



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

will be held **in person** at 9:00 a.m., on Thursday, March 23, 2023
at 255 Industrial Way, Buellton, California

Members of the public may participate by video call or telephone via
URL: <https://meetings.ringcentral.com/j/1442164233>
or via telephone by dialing 1(623) 404-9000 and entering code #144 216 4233

Eric Friedman
Chairman
Jeff Clay
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 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. Closed Session

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)

Agenda Item II, the Closed Session, is anticipated to take 15 minutes. The remainder of the Meeting will start no sooner than 9:15 am.

III. Return to Open Session

IV. 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.)

V. Consent Calendar

- * A. Minutes of the February 23, 2023 Regular Meeting
- * B. Minutes of the March 8, 2023 Special Meeting
- * C. Bills
- * D. Controller’s Report
- * E. Operations Report
- * F. Budget Transfer

Staff Recommendation: Approve the Consent Calendar.

VI. Executive Director’s Report

- A. Water Supply Situation Report

Staff Recommendation: Informational item only.

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Buellton, CA 93427
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www.ccwa.com

Continued

- * Indicates attachment of document to original agenda packet.
- ◆ The CCWA FY 2023/24 Preliminary Budget has been provided to Board members and is available on-line at www.CCWA.com, if you require a hard copy please contact Lisa Watkins at lfw@ccwa.com

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- B. Legislative Update from the State Water Contractors Legislative Advocate, Glenn Farrell
Staff Recommendation: Informational Item Only.
- C. Water Management Strategies: CCWA Powers and Contracting Vehicles
Staff Recommendation: For Discussion.
- * D Procurement of Three Trucks and One Sedan, Anticipated Expenditure: \$174,692.67
Staff Recommendation: Authorize the Executive Director to procure the vehicles described in the amount of \$174,692.67 and sell the replaced vehicles as surplus equipment at public auction.
- * ♠ E. CCWA Preliminary FY 2023/24 Budget
Staff Recommendation: Informational item only.
- F. State Water Contractors Update
Staff Recommendation: Informational item only.
- G. Remote Meetings for Board of Directors and Committees
Staff Recommendation: For Discussion.

VII. Reports from Board Members for Information Only

VIII. Items for Next Regular Meeting Agenda

IX. Date of Next Regular Meeting: April 27, 2023

X. Adjournment

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

February 23, 2023

The Board meeting was conducted pursuant to California Government Code Section 54953 subdivision (e), which allows local agencies to hold virtual meetings during a proclaimed state of emergency under certain conditions. Board members participated in this meeting by video call or telephone. Public Comment on agenda items also occurred 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 9:00 AM.

CCWA member agencies with voting privileges were represented by:

<u>Representative</u>	<u>Agency/City</u>	<u>Voting %</u>
Jeff Clay	Santa Ynez River Water Conservation District, ID #1	7.64%
Ken Coates	Montecito Water District	9.50%
Eric Friedman	City of Santa Barbara	11.47%
Farfalla Borah	Goleta Water District	17.20%
Shirley Johnson	Carpinteria Valley Water District	7.64%
John Sanchez	City of Buellton	2.21%
Mike Cordero	City of Santa Maria	43.19%

II. Resolution No. 23-02 of the Board of Directors of the Central Coast Water Authority Authorizing Remote Teleconference Meetings of the Board of Directors and All Subordinate Bodies Under the Ralph M. Brown Act

CCWA staff requested adoption of Resolution No. 23-02 with specific findings to continue to hold remote teleconference meetings during the COVID-19 pandemic pursuant to amendments to the Ralph M. Brown Act (Brown Act) by Assembly Bill (AB) 361.

Upon a motion by Director Borah, seconded by Director Coates and carried following a roll call vote, with Directors Borah, Clay, Coates, Cordero, Friedman, and Sanchez in favor and none opposed, the Board adopted Resolution No. 23-02 of the Board of Directors of the Central Coast Water Authority Authorizing Remote Teleconference Meetings of the Board of Directors and All Subordinate Bodies under the Ralph M. Brown Act.

III. Public Comment

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

A request to add an item to the agenda was made by Mr. Stokes, who explained the matter was related to CCWA's carryover water, and the potential to lose carryover if San Luis reservoir spills and had been brought to his attention on February 22, 2023 after the

meeting agenda was published. Pursuant to Govt. Code section Gov. 54954.2 a two thirds majority of the governing body is required to add the item to the agenda.

Following discussion, upon a motion by Director Cordero, seconded by Director Coates and carried following a roll call vote, with Directors Borah, Clay, Coates, Cordero, Friedman, and Sanchez in favor and none opposed, the Board approved the addition of Agenda Item V. B. 2023 Short Term Water Exchange Program with Irvine Ranch Water District.

IV. Consent Calendar

- A. Minutes of the January 26, 2023 Regular Meeting
- B. Bills
- C. Controller's Report
- D. Operations Report

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

V. Executive Director's Report

- A. Water Supply Situation Report

Precipitation indexes for California were reviewed showing the dramatic improvement in the water supply situation after recent rainstorms. The current precipitation and reservoir storage levels are well above historical average, and the snow water content is exceeding all historical data. Mr. Stokes stated that DWR has increased the State Water Project allocation to 35%.

The possibility of San Luis Reservoir spilling was discussed, and Mr. Stokes stated that the possibility of spilling was present, and member agencies with carryover water should consider options for taking carryover water or using the carryover water to pay water debt.

- B. 2023 Short Term Water Exchange Program with Irvine Ranch Water District

Recent storms have significantly changed the reservoir levels of the State Water Project (SWP), including two of the main reservoirs, Lake Oroville and San Luis Reservoir. Once the State's share of San Luis Reservoir is full, DWR begins to "spill" water that was not used in the previous calendar year and carried over into 2023, meaning carryover water is lost. DWR is currently evaluating the probability of San Luis Reservoir filling and "spilling," but current indications are that the State's share of San Luis Reservoir will fill this year. CCWA carried over 3,831 AF of water in San Luis Reservoir, which also includes the 1,000 AF transfer of carryover water from San Luis Obispo County.

In an effort to save as much of the carryover water as possible, CCWA proposes to enter into a new water banking agreement with Irvine Ranch Water District (IRWD), and is requesting authorization for the Executive Director to enter into a 2023 Exchange Agreement with IRWD on behalf of those CCWA Project Participants that wish to participate in the Water Banking/Exchange Program with IRWD. The

major deal points of the exchange were reviewed, noting it is a six-year term for a maximum of 1,500 AF at a 2:1 exchange ratio.

Due to time constraints, all the details of CCWA's participation in the exchange are not yet available, and a special Board meeting will be requested to authorize the exchange and make the findings required by Article 57g of the State Water Contract, if CCWA project participants are interested in the program. Any costs of the program would be shared by member agencies participating.

C. CCWA Staff Salary Range Realignment

In 2002 CCWA retained a consultant to conduct a Total Compensation study, which included recommendations to adjust salary ranges. Subsequent to the study, CCWA staff have determined that the Water Treatment Plant Supervisor and Maintenance Superintendent roles in daily operations would more correctly be reflected if they were positioned in the same salary grade. Also, due to the difficulty CCWA has experienced in filling the open Safety and Environmental Specialist position, staff is recommending that the salary range be increased to Range 38, the same as the Water Treatment Plant Supervisor and Maintenance Superintendent.

A motion to authorize adjustment to the CCWA Salary and Grade Ranges to place the Water Treatment Plant Supervisor, Safety and Environmental Specialist and Maintenance Superintendent at salary grade 38 was made by Director Friedman, seconded by Director Clay and carried following a roll call vote, with Directors Borah, Clay, Coates, Cordero, Friedman, Johnson, and Sanchez in favor and none opposed.

D. CCWA Succession Planning and Operational Changes

As part of the 2023/24 Budget staff are proposing to add two positions to the CCWA organizational structure, to facilitate training and to ensure that CCWA's operations continue seamlessly in preparation for expected staff retirements without impact on operations. The additional positions proposed are as follows:

- Operations Manager
- Water Treatment Plant Operator Trainee

Mr. Stokes reviewed the existing staff structure, noting that a majority of CCWA staff are eligible for retirement and these positions will facilitate succession planning for the organization.

A motion to approve the staff recommendation to include two new positions in the CCWA FY 2023/24 Budget, and authorize the Executive Director to engage a management recruiting firm to assist in the talent search for the Operations Manager at an amount not to exceed \$19,000 was made by Director Borah, seconded by Director Cordero and carried following a roll call vote, with Directors Borah, Coates, Cordero, Friedman, Johnson, and Sanchez in favor and none opposed.

E. State Water Contractors Update

Mr. Stokes reviewed some of the more significant activities of the State Water Contractors for the CCWA Board.

No action was requested.

F. **Legislative Report**

Deadline for releasing bills in the state legislature is February 24, 2023. Mr. Stokes stated there are bills that will be highlighted for the CCWA Board next month by the State Water Contractors' legislative analyst.

VI. Reports from Board Members for Information Only

Notifications from CCWA member agencies related to board member appointments were included in the meeting materials.

With the changes anticipated in the state of emergency relating to public meetings, the Board discussed the alternatives for the proposed special meeting of the Board to be held remotely. Ms. Hastings, CCWA General Counsel, noted that the CCWA Operating Committee meeting will be held remotely on March 9, 2023 under the declaration made by the Board under Resolution 23-02. It is anticipated that the next regular meeting of the Board will be an in person meeting at CCWA's Buellton office.

There were no other reports from Board members.

VII. 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)

The Board went to closed session at 10:17 AM.

VIII. Return to Open Session

The Board reconvened from closed session at 10:56 AM.

Ms. Stephanie Hastings, CCWA General Counsel, stated there were no reported actions as a result of the closed session.

IX. Items for Future Meeting Agendas

X. Date of Next Regular Meeting: March 23, 2023

XI. Adjournment

The meeting was adjourned at 10:57 AM.

Respectfully submitted,

Elizabeth Watkins
Secretary to the Board

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

March 8, 2023

The Board meeting was conducted pursuant to California Government Code Section 54953 subdivision (e), which allows local agencies to hold virtual meetings during a proclaimed state of emergency under certain conditions. Board members participated in this meeting by video call or telephone. Public Comment on agenda items also occurred 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 2:00 PM.

CCWA member agencies with voting privileges were represented by:

<u>Representative</u>	<u>Agency/City</u>	<u>Voting %</u>
Jeff Clay	Santa Ynez River Water Conservation District, ID #1	7.64%
Ken Coates	Montecito Water District	9.50%
Eric Friedman	City of Santa Barbara	11.47%
Farfalla Borah	Goleta Water District	17.20%
Shirley Johnson	Carpinteria Valley Water District	7.64%
John Sanchez	City of Buellton	2.21%
Shad Springer	City of Santa Maria	43.19%

II. Public Comment

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

III. Executive Director's Report

A. CCWA 2023 Short Term Water Exchange Program with Irvine Ranch Water District (IRWD)

Due to the significant increase in precipitation, watersheds have increased the reservoir levels of the State Water Project (SWP) including two of the main reservoirs, Lake Oroville and San Luis Reservoir. Current indications are that the State's share of San Luis Reservoir will fill, and once the reservoir is full, DWR begins to "spill" water that was not used in the previous calendar year and carried over into 2023, meaning the carryover water is lost. CCWA carried over 3,831 AF of water in San Luis Reservoir, which also includes the 1,000 AF transfer of carryover water from San Luis Obispo County.

Mr. Stokes reviewed the amount of carryover water in San Luis Reservoir for CCWA participants, and the terms of the proposed exchange program. Only La

Cumbre Mutual Water Company is requesting participation in the program in the amount of 450 AF, and they will pay 100% of the associated costs.

Staff recommended that the CCWA Board of Directors approve Resolution No. 23-03 authorizing the Executive Director to:

1. Negotiate and enter into the 2023 Short-Term Water Exchange Program Agreement between IRWD and CCWA ("Transfer/Exchange Agreement") on behalf of CCWA Participant La Cumbre Mutual Water Company ("La Cumbre");
2. Negotiate and enter into a "Purchase Agreement" with La Cumbre whereby La Cumbre will agree to pay all costs associated with the proposed Transfer/Exchange;
3. Obtain DWR's approval of the proposed exchange pursuant to the Water Management Amendment of the State Water Contract; and
4. Take such other actions as necessary and appropriate to effectuate the transaction on behalf of La Cumbre.

Upon a motion by Director Coates, seconded by Director Springer and carried following a roll call vote, with Directors Borah, Clay, Coates, Friedman, Johnson, Sanchez and Springer in favor and none opposed, the Board adopted Resolution No. 23-03.

IV. Reports from Board Members for Information Only

Mr. Springer thanked Mr. Stokes for his efforts on behalf of CCWA participants to organize the exchange and get the required approvals in such a short time frame.

There were no other reports from Board members.

V. Date of Next Regular Meeting: March 23, 2023

The March 23, 2023 meeting of the Board will be an in person meeting at CCWA's Buellton offices.

VI. Adjournment

The meeting was adjourned at 2:13 PM.

Respectfully submitted,

Elizabeth Watkins
Secretary to the Board



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification -February 2023

VENDOR	INVOICE AMOUNT	DESCRIPTION
GENERAL & ADMINISTRATIVE EXPENSES		
Bank of America Business Card	1,103.68	Travel and Meetings
Bank of America Business Card	815.00	Training
Cardmember Service	16.00	Publications, subscriptions, postage
Cardmember Service	354.78	Travel and Meetings
Federal Express	162.45	Express shipping
Mid-Coast Fire Protections	187.00	Training
United Parcel Service	48.26	Shipping expenses
	<u>\$ 2,687.17</u>	Total General & Administrative
MONITORING EXPENSES		
Aramark	90.44	Lab supplies
Bank of America Business Card	516.73	Lab supplies
Culligan Industries Water Systems	85.00	Lab supplies
Hach Company	1,405.54	Lab supplies
VWR International	1,395.76	Lab supplies
Weck Laboratories	1,575.00	Lab testing
	<u>\$ 5,068.47</u>	Total Monitoring Expenses
OFFICE EXPENSES		
Bank of America Business Card	710.99	Office and kitchen supplies
Office Depot	131.00	Office, janitorial & kitchen supplies
	<u>\$ 841.99</u>	Total Office Expenses
OTHER EXPENSES		
Bank of America Business Card	705.85	Dishwasher BAO
Brownstein Hyatt Farber	807.50	Legal Services
Comcast	361.40	Internet Service
De Lage Landen Financial Services	451.79	Copier Lease - BAO and WTP
DLT Solutions, Inc.	3,688.72	AutoCAD Subscription
Environmental Safety Solutions	697.13	Equipment Rental
Frontier Communications	64.99	Internet
Graybar	7,079.00	Advanced Control Annual Support/Credit memo Sales tax
HDR Engineering, Inc.	1,790.50	Concrete Assessment for WTP
ISCO Industries Inc.	3,413.52	Cachuma Alternate Release Point
Marborg Industries	564.01	Tank 5/Tank 7/Tank 2/ EDV/Bradbury Dam/SoCal TO/Lakeside Ext
Pitney Bowes Global Financial	147.35	Postage Machine Lease
Rain for Rent	2,664.76	Bradbury Dam - equipment rental
Schneider Electric USA Inc	9,618.60	GeoSCADA Annual Service and Support
Velosio	281.25	Microsoft Dynamics SL support services
	<u>\$ 32,336.37</u>	Total Other Expenses
OTHER MISCELLANEOUS EXPENSES		
Department of Water Resources	1,692,637.00	Variable OMP&R, Delta Water & Transport Charge
	<u>\$ 1,692,637.00</u>	Total Other Miscellaneous Expenses
PERSONNEL EXPENSES		
Bank of America Business Card	200.00	Employee Achievement Awards Program
CalPERS Health	45,946.44	Health Insurance
CalPERS Retirement	37,320.60	Pension Contributions
CCWA Payroll Wages/Taxes	282,533.10	Gross Payroll Wages/Taxes
Dental/Vision Payments	5,479.36	Dental/Vision Benefits
MetLife SBC Insurance	1,823.79	Life Insurance
Other Misc Employee Benefits	3,473.63	Vehicle, Uniform and Cafeteria Plan Benefits
Standard Insurance Company	1,381.82	Disability Insurance
	<u>\$ 378,158.74</u>	Total Personnel Expenses



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification -February 2023

VENDOR	INVOICE AMOUNT	DESCRIPTION
PROFESSIONAL SERVICES		
Brownstein Hyatt Farber	108,386.02	Legal Services
CADA-SAVE/EAP	1,290.00	Annual Employee Assistance Program
Compliance Partners, LLC	3,834.00	Safety Consultant
Elecsys International LLC	150.00	Monitor Rectifiers
HDR Engineering Inc	6,172.33	Engineering Services
Mid-Coast Fire Protection Inc.	790.21	Safety, Annual fire extinguisher service
Provost & Pritchard Consulting	1,170.60	Consulting
Risk Management Professionals	869.24	WTP Compliance Audit
Samba Holdings, Inc.	109.32	DMV driver reports
Santa Barbara County	2,000.00	Annual Business Plan Renewal
State Water Resources Control	2,297.00	Environmental Lab Accreditation Fees
Stradling Yocca Carlson Rauth	513.50	Legal - Employee Matters/General Matters
Water Quality & Treatment Solution	2,612.50	Water Quality & Treatment
	\$ 130,194.72	Total Professional Services
CIP PROJECTS - MATERIALS & OVERHEAD		
ABP International, Inc	1,483.49	Nipomo Dosing Site
Cannon Corporation	3,880.00	Nipomo Dosing Site
Cannon Corporation	7,400.00	WTP PLC Upgrade
Consolidated Electrical Dist	767.96	Nipomo Dosing Site
Grainger Inc.	426.03	Nipomo Dosing Site
Inplant Sales, LLC	3,626.80	Nipomo Dosing Site
Smith MEP	12,483.24	WTP Heating Ventilation and Air Conditioning System
Steven Engineering Inc.	14,368.95	WTP PLC Upgrade
Winner Chevrolet	38,172.10	Distribution Crew Truck - Replace D078
	\$ 82,608.57	Total CIP Project - Materials and Overhead
REPAIRS & MAINTENANCE		
Aramark	930.03	Building maintenance supplies
Bank of America Business Card	646.80	Vehicles repairs and maintenance
Bank of America Business Card	1,055.14	Equipment repairs and maintenance
Big Brand Tire & Service	320.44	Vehicle maintenance
Consolidated Electrical Distributors	201.46	Parts, repairs and maintenance
Coverall North America, Inc	1,402.00	Janitorial service - BAO/SYPS
Grainger Inc.	891.65	Parts, repairs and maintenance
Harrington Industrial Plastics	727.98	Parts, repairs and maintenance
Harrison Hardware	585.74	Parts, repairs and maintenance
Office Depot	160.02	Janitorial supplies
Procure Janitorial Supply	230.30	Janitorial supplies - WTP
Progressive Greenery	365.00	Landscape maintenance - WTP
Quinn Company	1,055.00	Equipment repairs and maintenance
Transcat	1,694.59	Equipment repairs and maintenance
Ultrex Business Products	157.95	Copier maintenance
United Rentals North America, Inc.	589.55	Equipment repairs and maintenance
USA Blue Book	275.25	Equipment repairs and maintenance
Western Exterminator Co	255.35	Pest control spraying - BAO and SYPS
Zaca Creek Landscapes, Inc	450.00	Landscape Maintenance BAO/SYPS
	\$ 11,994.25	Total Repairs & Maintenance



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification -February 2023

VENDOR	INVOICE AMOUNT	DESCRIPTION
SUPPLIES & EQUIPMENT		
Aramark	1,188.68	Uniform expenses
Bank of America Business Card	7.64	Minor tools
Bank of America Business Card	45.68	Maintenance supplies and hardware
Bank of America Business Card	593.12	Equipment & maintenance supplies
Bank of America Business Card	1,198.34	Safety supplies
Chemtrade Chemicals US, LLC	4,902.07	Chemicals - WTP
Eagle Energy	419.05	Equipment service, Fuel & Lubricants
Environmental Safety Solutions	1,394.26	Eye Wash Station
Grainger Inc.	968.06	Minor tools, equipment & maintenance supplies, safety supplies
Harrison Hardware	21.54	Maintenance supplies and hardware
JCI Jones Chemical	17,608.00	Chemicals - WTP
Lowe's	80.41	Maintenance supplies and hardware
Univar Solutions USA, Inc.	10,981.74	Chemicals - WTP
US Bank	2,565.15	Maintenance supplies, Minor Tools, Safety Supplies
WEX Bank - Wright Express	6,814.97	Fuel - Autos
	\$ 48,788.71	Total Supplies & Equipment
UTILITIES		
Delta Liquid Energy	4,630.74	Propane gas
First Choice Technology	14.08	Phone - Long distance carrier, 800#
Frontier	307.58	Telephone charges
Marborg Industries	340.51	Waste Disposal - BAO/Trash roll off
Pacific Gas & Electric	19,029.21	Utilities - BAO/SYPS/WTP
San Miguel Garbage Company	248.12	Waste Disposal - WTP
Santa Ynez River Water Conservation	192.21	Water - SYPS
Verizon Wireless	631.32	Cell phone charges
WM Coporate Services, Inc	351.60	Waste Disposal - SYPS
	\$ 25,745.37	Total Utilities
Subtotal - Bills for Ratification	\$ 2,411,061.36	



CENTRAL COAST WATER AUTHORITY

Bills for Approval

VENDOR	INVOICE AMOUNT	DESCRIPTION
State of California DWR	\$ 2,272,186.00	Capital Cost and Minimum OMP&R Charges -March '23
Subtotal - Bills for Approval	\$ 2,272,186.00	
Total Ratification and Approval Bills	<u>\$ 4,683,247.36</u>	



Statements of Net Position

ASSETS

	<u>February 28, 2023</u>	<u>January 31, 2023</u>
Current Assets		
Cash and investments	\$ 6,564,296	\$ 7,242,253
Accounts Receivable (Note 1)	263	263
Accrued interest receivable	170,474	97,982
Other assets	2,126,524	2,158,285
Total Current Assets	<u>8,861,557</u>	<u>9,498,783</u>
Restricted Assets		
Operations and Maintenance Reserve Fund (Note 2)	2,022,524	2,022,477
DWR Reserve Fund (Note 3)	5,772,319	5,772,184
Rate Coverage Reserve Fund (Note 4)	9,601,245	9,601,020
Department of Water Resources (Note 5a)	6,494,027	8,153,657
CCWA and DWR Variable Fund (Note 5b)	3,805,148	3,844,325
Credits Payable (Note 6)	875,567	875,546
Escrow Deposits (Note 7)	518,721	518,709
Total Restricted Assets	<u>29,089,551</u>	<u>30,787,919</u>
Property, Plant and Equipment		
Construction in progress (Note 8)	1,990,286	1,908,086
Fixed assets (net of accumulated depreciation)	85,635,857	85,841,437
Total Property, Plant and Equipment	<u>87,626,143</u>	<u>87,749,523</u>
Total Assets	<u>\$ 125,577,251</u>	<u>\$ 128,036,225</u>



Statements of Net Position

LIABILITIES AND FUND EQUITY

	<u>February 28, 2023</u>	<u>January 31, 2023</u>
<u>Current Liabilities</u>		
Accounts Payable	\$ 143,865	\$ 222,592
DWR and Warren Act Charge Deposits (Note 5a)	6,494,027	8,153,657
CCWA & DWR Variable Charge Deposits (Note 5b)	3,805,148	3,844,325
Other liabilities	2,447,766	2,442,482
DWR Reserve Fund	5,772,319	5,772,184
Rate Coverage Reserve Fund	9,495,379	9,495,379
Unearned Revenue	61,835	93,195
Credits Payable to Project Participants	1,099,180	1,098,730
Total Current Liabilities	<u>29,319,519</u>	<u>31,122,544</u>
<u>Non-Current Liabilities</u>		
OPEB Liability	1,152,944	1,152,944
Escrow Deposits	518,721	518,709
Net Pension Liability	1,604,954	1,604,954
Total Non-Current Liabilities	<u>3,276,619</u>	<u>3,276,607</u>
<u>Commitments and Uncertainties</u>		
<u>Net Assets</u>		
Contributed capital, net (Note 9)	22,562,433	22,562,433
Retained earnings	70,418,679	71,074,641
Total Net Assets	<u>92,981,112</u>	<u>93,637,074</u>
Total Liabilities and Net Assets	<u>\$ 125,577,251</u>	<u>\$ 128,036,225</u>



Statements of Revenues, Expenses and Changes in Net Position

	February 28, 2023	January 31, 2023
<u>Operating Revenues</u>		
Operating reimbursements		
from project participants	\$ 13,009,663	\$ 12,971,709
Other revenues	5,368	5,350
Total Operating Revenues	13,015,031	12,977,058
<u>Operating Expenses</u>		
Personnel expenses	3,461,952	3,102,212
Office expenses	12,887	12,045
General and administrative	132,311	119,892
Professional Services	933,725	887,492
Supplies and equipment	815,350	765,774
Monitoring expenses	54,381	49,312
Repairs and maintenance	128,452	116,581
Utilities	428,669	408,143
Depreciation and amortization	1,656,996	1,451,416
Other expenses	804,713	750,143
Total Operating Expenses	8,429,436	7,663,009
Operating Income	4,585,595	5,314,049
<u>Non-Operating Revenues</u>		
Investment income	670,747	597,233
Gain on sale of fixed assets	28,452	28,452
Total Non-Operating Revenues	699,199	625,685
<u>Non-Operating Expenses</u>		
Current year credits payable	500,273	499,252
Total Non-Operating Expenses	500,273	499,252
Net Income	4,784,521	5,440,483
<u>Retained Earnings</u>		
Retained earnings at beginning of period	65,634,158	65,634,158
Retained earnings at end of period	\$ 70,418,679	\$ 71,074,641



Budget and Actual All Reaches

	February 28, 2023		
	Budget	Actual	Percent Expended ⁽¹⁾
Revenues			
Fixed operating assessments ⁽²⁾	\$ 12,025,927	\$ 12,025,927	
Variable operating assessments	2,124,961	983,736	46.29%
Miscellaneous income		5,368	
Investment income		121,578	
Total Revenues	14,150,888	13,136,609	92.83%
Expenses ⁽²⁾			
Personnel expenses	5,604,074	3,461,952	61.78%
Office expenses	21,300	12,887	60.50%
General and administrative	292,166	132,311	45.29%
Professional Services	1,495,167	933,725	62.45%
Supplies and equipment	1,428,146	815,350	57.09%
Monitoring expenses	121,234	54,381	44.86%
Repairs and maintenance	317,793	128,452	40.42%
Utilities	1,151,449	428,669	37.23%
Other expenses	738,850	551,306	74.62%
Capital and Non-Capital Expenditures	2,980,709	2,243,692	75.27%
Total Expenses	14,150,888	8,762,725	61.92%
Operating Income	0	4,373,884	
Net Income (Loss)	\$ 0	\$ 4,373,884	

(1) Percent of year expended 66.67%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues from FY 2021/22 to FY 2022/23

Central Coast Water Authority
Notes to Financial Statements
February 28, 2023

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	\$ 28,463
City of Santa Maria	838,357
Golden State Water Company	25,875
Vandenberg SFB	284,859
City of Buellton	29,912
Santa Ynez ID #1 (Solvang)	77,626
Santa Ynez ID #1	25,875
Goleta Water District	232,875
Morehart Land Co.	10,350
La Cumbre Mutual Water Company	51,745
Raytheon Systems Company	2,588
City of Santa Barbara	155,250
Montecito Water District	155,250
Carpinteria Valley Water District	103,500
TOTAL:	<u>\$ 2,022,524</u>

Central Coast Water Authority
Notes to Financial Statements
February 28, 2023

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	\$ 131,108
City of Santa Maria	4,190,099
Golden State Water Company	88,866
City of Buellton	138,031
Santa Ynez ID #1 (Solvang)	341,397
Santa Ynez ID #1	180,397
Morehart Land Co.	48,502
La Cumbre Mutual Water Company	176,643
Raytheon Systems Co.	11,977
City of Santa Barbara	465,300
TOTAL:	\$ 5,772,319

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	\$ 193,143
City of Santa Maria	5,224,256
City of Buellton	277,927
Santa Ynez ID #1 (Solvang)	639,150
Santa Ynez ID #1	466,080
La Cumbre Mutual Water Company	404,819
Montecito Water District	1,510,616
Carpinteria Valley Water District	869,371
Shandon	15,884
TOTAL:	\$ 9,601,245

Central Coast Water Authority
Notes to Financial Statements
February 28, 2023

Note 5a: Cash and Investments Payment to DWR

Cash deposits for DWR payments.

Project Participant	Amount
City of Guadalupe	\$ 72,787
City of Santa Maria	2,149,159
Golden State Water Company	65,057
Vandenberg SFB	1,929,077
City of Buellton	78,305
Santa Ynez ID #1 (Solvang)	202,453
Santa Ynez ID #1	73,716
Goleta Water District	670,626
Morehart Land Co.	27,353
La Cumbre Mutual Water Company	132,711
Raytheon Systems Co.	8,053
City of Santa Barbara	399,593
Montecito Water District	410,873
Carpinteria Valley Water District	274,265
TOTAL:	<u>\$ 6,494,027</u>

Note 5b: Cash Payments for CCWA, Warren Act and DWR Variable Charges

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

Project Participant	Amount
City of Guadalupe	\$ 45,729
City of Santa Maria	1,392,559
Golden State Water Company	41,159
Vandenberg SFB	536,888
City of Buellton	41,463
Santa Ynez ID #1 (Solvang)	151,449
Santa Ynez ID #1	105,474
Goleta Water District	350,431
Morehart Land Co.	18,728
La Cumbre Mutual Water Company	123,582
Raytheon Systems Co.	7,326
City of Santa Barbara	433,274
Montecito Water District	323,229
Carpinteria Valley Water District	233,855
TOTAL:	<u>\$ 3,805,148</u>

Central Coast Water Authority
Notes to Financial Statements
February 28, 2023

Note 6: Credits Payable

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

Project Participant	Amount
City of Guadalupe	\$ 12,366
City of Santa Maria	326,052
Golden State Water Company	12,202
Vandenberg SFB	97,823
City of Buellton	18,168
Santa Ynez ID #1 (Solvang)	47,947
Santa Ynez ID #1	275,363
Goleta Water District	7,913
Morehart Land Co.	1,120
La Cumbre Mutual Water Company	6,148
Raytheon Systems Co.	275
City of Santa Barbara	4,652
Montecito Water District	5,381
Carpinteria Valley Water District	3,524
Shandon	663
Lopez Turnout	25,209
Chorro Turnout	30,762
TOTAL:	\$ 875,567

Note 7: Escrow Deposits

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

Project Participant	Amount
Morehart Land Company	\$ 409,517
Raytheon Systems Company	109,204
TOTAL:	\$ 518,721

Central Coast Water Authority
Notes to Financial Statements
February 28, 2023

Note 8: Construction in Progress

Amounts in construction in progress represent expenditures incurred during FY 2022/23 and amounts retained in construction in progress at February 28, 2023. The following schedule shows the CIP expenditures for CCWA projects.

Financial Reach	Amount
Labor	\$ 111,030
Materials	217,683
Overhead	1,661,573
Project CIP Total:	\$ 1,990,286

Note 9: 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 SFB	7,861,043
TOTAL:	\$ 22,562,433

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

Agenda Item V.E.
Board of Directors
March 23, 2023

System Name: Central Coast Water Authority

System Number: 4210030

Treatment Plant Name: Polonio Pass Water Treatment Plant

February 2023

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	7.90	5.40	0.68	1.0			90	76	0	102	54		3.6
2	7.90	5.10	0.55	1.0			92	76	0	100	52		
3	7.93	4.90	0.53	1.0			86	76	0	100	52		
4	*	*	*	*			*	*	*	*	*		
5	7.90	4.60	0.51	1.0			90	74	0	100	52		
6	8.00	4.50	0.65	1.0	1	<1	96	76	0	102	50	408	
7	8.00	4.50	0.72	1.0			92	74	0	103	50		
8	8.00	4.30	0.90	1.0			91	80	0	101	55		
9	*	*	*	*			*	*	*	*	*		
10	7.98	4.60	0.48	1.0			91	74	0	105	49		
11	8.00	4.20	0.69	1.0			93	74	0	102	54		
12	*	*	*	*			*	*	*	*	*		
13	8.05	3.90	0.51	1.0	5	<1	92	74	0	106	51	408	
14	8.17	3.90	0.52	1.0			88	78	1	108	55		
15	*	*	*	*			*	*	*	*	*		
16	8.43	3.10	0.55	1.0			84	81	1	113	57		
17	8.60	2.90	0.62	1.0			83	83	3	114	62		
18	*	*	*	*			*	*	*	*	*		
19	8.60	2.40	0.51	1.0			86	87	3	121	62		
20	8.60	2.40	0.50	1.0	11	<1	93	87	4	123	63		
21	8.50	2.90	0.81	1.0			97	88	0	120	49	562	
22	8.45	3.20	0.79	1.0			93	89	0	116	60		
23	*	*	*	*			*	*	*	*	*		
24	8.20	4.00	0.97	1.0			89	83	0	122	61		
25	8.10	5.00	1.30	1.0			86	82	0	121	57		
26	*	*	*	*			*	*	*	*	*		
27	8.00	4.90	1.80	1.0	12	<1	76	79	0	111	56	418	
28	7.97	6.80	1.73	1.0			66	71	0	111	60		
Avg	8.16	4.17	0.78	1.0	7	<1	88	79	1	110	55	449	3.6

*shutdown

**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

February **2023**

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	8.90	0.06	5.34	0.0	ABSENT	96	72	104	52	3.70	0.00	3.50	0.74	0.00	4.7		2.1
2	8.40	0.06	3.88	0.0	ABSENT	98	72	106	52	3.30	0.00	3.65	0.74	0.01	4.9		
3	8.30	0.06	3.88	0.0	ABSENT	96	72	104	54	4.00	0.00	3.80	0.71	0.00	5.4		
4	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*		
5	8.32	0.06	3.88	0.0	ABSENT	94	70	104	52	3.77	0.00	3.93	0.70	0.00	5.6		
6	8.10	0.06	3.88	0.0	ABSENT	90	72	104	52	3.90	0.00	4.15	0.68	0.00	6.1	550	
7	8.40	0.06	4.85	0.0	ABSENT	97	70	103	51	3.60	0.00	4.30	0.68	0.00	6.3		
8	8.35	0.08	5.34	0.0	ABSENT	95	71	103	52	3.75	0.00	4.10	0.74	0.00	5.5		
9	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*		
10	8.25	0.07	5.34	0.0	ABSENT	95	70	106	52	3.83	0.00	4.63	0.73	0.00	6.3		
11	8.20	0.07	5.82	0.0	ABSENT	97	70	102	51	4.05	0.00	4.65	0.80	0.00	5.8		
12	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*		
13	8.45	0.07	5.82	0.0	ABSENT	97	72	105	51	3.70	0.00	4.15	0.70	0.00	5.9	548	
14	8.40	0.07	5.82	0.0	ABSENT	95	72	104	56	4.33	0.00	4.33	0.85	0.00	5.1		
15	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*		
16	8.39	0.07	5.82	0.0	ABSENT	95	72	105	54	4.47	0.00	4.13	0.85	0.00	4.9		
17	8.55	0.03	5.82	0.0	ABSENT	93	74	107	55	4.50	0.00	4.10	0.87	0.00	4.7		
18	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*		
19	8.40	0.08	5.82	0.0	ABSENT	92	76	115	58	4.50	0.00	4.20	0.82	0.00	5.1		
20	8.30	0.08	5.82	0.0	ABSENT	93	78	119	59	4.40	0.00	4.47	0.81	0.00	5.5		
21	8.50	0.06	5.82	0.0	ABSENT	95	81	112	55	4.50	0.00	4.30	0.81	0.00	5.3	591	
22	8.37	0.08	5.82	0.0	ABSENT	95	80	115	58	3.98	0.00	4.33	0.80	0.00	5.4		
23	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*		
24	8.57	0.10	5.82	0.0	ABSENT	94	82	118	59	4.23	0.00	3.93	0.84	0.00	4.7		
25	8.65	0.09	4.53	0.0	ABSENT	91	78	121	58	4.30	0.00	4.25	0.84	0.00	5.1		
26	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*		
27	8.38	0.10	4.85	0.0	ABSENT	88	78	114	55	4.00	0.00	3.87	0.81	0.00	4.8	611	
28	8.42	0.10	4.85	0.0	ABSENT	80	73	115	59	4.30	0.00	4.43	0.83	0.00	5.3		
Avg	8.41	0.07	5.18	0.00		93	74	109	55	4.05	0.00	4.15	0.78	0.00	5.4	575	2.10

*shutdown

Central Coast Water Authority
Calendar Year 2023 Actual and Requested Deliveries in Acre Feet

Project Participant	Total Available AF Amounts ⁽¹⁾	ACTUALS			REQUESTED											Estimated Annual Delivery Total
		Jan.	Feb.	Subtotal	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Subtotal	
Guadalupe	260	4	42	46	20	16	16	16	16	16	16	16	16	16	164	210
Santa Maria	7,603	0	0	0	287	276	287	276	287	287	276	287	0	0	2,263	2,263
So. Cal. Water Co.	210	0	0	0	0	0	20	25	30	30	30	30	20	0	185	185
Vandenberg AFB	3,025	0	0	0	0	191	230	253	269	267	283	284	236	221	2,235	2,235
Buellton	227	4	2	6	4	4	4	15	15	15	18	0	0	0	75	81
Solvang (Billed to SY)	800	14	5	19	20	20	20	20	25	30	20	20	20	5	200	219
Santa Ynez ID#1	474	0	0	0	100	150	50	0	0	0	0	0	0	0	300	300
Goleta	2,572	0	0	0	0	0	54	162	162	171	162	54	0	0	765	765
Morehart Land Co.	194	7	0	7	8	8	8	8	8	8	8	8	8	8	80	87
La Cumbre	1,054	16	0	16	31	31	31	31	41	42	41	31	20	20	319	335
Raytheon	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Santa Barbara	474	0	0	0	0	0	36	108	108	114	108	36	0	0	510	510
Montecito	1,352	0	0	0	0	0	36	108	108	114	108	36	0	0	510	510
Carpinteria	1,587	0	0	0	0	0	24	172	72	76	72	24	0	0	440	440
Subtotal Santa Barbara:	19,862	45	49	94	470	696	816	1,194	1,141	1,170	1,142	826	320	270	8,046	8,140
Shandon		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Chorro Valley	7500	162	144	306	194	194	194	194	194	194	194	194	90	186	1,828	2,134
Lopez	7500	58	89	147	199	199	199	199	199	199	170	170	94	150	1,778	1,925
Subtotal SLO County:	15,000	220	233	453	393	393	393	393	393	393	364	364	184	336	3,606	4,059
TOTAL ENTITLEMENT DELIVERIES	34,862	265	282	547	863	1,089	1,209	1,587	1,534	1,563	1,506	1,190	504	606	11,652	12,199
EXCHANGE DELIVERIES																
Santa Ynez-Exchange		0	0	0	0	0	(150)	(450)	(450)	(475)	(450)	(150)	0	0	(2,125)	(2,125)
Goleta-Exchange		0	0	0	0	0	54	162	162	171	162	54	0	0	765	765
Santa Barbara-Exchange		0	0	0	0	0	36	108	108	114	108	36	0	0	510	510
Montecito-Exchange		0	0	0	0	0	36	108	108	114	108	36	0	0	510	510
Carpinteria-Exchange		0	0	0	0	0	24	72	72	76	72	24	0	0	340	340
TOTAL EXCHANGE DELIVERIES		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Lake Deliveries only		23	0		39	39	189	589	499	525	499	189	28	28		2,647

⁽¹⁾ Total AF of Table A allocation, carryover amounts, and water transfers




CENTRAL COAST WATER AUTHORITY

MEMORANDUM

February 13, 2023

TO: Mr. Jeff Clay
Chairman of CCWA Financial Committee

FROM: John Brady, Deputy Director 

SUBJECT: Budget Transfer for the Water Treatment Plant, Sludge Removal System
Cross-Collector Project, C-22SLUDGE

BACKGROUND

A major component of the water treatment plant is the flocculation and sedimentation basin. These systems allow for the formation of flocculent in the water, which is responsible for the removal of organic matter, viruses and bacteria. Once the flocculent is formed in the water, the water passes from the flocculation basin into the sedimentation basin. As the water passes through the sedimentation basins, the flocculent will settle to the bottom of the basin.

A critical component of the sedimentation basin is the sludge removal system. The existing system consists of a chain and flight assembly that gently scrapes the floor of the sedimentation basin and directs the settled sludge to a collection trench for subsequent removal. Sludge is removed from the collection trench by another chain and flight system, known as the cross-collector system. The cross-collector system is at the end of its service life and requires replacement to ensure uninterrupted operations. This project is to procurement three cross collector systems. CCWA staff will install the cross-collectors.

CCWA's sludge collection system is a proprietary system and the cross collectors are a component of this system. Consequently, competitive bids are not required. The quotation from Brentwood Industries is for \$39,500 and our approved budget is \$34,020. Therefore, additional funding is needed to complete the procurement.

FINANCIAL

CCWA staff proposes to transfer \$5,480 from the Tank 5 Chemical Dosing Facility Design Project, C-21T5CDF. If you recall, as part of our carryover request to the Board, we transferred \$137,477 in excess funds to this project as a measure to address the likelihood of price increases due to inflation. Our proposed budget transfer is as follows:

Source of Funds	
C-21T5CDF	\$143,961.63
Transfer Amount	\$5,480.00
Adjusted Total:	\$138,451.63

Revised Project Budget

C-22SLUDGE	\$34,020.00
Transfer	\$5,480.00
Adjusted Total:	\$39,500.00

The CCWA Budget Transfer Policy allows staff to request transfers up to \$25,000 with the approval of the Finance Committee Chairperson or CCWA Board Chairperson. If approved, staff will include a summary of the approved budget transfers on the CCWA Board Consent Calendar as part of the next regularly scheduled Board Meeting.

JLB

Date: 2/14/2023

CIP FUNDING CHANGE

Department: ADMIN WTP DIST

	\$ Available	\$ Transferred	\$ Balance
Source(s) of Transfer Funds:			
C-21T5ICDF Tank 5 Inlet Chemical Dosing Facility	\$95,743	(\$5,480)	\$90,263
			\$0
Destination(s) of Transfer Funds:			
C-22SLUDGE Cross Collector Sludge Removal System	\$34,020	\$5,480	\$39,500
			\$0
			\$0
Total	\$129,763	\$0.00	\$129,763

O & M FUNDING CHANGE

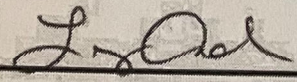
Department: ADMIN WTP DIST

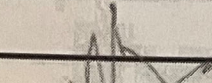
	\$ Available	\$ Transferred	\$ Balance
Source(s) of Transfer Funds:			
(1)			\$0
(2)			\$0
Destination(s) of Transfer Funds:			
(1)			\$0
(2)			\$0

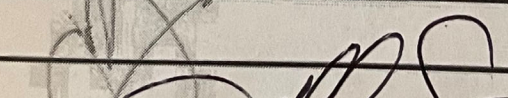
O&M EXPENSE ENCUMBRANCE

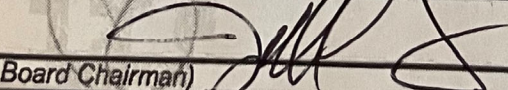
Department: ADMIN WTP DIST

O&M Expense Account Name:	\$ Amount
Current Available Balance:	Amount:
Encumbrance Amount:	Amount:
Amended Balance Available:	Amount: \$ -
Encumbrance Description:	

Prepared By:  Date: 2.14.23

Finance Approval:  Date: _____

Deputy Director Approval:  Date: 2/23/23

Finance Chairman Approval:  Date: 2.23.23
(If unavailable, obtain approval from Board Chairman)

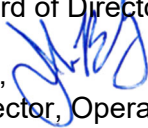


CENTRAL COAST WATER AUTHORITY

MEMORANDUM

March 15, 2023

TO: CCWA Board of Directors

FROM: John Brady, 
Deputy Director, Operations and Engineering

SUBJECT: Procurement of Three Trucks and One Sedan, Anticipated Expenditure
\$174,692.67

Background

Service vehicles are critical to the CCWA operation and are replaced on a periodic basis. The current vehicle replacement policy is to replace vehicles when they: (1) exceed 150,000 miles for sedans, (2) exceed 130,000 miles for service trucks or (3) exceed 10 years in age. Based on this replacement policy, CCWA staff included the replacement of seven vehicles in the FY 20/21, FY 21/22 and FY 22/23 Budget, with a total project budget of \$264,222.

The Board previously approved the procurement of these vehicles through the cooperative purchasing arrangement with the State of California, Department of General Services, known as the California Multiple Awards Schedule (CMAS) Program. However, due to supply chain and inflationary issues, vehicles could not be effectively procured through this program in a timely manner. The issues that have been encountered by CCWA staff included cancelled orders, no open contracts for the needed vehicles and very long and uncertain lead times.

Three vehicles have been successfully procured from the CMAS Program this fiscal year and there are four outstanding vehicle purchases that still need to be completed. Considering that the vehicles to be replaced currently have very high mileage on them, ranging from approximately 160,000 to 190,000 miles, and the issues associated with the CMAS program, an alternative procurement method was needed.

To expedite the procurement of the remaining vehicles, CCWA staff prepared a Request For Bid document and solicited competitive bids. Since this procurement method is different than the method presented to the Board previously, CCWA staff seeks authorization to proceed with awarding the vehicle purchases to the lowest responsive bid.

Discussion

The CCWA pipeline operation spans over 140 miles and is controlled with a variety of instrumentation, actuators, valves and network communication equipment. To ensure continuous reliable operations of the pipeline, this equipment must be routinely serviced and quickly repaired if issues arise. By providing vehicles for the CCWA Technicians, these tasks can be implemented in an efficient proactive manner.

In terms of procuring the required vehicles, CCWA Board Resolution #19-001 states that "The Executive Director, in lieu of publication, may submit specifications to at least three prospective

bidders and to request that bids be submitted at least ten days after the request for bids”. CCWA staff moved forward with this method of procurement and submitted specifications to five vendors, both locally and to larger vehicle dealerships that likely had inventory throughout the state. The prospective bidders were provided ten days to respond. The bid tabulation is presented below:

**CENTRAL COAST WATER AUTHORITY
 Vehicle RFP - Three Trucks and One Sedan
 Bid Tabulation for 3/10/23 Bid Opening**

Bidder #	Bidder	Estimated Quantity/Unit
1	Mullahey Ford	\$175,111.40
2	Galpin Ford	No Bid
3	Home Motors	\$174,692.67
4	Rotello Chevrolet	No Bid
5	Santa Maria Chrysler Dodge	No Bid
Low Responsive Bidder:		
Home Motors		\$174,692.67

Financial Considerations

CCWA Board Resolution #19-001 states that if the purchase price exceeds \$25,000, then the purchase contract shall be submitted to the Board of Directors for contract award. The vehicle replacements are presented in the Table below, along with purchase price, estimated salvage value and the net total cost:

New Vehicle	Purchase Price	Retired Vehicle/Mileage	Estimate of Salvage Value	Net Cost
Sedan for Deputy Director	\$28,942.32	180,000	\$5,000	\$23,942.32
Truck for Engineering Technician	\$48,583.45	160,000	\$9,500	\$39,083.45
Truck for WTP Supervisor	\$48,583.45	185,000	\$5,000	\$43,583.45
Truck for Instrumentation Superintendent	\$48,583.45	190,000	\$9,500	\$39,083.45
TOTALS	\$174,692.67		\$29,000	\$145,692.67

The established budget for procuring these four vehicles is **\$150,822**. When considering likely salvage value as part of the project, this procurement is under the established budget. The salvage value of the three vehicles that were replaced by the vehicles procured through the

CMAS program yielded \$28,452 or an average of \$9,484. The mileage of the salvaged vehicles was 129,904, 182,228 and 136,763.

Recommendation

That the Board:

1. Authorize the Executive Director to procure the vehicles described in this Board Report in the amount of \$174,692.67
2. Authorize the Executive Director to sell the replaced vehicles as surplus equipment at public auction.



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

March 23, 2023

TO: Board of Directors

FROM: Dessi Mladenova
Controller

SUBJECT: CCWA FY 2023/24 Preliminary Budget

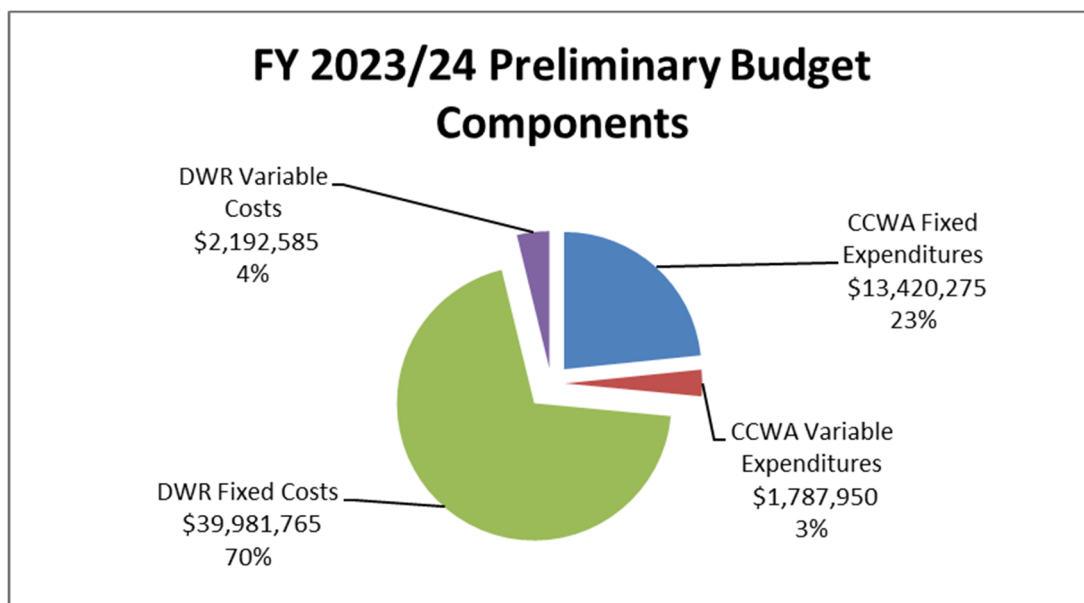
SUMMARY

The Preliminary FY 2023/24 Budget document has been posted for review at the CCWA website www.ccwa.com under the Major Reports tab. This memorandum provides an overview of the preliminary budget and highlights significant changes between it and the Final approved FY 2022/23 Budget. Staff provided an overview of the Preliminary FY 2023/24 Budget at the March 9, 2023 Operating Committee meeting, and will be providing an overview at the March 23, 2023 CCWA Board Meeting.

DISCUSSION

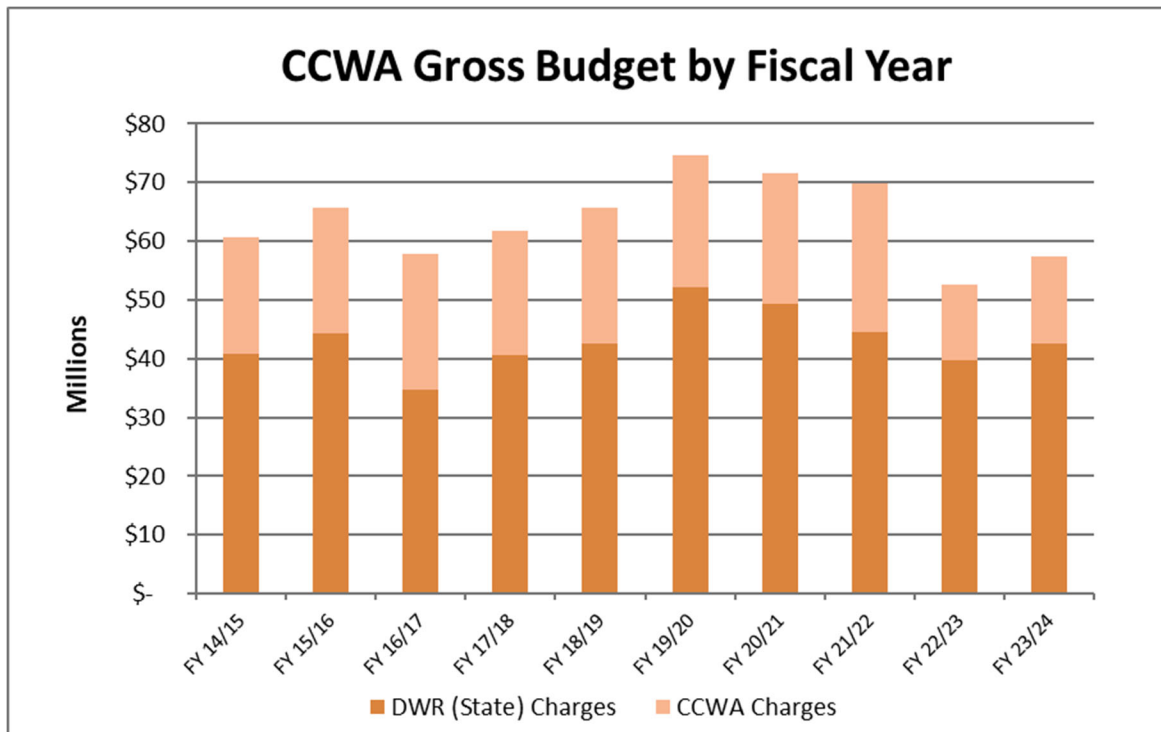
The FY 2023/24 Preliminary Budget calls for total project participant payments of \$56.4 million compared to the FY 2022/23 adopted budget of \$51.1 million, a \$5.3 million increase.

The following graph shows the various components of the FY 2023/24 Preliminary Budget and subsequent table compares the Preliminary FY 2023/24 Budget and the Final FY 2022/23 Budget:



Budget Item	Final FY 2022/23 Budget	Preliminary FY 2023/24 Budget	Increase (Decrease)
CCWA Expenses			
CCWA Operating Expenses - Fixed	\$ 9,045,216	\$ 10,542,387	\$ 1,497,171
CCWA Operating Expenses - Variable	2,124,961	1,787,950	(337,011)
Capital/Non-Capital Projects	1,674,254	2,602,215	927,961
Total CCWA Expenses:	12,844,431	14,932,552	2,088,121
Pass-Through Expenses			
DWR Fixed Costs	35,978,999	39,981,765	4,002,766
DWR Variable Costs	3,023,505	2,192,585	(830,920)
Warren Act and Trust Fund Payments	764,882	275,673	(489,209)
Total Pass-Through Expenses:	39,767,386	42,450,023	2,682,637
Subtotal Gross Budget:	52,611,817	57,382,576	4,770,758
CCWA (Credits) Due	(1,480,800)	(971,784)	509,016
TOTAL:	\$ 51,131,017	\$ 56,410,791	\$ 5,279,774

The following graph shows the CCWA and DWR gross budget (without CCWA credits) for the past ten years.



CCWA Operating Expense Budget

The Preliminary FY 2023/24 CCWA operating expense budget totals \$12,330,337 which is \$1,160,160 more than the FY 2022/23 operating expense budget, or a 10.39% increase.

The following table shows the allocation between the fixed and variable CCWA O&M expenses for FY 2023/24 and FY 2022/23.

	Final FY 2022/23 Budget	Preliminary FY 2023/24 Budget	Increase	Percentage Change
Fixed O&M	\$ 9,045,216	\$ 10,542,387	\$ 1,497,171	16.55%
Variable O&M	2,124,961	1,787,950	(337,011)	-15.86%
Total:	\$ 11,170,177	\$ 12,330,337	\$ 1,160,160	10.39%

The following is a list of the major highlights of the operating expense budget. Additional highlights and detailed explanations are available in the departmental sections of the preliminary budget.

Water Deliveries

Total requested water deliveries for FY 2023/24 are 13,962-acre feet compared to the FY 2022/23 requested deliveries of 14,983-acre feet, a decrease of 1,021 acre-feet.

Personnel Expenses

Personnel expenses are increasing by about \$699,788 which includes the following changes from the prior year:

- The FY 2023/24 total salaries and wages budget for all departments is increasing \$388,323 as compared to the prior fiscal year budget, representing an increase of 11.34%. This increase includes the annual salaries for two new full-time positions, an Operations Manager at approximately \$148,643 and a Water Treatment Plant Operator Trainee at approximately \$ 85,062, which were approved by the Board in the February 14, 2023 meeting with the balance for the anticipated staff salary pool and merit increases.
- CalPERS retirement expenses are increasing by approximately \$18,123. The combined CCWA paid employer, employee and unfunded actuarial liability contribution rates for the FY 2023/24 total 33.52% as compared to the prior year amount of 30.22%, for a combined increase of 3.30%.
- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by about \$110,858 or 18.73% due to; 1) The 2023 CalPERS health insurance plan with the lowest premiums increased by 18.40% over the 2022 premiums, as opposed to the increase of 5% budgeted for the calendar year 2023; 2) The FY 2023/24 Budget also includes an estimated 5%

increase in the health insurance premiums effective January 1, 2024. The health plan estimates are based on the elections of each employee at the time the budget is prepared.

- Workers' Compensation costs are decreasing by \$13,323 due to a 22% decrease in the Experience modification rate for CCWA.
- The FY 2023/24 Budget includes a \$208,716 deposit into the Retiree Benefit Trust Program, a 39% increase or \$ 58,766 from FY 2022/23 budget amount. This OPEB actuarial determined contribution is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums for employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of CCWA service.

Supplies and Equipment

Supplies and equipment are increasing by \$194,789 based primarily on the increased cost and amount of chemicals needed. Estimates are based on historical data and the costs of treatment are directly related to changes in water quality.

Monitoring Expenses

Monitoring expenses are only increasing by \$9,098 due to a request for additional lab supplies and equipment as identified by the Senior Chemist.

Repairs and Maintenance

Repairs and maintenance costs are increasing by about \$21,950 due to increased building and equipment repairs and maintenance-related costs.

Professional Services

Professional Services are increasing by \$631,007 due primarily to an increase in legal costs.

General and Administrative

General and Administrative costs are increasing by about \$13,640 due to increased employee training costs.

Utilities

Utility expenses are decreasing by about \$505,112 largely due to lower estimated deliveries and lower projected electric cost per AF.

Other Expenses

Other expenses are increasing by about \$94,501 due to increased insurance costs and appropriated contingency.

Approximately 51% of the operating expense budget represents personnel expenses. This is followed by 17% for professional services, 13% for supplies and equipment and 5% for utilities, with the balance being comprised of other expenses.

CCWA Capital Improvement & Non-Capital Projects

The Preliminary FY 2023/24 Budget includes \$2,602,215 for capital and non-capital improvement projects, a \$927,961 increase over the prior year amount. All capital improvement and non-capital projects are normally funded on a current basis from project participant assessments.

Please refer to the “*Projects*” section of the Preliminary FY 2023/24 Budget for additional information on the budgeted capital improvement projects.

Regional Water Treatment Plant Allocation and Santa Ynez Exchange Agreement Modifications

The Preliminary FY 2023/24 fixed and variable regional water treatment plant allocation expense and corresponding credit is \$1,612,838 or \$58.35/AF for all Project Participants. The Preliminary FY 2023/24 fixed and variable Santa Ynez exchange agreement modifications total \$562,505, or \$232/AF.

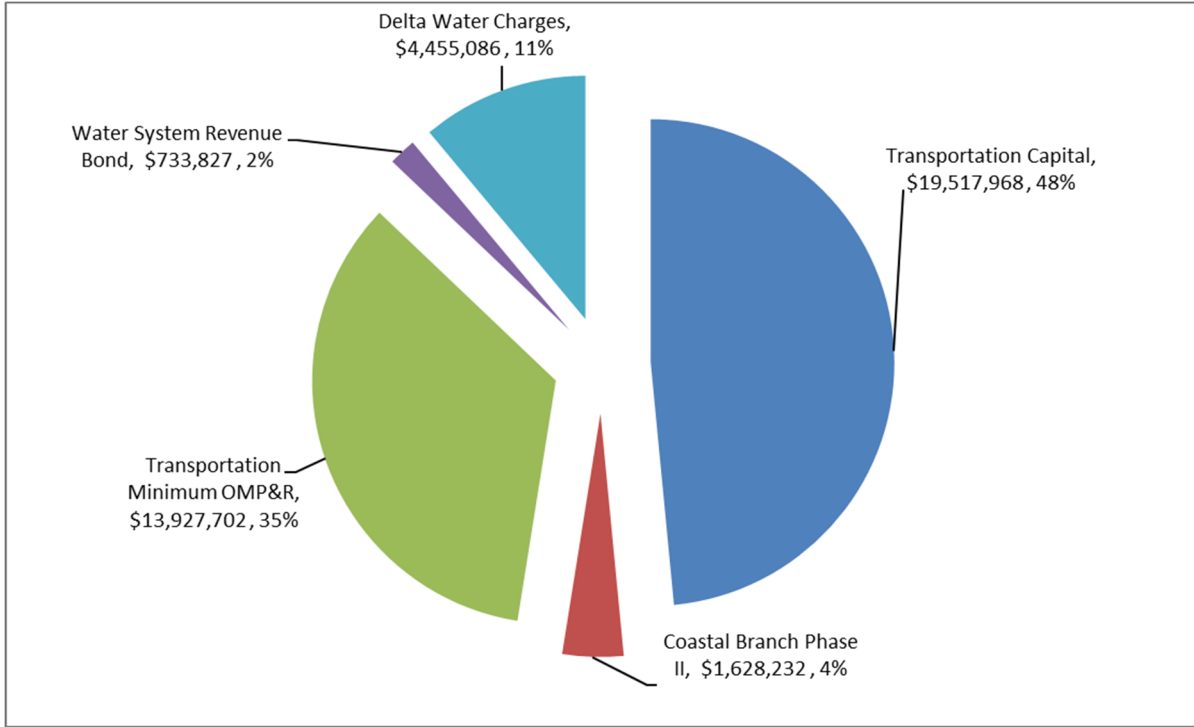
Please refer to the Water Treatment Plant section of the Budget for additional information on the regional water treatment plant allocation and Santa Ynez exchange agreement modifications.

Warren Act and Trust Fund Payments

The Preliminary FY 2023/24 Budget includes \$275,673 for Warren Act and Trust Fund MOU payments based on \$138.39 per acre foot for 1,992-acre feet of water to be delivered to Cachuma Lake.

DWR FIXED COSTS

The DWR fixed costs are comprised of the following cost components:



The FY 2023/24 DWR fixed charges total \$40,262,815 which is \$4,255,499 higher than the FY 2022/23 Budget. The reasons for the cost component variances are described later in this report.

Transportation Capital

The Transportation Capital cost component covers the use of facilities to transport water to the vicinity of each State water contractor turnout. Generally, the charge represents each contractor’s proportionate share of the reimbursable capital costs and fixed operating costs.

The FY 2023/24 Transportation capital charges are increasing by \$356,533 due to the following:

Transportation Capital Budget-to-Budget Changes			
	FY 2022/23	FY 2023/24	Change
Calculated Component	\$ 23,590,644	\$ 23,696,592	\$ 105,948
Rate Management Credits	(2,486,264)	(2,482,519)	3,745
Prior Year amount due	(119,927)	2,084	122,011
Prior Year Overcollection Credit	(806,191)	(1,326,825)	(520,634)
Other Adjustments	4,892	20,707	15,815
Prior Year Credit	(1,021,719)	-	1,021,719
Debt Service Reserve Fund Credit	-	(392,070)	(392,070)
Total:	\$ 19,161,435	\$ 19,517,968	\$ 356,533

Coastal Branch Extension-Transportation Capital Reach 37 and 38

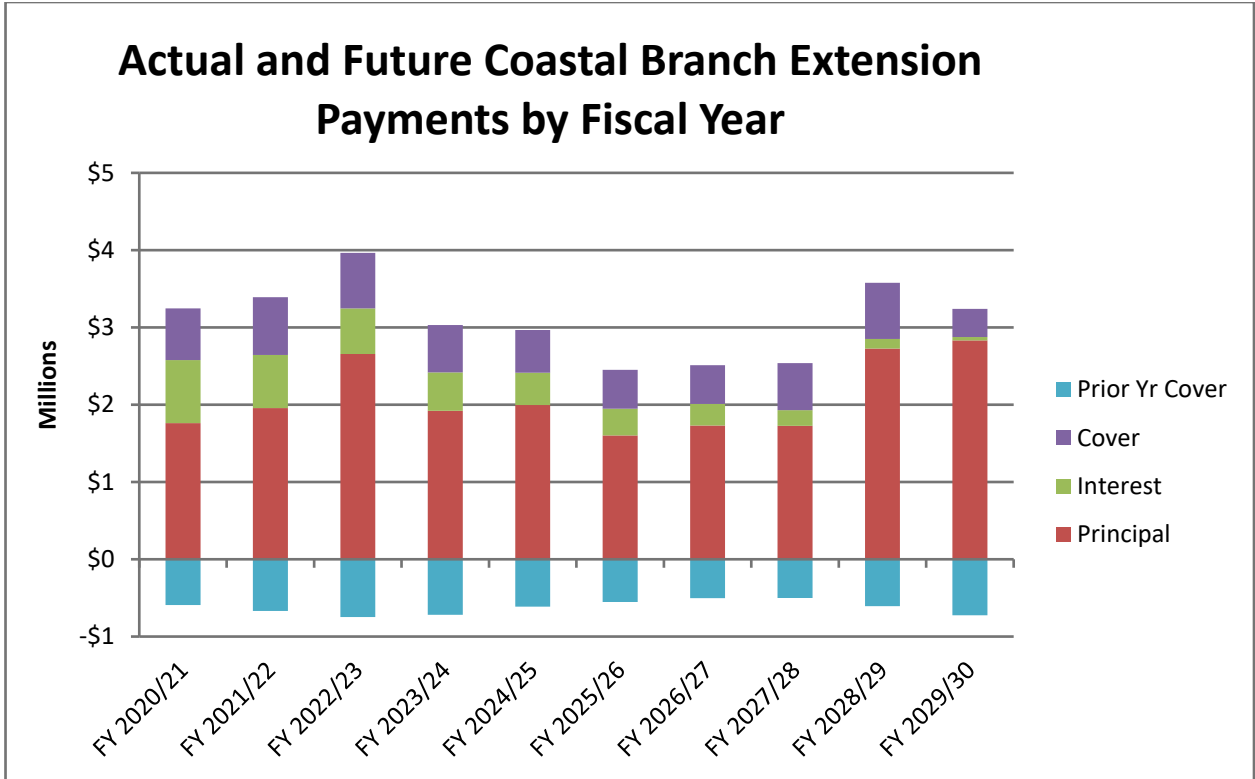
This represents the debt service for the Coastal Branch Extension bonds issued by DWR for the Coastal Branch Extension facilities in Santa Barbara County south of the Santa Maria River. CCWA is solely responsible for repayment of the debt service on these bonds to DWR. The charges are allocated according to DWR's actual construction costs for the project with 51.84% allocated to Reach 37 and 48.16% allocated to Reach 38.

Coastal Branch Extension debt service payments for FY 2023/24 total \$1,628,232, which is \$1,268,412 lower than the prior year amount due to the following:

Coastal Branch Extension Debt Service			
	FY 2022/23	FY 2023/24	Change
Principal Payments	\$ 2,710,313	\$ 1,920,927	\$ (789,386)
Interest Payments	603,758	495,546	(108,212)
Bond Cover	737,598	613,294	(124,304)
Rate Management Credits	(184,614)	(189,402)	(4,788)
Return of Prior Year Cover	(770,102)	(728,336)	41,767
Prior year amount due (credit)	(183,125)	(245,802)	(62,677)
Excess Reserve Fund Credits		(237,995)	(237,995)
One-Time Extraordinary Credits	(17,184)	-	17,184
Total:	\$ 2,896,644	\$ 1,628,232	\$ (1,268,412)

Principal, Interest and Bond Cover Changes

Over the years, DWR has refinanced some of the original bonds used to finance these facilities and the resulting debt service repayment fluctuates significantly between years as can be seen in the following graph.



In addition to the revenue bond principal and interest, DWR also collects bond cover or an additional 25% of revenue bond payments as an additional security for the bond holders. DWR holds one year of bond cover and then returns the prior year bond cover payments as credits.

Transportation Minimum OMP&R

Transportation Minimum OMP&R charges are the operations and maintenance costs incurred by DWR to operate the State Water Project that generally do not depend on or vary with the quantities of water delivered to CCWA.

For FY 2023/24, total Transportation Minimum OMP&R charges are \$13,927,702, which is \$4,119,941 more than the prior year amount due to the following:

Transportation Minimum OMP&R			
	FY 2022/23	FY 2023/24	Change
Calculated Component	\$ 11,933,564	\$ 12,125,783	\$ 192,219
Prior Year (Over)/Under Collection	(879,873)	2,616,229	3,496,102
Prior Year Amount Due (Credit)	(3,680,321)	(814,310)	2,866,011
Addtl Amount collected	2,434,391	-	(2,434,391)
Total:	\$ 9,807,761	\$ 13,927,702	\$ 4,119,941

DWR estimates the calendar year charges for each Contractor and then reconciles or “trues-up” the actual charges incurred in the following year(s) resulting in either an over or under-payment of charges.

Water System Revenue Bond Surcharge

The Water System Revenue Bond Surcharge (WSRB) represents the difference between the capital payments to DWR from the Contractors and the actual revenue bond debt service payments paid by DWR. For FY 2023/24, the WSRB is \$442,040 higher than the prior year amount.

Delta Water Charge

The Delta Water Charge is a unit charge applied to each acre-foot of State water Table A. The unit charge covers repayment of all outstanding reimbursable costs of the DWR Project Conservation Facilities with appropriate interest, by the end of the State water contract repayment period in 2035.

The FY 2023/24 Delta Water Charge totals \$4,455,086, which is \$605,397 higher than the prior year amount for the following reasons.

<i>Delta Water Charge</i>			
	FY 2022/23	FY 2023/24	Change
Rate per acre-foot	\$ 111.50	\$ 102.53	\$ (8.97)
Delta Water Charge	5,071,827	4,663,686	(408,141)
Rate Management Credits	(138,960)	(138,960)	-
Prior year adjustment	(797,884)	-	797,884
Prior year amount due (credit)	(285,293)	(69,640)	215,653
Total:	\$ 3,849,690	\$ 4,455,086	\$ 605,396

As the table above shows, the FY 2023/24 rate per acre-foot totals \$102.53, which is \$8.97/AF less than the prior year amount.

The FY 2023/24 rate includes an estimated \$20.00/AF increase for calendar year 2024 for potential other conservation and delta related facilities (\$10.00/AF on a fiscal year basis).

DWR VARIABLE COSTS

The DWR variable charges are comprised of the following two cost components:

- Off-Aqueduct Charge
- Variable OMP&R

Variable OMP&R Charges

Variable OMP&R costs basically represent power costs to pump the water and represent costs that are based on and vary with the amount of State water deliveries.

For 2023/24, the variable OMP&R charges total \$2,192,585, which is \$830,920 less than the prior year amount. The budget is based on estimated water deliveries of 9,570 acre-feet.

The cost per acre-foot for water deliveries in FY 2023/24 is estimated to be \$225/AF.

Variable Cost Per Acre-Foot Analysis

The Preliminary FY 2023/24 variable cost per acre-foot for Table A water is \$360.38 for the North County project participants and \$526.07 for South Coast project participants.

The Preliminary Budget for FY 2023/24 reflects 2,425 AF in exchange deliveries between Santa Ynez ID#1 and the South Coast exchange participants. The large decrease in the estimated cost per acre-foot for South Coast project participants is due to the development of SYPP Operational Matrix to aid in the cost estimate for pumping water to Lake Cachuma by delivery amount and by number of pumps used.

Total Payments Comparison by Project Participant

The following table shows the total budgeted payments by project participant for FY 2022/23 and total payments shown on the FY 2023/24 Preliminary Budget and the corresponding increase or (decrease).

Two-Year Total Combined Fixed and Variable Payments History by Project Participant

Project Participant	Total Payments FY 2022/23	Total Payments FY 2023/24	Change FY 2022/23 to FY 2023/24
Guadalupe	\$ 527,811	\$ 718,848	\$ 191,037
Santa Maria	18,274,518	20,660,581	2,386,063
Golden State Water Co.	624,594	713,938	89,344
Vandenberg SFB	5,251,985	8,262,751	3,010,766
Buellton	696,847	808,728	111,881
Santa Ynez (Solvang)	2,320,692	2,143,283	(177,409)
Santa Ynez	1,103,715	891,879	(211,836)
Goleta	8,020,978	7,690,291	(330,687)
Morehart Land	324,514	315,833	(8,682)
La Cumbre	1,400,269	1,589,951	189,681
Raytheon	58,571	66,185	7,614
Santa Barbara	5,010,916	4,314,946	(695,969)
Montecito	3,772,031	4,255,067	483,036
Carpinteria	2,948,805	2,893,510	(55,295)
Shandon	11,631	15,727	4,096
Chorro Valley	395,114	516,928	121,814
Lopez	388,026	552,345	164,319
TOTAL:	\$51,131,018	\$ 56,410,791	\$ 5,279,774

Note: Total Payments for FY 2022/23 include \$787,136 in additional DWR fixed costs billed after the release of the 2023 SOC in July 2022 and a legal costs budget carryover from FY 2021/22 into FY 2022/23 of \$ 884,087.

Two-Year Total Fixed Payments History by Project Participant

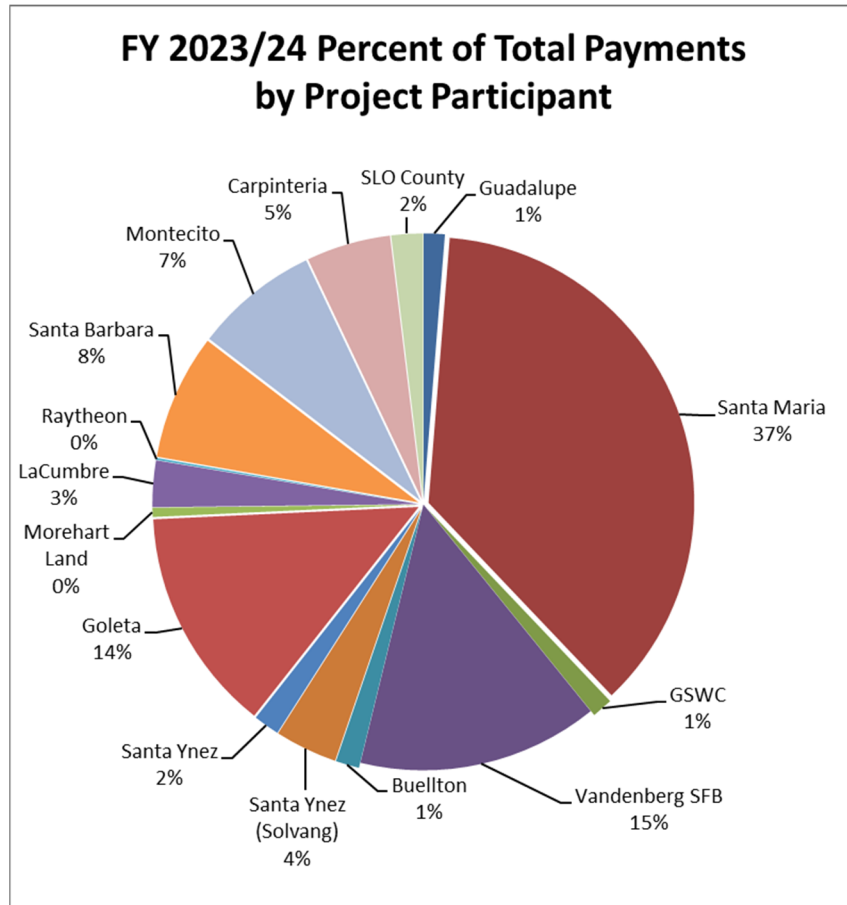
Project Participant	Total	Addtl DWR Fixed	Total	Total	Change
	Payments	Payments	Payments	Payments	FY 2022/23 to
	FY 2022/23	FY 2022/23	FY 2022/23	FY 2023/24	FY 2023/24
Guadalupe	\$ 511,780	\$ 11,165	\$ 522,945	\$ 682,192	\$ 159,248
Santa Maria	17,379,463	323,784	17,703,248	20,048,568	2,345,321
Golden State Water Co.	598,085	11,075	609,160	647,375	38,214
Vandenberg SFB	4,765,088	60,404	4,825,493	7,259,009	2,433,516
Buellton	655,006	11,390	666,396	786,062	119,666
Santa Ynez (Solvang)	1,899,359	46,195	1,945,554	2,028,945	83,391
Santa Ynez	779,220	913	780,133	573,534	(206,600)
Goleta	5,847,555	108,373	5,955,927	6,726,512	770,584
Morehart Land	255,191	3,202	258,393	271,655	13,261
La Cumbre	1,294,622	26,095	1,320,718	1,401,119	80,401
Raytheon	57,623	948	58,571	66,185	7,614
Santa Barbara	3,903,673	78,494	3,982,167	4,181,770	199,603
Montecito	3,603,889	63,209	3,667,098	4,121,891	454,793
Carpinteria	2,432,037	41,888	2,473,925	2,751,999	278,074
Shandon	11,631	-	11,631	15,727	4,096
Chorro Valley	209,003	-	209,003	276,138	67,135
Lopez	227,309	-	227,309	315,902	88,593
TOTAL:	\$ 44,430,534	\$ 787,136	\$ 45,217,671	\$ 52,154,583	\$ 6,936,912

Two-Year Total Variable Payments History by Project Participant

Project Participant	Total CCWA	Total DWR	Total Warren Act	Total variable	Total variable	Change
	Payments	Payments	Payments	Payments	Payments	FY 2022/23 to
	FY 2022/23	FY 2022/23	FY 2022/23	FY 2022/23	FY 2023/24	FY 2023/24
Guadalupe	\$ 1,540	\$ 3,325	\$ -	\$ 4,866	\$ 36,655	\$ 31,789
Santa Maria	180,622	390,648	-	571,270	612,013	40,743
Golden State Water Co.	4,878	10,555	-	15,433	66,563	51,130
Vandenberg SFB	135,306	291,186	-	426,492	1,003,742	577,250
Buellton	9,628	20,823	-	30,451	22,667	(7,784)
Santa Ynez (Solvang)	118,746	256,393	-	375,139	114,339	(260,800)
Santa Ynez	240,701	82,880	-	323,582	318,346	(5,236)
Goleta	612,859	1,020,830	431,362	2,065,051	963,779	(1,101,272)
Morehart Land	21,235	29,940	14,946	66,121	44,178	(21,943)
La Cumbre	25,560	36,001	17,991	79,552	188,832	109,280
Raytheon	-	-	-	-	-	-
Santa Barbara	296,894	522,886	208,969	1,028,749	133,176	(895,572)
Montecito	-	104,933	-	104,933	133,176	28,243
Carpinteria	130,161	253,105	91,614	474,881	141,511	(333,370)
Shandon	-	-	-	-	-	-
Chorro Valley	186,111	-	-	186,111	240,789	54,678
Lopez	160,717	-	-	160,717	236,443	75,726
TOTAL:	\$ 2,124,961	\$ 3,023,505	\$ 764,882	\$ 5,913,347	\$ 4,256,209	\$ (1,657,138)

FY 2023/24 Total Payments by Percentage

The following chart shows the percentage of total payments for FY 2023/24 by project participant.



Budget in Brief

Attached to this report is a "FY 2023/24 Preliminary Budget in Brief" which provides a snapshot of each major component of the proposed FY 2023/24 Preliminary Budget.

Budget Items Not Included in the Preliminary Budget

The following is a partial list of the items that are not included in the preliminary budget but will be included in the final budget.

- Ten Year Financial Plan
- Budget transmittal letter
- Appendix to the budget
- Miscellaneous charts and graphs
- Significant Accomplishments, Goals and Performance Measures

If you have specific questions that can be addressed before the meeting, please call me at 805-688-2292, extension 223.

DHM



Central Coast Water Authority FY 2023/24 Proposed Preliminary Budget in Brief

FY 2023/24 BUDGET SUMMARY

	FY 2022/23	FY 2023/24	Increase
	Budget	Budget	(Decrease)
CCWA Operating Expenses	\$ 11,170,177	\$ 12,341,496	\$ 1,171,319
DWR Fixed and Variable Costs	39,002,504	42,174,350	3,171,846
Capital Improvement & Non Capital Projects	1,674,254	2,602,215	927,961
Warren Act Charges	764,882	275,673	(489,209)
Subtotal	52,611,817	57,393,734	4,781,917
CCWA Credits	(1,480,800)	(971,784)	509,016
TOTAL :	\$ 51,131,017	\$ 56,421,950	\$ 5,290,932

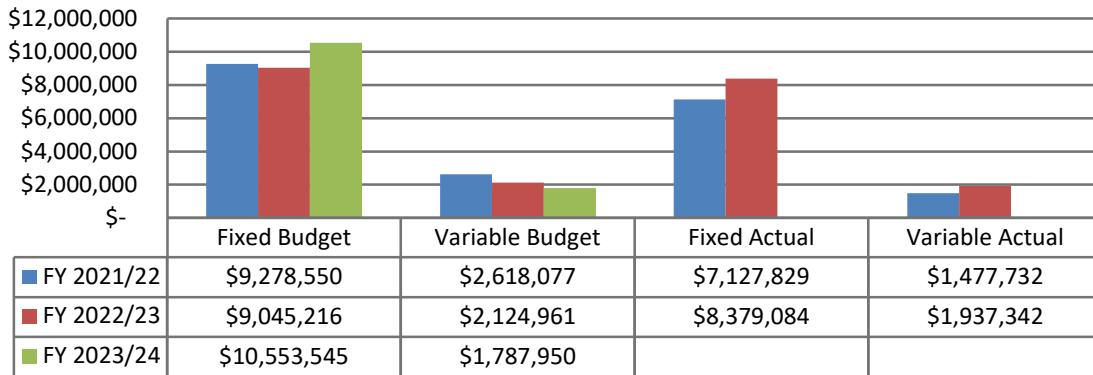
\$4.77 million increase in the gross budget, excluding CCWA credits

CCWA OPERATING EXPENSES

	FY 2022/23	FY 2023/24	Increase
	Budget	Budget	(Decrease)
Personnel	\$ 5,604,065	\$ 6,314,793	\$ 710,728
Office Expenses	21,300	21,800	500
Supplies & Equipment	1,428,139	1,622,928	194,789
Monitoring Expenses	121,234	130,332	9,098
Repairs & Maintenance	303,290	325,240	21,950
Professional Services	1,495,162	2,126,169	631,007
General & Administrative	292,163	305,803	13,640
Utilities	1,145,930	640,818	(505,112)
Other Expenses	758,894	853,614	94,720
Total Operating Expense	\$ 11,170,177	\$ 12,341,496	\$ 1,171,319

Total operating expense increase of \$1.2 million inclusive of the following factors: \$700k increase in Personnel costs; \$195k increase in supplies and equipment; \$631k increase in professional services related to legal costs, G&A is higher by \$14k for increased employee training; \$95k increase in other expenses due to anticipated increase in insurance costs and increased computer expenses; \$22k increase in repairs and maintenance related to increased vehicle repair costs, and \$505k in decreased utilities due to the development of the operational matrix for estimating electric costs for SYPP and decreased water delivery requests.

Operating Expenses Fixed and Variable Expenses



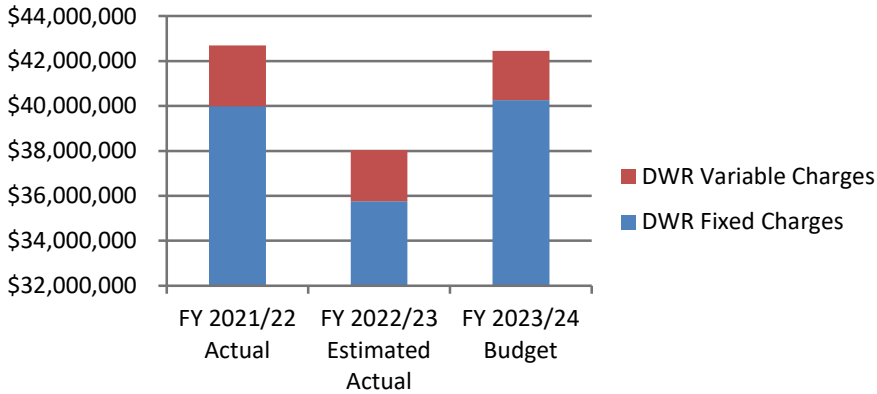
DWR FIXED AND VARIABLE CHARGES

DWR Fixed cost increase of \$4.3 million due to increased costs in Transportation Minimum of \$ 4.1 Million combined with an increase of \$357k in Transportation Capital costs, \$605k in Delta Water charges, \$442k in WSRB and offset by a decrease of \$1.3 M. in Coastal Branch Phase II.

DWR Variable cost decrease of \$831K over FY 2022/23 is largely due to a decrease in the estimated water deliveries.

	FY 2022/23 Budget	FY 2023/24 Budget	Increase (Decrease)
Transportation Capital	\$ 19,161,435	\$ 19,517,968	\$ 356,533
Coastal Branch Phase II	2,896,644	1,628,232	(1,268,412)
Transportation Minimum OMP&R	9,807,761	13,927,702	4,119,941
Water System Revenue Bond	291,787	733,827	442,040
Delta Water Charge	3,849,690	4,455,086	605,397
Subtotal Fixed DWR Charges	36,007,316	40,262,815	4,255,499
Off-Aqueduct Charges	22,430	39,304	16,874
Variable OMP&R	3,001,075	2,153,282	(847,794)
Subtotal Variable DWR Charges	3,023,505	2,192,585	(830,920)
DWR Account Investment Income	(28,317)	(281,050)	(252,733)
Total DWR Charges	\$ 39,002,504	\$ 42,174,350	\$ 3,171,846

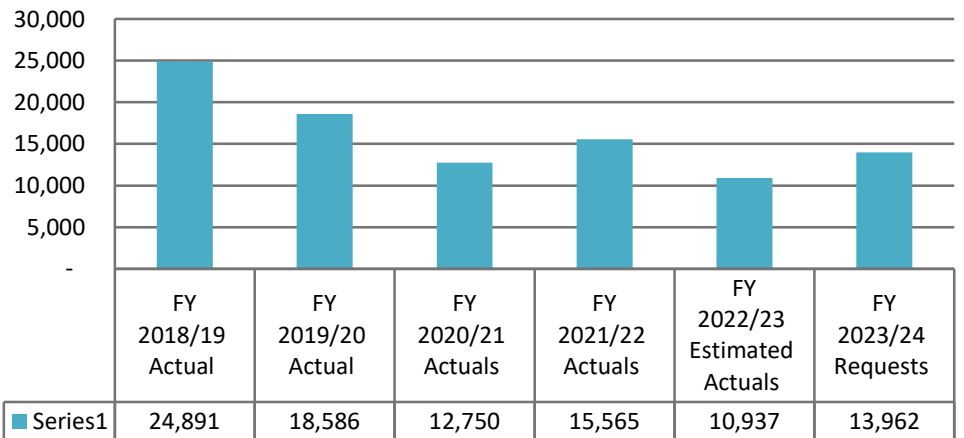
DWR Fixed and Variable Charges



The significant fluctuations in DWR fixed costs year-to-year is due to the DWR Transportation Minimum OMP&R cost component and its calculation for annual over and under-collections. Historically, the Transportation Minimum cost component of DWR Statement of Charges has been the most volatile DWR charge. The volatility is partly based on DWR's Statement of Charges being based on estimates and then reconciling or preparing a "true-

DWR Delivery Allocation Percentage	
Calendar	
Year	Percentage
2012	65%
2013	60%
2014	5%
2015	20%
2016	60%
2017	85%
2018	35%
2019	75%
2020	20%
2021	5%
2022	15%
2023 (current)	35%

Water Deliveries and Requests

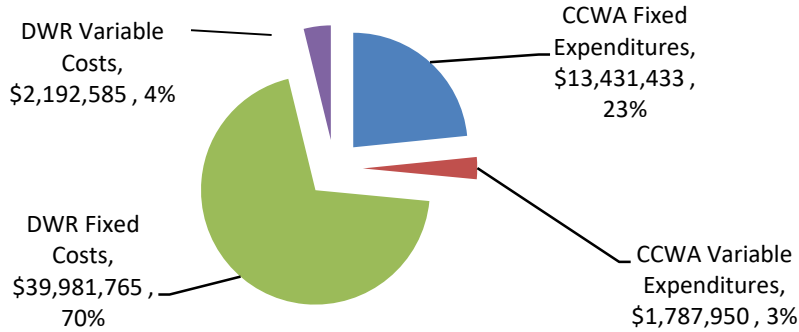


OTHER EXPENDITURES

	FY 2022/23 Budget	FY 2023/24 Budget	Increase (Decrease)
Capital Improvement & Non-Capital Projects	\$ 1,674,254	\$ 2,602,215	\$ 927,961
Warren Act Charges	764,882	275,673	(489,209)
Total Other Expenditures	\$ 2,439,136	\$ 2,877,888	\$ 438,752

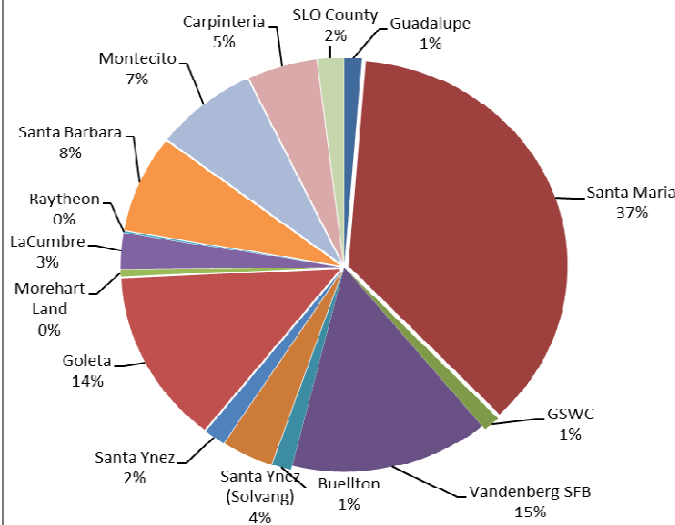
\$928k increase in Capital & Non-Capital Projects; \$490k decrease in Warren Act Charges.

FY 2023/24 Budget Components



74% of the CCWA Budget is outside of the direct control of CCWA. DWR costs comprise 74% of the total CCWA Budget.

FY 2023/24 Percent of Total Payments by Project Participant



FY 2023/24 Variable Cost Per Acre-Foot

Table A Water

North Santa Barbara County	\$ 360.38
South Santa Barbara County	\$ 526.07

Santa Ynez Exchange Water

Santa Ynez ID#1	\$ 231.96
South Coast Exchange Participants	\$ 229.11

For more information, please contact the Central Coast Water Authority at (805) 688-2292 or visit our website at: ccwa.com