	<b>\$ 11,587.83</b>	<b>Total General &amp; Administrative</b>
<b>MONITORING EXPENSES</b>		
Aramark	166.77	Lab supplies
Culligan Industries Water Systems	665.00	Carbon Tank Rentals, Tri-Bed Tank Rentals
Eurofins Eaton Analytical	2,890.00	Lab testing
Hach Company	2,990.11	Lab supplies
IDEXX Distribution Corp.	1,939.59	Lab supplies
Kern Co. Water Agency	3,850.00	Laboratory Analysis
Praxair Distribution, Inc.	3,090.21	Lab supplies
USA Blue Book	444.02	Lab supplies
VWR International	3,129.87	Lab supplies
	<b>\$ 19,165.57</b>	<b>Total Monitoring Expenses</b>
<b>OFFICE EXPENSES</b>		
AND Design Agency	32.19	Employee ID Cards
Bank of America Business Card	160.49	Office and kitchen supplies
Bank of America Business Card	243.38	Staff Meetings
Bank of America Business Card	795.62	Office Expense
Office Depot	179.79	Office, janitorial & kitchen supplies
Staples Inc.	312.67	Office, janitorial & kitchen supplies
Ultrex Business Products	129.30	Office supplies
US Bank	13.41	Office supplies
Valley Oaks Printing	48.49	Business cards/Envelopes
	<b>\$ 1,915.34</b>	<b>Total Office Expenses</b>



# CENTRAL COAST WATER AUTHORITY

## Normal and Recurring Costs

Bills for Ratification - July & August 2021

VENDOR	INVOICE AMOUNT	DESCRIPTION
<b>OTHER EXPENSES</b>		
ACWA/JPIA	3,675.00	Insurance - Excess Crime Insurance 2020-21
Airgas USA, LLC	62.17	Equipment Rental
Bank of America Business Card	324.11	Computer miscellaneous expenses
Brownstein Hyatt Farber	570.00	Legal Services: 2021 Dry Year Transfer Program
Brownstein Hyatt Farber	760.00	Legal Services: SWPP - Mojave
Comcast	389.56	Internet Service
CompuVision	1,344.00	Semi Annual Spam Filtering
CompuVision	1,990.00	Datto Cloud Backup
CompuVision	2,808.00	Annual Dual Factor Authentication
CompuVision	10,170.00	Managed Service Agreement
De Lage Landen Financial Services	1,267.15	Copier Lease - BAO and WTP
Dell Business Credit	1,133.52	Finance Laptops
Environmental Science Association	154.50	2015 Supplemental Water Purchase Program Reacquisition
Grainger, Inc.	41.58	Cell Phone Case
Home Depot Card Services	72.14	Computer Supplies
Impulse Internet Services	4,395.93	T-1 System and Internet Service (Buellton and Shandon)
Marborg Industries	632.00	Tank 5/Tank 7/Tank 2/ EDV
Pitney Bowes Credit Corp	442.05	Postage Meter Lease
Praxair Company	61.15	Cylinder Rental
Provost & Pritchard Consulting	24,612.50	Water Management Strategies
Quadient Leasing USA, Inc.	232.89	Postage Machine Lease
RingCentral Inc.	19,011.07	New Phone Server-Renewal 2021-2022
Sage Software Inc	2,527.00	Fixed Asset Program Support Renewal
Schneider Electric USA Inc	2,216.27	GeoSCADA Annual Service and Support
Streamline	4,800.00	CCWA Website Redesign
Wilson Creek Communications	310.00	Internet Service
	<b>\$ 84,002.59</b>	<b>Total Other Expenses</b>
<b>OTHER MISCELLANEOUS EXPENSES</b>		
ACWA/JPIA	85,536.89	Property Insurance 2021-22
Bank of New York Mellon	2,450.00	Bond Trustee Expenses
Comb-Warren Act Trust Fund	7,224.00	Trust Fund Quarterly payment
Department of Water Resources	14,554,395.00	Variable OMP&R, Delta Water & Transport Charge
	<b>\$ 14,649,605.89</b>	<b>Total Other Miscellaneous Expenses</b>
<b>PERSONNEL EXPENSES</b>		
ACWA/JPIA	19,071.24	Workers Compensation Insurance
CalPERS Health	62,523.02	Health Insurance
CalPERS Retirement	64,373.65	Pension Contributions
CCWA Payroll Wages/Taxes	558,533.77	Gross Payroll Wages/Taxes
Dental/Vision Payments	12,087.42	Dental/Vision Benefits
MetLife SBC Insurance	1,874.95	Life Insurance
Other Misc Employee Benefits	19,363.73	Vehicle, Uniform and Cafeteria Plan Benefits
Standard Insurance Company	2,506.83	Disability Insurance
	<b>\$ 740,334.61</b>	<b>Total Personnel Expenses</b>





# CENTRAL COAST WATER AUTHORITY

## Normal and Recurring Costs

Bills for Ratification - July & August 2021

VENDOR	INVOICE AMOUNT	DESCRIPTION
<b>PROFESSIONAL SERVICES</b>		
Air Pollution Control District	1,355.39	Equipment permit renewals
Brownstein Hyatt Farber	332.50	Legal Services-Ventura-Santa Barbara
Brownstein Hyatt Farber	475.00	Legal Services-Water Transfer General
Brownstein Hyatt Farber	1,140.00	Legal Services-SBCFC&WCD
Brownstein Hyatt Farber	1,187.50	Legal Services-Increase Delivery VAFB
Brownstein Hyatt Farber	1,278.50	Legal Services-DDWR Water Operations
Brownstein Hyatt Farber	1,377.50	Legal Services-Renewal Warren Act
Brownstein Hyatt Farber	7,280.54	Legal Services-General Meetings
Brownstein Hyatt Farber	29,890.68	Legal Services-CCWA, et. al. v SBC
Cardno, Inc.	4,930.10	Environmental Consulting
Credential Check Corporation	353.18	Background checks
Ernst & Young LLP	4,513.00	Accounting Services
Jamie Rotnosfsky	500.00	Personnel
Koff & Associates	5,640.00	Compensation and Benefit Survey
Mid-Coast Fire Protection Inc.	862.00	Safety, Annual fire extinguisher service
Quinn Company	420.00	Fuel sampling kits
Safety Kleen Systems, Inc	345.05	Washer Parts/Service
Samba Holdings, Inc.	139.00	DMV driver reports
Stradling Yocca Carlson Rauth	668.00	Legal - Employee Matters/General Matters
Underground Service Alert	142.20	New USA tickets
Widroe, Thomas	16,666.66	Professional Staff Recruiter
	<b>\$ 79,496.80</b>	<b>Total Professional Services</b>
<b>CIP PROJECTS - MATERIALS &amp; OVERHEAD</b>		
Hach Company	1,037.65	Water Quality Instrumentation
HDR Engineering Inc	1,417.50	Seismic Joint Pipe Spools and Parts
Velosio	5,878.75	MS Dynamics SL 2021 Accounting Software Upgrade
	<b>\$ 8,333.90</b>	<b>Total CIP Project - Materials and Overhead</b>
<b>REPAIRS &amp; MAINTENANCE</b>		
American Industrial Supply	6.20	Parts, repair and maintenance
Applied Industrial Technologies	115.48	Equipment repairs and maintenance
Aramark	1,523.72	Building maintenance supplies
Bank of America Business Card	36.96	Vehicles repairs and maintenance
Bank of America Business Card	86.35	Building maintenance supplies
Battery Systems Inc	1,082.75	Batteries replaced
Big Brand Tire & Service	887.53	Vehicle maintenance
Brezden Pest Control, Inc	155.00	Pest Control Spraying - WTP
Carquest Auto Parts	119.00	Auto parts and supplies
City of Buellton	196.76	Landscape maintenance - water
Consolidated Electrical Distributors	1,209.95	Parts, repair and maintenance
Coverall North America, Inc	2,213.00	Janitorial service - BAO/SYPS
D&H Water Systems Inc.	1,285.67	Equipment repairs and maintenance



# CENTRAL COAST WATER AUTHORITY

## Normal and Recurring Costs

Bills for Ratification - July & August 2021

VENDOR	INVOICE AMOUNT	DESCRIPTION
Grainger Inc.	2,224.26	Parts, repair and maintenance
Hach Company	108.43	Parts, repair and maintenance
Harrington Industrial Plastics	4,749.63	Parts, repair and maintenance
Harrison Hardware	60.61	Parts, repair and maintenance
Home Depot	377.75	Parts, repair and maintenance
Jan's Gardening Service	575.00	Landscape maintenance - BAO/SYPS
McMaster-Carr Supply Company	174.94	Maintenance supplies
Micro Motion, Inc.	4,516.93	Equipment repairs and maintenance
Mullahey Ford, Inc.	57.06	Equipment repairs and maintenance
Noble Saw, Inc.	103.43	Equipment repairs and maintenance
Powder Coating USA	150.00	Equipment repairs and maintenance
Praxair Distribution, Inc.	64.46	Repairs & maintenance supplies
Procure Janitorial Supply	337.52	Janitorial supplies - WTP
Progressive Greenery	330.00	Landscape maintenance - WTP
PRW Steel Supply, Inc.	874.51	Equipment repairs and maintenance
Rio Vista Chevrolet	3,676.20	Vehicle maintenance
Scott Reardon's Locksmith Service	145.49	Building repairs and maintenance
Southwest Valve, LLC	1,309.12	Equipment repairs and maintenance
Staples	133.61	Janitorial Supplies
Steve's Wheel & Tire	54.31	Equipment repairs and maintenance
Ultrex Business Products	490.33	Copier maintenance
US Bank	1,216.21	Equipment repairs and maintenance
USA Blue Book	10,478.78	Equipment repairs and maintenance
Western Exterminator Co	441.00	Pest control spraying - BAO and SYPS
	<b>\$ 41,567.95</b>	<b>Total Repairs &amp; Maintenance</b>
<b>SUPPLIES &amp; EQUIPMENT</b>		
Airgas USA, LLC	138.06	Safety supplies
American Industrial Supply	97.86	Minor tools
Aramark	2,140.94	Uniform expenses
Bank of America Business Card	39.85	Chemical - Oxidizer/Sanitizer
Bank of America Business Card	162.82	Equipment & maintenance supplies
Bank of America Business Card	449.85	Safety supplies
Battery Systems Inc.	294.27	Battery
Chemtrade Chemicals US, LLC	70,754.54	Chemicals - WTP
Ferguson Enterprise, Inc.	85.69	Maintenance supplies and hardware
Grainger Inc.	1,815.04	Minor tools, equipment & maintenance supplies, safety supplies
Hill Brothers Chemical Company	10,174.62	Chemicals - WTP
Home Depot	193.00	Minor tools, equipment & maintenance supplies
JCI Jones Chemical	9,360.00	Chemicals - WTP
Sterling Water Technologies, LLC	15,900.00	Chemicals - WTP
Univar Solutions USA, Inc.	59,184.24	Chemicals - WTP
US Bank	53.85	Maintenance supplies, Minor Tools, Safety Supplies
WEX Bank - Wright Express	11,038.73	Fuel - Autos
	<b>\$ 181,883.36</b>	<b>Total Supplies &amp; Equipment</b>



# CENTRAL COAST WATER AUTHORITY

## Normal and Recurring Costs

Bills for Ratification - July & August 2021

VENDOR	INVOICE AMOUNT	DESCRIPTION
<b>UTILITIES</b>		
Bank of America Business Card	97.45	Telephone conference charge
City of Buellton	383.60	Water - BAO
First Choice Technology	27.94	Phone - Long distance carrier, 800#
Frontier	602.90	Telephone charges
Health Sanitation Services	795.47	Waste Disposal - SYPS
Marborg Industries	311.82	Waste Disposal - BAO
Pacific Gas & Electric	39,626.52	Utilities - BAO/SYPS/WTP
San Miguel Garbage Company	450.04	Waste Disposal - WTP
Santa Ynez River Water Conservation	181.91	Water - SYPS
SoCalGas	9.22	Natural Gas - BAO
Surfnet Communications, Inc.	150.00	Wireless Internet - Chorro
Verizon Wireless	846.61	Cell phone charges
	<b>\$ 43,483.48</b>	<b>Total Utilities</b>
<b>Subtotal - Bills for Ratification</b>	<b>\$ 15,861,377.32</b>	



# CENTRAL COAST WATER AUTHORITY

## Bills for Approval

<b>VENDOR</b>		<b>INVOICE AMOUNT</b>	<b>DESCRIPTION</b>
State of California DWR	\$	4,026,633.00	Capital Cost and Minimum OMP&R Charges -SEPT '21
<b>Subtotal - Bills for Approval</b>	<b>\$</b>	<b>4,026,633.00</b>	
<b>Total Ratification and Approval Bills</b>	<b>\$</b>	<b><u>19,888,010.32</u></b>	



## Statements of Net Position

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<b>ASSETS</b>	<b>Preliminary &amp; Unaudited June 30, 2021</b>	<b>May 31, 2021</b>
<b><u>Current Assets</u></b>		
Cash and investments	\$ 16,380,907	\$ 13,394,846
Accounts Receivable (Note 1)	263	15,674
Accrued interest receivable	36,837	16,023
Other assets	1,620,625	1,576,667
<b>Total Current Assets</b>	<b>18,038,632</b>	<b>15,003,212</b>
<b><u>Restricted Assets</u></b>		
Operations and Maintenance Reserve Fund (Note 2)	2,126,411	2,129,897
DWR Reserve Fund (Note 3)	3,873,946	2,005,652
Rate Coverage Reserve Fund (Note 4)	9,530,132	9,529,646
Debt Service Payments (Note 5)	10,378,495	5,028,466
Department of Water Resources (Note 6a)	44,838,108	37,483,457
CCWA and DWR Variable Fund (Note 6b)	3,920,893	-
Credits Payable (Note 7)	936,376	1,043,408
Escrow Deposits (Note 8)	515,434	515,408
<b>Total Restricted Assets</b>	<b>76,119,795</b>	<b>57,735,935</b>
<b><u>Property, Plant and Equipment</u></b>		
Construction in progress (Note 9)	515,648	1,089,642
Fixed assets (net of accumulated depreciation)	89,637,468	89,050,106
<b>Total Property, Plant and Equipment</b>	<b>90,153,116</b>	<b>90,139,748</b>
<b><u>Other Assets</u></b>		
Unamortized bond issuance costs (Note 10)	37,144	52,404
Long Term Receivable		975,495
<b>Total Other Assets</b>	<b>37,144</b>	<b>1,027,898</b>
<b>Total Assets</b>	<b>\$ 184,348,687</b>	<b>\$ 163,906,793</b>

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# Statements of Net Position

<b><u>LIABILITIES AND FUND EQUITY</u></b>	<b><i>Preliminary &amp; Unaudited</i></b>	
	<b>June 30, 2021</b>	<b>May 31, 2021</b>
<b><u>Current Liabilities</u></b>		
Accounts Payable	\$ 777,293	\$ 78,172
DWR and Warren Act Charge Deposits (Note 6a)	44,856,125	37,483,459
CCWA & DWR Variable Charge Deposits (Note 6b)	3,920,893	77,062
Accrued interest payable	126,189	84,126
Other liabilities	2,680,721	1,283,046
DWR Reserve Fund	3,875,650	2,005,652
Rate Coverage Reserve Fund	9,495,379	9,495,379
Unearned Revenue	20,678,457	11,779,869
Credits Payable to Project Participants	2,377,649	1,316,264
<b>Total Current Liabilities</b>	<b>88,788,355</b>	<b>63,603,030</b>
<b><u>Non-Current Liabilities</u></b>		
Bonds payable (Note 11)	10,095,000	10,095,000
Bond Original Issue Premium, net	99,443	140,484
OPEB Liability	874,907	874,907
Escrow Deposits	515,760	515,408
Net Pension Liability	3,745,005	3,745,005
<b>Total Non-Current Liabilities</b>	<b>15,330,115</b>	<b>15,370,804</b>
<b><u>Commitments and Uncertainties</u></b>		
<b><u>Net Assets</u></b>		
Contributed capital, net (Note 12)	22,562,433	22,562,433
Retained earnings	57,667,784	62,370,526
<b>Total Net Assets</b>	<b>80,230,217</b>	<b>84,932,959</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 184,348,687</b>	<b>\$ 163,906,793</b>



## Statements of Revenues, Expenses and Changes in Net Position

	<i>Preliminary &amp; Unaudited</i> June 30, 2021	May 31, 2021
<b><u>Operating Revenues</u></b>		
Operating reimbursements from project participants	\$ 19,956,043	\$ 22,039,533
Other revenues	231,193	41,689
<b>Total Operating Revenues</b>	<b>20,187,236</b>	<b>22,081,223</b>
<b><u>Operating Expenses</u></b>		
Personnel expenses	5,185,343	4,430,414
Office expenses	17,763	16,398
General and administrative	158,273	148,014
Professional Services	886,754	731,598
Supplies and equipment	715,686	633,215
Monitoring expenses	106,373	88,305
Repairs and maintenance	230,310	205,483
Utilities	471,610	348,999
Depreciation and amortization	2,123,816	1,937,867
Other expenses	887,042	692,334
<b>Total Operating Expenses</b>	<b>10,782,969</b>	<b>9,232,626</b>
<b>Operating Income</b>	<b>9,404,266</b>	<b>12,848,596</b>
<b><u>Non-Operating Revenues</u></b>		
Investment income	278,253	254,469
<b>Total Non-Operating Revenues</b>	<b>278,253</b>	<b>254,469</b>
<b><u>Non-Operating Expenses</u></b>		
Interest	624,938	582,875
Current year credits payable	1,401,681	238,445
Loss on disposal of fixed assets	76,899	
<b>Total Non-Operating Expenses</b>	<b>2,103,517</b>	<b>821,320</b>
<b>Net Income</b>	<b>7,579,002</b>	<b>12,281,745</b>
<b><u>Retained Earnings</u></b>		
Retained earnings at beginning of period	50,088,782	50,088,782
Retained earnings at end of period	\$ 57,667,784	\$ 62,370,526



# Budget and Actual All Reaches

Preliminary & Unaudited  
June 30, 2021

	Budget	Actual	Percent Expended <sup>(1)</sup>
<b>Revenues</b>			
Fixed operating assessments <sup>(2)</sup>	\$ 10,720,567	10,011,652	93.39%
Variable operating assessments	2,618,077	879,460	33.59%
Miscellaneous income		42,136	
Investment income		57,381	
<b>Total Revenues</b>	<b>13,338,644</b>	<b>10,990,628</b>	<b>82.40%</b>
<b>Expenses <sup>(2)</sup></b>			
Personnel expenses	5,221,432	5,185,343	99.31%
Office expenses	21,300	17,763	83.40%
General and administrative	322,412	158,273	49.09%
Professional Services	493,223	886,754	179.79%
Supplies and equipment	1,845,711	715,686	38.78%
Monitoring expenses	106,215	106,373	100.15%
Repairs and maintenance	293,760	230,310	78.40%
Utilities	1,143,895	471,610	41.23%
Other expenses	1,986,667	695,535	35.01%
Capital and Non-Capital Expenditures	1,904,028	1,342,173	70.49%
<b>Total Expenses</b>	<b>13,338,644</b>	<b>9,809,819</b>	<b>73.54%</b>
<b>Operating Income</b>	<b>-</b>	<b>1,180,809</b>	
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>1,180,809</b>	

(1) Percent of year expended: 100%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues from FY 2019/20 to FY 2020/21



Central Coast Water Authority  
**Notes to Financial Statements**  
June 30, 2021

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**Note 1: Accounts Receivable**

Accounts receivable consists of amounts payable by the State Water Project contractors and other miscellaneous receivables.

**Note 2: O&M Reserve Fund**

The O&M reserve fund represents cash reserves for emergency uses. The funding requirement is \$2,000,000 allocated on an entitlement basis for the Santa Barbara County project participants. Investment earnings on O&M reserve fund balances are credited against CCWA O&M assessments.

<u>Project Participant</u>	<u>Amount</u>
City of Guadalupe	\$ 28,282
City of Santa Maria	833,046
Golden State Water Company	25,711
Vandenberg AFB	401,618
City of Buellton	29,722
Santa Ynez ID #1 (Solvang)	77,134
Santa Ynez ID #1	25,618
Goleta Water District	230,561
Morehart Land Co.	10,285
La Cumbre Mutual Water Company	51,417
Raytheon Systems Company	2,571
City of Santa Barbara	154,268
Montecito Water District	153,707
Carpinteria Valley Water District	102,472
TOTAL:	<u>\$ 2,126,411</u>

Central Coast Water Authority  
**Notes to Financial Statements**  
June 30, 2021

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**Note 3: DWR Reserve Fund**

The DWR Reserve Fund was established to provide a funding source for payments to the State of California Department of Water Resources (DWR) when there is a difference between estimates used to prepare the DWR portion of the annual CCWA budget and the actual amounts billed to the Authority by DWR. Contributions to the DWR Reserve Fund are voluntary. Funding of each participating Project Participant's share of the DWR Reserve Fund will come from a combination of (1) CCWA Operating Expense budget surpluses, if any (2) Interest earnings on funds held in all other accounts on behalf of the participating Project Participant and (3) excess amounts, if any, from any of the DWR Statement of Charges cost components until the funding Target Amount is reached. The Target Amount will be equal to the participating Project Participant's proportional share of a \$10 million allocation of DWR Transportation Minimum OMP&R charges. The following schedule shows the current fund balance of the participating Project Participants.

Project Participant	Amount
City of Guadalupe	\$ 137,871
City of Santa Maria	2,353,648
Golden State Water Company	45,192
City of Buellton	117,696
Santa Ynez ID #1 (Solvang)	238,982
Santa Ynez ID #1	590,392
Morehart Land Co.	34,816
La Cumbre Mutual Water Company	99,045
Raytheon Systems Co.	9,187
City of Santa Barbara	247,118
TOTAL:	\$ 3,873,946

**Note 4: Rate Coverage Reserve Fund Cash Deposits**

The rate coverage reserve fund was established to provide CCWA project participants a mechanism to satisfy a portion of their obligation under Section 20(a) of the Water Supply Agreement to impose rates and charges sufficient to collect 125% of their contract payments. The following schedule shows the current balances plus accrued interest receivable in the rate coverage reserve fund.

Project Participant	Amount
City of Guadalupe	\$ 191,920
City of Santa Maria	5,191,159
City of Buellton	276,166
Santa Ynez ID #1 (Solvang)	635,101
Santa Ynez ID #1	461,442
La Cumbre Mutual Water Company	402,254
Montecito Water District	1,495,585
Carpinteria Valley Water District	860,722
Shandon	15,784
TOTAL:	\$ 9,530,132

Central Coast Water Authority  
**Notes to Financial Statements**  
June 30, 2021

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**Note 5: Debt Service Payments**

The following table shows the financing participant cash balances available to pay CCWA Series 2016-A revenue bond principal and interest payments.

<b>Participant</b>	<b>Amount</b>
Avila Beach	\$ 11,890
California Men's Colony	104,003
County of SLO	110,790
Cuesta College	52,005
Morro Bay	671,057
Oceano	86,936
Pismo Beach	143,683
Shandon	11,773
Guadalupe	147,967
Buellton	262,157
Santa Ynez (Solvang)	804,244
Santa Ynez	302,037
Goleta	2,534,885
Morehart Land	116,492
La Cumbre	557,293
Raytheon	24,389
Santa Barbara	1,558,273
Montecito	1,831,527
Carpinteria	1,047,094
TOTAL:	\$ 10,378,495

Central Coast Water Authority  
**Notes to Financial Statements**  
June 30, 2021

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**Note 6a: Cash and Investments Payment to DWR**

Cash deposits for DWR payments.

<u>Project Participant</u>	<u>Amount</u>
City of Guadalupe	\$ 586,745
City of Santa Maria	17,840,986
Golden State Water Company	493,684
Vandenberg AFB	8,137,661
City of Buellton	670,645
Santa Ynez ID #1 (Solvang)	1,541,725
Santa Ynez ID #1	639,428
Goleta Water District	5,195,563
Morehart Land Co.	210,109
La Cumbre Mutual Water Company	1,050,404
Raytheon Systems Co.	58,191
City of Santa Barbara	3,151,686
Montecito Water District	3,169,282
Carpinteria Valley Water District	2,110,014
TOTAL:	<u>\$ 44,856,125</u>

**Note 6b: Cash Payments for CCWA, Warren Act and DWR Variable Charges**

Cash deposits for payments to CCWA, Warren Act and DWR for Variable Assessments.

<u>Project Participant</u>	<u>Amount</u>
City of Guadalupe	\$ 36,659
City of Santa Maria	1,054,897
Golden State Water Company	29,659
Vandenberg AFB	439,394
City of Buellton	37,554
Santa Ynez ID #1 (Solvang)	93,935
Santa Ynez ID #1	210,270
Goleta Water District	625,655
Morehart Land Co.	18,457
La Cumbre Mutual Water Company	120,646
Raytheon Systems Co.	4,730
City of Santa Barbara	426,190
Montecito Water District	335,243
Carpinteria Valley Water District	487,604
TOTAL:	<u>\$ 3,920,893</u>

Central Coast Water Authority  
**Notes to Financial Statements**  
June 30, 2021

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**Note 7: Credits Payable**

Credits payable to, or (due from) CCWA project participants for investment earnings and O&M assessment credits.

<u>Project Participant</u>	<u>Amount</u>
City of Guadalupe	\$ 8,132
City of Santa Maria	319,655
Golden State Water Company	5,314
Vandenberg AFB	537,624
City of Buellton	15,097
Santa Ynez ID #1 (Solvang)	44,938
Santa Ynez ID #1	(111)
Goleta Water District	28
Morehart Land Co.	881
La Cumbre Mutual Water Company	5,516
Raytheon Systems Co.	254
City of Santa Barbara	17
Montecito Water District	20
Carpinteria Valley Water District	13
Shandon	(1,033)
Lopez Turnout	22
Chorro Turnout	10
<b>TOTAL:</b>	<b><u>\$ 936,376</u></b>

**Note 8: Escrow Deposits**

Cash deposits from certain project participants as required under the Water Supply Agreements.

<u>Project Participant</u>	<u>Amount</u>
Morehart Land Company	\$ 406,922
Raytheon Systems Company	108,513
<b>TOTAL:</b>	<b><u>\$ 515,434</u></b>

**Note 9: Construction in Progress**

Amounts in construction in progress represent expenditures incurred during FY 2020/21 and amounts retained in construction in progress at June 30, 2020. The following schedule shows the CIP expenditures for CCWA projects.

<u>Financial Reach</u>	<u>Amount</u>
Labor	\$ 19,613
Materials	49,429
Overhead	446,606
<b>Project CIP Total:</b>	<b><u>\$ 515,648</u></b>

Central Coast Water Authority  
**Notes to Financial Statements**  
June 30, 2021

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**Note 10: Unamortized Bond Issuance Costs**

Unamortized bond issuance costs for the 2016 revenue bonds include bond insurance and the 1992, 1996 and 2006 revenue bond deferred costs.

**Note 11: Bonds Payable**

Bonds payable represents Series 2016-A revenue bonds outstanding. The last Series 2016-A principal payment is due on October 1, 2021 in the amount of \$10,095,000.

**Note 12: Contributed Capital**

Certain project participants elected to pay their share of CCWA project construction costs in cash. The amounts listed below show the capital contributions by project participant less the cost of local facilities and refunds to the project participants.

<b>Project Participant</b>	<b>Amount</b>
Avila Valley Water Company	\$ 15,979
City of Guadalupe	81,119
San Luis Schools	5,608
San Miguelito Water Company	233,605
Golden State Water Company	866,277
City of Santa Maria	13,498,802
Vandenberg AFB	7,861,043
TOTAL:	<u>\$ 22,562,433</u>

**MONTHLY SUMMARY OF MINERAL AND PHYSICAL ANALYSIS  
RAW WATER (RW) AND SETTLED WATER (SW)**

Agenda Item III.D  
Board of Directors  
September 23, 2021

System Name: Central Coast Water Authority

System Number: 4210030

Treatment Plant Name: Polonio Pass Water Treatment Plant

August                      2021

Date:	RW pH (SU)	RW Turbidity (NTU)	SW Turbidity (NTU)	RW Odor (TON)	RW Total Coliform (MPN)	RW E. Coli (MPN)	RW Cl- (mg/L)	RW Alkalinity (mg/L)		RW Hardness (mg/L)		RW E.C. (uS/cm)	RW TOC (mg/L)
								Total	Phenol	Total	Ca		
1	8.73	1.00	0.26	2.5			93	90	7	115	54		
2	8.73	0.94	0.22	1.0	210	<1	95	91	5	115	56	542	
3	8.63	0.89	0.22	1.0			92	90	8	119	59		
4	8.46	0.83	0.23	1.0			94	89	3	114	58		
5	8.43	0.91	0.25	1.0			95	90	4	115	58		
6	8.50	1.04	0.24	1.0			94	90	4	116	58		
7	8.30	1.01	0.26	2.5			94	90	2	116	57		
8	8.15	0.78	0.25	3.0			95	89	0	116	58		
9	8.12	0.73	0.23	1.5	115	<1	95	89	0	115	55	542	
10	8.27	0.83	0.23	1.5			96	90	0	112	51		
11	8.19	1.00	0.27	2.0			93	94	0	116	54		
12	8.09	1.05	0.25	1.0			95	97	0	114	53		
13	8.21	1.03	0.31	1.0			96	89	1	116	51		
14	8.38	1.06	0.29	1.0			95	91	2	118	54		
15	8.51	1.13	0.29	1.0			95	93	6	113	55		
16	8.59	1.08	0.31	1.0	291	<1	96	96	9	115	51	548	
17	8.79	1.10	0.28	1.0			95	91	9	119	58		
18	8.78	0.92	0.25	1.0			95	91	10	116	58		
19	8.74	0.95	0.22	1.0			96	92	9	118	55		
20	8.66	1.10	0.22	1.5			97	93	10	117	58		
21	8.62	1.20	0.27	3.0			94	91	6	117	57		
22	8.60	1.33	0.24	1.0			94	90	5	119	57		
23	8.77	1.58	0.27	1.0	816	<1	95	91	9	120	57	555	
24	8.81	1.70	0.33	3.5			94	93	10	118	57		
25	8.65	1.87	0.38	2.0			95	95	7	116	58		
26	8.62	1.78	0.38	1.0			95	93	5	118	56		3.7
27	8.68	1.62	0.36	1.0			96	93	6	116	57		
28	8.66	1.86	0.39	1.0			93	96	7	117	56		
29	8.68	1.92	0.42	1.0			94	100	8	119	59		
30	8.67	1.98	0.43	1.0	435	<1	95	97	7	120	60	555	
31	8.69	2.15	0.38	1.0			96	94	8	127	57		
<b>Avg:</b>	<b>8.54</b>	<b>1.24</b>	<b>0.29</b>	<b>1.4</b>	<b>374</b>	<b>&lt;1</b>	<b>95</b>	<b>92</b>	<b>5</b>	<b>117</b>	<b>56</b>	<b>548</b>	<b>3.7</b>

**MONTHLY SUMMARY OF MINERAL AND PHYSICAL ANALYSIS  
TREATED WATER (TW) & CLEARWELL (CW)**

System Name: Central Coast Water Authority

System Number: 4210030

Treatment Plant Name: Polonio Pass Water Treatment Plant

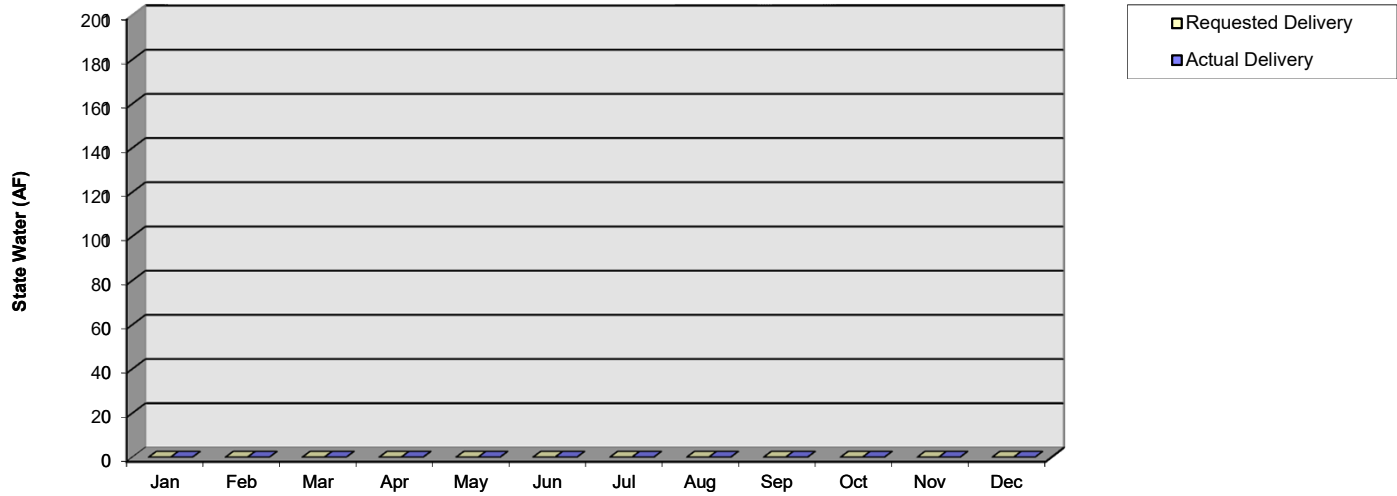
**August** **2021**

Date:	TW pH (SU)	TW Turbidity (NTU)	Filter Rate (gpm/ft <sup>2</sup> )	CW Odor (TON)	TW Total Coliform	CW Cl- (mg/L)	CW Total Alk (mg/L)	CW Hardness (mg/L)		TW Chlorine (mg/L)		CCB3 Chlorine Free (mg/L)	TW NH3-N (mg/L)		(CCB3 Cl2 Free) / (TW NH3-N Total)	CW E.C. (uS/cm)	TW TOC (mg/L)
								Total	Ca	Total	Free		Total	Free			
1	8.37	0.06	3.30	0.0	ABSENT	97	84	110	54	3.48	0.00	3.48	0.64	0.00	5.4		
2	8.23	0.06	3.30	0.0	ABSENT	95	85	116	55	3.51	0.00	3.50	0.64	0.00	5.5	581	
3	8.22	0.06	3.49	0.0	ABSENT	99	82	115	55	3.56	0.00	3.54	0.67	0.00	5.3		
4	8.23	0.06	3.69	0.0	ABSENT	98	88	117	56	3.53	0.00	3.58	0.66	0.00	5.4		
5	8.38	0.06	3.69	0.0	ABSENT	98	84	114	58	3.45	0.00	3.51	0.67	0.00	5.2		
6	8.37	0.06	3.49	0.0	ABSENT	96	85	117	57	3.53	0.00	3.53	0.66	0.00	5.3		
7	8.33	0.06	3.30	0.0	ABSENT	97	83	115	56	3.47	0.00	3.42	0.65	0.00	5.3		
8	8.44	0.08	3.47	0.0	ABSENT	97	86	115	56	3.51	0.00	3.47	0.66	0.00	5.3		
9	8.35	0.07	3.47	0.0	ABSENT	99	87	116	57	3.52	0.00	3.49	0.67	0.00	5.2	582	
10	8.35	0.06	4.24	0.0	ABSENT	100	88	114	50	3.55	0.00	3.49	0.68	0.00	5.1		
11	8.29	0.06	4.31	0.0	ABSENT	99	85	117	53	3.48	0.00	3.60	0.65	0.00	5.5		
12	8.32	0.07	4.08	0.0	ABSENT	98	92	115	54	3.54	0.00	3.54	0.68	0.00	5.2		
13	8.33	0.07	3.95	0.0	ABSENT	97	90	117	54	3.63	0.00	3.58	0.69	0.00	5.2		
14	8.33	0.06	4.08	0.0	ABSENT	98	86	117	57	3.66	0.00	3.54	0.69	0.00	5.1		
15	8.35	0.06	4.12	0.0	ABSENT	97	85	115	53	3.55	0.00	3.48	0.66	0.00	5.3		
16	8.43	0.07	4.03	0.0	ABSENT	99	91	107	49	3.52	0.00	3.40	0.67	0.00	5.1	584	
17	8.39	0.07	3.75	0.0	ABSENT	99	87	116	56	3.60	0.00	3.56	0.67	0.00	5.3		
18	8.36	0.08	3.72	0.0	ABSENT	97	86	120	54	3.60	0.00	3.58	0.67	0.00	5.3		
19	8.28	0.06	3.75	0.0	ABSENT	98	81	119	56	3.70	0.00	3.66	0.69	0.00	5.3		
20	8.31	0.07	4.04	0.0	ABSENT	99	84	120	58	3.60	0.00	3.75	0.65	0.00	5.8		
21	8.26	0.06	4.04	0.0	ABSENT	98	83	117	55	3.56	0.00	3.62	0.68	0.00	5.3		
22	8.29	0.06	3.76	0.0	ABSENT	99	84	118	56	3.62	0.00	3.61	0.67	0.00	5.4		
23	8.38	0.06	3.72	0.0	ABSENT	100	82	120	58	3.60	0.00	3.59	0.67	0.00	5.4	597	
24	8.31	0.07	3.88	0.0	ABSENT	99	89	117	58	3.60	0.00	3.55	0.67	0.00	5.3		
25	8.28	0.07	3.88	0.0	ABSENT	99	84	117	53	3.65	0.00	3.47	0.69	0.00	5.0		
26	8.28	0.07	4.05	0.0	ABSENT	97	84	119	58	3.58	0.00	3.47	0.70	0.00	5.0		2.3
27	8.34	0.07	4.13	0.0	ABSENT	99	87	115	55	3.57	0.00	3.47	0.69	0.00	5.0		
28	8.38	0.07	4.04	0.0	ABSENT	97	82	115	55	3.52	0.00	3.47	0.67	0.00	5.2		
29	8.38	0.07	4.05	0.0	ABSENT	98	89	118	57	3.53	0.00	3.45	0.68	0.00	5.1		
30	8.36	0.08	3.97	0.0	ABSENT	98	88	117	59	3.57	0.00	3.38	0.68	0.00	5.0	602	
31	8.41	0.08	3.77	0.0	ABSENT	99	86	117	57	3.57	0.00	3.58	0.69	0.01	5.2		
<b>Avg</b>	<b>8.33</b>	<b>0.07</b>	<b>3.82</b>	<b>0.00</b>		<b>98</b>	<b>86</b>	<b>116</b>	<b>55</b>	<b>3.56</b>	<b>0.00</b>	<b>3.53</b>	<b>0.67</b>	<b>0.00</b>	<b>5.3</b>	<b>589</b>	<b>2.30</b>



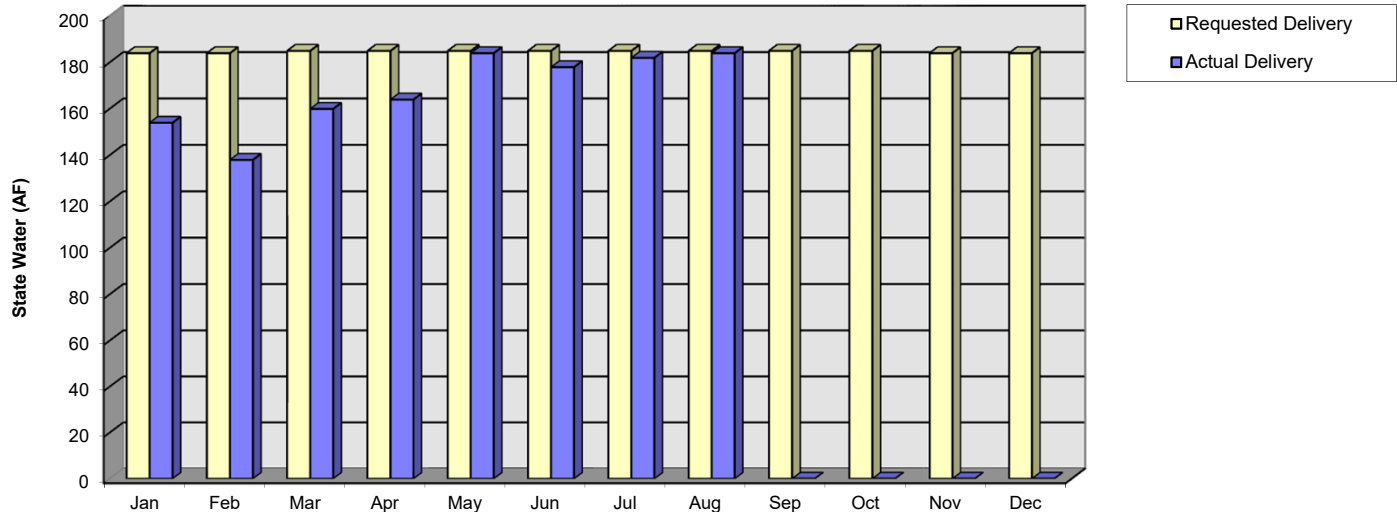
### Shandon T.O. - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	0	0	
Feb	0	0	
Mar	0	0	
Apr	0	0	
May	0	0	
Jun	0	0	
Jul	0	0	
Aug	0	0	
Sep	0	0	
Oct	0	0	
Nov	0	0	
Dec	0	0	
<b>Total</b>	<b>0</b>	<b>0</b>	



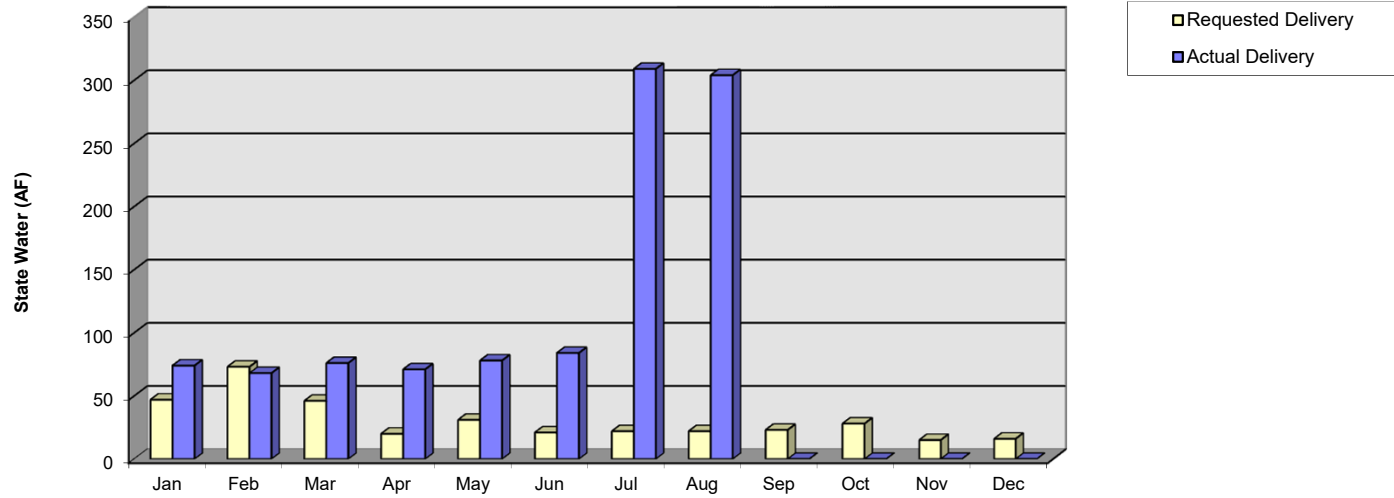
### Chorro Valley T.O. - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	184	154	
Feb	184	138	
Mar	185	160	
Apr	185	164	
May	185	184	
Jun	185	178	
Jul	185	182	
Aug	185	184	
Sep	185	0	
Oct	185	0	
Nov	184	0	
Dec	184	0	
<b>Total</b>	<b>2216</b>	<b>1344</b>	



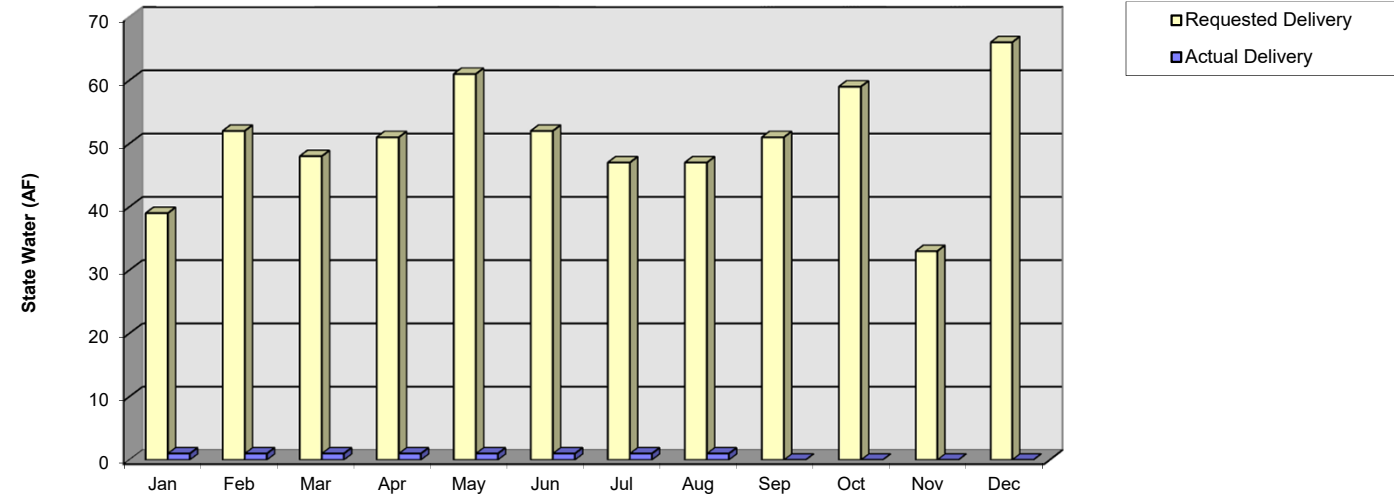
### Lopez T.O. - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	47	74	
Feb	73	68	
Mar	46	76	
Apr	20	71	
May	31	78	
Jun	21	84	
Jul	22	309	
Aug	22	304	
Sep	23		
Oct	28		
Nov	15		
Dec	16		
<b>Total</b>	<b>364</b>	<b>1064</b>	



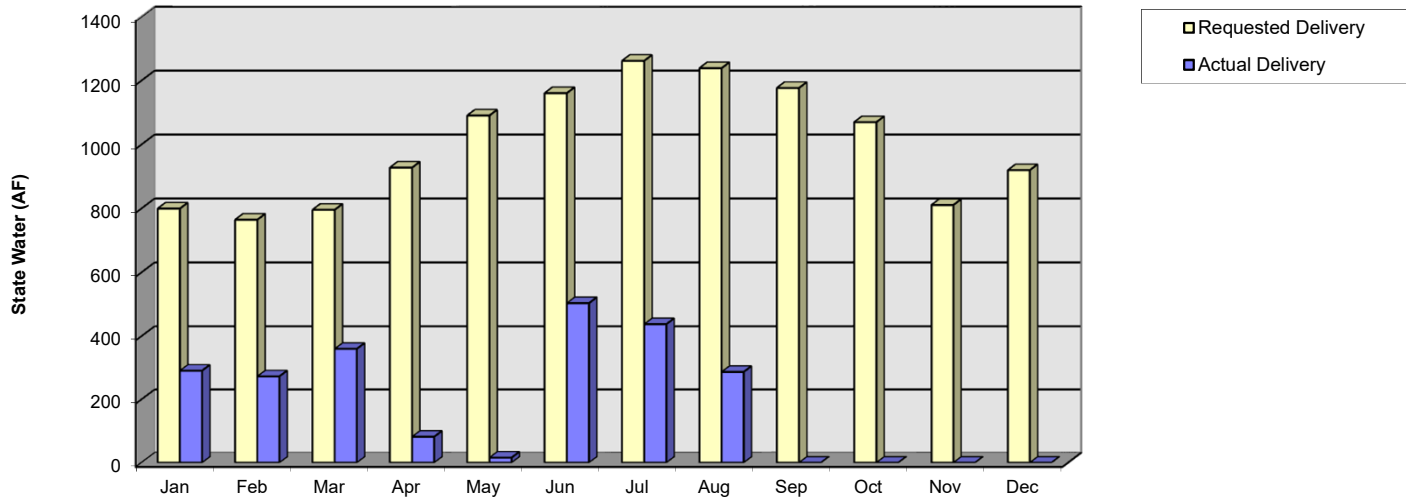
### Guadalupe - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	39	1	
Feb	52	1	
Mar	48	1	
Apr	51	1	
May	61	1	
Jun	52	1	
Jul	47	1	
Aug	47	1	
Sep	51		
Oct	59		
Nov	33		
Dec	66		
<b>Total</b>	<b>606</b>	<b>8</b>	



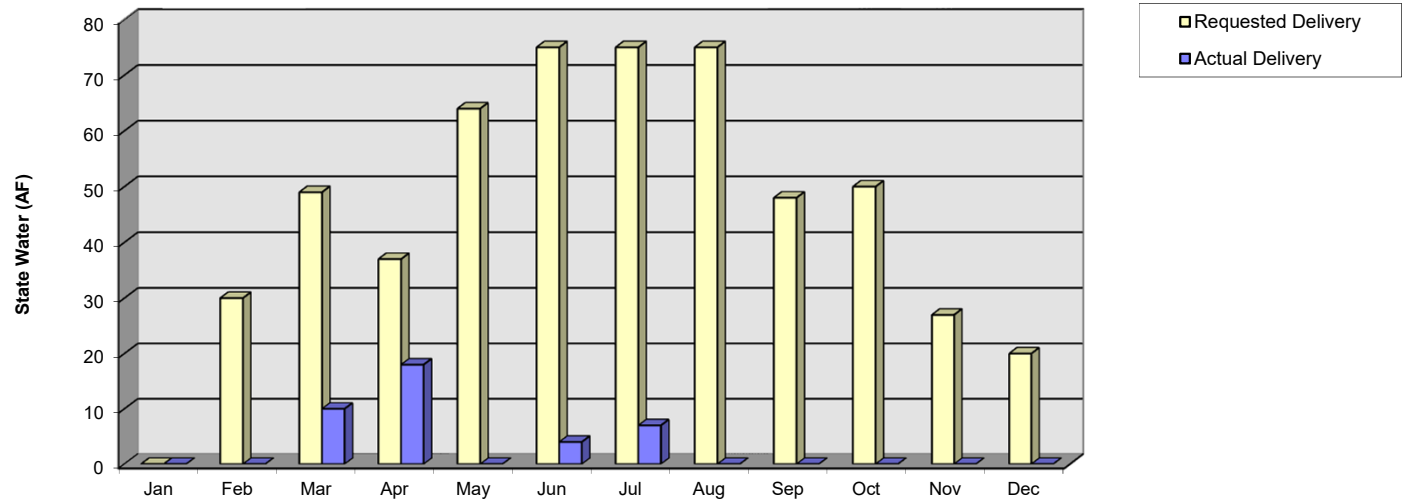
### Santa Maria - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	800	291	
Feb	765	273	
Mar	796	360	
Apr	928	82	
May	1091	16	
Jun	1161	504	
Jul	1262	438	
Aug	1239	287	
Sep	1177		
Oct	1070		
Nov	811		
Dec	920		
<b>Total</b>	<b>12020</b>	<b>2251</b>	



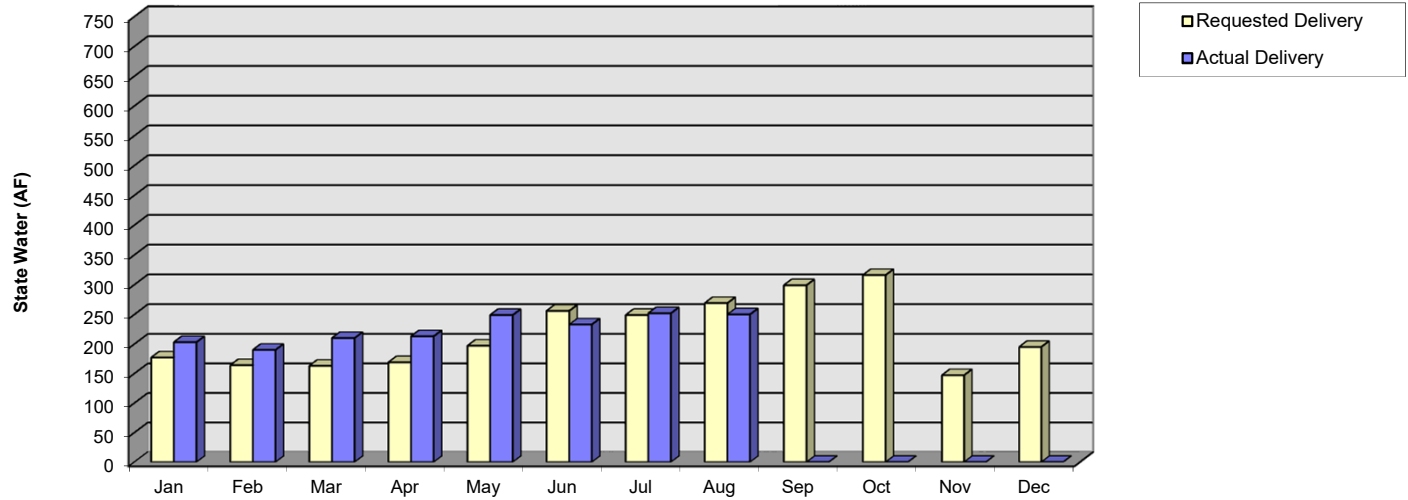
### Golden State - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	0	0	
Feb	30	0	
Mar	49	10	
Apr	37	18	
May	64	0	
Jun	75	4	
Jul	75	7	
Aug	75	0	
Sep	48	0	
Oct	50	0	
Nov	27	0	
Dec	20	0	
<b>Total</b>	<b>550</b>	<b>39</b>	



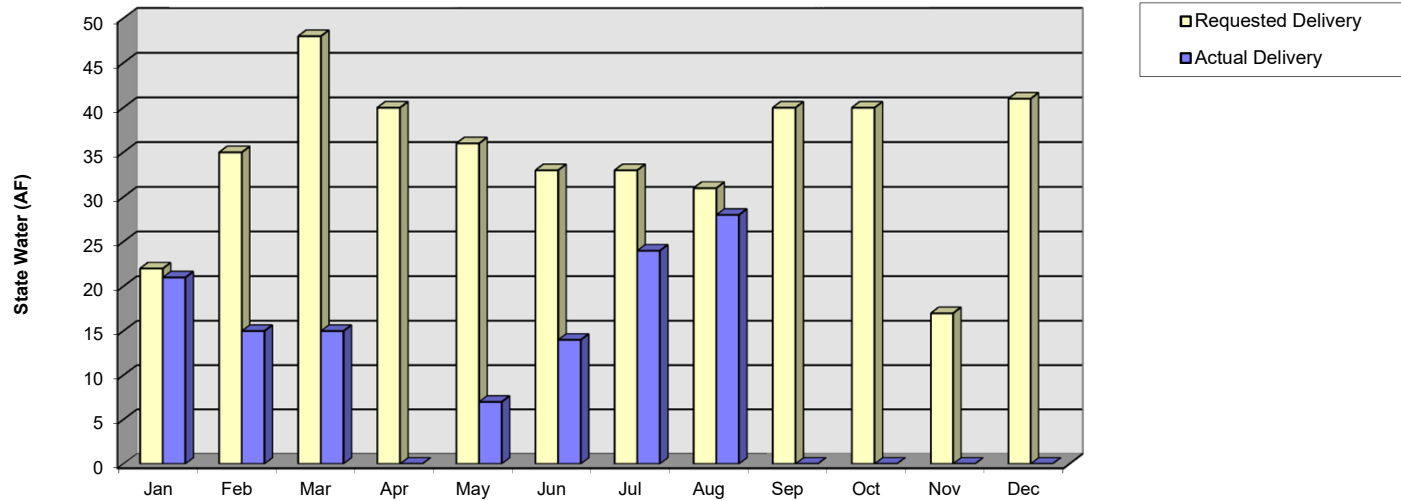
### VAFB - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	177	203	
Feb	164	190	
Mar	163	210	
Apr	169	213	
May	197	249	
Jun	256	233	
Jul	249	252	
Aug	269	250	
Sep	299		
Oct	316		
Nov	147		
Dec	195		
<b>Total</b>	<b>2601</b>	<b>1800</b>	



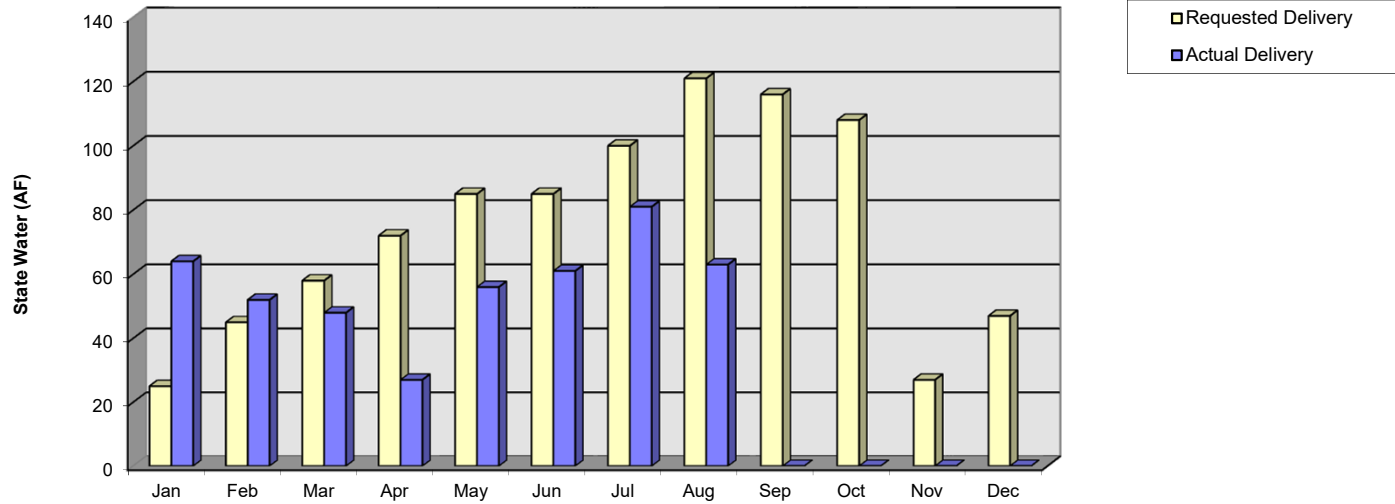
### Buellton - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	22	21	
Feb	35	15	
Mar	48	15	
Apr	40	0	
May	36	7	
Jun	33	14	
Jul	33	24	
Aug	31	28	
Sep	40		
Oct	40		
Nov	17		
Dec	41		
<b>Total</b>	<b>416</b>	<b>124</b>	



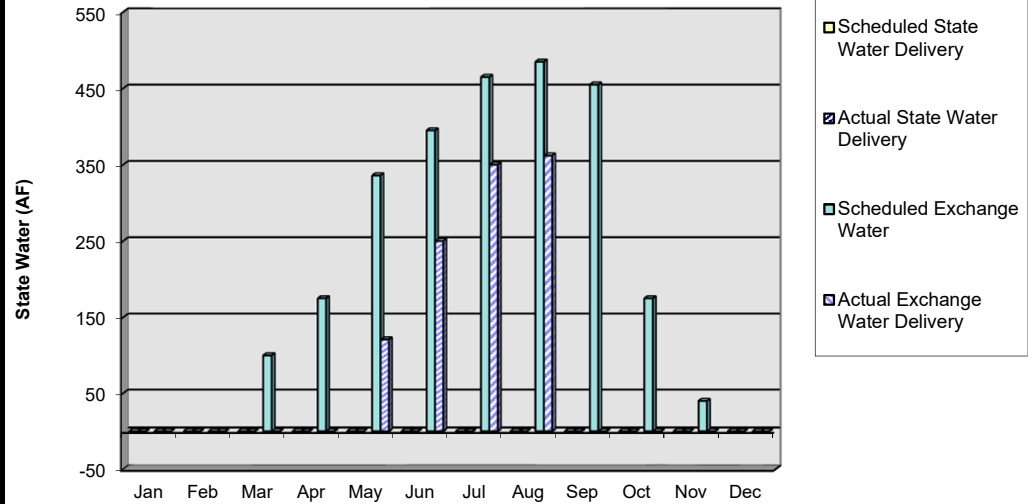
### Santa Ynez - Solvang Only - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	25	64	
Feb	45	52	
Mar	58	48	
Apr	72	27	
May	85	56	
Jun	85	61	
Jul	100	81	
Aug	121	63	
Sep	116		
Oct	108		
Nov	27		
Dec	47		
<b>Total</b>	<b>889</b>	<b>452</b>	



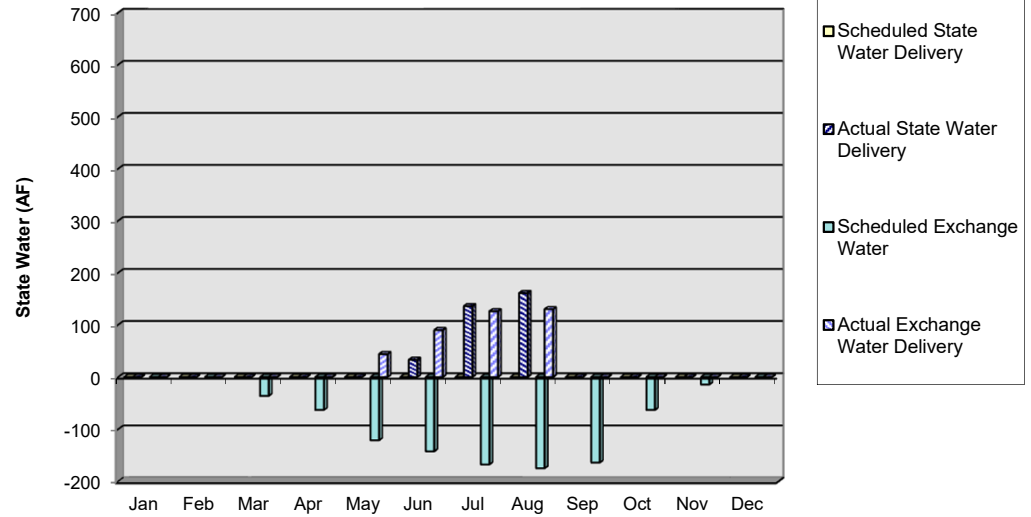
### Santa Ynez (Without Solvang) - SWP Deliveries in Year 2021

Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Schi'd State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	0	0	0	0	0	0	
Feb	0	0	0	0	0	0	
Mar	0	100	100	0	0	0	
Apr	0	175	175	0	0	0	
May	0	336	336	0	121	121	
Jun	0	395	395	0	250	250	
Jul	0	465	465	0	350	350	
Aug	0	485	485	0	362	362	
Sep	0	455	455				
Oct	0	175	175				
Nov	0	40	40				
Dec	0	0	0				
<b>Total</b>	<b>0</b>	<b>2626</b>	<b>2626</b>	<b>0</b>	<b>1083</b>	<b>1083</b>	



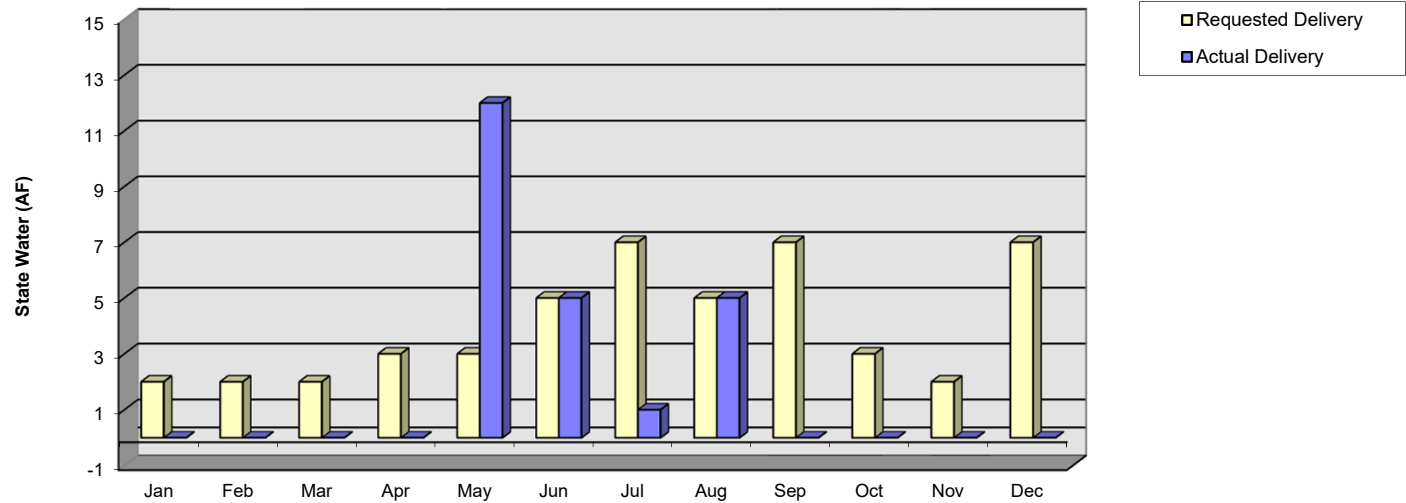
### Goleta - SWP Deliveries in Year 2021

Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Schl'd State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	0	0	0	0	0	0	
Feb	0	0	0	0	0	0	
Mar	0	-36	-36	0	0	0	
Apr	0	-63	-63	0	0	0	
May	0	-121	-120.96	0	44	44	
Jun	0	-142	-142.2	33	90	123	
Jul	0	-167	-167.4	136	126	262	
Aug	0	-175	-174.6	161	130	291	
Sep	0	-164	-163.8				
Oct	0	-63	-63				
Nov	0	-14	-14.4				
Dec	0	0	0				
<b>Total</b>	<b>0</b>	<b>-945</b>	<b>-945</b>	<b>330</b>	<b>390</b>	<b>720</b>	



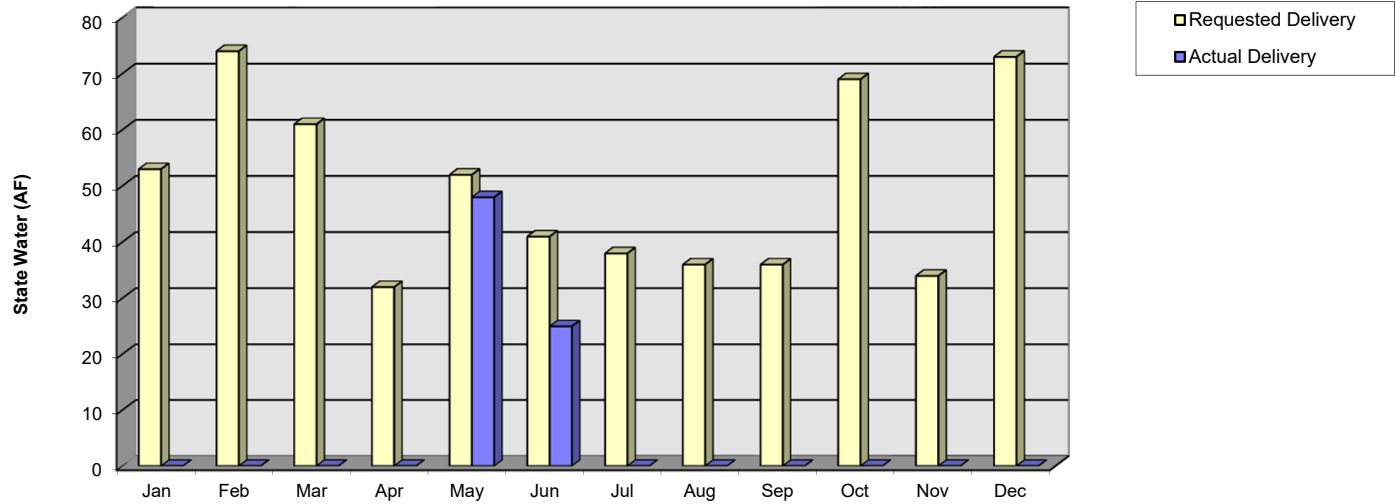
### Morehart Land - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	2	0	
Feb	2	0	
Mar	2	0	
Apr	3	0	
May	3	12	
Jun	5	5	
Jul	7	1	
Aug	5	5	
Sep	7	0	
Oct	3	0	
Nov	2	0	
Dec	7	0	
<b>Total</b>	<b>48</b>	<b>23</b>	



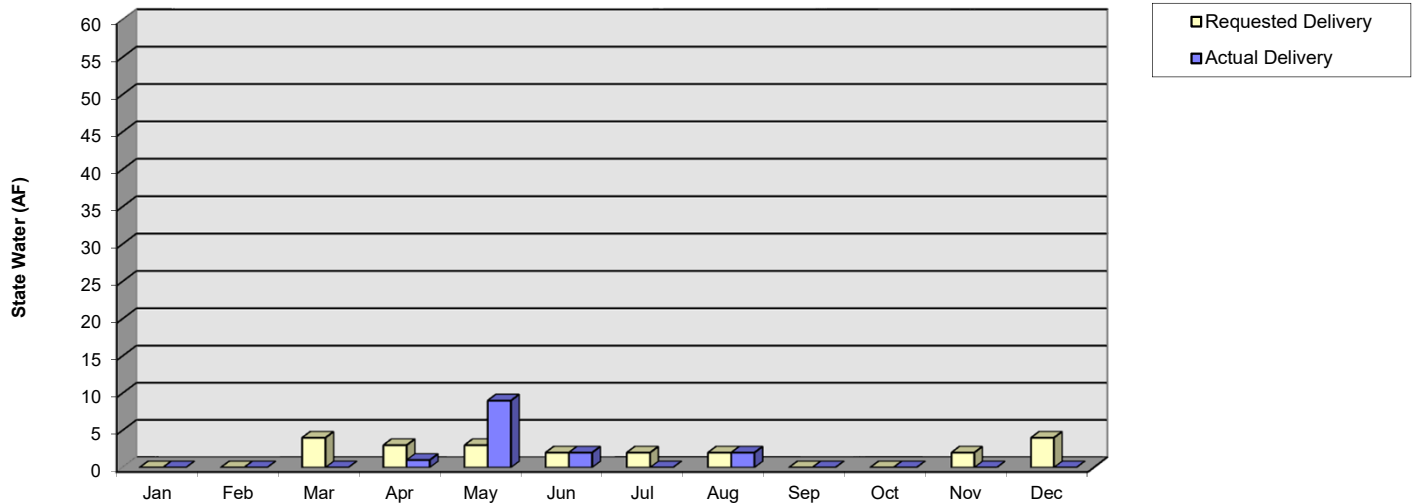
### La Cumbre - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	53	0	
Feb	74	0	
Mar	61	0	
Apr	32	0	
May	52	48	
Jun	41	25	
Jul	38	0	
Aug	36	0	
Sep	36	0	
Oct	69	0	
Nov	34	0	
Dec	73	0	
<b>Total</b>	<b>599</b>	<b>73</b>	



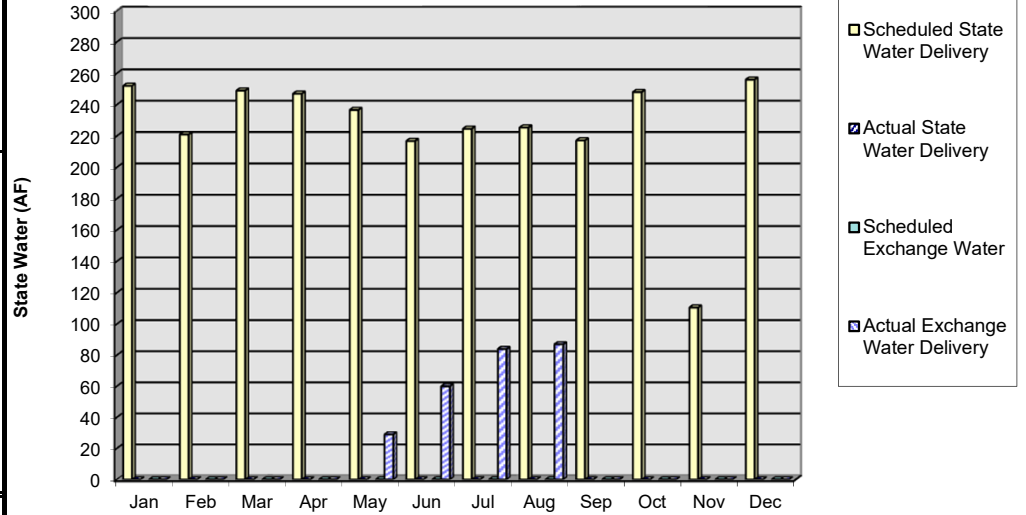
### Raytheon (SBRC) - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	0	0	
Feb	0	0	
Mar	4	0	
Apr	3	1	
May	3	9	
Jun	2	2	
Jul	2	0	
Aug	2	2	
Sep	0	0	
Oct	0	0	
Nov	2	0	
Dec	4	0	
<b>Total</b>	<b>22</b>	<b>14</b>	



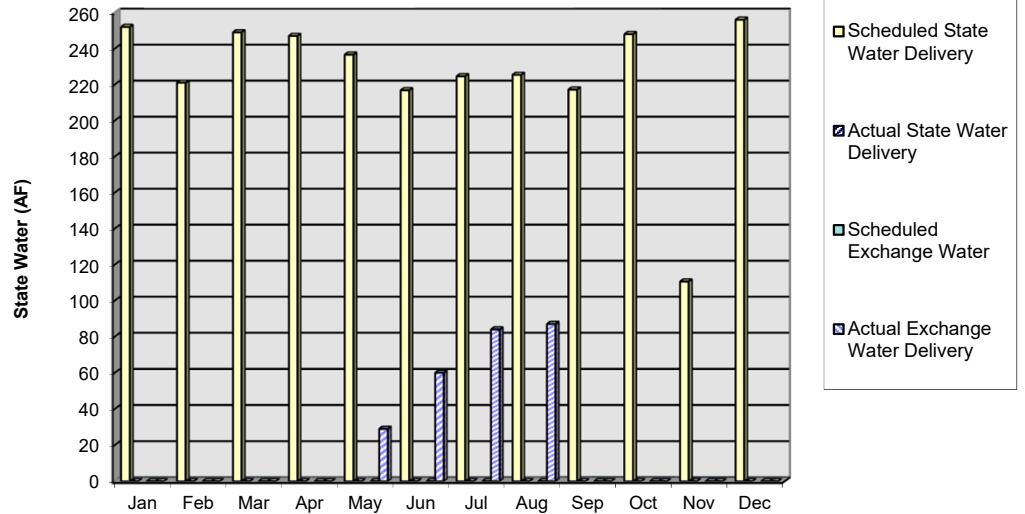
### Santa Barbara - SWP Deliveries in Year 2021

Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sch'l'd State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	252	0	252	0	0	0	
Feb	221	0	221	0	0	0	
Mar	249	-24	225	0	0	0	
Apr	247	-42	205	0	0	0	
May	237	-81	156	0	29	29	
Jun	217	-95	122	0	60	60	
Jul	225	-112	113	0	84	84	
Aug	225	-116	109	0	87	87	
Sep	217	-109	108				
Oct	248	-42	206				
Nov	111	-10	101				
Dec	256	0	256				
<b>Total</b>	<b>2704</b>	<b>-630</b>	<b>2074</b>	<b>0</b>	<b>260</b>	<b>260</b>	



### Montecito - SWP Deliveries in Year 2021

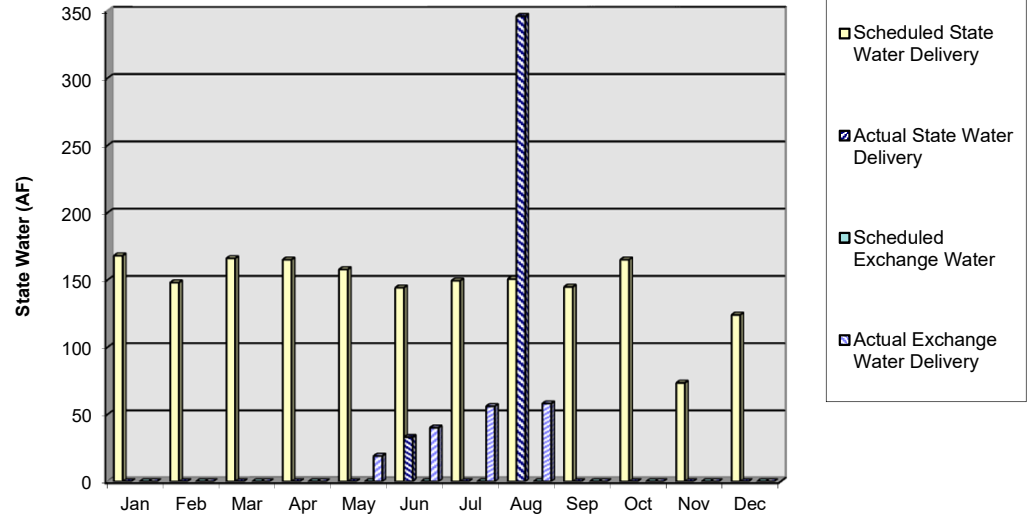
Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sch'l'd State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	252	0	252	0	0	0	
Feb	221	0	221	0	0	0	
Mar	249	-24	225	0	0	0	
Apr	247	-42	205	0	0	0	
May	237	-81	156	0	29	29	
Jun	217	-95	122	0	60	60	
Jul	225	-112	113	0	84	84	
Aug	225	-116	109	0	87	87	
Sep	217	-109	108				
Oct	248	-42	206				
Nov	111	-10	101				
Dec	256	0	256				
<b>Total</b>	<b>2704</b>	<b>-630</b>	<b>2074</b>	<b>0</b>	<b>260</b>	<b>260</b>	





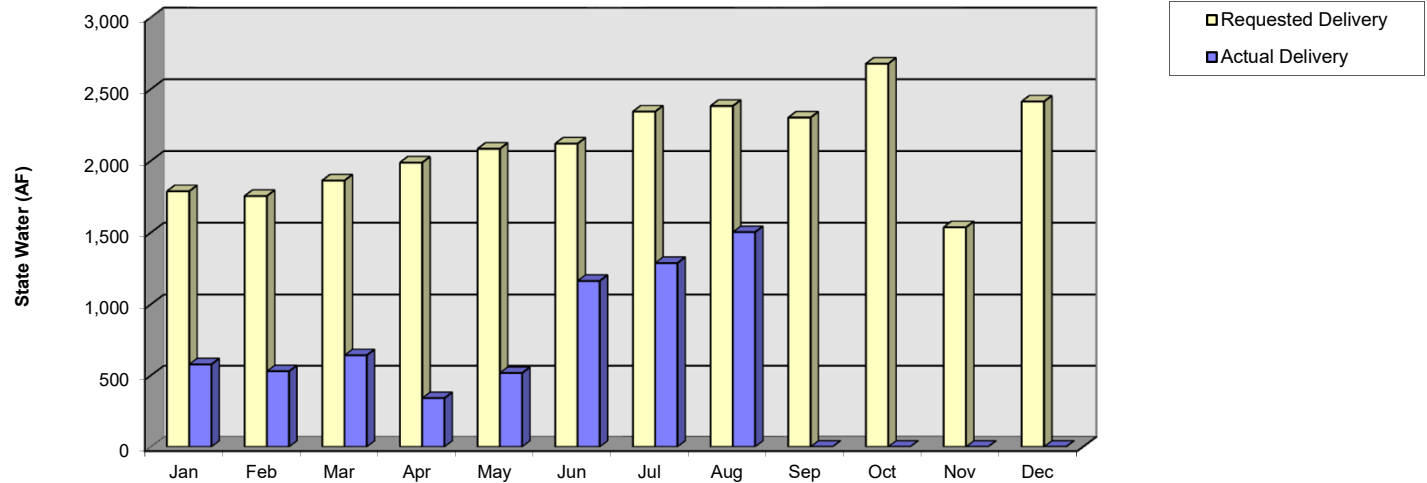
### Carpinteria - SWP Deliveries in Year 2021

Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Schl'd State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	168	0	168	0	0	0	
Feb	148	0	148	0	0	0	
Mar	166	-16	150	0	0	0	
Apr	165	-28	137	0	0	0	
May	158	-54	104	0	19	19	
Jun	144	-63	81	33	40	73	
Jul	149	-74	75	0	56	56	
Aug	151	-78	73	346	58	404	
Sep	145	-73	72				
Oct	165	-28	137				
Nov	73	-6	67				
Dec	124	0	124				
<b>Total</b>	<b>1756</b>	<b>-420</b>	<b>1336</b>	<b>379</b>	<b>173</b>	<b>552</b>	



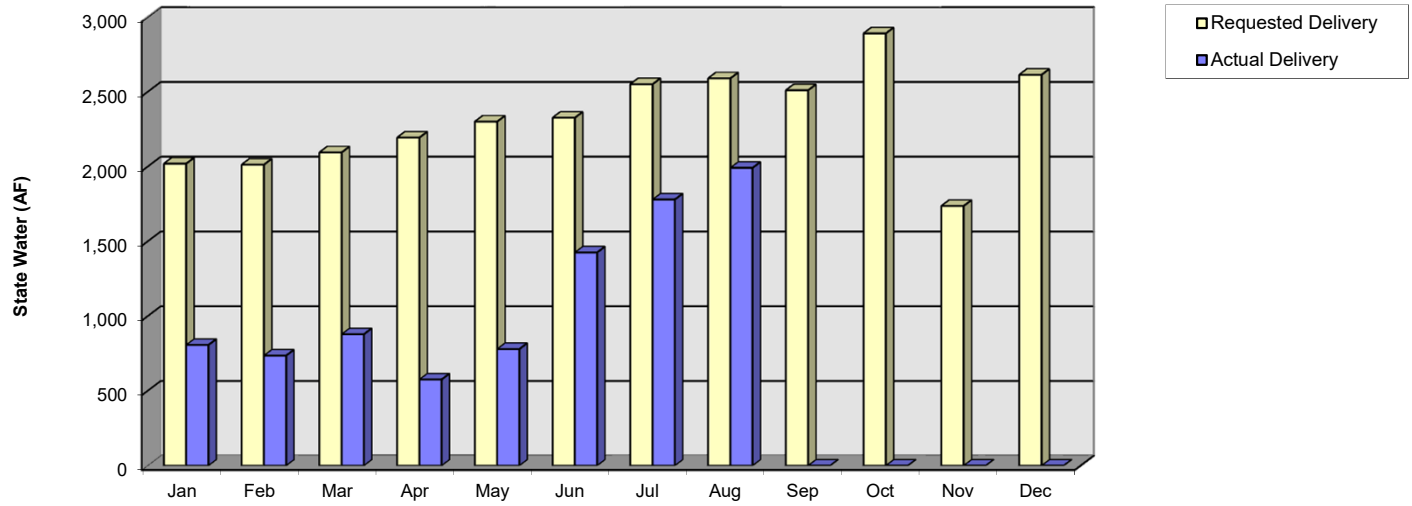
### Total SB County - SWP Deliveries in Year 2021

Month	Requested Delivery	Actual Delivery
Jan	1,790	580
Feb	1,757	531
Mar	1,865	644
Apr	1,990	342
May	2,086	519
Jun	2,122	1,165
Jul	2,345	1,290
Aug	2,384	1,505
Sep	2,304	0
Oct	2,679	0
Nov	1,539	0
Dec	2,415	0
<b>Total</b>	<b>25,276</b>	<b>6,576</b>



**Total SB and SLO County - SWP Deliveries in Year 2021**

Month	Requested Delivery	Actual Delivery
Jan	2,021	808
Feb	2,014	737
Mar	2,096	880
Apr	2,195	577
May	2,302	781
Jun	2,328	1,427
Jul	2,552	1,781
Aug	2,591	1,993
Sep	2,512	
Oct	2,892	
Nov	1,738	
Dec	2,615	
<b>Total</b>	<b>27,856</b>	<b>8,984</b>





**CENTRAL COAST WATER AUTHORITY**

**MEMORANDUM**

September 14, 2021

**TO:** CCWA Board of Directors

**FROM:** Ray A. Stokes  
Executive Director 

**SUBJECT:** 2021 Supplemental Water Purchase Program Update

---

**DISCUSSION**

Attached is a summary of the 2021 Supplemental Water Purchase Program (SWPP) as of August 31, 2021. Please note that quantities under the SWC Dry Year Transfer Program and the Yuba Accord Purchase are not yet final.

The 2021 Table A purchase of 250 AF from the Casitas Municipal Water District has not yet been finalized and is awaiting approval from Ventura County.

CCWA is currently taking delivery of the SWC Dry Year Transfer Program, Yuba Accord and Mojave transfers.

RAS

Attachment

Central Coast Water Authority  
**2021 Supplemental Water Purchase Program**  
 Summary of Available Supplies and Costs  
 As of August 31, 2021

<b>2021 CCWA SWPP SUMMARY OF AVAILABLE SUPPLIES</b>									
		Total Estimated	Total	Estimated Delivered	Delivery Goal	Purchase Deposit	Admin Fees		
Delivery Goal (AF)	% Allocation	Available Water (AF) <sup>(1)</sup>	Payments	Water After Losses (N/A)	Minus Available Water <sup>(2)</sup>	Received by CCWA	Received by CCWA		
La Cumbre Mutual Water Co.	500	25%	834	\$ 512,198	692	(192)	\$ 500,000	\$ 5,000	
Santa Ynez ID#1 (for City of Solvang) <sup>(3)</sup>	500	25%	608	\$ 349,899	494	6	250,000	4,000	
Carpinteria Valley Water District	1,000	50%	1,141	\$ 1,091,700	1,131	(131)	1,091,700		
City of Guadalupe	10	0.50%	10	\$ 10,000	10	-	10,000		
	<b>2,010</b>	<b>100%</b>	<b>2,593</b>	<b>\$ 1,963,797</b>	<b>2,327</b>	<b>(317)</b>	<b>\$ 1,841,700</b>	<b>\$ 9,000</b>	

(1) BEFORE carriage water losses

(2) Delivery goal minus NET delivered water AFTER estimated carriage losses of 25%

(3) On May 18, 2021, Solvang changed their "Delivery Goal" to 500 AF. However, for purposes of the following purchase opportunities, excluding the Mojave purchase, all available water will be allocated based on their original 400 AF delivery goal.

<b>SWC Dry Year Transfer Program</b>						
		Estimated	\$/AF	Estimated Delivered	Deposit Paid to CCWA	
Delivery Goal (AF)	% Allocation	Water (AF) <sup>(1)</sup>	\$	Water After Losses	(Excludes Admin Fees)	
La Cumbre Mutual Water Co.	500	56%	118	\$ 73,611	88	73,611
Santa Ynez ID#1 (for City of Solvang)	400	44%	94	\$ 58,889	71	78,333
Carpinteria Valley Water District	-	0%	-	\$ -	-	-
	<b>900</b>	<b>100%</b>	<b>212</b>	<b>\$ 132,500</b>	<b>159</b>	<b>\$ 151,944</b>

(1) Before carriage water losses estimated at 25%.

<b>Yuba Accord Purchase</b>						
		Estimated	\$/AF	Estimated Delivered	Deposit Paid to CCWA	
Delivery Goal (AF)	% Allocation	Water (AF) <sup>(1)</sup>	\$	Water After Losses	(Excludes Admin Fees)	
La Cumbre Mutual Water Co.	500	56%	451	\$ 192,387	338	192,387
Santa Ynez ID#1 (for City of Solvang)	400	44%	360	\$ 153,910	270	153,910
Carpinteria Valley Water District	-	0%	-	\$ -	-	-
	<b>900</b>	<b>100%</b>	<b>811</b>	<b>\$ 346,297</b>	<b>608</b>	<b>\$ 346,297</b>

(1) Before carriage water losses estimated at 25%.

<b>Casitas Municipal Water District</b>							
		Estimated	\$/AF	Estimated Delivered	Deposit Paid to CCWA	Balance Due	
Delivery Goal (AF)	% Allocation	Water (AF)	\$	Water After Losses (N/A)	(Excludes Admin Fees)		
La Cumbre Mutual Water Co.	500	26%	66	\$ 46,200	66	\$ 46,200	\$ -
Santa Ynez ID#1 (for City of Solvang)	400	21%	53	\$ 37,100	53	\$ 37,100	\$ -
Carpinteria Valley Water District	1,000	53%	131	\$ 91,700	131	\$ 91,700	\$ -
	<b>1,900</b>	<b>100%</b>	<b>250</b>	<b>\$ 175,000</b>	<b>250</b>	<b>\$ 175,000</b>	<b>\$ -</b>

<b>Mojave Water Agency</b>						
		Estimated	\$/AF	Estimated Delivered	Deposit Paid to CCWA	
Delivery Goal (AF)	% Allocation	Water (AF)	\$	Water After Losses (N/A)	(Excludes Admin Fees)	
La Cumbre Mutual Water Co.	500	200	\$ 200,000	200	\$ 200,000	
Santa Ynez ID#1 (for City of Solvang)	500	100	\$ 100,000	100	\$ -	
Carpinteria Valley Water District	1,000	1,000	\$ 1,000,000	1,000	\$ 1,000,000	
City of Guadalupe	10	10	\$ 10,000	10	\$ -	
	<b>2,010</b>	<b>1,310</b>	<b>\$ 1,310,000</b>	<b>1,310</b>	<b>\$ 1,200,000</b>	

Allocation of the water from Mojave WA represents actual water requested from Mojave WA and is NOT allocated in proportion to the Delivery Goal.



## CENTRAL COAST WATER AUTHORITY

### MEMORANDUM

September 14, 2021

**TO:** CCWA Board of Directors

**FROM:** Ray A. Stokes  
Executive Director 

**SUBJECT:** Montecito Water District Request for CCWA to Facilitate Supplemental Water Purchase

---

#### SUMMARY

The Montecito Water District has sent the attached letter and corresponding proposal from Homer LLC requesting that CCWA assist in facilitating Montecito's purchase of water from Homer LLC. This report will provide an overview of the Montecito request and request that the CCWA Board of Directors approve Montecito's request on a one-time basis.

#### RECOMMENDATION

CCWA Staff recommends that the Board of Directors:

- A. Receive and provide comments on this report, and
- B. Approve Montecito Water District's request for CCWA to facilitate the Montecito purchase of water from Homer LLC on a limited one-time basis, and authorize General Counsel to prepare contracts specific to the proposed Homer LLC purchase which provides liability protection for CCWA and its project participants and that all costs incurred by CCWA associated with the transaction be paid by Montecito Water District.

#### DISCUSSION

- A. CCWA's Supplemental Water Purchase Program

In 2013, the CCWA Board of Directors authorized the creation of the CCWA Supplemental Water Purchase Program (SWPP) as a way to assist CCWA participants' needing additional water supplies due to the ongoing drought. The SWPP requires participating CCWA project participants to execute a set of contracts between CCWA and the participants that outline the terms of the SWPP and insulate CCWA as a whole and all other non-participating CCWA project participants from any and all liability associated with the various water purchase transactions entered into by CCWA on behalf of the SWPP participants.

For each year that a SWPP has been implemented, CCWA Staff has identified water purchase opportunities and, as required by the SWPP contracts, offered the available water to the SWPP participants in proportion to their requested "delivery goal" for the SWPP. CCWA has contracted directly with the seller for each of the transactions on behalf of the SWPP participants. Additionally, as may be required by the Department of Water Resources to

effectuate any water purchase, CCWA contracts with the Santa Barbara County Flood Control and Water Conservation District.

B. Montecito Water District's Request to Facilitate Transfer

This year, separately, Montecito Water District has identified a water purchase opportunity from Homer LLC, a subcontractor of another State Water Project Contractor. As described in the attached letter from Nick Turner, Montecito Water District requests that CCWA facilitate the proposed water purchase from Homer LLC on behalf of Montecito Water District, independent of the SWPP.

Because Montecito Water District's request falls outside the approved SWPP, Staff requires the Board of Directors' approval.

CCWA Staff anticipates returning to the Board at a later date when final transactional documents have been prepared to obtain Board approval and make any findings required by the Water Management Amendment.

C. CCWA Administrative Rules for Implementation of the Water Management Amendment (Amendment No. 21 to the State Water Contract)

The recently approval "Water Management Amendment" to the State Water Contract includes many new provisions, including the right to sell Article 56 carryover water in San Luis Reservoir and Article 21 water. CCWA Staff anticipates the need to develop CCWA administrative rules to implement these new provisions. CCWA staff expects to begin a review of proposed administrative rules at the October 2021 meetings of the CCWA Operating Committee and CCWA Board meetings.

Any proposed administrative rules should include CCWA procedures for CCWA participants electing to transfer or exchange water pursuant to the SWPP or independently as proposed by Montecito Water District.

**FISCAL IMPACTS**

None. All costs and expenses to be borne by the Montecito Water District.

RAS

Attachment: September 14, 2021 Letter from Nick Turner to Ray Stokes



September 14, 2021

Mr. Ray Stokes  
Executive Director  
Central Coast Water Authority  
255 Industrial Way  
Buellton, CA 93427

**Board of Directors**

Tobe Plough  
**President**

Ken Coates  
**Vice President**

Brian Goebel  
**Director**

Cori Hayman  
**Director**

Floyd Wicks  
**Director**

**General Manager  
and Board Secretary**  
Nick Turner

**RE: Request for Central Coast Water Authority to Enter into Supplemental Water Purchase Agreement on Behalf of Montecito Water District**

Dear Mr. Stokes:

Montecito Water District (MWD) has identified an opportunity to purchase supplemental water in 2022 and/or 2023 from Homer LLC (Homer). Homer is an agricultural landowner in the San Joaquin Valley, and maintains a robust water portfolio including State Water Project (SWP) supplies. Homer has proposed an agreement that would provide MWD with the option to purchase up to 2,000 acre-feet in 2022 and/or 2023. At MWD's request, Homer will make this water available in San Luis Reservoir or in the Semitropic Water Storage Bank. The attached term sheet summarizes the general terms of the proposed agreement.

As you are aware, 2021 has been critically dry and the forecast for 2022, including the outlook for SWP supply availability is poor. The proposed agreement is critical for improving water supply availability for MWD and satisfying the water demands of its customers through 2023. MWD has been engaged in long-term water supply planning and is implementing several projects that will improve the District's future water supply reliability. However, those projects are not yet completed, and the proposed agreement is a necessary "bridge" to meet MWD's water demands until those projects are online.

MWD requests that CCWA facilitate this purchase on behalf of MWD. CCWA manages SWP supplies on behalf of MWD and the other CCWA members and is the appropriate entity to take the lead on this effort. Consistent with CCWA's previous supplemental water purchase program transactions, MWD is willing

583 San Ysidro Road  
Santa Barbara, CA  
931089-2124

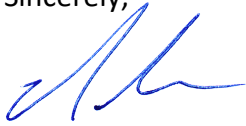
Ph 805.969.2271  
Fax 805.969.7261

info@montecitowater.com  
www.montecitowater.com

to enter into the necessary indemnification and/or other agreements to ensure that the other CCWA members are not negatively impacted by the proposed transaction with Homer.

Thank you for your consideration of our request. MWD appreciates all of CCWA's efforts to improve water supply reliability in Santa Barbara County, and looks forward to partnering with CCWA on this critically important supplemental water purchase. Please contact me at (805) 969-2271 to discuss any questions or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "Nick Turner", is positioned below the word "Sincerely,".

Nick Turner, General Manager  
Montecito Water District

Attachment (1)





August 3, 2021

Mr. Nicholas Turner  
General Manager  
Montecito Water District  
583 San Ysidro Road  
Montecito, CA 93108

**RE: Non-Binding Proposal for Montecito Option to Purchase Dry-Year Water**

Dear Mr. Turner:

The purpose of this non-binding proposal (“Proposal”) is to set forth the general terms and conditions for an option for Montecito Water District (“Montecito”) to purchase water from Homer LLC (“Homer”). **Neither Homer nor Montecito are bound in any way to continue negotiations or enter into definitive agreements or proceed with the transaction contemplated herein until definitive agreements are executed by the parties.** Any such definitive agreements are subject to approval by Homer and Montecito in their sole and absolute discretion and in no way override any existing obligations Montecito and Homer have with any other party.

1. Background. As part of Montecito’s obligation to provide reliable water supplies for its customers, it is seeking supplies that it may need in the event that 2022 or 2023 are dry years. Homer would be willing to provide an option for Montecito to purchase up to 2,000 acre-feet (“AF”) of water.
2. Term. The term of this agreement would begin upon the effective date of a definitive agreement and end on the completion of water deliveries that are called by February 28<sup>th</sup>, 2023 (“Term”).
3. Type of Option and Approvals. This would be an option for Montecito to purchase up to 2,000 AF of water from Homer (“Option”). The water would be from any source available to Homer, qualified for delivery to Montecito, including current year State Water Project (“SWP”) Table A, previously banked Table A or pre-1914 supplies (the “Water”). Montecito could select delivery to either San Luis Reservoir (“San Luis POD”) or in-ground from Homer’s Semitropic Water Storage District Stored Water Recovery Unit account (“SWRU POD”). Any transfer of Water after exercising the Option may require the approval of other entities with jurisdictional authority over the transfer or conveyance of water.



4. Reservation Fee and Pricing. Montecito would pay to Homer a Reservation Fee of \$1,250,000 (\$625 per AF) within 60 days of executing a definitive agreement. The Reservation Fee would apply towards water purchases. In the event Montecito does not exercise its Option, ninety percent (90%) of the Reservation Fee would be refundable. The charge for San Luis POD Water would be \$1,500/acre-foot (less Reservation Fee) and the charge for SWRU POD Water would be \$1,250/AF (less Reservation Fee).
5. Notification of Exercising Option. For SWRU POD Water, Montecito may notify Homer of its intent to exercise the Option at any time during the Term of this agreement. For San Luis POD Water, Montecito would notify Homer of its intent to exercise the Option by April 15, 2022, for water to be delivered in 2022. Homer cannot guarantee the delivery of Water in 2022 if late notification is made, but would make every effort to do so. For San Luis POD Water deliveries in 2023, Montecito would notify Homer by February 28, 2023.
6. CEQA Compliance. If any transfer of Water from this Option is subject to the California Environmental Quality Act ("CEQA"), Montecito would be responsible for all CEQA compliance costs and documentation.
7. Transaction Costs. Each party would be responsible for its legal, environmental and consulting costs. Homer would be responsible for preparing initial draft(s) of the definitive agreement(s).
8. Contingencies. The Option would be contingent upon the following actions and activities:
  - a. Approval by Homer of definitive agreements;
  - b. Approval by Montecito's Board of Directors of definitive agreements; and
  - c. Such other contingencies as may be identified in the definitive agreement.

If the foregoing meets with your approval, please indicate your acceptance by executing this non-binding proposal and delivering it to Homer LLC by email to Kel Mitchel (kmitchel@renewablegroup.com).

Homer LLC  
5701 Truxtun Ave, Suite 200  
Bakersfield, CA 93309

By: \_\_\_\_\_  
Eric Averett, CEO

2701 Truxtun Ave, Suite 200, Bakersfield, CA 93309



ACCEPTED:  
Montecito Water District

By: \_\_\_\_\_  
Mr. Nicholas Turner, General Manager

Date: \_\_\_\_\_



## CENTRAL COAST WATER AUTHORITY

### MEMORANDUM

September 15, 2021

**TO:** CCWA Board of Directors

**FROM:** John Brady  
Deputy Director, Operations and Engineering

**SUBJECT:** Request for Approval of Carryover of Project Funds from FY 20/21 to FY 21/22  
- \$761,415.66

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#### SUMMARY

Certain capital expenditures included in the FY 20/21 budget were not expended due to timing and scheduling. This report will request carryover of these funds from the FY 20/21 budget to the FY 21/22 budget.

#### DISCUSSION

The following capital and expense projects are funded from project participant assessments. CCWA staff is requesting that these project funds be retained and carried over to the FY 21/22 budget so that the projects can be completed.

##### Capitalized Projects

- **WTP Supervisor Sedan (C-20SEDAN) - \$31,752 (WTP) Capitalized Project.** Staff requests carryover of **\$31,752** to complete this project. The Sedan was ordered in FY20/21 and delivery is expected in FY 21/22.
- **Maintenance Superintendent Truck (C-20TRUCK1) - \$34,020 (WTP) Capitalized Project.** Staff requests carryover of **\$34,020** to complete this project. The Truck was ordered in FY20/21 and delivery is expected in FY 21/22.
- **Distribution O&M Crew Truck (C-20TRUCK2) - \$34,020 (DIST-All) Capitalized Project.** Staff requests carryover of **\$34,020** to complete this project. The Truck was ordered in FY20/21 and delivery is expected in FY 21/22.
- **PLC Upgrade WTP (C-20PLCUPG) - \$210,000 (WTP) - Capitalized Project:** Staff requests carryover of **\$162,683.15** to complete this multi-phase project. Significant progress has been made on the design work in FY 20/21. Equipment procurement and programming is planned for FY 21/22 and installation and operation is planned for winter shutdown in FY 22/23.

- **Cyberlock Replacement and Door Service (C-20CBRLCK) - \$39,690 (WTP) – Capitalized Project.** Staff requests carryover of **\$39,690** to complete this project. A contractor has been retained to complete the door service in late FY 20/21 and service is expected to be completed within FY 21/22.
- **Carport (C-20CARPRT) - \$36,750 (WTP) – Capitalized Project.** Staff requests carryover of **\$36,750** to complete the design work in FY 21/22. Construction will be planned and budgeted for FY 22/23.
- **Ion Chromatograph (C-20IONCHR) – \$45,360 (WTP) – Capitalized Project.** Staff requests carryover of **\$45,360** to complete this procurement. The unit has been procured and delivery will occur in FY 21/22.
- **Rectifier Replacements (C-20RECTFR) - \$28,350 (Dist-ALL) – Capitalized Project.** Staff requests carryover of **\$28,350** to complete this multi-phase project. Four rectifiers per year are planned to ultimately replace all 15 existing rectifiers. We anticipate completing this multi-phase project in FY 22/23.
- **Locator and Toning Package (C-20LOCATR) – \$34,020 (Dist-ALL) – Capitalized Project.** Staff requests carryover of **\$34,020** to complete this procurement. The unit has been procured and delivery will occur in FY 21/22.
- **Lopez Turnout Sleeve Valve Replacement (C-19LZVALV) - \$52,500 (Lopez TO) – Capitalized Project.** Staff requests carryover of **\$52,500** to complete the project. The valve has been procured and will be delivered in FY 21/22.
- **Fall Protection Equipment – Distribution (C-18FALL-D) - \$9,537.30 Capitalized Project.** Staff requests carryover of **\$9,537.30** to complete this project. Project will convert to Technical Memorandum to identify currently OSHA approved Tank Ladder Safety equipment.
- **Fall Protection Equipment – WTP (C-18FALLPE) - \$2,849.40 Capitalized Project.** Staff requests carryover of **\$2,849.40** to complete this project. Equipment has been procured in FY 19/20 and delivery of components occurred in FY 20/21. The project will be completed in FY 21/22.
- **Seismic Joint Pipe Spools and Parts (C20SMCJNT) - \$56,700 (33B) Capitalized Project:** Staff requests carryover of **\$56,700** to complete the procurement of spare pipe spools and parts for the seismic joint. This project was supplemental funding for C-17SMCJNT. Due to no response to Request for Bids issued in FY 20/21, this project will be re-bid in FY 21/22.
- **Seismic Joint Pipe Spools and Parts (C17SMCJNT) - \$68,040 (33B) Capitalized Project:** Staff requests carryover of **\$63,147.08** to complete the procurement of spare pipe spools and parts for the seismic joint. Due to no response to Request for Bids issued in FY 20/21, this project will be re-bid in FY 21/22.
- **SYI Pipe Spools (C17PIPSPL) - \$39,690 (SYII) Capitalized Project:** Staff requests carryover of **\$34,797.08** to complete the procurement of spare pipe spools and parts for

Reach SYI. Due to no response to Request For Bids issued in FY 20/21, this project will be re-bid in FY 21/22

- **SYII Pipe Spools (C17PIPESP) - \$38,181.50 (SYII) Capitalized Project:** Staff requests carryover of **\$33,288.58** to complete the procurement of spare pipe spools and parts for Reach SYII. Due to no response to Request for Bids in FY 20/21, this project will be re-bid in FY 21/22.
- **Boardroom furnishing and carpet (C-20BRDRM) - \$ 32,697 (ADM) Capitalized Project:** Staff requests carryover of \$ 4,585.44 into FY 21/22 to complete the project.

**Total for Capitalized Projects:**

**\$ 704,050.03**

### **Expensed Projects**

- **Carport (E-20CARPRT) - \$6,804.00 (SYII) – Expense Project.** Staff requests carryover of **\$6,804.00** to complete the design work in FY 21/22. Construction will be planned and budgeted for FY 22/23.
- **Arc-Flash Study (E-19ARCSTY) – \$28,296 (WTP) Expense Project:** Staff is requesting **\$21,637** in carryover funds to complete this project. This project was initiated in FY 19/20 and the assessment was completed in FY 20/21. The remaining task is an onsite training sessions for staff.
- **Water Management Strategies (E-20WMSTRT) – \$78,750 (ADM) Expense Project:** Staff is requesting **\$11,013.60** in carryover to complete this project. This project was initiated in FY 20/21 and will be completed in FY 21/22.
- **CCWA Website Redesign (E-20WEBSTE) – \$15,750 (ADM) Expense Project:** Staff is requesting **\$9,406.03** in carryover to complete this project. This project was initiated in FY 20/21 and will be ongoing.
- **Trailer for tractor (E-20TRAILR) – \$8,505 (ALL) Expense Project:** Staff is requesting **\$8,505** in carryover to complete this project in FY 21/22.

**Total for Expensed Projects: \$57,365.63**

### **RECOMMENDATION**

That the Board approve the carryover of project funds from FY 20/21 to FY 21/22 as follows:

Capitalized Project:	\$704,050.03
Expensed Project	\$57,365.63
<b>Total:</b>	<b>\$761,415.66</b>

JLB

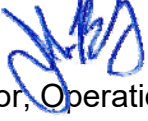


## CENTRAL COAST WATER AUTHORITY

### MEMORANDUM

September 16, 2021

**TO:** CCWA Board of Directors

**FROM:** John Brady   
Deputy Director, Operations and Engineering

**SUBJECT:** Request for Approval of Water Treatment Plant Programmable Logic Controller Upgrade Project (C-20PLCUPG and C-21PLCUPG) - Procurement of Engineering Services in the Amount of \$393,500

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### **BACKGROUND**

Programmable Logic Controller (PLC) equipment plays a critical role in all of the automated control functions at the Water Treatment Plant (WTP). Consequently, it is vitally important to keep this equipment in good functioning condition at all times. Part of the effort to properly maintain PLC equipment is to ensure that there are always spare parts and technical support immediately available for use in managing breakdown events. Through having access to spare parts and technical support, PLC equipment breakdowns can be quickly repaired, which will minimize downtime of the WTP operation.

Typically, PLC manufacturers provide the needed spare parts and technical support. However, PLC manufacturers also have ongoing efforts to improve their products and they will develop new products that offer more advanced capabilities through time. Even though newer more advanced PLC equipment are made available for purchase, Manufacturers do continue to maintain spare parts and provide technical support for the older versions of their PLC equipment. However, this service does end after a period of time.

The Modicon Programmable Logic Controllers (PLCs) that are currently in use at the WTP are now considered obsolete and product support from the manufacturer will be no longer available. Spare parts and technical support can still be readily obtained on the open market, but this will only reduce with time. Consequently, a project was budgeted and approved by the Board to replace the obsolete PLC components with current technology at the WTP.

Due to the complexity of the controls at the WTP, staff and CCWA's engineering consultant, HDR Engineering, concluded that this project required the use of an engineering firm with significant PLC experience. Consequently, staff issued a Request For Qualifications (RFQ) for the project and, through the RFQ process, identified Cannon Engineering as the most qualified engineering firm. Staff then requested Board authorization to award the PLC Upgrade contract to Cannon Engineering. The Board

subsequently awarded the project to Cannon Engineering with a scope of work that included preparation of bid specifications and design for a turn-key PLC upgrade project for a total cost of **\$213,111**.

**DISCUSSION**

**Cost Estimate:** one of the deliverables produced by Cannon Engineering included a cost estimate to complete the project. This estimate was prepared after Cannon Engineering completed their detailed review of the existing PLC system and after the design work reached a point where a 90% Opinion of Probable Construction Costs could be calculated. The cost estimate is as follows:

**Cannon Engineering  
90% Opinion of Probable Construction Cost**

Task	Project Budget
<b>Design</b>	
Onsite Technical Review	\$14,112.50
Review Existing PLC/SCADA	\$36,030.50
Drawing	\$57,520.50
Specification	\$18,329.50
Project Cost Estimate	\$7,564.50
Project Schedule	\$8,344.50
Testing and Documentation	\$30,654.50
Bid Package Preparation	\$13,342.50
Construction Support	\$27,212.00
Subtotal	<b>\$213,111.00</b>
<b>Electrical Contractor</b>	
Labor - Prep, Mobilization, Pre-Shutdown Work	\$32,200.00
Labor - Factory Acceptance Test	\$8,000.00
Labor - Site Installation and Wiring	\$24,900.00
Labor Site Acceptance Testing	\$17,200.00
Labor - Demobilization, As-built Documentation	\$12,100.00
Subtotal	<b>\$94,400.00</b>
<b>Equipment</b>	
Materials Hardware and Equipment	<b>\$136,200.00</b>
<b>Software Services</b>	
Labor - Software Programing	\$251,400.00
Labor - Factory Acceptance Testing	\$43,800.00
Labor - Site Acceptance Testing and Commissioning	\$71,800.00
Subtotal	<b>\$367,000.00</b>
<b>Summary</b>	
Total	<b>\$810,711.00</b>
Contingency, 20% of Electrical Contractor and Software Tasks	<b>\$119,520.00</b>
Grand Total	<b>\$930,231.00</b>



**Recommendation to Revise Project Implementation Plan:** CCWA staff has worked closely with Cannon Engineering through the initial design phases of the project and has gained confidence in Cannon Engineering's capabilities. As a result, CCWA staff is recommending a change in the project implementation plan to achieve significantly reduced costs and to ensure a high quality end product.

The original project implementation plan indicated that Cannon Engineering would prepare design and specifications for the PLC upgrade project as well as bid documents. Upon completion of these deliverables, CCWA staff would solicit competitive bids from PLC contractors. Cannon Engineering would then be utilized to assist CCWA with the project quality control/quality assurance tasks and general construction support.

Staff is recommending that project implementation plan be changed as follows:

1. Have Cannon Engineering complete the design work for the project.
2. Utilize Cannon Engineering to complete the Software Service tasks of the project. This includes software programming, coordinating the factory acceptance testing and completing the site acceptance testing and commissioning tasks.
3. CCWA staff would work closely with Cannon during all three software service tasks in order to control costs as well as achieve a high level of understanding of the completed product.
4. CCWA staff would procure the PLC equipment directly.
5. CCWA staff would install and test the PLC equipment, assuming the task of electrical contractor.

**Reduced Costs with New Implementation Plan:** Through implementing the recommended revised project implementation plan, Cannon Engineering will complete the design work as outlined in the original October 14, 2020 Notice to Proceed (Tasks 1 – 6) and would not complete the Testing and Documentation, Bid Package Preparation and Construction Support Tasks (Tasks 7- 9).

The original estimate for completing the design related tasks (Tasks 1 -6) was \$141,902. However, Cannon has billed \$60,978.42 in FY 20/21 and is anticipating billing an additional \$40,000 to complete the design work in FY 21/22. Therefore, Cannon Engineering is on track to be approximately \$40,000 under budget for the design tasks.

Staff negotiated with Cannon Engineering to develop a new scope of work for the remaining project tasks, which includes software programming, factory acceptance testing and site acceptance and commissioning. The negotiated scope of work and cost are presented in Cannon Engineering's proposal dated September 14, 2021 for a cost of \$393,500. This proposal is Attachment #1

A cost comparison showing the original scope versus the staff recommended changes to the implementation plan is presented in Attachment #2. A cost savings of over 20% can be achieved with the recommended project implementation plan. Also shown in Attachment #2 is a project timeline to show project spending from FY 20/21 to FY 22/23. Cannon will complete the design related tasks in this current fiscal year and will complete all tasks of their new scope of work, with the exception of site acceptance and commissioning task, this current fiscal year as well. The site acceptance and commissioning tasks will be completed during Winter Shutdown in November 2022.

**CCWA Staff Capabilities:** All four CCWA instrumentation staff have significant experience with the CCWA's PLC system and PLC systems in general. They are all fully capable of completing the assigned task and Cannon Engineering is in agreement. Further, the Maintenance Superintendent has over 30 years of experience as an electrical contractor installing electrical, instrumentation, controls and PLC systems within the water sector.

### **FINANCIAL CONSIDERATIONS**

The Water Treatment Plant Process Logic Controller Upgrade Project (C-20PLCUPG and C-21PLCUPG) is a Board approved project. The sources of funds for the project are:

- C-20PLCUPG - Water Treatment Plant Process Logic Controller Upgrade Project. In FY 20/21, \$60,978.42 was spent on the design work for the project and \$162,683 of funding will be carried over into FY 21/22, if approved by the Board.
- C-21PLCUPG - Water Treatment Plant Process Logic Controller Upgrade Project. This is a current fiscal year project with a budget of \$315,000

This provides a total of \$487,683 available for the engineering, programming and equipment procurement phase of the Water Treatment Plant PLC Upgrade Project. This budget is sufficient to cover the expenses anticipated for FY 21/22.

In regards to Board approvals for expenditures, the Board will have four opportunities to make a decision on costs and they are as follows:

- September 2021 Board Meeting to consider the carryover funds request for the project – Board Agenda Item IV.F.
- September 2021 Board Meeting to consider the approving the revised project implementation plan and change in the scope of work for Cannon Engineering – Board Agenda Item IV.G.
- Board Meeting in Third Quarter of Fiscal Year 21/22 to consider equipment procurement.

- Board Meeting in Fourth Quarter FY 21/22 to consider the Capital Projects Budget, as part of the overall CCWA FY 22/23 Annual Budget action. The last phase of the PLC Upgrade Project will be included in the FY 22/23 Capital Projects Budget.

## **RECOMMENDATION**

That the Board:

- Authorize the Executive Director to negotiate and execute a Change Order to the CCWA Professional Engineering Services Contract and Notice To Proceed issued to Cannon Engineering Inc. for the Polonio Pass Water Treatment Plant Programmable Logic Controllers Replacement Project. The Change Order shall change the scope of work of the October 14, 2020 Notice to Proceed to eliminate testing and documentation, bid package preparation and construction support tasks and to add the scope of work presented in the Cannon Engineering Proposal dated September 14, 2021 in the amount of **\$393,500**.



September 14, 2021

John Brady  
Deputy Director  
Central Coast Water Authority  
255 Industrial Way  
Buellton, CA 93427

**PROJECT: CCWA POLONIO PASS PLC UPGRADE – SOFTWARE IMPLEMENTATION**

Dear Mr. Brady,

It has been our pleasure to work with the Central Coast Water Authority (CCWA) team during the design of the Polonio Pass PLC Upgrade project. We look forward to the opportunity to follow-up the design with software implementation services. We recognize that the software tasks are likely the highest risk for the November 2022 shutdown. We will work closely with your team to achieve successful testing milestones which will ensure our preparedness for the shutdown.

We understand that by replacing the CCWA's Quantum PLCs with the new redundant Modicon M580 PLC platform, we will be creating a whole new software application. We will use the control narratives and the existing PLC logic as the basis for the development of the new application. We anticipate the new application will implement object-oriented PLC logic, so the Operations team will have reliable, repeatable results both for normal operations and for troubleshooting upset conditions.

We trust and respect the expertise of the Schneider Electric and Graybar distribution team and understand the value that they bring to this PLC project upgrade. We will actively include the Schneider and Graybar Application Specialists in the software implementation.

This letter proposal is to supplement our proposal response to CCWA's RFP. This will detail the scope and fee associated with Cannon's work.

I will follow up with you this week to further discuss this proposal.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Dutcher".

David M. Dutcher, PE\*  
Senior Principal Engineer, Control Systems  
Automation and Electrical Division  
\*CA - CS 7615  
\*OR - CS 78629



## SCOPE OF WORK

This scope of work was developed from phone and email conversations with Todd York and other CCWA staff. Our current knowledge of the design and required implementation tasks has defined the software scope of work. We understand that Cannon and CCWA will partner to implement the PLC upgrade project, where CCWA will perform the hardware-specific tasks and Cannon will perform the software-specific tasks during the November 2022 shutdown.

To achieve that goal, Cannon will provide the following software implementation tasks.

### *Task 1. Software Development*

- Kickoff Meeting + Initial Software Workshop
  - o Identification of critical path and critical milestones
  - o Delineation of scope for CCWA and Cannon
  - o Ensure all stakeholders understand the schedule and anticipated milestones
  - o Software workshop will establish the programming basis for the following:
    - Derived Data Type (DDTs)
    - Derived Function Blocks (DFBs)
    - PLC logic structure
    - Tag mapping to SCADA
- Software Development
  - o Validation of process control narratives with CCWA. Develop testing documentation based on these narratives.
  - o Reverse engineering of existing Modicon ProWorx PLC programs
  - o Develop DDT and DFB templates
  - o Develop process specific PLC logic based on control narratives and reverse engineering effort
  - o Perform 50% software workshop with CCWA team
  - o Create tag mapping to SCADA application

### *Task 2. Factory Acceptance Testing (FAT)*

- Unwitnessed FAT
  - o Hardware setup – all PLCs connected and staged
  - o Test server setup – for ClearSCADA application
- Witnessed FAT
  - o Work with CCWA to conduct comprehensive FAT for new plant PLC hardware and software
    - Validate DDT/DFB instances
    - Validate loop-by-loop process logic
    - Validate hot-standby PLC fail-over
    - Validate networking between PLCs and Remote I/O racks
    - Validate functions to SCADA application
- Software Revisions
  - o Update PLC programs for any FAT issues not resolved on the spot

### *Task 3. Site Acceptance Testing (SAT) + Commissioning*

- Hardware installation
  - o This work to be performed by CCWA, but Cannon will provide support for questions and issues that arise during this effort.
  - o Cannon will work with CCWA to capture redlines for modifications to hardware installation.



- Software Installation
  - o Network/Communication Testing
  - o Site Acceptance Testing (SAT)
    - Work with CCWA to conduct comprehensive SAT for new plant PLC hardware and software
      - Validate DDT/DFB instances
      - Validate loop-by-loop process logic
      - Validate hot-standby PLC fail-over
      - Validate networking between PLCs and Remote I/O racks
      - Validate functions to SCADA application
- O&M Manuals + As Built Drawings
- Training

#### **ASSUMPTIONS AND EXCLUSIONS**

The following assumptions and exclusions apply to this proposal:

- The fee estimate assumes that no COVID-19 restrictions will limit Cannon's ability to access the plant.
- We will be given accurate electronic copies of the as-built drawings and PLC programs for the existing facilities. If as-built drawings or programs do not reflect the installed condition, this could increase the time to make modifications, should they be required.
- For all tasks OTHER than Shutdown, Commissioning and Startup, the working time shall be eight hours, Monday-Friday. If deviations to this schedule are required, additional labor may be required. We can shift the work as necessary with prior coordination
- For tasks occurring during the Shutdown, Commissioning and Startup, we understand that the Shutdown period will be two weeks (14 days).
  - o During this period, we have allowed for the working time to increase up to twelve hours, including Saturday and Sunday, if it's required.
- Software kickoff and initial workshop will establish the basis of the PLC programming structure. Any modifications requested after this workshop could result in additional fees.
- Software 50% workshop will provide CCWA with demonstration of completed DDTs and DFBs for each type of object. Subsequent to this meeting, Cannon will begin development of all process specific objects and routines.
- FAT will be performed at Cannon's SLO office, using our System Integration Lab servers for replica of ClearSCADA application. This also assumes that Cannon will not require special ClearSCADA licensing to run the application.
- The existing telemetry and network connections will be re-used to SCADA servers, Plant PLCs, Pump Station PLCs and Remote I/O (RIO) panels.
  - o The existing coaxial cables to Remote I/O (RIO) will be abandoned in place.
  - o The existing Ethernet infrastructure (fiber optic/copper network cabling) is assumed to be sufficient to create PLC-RIO specific network(s), as needed.
  - o The telemetry hardware and links to remote sites will remain as existing to remote sites (i.e. pump stations and turn-outs).
- Services in this proposal apply through June 30, 2021. A subsequent proposal and fee will cover work for this project after that date.
- Terms and conditions are based on Attachment C Professional Engineering Services Agreement in the Request For Qualifications dated June 2, 2020.



**FEES**

Project will be billed on a fixed fee basis. Additional work not covered in the above scope of work will be billed as an addendum to this proposal on an Additional Services Agreement with prior written authorization from CCWA. The fees are not based upon current California Prevailing Wages.

<b>Software Services</b>					
Task 1	Labor (Software Development)	1	LS	\$ 234,800.00	\$ 234,800.00
Task 2	Labor (FAT)	1	LS	\$ 52,700.00	\$ 52,700.00
Task 3	Labor (SAT + Commissioning)	1	LS	\$ 106,000.00	\$ 106,000.00
				<b>TOTAL</b>	<b>\$ 393,500.00</b>





**COMPARISON OF ORIGINAL AND REVISED PROJECT IMPLEMENTATION PLAN**

Task	Project Budget	Revised Scope	FY 20/21	FY 21/22				FY 22/23			
				July -Sept Q 1	Oct - Dec Q2	Jan - March Q3	April -June Q4	July -Sept Q1	Oct - Dec Q2	Jan - March Q3	April -June Q4
<b>Design</b>											
Onsite Technical Review	\$14,112.50	Complete									
Review Existing PLC/SCADA	\$36,030.50	Complete									
Drawing	\$57,520.50	Near Complete									
Specification	\$18,329.50	Near Complete									
Project Cost Estimate	\$7,564.50	Complete									
Project Schedule	\$8,344.50	Complete									
Testing and Documentation	\$30,654.50	No longer needed									
Bid Package Preparation	\$13,342.50	No longer needed									
Construction Support	\$27,212.00	No longer needed									
Subtotal	<b>\$213,111.00</b>										
Spent in FY 20/21		<b>\$60,978.42</b>									
Will Spend FY 21/22		<b>\$40,000.00</b>									
<b>Electrical Contractor</b>											
Labor - Prep, Mobilization, Pre-Shutdown Work	\$32,200.00	CCWA Labor									
Labor - Factory Acceptance Test	\$8,000.00	CCWA Labor									
Labor - Site Installation and Wiring	\$24,900.00	CCWA Labor									
Labor Site Acceptance Testing	\$17,200.00	CCWA Labor									
Labor - Demobilization, As-built Documentation	\$12,100.00	CCWA Labor									
Subtotal	<b>\$94,400.00</b>										
<b>Equipment</b>											
Materials Hardware and Equipment	\$136,200.00	\$136,200.00									
<b>Software Services</b>											
Labor - Software Programing	\$251,400.00	\$234,800.00									
Labor - Factory Acceptance Testing	\$43,800.00	\$52,700.00									
Labor - Site Acceptance Testing and Commissioning	\$71,800.00	\$106,000.00									
Subtotal	<b>\$367,000.00</b>	<b>\$393,500.00</b>									
<b>Summary</b>		<b>Spend Rate:</b>	<b>\$60,978.42</b>	<b>\$463,700.00</b>				<b>\$106,000.00</b>			
Grand Total	<b>\$810,711.00</b>	<b>\$630,678.42</b>									
Reduction		<b>\$180,032.58</b>									
% Reduction		<b>22.21%</b>									

Board Decision

Board Decision

Board Decision



## CENTRAL COAST WATER AUTHORITY

### MEMORANDUM

September 14, 2021

**TO:** CCWA Board of Directors

**FROM:** Ray A. Stokes  
Executive Director 

**SUBJECT:** DWR Statement of Charges: Overview of Protests Made

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#### SUMMARY

The State Water Project (SWP) Contract with the Department of Water Resources (DWR) contains a provision whereby SWP Contractors may challenge or “protest” the accuracy or appropriateness of charges in the Statement of Charges (SOC’s) DWR sends to the Contractors. CCWA has filed many protest items over the years and this report will provide an overview of the SOC audit process, the protest item process, as well as an update on the current status of protest items filed by CCWA.

#### RECOMMENDATION

Recommend that the Board of Directors receive and provide comments on this report.

#### DISCUSSION

Article 29(i) of the SWP Contract contains the following provision allowing SWP Contractors to contest the accuracy of charges in the SOC:

(i) **Contest of Accuracy of Charges.** In the event that the Agency contests the accuracy of any statement submitted to it pursuant to subdivision (e) of this article, it shall give the State notice thereof at least ten (10) days prior to the day upon which payment of the stated amounts is due. To the extent that the State finds the Agency’s contentions regarding the statement to be correct, it shall revise the statement accordingly, and the Agency shall make payment of the revised amounts on or before the due date. To the extent that the State does not find the Agency’s contentions to be correct, or where time is not available for a review of such contentions prior to the due date, the Agency shall make payment of the stated amounts on or before the due date, but may make the contested part of such payment under protest and seek to recover the amount thereof from the State.

#### Tolling and Waiver Agreement

Because the requirement to formally protest the accuracy of the charges within 10 days of the payment (i.e., December 21<sup>st</sup>) limits the ability of Contractors file claims on the SOC due to timing issues, DWR and the Contractors agreed to enter into a tolling agreement to toll the

statute of limitations for all claims extending the time to formally protest and/or file legal action. The first tolling agreement was executed in 2007 and subsequent amendments were made to the tolling agreement covering additional years and claims.

The provisions of the tolling agreement state that a Contractor may toll any item of protest under the SOC and include those items under "Exhibit 3" of the tolling agreement. Then, should a Contractor wish to pursue legal action for a Claim included on Exhibit 3 or otherwise remove the Claim, the Contractor or DWR can provide 60 days' notice to DWR and the other Contractors of the request to remove the claim from the tolling agreement.

Similarly, a Contractor may provide 120 days' notice for any Claim that is NOT included on Exhibit 3 to pursue legal action.

### CCWA Protest Items (Claims)

CCWA has used three methods to audit the annual DWR SOC to ensure the charges are accurate and correct:

1. Annually, CCWA staff audit of the SOC: CCWA reviews the annual SOC received from DWR and identifies any discrepancies that can be found within the SOC. This review is limited to a review of the numerical calculations in the SOC; it does not allow for a detailed audit of the underlying charges. This level of review has resulted in finding millions of dollars of errors that CCWA has protested and filed claims with DWR (discussed in more detail later in this report).
2. Ernst & Young Independent Audit Association: CCWA has participated in a consulting/auditing contract with a subset of SWP Contractors called the Independent Audit Association (IAA) since almost the inception of CCWA. The IAA participants share the audit fees for the Ernst & Young audit engagement. The IAA audit typically centers on areas of the SOC that are broader in nature and that tend to apply to the SWP as a whole. Estimated annual costs to CCWA for this audit are around \$15,000.
3. Ernst & Young CCWA/San Luis Obispo (SLO) County Specific Audit: In 2017, CCWA and SLO County agreed to jointly retain the services of Ernst & Young to audit our respective SOC's focusing on the details directly related to the Coastal Branch costs and directly affecting both agencies. This audit is performed under "Exhibit C" of the IAA audit discussed in #2 above. Primarily this audit closely examines the specific costs that are charged to the financial reaches affecting the Coastal Branch and specifically Reach 33A which has had significant volatility in past years. Estimated annual costs to CCWA for this audit range between \$35,000 and \$50,000 annually.

CCWA has filed many items of protest regarding the accuracy of the SOC over many years from each of the sources listed above. The attached summary titled, "Summary of Major Protest Items in the DWR Statement of Charges" is a list of the most significant claims made by CCWA in our SOC over many years. This list totals about \$27 million, of which approximately \$13.5 million has been resolved and corrected in subsequent SOC's, and the balance of the disputed charges are still outstanding.

CCWA staff, with the support of Ernst & Young, works with DWR staff on an annual basis to resolve the outstanding protest items and to ensure that the corrections initiated by DWR are accurately reflected in subsequent SOC's.

RAS

Attachment:

Summary of Major Protest Items in the DWR Statement of Charges as of June 30, 2021

**Central Coast Water Authority**  
**Summary of Major Protest Items in the DWR Statement of Charges**  
**As of June 30, 2021**

<u>Protest Date</u>	<u>Amount</u>	<u>Description</u>	<u>Resolved/ Outstanding</u>	<u>Status</u>
August 2008	\$10.8 million	<u>Transportation Capital</u> : Reaches 37 & 38 DWR allocated approximately \$10.8 million more in debt proceeds than the actual construction costs	Outstanding	DWR hopes to complete by the end of 2021 in the "Capital Reconciliation Project"
May 2009	\$7.9 million	<u>Transportation Capital</u> : DWR miscalculated the Transportation Capital payments by CCWA for the years 1997 to 2006 resulting in large under-collections which was not correct.	Resolved in the 2010 SOC	Completed
June 2009 & later	\$2.06 million	<u>Transportation Capital</u> : DWR refinances Coastal Branch extension bonds at lower interest rates but failed to adjust the SOC to CCWA over multiple years.	Outstanding	DWR hopes to complete by the end of 2021 in the "Capital Reconciliation Project"
April 2012	\$1.64 million	<u>Transportation Minimum</u> : DWR charged CCWA for costs that should have been charged to the CalTrans Highway 46 widening project.	Resolved in 2012 SOC	Completed
April 2019	\$0.6 million	<u>Transportation Minimum</u> : DWR charged costs to the Coastal Branch in error	Outstanding	DWR researching this claim
May 2020	\$0.4 million	<u>Transportation Capital</u> : DWR calculated incorrect debt service for Coastal Branch due to a clerical error	Resolved in the 2022 SOC	Completed
2009	\$2.7 million	<u>Transportation Minimum</u> : DWR was charging costs to Reaches 33B, 34 and 35 in error since these are reaches CCWA operates and maintains for DWR.	Resolved	Completed
2014	\$.93 million	<u>Transportation Minimum</u> : DWR did not fully credit costs charged incorrectly to Reaches 33B, 34 and 35 above.	Resolved	Completed
<b>TOTAL</b>	\$27.03 million			
<i>Total Outstanding</i>	\$13.46 million			

**State Water Contractors - State Legislation - Priority 1 List  
9/1/2021**

Agenda Item IV.J.  
Board of Directors  
September 23, 2021

**AB 271** (**Rivas, Robert D**) **Santa Clara Valley Water District: contracts: best value procurement.**  
**Introduced:** 1/19/2021  
**Last Amend:** 4/5/2021  
**Status:** 7/9/2021-Approved by the Governor. Chaptered by Secretary of State - Chapter 48, Statutes of 2021.  
**Summary:** Current law authorizes certain local entities to select a bidder for a contract on the basis of "best value," as defined. Existing law governs various types of contract procedures applicable to the Santa Clara Valley Water District and prescribes competitive bidding procedures for any improvement or unit of work over \$50,000. This bill would authorize the district, upon approval by the board of directors of the district, to award contracts on a best value basis for any work of the Anderson Dam project, defined to include prescribed activities and works of construction with regard to the Leroy Anderson Dam and Reservoir and certain fish and aquatic habitat measures described in a federal-state settlement agreement.

**Position**  
SWC - Monitor

**AB 377** (**Rivas, Robert D**) **Water quality: impaired waters.**  
**Introduced:** 2/1/2021  
**Last Amend:** 4/13/2021  
**Status:** 5/25/2021-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/19/2021)(May be acted upon Jan 2022)  
**Summary:** Would require, by January 1, 2023, the State Water Resources Control Board and regional boards to prioritize enforcement of all water quality standard violations that are causing or contributing to an exceedance of a water quality standard in a surface water of the state. The bill would require the state board and regional boards, by January 1, 2025, to evaluate impaired state surface waters and report to the Legislature a plan to bring all water segments into attainment by January 1, 2050. The bill would require the state board and regional boards to update the report with a progress summary to the Legislature every 5 years. The bill would create the Waterway Recovery Account in the Waste Discharge Permit Fund and would make moneys in the Waterway Recovery Account available for the state board to expend, upon appropriation by the Legislature, to bring impaired water segments into attainment in accordance with the plan.

**Position**  
SWC - Watch

**AB 979** (**Frazier D**) **Sacramento-San Joaquin Delta: projects: sea level rise analysis report.**  
**Introduced:** 2/18/2021  
**Last Amend:** 4/13/2021  
**Status:** 5/25/2021-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/19/2021)(May be acted upon Jan 2022)  
**Summary:** The Sacramento-San Joaquin Delta Reform Act of 2009, provides that it is the policy of the state to, among other things, reduce reliance on the Sacramento-San Joaquin Delta in meeting California's future water supply needs through a statewide strategy of investing in improved regional supplies, conservation, and water use efficiency. Current law establishes the Delta Stewardship Council, which is required to develop, adopt, and commence implementation of a comprehensive management plan, known as the Delta Plan, for the Sacramento-San Joaquin Delta. This bill would require any individual or entity that undertakes a project, as defined, within the Delta to complete a report analyzing the impact of sea level rise on the project.

**Position**  
SWC - O

**AB 1500** (**Garcia, Eduardo D**) **Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.**  
**Introduced:** 2/19/2021  
**Last Amend:** 5/11/2021  
**Status:** 5/20/2021-Joint Rule 62(a), file notice suspended. From committee: Do pass and re-refer to Com. on RLS. (Ayes 12. Noes 3.) (May 20). Re-referred to Com. on RLS.  
**Summary:** Would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$7,080,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.

**Position**

**[SB 45](#) (Portantino D) Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022.****Introduced:** 12/7/2020**Last Amend:** 4/8/2021**Status:** 6/1/2021-Ordered to inactive file on request of Senator Portantino.**Summary:** Would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$5,595,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program.**Position**

SWC-SifA

**[SB 369](#) (Pan D) Flood control: Yolo Bypass Cache Slough Partnership Multibenefit Program.****Introduced:** 2/10/2021**Last Amend:** 6/14/2021**Status:** 8/30/2021-Read second time. Ordered to third reading.**Calendar:** 9/1/2021 #147 ASSEMBLY THIRD READING FILE - SENATE BILLS**Summary:** Would establish the Yolo Bypass Cache Slough Partnership Multibenefit Program to support the development and implementation of projects within the Yolo Bypass and Cache Slough region. The bill would define "Yolo Bypass Cache Slough Partnership" to mean the multiagency partnership established pursuant to a memorandum of understanding signed in May 2016 by a total of 15 participating federal, state, and local agencies. The bill would require the participating state agencies, including the Natural Resources Agency, the Department of Water Resources, the Department of Fish and Wildlife, the Central Valley Flood Protection Board, the State Water Resources Control Board, and the Central Valley Regional Water Quality Control Board, to work in collaboration with the participating federal and local agencies and the City of West Sacramento, if it chooses to participate, to advance specified objectives in the Yolo Bypass and Cache Slough region.**Position**

SWC - Support

**[SB 559](#) (Hurtado D) Department of Water Resources: water conveyance systems: Water Conveyance Restoration Fund.****Introduced:** 2/18/2021**Last Amend:** 8/30/2021**Status:** 8/31/2021-Read second time. Ordered to third reading.**Calendar:** 9/1/2021 #254 ASSEMBLY THIRD READING FILE - SENATE BILLS**Summary:** Would establish the Water Conveyance Restoration Fund in the State Treasury to be administered by the Department of Water Resources in consultation with the State Water Resources Control Board and the Department of Fish and Wildlife. The bill would require all moneys deposited in the fund to be expended, upon appropriation by the Legislature, in support of subsidence repair costs, including environmental planning, permitting, design, and construction and necessary road and bridge upgrades required to accommodate capacity improvements. The bill would require the Director of Water Resources to apportion money appropriated from the fund, subject to specified requirements, for the Friant-Kern Canal, Delta-Mendota Canal, San Luis Field Division of the California Aqueduct, and San Joaquin Division of the California Aqueduct.**Position**

SWC - Support

**[SB 626](#) (Dodd D) Department of Water Resources: Procurement Methods.****Introduced:** 2/18/2021**Last Amend:** 6/21/2021**Status:** 8/31/2021-In Senate. Concurrence in Assembly amendments pending.**Calendar:** 9/1/2021 #43 SENATE UNFINISHED BUSINESS**Summary:** Current law authorizes the Department of Transportation, regional transportation agencies, and the San Diego Association of Governments to engage in a Construction Manager/General Contractor project delivery method (CM/GC method) for specified public work projects. This bill would, until January 1, 2033, authorize the Department of Water Resources to utilize the CM/GC method, as specified, for no more than 7 projects for elements of State Water Facilities, as defined. The bill would require the Department of Water Resources, on all projects delivered by the department, to use department employees or consultants under contract with the department to perform all project design and engineering services related to design, and construction inspection services, required for the CM/GC method consistent with specified existing law.**Position**

**SB 786** (Becker D) Santa Clara Valley Water District.

**Introduced:** 2/19/2021

**Last Amend:** 5/11/2021

**Status:** 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was L. GOV. on 5/28/2021)(May be acted upon Jan 2022)

**Summary:** The Santa Clara Valley Water District Act authorizes the Clara Valley Water District to levy ad valorem taxes or assessments in the district to pay the general administrative costs and expenses of the district, to carry out the act's objects or purposes, and to pay the costs and expenses of constructing or extending works within the district. The act additionally authorizes the district to levy taxes or assessments upon all property or all real property within a portion of the district for specified purposes. The act authorizes the district to issue bonds for specified purposes, and requires that the bonds be paid by revenue derived from those tax levies and assessments, except the ad valorem taxes or assessments. This bill would additionally authorize the district to use the revenues from the ad valorem taxes or assessments to pay for the bonds.

**Position**

SWC - Monitor

**SB 821** (Committee on Natural Resources and Water) Sacramento-San Joaquin Delta: Delta Independent Science Board.

**Introduced:** 3/9/2021

**Last Amend:** 7/5/2021

**Status:** 8/30/2021-Urgency clause adopted. Assembly amendments concurred in. (Ayes 39. Noes 0.) Ordered to engrossing and enrolling.

**Summary:** Current law establishes the Delta Independent Science Board and sets forth the composition of the board, including requiring the board to consist of no more than 10 members appointed by the Delta Stewardship Council. Current law requires the board to provide oversight of the scientific research, monitoring, and assessment programs that support adaptive management of the Sacramento-San Joaquin Delta through periodic reviews of each of those programs, as specified. Current law requires the board to submit to the council a report on the results of each review, including recommendations for any changes in the programs reviewed by the board. This bill would require the council to contract for the services of the members of the board, as specified. The bill would exempt these contracts from specified provisions of law governing public contracting. The bill would require the council to establish procedures for contracting for the services that are subject to these contracts.

**Position**

SWC - Watch

**Total Measures: 10**

**Total Tracking Forms: 10**



## Board Report

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### VIA EMAIL

**DATE:** September 16, 2021  
**TO:** Board of Directors of the Central Coast Water Authority  
**FROM:** Stephanie Hastings, Mack Carlson  
**CC:** Ray Stokes  
**RE:** Amendments to Brown Act re. Teleconferencing

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### I. INTRODUCTION

This report provides an update to the Board of Directors regarding two bills recently passed, which if signed by the Governor, will amend the Brown Act with respect to teleconference meetings.

### II. RECOMMENDATION

We recommend that the Board of Directors:

- A. Receive this report, and
- B. Provide direction to staff with respect to the format of future Board Meetings during the COVID-19 pandemic—i.e., whether by teleconference (including videoconference) or in person.

In the event AB 361 and 339 are signed into law in advance of the Board's September 23, 2021 Board Meeting, and the COVID-19 pandemic remains active or state or local officials have imposed or recommended measure to promote social distancing, and the Board wishes to hold its October meeting by teleconference, we further recommend that the Board of Directors:

- C. Make the findings required by AB 361 and 339 to hold the Board's October meeting telephonically, specifically: the Board reconsidered the circumstances of the state of emergency and (1) the state of emergency continues to directly impact the ability of members to meet safely in person; or (2) state of local officials continue to impose or recommend measures to promote social distancing.

Alternatively, the Board may hold a special meeting for this purpose after the bills become law.

### III. BACKGROUND

Executive Order No. N-29-20 suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic provided that notice and accessibility requirements are met, the public members are allowed to observe and address the legislative body at the meeting, and that a legislative body of a local agency has a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified. The Governor's current Executive Order expires on September 30<sup>th</sup>, 2021.

As of the date of this report, the two bills—AB 361 and AB 339—were approved by the Legislature and are awaiting the Governor's signature to become law. Very generally, these bills, until January 1, 2024, would authorize CCWA to use teleconferencing without complying with the teleconferencing requirements imposed by the Brown Act when the CCWA Board has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided. Neither bill *requires* CCWA to continue to hold teleconference or hybrid public meetings.

Should CCWA decide to continue to hold teleconference meetings, as it has during the COVID-19 pandemic, it will have to comply with the requirements of Government Code section 54953(e) described below. Most of these requirements are fairly straightforward and common during the pandemic. But, two requirements are notable:

- (1) CCWA may need to modify or extend the amount of time it allocates to public comment on agenda items; and
- (2) CCWA will need to make findings every 30 days in order to continue to hold only a teleconference meeting (see underlined items below under AB 361).

AB 361 and AB 339 both passed on September 10<sup>th</sup> that are now awaiting the Governor's signature following additional proofreading and reconciliation. AB 361 has an urgency clause that would make it effective upon signing, but it expires on January 1, 2024.

In the event one or both bills become law before the September 23, 2021 CCWA Board Meeting, which is being held telephonically, and if the COVID-19 pandemic continues, if the Board elects to continue holding one or more meetings telephonically, it will need to make the findings described below. Because these findings are required every 30 days, we recommend making the findings at each Board Meeting.

#### [AB 361](#)

##### **From signing until January 1, 2024.**

- Adds Government Code section 54953(e) which allows a local agency to avoid complying with the teleconference meeting requirements (Gov. Code sec. 54953(b) [e.g., posting of the agenda at the teleconference location and making it available to the public]) when:
  - (1) the legislative body holds a meeting during a proclaimed state of emergency and state or local officials have imposed or recommended measures to promote social distancing;
  - (2) the legislative body holds a meeting during a proclaimed state of emergency for the purpose of determine whether as a result of the emergency an in person meeting would present imminent risks to the health or safety of attendees; **or**
  - (3) the legislative body holds a meeting during a proclaimed state of emergency and has determined that as a result of the emergency a meeting in person would present imminent risks to the health or safety of attendees
- When holding a teleconference meeting pursuant Section 54953(e) the legislative body shall:

- Provide notice and post agendas as required by the Brown Act
- Provide notice of the time, agenda and means to provide public access and comment to the meeting via teleconference;
- Protect the statutory and constitutional rights of the parties and public appearing before the legislative body
- Not take action on any item in the event of a disruption which prevents the agency from broadcasting the meeting or allowing for public comment until public access to the meeting is restored
- Not require public comments be submitted in advance of the meeting and allow for public comment in real time in the following manner:
  - For an agency that provides a *timed public comment period for each agenda item*, shall not close for the agenda item or opportunity to register until that time has elapse; or
  - For an agency that does not provide a timed public comment period for each agenda item but *offers comment separately on each agenda item*, shall provide a reasonable amount of time to allow the public to provide public comment and register to submit a public comment; or
  - For an agency that provides a *timed general comment period* that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, until the timed general public comment period has elapsed.
- May require a member of the public to log into a third party internet website to participate
- If the state of emergency remains active, or state or local officials have imposed or recommended measure to promote social distancing, the local agency may continue to offer teleconferencing under Subsection (e) provided that every 30 days it makes findings that it reconsidered the circumstances of the state of emergency and (1) the state of emergency continues to directly impact the ability of members to meet safely in person; or (2) state of local officials continue to impose or recommend measures to promote social distancing.

**On January 1, 2024.**

- Removes Subsection (e) from Government Code section 54953, which would restore the teleconference meeting requirements contained in Subsection (b)---i.e., teleconference locations open to the public and agenda notice requirements.

**AB 339**

- Contains parallel provisions to AB 361 amending Government Code 54953(e)

**Additional Requirements NOT applicable to CCWA, but included for reference:**

- Also adds Government Code Section 54953.9 which requires a city council or county board of supervisors governing a jurisdiction of at least 250,000 people to make all open and public meetings available via a two-way telephonic option or two-way internet-based service option. Further, this requirement applies to a city council or county board of supervisors which had provided video streaming of at least one open and public meeting since June 15, 2021.
- Government Code Section 54953.9 expires on December 31, 2023.