

A Meeting of the

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

will be held at 9:00 a.m., on Thursday, October 25, 2018
at 255 Industrial Way, Buellton, California



Jack Boysen
Chairman

Richard Shaikewitz
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

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 five minutes; all speakers to a total of fifteen minutes.)

III. Consent Calendar

- * A. Approve Minutes of the September 27, 2018 Regular Meeting
- * B. Approve Bills
- * C. Controller’s Report
- * D. Operations Report

IV. Resolution No. 18-01 Expressing Appreciation to Jack Boysen for His Service to the Authority and the Central Coast

V. Executive Director’s Report

- A. CCWA Water Supply Situation Report
- * B. 2018 DWR Scheduled Coastal Branch Shutdown
- C. State Water Project Contract Assignment Update
- D. State Water Project Contract Extension and Amendments Update
- E. DWR Calendar Year 2019 Transportation Minimum OMP&R Update
- * F. FY 2017/18 Year End Budget Status Report
- ◆ G. Finance Committee Meeting
 - 1. FY 2018/19 First Quarter Investment Report

VI. Reports from Board Members for Information Only

VII. Items for Next Regular Meeting Agenda

**VIII. Date of Next Regular Meeting: January 24, 2019
(Consider canceling the November and December regular meetings)**

IX. Adjournment

255 Industrial Way
Buellton, CA 93427-9565
(805) 688-2292
FAX: (805) 686-4700

- * Indicates attachment of document to original agenda packet.
- ◆ Indicates enclosure of document with agenda packet.



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

September 27, 2018

I. Call to Order and Roll Call

Chairman Boysen called the September 27, 2018, Central Coast Water Authority (CCWA) Board of Directors meeting held at 255 Industrial Way, Buellton, California, to order at 9:00 a.m. Attachment No. 1 is a list of those in attendance.

CCWA member agencies with voting privileges were represented by:

<u>Representative</u>	<u>Agency/City</u>	<u>Voting %</u>
Ed Andrisek	City of Buellton	2.21%
Jack Boysen	City of Santa Maria	43.19%
Harlan Burchardi	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%
Lauren Hansen	Goleta Water District	17.20%
Richard Shaikewitz	Montecito Water District	9.50%

II. Public Comment

There was no public comment.

III. Consent Calendar

- A. Approve Minutes of the June 28, 2018 Regular Meeting
- B. Approve Bills
- C. Controller's Report
- D. Operations Report

Following discussion, a motion to approve Items B through D on the Consent Calendar was made by Director Andrisek, seconded by Director Burchardi and carried with all in favor and none opposed.

A motion to approve Item A on the Consent Calendar was made by Director Johnson, seconded by Director Andrisek, and carried with all in favor, none opposed, and Director Friedman and Alternate Director Hansen abstaining.

IV. Executive Director's Report

- A. State Water Project Contract Extension Update

Ray Stokes, CCWA Executive Director, provided the Board information related to extension of the State Water Contract. He explained that negotiations for the extension have been ongoing for the last several years and were concluded a few years ago. The Department of Water Resources (DWR) has recently filed CEQA documents attesting that no environmental impacts will result from the extension. The hearing for presentation of the amendment to the State Legislative Joint Budget

Committee was held in August, and within the next 60 days DWR will be able to begin executing the amendments.

Director Shaikewitz asked what will happen if an agency decides they do not want to sign the contract, and Mr. Stokes explained the financial ramifications if contractors do not sign the amendment, specifically the possibility that the costs will increase due to the financial compression caused by DWR only issuing revenue bonds for large capital expenditures to the year 2035. He stated that there is no ability for CCWA members to decline participation, unless the member withdraws from CCWA, which could be accomplished by fulfilling certain requirements as outlined in CCWA's Joint Powers Agreement.

In response to a question from Director Johnson, Mr. Amerikaner explained the difference between transferring allocation of a member agency's water, and withdrawing from CCWA. Either action would require certain procedures, which were explained by Mr. Amerikaner.

B. State Water Project Contract Assignment Update

Mr. Stokes explained he had met with the Director of DWR in August, requesting they provide their acceptance of assignment of the contract to CCWA from Santa Barbara County. Following that meeting, on September 17, 2018, the DWR Deputy Director sent an email to Santa Barbara County Deputy Public Works Director stating that DWR is "willing to accept full assignment of the Santa Barbara County Flood Control and Water Conservation District's long term State Water supply contract to the Central Coast Water Authority."

After receipt of DWR's correspondence to Santa Barbara County regarding their willingness to accept assignment of the State Water contract, Ray sent a packet of materials to the County requesting that Santa Barbara County consider CCWA's request to approve assignment of the Contract from Santa Barbara County to CCWA. Director Boysen commended Mr. Stokes on the packet that was sent to Santa Barbara County.

CCWA staff will begin working with Santa Barbara County staff to explore the next steps in scheduling a vote, of the Santa Barbara County Board of Supervisors for assignment of the Contract to CCWA. Ray expects that the presentation and vote will take place after the first of the year.

C. State Water Project Contract Amendments for Water Management and California WaterFix Update

Negotiations were completed in June to the amendments for the SWP Contract related to the California WaterFix, including exclusion of the contractors who will not be participating in the project. The amendments include changes to provide more flexibility in transfer of water between the contractors. DWR anticipates that the draft EIR will be available before the end of the year, and the Final EIR will be available shortly after the new year.

Mr. Stokes explained that these amendments will be very beneficial to CCWA, as CCWA has been an active participant in water exchanges during the current and past droughts.

In response to a question from the Board, Mr. Stokes stated it is not clear at this time if CCWA will be able to use the contract amendments to reduce its water debt from past transactions. DWR has placed some limits on transactions, including selling of carryover water in San Luis Reservoir.

D. DWR Calendar Year 2019 Transportation Minimum OMP&R

Mr. Stokes provided an update on the large increase in the DWR calendar year 2019 Transportation Minimum OMP&R charges, which are basically the fixed operations and maintenance costs for operations of the project.

Following receipt of the final Statement of Charges from DWR, showing the \$13 million increase, CCWA staff requested that the State Water Contractors (SWC) finance staff access DWR's accounting records to determine the reason for the large increases so that CCWA can better determine the next steps in auditing these charges from DWR. SWC staff provided an overview of the over-collection and under-collection of charges by DWR since 2011.

SWC staff completed their analysis and found the following:

1. The large increases are almost entirely due to Reach 33A. This is the financial reach directly upstream of the CCWA Polonio Pass Water Treatment Plant that includes the three DWR pumping plants, Devil's Den, Bluestone and Polonio Pass.
2. Of the costs allocated to Reach 33A, approximately 70% of the costs are not directly related to work actually performed in Reach 33A, but are instead, indirect costs associated with the allocation of state-wide costs or system-wide costs that are allocated in proportion to actual staff time in Reach 33A as well as other indirect cost allocation methodologies.
3. Only 30% of the costs charged to Reach 33A are direct costs associated with work done on the facilities in that reach.

Significant increases in labor, burden and "other" costs for 2017 were observed. The allocation of staff costs by DWR was described by Mr. Stokes, and he noted that for every \$3 billed by DWR for work within Reach 33A, an additional \$7 is added on top for the cost allocation of indirect costs. DWR's San Joaquin field division is responsible for the area that includes Reach 33A, and they have determined that CCWA was being excluded from billing for work being performed on other sections within the division, which explains some of the increase. Going forward CCWA will be working more closely with DWR staff, including quarterly meetings with field division staff to control costs, as overall the average annual cost for the Reach has increased from approximately \$7 million to \$11 million.

As a result of the audit work done by the SWC financial staff, CCWA is working with Ernst & Young to further audit the actual charges allocated to Reach 33A to determine if the charges allocated are correct, and the primary reason for the large increases in the charges. Once this audit process is complete, we will request an audit report from Ernst & Young detailing the findings.

San Luis Obispo County has also agreed to participate in the audit and pay an allocated share of the audit costs, which will be around 10% based on their Table A percentage for Reach 33A.

If it is determined that the charges calculated by DWR for calendar year 2019 are correct, CCWA will issue a supplemental assessment to collect one-half of the additional amount due by January 1, 2019, with the other half due on June 1, 2019 as part of the CCWA FY 2019/20 Fixed Assessment. However, CCWA staff have explored some repayment options, as follows:

1. Pay the amounts due on January 1, 2019 and June 1, 2019 from individual agency reserves and/or revenues.
2. Montecito Bank & Trust (MB&T) has said it may be possible to obtain a bank loan for all or some of the CCWA project participants to pay the additional amount due over time. MB&T stated that if existing CCWA reserves were used to collateralize the loan, the reserve funds would be placed in an interest bearing CD which would then reduce the interest rate on the underlying loan.
3. While there is no specific provision in the State Water Contract that allows for the payment of Transportation Minimum OMP&R costs over time (that provision only applies to capital-related costs), DWR has indicated a willingness to work with CCWA so that the costs could be paid over a three-year period at the project interest rate which is 4.610% (the interest rate could be lower, but DWR has not provided specifics on that issue yet).

Currently, only one project participant has indicated a desire to pay over time. Following a meeting of the Goleta Water District Board on October 9, 2018 where the payment will be considered, Mr. Stokes will notify DWR of the decision of CCWA regarding its payment decision.

Mr. Stokes recommended that the Board reconsider the amount of reserves held by CCWA to cover this volatility, explaining that the \$2 million O&M reserve, and the \$10 million Rate Coverage Reserve are insufficient to deal with this time of discrepancy by DWR. He explained that he will be bringing the matter back to the Board at a later time.

E. Ernst & Young Audit Report on the DWR Calendar Year 2019 Statement of Charges

Beginning in FY 2017/18, the CCWA Board of Directors approved the request of CCWA staff to provide funding to perform a separate audit of the DWR Statement of Charges allocated to CCWA.

Ernst & Young completed their audit of the CCWA 2018 Statement of Charges from DWR and prepared the audit report and findings included in the meeting materials. There were two material issues discovered in the audit. One related to discrepancies related to the debt service payments for Reach 36 and 37 which totaled \$1.5 million owed to CCWA. Also, DWR is still processing a protest filed by CCWA related to DWR overcharging CCWA for allocation of bond debt. DWR has been investigating the protest for approximately 10 years, and hopefully resolution will occur in the next year.

F. CCWA at a Glance

Mr. Stokes explained that during a hearing at the State for contract extension, incorrect information was provided to the State Legislature regarding the actual water supply and associated cost data with regard to the State Water Project in Santa Barbara County.

The Board reviewed a document that was provided with the meeting materials, titled "CCWA at a Glance", which shows data on water availability and actual deliveries since CCWA began water deliveries in August of 1997. It also provides data on CCWA's response to the current drought beginning in 2014 through the CCWA Supplemental Water Purchase Program as well as cost per acre-foot data and actual and projected cost data.

CCWA has made this report available on the CCWA website and will also be expanding this to include data for each CCWA project participant in the future. Mr. Stokes stated that he will be working on similar reports to refute other misinformation being circulated.

G. Finance Committee Meeting

1. FY 2017/18 Fourth Quarter Investment Report

As of June 30, 2018 the investment portfolio totaled \$80.7 million and had an effective rate of return of 1.95% on an average daily balance for the month of June 2018 of about \$76.8 million. The investments were comprised of the State of California Local Agency Investment Fund (LAIF), (\$39.7 million), and Montecito Bank & Trust money market accounts (\$8.1 million) and U.S. Treasury Notes held in a Charles Schwab Brokerage Account (\$32.9 million).

All investments during the quarter complied with the CCWA investment policy provisions, and current pro forma projections indicate that the Authority will have sufficient cash with which to operate for the next six months.

The Finance Committee recommended Board approval of the FY 2017/18 Fourth Quarter Investment Report.

Upon a motion by Director Burchardi, seconded by Director Friedman and carried with all in favor and none opposed, the Board approved the Fourth Quarter FY 2017/18 Investment Report.

H. Carryover of Project Funds from FY 2017/18 to FY 2018/19

John Brady, CCWA Deputy Director, explained that certain capital expenditures included in the FY 2017/18 budget were not expended due to timing and scheduling and requested carryover of these funds from the FY 2017/18 budget to the FY 2018/19 budget. The expenses were detailed in a report included in the meeting materials, and Mr. Brady stated that \$1,159,913 in Capitalized Projects and

\$142,186 in Expensed Projects, for a total of \$1,302,099 was being requested for carryover into FY 2018/19.

Upon a motion by Director Shaikewitz, seconded by Director Burchardi and carried with all in favor and none opposed, the Board approved \$1,302,099 as requested for carryover into FY 2018/19.

I. Ratification of Use of Appropriated Contingency for Bradbury Bypass Piping Removal and Reinstallation

In March 2018, CCWA staff needed to access the appropriated contingency fund to remove and reinstall the Bradbury Bypass Pipeline, in response to a significant storm event. Prior to moving forward with the project, the CCWA Executive Director requested and received approval from the CCWA Chairman of the Board to use appropriated contingencies funds for this project.

The operational imperative for the removal and re-installation of the Bradbury Bypass Pipe was to meet the requirements of the USBR agreement related to the use of Bradbury dam facilities, and also maintain the established delivery schedule for the South Coast Water Agencies so that they could properly manage their available State Water Project (SWP) supplies in 2018.

The project was completed by CCWA staff, using rental equipment for moving the pipeline as required. Mr. Brady provided details for the cost of the project, which totaled \$4,381 of the \$44,091 appropriated contingencies budget.

Following discussion, on a motion by Director Shaikewitz, seconded by Director Andrisek and carried with all in favor and none opposed, the Board ratified the Chairman's decision to authorize the Executive Director to utilize funds from the appropriated contingency budget

J. Santa Ynez Pumping Plant, Tank Sites #2 and #5 Pavement Maintenance Project

During staff's ongoing assessments of all of the paved surfaced areas managed by CCWA, the asphalt surface of the Santa Ynez Pumping Plant, Tank 2 and Tank 5 were identified as needing application of a slurry seal. This serves to rehabilitate the road and to reverse the oxidation process that occurs with asphalt through time due to exposure and postpones the need for re-paving. The total area of all three locations to be serviced is approximately 170,280 square feet.

Mr. Brady explained the advertising process that took place to solicit bids, and stated that at the public bid opening only one bid was received. The amount of that bid was \$159,905, which was over the budgeted amount of \$139,650. The bid included services of an outside subcontractor, as this is a peak season for repaving work. CCWA staff recommended the bid be rejected, and the project will be rebid in Spring of 2019.

Upon a motion by Director Johnson, seconded by Director Burchardi and carried with all in favor and none opposed, the Board authorized the Executive Director to reject

the sole bid and rebid the Santa Ynez Pumping Plant, Tank Sites #2 and #5 Pavement Maintenance Project at a later date.

K. Legislative Update

The legislative update is included in Board meeting materials for informational purposes.

The Board adjourned to closed session at 10:36 AM

V. CLOSED SESSION:

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9: *unknown number of cases.*

The Board reconvened after the closed session at 10:44. There was no action as a result of the closed session.

VI. Reports from Board Members for Information Only

There were no reports from Board members.

VII. Items for Next Regular Meeting Agenda

Mr. Stokes stated that the next meeting will be the last scheduled meeting of the Board for the calendar year, and he expects that he will be able to provide an update on various issues.

VIII. Date of Next Regular Meeting: October 25, 2018

IX. Adjournment

The meeting was adjourned at 10:45 a.m.

Respectfully submitted,

Elizabeth Watkins
Secretary to the Board



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - September 2018

VENDOR	INVOICE AMOUNT	DESCRIPTION
GENERAL & ADMINISTRATIVE EXPENSES		
ACWA/JPIA	190.00	JPIA Training - Registration Fee
Aschle, Jason	418.28	Reimbursable expenses - License and Travel Expenses
Bank of America Business Card	52.94	SWC/DWR - Travel and meetings
Bank of America Business Card	187.85	Staff meetings
Bank of America Business Card	223.99	Publications, subscriptions, postage
Bank of America Business Card	318.70	JPIA Training - Travel Expenses
Bank of America Business Card	435.30	Tri-State Seminar - Registration & Hotel Expense (2 employees)
Bank of America Business Card	699.00	ACWA Conference - Registration
Bank of America Business Card	1,012.08	Class A License Training and Registration (2 employees)
Bank of America Business Card	(523.50)	CalPERS Educational Forum Refund (2 employees)
California Rural Water Association	198.00	CRWA Membership 2018-19
Cardmember Service	1,911.21	State Water Contractors - Travel and meetings
Endeman, Grant	105.00	Reimbursable expenses - Certificate renewal
Federal Express	95.89	Express shipping
Gov't Finance Officer Association	160.00	GFOA Membership 2018-19
Total Funds	200.00	Postage - postage machine
United Parcel Service	339.23	Shipping expenses
	<u>\$ 6,023.97</u>	Total General & Administrative
MONITORING EXPENSES		
AmeriPride Services, Inc.	306.96	Lab supplies
BIOVIR Laboratories	395.00	Water Analysis Tests
Culligan Industries Water Systems	170.00	Carbon Tank Rentals, Tri-Bed Tank Rentals
Environmental Resource Association	2,112.15	QC Testing
Eurofins Eaton Analytical	340.00	Lab testing
Hach Company	1,684.16	Lab supplies
IDEXX Distribution Corp.	985.71	Lab supplies
Mettler-Toledo Inc.	945.84	Water Analysis Tests
VWR International	852.50	Lab supplies
	<u>\$ 7,792.32</u>	Total Monitoring Expenses
OFFICE EXPENSES		
AND Design Agency	28.93	Employee ID Cards
Bank of America Business Card	49.79	Office and Kitchen Supplies
Office Depot	572.40	Office, janitorial & kitchen supplies
Santa Ynez Valley Hardware	62.45	Office Supplies
Solvang Bakery	25.95	Board and Committee meeting pastries
Staples Inc.	36.86	Office, janitorial & kitchen supplies
Ultrez Business Products	237.05	Office supplies
	<u>\$ 1,013.43</u>	Total Office Expenses
OTHER EXPENSES		
American Marborg	164.53	Equipment Rental - trailer
Bank of America Business Card	49.54	Computer miscellaneous expenses
Comcast	191.01	Internet Service
CompuVision	1,112.29	Intermapper Annual Support
CompuVision	2,315.91	Network Firewall Definition at WTP
CompuVision	6,665.01	Managed Service Agreement
CompuVision	7,188.65	WTP Domain Controller Replacement
De Lage Landen Financial Services	248.01	Copier Lease - BAO



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - September 2018

VENDOR	INVOICE AMOUNT	DESCRIPTION
Dell Business Credit	4,555.23	Computer work stations (4 computers)
Impulse Internet Services	2,098.78	T-1 System and Internet Service (Buellton and Shandon)
Lee Central Coast Newspapers	143.22	Pavement Slurry Seal - SYPP - Bid advertisement
Mail Finance	442.65	Postage Machine Lease
Marborg Industries	155.09	Tank 5/Tank 7 Rental
Pacific Coast Termite Inc	5,000.00	Termite Tenting and Building Repair
The Tribune	181.50	Pavement Slurry Seal - SYPP - Bid advertisement
Toshiba Financial Services	40.11	Copier lease - BAO
Towers, Chris	79.50	DSL reimbursement
	\$ 30,631.03	Total Other Expenses
OTHER MISCELLANEOUS EXPENSES		
ACWA/JPIA	69,194.00	Auto/General Liability Insurance 2018/19
CalPERS	700.00	CalPERS GASB 68 Valuation Report Fee
Department of Water Resources	3,986,373.00	Variable OMP&R, Delta Water & Transport Charge
	\$ 4,056,267.00	Total Other Miscellaneous Expenses
PERSONNEL EXPENSES		
CalPERS Health	39,937.39	Health Insurance
CalPERS Retirement	38,010.54	Pension Contributions
CCWA Payroll Wages/Taxes	253,186.54	Gross Payroll Wages/Taxes
Dental/Vision Payments	6,488.42	Dental/Vision Benefits
MetLife SBC Insurance	1,022.35	Life Insurance
Other Misc Employee Benefits	2,762.64	Vehicle, Uniform and Cafeteria Plan Benefits
Standard Insurance Company	1,311.69	Disability Insurance
	\$ 342,719.57	Total Personnel Expenses
PROFESSIONAL SERVICES		
Brownstein Hyatt Farber	85.00	Legal Services-Contract Extension
Brownstein Hyatt Farber	255.00	Legal Services-Relations State Water Contractors
Brownstein Hyatt Farber	935.00	Legal Services-Bidding Requirements/Construction Contra
Brownstein Hyatt Farber	1,908.84	Legal Services-General Meetings
Brownstein Hyatt Farber	1,955.00	Legal Services-DWR/SBCFCWCD Contract
County of Santa Barbara Flood Control	8,061.14	SWC Extension Administration
Ernst & Young LLP	2,795.00	Accounting Services
Sentry Alarm Systems	450.00	Security System - WTP
Stanley Convergent Security	1,092.00	Security Service BAO/SYPP
Stradling Yocca Carlson Rauth	217.00	Legal - Employee Matters
Underground Service Alert	26.50	New tickets
	\$ 17,780.48	Total Professional Services
CIP PROJECTS - MATERIALS & OVERHEAD		
Bank of America Business Card	900.50	Network Switch Replacement
Consolidated Electrical Dist	809.47	SYPP Equipment Upgrades
Grainger Inc.	53.90	Network Switch Replacement
Harrison Hardware	9.56	SYPP Equipment Upgrades
Home Depot	67.22	Network Switch Replacement
Mouser Electronics	292.42	Network Switch Replacement
	\$ 2,133.07	Total CIP Project - Materials and Overhead



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - September 2018

VENDOR	INVOICE AMOUNT	DESCRIPTION
REPAIRS & MAINTENANCE		
AmeriPride Services, Inc.	403.68	Building maintenance supplies
Applied Industrial Technologies	1,036.55	Equipment repairs and maintenance
Automationdirect.com Inc	473.50	Parts, repair and maintenance
Bank of America Business Card	4.84	Vehicles repairs and maintenance
Bank of America Business Card	599.08	Equipment repairs and maintenance
Burt Industrial Supply Inc	425.61	Parts, repair and maintenance
Carquest Auto Parts	181.69	Auto parts and supplies
City of Buellton	96.89	Landscape maintenance - water
Consolidated Electrical Distributors	208.72	Parts, repair and maintenance
Coverall North America, Inc	918.43	Janitorial service - BAO/SYPS
Deep Blue Integration	575.00	Building maintenance
Grainger Inc.	424.95	Parts, repair and maintenance
Harrington Industrial Plastics	2,398.60	Parts, repair and maintenance
Home Depot	132.76	Parts, repair and maintenance
Hopkins Technical Products Inc	1,773.27	Parts, repair and maintenance
Office Depot	87.25	Janitorial supplies
Paso Robles Chevrolet	214.72	Vehicles repairs and maintenance
Perrys Electric Motors/Control	286.91	Equipment repairs and maintenance
Procure Janitorial Supply	220.00	Janitorial supplies - WTP
Progressive Greenery	330.00	Landscape maintenance - WTP
Quinn Company	381.42	Equipment repairs and maintenance
Rio Vista Chevrolet	595.49	Vehicle maintenance
Rosemount Inc	2,406.03	Equipment repairs and maintenance
San Luis Personnel Service	1,069.60	Janitorial Service - WTP
Steve's Wheel & Tire	25.16	Equipment repairs and maintenance
Ultrex Business Products	352.07	Copier maintenance
Western Exterminator Co	95.50	Pest control spraying - BAO and SYPS
Zoom Imaging Solutions, Inc	34.38	Copier Maintenance
	\$ 15,752.10	Total Repairs & Maintenance
SUPPLIES & EQUIPMENT		
AmeriPride Services, Inc.	844.32	Uniform expenses
Applied Industrial Technologies	(10.15)	Minor Tools Refund
Aschle, Jason	23.24	Reimbursable expenses - maintenance supplies
Automationdirect.com Inc	148.00	Maintenance supplies and hardware
Bank of America Business Card	32.28	Minor tools
Bank of America Business Card	117.91	Safety supplies
Bank of America Business Card	296.26	Equipment & maintenance supplies
Burt Industrial Supply, Inc	114.73	Minor Tools, Maintenance supplies and hardware
Chemtrade Chemicals US, LLC	19,890.46	Chemicals - WTP
Consolidated Electrical Dist.	229.13	Maintenance supplies and hardware
Ferguson Enterprise, Inc.	53.10	Maintenance supplies and hardware
Grainger Inc.	466.84	Minor tools, equipment & maintenance supplies, safety supplies
Harrison Hardware	86.25	Maintenance supplies and hardware
Hill Brothers Chemical Company	4,397.96	Chemicals - WTP
Home Depot	501.12	Minor tools, equipment & maintenance supplies
Integrated Industrial Supply Inc	291.42	Safety supplies
JCI Jones Chemical	46,686.23	Chemicals - WTP
Univar USA, Inc.	4,614.94	Chemicals - WTP
WEX Bank - Wright Express	6,178.08	Fuel - Autos
	\$ 84,962.12	Total Supplies & Equipment

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CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - September 2018

VENDOR	INVOICE AMOUNT	DESCRIPTION
UTILITIES		
Bank of America Business Card	47.05	Telephone conference charge
City of Buellton	182.86	Water - BAO
First Choice Technology	13.20	Phone - Long distance carrier, 800#
Frontier	265.29	Telephone charges
Health Sanitation Services	200.38	Waste Disposal - SYPS
Pacific Gas & Electric	122,034.00	Utilities - BAO/SYPS/WTP
San Miguel Garbage Company	210.25	Waste Disposal - WTP
Stokes, Ray	64.64	Reimbursable Expenses - Cell Phone charges
Surfnet Communications, Inc.	75.00	Wireless Internet - Chorro
The Gas Company	2.08	Natural Gas - BAO
Verizon Wireless	432.71	Cell phone charges
	\$ 123,527.46	Total Utilities
 Subtotal - Bills for Ratification	 \$4,688,602.55	



CENTRAL COAST WATER AUTHORITY

Bills for Approval

VENDOR		INVOICE AMOUNT	DESCRIPTION
State of California DWR	\$	1,436,040.00	Capital Cost and Minimum OMP&R Charges - Oct'18
Subtotal - Bills for Approval	\$	1,436,040.00	
Total Ratification and Approval Bills	\$	<u>6,124,642.55</u>	

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Statements of Net Position

ASSETS

	<u>September 30, 2018</u>	<u>August 31, 2018</u>
<u>Current Assets</u>		
Cash and investments	\$ 10,708,682	\$ 10,737,760
Accounts Receivable (Note 1)	47,177	162,819
Accrued interest receivable	167,484	149,298
Other assets	1,860,765	1,812,843
Total Current Assets	<u>12,784,108</u>	<u>12,862,720</u>
<u>Restricted Assets</u>		
Cash and investments with fiscal agents	9,659,750	1
<u>Investment Accounts</u>		
Operations and Maintenance Reserve Fund (Note 2)	2,117,106	2,114,859
Rate Coverage Reserve Fund (Note 3)	9,288,269	9,278,413
Debt Service Payments (Note 4)	780,670	10,430,798
Department of Water Resources (Note 5a)	26,471,029	29,829,944
Credits Payable (Note 6)	347,052	346,583
Escrow Deposits (Note 7)	478,677	478,209
Total Restricted Assets	<u>49,142,553</u>	<u>52,478,807</u>
<u>Property, Plant and Equipment</u>		
Construction in progress (Note 8)	922,618	908,587
Fixed assets (net of accumulated depreciation)	92,802,460	92,994,883
Total Property, Plant and Equipment	<u>93,725,078</u>	<u>93,903,470</u>
<u>Other Assets</u>		
Unamortized bond issuance costs (Note 9)	886,441	924,472
Long term receivable (Note 10)	3,632,703	3,632,703
Total Other Assets	<u>4,519,144</u>	<u>4,557,175</u>
Total Assets	<u>\$ 160,170,883</u>	<u>\$ 163,802,172</u>

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Statements of Net Position

LIABILITIES AND FUND EQUITY

	<u>September 30, 2018</u>	<u>August 31, 2018</u>
<u>Current Liabilities</u>		
Accounts Payable	\$ 258,145	\$ 199,430
DWR and Warren Act Charge Deposits (Note 5a)	26,471,029	29,829,944
CCWA Variable Charge Deposits (Note 5b)	69,486	186,982
Accrued interest payable	939,751	783,126
Other liabilities	1,472,468	1,488,797
Rate Coverage Reserve Fund	9,222,497	9,222,497
Unearned Revenue	34,726	34,726
Credits Payable to Project Participants	1,358,330	1,325,261
Total Current Liabilities	<u>39,826,432</u>	<u>43,070,763</u>
<u>Long-Term Liabilities</u>		
Bonds payable (Note 11)	37,590,000	37,590,000
Bond Original Issue Premium, net	2,376,387	2,478,342
Net Pension Liability	3,756,159	3,756,159
Total Long-Term Liabilities	<u>43,722,546</u>	<u>43,824,501</u>
<u>Commitments and Uncertainties</u>		
<u>Net Assets</u>		
Contributed capital, net (Note 12)	22,562,433	22,562,433
Retained earnings	54,059,472	54,344,475
Total Net Assets	<u>76,621,905</u>	<u>76,906,908</u>
Total Liabilities and Net Assets	<u>\$ 160,170,883</u>	<u>\$ 163,802,172</u>



Statements of Revenues, Expenses and Changes in Net Position

	<u>September 30, 2018</u>	<u>August 31, 2018</u>
<u>Operating Revenues</u>		
Operating reimbursements		
from project participants	\$ 20,793,420	\$ 20,214,287
Other revenues	2,496	47
Total Operating Revenues	20,795,916	20,214,334
<u>Operating Expenses</u>		
Personnel expenses	1,270,415	935,980
Office expenses	2,625	1,612
General and administrative	53,158	37,742
Professional services	39,050	20,441
Supplies and equipment	387,155	301,969
Monitoring expenses	20,111	12,318
Repairs and maintenance	56,848	41,096
Utilities	349,768	226,241
Depreciation and amortization	329,469	219,645
Other expenses	118,235	75,342
Total Operating Expenses	2,626,834	1,872,388
Operating Income	18,169,082	18,341,946
<u>Non-Operating Revenues</u>		
Investment income	355,448	242,933
Total Non-Operating Revenues	355,448	242,933
<u>Non-Operating Expenses</u>		
Interest	469,875	313,250
Current year credits payable	61,515	(6,515)
Total Non-Operating Expenses	531,390	306,735
Net Income	17,993,140	18,278,143
<u>Retained Earnings</u>		
Retained earnings at beginning of period	36,066,332	36,066,332
Retained earnings at end of period	\$ 54,059,472	\$ 54,344,475

Central Coast Water Authority
Notes to Financial Statements
September 30, 2018

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.

Project Participant	Amount
City of Guadalupe	\$ 28,401
City of Santa Maria	836,549
Golden State Water Company	25,819
Vandenberg AFB	383,185
City of Buellton	29,847
Santa Ynez ID #1 (Solvang)	77,458
Santa Ynez ID #1	25,819
Goleta Water District	232,375
Morehart Land Co.	10,328
La Cumbre Mutual Water Company	51,633
Raytheon Systems Company	2,582
City of Santa Barbara	154,916
Montecito Water District	154,916
Carpinteria Valley Water District	103,278
TOTAL:	<u>\$ 2,117,106</u>

Note 3: 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	\$ 191,139
City of Santa Maria	5,046,144
City of Buellton	277,327
Santa Ynez ID #1 (Solvang)	617,343
Santa Ynez ID #1	465,065
La Cumbre Mutual Water Company	400,618
Montecito Water District	1,444,163
Carpinteria Valley Water District	831,126
Shandon	15,344
TOTAL:	<u>\$ 9,288,269</u>

Central Coast Water Authority
Notes to Financial Statements
September 30, 2018

Note 4: 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.

Participant	Amount
Avila Beach	\$ 904
California Men's Colony	7,910
County of SLO	8,426
Cuesta College	3,955
Morro Bay	51,037
Oceano	6,612
Pismo Beach	10,928
Shandon	895
Guadalupe	11,255
Buellton	19,935
Santa Ynez (Solvang)	60,589
Santa Ynez	22,754
Goleta	190,028
Morehart Land	8,798
La Cumbre	42,013
Raytheon	1,844
Santa Barbara	116,816
Montecito	137,429
Carpinteria	78,541
TOTAL:	\$ 780,670

Central Coast Water Authority
Notes to Financial Statements
September 30, 2018

Note 5a: Cash and Investments Payment to DWR and Warren Act and Trust Fund Charges

Cash deposits for payments to DWR and Warren Act and Trust Fund payments.

Project Participant	Amount
City of Guadalupe	\$ 345,378
City of Santa Maria	9,593,836
Golden State Water Company	302,916
Vandenberg AFB	4,572,065
City of Buellton	374,153
Santa Ynez ID #1 (Solvang)	938,179
Santa Ynez ID #1	380,343
Goleta Water District	3,371,386
Morehart Land Co.	115,370
La Cumbre Mutual Water Company	637,740
Raytheon Systems Co.	26,055
City of Santa Barbara	2,262,122
Montecito Water District	2,318,694
Carpinteria Valley Water District	1,232,790
TOTAL:	<u>\$ 26,471,029</u>

Note 5b: Cash Payments for CCWA Variable Charges

Cash deposits for payments to CCWA for Variable Assessments.

Project Participant	Amount
City of Guadalupe	\$ -
City of Santa Maria	-
Golden State Water Company	-
Vandenberg AFB	-
City of Buellton	7,022
Santa Ynez ID #1 (Solvang)	-
Santa Ynez ID #1	57,321
Goleta Water District	-
Morehart Land Co.	-
La Cumbre Mutual Water Company	-
Raytheon Systems Co.	5,143
City of Santa Barbara	-
Montecito Water District	-
Carpinteria Valley Water District	-
Shandon	-
Lopez Turnout	-
Chorro Turnout	-
TOTAL:	<u>\$ 69,486</u>

Central Coast Water Authority
Notes to Financial Statements
September 30, 2018

Note 6: Credits Payable

Credits payable to CCWA project participants for investment earnings and O&M assessment credits.

Project Participant	Amount
City of Guadalupe	\$ 12
City of Santa Maria	1,591
Golden State Water Company	54
Vandenberg AFB	203,662
City of Buellton	53
Santa Ynez ID #1 (Solvang)	166
Santa Ynez ID #1	2,573
Goleta Water District	(2)
Morehart Land Co.	1
La Cumbre Mutual Water Company	9
Raytheon Systems Co.	1
City of Santa Barbara	(5)
Montecito Water District	138,648
Carpinteria Valley Water District	(1)
Shandon	-
Lopez Turnout	144
Chorro Turnout	147
TOTAL:	<u>\$ 347,052</u>

Note 7: Escrow Deposits

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

Project Participant	Amount
Morehart Land Company	\$ 378,989
Raytheon Systems Company	99,687
TOTAL:	<u>\$ 478,677</u>

Note 8: Construction in Progress

Amounts in construction in progress represent expenditures incurred during FY 2018/19 and amounts retained in construction in progress at June 30, 2018. The following schedule shows the CIP expenditures for CCWA projects.

Financial Reach	Amount
Labor	\$ 77,438
Materials	589,096
Overhead	256,084
Project CIP Total:	<u>\$ 922,618</u>

Central Coast Water Authority
Notes to Financial Statements
September 30, 2018

Note 9: 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 10: Long-Term Receivable

The long-term receivable represents CCWA revenue bond expenditures for project participant local facilities which are owned by the individual project participants. The costs associated with the construction of these local facilities are financed with proceeds from the CCWA revenue bonds. Project participant revenue bond principal payments are proportionally divided between the long-term receivable and the CCWA owned facilities over the term of the bond issue.

Financing Participant	Long-Term Receivable
Avila Beach	\$ 8,306
California Men's Colony	185,528
County of SLO	197,856
Cuesta College	92,773
Morro Bay	1,419,217
Oceano	56,588
Pismo Beach	93,429
Shandon	6,734
Guadalupe	241,290
Buellton	39,274
Santa Ynez (Solvang)	137,701
Santa Ynez	13,485
Goleta	596,440
Morehart Land	2,746
La Cumbre	13,729
Raytheon	3,626
Santa Barbara	130,209
Montecito	207,143
Carpinteria	186,629
TOTAL:	\$ 3,632,703

Note 11: Bonds Payable

Bonds payable represents outstanding Series 2016-A revenue bonds outstanding. The next Series 2016-A principal payment is due on October 1, 2018 in the amount of \$8,720,000.

Central Coast Water Authority
Notes to Financial Statements
September 30, 2018

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.

Project Participant	Amount
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>



Budget and Actual All Reaches

	September 30, 2018		
	Budget	Actual	Percent Expended ⁽¹⁾
<u>Operating Revenues</u>			
Fixed operating assessments ⁽²⁾	\$ 9,317,766	9,317,766	100.00%
Variable operating assessments	3,069,046	2,172,370	70.78%
Other revenues	-	-	N/A
Non-annual recurring revenues	-	-	N/A
Total Operating Revenues	12,386,813	11,490,136	92.76%
<u>Operating Expenses ⁽²⁾</u>			
Personnel expenses	5,032,011	1,270,415	25.25%
Office expenses	20,500	2,625	12.81%
General and administrative	275,985	53,158	19.26%
Professional services	425,520	39,050	9.18%
Supplies and equipment	2,115,202	387,155	18.30%
Monitoring expenses	113,624	20,111	17.70%
Repairs and maintenance	279,880	56,848	20.31%
Utilities	1,302,775	349,768	26.85%
Depreciation and amortization	-	-	N/A
Other expenses	1,912,356	118,235	6.18%
Total Operating Expenses	11,477,854	2,297,366	20.02%
Operating Income	908,959	9,192,770	
<u>Non-Operating Revenues</u>			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
<u>Non-Operating Expenses</u>			
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 908,959	9,192,770	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.



Budget and Actual Administration

	September 30, 2018		Percent Expended ⁽¹⁾
	Budget	Actual	
Operating Revenues			
Fixed operating assessments ⁽²⁾	\$ 1,773,663	\$ 1,773,663	100.00%
Variable operating assessments	-	-	N/A
Other revenues	-	-	N/A
Non-annual recurring revenues	-	-	N/A
Total Operating Revenues	1,773,663	1,773,663	100.00%
Operating Expenses ⁽²⁾			
Personnel expenses	946,918	265,860	28.08%
Office expenses	10,500	1,976	18.82%
General and administrative	192,185	34,276	17.83%
Professional services	215,748	28,668	13.29%
Supplies and equipment	-	-	N/A
Monitoring expenses	-	-	N/A
Repairs and maintenance	31,695	5,808	18.33%
Utilities	16,316	3,820	23.41%
Depreciation and amortization	-	-	N/A
Other expenses	277,313	31,071	11.20%
Total Operating Expenses	1,690,676	371,479	21.97%
Operating Income	82,987	1,402,184	
Non-Operating Revenues			
Investment Income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Current Year credits payable	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 82,987	1,402,184	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.



Budget and Actual Water Treatment Plant

	September 30, 2018		
	Budget	Actual	Percent Expended ⁽¹⁾
Operating Revenues			
Fixed operating assessments ⁽²⁾	\$ 4,410,369	4,410,369	100.00%
Variable operating assessments	2,021,062	1,463,367	72.41%
Other revenues	-	-	N/A
Non-annual recurring revenues	-	-	N/A
Total Operating Revenues	6,431,430	5,873,736	91.33%
Operating Expenses ⁽²⁾			
Personnel expenses	2,399,833	601,294	25.06%
Office expenses	6,000	400	6.67%
General and administrative	51,550	14,625	28.37%
Professional services	96,739	7,203	7.45%
Supplies and equipment	2,012,791	368,094	18.29%
Monitoring expenses	113,624	20,111	17.70%
Repairs and maintenance	166,485	25,960	15.59%
Utilities	178,809	43,243	24.18%
Depreciation and amortization	-	-	N/A
Other expenses	1,042,861	56,872	5.45%
Total Operating Expenses	6,068,692	1,137,801	18.75%
Operating Income	362,738	4,735,934	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 362,738	4,735,934	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.

Central Coast Water Authority
Polonio Pass Water Treatment Plant
Fixed and Variable Cost per Acre-Foot
September 30, 2018

WTP Fixed O&M Costs	July 2018	Aug. 2018	Sept. 2018	Total for Year
Fixed O&M Expenses	\$ 340,685	\$ 207,536	\$ 213,293	\$ 761,514
Annual Table A Amount ⁽¹⁾	43,908	43,908	43,908	43,908
Fixed WTP Cost per AF	<u>\$ 7.76</u>	<u>\$ 4.73</u>	<u>\$ 4.86</u>	<u>\$ 17.34</u>
 WTP Variable O&M Costs				
Variable O&M Expenses	\$ 148,836	\$ 145,300	\$ 82,151	\$ 376,287
Actual Water Treated	3,281	3,285	2,740	9,306
Variable WTP Cost per AF	<u>\$ 45.36</u>	<u>\$ 44.23</u>	<u>\$ 29.98</u>	<u>\$ 40.43</u>
 (1) Includes Santa Barbara County and San Luis Obispo County Table A amounts and excludes Goleta 2,500 AF drought buffer and Santa Barbara County 3,908 AF drought buffer.				



Budget and Actual Mission Hills II

	September 30, 2018		
	Budget	Actual	Percent Expended ⁽¹⁾
<u>Operating Revenues</u>			
Fixed operating assessments ⁽²⁾	\$ 312,769	312,769	100.00%
Variable operating assessments	-	-	N/A
Other revenues	-	-	N/A
Total Operating Revenues	312,769	312,769	100.00%
<u>Operating Expenses</u> ⁽²⁾			
Personnel expenses	177,199	49,885	28.15%
Office expenses	421	26	6.23%
General and administrative	3,391	448	13.21%
Professional services	11,885	184	1.55%
Supplies and equipment	10,768	2,108	19.58%
Monitoring expenses	-	-	N/A
Repairs and maintenance	8,590	1,537	17.90%
Utilities	6,274	580	9.25%
Depreciation and amortization	-	-	N/A
Other expenses	19,681	8,498	43.18%
Total Operating Expenses	238,208	63,267	26.56%
Operating Income	74,561	249,502	
<u>Non-Operating Revenues</u>			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
<u>Non-Operating Expenses</u>			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 74,561	249,502	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.



Budget and Actual Santa Ynez I

	September 30, 2018		
	Budget	Actual	Percent Expended ⁽¹⁾
<u>Operating Revenues</u>			
Fixed operating assessments ⁽²⁾	\$ 575,328	575,328	100.00%
Variable operating assessments	-	-	N/A
Other revenues	-	-	N/A
Total Operating Revenues	575,328	575,328	100.00%
<u>Operating Expenses</u> ⁽²⁾			
Personnel expenses	271,613	68,230	25.12%
Office expenses	645	40	6.22%
General and administrative	5,198	686	13.20%
Professional services	18,217	452	2.48%
Supplies and equipment	16,506	3,196	19.36%
Monitoring expenses	-	-	N/A
Repairs and maintenance	13,168	4,482	34.03%
Utilities	9,616	1,348	14.01%
Depreciation and amortization	-	-	N/A
Other expenses	90,857	4,510	4.96%
Total Operating Expenses	425,819	82,944	19.48%
Operating Income	149,509	492,384	
<u>Non-Operating Revenues</u>			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
<u>Non-Operating Expenses</u>			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 149,509	492,384	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.



Budget and Actual Santa Ynez II

	September 30, 2018		
	Budget	Actual	Percent Expended ⁽¹⁾
<u>Operating Revenues</u>			
Fixed operating assessments ⁽²⁾	\$ 1,019,674	1,019,674	100.00%
Variable operating assessments	1,047,985	709,003	67.65%
Other revenues	-		N/A
Total Operating Revenues	2,067,659	1,728,677	83.61%
<u>Operating Expenses</u> ⁽²⁾			
Personnel expenses	549,645	121,092	22.03%
Office expenses	1,305	81	6.22%
General and administrative	10,518	1,388	13.20%
Professional services	36,866	1,015	2.75%
Supplies and equipment	33,401	6,085	18.22%
Monitoring expenses	-	-	N/A
Repairs and maintenance	26,646	4,425	16.61%
Utilities	1,067,444	294,998	27.64%
Depreciation and amortization	-	-	N/A
Other expenses	196,436	7,589	3.86%
Total Operating Expenses	1,922,262	436,674	22.72%
Operating Income	145,397	1,292,003	
<u>Non-Operating Revenues</u>			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
<u>Non-Operating Expenses</u>			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 145,397	1,292,003	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.



Budget and Actual Reach 33B

	September 30, 2018		
	Budget	Actual	Percent Expended ⁽¹⁾
<u>Operating Revenues</u>			
Fixed operating assessments ⁽²⁾	\$ 700,375	700,375	100.00%
Variable operating assessments	-	-	N/A
Other revenues	-	-	N/A
Total Operating Revenues	700,375	700,375	100.00%
<u>Operating Expenses ⁽²⁾</u>			
Personnel expenses	366,564	81,454	22.22%
Office expenses	870	54	6.22%
General and administrative	7,015	926	13.20%
Professional services	24,586	788	3.20%
Supplies and equipment	22,276	3,790	17.02%
Monitoring expenses	-	-	N/A
Repairs and maintenance	17,771	6,434	36.21%
Utilities	12,978	2,393	18.44%
Depreciation and amortization	-	-	N/A
Other expenses	118,753	5,262	4.43%
Total Operating Expenses	570,813	101,101	17.71%
Operating Income	129,563	599,274	
<u>Non-Operating Revenues</u>			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
<u>Non-Operating Expenses</u>			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 129,563	599,274	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.



Budget and Actual Reach 34

	September 30, 2018		
	Budget	Actual	Percent Expended ⁽¹⁾
<u>Operating Revenues</u>			
Fixed operating assessments ⁽²⁾	\$ 233,090	233,090	100.00%
Variable operating assessments	-	-	N/A
Other revenues	-	-	N/A
Total Operating Revenues	233,090	233,090	100.00%
<u>Operating Expenses ⁽²⁾</u>			
Personnel expenses	157,605	40,258	25.54%
Office expenses	374	23	6.22%
General and administrative	3,016	398	13.20%
Professional services	10,571	570	5.40%
Supplies and equipment	9,577	2,088	21.80%
Monitoring expenses	-	-	N/A
Repairs and maintenance	7,641	4,196	54.91%
Utilities	5,580	1,551	27.80%
Depreciation and amortization	-	-	N/A
Other expenses	17,505	2,284	13.05%
Total Operating Expenses	211,868	51,369	24.25%
Operating Income	21,222	181,721	
<u>Non-Operating Revenues</u>			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
<u>Non-Operating Expenses</u>			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 21,222	181,721	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.



Budget and Actual Reach 35

	September 30, 2018		
	Budget	Actual	Percent Expended ⁽¹⁾
Operating Revenues			
Fixed operating assessments ⁽²⁾	\$ 86,836	86,836	100.00%
Variable operating assessments	-	-	N/A
Non-annual recurring revenues	-	-	N/A
Other revenues	-	-	N/A
Total Operating Revenues	86,836	86,836	100.00%
Operating Expenses ⁽²⁾			
Personnel expenses	58,008	12,644	21.80%
Office expenses	138	9	6.22%
General and administrative	1,110	146	13.19%
Professional services	3,891	60	1.55%
Supplies and equipment	3,525	598	16.97%
Monitoring expenses	-	-	N/A
Repairs and maintenance	2,812	198	7.06%
Utilities	2,054	300	14.62%
Depreciation and amortization	-	-	N/A
Other expenses	6,443	766	11.89%
Total Operating Expenses	77,980	14,722	18.88%
Operating Income	8,855	72,113	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 8,855	72,113	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.



Budget and Actual Reach 37

	September 30, 2018		
	Budget	Actual	Percent Expended ⁽¹⁾
<u>Operating Revenues</u>			
Fixed operating assessments ⁽²⁾	\$ 59,138	59,139	100.00%
Variable operating assessments	-	-	N/A
Non-annual recurring revenues	-	-	N/A
Other revenues	-	-	N/A
Total Operating Revenues	59,138	59,139	100.00%
<u>Operating Expenses</u> ⁽²⁾			
Personnel expenses	39,944	8,800	22.03%
Office expenses	95	6	6.21%
General and administrative	764	101	13.20%
Professional services	2,679	42	1.55%
Supplies and equipment	2,427	412	16.98%
Monitoring expenses	-	-	N/A
Repairs and maintenance	1,936	137	7.06%
Utilities	1,414	118	8.34%
Depreciation and amortization	-	-	N/A
Other expenses	4,437	528	11.90%
Total Operating Expenses	53,697	10,143	18.89%
Operating Income	5,441	48,995	
<u>Non-Operating Revenues</u>			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
<u>Non-Operating Expenses</u>			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 5,441	48,995	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.



Budget and Actual

Reach 38

	September 30, 2018		
	Budget	Actual	Percent Expended ⁽¹⁾
<u>Operating Revenues</u>			
Fixed operating assessments ⁽²⁾	\$ 95,715	95,715	100.00%
Variable operating assessments	-	-	N/A
Non-annual recurring revenues	-	-	N/A
Other revenues	-	-	N/A
Total Operating Revenues	95,715	95,715	100.00%
<u>Operating Expenses</u> ⁽²⁾			
Personnel expenses	64,681	15,984	24.71%
Office expenses	154	10	6.23%
General and administrative	1,238	163	13.21%
Professional services	4,338	67	1.55%
Supplies and equipment	3,931	668	16.99%
Monitoring expenses	-	-	N/A
Repairs and maintenance	3,136	222	7.06%
Utilities	2,290	191	8.35%
Depreciation and amortization	-	-	N/A
Other expenses	7,184	855	11.91%
Total Operating Expenses	86,951	18,160	20.89%
Operating Income	8,764	77,555	
<u>Non-Operating Revenues</u>			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
<u>Non-Operating Expenses</u>			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 8,764	77,555	

(1) Percent of year expended: 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues transferred to FY 2018/19.



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

October 16, 2018

TO: CCWA Board of Directors

FROM: John Brady
Deputy Director, Operations and Engineering

SUBJECT: Operations Report, September 2018

The Polonio Pass Water Treatment Plant's production and chemical costs, as well as the Santa Ynez Pumping Plant production for September 2018 are presented below:

Month	Plant Production (AF)	Chemical Costs (\$/AF)	SYPP Pumping (AF)
September, 2018	2,875.12	\$28.38	1,220.28

WATER TREATMENT PLANT (WTP)

- The Granular Activated Carbon (GAC) Filter Media Replacement Project proceeded with WTP staff collecting samples from the GAC that arrived at the WTP. The GAC samples were analyzed in-house to confirm the GAC met CCWA specifications. GAC filter media replacement was approved by staff to begin on October 1.
- Competitive bids were solicited for the Intermediate Flash Mix Polyurethane Lining Project, Chlorine Scrubber Inspection Project and the Switchgear Maintenance Project. All of these projects will be completed during the winter shut down scheduled for November 2 - 19, 2018.
- The Department of Water Resources (DWR) conducted a survey of the sediment accumulation in the WTP raw water tanks. A minor amount of accumulation was identified.
- PG&E worked on their power supply reliability project near the WTP. As part of the project, PG&E had several scheduled power outages that effected DWR. Due to these outages lasting longer than anticipated, DWR was unable to deliver all of the water CCWA requested. This resulted in a short notice reduction of flow for several hours during night time hours.
- DWR applied NSF 61 copper sulfate for weed and algae control in the coastal branch aqueduct, but did provide 24 hour notice to CCWA. WTP staff monitored for copper residual during the event and copper levels never exceeded the secondary MCL.
- The Maintenance staff completed the following items: (1) completed a repair of the vents of the backwash tank, (2) replaced the motor drives of the caustic dosing pumps and reprogrammed the associated variable frequency drives, (3) serviced lighting in Area 1 and 5, (4) repaired a minor leak at the wye strainer of the caustic blending pump, (5) repaired a minor leak at the flange connection of the caustic blending pumps, (6) completed the quarterly service of the utility water pumps, (7) completed the insulation installation for the chlorine injector utility water piping, (8) Jason Aschle and Mark Swift passed their Class A Driver's License exam, (9) two maintenance trucks were serviced and passed smog inspection and (10) a Job Hazards Analysis was completed for the Aqua-Ammonia Tank Inspection.

DISTRIBUTION

- The Distribution staff cleared vegetation from the boundaries of the paved areas of the Santa Ynez Pumping Plant, Tank 2, 5 and 7. Following the clearing of vegetation, staff proceeded with asphalt crack sealing work.

- A Request for Bids was issued for slurry seal work for the Santa Ynez Pumping Plant, Tank 5 and Tank 2. The RFB was advertised in newspapers and forwarded to eight contractors. In addition, an optional pre-bid work site tour was provided. However, only one bid was received, which was above the budgeted amount and stipulated that 90% of the work would be performed by a subcontractor from the San Francisco Bay area. Staff concluded that it would be in the best interest of CCWA to reject bids and to solicit bids after next spring.
- The Chorro Valley Turnout lost electrical power due to a broken utility wire, which broke a connection to a pole-mounted transformer. The utility power pole in question was owned by San Luis Obispo County and they made arrangements with PG&E to facilitate the repair of this remotely located power pole. During the loss of power, CCWA maintained the Turnout operation through using CCWA's portable electrical generator.
- An oil pump in the Hydraulic Package of inlet valve for SYPP failed on a weekend. Staff was able to fabricate a tool to facilitate manual operation of the hydraulic package, which allowed the inlet valve to operate automatically without interruption.
- The Turnout Fencing Project proceeded through securing all the required permits for the Vandenberg Air Force Base Turnout.
- Staff met with representatives of the Southern California Gas Company to discuss their Pipeline Replacement Project in which several crossings over the CCWA/DWR pipeline is planned.

LABORATORY

- Laboratory staff continued water quality instrumentation calibration work throughout the plant. Staff also continued routine analysis of compliance and process samples to support operations and completed the quarterly quality assurance/quality control (QA/QC) testing of staff's chemical analytical skills.
- Laboratory staff completed analysis of the Granular Activated Carbon (GAC) samples that were collected from the GAC material that was delivered to the WTP. A total of 23 samples were collected and analyzed. Staff concluded that the GAC onsite complied with CCWA specifications and staff subsequently authorized the contractor to begin GAC replacement, starting on October 1, 2018.
- MIB/Geosmin sampling and analysis continues and will likely end at winter shutdown.

INSTRUMENTATION/NETWORK

- Shandam Consultant developed an implementation plan to shift network traffic from the old TC Com switches to the new Cisco switches. The physical installation and mounting of all of the switches at the various locations along the pipeline is complete as well as the modifications to the fiber optic cable at key locations.
- The PLC upgrade project continued with staff completing a "Decision Matrix" to document the research and deliberations of staff on selecting the best platform and path forward for the project. The next step is to solicit Statement of Qualifications from experienced PLC engineering consultants.
- The Bisulfite Analyzer at the Santa Ynez Pumping Plant was installed and is fully operational.
- Recruitment is underway for one Maintenance/Instrumentation Calibration and Repair Technician and one Maintenance Superintendent. Currently, the Instrumentation Department has one vacant position.
- To avoid cost increases arising from the new Tariffs, staff moved forward quickly to purchase all budgeted electronics equipment and computers.
- The Air Conditioning units at Tank 2, Shandon Turnout and the WTP were serviced by CCWA's HVAC vender Connex. The newly installed air conditioning unit of the instrumentation building at Shandon Turnout failed and was replaced under warranty.
- The Buellton Turnout flow meter was replaced and is fully functional.

- The set point for Isolation Valve #1 was adjusted to a new setting. The adjustment was made after selecting a new set point that was established following review of the historical data and the purpose of the Isolation Valve #1.
- The direct current motors of the chemical pumps at the Santa Ynez Pumping Plant were replaced with new alternating current motors that are equipped with a new variable frequency drives.

GENERAL

- The Deputy Director, WTP Supervisor and Safety Specialist attended a Tabletop Exercise organized by CalWarn and US EPA, held on September 10, 2018. The Tabletop Exercise dealt with how to handle algal toxins, such as microcystin LR.
- The Deputy Director and the WTP Supervisor attended a meeting with the DWR San Joaquin Field Division to discuss the 2018 winter shutdown on September 9, 2018. CCWA staff requested a cost estimate for the planned winter shutdown work and also requested that DWR review the scope and length of the shutdown to minimize overtime and to postpone some non-critical work.
- CCWA staff updated succession plans and implemented some measures in response to the losing one Instrumentation staff and the impending retirement of the Maintenance Superintendent. The measures deployed include (1) an agreement to allow the Maintenance Superintendent to postpone retirement, but to start working part time for a six month period, (2) retaining an individual qualified electrician to work on budgeted projects, as a means to reduce work load of the remaining Instrumentation staff, (3) recruitment efforts through advertising and hand delivery of recruitment brochures.
- CCWA supervisors met to further develop winter shutdown plans. A MS Project schedule was developed and will be refined as procurements are completed. In addition, the Winter Shutdown Notice was issued to Participants.
- The office remodel for the Buellton Administrative Office was initiated and continued throughout the month of September. Construction is expected to be complete by the end of October. In addition, the termite treatment of the Administrative Office Building, along with some minor building repair, was completed.
- Staff prepared the preliminary delivery schedules for Participants and distributed for consideration. A consolidated schedule was forwarded to DWR by the deadline of October 1, 2018.

JLB
Attachments

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

System Name: Central Coast Water Authority System Number: 4210030

Treatment Plant Name: Polonio Pass Water Treatment Plant September 2018

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	8.33	2.03	0.34	1.0			64	60	2	75	35		
2	8.39	1.85	0.33	1.0			65	60	3	75	34		
3	8.38	1.90	0.33	1.0	65	6	68	60	1	76	35		
4	8.25	2.00	0.32	1.0			68	61	1	83	43	457	2.5
5	8.36	2.40	0.36	1.0			73	62	2	80	41		
6	8.32	1.98	0.35	1.0			77	61	0	83	36		
7	8.34	2.62	0.38	1.0			81	62	4	79	36		
8	8.48	2.03	0.34	1.0			85	63	4	81	37		
9	8.46	1.80	0.33	1.0			90	62	3	84	40		
10	8.39	1.32	0.31	1.0	172	14	92	61	2	85	38	479	
11	8.54	1.10	0.29	1.0			92	62	2	85	40		
12	8.44	1.17	0.30	1.0			94	64	2	84	38		
13	8.43	0.91	0.30	1.0			94	65	4	85	40		
14	8.75	0.90	0.30	1.0			95	64	6	89	38		
15	8.73	0.96	0.28	1.0			98	64	6	87	40		
16	8.62	0.62	0.31	1.0			98	67	8	86	42		
17	8.67	0.77	0.33	1.0	80	8	103	67	6	87	38	527	
18	8.75	0.73	0.37	1.0			105	67	6	91	42		
19	8.76	1.03	0.41	1.5			107	66	7	94	40		
20	8.88	1.24	0.47	1.0			111	66	10	97	40		
21	8.31	1.53	0.47	2.5			113	67	1	98	47		
22	8.00	1.04	0.36	1.5			114	66	0	97	45		
23	8.00	0.68	0.31	1.0			116	67	0	96	43		
24	7.98	0.56	0.30	1.0	194	17	111	68	0	98	42	560	
25	8.06	0.56	0.31	1.0			112	72	0	97	46		
26	8.12	0.64	0.30	1.0			117	72	0	97	39		
27	8.26	0.57	0.32	1.0			112	73	0	96	43		
28	8.48	0.50	0.31	1.5			118	71	4	98	42		
29	8.64	0.58	0.28	1.0			115	73	7	100	43		
30	8.72	0.56	0.34	1.0		*	113	75	10	98	44		
AVG	8.43	1.22	0.34	1.1	128	11	96	66	3	89	40	506	2.5

**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

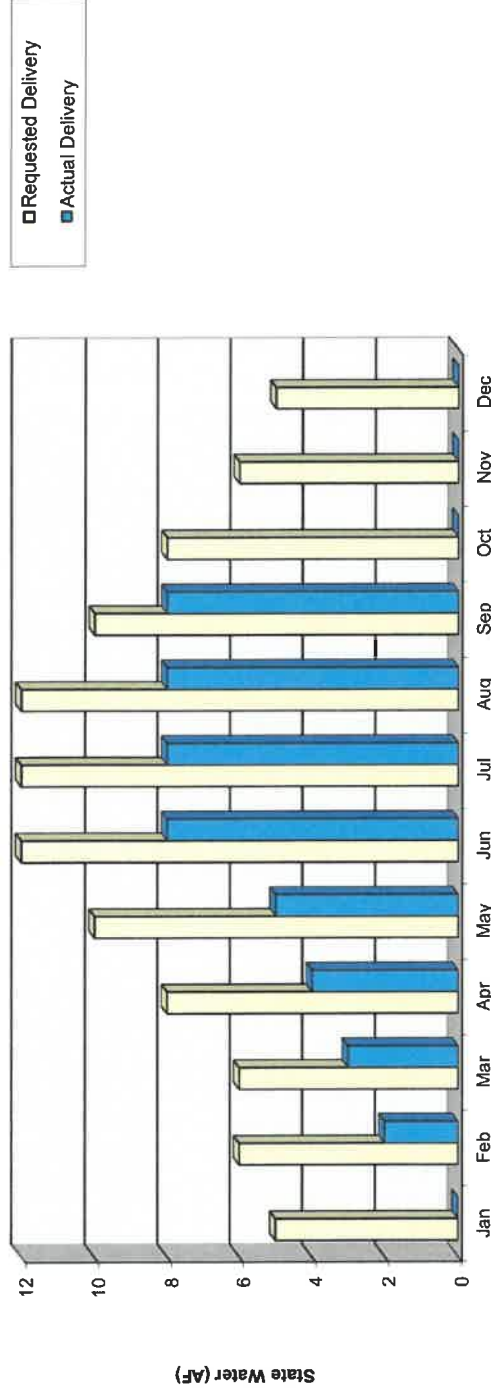
September

2018

Date:	TW pH (SU)	TW Turbidity (NTU)	Filter Rate (gpm/ft ²)	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	8.32	0.05	4.64	0.0	ABSENT	64	58	75	36	2.87	0.00	2.80	0.53	0.00	5.3		
2	8.32	0.05	4.64	0.0	ABSENT	67	59	73	34	2.90	0.00	2.80	0.53	0.00	5.3		
3	8.33	0.05	4.64	0.0	ABSENT	71	57	78	34	2.85	0.00	2.81	0.54	0.00	5.2		
4	8.28	0.05	4.64	0.0	ABSENT	71	60	80	38	2.87	0.00	2.79	0.55	0.00	5.1	410	1.6
5	8.30	0.05	4.64	0.0	ABSENT	75	60	79	39	2.82	0.00	2.77	0.53	0.00	5.2		
6	8.26	0.05	4.64	0.0	ABSENT	78	60	80	38	2.79	0.00	2.80	0.52	0.00	5.4		
7	8.25	0.05	4.66	0.0	ABSENT	83	60	77	40	2.79	0.00	2.88	0.53	0.00	5.4		
8	8.29	0.05	4.71	0.0	ABSENT	87	59	81	37	2.78	0.00	2.78	0.53	0.00	5.2		
9	8.32	0.05	4.59	0.0	ABSENT	90	60	84	40	2.85	0.00	2.78	0.53	0.00	5.2		
10	8.27	0.05	4.51	0.0	ABSENT	94	60	83	37	2.90	0.00	2.80	0.55	0.00	5.1	485	
11	8.19	0.05	4.37	0.0	ABSENT	94	59	84	40	2.89	0.00	2.81	0.53	0.00	5.3		
12	8.35	0.05	4.57	0.0	ABSENT	97	61	83	40	2.94	0.00	2.95	0.54	0.00	5.5		
13	8.28	0.05	4.45	0.0	ABSENT	100	63	84	40	2.96	0.00	2.97	0.55	0.00	5.4		
14	8.33	0.05	4.33	0.0	ABSENT	101	62	88	40	2.96	0.00	2.92	0.55	0.00	5.3		
15	8.30	0.05	4.16	0.0	ABSENT	101	63	86	43	2.96	0.00	2.99	0.54	0.00	5.5		
16	8.35	0.05	4.35	0.0	ABSENT	104	62	87	39	2.96	0.00	2.96	0.54	0.00	5.5		
17	8.32	0.05	4.44	0.0	ABSENT	108	62	88	40	2.97	0.00	2.99	0.54	0.00	5.5	519	
18	8.27	0.06	4.48	0.0	ABSENT	106	61	93	42	2.98	0.00	3.00	0.55	0.00	5.5		
19	8.30	0.06	3.60	0.0	ABSENT	107	63	92	42	2.95	0.00	2.92	0.54	0.00	5.4		
20	8.32	0.07	4.35	0.0	ABSENT	111	60	95	39	2.88	0.00	2.85	0.51	0.00	5.6		
21	8.18	0.06	4.85	0.0	ABSENT	115	62	97	46	2.88	0.00	2.82	0.52	0.00	5.4		
22	8.20	0.06	4.53	0.0	ABSENT	116	63	98	45	2.91	0.00	2.92	0.53	0.00	5.5		
23	8.33	0.06	4.37	0.0	ABSENT	118	64	98	41	2.93	0.00	2.93	0.54	0.00	5.4		
24	8.37	0.05	4.61	0.0	ABSENT	115	65	97	40	2.86	0.00	2.90	0.53	0.00	5.5	570	
25	8.41	0.05	4.69	0.0	ABSENT	116	68	99	46	2.88	0.00	2.89	0.54	0.00	5.4		
26	8.33	0.05	4.69	0.0	ABSENT	118	70	97	41	2.91	0.00	2.84	0.53	0.00	5.4		
27	8.34	0.05	4.85	0.0	ABSENT	115	69	92	42	2.86	0.00	2.78	0.53	0.00	5.2		
28	8.27	0.05	4.74	0.0	ABSENT	119	68	96	42	2.90	0.00	2.88	0.54	0.00	5.3		
29	8.24	0.05	4.69	0.0	ABSENT	118	68	98	41	2.88	0.00	2.83	0.54	0.00	5.2		
30	8.29	0.05	4.77	0.0	ABSENT	116	72	101	44	2.86	0.00	2.80	0.54	0.00	5.2		
Avg	8.30	0.05	4.54	0.00		99	63	88	40	2.89	0.00	2.87	0.54	0.00	5.3	496	1.60

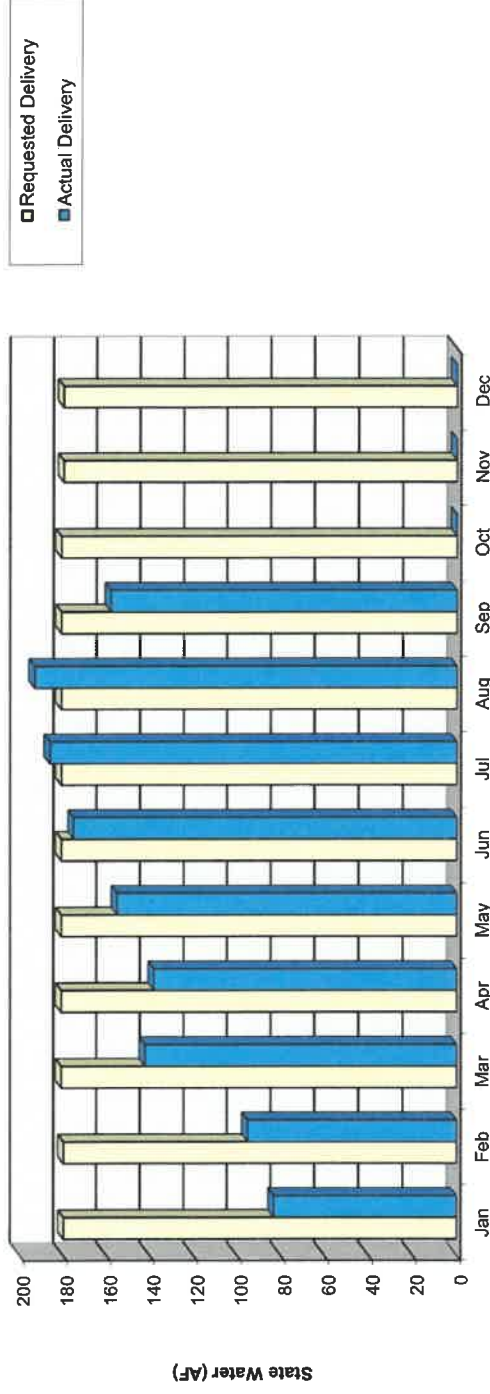
Shandon T.O. - SWP Deliveries in Year 2018

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	5	0	
Feb	6	2	
Mar	6	3	
Apr	8	4	
May	10	5	
Jun	12	8	
Jul	12	8	
Aug	12	8	
Sep	10	8	
Oct	8	0	
Nov	6	0	
Dec	5	0	
Total	100	46	



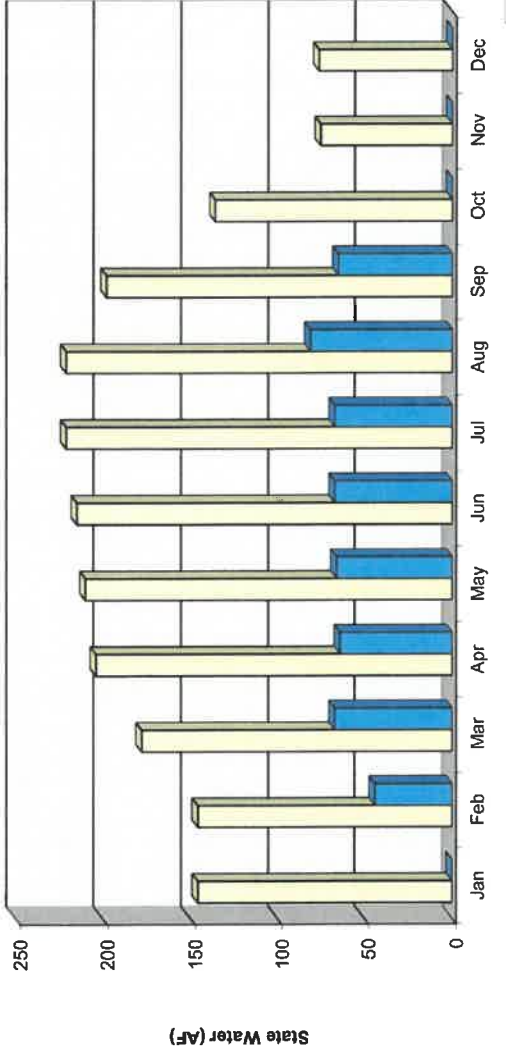
Chorro Valley T.O. - SWP Deliveries in Year 2018

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	180	83	
Feb	180	95	
Mar	181	142	
Apr	181	138	
May	181	155	
Jun	181	175	
Jul	181	186	
Aug	181	193	
Sep	181	158	
Oct	181	0	
Nov	180	0	
Dec	180	0	
Total	2165	1325	



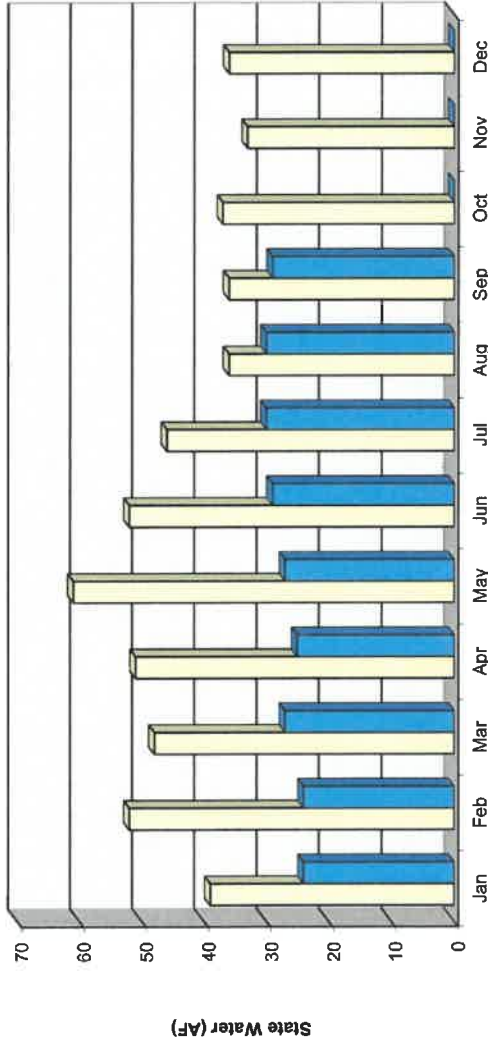
Lopez T.O. - SWP Deliveries in Year 2018

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	146	0	
Feb	146	44	
Mar	178	67	
Apr	204	64	
May	210	66	
Jun	215	67	
Jul	221	67	
Aug	221	81	
Sep	198	65	
Oct	136		
Nov	75		
Dec	76		
Total	2027	521	



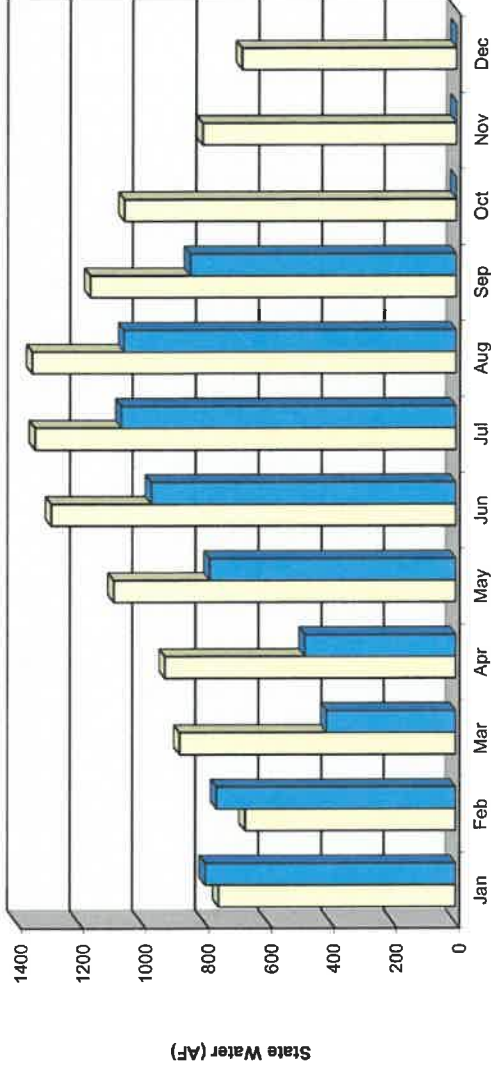
Guadalupe - SWP Deliveries in Year 2018

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	39	24	
Feb	52	24	
Mar	48	27	
Apr	51	25	
May	61	27	
Jun	52	29	
Jul	46	30	
Aug	36	30	
Sep	36	29	
Oct	37		
Nov	33		
Dec	36		
Total	527	245	



Santa Maria - SWP Deliveries in Year 2018

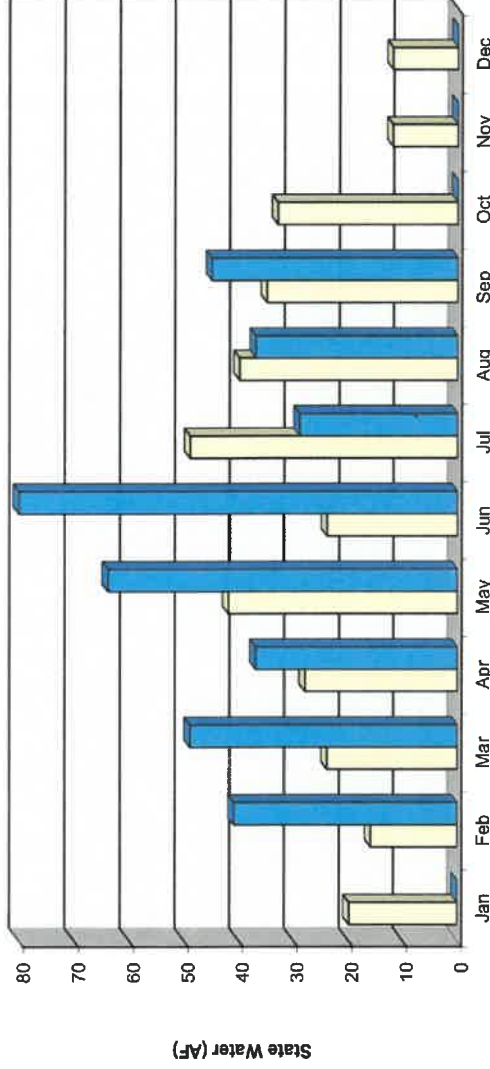
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	758	800	
Feb	673	765	
Mar	881	415	
Apr	928	485	
May	1091	787	
Jun	1293	972	
Jul	1344	1067	
Aug	1353	1059	
Sep	1166	849	
Oct	1058		
Nov	811		
Dec	685		
Total	12041	7199	



Requested Delivery
Actual Delivery

Golden State - SWP Deliveries in Year 2018

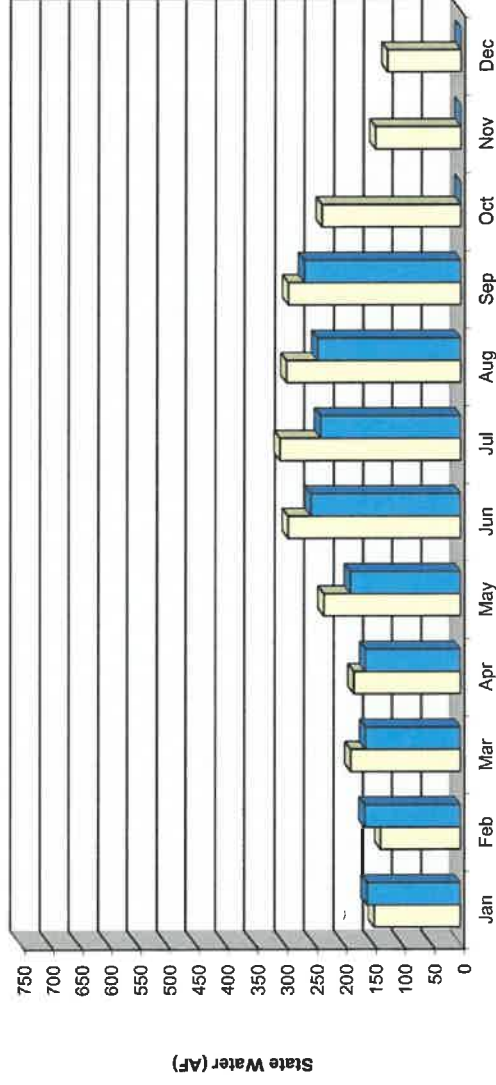
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	20	0	
Feb	16	41	
Mar	24	49	
Apr	28	37	
May	42	64	
Jun	24	80	
Jul	49	29	
Aug	40	37	
Sep	35	45	
Oct	33		
Nov	12		
Dec	12		
Total	335	382	



Requested Delivery
Actual Delivery

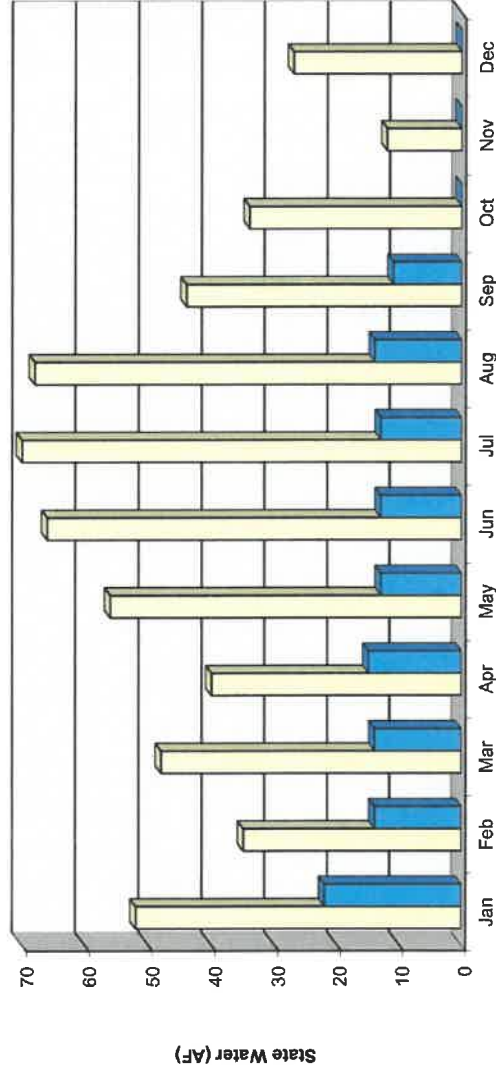
VAFB - SWP Deliveries in Year 2018

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	148	160	
Feb	137	164	
Mar	188	163	
Apr	183	163	
May	234	189	
Jun	294	256	
Jul	308	240	
Aug	297	245	
Sep	294	267	
Oct	238		
Nov	147		
Dec	126		
Total	2594	1847	



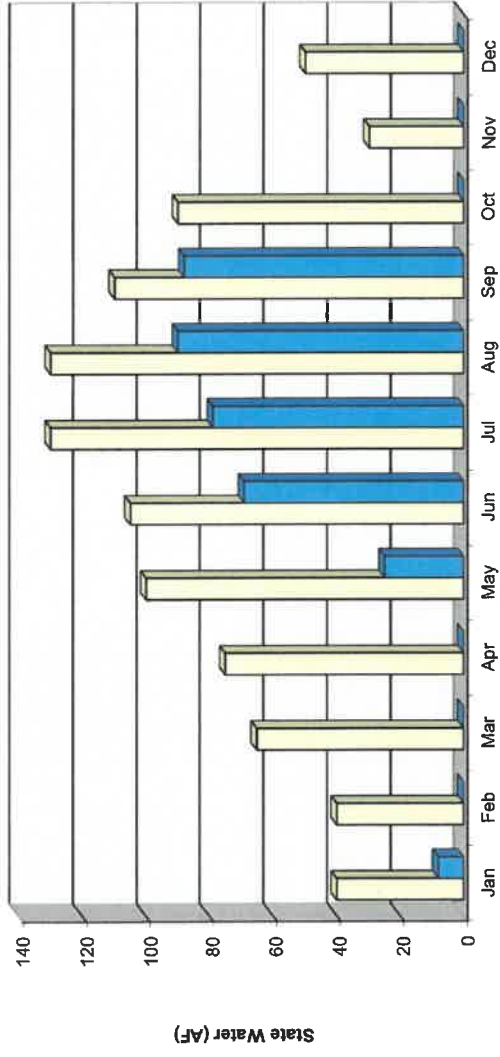
Buellton - SWP Deliveries in Year 2018

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	52	22	
Feb	35	14	
Mar	48	14	
Apr	40	15	
May	56	13	
Jun	66	13	
Jul	70	13	
Aug	68	14	
Sep	44	11	
Oct	34		
Nov	12		
Dec	27		
Total	552	129	



Santa Ynez - Solvang Only - SWP Deliveries in Year 2018

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	40	8	
Feb	40	0	
Mar	65	0	
Apr	75	0	
May	100	25	
Jun	105	69	
Jul	130	79	
Aug	130	90	
Sep	110	88	
Oct	90		
Nov	30		
Dec	50		
Total	965	359	

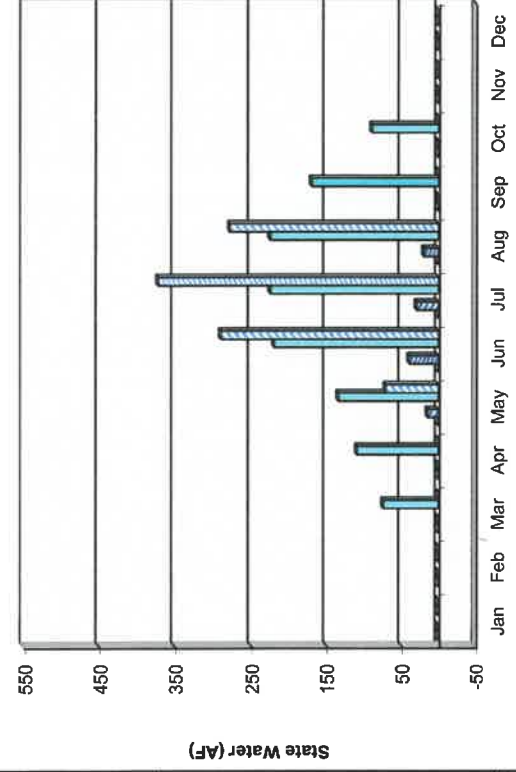


Requested Delivery
Actual Delivery

Santa Ynez (Without Solvang) - SWP Deliveries in Year 2018

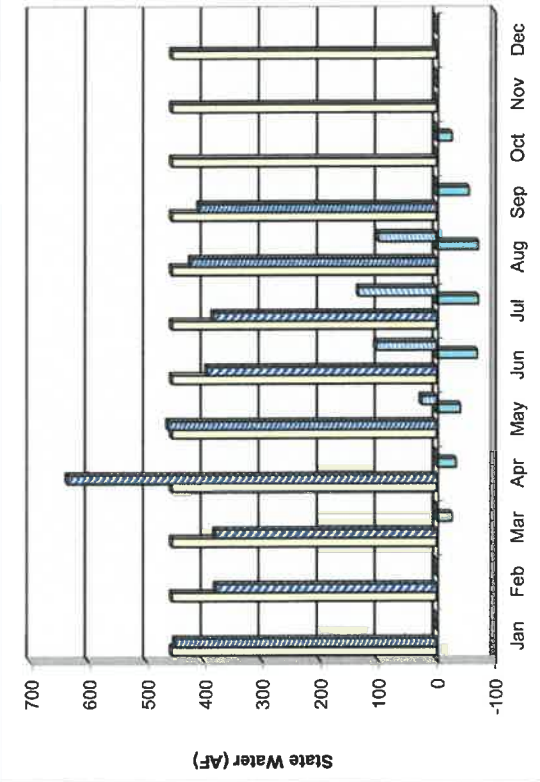
Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sched'd Water	State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual Water Delivery	Allocation Available
Jan	0	0	0	0	0	0	0	
Feb	0	0	0	0	0	0	0	
Mar	0	75	75	75	0	0	75	
Apr	0	110	110	110	0	0	110	
May	0	135	135	135	15	72	87	
Jun	0	220	220	220	40	290	330	
Jul	0	225	225	225	30	372	402	
Aug	0	225	225	225	20	278	298	
Sep	0	170	170	170	0	0	0	
Oct	0	90	90	90				
Nov	0	0	0	0				
Dec	0	0	0	0				
Total	0	1250	1250	1250	105	1012	1117	

Scheduled State Water Delivery
Actual State Water Delivery
Scheduled Exchange Water
Actual Exchange Water Delivery



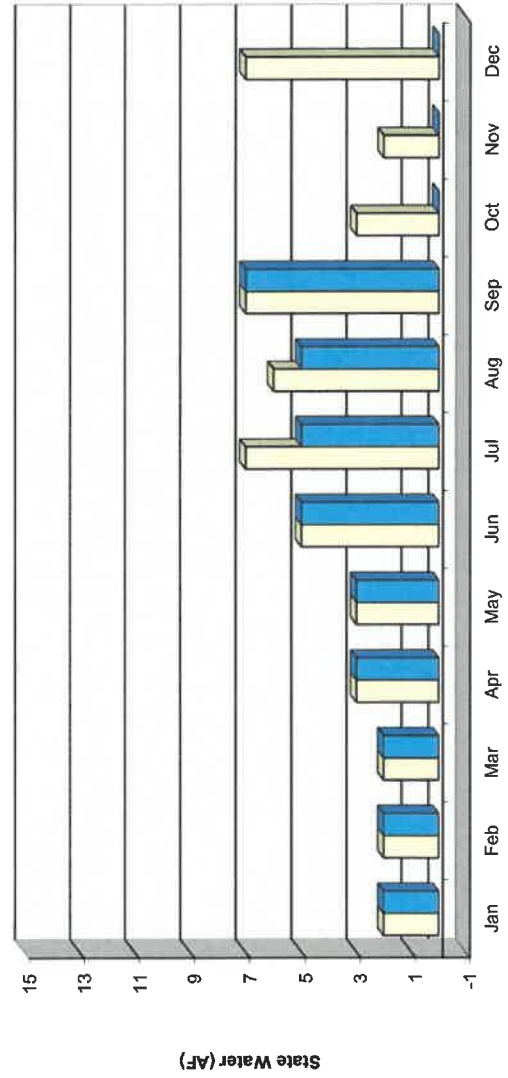
Goleta - SWP Deliveries in Year 2018

Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sched'd State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	457	0	457	452	0	452	
Feb	457	0	457	380	0	380	
Mar	457	-27	430	381	0	381	
Apr	457	-34	423	636	0	636	
May	457	-41	416	463	26	489	
Jun	457	-70	387	395	104	499	
Jul	457	-72	385	384	134	518	
Aug	457	-72	385	424	100	524	
Sep	457	-56	401	409	0	409	
Oct	457	-27	430				
Nov	457	0	457				
Dec	457	0	457				
Total	5484	-400	5084	3924	364	4288	



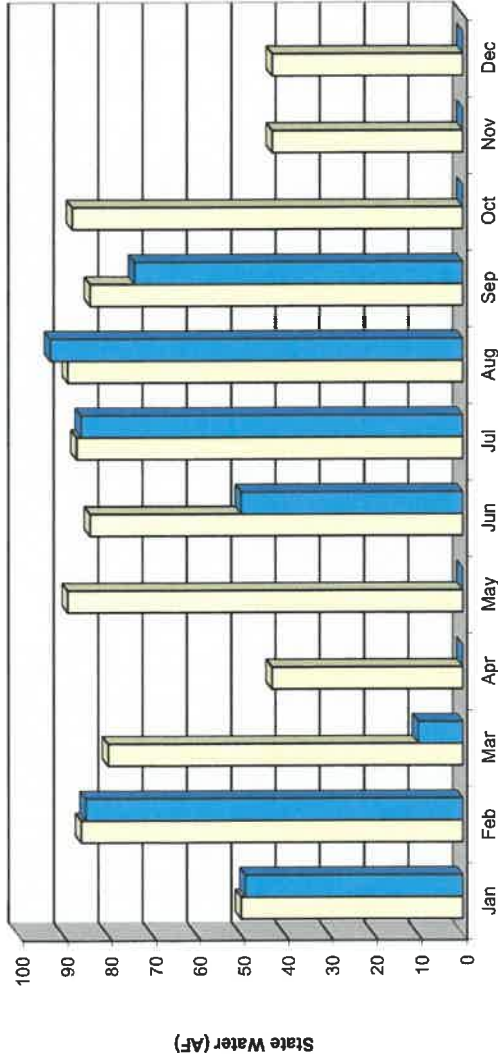
Morehart Land - SWP Deliveries in Year 2018

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	2	2	
Feb	2	2	
Mar	2	2	
Apr	3	3	
May	3	3	
Jun	5	5	
Jul	7	5	
Aug	6	5	
Sep	7	7	
Oct	3		
Nov	2		
Dec	7		
Total	49	34	



La Cumbre - SWP Deliveries in Year 2018

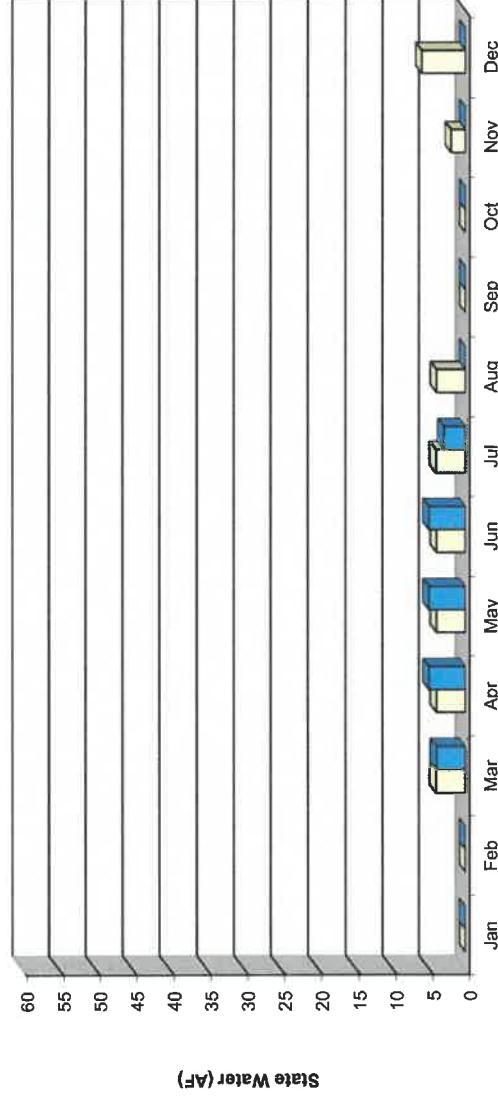
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	50	49	
Feb	86	85	
Mar	80	10	
Apr	43	0	
May	89	0	
Jun	84	50	
Jul	87	86	
Aug	89	93	
Sep	84	74	
Oct	88		
Nov	43		
Dec	43		
Total	866	447	



Requested Delivery
Actual Delivery

Raytheon (SBRC) - SWP Deliveries in Year 2018

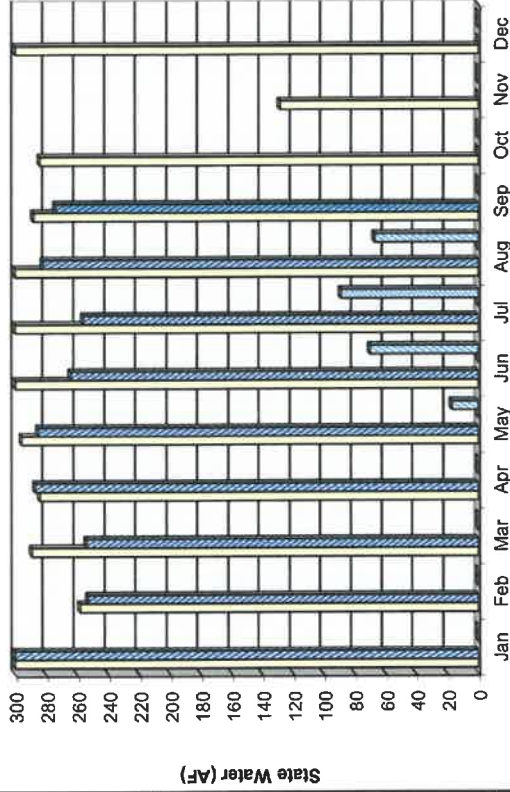
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	0	0	
Feb	0	0	
Mar	4	4	
Apr	4	5	
May	4	5	
Jun	4	5	
Jul	4	3	
Aug	4	0	
Sep	0	0	
Oct	0		
Nov	2		
Dec	6		
Total	32	22	



Requested Delivery
Actual Delivery

Santa Barbara - SWP Deliveries in Year 2018

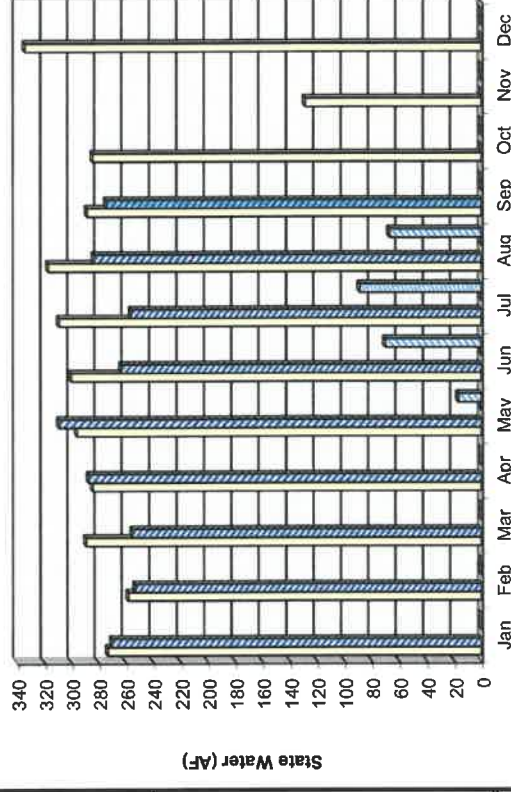
Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sched. State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	304	0	304	301	0	301	
Feb	258	0	258	253	0	253	
Mar	289	-18	271	254	0	254	
Apr	284	-23	261	287	0	287	
May	296	-28	268	285	17	302	
Jun	300	-47	253	264	70	334	
Jul	309	-48	261	256	89	345	
Aug	317	-48	269	282	67	349	
Sep	288	-37	251	274	0	274	
Oct	284	-18	266				
Nov	129	0	129				
Dec	334	0	334				
Total	3391	-266	3125	2456	243	2699	



□ Scheduled State Water Delivery
▣ Actual State Water Delivery
▤ Scheduled Exchange Water
▥ Actual Exchange Water Delivery

Montecito - SWP Deliveries in Year 2018

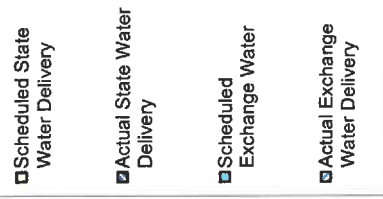
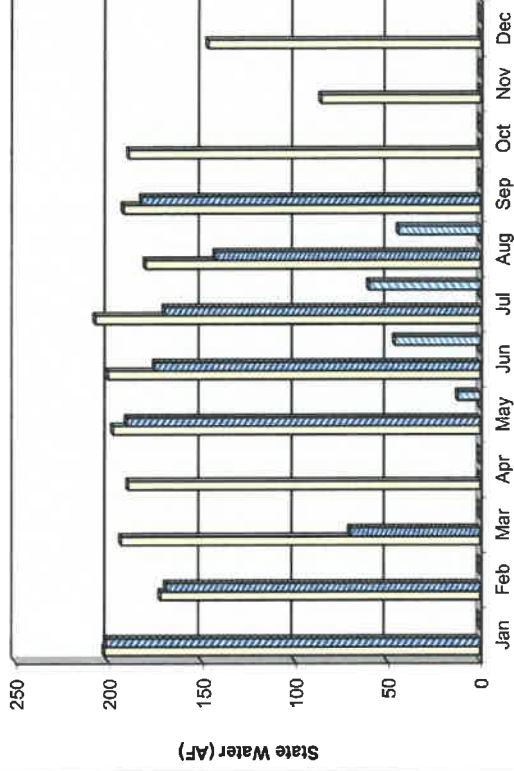
Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sched. State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	273	0	273	270	0	270	
Feb	258	0	258	253	0	253	
Mar	289	-18	271	255	0	255	
Apr	284	-23	261	287	0	287	
May	296	-28	268	309	17	326	
Jun	300	-47	253	263	70	333	
Jul	309	-48	261	256	89	345	
Aug	317	-48	269	283	67	350	
Sep	288	-37	251	274	0	274	
Oct	284	-18	266				
Nov	129	0	129				
Dec	334	0	334				
Total	3360	-266	3094	2450	243	2693	



□ Scheduled State Water Delivery
▣ Actual State Water Delivery
▤ Scheduled Exchange Water
▥ Actual Exchange Water Delivery

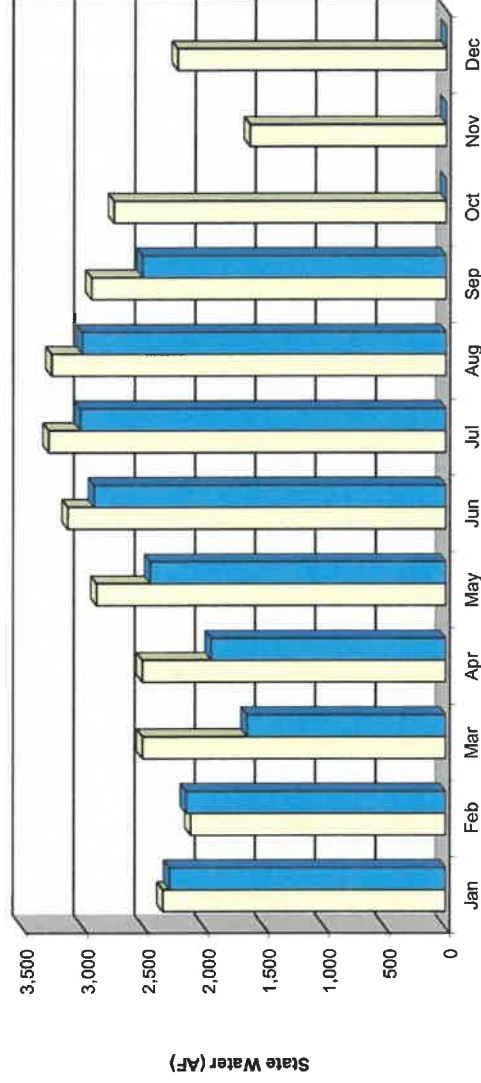
Carpinteria - SWP Deliveries in Year 2018

Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sched'd State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	202	0	202	201	0	201	
Feb	172	0	172	169	0	169	
Mar	193	-12	181	70	0	70	
Apr	189	-15	174	0	0	0	
May	197	-18	179	190	12	202	
Jun	200	-31	169	175	46	221	
Jul	207	-32	175	170	60	230	
Aug	180	-32	148	143	44	187	
Sep	192	-25	167	182	0	182	
Oct	189	-12	177				
Nov	86	0	86				
Dec	147	0	147				
Total	2155	-178	1977	1300	162	1462	

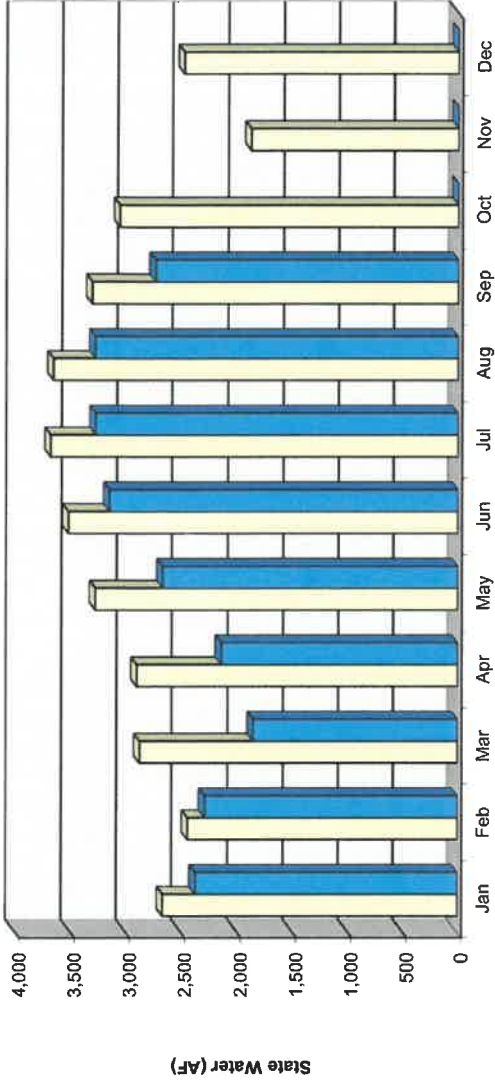


Total SB County - SWP Deliveries in Year 2018

Month	Requested Delivery	Actual Delivery
Jan	2,345	2,289
Feb	2,116	2,152
Mar	2,517	1,647
Apr	2,518	1,947
May	2,892	2,452
Jun	3,131	2,914
Jul	3,287	3,028
Aug	3,264	3,011
Sep	2,936	2,517
Oct	2,751	
Nov	1,628	
Dec	2,225	
Total	31,609	21,957



Total SB and SLO County - SWP Deliveries in Year 2018



Requested Delivery
Actual Delivery

Month	Requested Delivery	Actual Delivery
Jan	2,671	2,372
Feb	2,442	2,291
Mar	2,876	1,856
Apr	2,903	2,149
May	3,282	2,673
Jun	3,527	3,156
Jul	3,689	3,281
Aug	3,666	3,285
Sep	3,315	2,740
Oct	3,068	
Nov	1,883	
Dec	2,481	
Total	35,801	23,803



RESOLUTION NO. 18-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE CENTRAL COAST WATER AUTHORITY
EXPRESSING THE BOARD'S APPRECIATION TO**

Jack Boysen

FOR HIS SERVICE TO THE AUTHORITY AND THE CENTRAL COAST

Recitals

WHEREAS, Jack Boysen served on the Santa Maria City Council since 2010 until December 2018; and

WHEREAS, Jack Boysen served as Chairman of the Central Coast Water Authority Board of Directors from January 2014 to December 2018; and

WHEREAS, during his tenure on the Authority Board of Directors, Jack Boysen dedicated his considerable experience and sound judgment to addressing a number of important issues facing the Authority, including oversight of the Authority's relationships with the Department of Water Resources, Santa Barbara County, and other state and local agencies; and

WHEREAS, for the past five years, Jack Boysen has led the Authority through the most severe drought in the history of the Central Coast, and helped the cities and water districts that receive State Water find reliable and affordable alternative sources of drinking water; and

WHEREAS, under Jack Boysen's leadership, the Authority entered into a number of advantageous water transfer, banking, and exchange agreements; and

WHEREAS, Jack Boysen has served the City of Santa Maria and Santa Barbara County with devotion, skill, and an unflagging commitment to public service.

NOW, THEREFORE, THE BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

1. The Board of Directors acknowledges and honors Jack Boysen on his completion of service as a member of the Board of Directors of the Central Coast Water Authority as of December 2018; and

2. On behalf of the citizens of the Central Coast, the Board of Directors hereby conveys to Jack Boysen its appreciation for a job well done and its heartfelt belief that the community in which he has lived and worked for so many years remains indebted to him for his exemplary service.

Adopted this 25th day of October, 2018.


Richard Shaikewitz, Vice Chairman
Central Coast Water Authority



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

September 28, 2018

TO: CCWA Project Participants
FROM: John Brady, Deputy Director 
SUBJECT: 2018 DWR Scheduled Coastal Branch Shutdown

The Department of Water Resources (DWR) has finalized its schedule for the annual maintenance shutdown for the Coastal Branch of the State Water Project. This shutdown will require approximately two and one half weeks and will allow both DWR and CCWA will complete required maintenance work. To accommodate this work, CCWA staff will shutdown participant Turnouts as follows:

- All Turnouts will be shut down **between 7:00 AM and 12:00 noon on Friday, November 2, 2018.**

Once the shutdown maintenance work is complete, CCWA will activate Turnouts and resume water deliveries as follows:

- Water deliveries for the Golden State Water Company, City of Santa Maria, City of Guadalupe, Lopez, Chorro Valley and Shandon Turnouts will initiated between **8:00 AM and 12:00 noon on Monday, November 19, 2018.**
- Water deliveries for Vandenberg Air Force Base, City of Buellton, City of Solvang and Santa Ynez RWCD ID#1 Turnouts will be initiated between **12:00 noon and 4:30 PM on Monday, November 19, 2018.**

Please be advised that to prepare the pipeline for the duration of the shutdown, the chlorine residual will be raised in to the 3.5 mg/l range in water delivered during the week prior to the shutdown. This will ensure that water within the pipeline will remain potable throughout the outage. CCWA will also purge a portion of the pipeline through resuming lake delivery operations prior to activating Turnouts on the pipeline.

During the outage, CCWA will have the Treatment Plant Clearwell and Tank 2 available as a limited source of emergency supply. Weekly bacteriologic water quality samples will be collected and analyzed throughout the shutdown period. If your system requires an emergency source of supply during the shutdown, please contact us to coordinate.

Please note that due to work in Tank 5 and 7, there will be no source emergency supply downstream of Tank 5. This effects Vandenberg Air Force Base, Buellton, Solvang and Santa Ynez ID#1.

If there are any changes to the above schedule, we will inform you as soon as practical. Thank you for your cooperation. If you have any questions, please call me at my office (805) 688-2292 ext 228 or on my cell phone (805) 680-2116 at anytime.




CENTRAL COAST WATER AUTHORITY

MEMORANDUM

October 16, 2018

TO: CCWA Board of Directors

FROM: Ray A. Stokes
Executive Director 

SUBJECT: FY 2017/18 Year End Budget Status Report

Attached is the FY 2017/18 Year End Budget Report for CCWA Fixed O&M costs. This report compares the FY 2017/18 Fixed O&M budget and actual experience. CCWA Variable costs are trued-up quarterly through the Quarterly Variable Assessment Invoicing process, and therefore are not included in this report.

SUMMARY

Fixed O&M Credit (Exhibit #1)

CCWA Fixed O&M expenses, including interest income and other credits were \$779,970 less than budgeted. Please see the table on page three for the summary of differences between the budget and actual expenses.

Investment and Other Income

Investment and other income on the Authority's general fund total is \$223,019 and are comprised of the following:

- Interest income earned on the Authority's general fund in the amount of \$108,979. Allocation of general fund interest is based on the actual payments by project participants for each financial reach.
- Miscellaneous income sources total \$114,040, which includes an insurance refund of \$81,978 and a \$27,763 reimbursement covering the cost of repairs to CCWA property.

Debt Service Assessments

Debt service assessments for the year totaled \$10.3 million.

Water Deliveries (Exhibit #2)

Delivery requests for FY 2017/18 were 37,821 acre-feet, including 2,601 acre feet exchanged between the Santa Ynez River Water Conservation District, ID #1 and the South Coast project participants. Actual water deliveries for the fiscal year were 30,756 acre-feet, including 1,671 acre feet exchanged between Santa Ynez ID #1 and the South Coast project participants, resulting in a difference of 7,065 acre-feet.

Fixed Operating Expenses and Capital Improvement Projects

Total operating expenses and capital projects for the year were about \$7.1 million, or \$0.8 million less than budgeted. The following are the highlights explaining the budget surplus.

Personnel Expenses Personnel expenses are about \$170,000 less than budgeted due to employees paying a higher share of their health and pension benefits; \$75,000 in wages and benefits classified as capital expenditures; and a position opening up early in the fiscal year and remaining unfilled through the end of the fiscal year resulting in lower wages and reductions in related benefit costs during the fiscal year.

Supplies and Equipment Supplies and equipment expenses are about \$48,000 less than budgeted because of a reduction in the cost of fuel and less need for seed/erosion control supplies.

Monitoring Expenses Monitoring expenses are about \$30,000 less than budgeted because a reduction in lab supplies and lab testing expenses.

Professional Services Professional services expenses are about \$35,000 lower than budgeted mostly because of a \$125,000 reduction in professional and engineering services, partially offset by the \$90,000 increase in legal services.

General and Administrative General and administrative expenses are about \$40,000 less than budgeted for reductions in membership dues, advertising, meeting and travel expenses.

Other Expenses Other expenses are about \$200,000 lower than budgeted due primarily to the decreases seen in non-capitalized projects, non-capitalized equipment, computer expenses, equipment rentals and appropriated contingency amounts over what was budgeted.

Turnout Expenses Turnout expenses exceed the budgeted amount by about \$8,000 because of necessary and unplanned equipment repairs at Guadalupe and Santa Maria Turnouts.

Central Coast Water Authority
FY 2017/18 Yearend Budget Summary
 Yearend Budget Status Report

	FY 2017/18 Budget	FY 2017/18 Actual Fixed Expenditures	Difference	Percentage Difference
<u>CCWA Fixed Operating Expenses</u>				
Personnel Expenses	\$ 4,858,221	\$ 4,686,448	\$ 171,773	3.54%
Office Expenses	20,500	17,966	2,534	12.36%
Supplies & Equipment	181,340	133,570	47,770	26.34%
Monitoring Expenses	107,144	78,986	28,158	26.28%
Repairs and Maintenance	266,380	274,265	(7,885)	-2.96%
Professional Services	392,580	358,647	33,933	8.64%
General and Administrative	267,836	229,679	38,156	14.25%
Utilities	173,212	161,875	11,337	6.55%
Other Expenses ⁽¹⁾	710,194	511,012	199,182	28.05%
Turnouts	24,478	32,708	(8,230)	-33.62%
Subtotal Operating Expenses:	<u>7,001,883</u>	<u>6,485,156</u>	<u>516,728</u>	<u>7.38%</u>
Fixed Asset Purchases ⁽¹⁾	851,500	811,276	40,223	4.72%
Interest and Other Income	-	(223,019)	223,019	N/A
Subtotal CCWA O&M Charges	<u>851,500</u>	<u>588,257</u>	<u>263,242</u>	<u>30.92%</u>
Total Assessments:	<u>\$ 7,853,383</u>	<u>\$ 7,073,413</u>	<u>\$ 779,970</u>	<u>9.93%</u>

(1) Includes carry over project revenues from FY 2016/17 and carover revenues transferred to FY 2017/18.

RAS

Attachments

Exhibit #1

Central Coast Water Authority
FY 2017/18 Yearend Fixed Costs True-Up Calculation and Credits
 Yearend Budget Status Report

CCWA FY 2017/18 FIXED BUDGET

Project Participant	CCWA Fixed O&M Charges (1)	Carryover Revenues	Total CCWA O&M Charges	Exchange Agreement Modifications Fixed and Capital	WTP Fixed and Capital Retreatment	Adjusted Total
Guadalupe	\$ 86,612	8,578	\$95,190	-	24,948	\$120,138
Santa Maria	2,509,833	255,053	2,764,885	-	734,823	3,499,709
Golden State Water	81,583	7,872	89,455	-	22,680	112,135
VAFB	964,703	95,557	1,060,260	-	249,477	1,309,737
Buellton	129,474	13,502	142,976	-	26,218	169,194
Santa Ynez ID#1 (Solvang only)	315,399	35,041	350,440	-	68,039	418,479
Santa Ynez ID#1 (excluding Solvang)	112,863	11,680	124,543	413,495	140,652	678,691
Goleta	1,118,301	168,204	1,286,505	(148,858)	(404,930)	732,717
Morehart Land Co.	49,702	7,476	57,178	-	(22,725)	34,453
La Cumbre	248,511	37,379	285,890	-	(113,626)	172,264
Raytheon	12,426	1,869	14,295	-	(5,681)	8,613
Santa Barbara	745,534	112,136	857,670	(99,239)	(269,953)	488,478
Montecito	745,534	112,136	857,670	(99,239)	(269,953)	488,478
Carpinteria	497,023	74,757	571,780	(66,159)	(179,969)	325,652
Subtotal:	7,617,497	941,241	8,558,738	-	-	8,558,738
Shandon	17,784	1,301	19,086	-	-	19,086
Chorro Valley	245,211	30,427	275,638	-	-	275,638
Lopez	268,582	33,438	302,020	-	-	302,020
Subtotal:	531,578	65,166	596,744	-	-	596,744
TOTAL:	\$ 8,149,075	\$ 1,006,407	\$ 9,155,482	-	\$ -	\$ 9,155,482

(1) Includes capital expenditures. Variable charges are trued up with the Variable Assessment Billings each quarter.

Exhibit #1

Central Coast Water Authority
FY 2017/18 Yearend Fixed Costs True-Up Calculation and Credits
 Yearend Budget Status Report

FY 2017/18 ACTUAL FIXED CHARGES

Project Participant	CCWA Fixed O&M Expenses (1)	Carryover Revenues to FY 2018/19	Total Actual O&M Expenses	Exchange Agreement Modifications Fixed & Capital	WTP Fixed and Capital Retreatment	Adjusted Total
Guadalupe	\$82,985	\$ 13,221	\$ 96,206	\$ -	\$ 26,406	\$ 122,612
Santa Maria	2,212,952	389,758	2,602,711	-	777,773	3,380,484
Golden State Water	69,589	12,030	81,618	-	24,005	105,624
VAFB	853,571	143,765	997,336	-	264,059	1,261,395
Buellton	104,731	26,569	131,301	-	27,750	159,051
Santa Ynez ID#1 (Solvang only)	271,579	52,672	324,251	-	72,016	396,267
Santa Ynez ID#1 (excluding Solvang)	91,417	24,361	115,779	136,102	68,655	320,536
Goleta	1,032,081	174,005	1,206,086	(48,880)	(409,667)	747,539
Morehart Land Co.	45,870	7,734	53,604	-	(19,667)	33,937
La Cumbre	229,351	38,668	268,019	-	(98,336)	169,683
Raytheon	11,468	1,933	13,401	-	(4,917)	8,484
Santa Barbara	688,054	116,003	804,057	(32,782)	(272,980)	498,295
Montecito	688,054	116,003	804,057	(32,635)	(273,078)	498,343
Carpinteria	458,703	77,336	536,038	(21,806)	(182,020)	332,213
Subtotal:	6,840,404	1,194,059	8,034,463	-	(0)	8,034,463
Shandon	18,034	2,022	20,056	-	-	20,056
Chorro Valley	206,335	47,275	253,611	-	-	253,611
Lopez	231,659	58,743	290,402	-	-	290,402
Subtotal:	456,028	108,040	564,068	-	-	564,068
TOTAL:	\$ 7,296,432	\$ 1,302,099	\$ 8,598,531	\$ -	(0)	\$ 8,598,531

(1) Includes capital expenditures. Not including variable charges which are trued up with the Variable Assessment Billings each quarter.

Exhibit #1

Central Coast Water Authority
FY 2017/18 Yearend Fixed Costs True-Up Calculation and Credits
 Yearend Budget Status Report

FY 2017/18 FIXED O&M CREDIT

Project Participant	CCWA Fixed O&M Expenses ⁽¹⁾	Exchange Fixed and Capital	WTP Fixed and Capital Retreatment	Miscellaneous Income	Interest Income Credits	TOTAL CREDIT (CHARGE)
Guadalupe	(\$1,016)		\$	905	1,383	\$ (186)
Santa Maria	162,175		(1,458)	26,973	40,375	186,573
Golden State Water	7,837		(42,950)	833	1,338	8,681
VAFB	62,924		(1,326)	10,407	13,699	72,448
Buellton	11,675		(14,582)	2,243	1,938	14,324
Santa Ynez ID#1 (Solvang only)	26,189		(1,532)	5,822	4,622	32,656
Santa Ynez ID#1 (excluding Solvang)	8,765	277,393	(3,977)	1,941	9,033	369,128
Goleta	80,419	(99,979)	71,997	19,604	9,686	14,468
Morehart Land Co.	3,574	-	4,737	871	309	1,697
La Cumbre	17,871	-	(3,058)	4,356	2,343	9,280
Raytheon	894	-	(15,290)	218	118	465
Santa Barbara	53,613	(66,457)	3,027	13,069	6,406	9,658
Montecito	53,613	(66,604)	3,125	13,069	6,454	9,658
Carpinteria	35,742	(44,354)	2,051	8,713	4,206	6,358
Subtotal:	524,275	-	0	109,024	101,909	735,208
Shandon	(970)			101	225	(645)
Chorro Valley	22,027			2,352	3,489	27,868
Lopez	11,618			2,564	3,357	17,539
Subtotal:	32,676	-	-	5,016	7,070	44,762
TOTAL:	\$ 556,951	-	\$ 0	\$ 114,040	\$ 108,979	\$ 779,970

(1) Includes capital expenditures. Variable charges are trued up with the Variable Assessment Billings each quarter.