



A Meeting of the

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

will be held at 9:00 a.m., on Thursday, April 25, 2019
at 255 Industrial Way, Buellton, California

Eric Friedman
Chairman

Ed Andrisek
Vice Chairman

Ray A. Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

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 March 28, 2019 Regular Meeting
- * B. Approve Bills
- * C. Controller’s Report
- * D. Operations Report

IV. Executive Director’s Report

- A. CCWA Water Supply Situation Report
- ◆ B. Finance Committee
 - 1. FY 2018/19 Third Quarter Investment Report
 - 2. Annual Review of the CCWA Investment Policy
- * C. Final FY 2019/20 Budget
- * D. Annual Chemical Contract Negotiations
- * E. Santa Ynez Pumping Plant, Tank Sites #2 and #5 Pavement Maintenance Project

V. Reports from Board Members for Information Only

VI. Items for Next Regular Meeting Agenda

VII. Date of Next Regular Meeting: May 23, 2019

VIII. 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.



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

March 28, 2019

I. Call to Order and Roll Call

Chairman Friedman called the Central Coast Water Authority (CCWA) Board of Directors meeting held at 255 Industrial Way, Buellton, California, to order at 9:00 AM. 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%
Farfalla Borah	Goleta Water District	17.20%
Harlan Burchardi	Santa Ynez River Water Conservation District, ID #1	7.64%
Shad Springer	City of Santa Maria	43.19%
Eric Friedman	City of Santa Barbara	11.47%
Shirley Johnson	Carpinteria Valley Water District	7.64%
Gina Rubalcaba	City of Guadalupe	1.15%
Floyd Wicks	Montecito Water District	9.50%

II. Public Comment

Director Wicks asked that a future agenda discussion include groundwater banking within Santa Barbara County.

There was no other public comment.

III. Consent Calendar

- A. Approve Minutes of the February 28, 2019 Regular Meeting
- B. Approve Bills
- C. Controller's Report
- D. Operations Report

Director Wicks requested the minutes be amended to include the Santa Maria groundwater basin in his reference to potential groundwater basins for banking purposes. Director Burchardi requested the minutes be corrected to show he was not present at the February 28, 2019 meeting.

Director Rubalcaba moved to approve the Consent Calendar, with the requested changes to the minutes of the February 28, 2019 meeting, seconded by Director Johnson and carried with all in favor and none opposed.

IV. Executive Director's Report

A. CCWA Water Supply Situation Report

Mr. Stokes reported on the water available to CCWA, explaining the current indices show that the state's precipitation is well above historic average levels at 132% for the northern Sierra index and 130% for the San Joaquin index. February precipitation was well above historical average, and March has exceeded average rainfall. Snowpack is at 156% of historical average. During a State Water Contractors conference call last week there was a discussion that the snow melt could be earlier than usual, so there could be some impact due to the early runoff. Lake Oroville may utilize its recently repaired main spillway in the upcoming week. San Luis Reservoir is completely full, so any carryover water or water not used in the prior year has been lost. For CCWA participants, the amount lost was 2,578 AF, of which 1,949 was allocated to VAFB.

CCWA was able to take delivery of 229 AF of Article 21 water, or water which does not count against Table A deliveries, at the end of February, and Article 21 water deliveries have continued into March. Discussion took place regarding the loss of potential Article 21 deliveries for South Coast Participants due to the inability to pump water into Lake Cachuma. Following a question from Alternate Director Springer, Mr. Stokes stated that it is possible that there may be a second declaration of Article 21 based on snowpack runoff levels if the proper conditions are met. Mr. Stokes then explained the basis of Article 21 water, restrictions on the ability to accept delivery of the water, and factors that create restrictions on the continuance of the availability of Article 21 water from DWR.

Currently CCWA participants have approximately 8,500 AF of water debt, and some participants have expressed interest in paying down some of their water debt due to DWR's announcement to increase the Table A allocation to 70%.

Discussion took place about the nature of groundwater banking, and it was recommended that a future agenda item include an explanation of different groundwater banks.

B. Lake Cachuma Pumping Restrictions and Alternatives

John Brady, CCWA Deputy Director, explained that CCWA has a contract with the United States Bureau of Reclamation (Bureau) for the use of excess capacity of the Cachuma Project. The contract allows for the delivery of SWP water to Lake Cachuma and also allows the South Coast Water Agencies to convey SWP water through the lake, Tecolote Tunnel and South Coast Conduit.

From 1995 to 2014 CCWA utilized the Bradbury Dam Penstock for delivery of state water to Lake Cachuma. However, with the onset of the drought in 2014, the Bureau determined that they needed the penstock as a source of water supply for their Hilton Creek operation. Due to the Biological Opinion requirements, the Bureau essentially determined that there was no excess capacity available in the penstock to accommodate the CCWA lake delivery operation.

To respond to the loss of the penstock as a means to deliver SWP water to Lake Cachuma, CCWA installed a temporary bypass pipeline so that lake deliveries could

continue. From 2014 to present, the bypass pipeline has been removed and reinstalled several times to accommodate the Bureau's need for closing the Spillway Gates.

Currently, when the spillway gate closes, CCWA has no way to deliver SWP water to the lake until the Bureau can establish a siphon from the pumping barge operation to provide a source of water to Hilton Creek, which is when the lake level is in the 730 foot range. However, the barge which operates the siphon is not operational, and Mr. Brady explained the issues causing the barge to be in-operational.

CCWA is proposing an alternative that would allow CCWA to run its bypass piping over the top of Bradbury Dam using a road crossing without interfering with the dam operations road. There would be a flow loss associated with the design change, both due to the increased elevation of the bypass pipeline and the capabilities of the device used for the road crossing. Mr. Brady stated the USBR has responded to the request with its concerns, and CCWA has provided a response to the concerns. Consequently, USBR has requested additional information, but CCWA anticipates the request will be approved. All the materials needed to implement the over the dam option are available immediately, so the installation of the piping could be effected in a very short time.

The Bradbury Penstock Evaluation report was reviewed. The report has several suggestions, including delivering SWP water to the penstock, flushing the penstock when Hilton Creek emergency pumps activate, constructing a more reliable pump station for Hilton creek water supply system, and installing a new connection to the penstock discharge pipe for SWP water delivery during water rights releases. The preferred alternative is a semi-permanent penstock bypass pipe for SWP deliveries. A permanent bypass pipeline for Hilton Creek Water Supply System, and increased capacity of Santa Ynez pumping capacity are also considered in the report.

The Board discussed the requirements for installing the flange which would allow deliveries when the spillway gates are closed, which is the lowest cost option. No action was requested from the Board at this time.

C. State Water Project Contract Assignment Update

The general history of the effort to assign the contract to CCWA from staff and General Counsel was reviewed, and Mr. Stokes reported that CCWA staff has met with Santa Barbara County staff, and will meet again with Santa Barbara County personnel on April 8. After that meeting, it is anticipated that the item will have been clarified to the point that it can be brought to the Santa Barbara County Board of Supervisors for its decision.

D. State Water Project Contract Extension and California WaterFix Update

A recent major change to the California WaterFix proposal by Gov. Newsom reduced the scope of the project from two tunnels delivering about 9,000 cfs to one tunnel of about 6,000 cfs. The effect of this change is not yet fully realized, and DWR is regrouping in an effort to determine what the new project criteria will be, including costs and delivery capability.

The effect of this change is also having ramifications on the extension of the SWP contract, including one of the two main provisions, an amendment to exclude the five State Water Contractors north of the Delta from costs associated with the California WaterFix.

Mr. Stokes stated the Director of DWR has asked that the State Water Contractors make decisions related to how the contract extension will be handled, including the associated costs, and those decisions will be made at the SWC meeting in the beginning of May. He then asked for feedback from the Board regarding its wishes related to opting in or out of the California WaterFix project for CCWA participants. Alternate Director Springer requested that having maximum flexibility related to participation be pursued, until the costs and benefits of the project are more fully developed.

Discussion about the Suspended Table A allotment took place, and Alternate Director Springer stated the allocation of 12,214 AF of suspended water is still in development and no decisions are final related to the allocations within CCWA participants. Mr. Stokes explained the two issues are entwined, as the repurchase of the 12,214 AF may provide the long term reliability at a lower cost than would be provided by participation in the California WaterFix, dependent on how the final project evolves.

E. CCWA Reserve Fund for DWR Charges

Mr. Stokes reviewed his request for a reserve fund so that CCWA would avoid having to assess member agencies for payments because of the volatility of DWR charges. Participation in the reserve fund would be voluntary. Mr. Springer asked that language be added to clarify that the fund would be used only on a project participant basis and is not a pool fund.

Upon a motion by Director Springer, seconded by Director Burchardi and carried with all in favor and none opposed, the Board approved the creation of the DWR Reserve Fund and the creation of the DWR Reserve Fund Policy with the recommended changes.

F. CCWA FY 2019/20 Preliminary Budget

An overview of CCWA FY 2019/20 Preliminary Budget was provided, and Mr. Stokes noted that 83% of the budget is outside of CCWA's direct control, including DWR costs and bond payments. The preliminary budget is \$74 million, \$10 million higher than the FY 2018/19 budget.

Personnel costs are 49% of the operational costs of CCWA, following by chemical and power costs. Personnel costs are increasing by about \$170,000, including the salary pool and increase in PERS costs. Some personnel costs are decreasing, due to realignment of employee benefits and employees paying a portion of healthcare premiums and cafeteria plan expenses. Other O&M expenses include a \$19,000 increase in fees paid to the Water Research Foundation and a \$16,000

decrease in SWC fees, due to elimination of fees for the now-retire State Water Project Contractors Authority.

Capital and non-capital projects include total project expenditures of \$1.6 million, about a \$700,000 increase over the prior year. Nineteen Capital Improvement Projects and ten Non-Capital Projects are planned for the 2019/20 FY. It is anticipated that there will be increased O&M costs related to the aging infrastructure, as more projects are proposed to maintain the facilities. All projects are paid for on a current basis, as bond funds are not used for capital projects.

2016A Revenue bond debt service payments for FY 2019/20 total \$10.3 million, and Warren Act and Trust Fund payments total \$710,152 based on 12,244 AF of water delivered into Cachuma Lake at \$58/AF.

DWR variable and fixed charges are \$4.7 million and \$46.7 million, respectively, in the FY 2019/20 budget. DWR Fixed Charges are increasing approximately \$9.7 million compared to the prior year. The historical amount of DWR fixed charges was reviewed, as well as the historical rate management credits. Mr. Stokes reviewed the \$19.7 million Transportation Minimum OMP&R amount for FY 2019/20 compared to FY 2018/19 amount of \$9.9 million. Related to the transportation capital volatility, Mr. Stokes informed the Board that a \$2 million amount is included in anticipation of a potential under collection from DWR. DWR variable charges are decreasing by \$1.0 million, based on a unit rate of \$173.11/AF.

In response to a question from Director Borah, Mr. Stokes explained the anticipated costs related to the Oroville spillway repair. The costs associated with the emergency repair have been included in the 2019 Statement of Charges, and the additional costs are still being determined after appeal to FEMA and application to the Army Corps of Engineers. If the contract extension is not executed, the costs could be compressed due to financing constraints, but will be allocated by Table A percentage.

Goals for FY 2019/20 include pursuing contract assignment from SB County to CCWA, execution of the SWP contract extension and amendment and SWP contract amendment for water management provisions, investigating potential cost & water allocations associated with California WaterFix amendment and exploring groundwater banking opportunities, both outside and inside Santa Barbara. Additional goals are to reacquire the 12,214 suspended Table A water, analyze the potential benefits of California WaterFix to determine what CCWA's position on proposed project is, develop a formal long-term CIP program and further develop CCWA's facilities assessment program.

G. FY 2017/18 Continuing Disclosure Annual Report for Ratification

The FY 2017/18 Continuing Disclosure Annual Report was submitted to the CCWA Revenue Bond Trustee prior to the due date of March 15, 2019, and is available online at ccwa.com.

Mr. Stokes provided background of the requirements of the report as it relates to all CCWA's public agency participants, and presented an overview of the report, noting that all reporting participants met their required 1.25% coverage calculations. Alternate Director Springer noted that the large additional assessment may affect

the coverage calculations for the next report, and Mr. Stokes stated CCWA staff will investigate the issue.

Upon a motion by Director Burchardi, seconded by Director Springer, with all in favor and none opposed, the CCWA Board of Directors approved ratification of the CCWA FY 2017/18 Continuing Disclosure Annual Report.

H. Legislative Update

Mr. Stokes pointed out an important item currently being considered by California Legislature. ACWA has proposed an alternative to the Drinking Water Tax called the Drinking Water Trust, titled SB 669, which will create a durable funding source for costs associated with operation and maintenance for community water systems that will help disadvantaged communities.

Motion by Director Wicks to support SB 669, seconded by Director Rubalcaba and carried with all in favor and none opposed.

A summary of ongoing legislation was provided in the Board materials for the information of the Board.

V. Reports from Board Members for Information Only

There were no other reports from Board members.

VI. Items for Next Regular Meeting Agenda

A. CCWA FY 19/20 Budget

VII. Date of Next Regular Meeting: April 25, 2019

VIII. Adjournment

The meeting was adjourned at 11:12 AM.

Respectfully submitted,

Elizabeth Watkins
Secretary to the Board

CENTRAL COAST WATER AUTHORITY

Meeting: CCWA Board of Directors

Date: March 28, 2019

NAME	ORGANIZATION	TELEPHONE
Harlan Burckhardi	SYRUCO ID1	688 6015
Fairville Brook	GVD	879-4621
Giina Rubalcaba	Guadalupe	354-3078
Shirley Johnson	CA R P valley	881-8011
Eric Friedman	City of SB	805-564-5318
ED ANDRISAK	City of Buellton	805-688-1458
FLOYD Wicks	Montecito W. D.	805-455-1670
SHAD SPRINGER	CITY OF SANTA MARIA	805 925 0951
Lisa Long	CCWA	805-688-2292
LAURA MATHEW	CCWA	805-688-2292
Etta Waterfield	SANTA MARIA	805-925-0951
Mark Preston	Buellton	805 903-3706
Tom Fynn	COUNTY SB	805-568-3436
PETER GARCIA	SYRUCO, ID No. 1	(805) 688-6015
Nick Turner	MWD	805-969-2271
John Brady	CCWA	805-688-2292

Placing your name on this list is voluntary and is not required to attend this meeting.



CENTRAL COAST WATER AUTHORITY

Agenda Item III.B.
Board of Directors
April 25, 2019

Normal and Recurring Costs

Bills for Ratification - March 2019

VENDOR	INVOICE AMOUNT	DESCRIPTION
GENERAL & ADMINISTRATIVE EXPENSES		
ACWA/JPIA	190.00	JPIA Training - Registration Expense
Adam, Lacey	29.17	Reimbursable expenses - Training Travel Expense
Bank of America Business Card	34.99	Training Expenses
Bank of America Business Card	159.95	Staff meetings
Bank of America Business Card	190.00	JPIA Training - Registration Expense
Bank of America Business Card	358.50	Publications, subscriptions, postage
Bank of America Business Card	483.97	Advertisement
Cardmember Service	1,753.28	State Water Contractors - Travel and meetings
Federal Express	259.78	Express shipping
Sage Designs, Inc.	2,200.00	ClearSCADA training
Scheer, Adam	67.30	Reimbursable expenses - Training Travel Expenses
Total Funds	400.00	Postage - postage machine
Ultrex Business Products	434.34	Printing Expenses
United Parcel Service	123.80	Shipping expenses
	\$ 6,685.08	Total General & Administrative
MONITORING EXPENSES		
AmeriPride Services, Inc.	317.04	Lab supplies
BIOVIR Laboratories	360.27	Water Analysis Tests
Culligan Industries Water Systems	170.00	Carbon Tank Rentals, Tri-Bed Tank Rentals
Eurofins Eaton Analytical	990.00	Lab testing
Fisher Scientific Co., LLC	127.64	Lab supplies
Hach Company	1,102.93	Lab supplies
IDEXX Distribution Corp.	2,941.97	Lab supplies
VWR International	461.26	Lab supplies
	\$ 6,471.11	Total Monitoring Expenses
OFFICE EXPENSES		
Bank of America Business Card	414.93	Office and Kitchen Supplies
Jay Cee Trophy, Inc.	88.62	Board Members Name Plate
Office Depot	346.37	Office, janitorial & kitchen supplies
Staples Inc.	64.87	Office, janitorial & kitchen supplies
	\$ 914.79	Total Office Expenses
OTHER EXPENSES		
American Marborg	164.72	Tank 2/EDV Rental
Bank of America Business Card	659.31	Computer miscellaneous expenses
Bazzell, David	269.78	DSL reimbursement
Brentwood Industries, Inc.	6,721.88	Sedimentation Basin Chain Failure Repair
Brownstein Hyatt Farber	2,037.00	Legal Services: SWPP - Mojave
Comcast	193.16	Internet Service
CompuVision	277.35	SmartNet Renewal
CompuVision	2,700.00	Review Fiber Switch Design
CompuVision	4,590.00	Managed Service Agreement
CompuVision	9,975.00	Network Security and Vulnerability Test
De Lage Landen Financial Services	248.01	Copier Lease - BAO
Development Group, Inc	4,725.92	Computer work station
DLT Solutions, Inc.	4,105.68	AutoCAD Subscription
HDR Engineering, Inc.	1,280.00	Permanent Bypass Piping at Bradbury Outlet Works Eval



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - March 2019

VENDOR	INVOICE AMOUNT	DESCRIPTION
Home Depot Card Services	33.70	Chlorine Scrubber Inspection
Impulse Internet Services	2,097.38	T-1 System and Internet Service (Buellton and Shandon)
Lee Central Coast Newspapers	92.40	Pavement Slurry Seal - Bid advertisement
Marborg Industries	155.09	Tank 5/Tank 7 Rental
Todd Pipe & Supply	4.76	Repair and Maintenance materials
Xerox Financial Services	188.62	Copier Lease - WTP
	<u>\$ 40,519.76</u>	Total Other Expenses
OTHER MISCELLANEOUS EXPENSES		
Bank of New York Mellon	720,159.23	Bond Interest Payment
Department of Water Resources	3,223,706.00	Variable OMP&R, Delta Water & Transport Charge
	<u>\$ 3,943,865.23</u>	Total Other Miscellaneous Expenses
PERSONNEL EXPENSES		
CalPERS Health	34,475.20	Health Insurance
CalPERS Retirement	36,648.87	Pension Contributions
CCWA Payroll Wages/Taxes	248,244.77	Gross Payroll Wages/Taxes
Dental/Vision Payments	4,157.65	Dental/Vision Benefits
MetLife SBC Insurance	1,048.95	Life Insurance
Other Misc Employee Benefits	8,701.90	Vehicle, Uniform and Cafeteria Plan Benefits
Standard Insurance Company	1,371.72	Disability Insurance
	<u>\$ 334,649.06</u>	Total Personnel Expenses
PROFESSIONAL SERVICES		
Brownstein Hyatt Farber	225.00	Legal Services-Resolutions/Policies
Brownstein Hyatt Farber	423.00	Legal Services-Relations State Water Contractors
Brownstein Hyatt Farber	540.00	Legal Services-Bidding Requirements/Construction Contra
Brownstein Hyatt Farber	1,800.00	Legal Services-Water Transfer General
Brownstein Hyatt Farber	10,280.44	Legal Services-General Meetings
Brownstein Hyatt Farber	10,856.50	Legal Services-State Water Contract
Brownstein Hyatt Farber	17,415.00	Legal Services-DWR/SBCFCWCD Contract
Cardno, Inc.	464.50	Environmental Consulting
Quinn Company	1,444.25	Fuel sampling kits
Samba Holdings, Inc.	68.20	DMV driver reports
Santa Barbara County	1,260.00	Annual Business Plan Renewal
Sentry Alarm Systems	450.00	Security System - WTP
Stradling Yocca Carlson Rauth	671.50	Legal - Employee Matters
Underground Service Alert	44.75	New tickets
	<u>\$ 45,943.14</u>	Total Professional Services
CIP PROJECTS - MATERIALS & OVERHEAD		
Farwest Corrosion Control	5,888.86	CP Rectifier Upgrade
HDR Engineering Inc	7,229.52	SYPP Electrical Upgrade Design
Integrated Industrial Supply	5,583.98	Fall Protection Equipment - Distribution
	<u>\$ 18,702.36</u>	Total CIP Project - Materials and Overhead
REPAIRS & MAINTENANCE		
Airgas USA, LLC	46.35	Equipment repairs and maintenance
AmeriPride Services, Inc.	341.09	Building maintenance supplies
Anthony's Tire Store	720.02	Vehicle maintenance
Automationdirect.com Inc	109.83	Parts, repair and maintenance
Bank of America Business Card	307.80	Equipment repairs and maintenance



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - March 2019

VENDOR	INVOICE AMOUNT	DESCRIPTION
Bank of America Business Card	571.39	Vehicles repairs and maintenance
BWS Distributors	273.86	Equipment repairs and maintenance
City of Buellton	96.89	Landscape maintenance - water
Coverall North America, Inc	979.00	Janitorial service - BAO/SYPS
Department of Motor Vehicles	10.00	Equipment Registration
Grainger Inc.	646.46	Parts, repair and maintenance
Hach Company	163.07	Parts, repair and maintenance
Jan's Gardening Service	1,025.00	Landscape maintenance - BAO/SYPS
Office Depot	131.10	Janitorial supplies
Paso Robles Chevrolet	100.63	Vehicle maintenance
Procure Janitorial Supply	411.29	Janitorial supplies - WTP
Progressive Greenery	330.00	Landscape maintenance - WTP
Rio Vista Chevrolet	453.02	Vehicle maintenance
San Luis Personnel Service	1,432.35	Janitorial Service - WTP
Santa Ynez Valley Hardware	17.86	Maintenance supplies
Staples	45.03	Janitorial Supplies
Surface Pumps, Inc.	2,357.90	Equipment repairs and maintenance
Tustin Lock and Safe	1,049.60	Equipment parts and repairs
Ultrax Business Products	86.13	Copier maintenance
USA Blue Book	2,846.25	Equipment repairs and maintenance
Western Exterminator Co	95.50	Pest control spraying - BAO and SYPS
Zoom Imaging Solutions, Inc	57.85	Copier Maintenance
	\$ 14,705.27	Total Repairs & Maintenance
SUPPLIES & EQUIPMENT		
AmeriPride Services, Inc.	949.31	Uniform expenses
Applied Spectrometry Associate	3,830.52	Chemicals - WTP
Bank of America Business Card	188.06	Equipment & maintenance supplies
Cal Coast Irrigation, Inc.	23.18	Maintenance supplies and hardware
Carr's Boots & Western Wear	347.74	Uniform expenses
Chemtrade Chemicals US, LLC	20,196.19	Chemicals - WTP
Consolidated Electrical Dist.	220.54	Maintenance supplies and hardware
GFG Instrumentation Inc.	292.13	Safety supplies
Grainger Inc.	252.59	Minor tools, equipment & maintenance supplies, safety supplies
Harrison Hardware	30.11	Maintenance supplies and hardware
Home Depot	650.67	Minor tools, equipment & maintenance supplies
Integrated Industrial Supply Inc	289.63	Safety supplies
JCI Jones Chemical	18,928.26	Chemicals - WTP
McMaster-Carr Supply Company	82.22	Minor tools, equipment & maintenance supplies, safety supplies
Praxair Distribution Inc.	114.35	Equipment maintenance
Santa Ynez Valley Hardware	10.75	Maintenance supplies and hardware
Santa Ynez Valley Hardware	29.07	Small tools, materials and safety supplies
Sterling Water Technologies, LLC	15,456.00	Chemicals - WTP
Univar USA, Inc.	877.54	Chemicals - WTP
WEX Bank - Wright Express	4,497.52	Fuel - Autos
	\$ 67,266.38	Total Supplies & Equipment



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - March 2019

VENDOR	INVOICE AMOUNT	DESCRIPTION
UTILITIES		
City of Buellton	182.86	Water - BAO
Delta Liquid Energy	716.90	Propane gas
First Choice Technology	13.26	Phone - Long distance carrier, 800#
Frontier	274.15	Telephone charges
Health Sanitation Services	200.38	Waste Disposal - SYPS
Marborg Industries	236.35	Waste Disposal - BAO
Pacific Gas & Electric	14,413.88	Utilities - BAO/SYPS/WTP
San Miguel Garbage Company	210.25	Waste Disposal - WTP
Santa Ynez River Water Conservation	165.60	Water - SYPS
Stokes, Ray	64.64	Reimbursable Expenses - Cell Phone charges
Surfnet Communications, Inc.	75.00	Wireless Internet - Chorro
The Gas Company	182.07	Natural Gas - BAO
Verizon Wireless	387.39	Cell phone charges
Vandenberg Air Force Base	17,191.64	Tank 5 Utilities
	\$ 34,314.37	Total Utilities
Subtotal - Bills for Ratification	\$4,514,036.55	



CENTRAL COAST WATER AUTHORITY

Bills for Approval

VENDOR	INVOICE AMOUNT	DESCRIPTION
State of California DWR	\$ 2,323,583.00	Capital Cost and Minimum OMP&R Charges -Apr'19
Subtotal - Bills for Approval	\$ 2,323,583.00	
Total Ratification and Approval Bills	<u>\$ 6,837,619.55</u>	

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ASSETS

	<u>March 31, 2019</u>	<u>February 28, 2019</u>
Current Assets		
Cash and investments	\$ 6,444,740	\$ 6,592,956
Accounts Receivable (Note 1)	-	-
Accrued interest receivable	214,402	170,127
Other assets	1,812,347	1,833,337
Total Current Assets	<u>8,471,488</u>	<u>8,596,421</u>
Restricted Assets		
Cash and investments with fiscal agents	721,750	-
<u>Investment Accounts</u>		
Operations and Maintenance Reserve Fund (Note 2)	2,138,126	2,136,747
Rate Coverage Reserve Fund (Note 3)	9,380,486	9,374,435
Debt Service Payments (Note 4)	101,760	822,564
Department of Water Resources (Note 5a)	12,338,177	14,351,592
Credits Payable (Note 6)	1,134,231	1,133,577
Escrow Deposits (Note 7)	483,324	483,013
Total Restricted Assets	<u>26,297,854</u>	<u>28,301,927</u>
Property, Plant and Equipment		
Construction in progress (Note 8)	1,713,053	1,685,268
Fixed assets (net of accumulated depreciation)	91,664,929	91,851,663
Total Property, Plant and Equipment	<u>93,377,981</u>	<u>93,536,932</u>
Other Assets		
Unamortized bond issuance costs (Note 9)	658,258	696,288
Long term receivable (Note 10)	3,632,703	3,632,703
Total Other Assets	<u>4,290,961</u>	<u>4,328,991</u>
Total Assets	<u>\$ 132,438,284</u>	<u>\$ 134,764,271</u>



Statements of Net Position

LIABILITIES AND FUND EQUITY

	<u>March 31, 2019</u>	<u>February 28, 2019</u>
<u>Current Liabilities</u>		
Accounts Payable	\$ 77,499	\$ 169,511
DWR and Warren Act Charge Deposits (Note 5a)	12,338,179	14,351,594
CCWA Variable Charge Deposits (Note 5b)	12,573	23,636
Accrued interest payable	721,751	601,460
Other liabilities	711,341	727,383
Rate Coverage Reserve Fund	9,222,497	9,222,497
Unearned Revenue	859,247	34,726
Credits Payable to Project Participants	1,608,620	1,594,411
Total Current Liabilities	<u>25,551,707</u>	<u>26,725,218</u>
<u>Non-Current Liabilities</u>		
Bonds payable (Note 11)	28,870,000	28,870,000
Bond Original Issue Premium, net	1,764,657	1,866,612
OPEB Liability	831,506	831,506
Escrow Deposits	483,324	483,013
Net Pension Liability	3,756,159	3,756,159
Total Non-Current Liabilities	<u>35,705,646</u>	<u>35,807,291</u>
<u>Commitments and Uncertainties</u>		
<u>Net Assets</u>		
Contributed capital, net (Note 12)	22,562,433	22,562,433
Retained earnings	48,618,497	49,669,329
Total Net Assets	<u>71,180,930</u>	<u>72,231,762</u>
Total Liabilities and Net Assets	<u>\$ 132,438,284</u>	<u>\$ 134,764,271</u>



Statements of Revenues, Expenses and Changes in Net Position

	<u>March 31, 2019</u>	<u>February 28, 2019</u>
<u>Operating Revenues</u>		
Operating reimbursements from project participants	\$ 21,235,547	\$ 21,542,012
Other revenues	16,905	15,313
Total Operating Revenues	<u>21,252,451</u>	<u>21,557,325</u>
<u>Operating Expenses</u>		
Personnel expenses	3,453,757	3,121,193
Office expenses	12,950	12,035
General and administrative	151,632	135,427
Professional services	229,849	183,778
Supplies and equipment	849,448	781,581
Monitoring expenses	54,627	48,156
Repairs and maintenance	201,829	187,124
Utilities	824,604	790,289
Depreciation and amortization	971,404	867,269
Other expenses	466,474	414,250
Total Operating Expenses	<u>7,216,574</u>	<u>6,541,101</u>
Operating Income	<u>14,035,877</u>	<u>15,016,224</u>
<u>Non-Operating Revenues</u>		
Investment income	950,327	872,768
Total Non-Operating Revenues	<u>950,327</u>	<u>872,768</u>
<u>Non-Operating Expenses</u>		
Interest	1,191,625	1,071,333
Current year credits payable	591,393	563,640
Total Non-Operating Expenses	<u>1,783,018</u>	<u>1,634,973</u>
Net Income	<u>13,203,187</u>	<u>14,254,018</u>
<u>Retained Earnings</u>		
Retained earnings at beginning of period	<u>35,415,311</u>	<u>35,415,311</u>
Retained earnings at end of period	\$ <u><u>48,618,497</u></u>	\$ <u><u>49,669,329</u></u>

Central Coast Water Authority
Notes to Financial Statements
 March 31, 2019

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	\$ 28,683
City of Santa Maria	844,855
Golden State Water Company	26,076
Vandenberg AFB	386,988
City of Buellton	30,144
Santa Ynez ID #1 (Solvang)	78,227
Santa Ynez ID #1	26,076
Goleta Water District	234,682
Morehart Land Co.	10,430
La Cumbre Mutual Water Company	52,145
Raytheon Systems Company	2,608
City of Santa Barbara	156,455
Montecito Water District	156,455
Carpinteria Valley Water District	104,303
TOTAL:	\$ 2,138,126

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	\$ 193,036
City of Santa Maria	5,096,249
City of Buellton	280,081
Santa Ynez ID #1 (Solvang)	623,472
Santa Ynez ID #1	469,682
La Cumbre Mutual Water Company	404,594
Montecito Water District	1,458,498
Carpinteria Valley Water District	839,378
Shandon	15,496
TOTAL:	\$ 9,380,486

Central Coast Water Authority
Notes to Financial Statements
March 31, 2019

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	\$ 127
California Men's Colony	1,115
County of SLO	1,188
Cuesta College	558
Morro Bay	7,195
Oceano	932
Pismo Beach	1,540
Shandon	126
Guadalupe	1,589
Buellton	2,803
Santa Ynez (Solvang)	8,005
Santa Ynez	3,006
Goleta	24,129
Morehart Land	1,178
La Cumbre	5,580
Raytheon	249
Santa Barbara	14,833
Montecito	17,587
Carpinteria	10,021
TOTAL:	\$ 101,760

Central Coast Water Authority
Notes to Financial Statements
 March 31, 2019

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	\$ 163,399
City of Santa Maria	4,049,227
Golden State Water Company	127,153
Vandenberg AFB	2,655,730
City of Buellton	159,984
Santa Ynez ID #1 (Solvang)	388,290
Santa Ynez ID #1	229,540
Goleta Water District	1,548,579
Morehart Land Co.	38,081
La Cumbre Mutual Water Company	302,773
Raytheon Systems Co.	14,153
City of Santa Barbara	969,746
Montecito Water District	1,152,008
Carpinteria Valley Water District	539,512
TOTAL:	<u>\$ 12,338,177</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	-
Santa Ynez ID #1 (Solvang)	-
Santa Ynez ID #1	9,546
Goleta Water District	-
Morehart Land Co.	-
La Cumbre Mutual Water Company	-
Raytheon Systems Co.	3,027
City of Santa Barbara	-
Montecito Water District	-
Carpinteria Valley Water District	-
Shandon	-
Lopez Turnout	-
Chorro Turnout	-
TOTAL:	<u>\$ 12,573</u>

Central Coast Water Authority
Notes to Financial Statements
 March 31, 2019

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	\$ (174)
City of Santa Maria	189,095
Golden State Water Company	8,776
Vandenberg AFB	278,450
City of Buellton	14,444
Santa Ynez ID #1 (Solvang)	32,976
Santa Ynez ID #1	373,486
Goleta Water District	14,529
Morehart Land Co.	1,779
La Cumbre Mutual Water Company	9,330
Raytheon Systems Co.	468
City of Santa Barbara	9,695
Montecito Water District	149,725
Carpinteria Valley Water District	6,384
Shandon	(648)
Lopez Turnout	17,769
Chorro Turnout	28,147
TOTAL:	\$ 1,134,231

Note 7: Escrow Deposits

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

Project Participant	Amount
Morehart Land Company	\$ 382,683
Raytheon Systems Company	100,641
TOTAL:	\$ 483,324

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	\$ 123,451
Materials	728,709
Overhead	860,893
Project CIP Total:	\$ 1,713,053

Central Coast Water Authority
Notes to Financial Statements
March 31, 2019

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)	104,762
Santa Ynez	46,424
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, 2019 in the amount of \$9,160,000.

Central Coast Water Authority
Notes to Financial Statements
March 31, 2019

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

	March 31, 2019		
	<u>Budget</u>	<u>Actual</u>	<u>Percent Expended ⁽¹⁾</u>
Operating Revenues			
Fixed operating assessments ⁽²⁾	\$ 9,368,796	9,368,796	100.00%
Variable operating assessments	3,069,046	2,614,496	85.19%
Other revenues	-	-	N/A
Non-annual recurring revenues	-	-	N/A
Total Operating Revenues	<u>12,437,843</u>	<u>11,983,292</u>	<u>96.35%</u>
Operating Expenses ⁽²⁾			
Personnel expenses	5,032,011	3,453,757	68.64%
Office expenses	20,500	12,950	63.17%
General and administrative	275,985	151,632	54.94%
Professional services	425,520	229,849	54.02%
Supplies and equipment	2,115,202	849,448	40.16%
Monitoring expenses	113,624	54,627	48.08%
Repairs and maintenance	279,880	201,829	72.11%
Utilities	1,302,775	824,604	63.30%
Depreciation and amortization	-	-	N/A
Other expenses	1,912,356	466,474	24.39%
Total Operating Expenses	<u>11,477,854</u>	<u>6,245,171</u>	<u>54.41%</u>
Operating Income	<u>959,989</u>	<u>5,738,122</u>	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	<u>-</u>	<u>-</u>	
Non-Operating Expenses			
	-	-	
Total Non-Operating Expenses	<u>-</u>	<u>-</u>	
Net Income (Loss)	<u>\$ 959,989</u>	<u>5,738,122</u>	

(1) Percent of year expended: 75%

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



Budget and Actual Administration

	March 31, 2019		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	719,134	75.94%
Office expenses	10,500	8,171	77.82%
General and administrative	192,185	108,487	56.45%
Professional services	215,748	136,753	63.39%
Supplies and equipment	-	-	N/A
Monitoring expenses	-	-	N/A
Repairs and maintenance	31,695	18,397	58.04%
Utilities	16,316	10,525	64.50%
Depreciation and amortization	-	-	N/A
Other expenses	277,313	112,721	40.65%
Total Operating Expenses	1,690,676	1,114,188	65.90%
Operating Income	82,987	659,475	
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	659,475	

(1) Percent of year expended: 75%

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



Budget and Actual Water Treatment Plant

	March 31, 2019		
	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	1,578,715	78.11%
Other revenues	-	-	N/A
Non-annual recurring revenues	-	-	N/A
Total Operating Revenues	6,431,430	5,989,084	93.12%
Operating Expenses ⁽²⁾			
Personnel expenses	2,399,833	1,619,767	67.49%
Office expenses	6,000	3,264	54.40%
General and administrative	51,550	28,544	55.37%
Professional services	96,739	69,114	71.44%
Supplies and equipment	2,012,791	794,495	39.47%
Monitoring expenses	113,624	54,627	48.08%
Repairs and maintenance	166,485	115,889	69.61%
Utilities	178,809	124,218	69.47%
Depreciation and amortization	-	-	N/A
Other expenses	1,042,861	208,666	20.01%
Total Operating Expenses	6,068,692	3,018,585	49.74%
Operating Income	362,738	2,970,499	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 362,738	2,970,499	

(1) Percent of year expended: 75%

(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
 March 31, 2019

	July 2018	Aug. 2018	Sept. 2018	Oct. 2018	Nov. 2018	Dec. 2018	Jan. 2019	Feb. 2019	Mar. 2019	Total for Year
WTP Fixed O&M Costs										
Fixed O&M Expenses	\$ 340,685	\$ 207,536	\$ 213,293	\$ 237,669	\$ 268,514	\$ 246,007	\$ 241,799	\$ 253,561	\$ 202,439	\$ 2,211,502
Annual Table A Amount ⁽¹⁾	43,908	43,908	43,908	43,908	43,908	43,908	43,908	43,908	43,908	43,908
Fixed WTP Cost per AF	\$ 7.76	\$ 4.73	\$ 4.86	\$ 5.41	\$ 6.12	\$ 5.60	\$ 5.51	\$ 5.77	\$ 4.61	\$ 50.37
WTP Variable O&M Costs										
Variable O&M Expenses	\$ 148,836	\$ 145,300	\$ 82,151	\$ 84,947	\$ 43,009	\$ 90,886	\$ 103,213	\$ 45,150	\$ 63,591	\$ 807,083
Actual Water Treated	3,281	3,285	2,740	2,607	1,076	2,389	1,967	942	1,090	19,377
Variable WTP Cost per AF	\$ 45.36	\$ 44.23	\$ 29.98	\$ 32.58	\$ 39.97	\$ 38.04	\$ 52.47	\$ 47.93	\$ 58.34	\$ 41.65

(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

	March 31, 2019		
	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	139,235	78.58%
Office expenses	421	159	37.90%
General and administrative	3,391	1,536	45.30%
Professional services	11,885	1,482	12.47%
Supplies and equipment	10,768	5,873	54.54%
Monitoring expenses	-	-	N/A
Repairs and maintenance	8,590	11,489	133.74%
Utilities	6,274	18,889	301.09%
Depreciation and amortization	-	-	N/A
Other expenses	19,681	21,943	111.49%
Total Operating Expenses	238,208	200,606	84.21%
Operating Income	74,561	112,163	
<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	112,163	

(1) Percent of year expended: 75%

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



Budget and Actual Santa Ynez I

	March 31, 2019		
	Budget	Actual	Percent Expended ⁽¹⁾
Operating Revenues			
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%
Operating Expenses ⁽²⁾			
Personnel expenses	271,613	179,091	65.94%
Office expenses	645	244	37.88%
General and administrative	5,198	2,354	45.28%
Professional services	18,217	2,279	12.51%
Supplies and equipment	16,506	9,021	54.65%
Monitoring expenses	-	-	N/A
Repairs and maintenance	13,168	9,467	71.90%
Utilities	9,616	4,057	42.19%
Depreciation and amortization	-	-	N/A
Other expenses	90,857	25,099	27.62%
Total Operating Expenses	425,819	231,611	54.39%
Operating Income	149,509	343,717	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 149,509	343,717	

(1) Percent of year expended: 75%

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



Budget and Actual Santa Ynez II

	March 31, 2019		
	Budget	Actual	Percent Expended ⁽¹⁾
Operating Revenues			
Fixed operating assessments ⁽²⁾	\$ 1,019,674	1,019,674	100.00%
Variable operating assessments	1,047,985	1,035,781	98.84%
Other revenues	-	-	N/A
Total Operating Revenues	2,067,659	2,055,455	99.41%
Operating Expenses ⁽²⁾			
Personnel expenses	549,645	325,730	59.26%
Office expenses	1,305	494	37.87%
General and administrative	10,518	4,762	45.27%
Professional services	36,866	5,641	15.30%
Supplies and equipment	33,401	17,812	53.33%
Monitoring expenses	-	-	N/A
Repairs and maintenance	26,646	14,416	54.10%
Utilities	1,067,444	650,522	60.94%
Depreciation and amortization	-	-	N/A
Other expenses	196,436	36,818	18.74%
Total Operating Expenses	1,922,262	1,056,194	54.95%
Operating Income	145,397	999,261	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 145,397	999,261	

(1) Percent of year expended: 75%

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



Budget and Actual Reach 33B

	March 31, 2019		
	Budget	Actual	Percent Expended ⁽¹⁾
Operating Revenues			
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%
Operating Expenses ⁽²⁾			
Personnel expenses	366,564	233,894	63.81%
Office expenses	870	329	37.87%
General and administrative	7,015	3,176	45.27%
Professional services	24,586	5,552	22.58%
Supplies and equipment	22,276	11,540	51.80%
Monitoring expenses	-	-	N/A
Repairs and maintenance	17,771	11,167	62.84%
Utilities	12,978	6,983	53.81%
Depreciation and amortization	-	-	N/A
Other expenses	118,753	17,490	14.73%
Total Operating Expenses	570,813	290,131	50.83%
Operating Income	129,563	410,244	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 129,563	410,244	

(1) Percent of year expended: 75%

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



Budget and Actual Reach 34

	March 31, 2019		
	Budget	Actual	Percent Expended ⁽¹⁾
Operating Revenues			
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%
Operating Expenses ⁽²⁾			
Personnel expenses	157,605	110,213	69.93%
Office expenses	374	142	37.87%
General and administrative	3,016	1,365	45.26%
Professional services	10,571	7,948	75.19%
Supplies and equipment	9,577	5,361	55.97%
Monitoring expenses	-	-	N/A
Repairs and maintenance	7,641	12,104	158.42%
Utilities	5,580	3,986	71.43%
Depreciation and amortization	-	-	N/A
Other expenses	17,505	7,658	43.75%
Total Operating Expenses	211,868	148,777	70.22%
Operating Income	21,222	84,313	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 21,222	84,313	

(1) Percent of year expended: 75%

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



Budget and Actual Reach 35

	March 31, 2019		
	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	37,560	64.75%
Office expenses	138	52	37.85%
General and administrative	1,110	502	45.24%
Professional services	3,891	385	9.91%
Supplies and equipment	3,525	1,802	51.12%
Monitoring expenses	-	-	N/A
Repairs and maintenance	2,812	727	25.87%
Utilities	2,054	883	42.98%
Depreciation and amortization	-	-	N/A
Other expenses	6,443	27,684	429.69%
Total Operating Expenses	77,980	69,596	89.25%
Operating Income	8,855	17,239	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 8,855	17,239	

(1) Percent of year expended: 75%

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



Budget and Actual Reach 37

	March 31, 2019		
	Budget	Actual	Percent Expended ⁽¹⁾
Operating Revenues			
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%
Operating Expenses ⁽²⁾			
Personnel expenses	39,944	23,541	58.93%
Office expenses	95	36	37.87%
General and administrative	764	346	45.27%
Professional services	2,679	266	9.91%
Supplies and equipment	2,427	1,242	51.15%
Monitoring expenses	-	-	N/A
Repairs and maintenance	1,936	501	25.88%
Utilities	1,414	345	24.37%
Depreciation and amortization	-	-	N/A
Other expenses	4,437	1,783	40.19%
Total Operating Expenses	53,697	28,059	52.25%
Operating Income	5,441	31,079	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 5,441	31,079	

(1) Percent of year expended: 75%

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



Budget and Actual Reach 38

	March 31, 2019		
	Budget	Actual	Percent Expended ⁽¹⁾
Operating Revenues			
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%
Operating Expenses ⁽²⁾			
Personnel expenses	64,681	44,253	68.42%
Office expenses	154	58	37.89%
General and administrative	1,238	561	45.30%
Professional services	4,338	430	9.92%
Supplies and equipment	3,931	2,012	51.18%
Monitoring expenses	-	-	N/A
Repairs and maintenance	3,136	812	25.89%
Utilities	2,290	558	24.38%
Depreciation and amortization	-	-	N/A
Other expenses	7,184	2,889	40.22%
Total Operating Expenses	86,951	51,573	59.31%
Operating Income	8,764	44,142	
Non-Operating Revenues			
Interest income	-	-	
Total Non-Operating Revenues	-	-	
Non-Operating Expenses			
Interest	-	-	
Total Non-Operating Expenses	-	-	
Net Income (Loss)	\$ 8,764	44,142	

(1) Percent of year expended: 75%


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



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 17, 2019

TO: CCWA Board of Directors
FROM: John Brady 
Deputy Director, Operations and Engineering
SUBJECT: Operations Report, March 2019

The Polonio Pass Water Treatment Plant's production and chemical costs, as well as the Santa Ynez Pumping Plant production for March 2019 are presented below:

Month	Plant Production (AF)	Chemical Costs (\$/AF)	SYPP Pumping (AF)
March, 2019	1,127.49	\$40.81	0

WATER TREATMENT PLANT (WTP)

- The Water Treatment Plant adjusted operations to accommodate low pipeline flows arising from the shutdown of lake delivery operations and low demand. The specific actions taken included increasing the chlorine residual, optimizing the chloramination process and reducing in plant storage to minimum water age.
- The sludge collection system in Sedimentation Basin #1 that was damaged from severe weather and rendered inoperable last February was fully repaired by CCWA staff. This returned the WTP back to full production capacity on March 15, 2019. The cost of materials and labor was tracked and submitted to CCWA's insurance carrier for reimbursement in the amount of \$31,593.65.
- The Maintenance staff completed the following items: (1) A new secondary containment system for waste oil was purchased and installed, (2) coordinated the service of the emergency electrical generator, (3) quarterly service of the backwash and fire pumps, (4) cleaned and serviced the Equalization Basins, (5) rebuilt the sulfuric acid dosing pumps, (6) repaired shorted area lighting, (7) coordinated the annual fire alarm and fire sprinkler inspection, and (8) completed the wiring and installation of the chlorinator controls.

DISTRIBUTION

- In response to the low flows within the pipeline, due to the shutdown of lake delivery operations, Distribution staff implemented the existing Nitrification Control Plan. The levels of all tanks were lowered, Tank 5 and 7 chlorination systems were optimized, and the water adjacent to the offline Santa Ynez Turnout was monitored twice per week. In addition, a start-up plan was developed for Santa Ynez to ensure that potable water would be available when needed.
- Staff worked several encroachment requests: (1) staff processed a temporary encroachment permit to allow a pot-hole investigation at the Rancho Sanja Cota in Santa Ynez, (2) reviewed revised plans from the Alisal Ranch and developed comments in consultation with the City of Solvang, (3) developed comments on the draft DWR encroachment permit for the Southern California Gas Company project in northern San Luis Obispo County.
- Distribution staff developed demand forecasts for use in CCWA Article 21 requests. Administrative staff submitted the requests to DWR and tracked the use of Article 21 water.

- Distribution staff assisted with the development of the design to reroute the bypass piping at Bradbury Dam from the spillway to the face of the Dam and over the top. Tasks completed included determining the quantities of available material stockpiled at the Dam, measuring the spillway bridge width and inspecting the full bypass pipeline to determine the pipe classification.
- Distribution staff conduct pre and post storm inspections of areas that have experienced erosion issues in the past. All areas that were improved by CCWA had no observable erosion issues.
- The 6-inch diameter sleeve valve at the Lopez Turnout on the bypass line was rebuilt by Distribution staff to eliminate a leak. This action successfully resolved the issue.
- Two Distribution Technicians received detailed training on pumping operations at the California Polytechnic State University Irrigation Research and Training Resource Center.

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 the preparation of the annual Water Quality Tables for the Consumer Confidence Reports and distributed it to CCWA Participants well before the March 31 deadline.
- Laboratory staff completed the quarterly testing of all WTP and Distribution operators on their analytical testing skills. All operators are required to use their chemical analyzers to measure selected chemical parameters in water samples. The concentrations of the chemical parameters in the water samples are unknown to the operators and to pass the test, the operators are required to correctly determine the concentration within an acceptable range.

INSTRUMENTATION/NETWORK

- Recruitment efforts for the Instrumentation, Controls, Electrical and Maintenance Superintendent continued. Efforts were expanded to include attending conferences to distribute recruitment fliers as well as sending brochures and recruitment letters to agencies around the State. One qualified candidate was interviewed in March.
- Mr. Wayne Hetland announced his retirement from CCWA on March 29, 2019, after faithfully serving as CCWA's Instrumentation, Calibration and Repair Technician for over 14 years. Recruitment efforts for Mr. Hetland's replacement are currently underway.
- Due to retirements, the Instrumentation Department staff will be reduced by 50%, leaving one highly experienced employee and one newly hired employee. Accordingly, a staff transition plan was developed with staff input. The plan includes increasing the recruitment effort for staff, escalating the pace of training of the newly hired employee, retaining contractor support for on-call service for electrical network and PLC issues, and shifting some work duties to other Departments if needed.
- Instrumentation staff coordinated an inspection of the WTP by 3C Engineering to facilitate completion of the design for the upgrade of the Heating, Ventilation and Air Conditioning (HVAC) of the WTP.
- To evaluate the potential of installing solar panels at the WTP, Instrumentation staff coordinated a tour of the WTP by representative from Siemens. Also, energy usage data and some engineering data was shared with the Siemens representative. A presentation of the evaluation will be presented by Siemens to CCWA staff in May 2019.
- Instrumentation Staff continued work on the cloud based phone system through (1) procuring the equipment needed to establish a high speed internet connection at the WTP,

- (2) inspecting the existing phone wiring within the Buellton Administration Offices and the WTP to determine if communication wiring upgrades are needed, and (3) development of an equipment list to facilitate the transition to the cloud-based system.
- Instrumentation staff completed the following: (1) installed a new level sensor for the Aqua-Ammonia Tank, (2) initiated the installation of the new remote monitoring system for the Cathodic Protection System Rectifiers with the equipping of the first of twelve rectifiers, (3) continued with configuration work of the new Fiber Optic Cable Switches and (4) the new ICR Technician received training in ClearSCADA, CCWA's current Supervisory Control and Data Acquisition (SCADA) software package.

GENERAL

- CCWA staff developed a proposal and design to relocate the bypass pipeline from the spillway of Bradbury Dam to the Dam face and over the top of the Dam for lake deliveries. CCWA received comments from the US Bureau of Reclamation and promptly prepared responses in reply.
- Staff continued with several water accounting tasks that included (1) tracking spill volumes from San Luis reservoir for all CCWA Participants, (2) scheduling Article 21 water during the spill event at San Luis reservoir, (3) contacting exchange partners to determine conveyance capacity for return water to satisfy existing water debt, and (4) updating the Water Delivery Status Report and associated sorting tables.
- The Deputy Director completed required paperwork to officially become a member of the US EPA Drinking Water Advisory Council, as a Special Government Employee.
- Staff participated in several administrative functions including (1) the continued review of the procurement policies and procedures, (2) review and update of the Property Schedule for CCWA's insurance carrier JPIA and (3) continued deliberation and updating of CCWA's succession planning to handle anticipated future retirements.
- The Bradbury Dam Penstock Evaluation Report was finalized and distributed to the entire Penstock Stakeholder Group.
- The Executive Director issued a letter to the US Bureau of Reclamation to formally request that negotiations begin for a new Warren Act Contract. This contract allows CCWA to use the facilities at Bradbury Dam/Lake Cachuma for lake delivery operations.

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

March

2019

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	8.01	9.10	1.95	1.0			51	66	0	99	51		
2	8.05	8.45	1.78	1.0			47	64	0	100	45		
3	8.06	7.97	1.57	1.0			44	61	0	94	42		
4	8.05	7.12	1.33	1.0	24	<1	44	61	0	90	45	353	
5	8.18	6.13	1.27	1.0			42	62	0	98	45		
6	8.20	6.12	1.38	1.0			42	63	0	96	45		5.4
7	8.21	9.35	1.38	1.0			39	61	0	91	44		
8	8.18	12.47	1.58	1.0			38	60	0	97	42		
9	8.13	10.53	1.50	1.0			36	57	0	91	41		
10	8.12	9.53	1.38	1.0			35	58	0	86	38		
11	8.09	10.13	1.53	1.0	62	9	34	59	0	88	41	275	
12	8.20	8.02	1.47	1.0			35	56	0	76	36		
13	8.30	7.85	1.45	1.0			34	57	0	75	35		
14	8.30	6.43	1.22	1.0			31	54	0	74	37		
15	8.32	5.90	1.18	1.0			31	54	0	70	31		
16	8.40	6.17	1.20	1.0			29	53	0	70	32		
17	8.48	5.45	1.10	1.0			26	53	2	65	34		
18	8.51	5.88	1.04	1.0	26	1	25	50	1	68	32	239	
19	8.63	6.95	1.04	1.0			29	51	4	61	32		
20	8.71	5.15	0.95	1.0			28	51	6	62	29		
21	8.84	4.27	0.83	1.0			30	53	7	67	31		
22	8.88	3.67	0.70	1.0			27	52	9	65	32		
23	8.79	3.92	0.76	1.0			27	51	6	63	33		
24	8.53	4.88	0.85	1.0			28	53	3	62	36		
25	8.41	4.92	0.85	1.0	18	4	26	51	1	64	35	222	
26	8.35	4.47	0.79	1.0			24	48	0	62	34		
27	8.53	4.38	0.77	1.0			24	49	1	62	34		
28	8.52	4.00	0.69	1.0			24	47	1	64	34		
29	8.50	3.73	0.66	1.0			24	47	1	64	33		
30	8.44	3.70	0.76	1.0			24	47	2	62	33		
31	8.38	3.70	0.68	1.0			22	47	1	62	33		
Avg	8.36	6.46	1.15	1.0	32	5	32	55	1	76	37	272	5.4

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

System Name: Central Coast Water Authority

System Number: 4210030

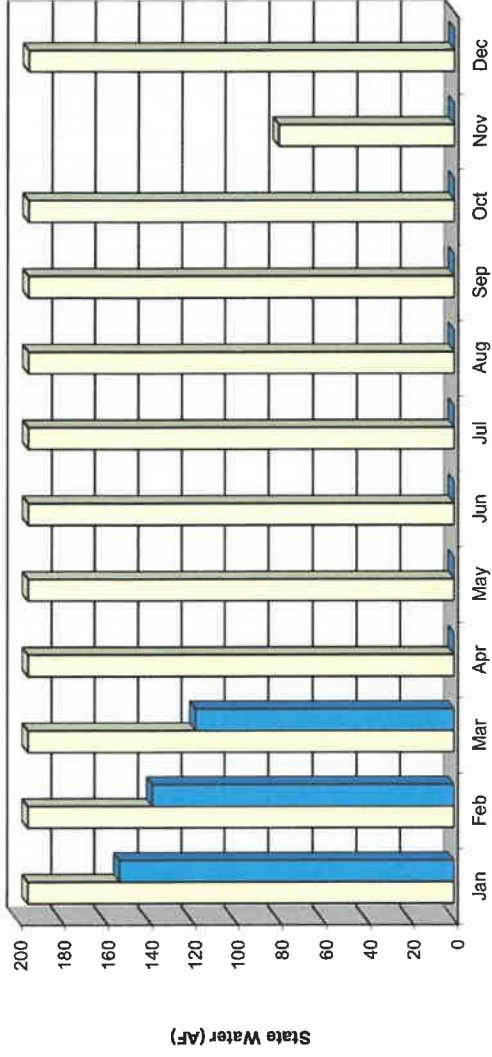
Treatment Plant Name: Polonio Pass Water Treatment Plant

March 2019

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	8.23	0.06	4.53	0.0	ABSENT	58	61	104	50	3.29	0.00	3.18	0.60	0.00	5.3		
2	8.49	0.06	4.21	0.0	ABSENT	53	60	103	47	3.40	0.00	3.18	0.62	0.00	5.1		
3	8.41	0.05	3.88	0.0	ABSENT	51	54	97	47	3.43	0.00	3.29	0.67	0.00	4.9		
4	8.30	0.05	3.56	0.0	ABSENT	46	54	91	46	3.50	0.01	3.45	0.67	0.00	5.1	422	
5	8.43	0.05	3.63	0.0	ABSENT	47	55	96	44	3.28	0.00	3.13	0.65	0.00	4.8		
6	8.23	0.06	3.81	0.0	ABSENT	47	56	92	46	3.33	0.00	3.21	0.63	0.00	5.1		3.0
7	8.22	0.05	3.23	0.0	ABSENT	45	53	96	41	3.27	0.00	3.08	0.62	0.00	5.0		
8	8.19	0.05	3.07	0.0	ABSENT	44	52	95	39	3.23	0.00	3.15	0.63	0.00	5.0		
9	8.30	0.05	3.23	0.0	ABSENT	42	52	92	41	3.43	0.00	3.38	0.66	0.00	5.1		
10	8.27	0.05	3.56	0.0	ABSENT	41	52	87	39	3.43	0.00	3.42	0.66	0.00	5.2		
11	8.38	0.05	3.56	0.0	ABSENT	38	52	86	40	3.35	0.00	3.38	0.63	0.00	5.4	352	
12	8.38	0.05	3.56	0.0	ABSENT	38	52	78	37	3.49	0.00	3.38	0.69	0.00	4.9		
13	8.38	0.05	3.56	0.0	ABSENT	36	52	79	37	3.52	0.00	3.33	0.71	0.00	4.7		
14	8.35	0.05	3.72	0.0	ABSENT	34	50	78	33	3.31	0.00	3.22	0.66	0.00	4.9		
15	8.40	0.05	3.88	0.0	ABSENT	35	49	70	34	3.40	0.00	3.32	0.67	0.00	5.0		
16	8.35	0.05	3.88	0.0	ABSENT	33	48	71	35	3.35	0.00	3.23	0.66	0.00	4.9		
17	8.39	0.04	3.72	0.0	ABSENT	32	46	67	32	3.28	0.00	3.18	0.66	0.00	4.8		
18	8.27	0.04	3.80	0.0	ABSENT	28	44	67	30	3.26	0.00	3.17	0.62	0.00	5.1	298	
19	8.38	0.04	3.72	0.0	ABSENT	32	47	60	30	3.28	0.00	3.24	0.65	0.00	5.0		
20	8.38	0.04	3.88	0.0	ABSENT	32	45	63	30	3.33	0.00	3.28	0.66	0.00	5.0		
21	8.14	0.05	3.79	0.0	ABSENT	32	46	68	33	3.38	0.00	3.32	0.63	0.00	5.3		
22	8.33	0.05	3.52	0.0	ABSENT	31	47	66	30	3.36	0.00	3.30	0.64	0.00	5.2		
23	8.29	0.04	3.72	0.0	ABSENT	30	47	65	34	3.25	0.00	3.21	0.66	0.00	4.9		
24	8.31	0.04	4.21	0.0	ABSENT	32	49	65	37	3.31	0.00	3.34	0.66	0.00	5.1		
25	8.33	0.04	4.37	0.0	ABSENT	29	45	64	34	3.39	0.00	3.37	0.66	0.00	5.1	280	
26	8.31	0.04	4.07	0.0	ABSENT	25	42	64	34	3.33	0.00	3.26	0.66	0.00	4.9		
27	8.37	0.05	3.72	0.0	ABSENT	27	42	64	33	3.38	0.00	3.27	0.65	0.00	5.0		
28	8.38	0.05	3.80	0.0	ABSENT	27	43	62	33	3.33	0.00	3.33	0.66	0.00	5.0		
29	8.42	0.05	3.88	0.0	ABSENT	27	42	64	31	3.27	0.00	3.21	0.65	0.00	4.9		
30	8.36	0.05	4.12	0.0	ABSENT	28	41	60	32	3.30	0.00	3.38	0.63	0.00	5.4		
31	8.37	0.05	4.37	0.0	ABSENT	25	41	63	31	3.29	0.00	3.28	0.64	0.00	5.1		
Avg	8.33	0.05	3.79	0.00		36	49	77	37	3.35	0.00	3.27	0.65	0.00	5.0	338	3.00

Chorro Valley T.O. - SWP Deliveries in Year 2019

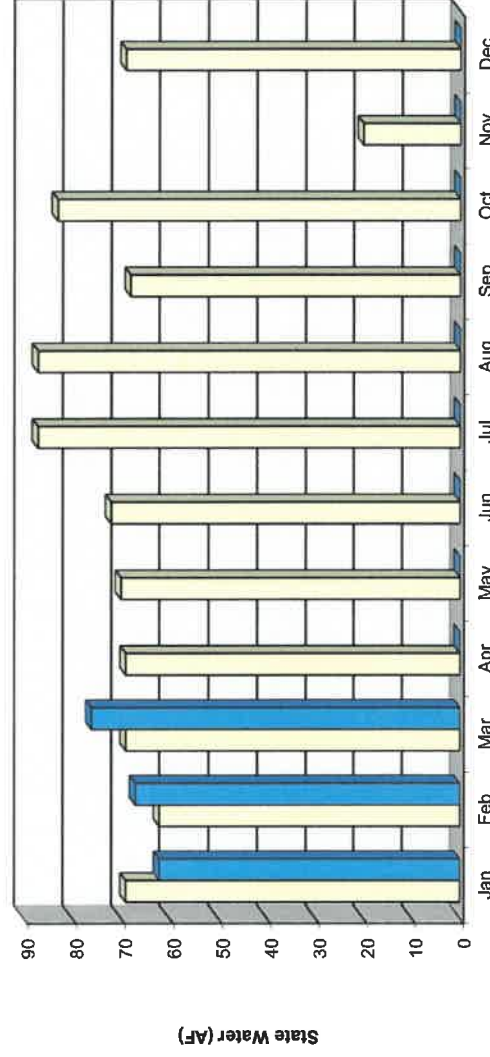
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	195	153	
Feb	195	138	
Mar	195	118	
Apr	195	0	
May	195	0	
Jun	195	0	
Jul	195	0	
Aug	195	0	
Sep	195	0	
Oct	195	0	
Nov	80	0	
Dec	195	0	
Total	2225	409	



Requested Delivery
Actual Delivery

Lopez T.O. - SWP Deliveries in Year 2019

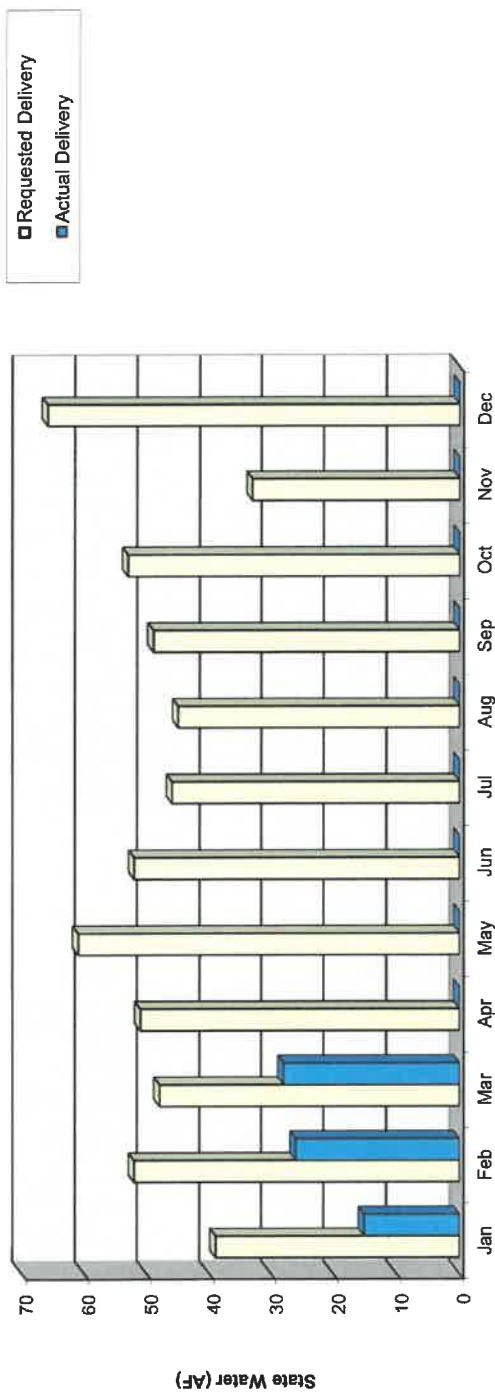
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	69	62	
Feb	62	67	
Mar	69	76	
Apr	69		
May	70		
Jun	72		
Jul	87		
Aug	87		
Sep	68		
Oct	83		
Nov	20		
Dec	69		
Total	825	205	



Requested Delivery
Actual Delivery

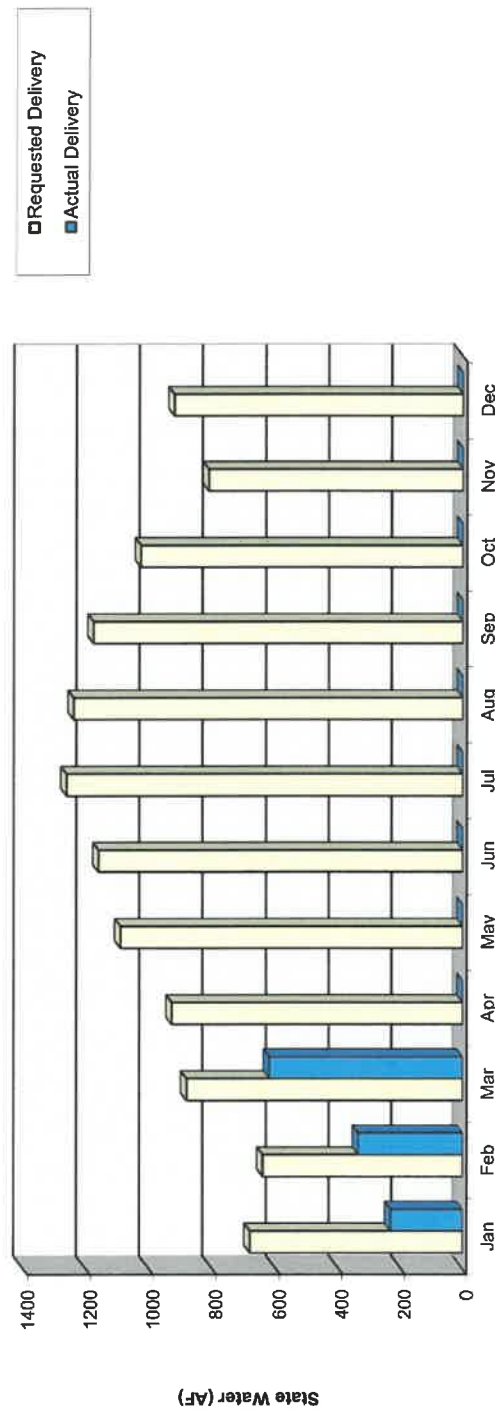
Guadalupe - SWP Deliveries in Year 2019

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	39	15	
Feb	52	26	
Mar	48	28	
Apr	51		
May	61		
Jun	52		
Jul	46		
Aug	45		
Sep	49		
Oct	53		
Nov	33		
Dec	66		
Total	595	69	



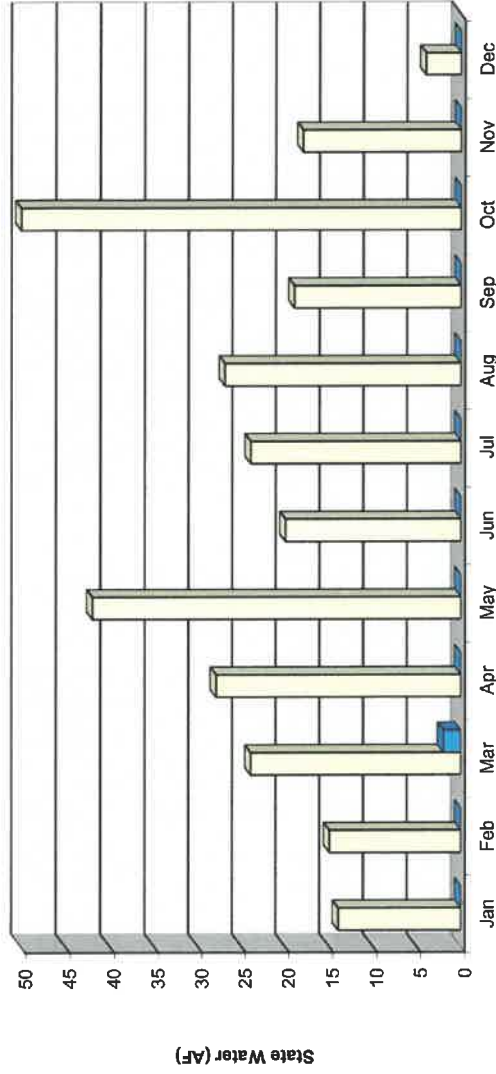
Santa Maria - SWP Deliveries in Year 2019

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	682	234	
Feb	642	339	
Mar	881	621	
Apr	928		
May	1091		
Jun	1161		
Jul	1262		
Aug	1239		
Sep	1177		
Oct	1026		
Nov	811		
Dec	920		
Total	11820	1194	



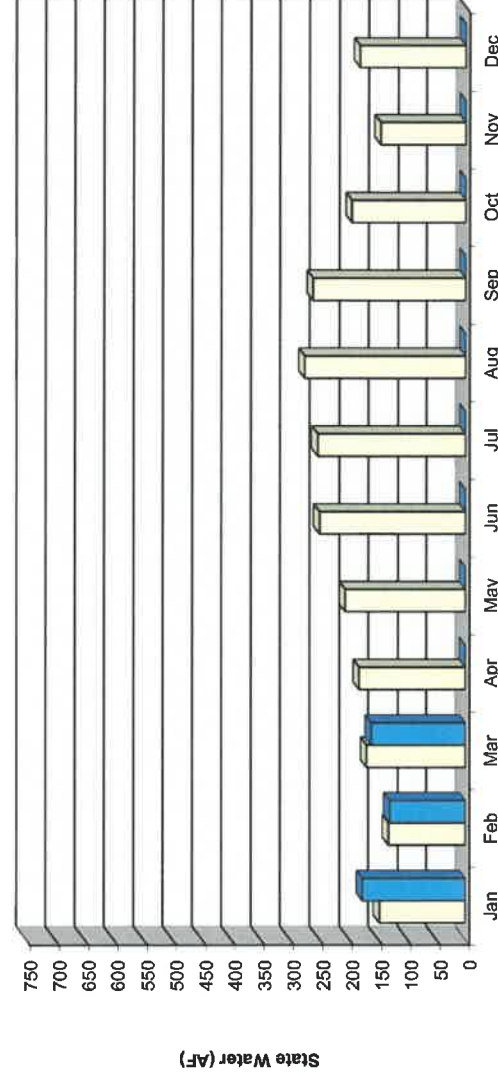
Golden State - SWP Deliveries in Year 2019

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	14	0	
Feb	15	0	
Mar	24	2	
Apr	28		
May	42		
Jun	20		
Jul	24		
Aug	27		
Sep	19		
Oct	50		
Nov	18		
Dec	4		
Total	285	2	



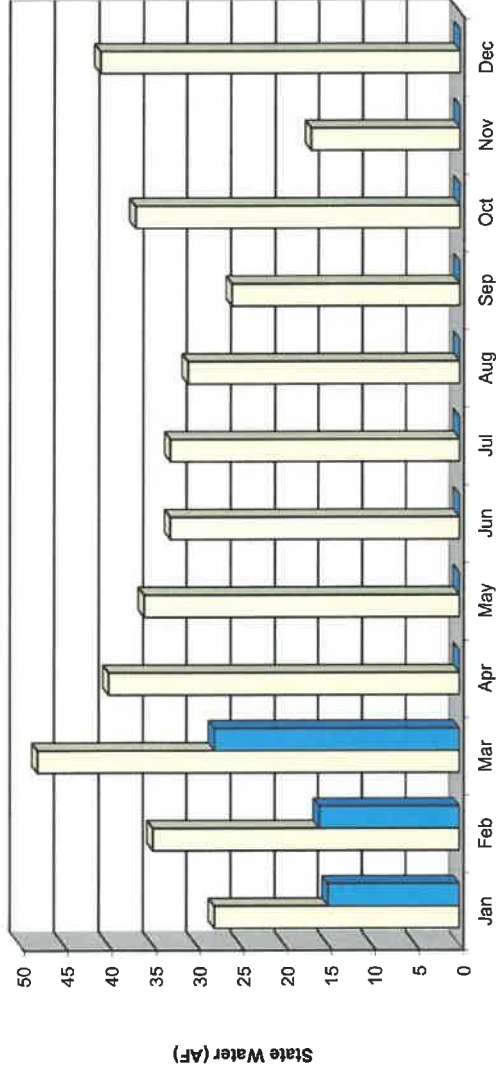
VAFB - SWP Deliveries in Year 2019

Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	148	177	
Feb	133	131	
Mar	170	162	
Apr	183		
May	207		
Jun	250		
Jul	253		
Aug	275		
Sep	261		
Oct	196		
Nov	147		
Dec	182		
Total	2405	470	



Buellton - SWP Deliveries in Year 2019

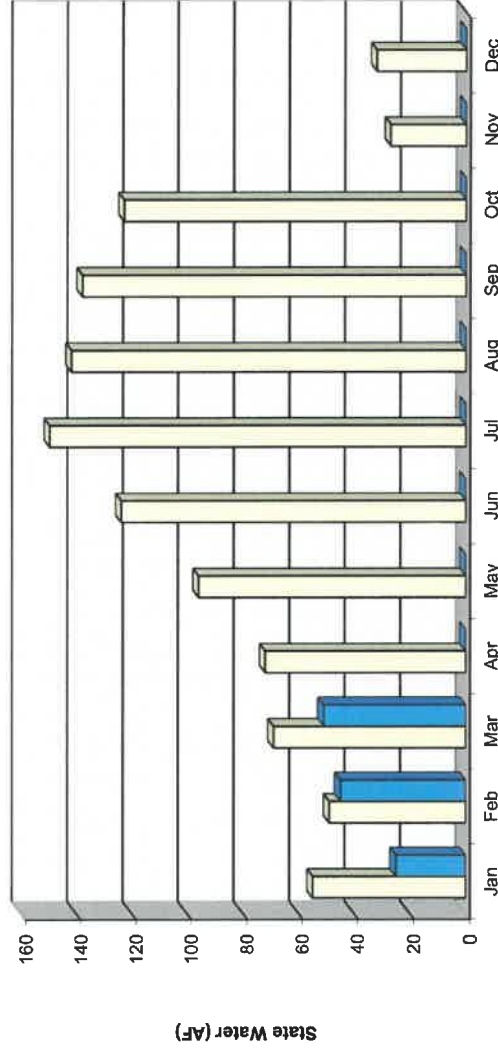
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	28	15	
Feb	35	16	
Mar	48	28	
Apr	40		
May	36		
Jun	33		
Jul	33		
Aug	31		
Sep	26		
Oct	37		
Nov	17		
Dec	41		
Total	405	59	



Requested Delivery
Actual Delivery

Santa Ynez - Solvang Only - SWP Deliveries in Year 2019

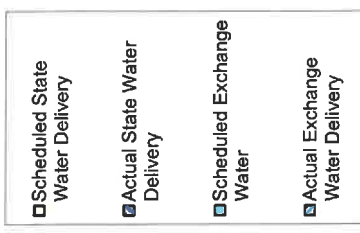
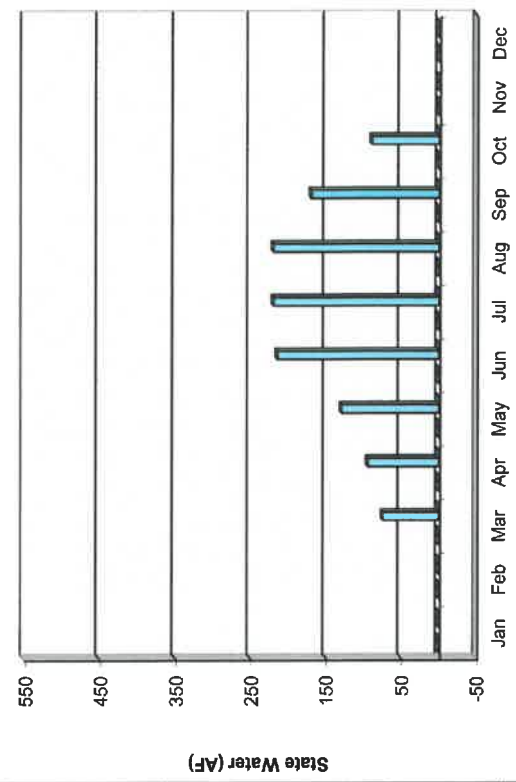
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	55	25	
Feb	49	45	
Mar	69	51	
Apr	72		
May	96		
Jun	124		
Jul	150		
Aug	142		
Sep	138		
Oct	123		
Nov	27		
Dec	32		
Total	1077	121	



Requested Delivery
Actual Delivery

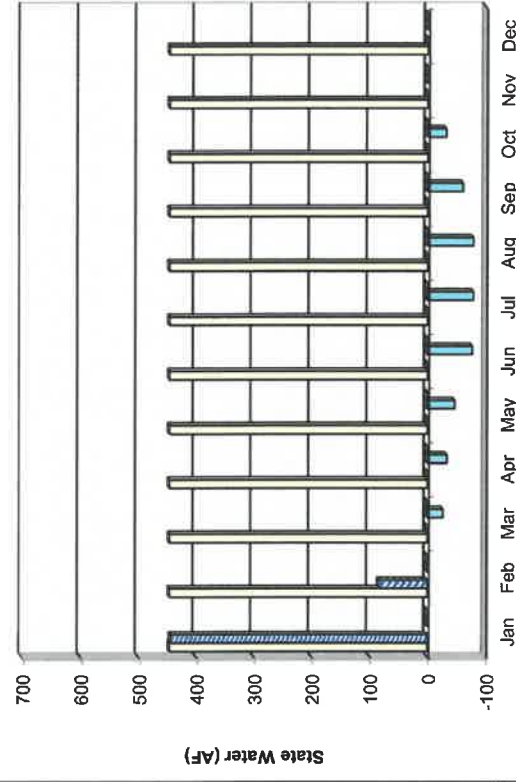
Santa Ynez (Without Solvang) - SWP Deliveries in Year 2019

Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sch'd Water	Water Delivery State & Exch.	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual Water Delivery	Water Delivery State & Exch.	Available Allocation
Jan	0	0	0	0	0	0	0	0	
Feb	0	0	0	0	0	0	0	0	
Mar	0	75	75	75	0	0	0	0	
Apr	0	95	95	95	0	0	0	0	
May	0	130	130	130	0	0	0	0	
Jun	0	215	215	215	0	0	0	0	
Jul	0	220	220	220	0	0	0	0	
Aug	0	220	220	220	0	0	0	0	
Sep	0	170	170	170	0	0	0	0	
Oct	0	90	90	90	0	0	0	0	
Nov	0	0	0	0	0	0	0	0	
Dec	0	0	0	0	0	0	0	0	
Total	0	1215	1215	1215	0	0	0	0	0



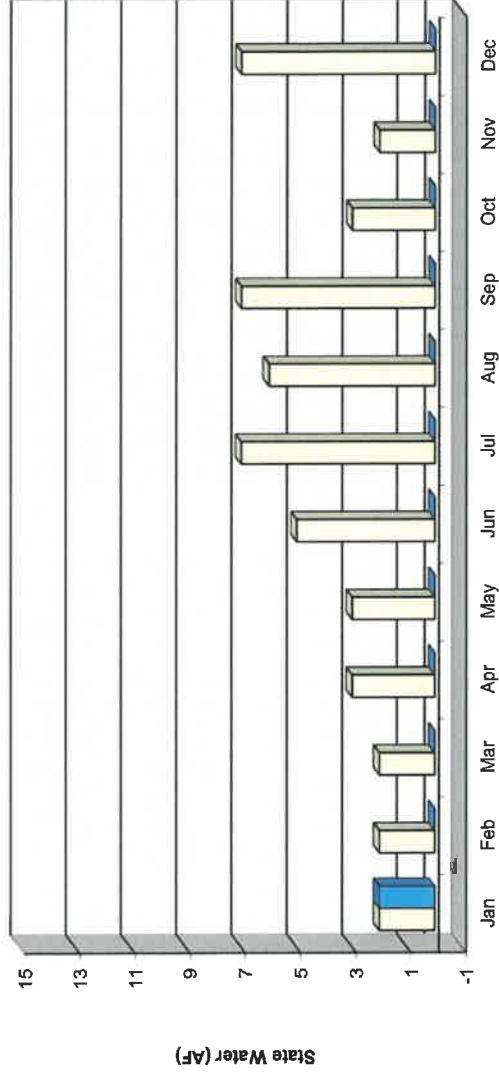
Goleta - SWP Deliveries in Year 2019

Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sch'd Water	Water Delivery State & Exch.	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual Water Delivery	Water Delivery State & Exch.	Available Allocation
Jan	446	0	446	446	444	0	444	444	
Feb	446	0	446	446	84	0	84	84	
Mar	446	-27	419	419	0	0	0	0	
Apr	446	-34	412	412	0	0	0	0	
May	446	-47	399	399	0	0	0	0	
Jun	446	-77	369	369	0	0	0	0	
Jul	446	-79	367	367	0	0	0	0	
Aug	446	-79	367	367	0	0	0	0	
Sep	446	-61	385	385	0	0	0	0	
Oct	446	-32	414	414	0	0	0	0	
Nov	446	0	446	446	0	0	0	0	
Dec	446	0	446	446	0	0	0	0	
Total	5352	-436	4916	4916	528	0	528	528	528



Morehart Land - SWP Deliveries in Year 2019

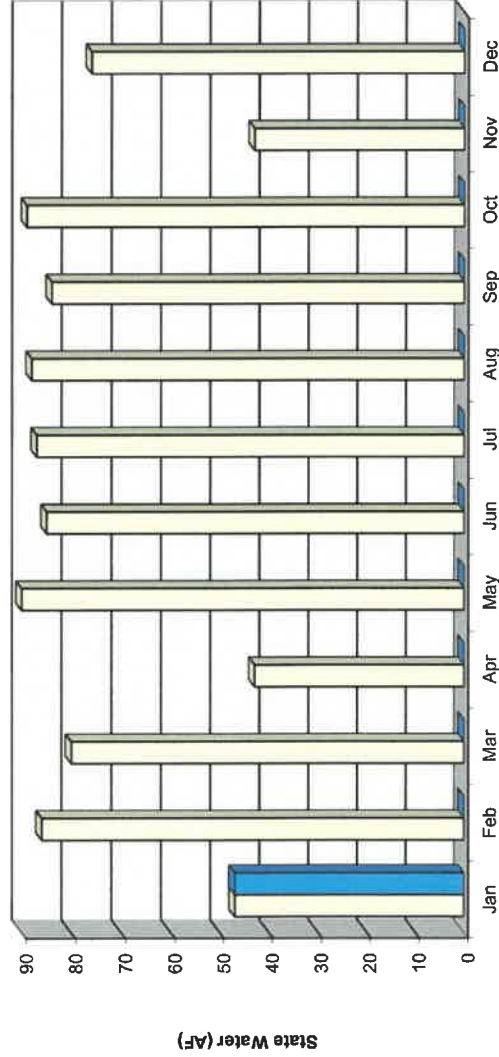
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	2	2	
Feb	2	0	
Mar	2	0	
Apr	3	0	
May	3		
Jun	5		
Jul	7		
Aug	6		
Sep	7		
Oct	3		
Nov	2		
Dec	7		
Total	49	2	



Requested Delivery
Actual Delivery

La Cumbre - SWP Deliveries in Year 2019

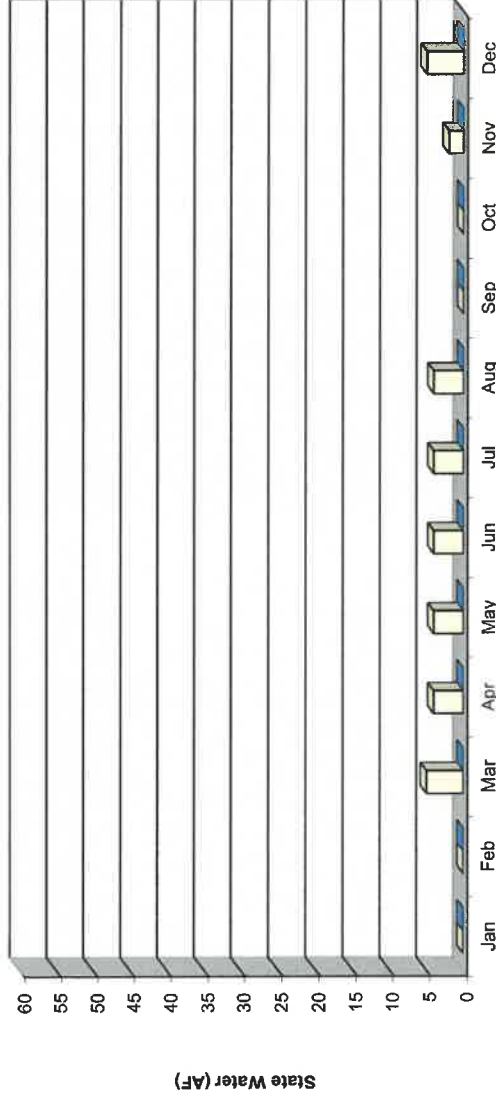
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	47	47	
Feb	86	0	
Mar	80	0	
Apr	43	0	
May	90		
Jun	85		
Jul	87		
Aug	88		
Sep	84		
Oct	89		
Nov	43		
Dec	76		
Total	898	47	



Requested Delivery
Actual Delivery

Raytheon (SBRC) - SWP Deliveries in Year 2019

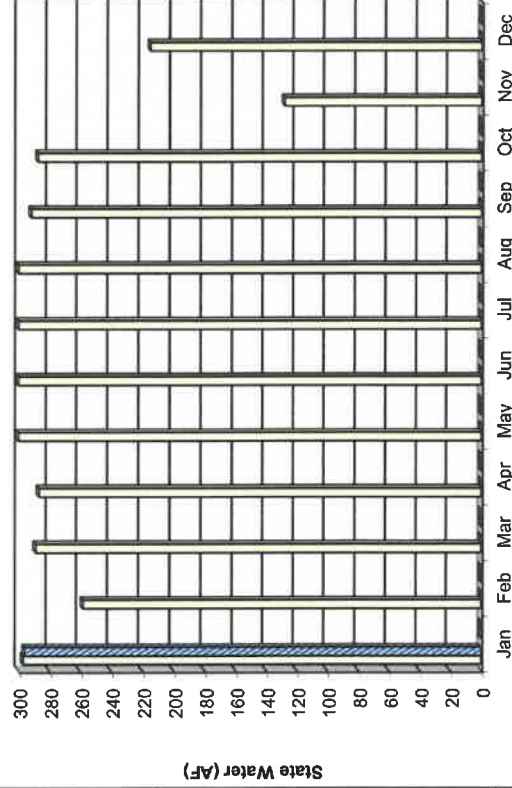
Month	Requested Delivery	Actual Delivery	Allocation Available
Jan	0	0	
Feb	0	0	
Mar	5	0	
Apr	4	4	
May	4	4	
Jun	4	4	
Jul	4	4	
Aug	4	4	
Sep	0	0	
Oct	0	0	
Nov	2	2	
Dec	5	5	
Total	32	0	



Requested Delivery
Actual Delivery

Santa Barbara - SWP Deliveries in Year 2019

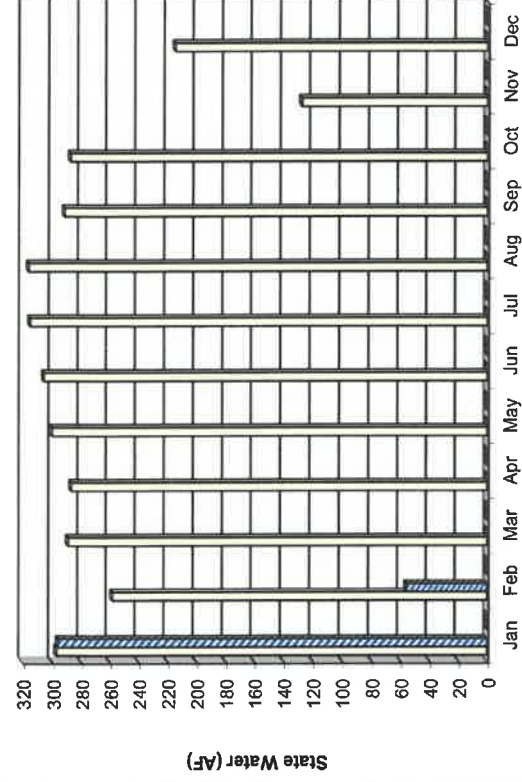
Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sched. State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	297	0	297	296	0	296	
Feb	258	0	258	0	0	0	
Mar	289	-18	271	0	0	0	
Apr	287	-23	264	0	0	0	
May	300	-31	269				
Jun	306	-52	254				
Jul	315	-53	262				
Aug	316	-53	263				
Sep	292	-41	251				
Oct	288	-22	266				
Nov	128	0	128				
Dec	215	0	215				
Total	3290	-292	2998	296	0	296	



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

Montecito - SWP Deliveries in Year 2019

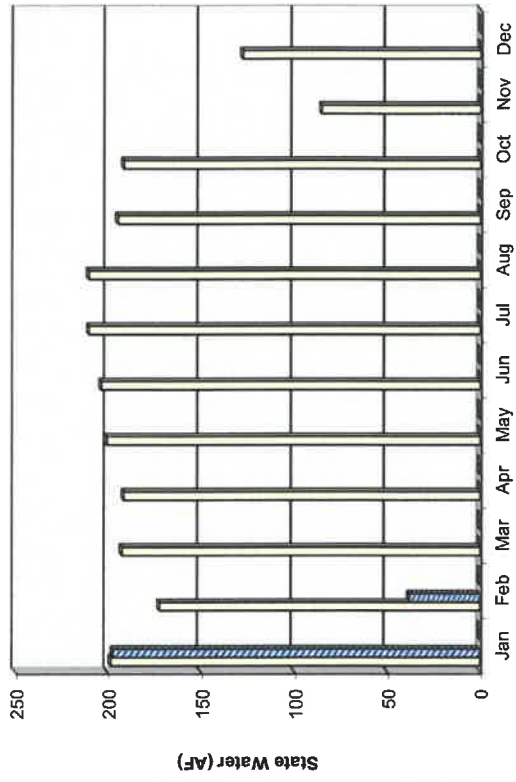
Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sched'd State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	297	0	297	296	0	296	
Feb	258	0	258	56	0	56	
Mar	289	-18	271	0	0	0	
Apr	287	-23	264	0	0	0	
May	300	-31	269				
Jun	306	-52	254				
Jul	315	-53	262				
Aug	316	-53	263				
Sep	292	-41	251				
Oct	288	-22	266				
Nov	128	0	128				
Dec	215	0	215				
Total	3290	-292	2998	352	0	352	



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

Carpinteria - SWP Deliveries in Year 2019

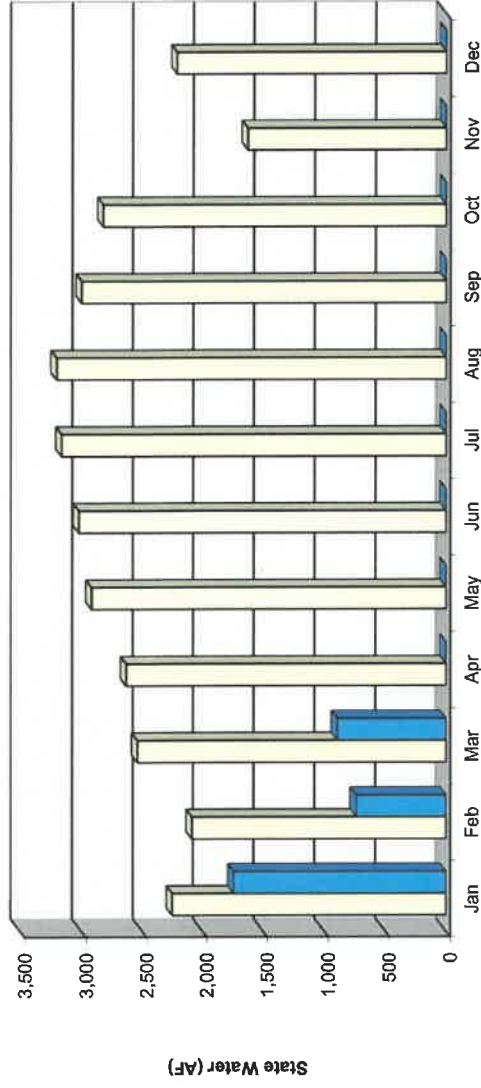
Month	Scheduled State Water Delivery	Scheduled Exchange Water	Total Sched'd State & Exch. Water Delivery	Actual State Water Delivery	Actual Exchange Water Delivery	Total Actual State & Exch. Water Delivery	Allocation Available
Jan	198	0	198	197	0	197	
Feb	172	0	172.14	38	0	38	
Mar	192	-12	180.41	0	0	0	
Apr	191	-15	176.2	0	0	0	
May	200	-21	179.63				
Jun	204	-34	169.15				
Jul	210	-35	174.96				
Aug	210	-35	175.1				
Sep	195	-27	167.4				
Oct	192	-14	177.17				
Nov	86	0	85.626				
Dec	128	0	127.82				
Total	2178	-194	1984	235	0	235	



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

Total SB County - SWP Deliveries in Year 2019

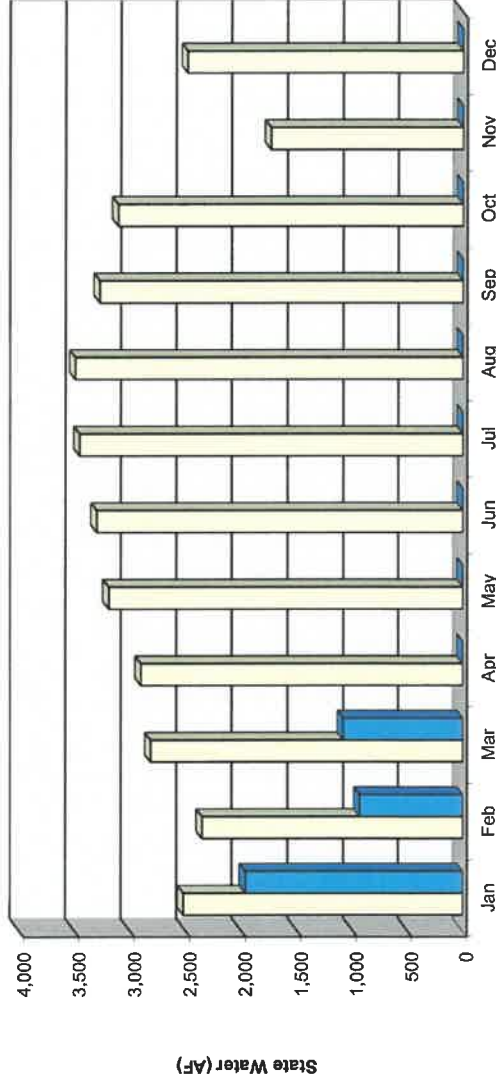
Month	Requested Delivery	Actual Delivery
Jan	2,253	1,748
Feb	2,089	737
Mar	2,543	896
Apr	2,633	
May	2,922	
Jun	3,026	
Jul	3,169	
Aug	3,209	
Sep	3,004	
Oct	2,826	
Nov	1,635	
Dec	2,215	
Total	31,525	3,381



□ Requested Delivery
■ Actual Delivery

Total SB and SLO County - SWP Deliveries in Year 2019

Month	Requested Delivery	Actual Delivery
Jan	2,525	1,967
Feb	2,355	942
Mar	2,816	1,090
Apr	2,906	
May	3,196	
Jun	3,302	
Jul	3,460	
Aug	3,500	
Sep	3,276	
Oct	3,113	
Nov	1,738	
Dec	2,487	
Total	34,675	3,999




□ Requested Delivery
■ Actual Delivery



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 10, 2019

TO: CCWA Board of Directors
FROM: Ray A. Stokes
Executive Director 
SUBJECT: Final FY 2019/20 Budget

SUMMARY

The Preliminary FY 2019/20 Budget was presented to the CCWA Board of Directors at its regular meeting on March 28, 2019. This report will highlight the proposed changes to the FY 2019/20 Preliminary Budget and request that the Board approve the proposed final budget.

DISCUSSION

The following changes are presented for the Board's consideration and inclusion in the final FY 2019/20 Budget. The proposed final FY 2019/20 Budget is \$74,373,766 or \$346,677 less than the Preliminary FY 2019/20 Budget as described below and \$10.5 million more than the final FY 2018/19 Budget.

- Increase of \$50,000 in Non-Capital Projects for the USBR Contract Extension project.
- Increase of \$32,445 in CCWA Fixed Operating Expenses, comprised of a \$26k increase in SWC Dues primarily for the addition of the CA WaterFix Legal Fund; an increase of \$5k in estimated fixed utilities; plus the related changes to Appropriated Contingency.
- The above increases were offset by the application of \$429,122 in credits for certain participants not opting into the Board approved DWR Reserve Fund.

Proposed Final FY 2019/20 Budget

The following table shows a summary of the proposed final FY 2019/20 Budget and a comparison to the prior year budget.

Budget Item	Final FY 2018/19 Budget	Proposed Final FY 2019/20 Budget	Increase (Decrease)
<u>CCWA Expenses</u>			
CCWA Operating Expenses - Fixed	\$ 7,106,709	\$ 7,329,247	\$ 222,539
CCWA Operating Expenses - Variable	3,069,046	3,259,787	190,741
Revenue Bond Debt Service Payments	10,349,474	10,310,248	(39,226)
Capital/Non-Capital Projects	959,989	1,719,206	759,217
Total CCWA Expenses:	21,485,218	22,618,489	1,133,271
<u>Pass-Through Expenses</u>			
DWR Fixed Costs	36,819,361	46,647,051	9,827,690
DWR Variable Costs	5,723,126	4,747,722	(975,404)
Warren Act and Trust Fund Payments	732,824	710,152	(22,672)
Total Pass-Through Expenses:	43,275,310	52,104,924	8,829,614
Subtotal Gross Budget:	64,760,528	74,723,413	9,962,885
CCWA (Credits) Due	(906,997)	(349,647)	557,350
TOTAL:	\$ 63,853,531	\$ 74,373,766	\$ 10,520,235

As the table above shows, the proposed final FY 2019/20 gross budget (before CCWA credits) is about \$10.0 million more than the prior year budget. The increase is primarily attributed to the \$9.9 million increase in DWR Fixed costs due to the under collection by DWR of the Transportation Minimum OMP&R costs for prior years. There is a \$1 million reduction in the estimated DWR variable costs over prior fiscal year. The increases in CCWA Variable costs are directly related to the cost of chemicals needed due to highly variable flows in the California aqueduct resulting in lesser water quality. There is also an increase of \$0.8 million for Capital/Non-Capital projects most of which are for maintaining CCWA's aging facilities.

The attached FY 2019/20 Preliminary Budget in Brief document will provide a full overview of the preliminary budget and changes when compared to the FY 2018/19 Budget. Additionally, the attached FY 2019/20 Total Expenditures Summary provides each project participant a summary of the total expenditures by component for their agency.

Ten-Year Financial Plan Projections

The Ten-Year Financial Plan Projections for each project participant will be updated based on the Board approved Final FY 2019/20 Budget and posted on the CCWA web server in each participant's folder. These projections are estimates only, and are intended to provide a basis for anticipated future costs associated with the large DWR capital expenditures.

Approval to Obtain Bids for Projects Included in the Budget

In conjunction with the requested approval of the FY 2019/20 Budget, staff is also requesting approval to obtain bids for those projects included in the budget which require a formal bidding process. As always, CCWA staff will present the results of the bids for each project to the Board for final acceptance and approval.

RECOMMENDATION

That the Board approve the Final FY 2019/20 Budget as outlined in this report and that CCWA staff be authorized to obtain bids for those projects included in the FY 2019/20 Budget which require formal bids.

Attachments

RAS



Central Coast Water Authority FY 2019/20 Proposed Final Budget in Brief

FY 2019/20 BUDGET SUMMARY

	FY 2018/19	FY 2019/20	Increase
	Budget	Budget	(Decrease)
CCWA Operating Expenses	\$ 10,175,755	\$ 10,589,035	\$ 413,280
DWR Fixed and Variable Costs	42,542,488	51,394,772	8,852,284
Capital Improvement & Non Capital Projects	959,989	1,719,206	759,217
Warren Act Charges	732,824	710,152	(22,672)
Debt Service Payments	10,349,474	10,310,248	(39,226)
Subtotal	64,760,530	74,723,413	9,962,883
CCWA Credits	(906,997)	(349,647)	557,350
TOTAL :	\$ 63,853,532	\$ 74,373,766	\$ 10,520,234

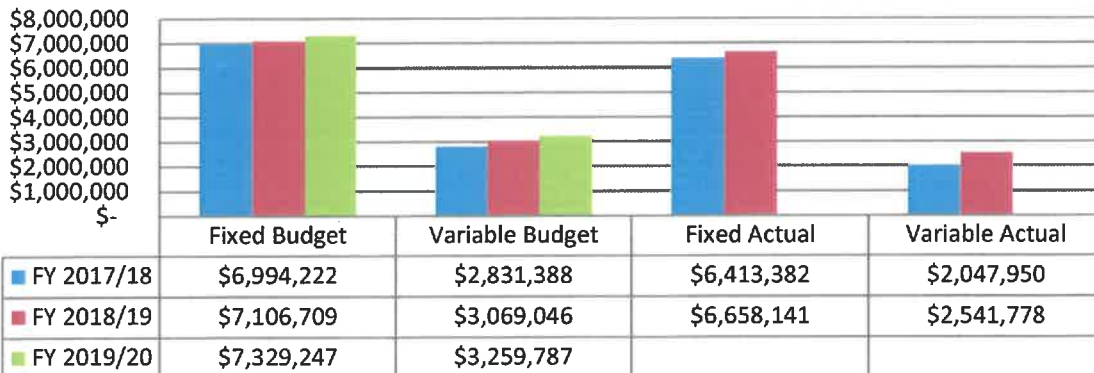
\$10.0 million increase in the gross budget, excluding CCWA credits

CCWA OPERATING EXPENSES

	FY 2018/19	FY 2019/20	Increase
	Budget	Budget	(Decrease)
Personnel	\$ 5,032,011	\$ 5,201,852	\$ 169,841
Office Expenses	20,500	20,500	-
Supplies & Equipment	2,115,202	2,297,803	182,601
Monitoring Expenses	113,624	105,604	(8,020)
Repairs & Maintenance	279,880	285,620	5,740
Professional Services	425,520	432,843	7,323
General & Administrative	275,985	309,710	33,725
Utilities	1,302,775	1,331,312	28,536
Other Expenses	610,257	603,791	(6,466)
Total Operating Expense	\$ 10,175,755	\$ 10,589,035	\$ 413,280

Total operating expense increase of \$0.41 million inclusive of the following factors: \$170k increase in personnel; \$183k increase in supplies and equipment due to increases in chemicals needed for anticipated drought related water quality changes; G&A is higher by \$33k for increases to SWC and WRF Dues; \$28k increase in utilities due to the estimated increase in the cost of electricity.

Operating Expenses Fixed and Variable Expenses



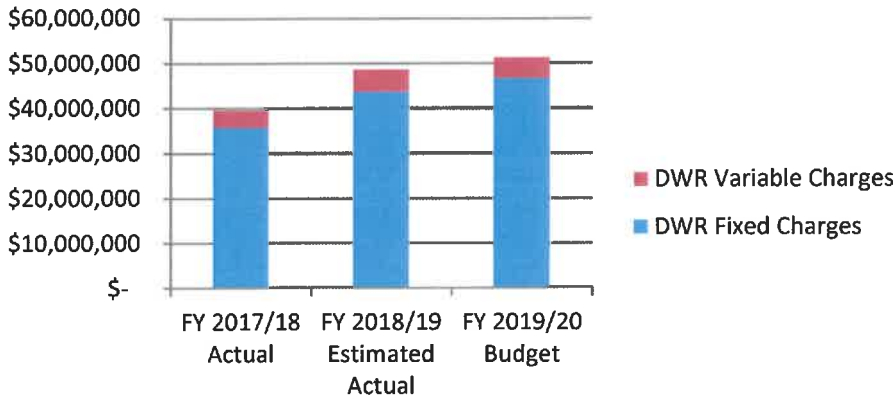
DWR FIXED AND VARIABLE CHARGES

DWR Fixed cost increase of \$9.7 million due to an under-collection by DWR in the Transportation Minimum OMP&R costs for prior years, plus a combined \$0.65 million decrease in all other DWR Fixed charges

DWR Variable cost decrease of \$1.0 million over FY 2018/19 is due to a decrease in the estimated Variable OMP&R costs for calendar year 2019.

	FY 2018/19 Budget	FY 2019/20 Budget	Increase (Decrease)
Transportation Capital	\$ 19,887,316	\$ 19,478,510	\$ (408,806)
Coastal Branch Phase II	2,121,083	1,754,152	(366,931)
Transportation Minimum OMP&R	9,910,270	19,703,882	9,793,611
Water System Revenue Bond	1,819,005	2,513,296	694,291
Delta Water Charge	3,259,881	3,275,866	15,985
Subtotal Fixed DWR Charges	36,997,555	46,725,705	9,728,150
Off-Aqueduct Charges	45,810	17,398	(28,412)
Variable OMP&R	5,677,316	4,730,324	(946,992)
Subtotal Variable DWR Charges	5,723,126	4,747,722	(975,404)
DWR Account Investment Income	(178,193)	(78,655)	99,538
Total DWR Charges	\$ 42,542,488	\$ 51,394,772	\$ 8,852,284

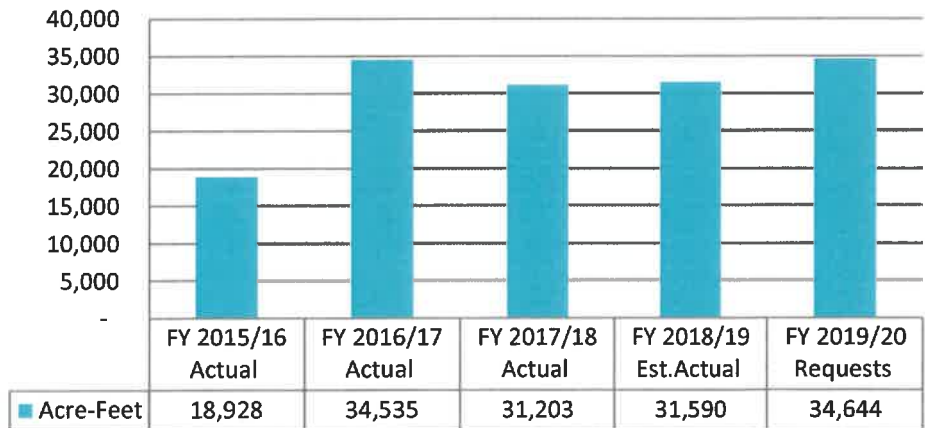
DWR Fixed and Variable Charges



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 SOC has been the most volatile DWR charge. The volatility is partly based on DWR's SOC being based on estimates and then reconciling or preparing a "true-up" based on the actual costs incurred.

DWR Delivery Allocation Percentage	
Calendar Year	Percentage
2009	40%
2010	50%
2011	80%
2012	65%
2013	60%
2014	5%
2015	20%
2016	60%
2017	85%
2018	35%

Water Deliveries and Requests



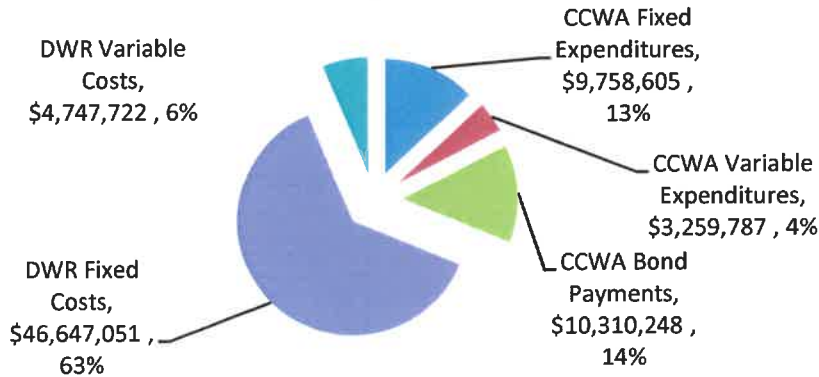
OTHER EXPENDITURES

Debt Service Payments
 Capital Improvement & Non-Capital Projects
 Warren Act Charges
Total Other Expenditures

	FY 2018/19 Budget	FY 2019/20 Budget	Increase (Decrease)
Debt Service Payments	\$ 10,349,474	\$ 10,310,248	\$ (39,226)
Capital Improvement & Non-Capital Projects	959,989	1,719,206	759,217
Warren Act Charges	732,824	710,152	(22,672)
Total Other Expenditures	\$ 12,042,287	\$ 12,739,606	\$ 697,319

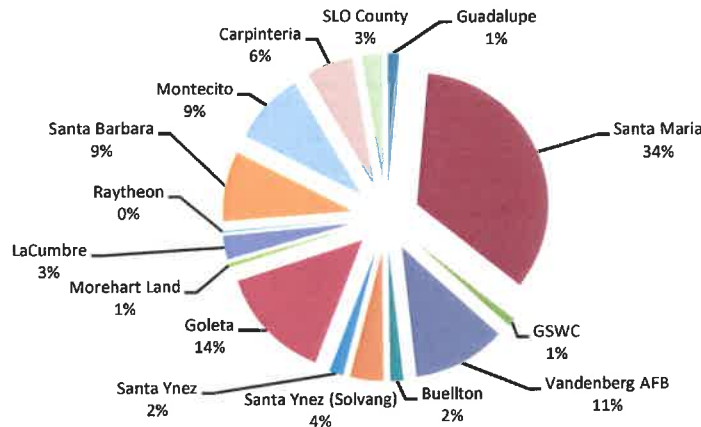
\$0.04 million decrease in debt service payments; \$0.7 million increase in Capital & Non-Capital Projects.

FY 2019/20 Budget Components



83% of the CCWA Budget is outside of the direct control of CCWA. DWR costs comprise 69% of the total CCWA Budget with another 14% representing the CCWA revenue bond debt service payments

FY 2019/20 Percent of Total Payments by Project Participant



FY 2019/20 Variable Cost Per Acre-Foot

Table A Water

North Santa Barbara County	\$ 262.54
South Santa Barbara County	\$ 343.71

Santa Ynez Exchange Water

Santa Ynez ID#1	\$ 229.50
South Coast Exchange Participants	\$ 173.79

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

Central Coast Water Authority
Total Expenditures Summary
 Fiscal Year 2019/20 Budget

Project Participant	Unadjusted		Exchange		Regional		2016A		Non-Annual		Total	
	Fixed CCWA Operating Expense (1)	Variable CCWA Operating Expense	Agreement Cap. & Fixed	Agreement Variable	Regional WTP Allocation	Regional WTP Credit	Warren Act Charges	Revenue Bond Service	Subtotal FY 2019/20 CCWA	Recurring Expenses	CCWA (Credits) Amount Due	FY 2019/20 CCWA
Guadalupe	\$ 92,324	\$ 37,767	\$ -	\$ -	\$ 44,330	\$ -	\$ 174,421	\$ -	\$ 321,279	\$ -	\$ 174	\$ 321,452
Santa Maria	2,686,306	750,257	-	-	\$1,161,510	-	4,598,073	-	4,598,073	-	-	4,598,073
Golden State Water	87,159	18,090	-	-	\$33,832	-	139,081	-	139,081	-	-	139,081
Vandenberg AFB	1,022,718	152,654	-	-	\$353,694	-	1,529,066	-	1,529,066	-	-	1,529,066
Buellton	130,317	25,707	-	-	\$41,019	-	197,043	-	197,043	-	-	197,043
Santa Ynez (Solvang)	334,030	68,361	-	-	\$107,106	-	509,497	-	1,308,341	-	-	1,308,341
Santa Ynez	112,209	44,368	201,717	77,120	\$139,714	-	575,127	-	875,136	-	-	875,136
Goleta	1,303,362	637,883	(72,386)	(27,674)	\$319,182	(\$932,733)	1,227,633	235,770	3,982,338	-	(261,411)	3,963,437
Monehart Land	57,927	7,356	-	-	\$11,890	(\$36,315)	40,858	2,842	159,389	-	-	159,389
La Cumbre	289,636	134,801	-	-	\$75,954	(\$223,021)	277,370	52,084	882,968	-	-	882,968
Raytheon	14,482	4,804	-	-	\$3,472	(\$10,332)	12,425	1,856	38,499	-	-	38,499
Santa Barbara	868,908	424,653	(48,644)	(18,598)	\$212,537	(\$621,117)	817,738	156,890	2,523,098	-	-	2,523,098
Montecito	868,908	424,653	(48,644)	(18,598)	\$212,537	(\$621,117)	817,738	156,890	2,794,474	-	-	2,794,474
Carpinteria	579,272	280,952	(32,042)	(12,250)	\$141,479	(\$413,619)	543,791	103,820	1,688,060	-	-	1,688,060
Shandon	13,669	6,347	-	-	-	-	20,016	-	31,701	-	-	31,701
Chorro Valley	257,539	141,229	-	-	-	-	398,768	-	1,329,606	-	-	1,329,606
Lopez	329,688	99,907	-	-	-	-	429,595	-	670,291	-	-	670,291
TOTAL:	\$ 9,048,453	\$ 3,259,787	\$ -	\$ -	\$ 2,856,254	(\$ 2,858,254)	\$ 12,308,241	\$ 710,152	\$ 23,328,641	\$ -	\$ (349,647)	\$ 22,978,994

(1) Includes Capital and Non-Capital Projects.

Project Participant	DWR FIXED CHARGES				DWR VARIABLE CHARGES				TOTAL			
	Transportation Capital Through Reach 35	Transportation Capital Reach 37	Transportation Capital Reach 38	Transportation Minimum OMP&R	Water System Revenue Bond	Delta Water Charges	Off-Aqueduct Charges	Variable OMP&R	Total DWR Variable	DWR Interest Income	Total DWR Charges	
Guadalupe	\$ 273,686	\$ -	\$ -	\$ -	\$ 275,032	\$ 34,785	\$ 43,578	\$ 627,080	\$ 102,298	\$ -	\$ 729,378	
Santa Maria	8,061,294	382,358	-	-	8,100,937	1,024,571	1,283,572	18,652,732	2,011,526	-	20,864,258	
Golden State Water	248,805	11,801	-	-	250,029	31,623	39,616	581,874	45,740	-	627,615	
Vandenberg AFB	2,736,859	129,813	212,864	2,750,318	347,848	435,781	6,613,483	6,613,483	437,022	-	7,050,505	
Buellton	287,619	13,642	22,370	289,033	36,556	45,811	695,031	695,031	34,148	-	729,179	
Santa Ynez (Solvang)	739,002	35,404	58,054	734,408	91,882	108,503	1,767,252	1,767,252	90,668	-	1,857,938	
Santa Ynez	256,219	11,801	19,351	265,707	34,609	49,505	637,193	637,193	49,668	-	687,060	
Goleta	2,239,475	106,211	174,162	2,250,260	284,603	356,548	5,411,258	5,411,258	832,771	(55,826)	6,190,511	
Monehart Land	99,522	4,720	7,741	100,012	12,845	15,847	240,686	240,686	3,987	-	244,673	
La Cumbre	497,610	23,602	38,703	500,058	63,245	79,293	1,202,451	1,202,451	160,626	-	1,363,809	
Raytheon	24,880	1,180	1,935	25,003	3,162	8,991	60,122	60,122	8,991	-	69,114	
Santa Barbara	1,482,832	70,807	116,108	1,500,173	189,735	237,699	3,607,354	3,607,354	391,945	-	4,001,004	
Montecito	1,492,832	70,807	116,108	1,500,173	189,735	237,699	3,607,354	3,607,354	237,529	-	3,844,883	
Carpinteria	995,222	47,205	77,405	1,000,116	126,490	158,466	2,404,903	2,404,903	334,155	(22,829)	2,717,916	
Shandon	32,652	-	-	162,622	41,608	180,048	416,930	416,930	-	-	416,930	
Chorro Valley	-	-	-	-	-	-	-	-	-	-	-	-
Lopez	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL:	\$ 19,478,510	\$ 909,352	\$ 844,799	\$ 19,703,882	\$ 2,513,296	\$ 3,275,866	\$ 46,725,705	\$ 17,398	\$ 4,730,324	\$ (78,655)	\$ 51,384,772	\$ 74,373,766

Central Coast Water Authority
ALL PROJECT PARTICIPANTS
 State Water Cost Ten-Year Projections
 Fiscal Year 2019/20 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
Table A Water Deliveries-1st Quarter	9,235	9,581	9,581	9,581	9,581	9,581	9,581	9,581	9,581	9,581
Table A Water Deliveries-2nd Quarter	7,190	7,361	7,361	7,361	7,361	7,361	7,361	7,361	7,361	7,361
Table A Water Deliveries-3rd Quarter	7,936	7,936	7,936	7,936	7,936	7,936	7,936	7,936	7,936	7,936
Table A Water Deliveries-4th Quarter	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068	9,068
Total FY Table A Deliveries (acre-feet)	33,429	33,946	33,946	33,946	33,946	33,946	33,946	33,946	33,946	33,946

Exchange Deliveries-1st Quarter	610	610	610	610	610	610	610	610	610	610
Exchange Deliveries-2nd Quarter	90	90	90	90	90	90	90	90	90	90
Exchange Deliveries-3rd Quarter	75	75	75	75	75	75	75	75	75	75
Exchange Deliveries-4th Quarter	440	440	440	440	440	440	440	440	440	440
Total FY Exchange Deliveries (acre-feet)	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215

CCWA Variable Cost per AF Assumptions	\$ 112	\$ 118	\$ 123	\$ 130	\$ 136	\$ 143	\$ 150	\$ 157	\$ 165	\$ 174
DWR Variable Cost per AF Assumptions	\$ 174	\$ 182	\$ 192	\$ 201	\$ 211	\$ 222	\$ 233	\$ 245	\$ 257	\$ 270

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 9,048,453	\$ 9,319,907	\$ 9,599,504	\$ 9,887,489	\$ 10,184,114	\$ 10,489,637	\$ 10,804,327	\$ 11,128,456	\$ 11,462,310	\$ 11,806,179
CCWA Variable O&M Costs ⁽⁵⁾	3,259,787	3,457,233	3,630,095	3,811,600	4,002,179	4,202,288	4,412,403	4,633,023	4,864,674	5,107,908
CCWA Revenue Bond Payments ⁽⁹⁾	9,960,601	10,300,125	10,287,375	-	-	-	-	-	-	-
Warren Act and Trust Fund Charges ⁽⁸⁾	710,152	710,152	710,152	710,152	710,152	710,152	710,152	710,152	710,152	710,152
Subtotal: CCWA Costs	22,978,994	23,787,417	24,227,126	14,409,241	14,896,446	15,402,078	15,926,881	16,471,631	17,037,136	17,624,239

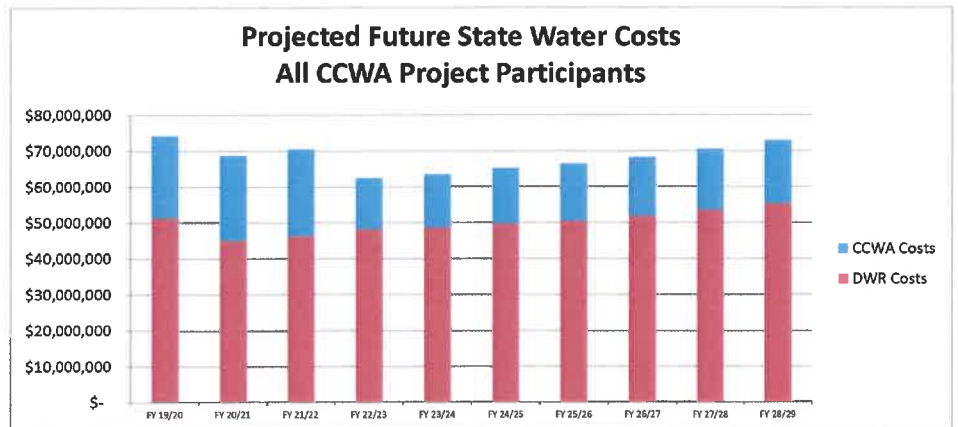
DWR Costs ⁽⁷⁾										
Transportation Capital	19,478,510	19,215,465	19,388,592	19,647,315	19,798,246	19,801,519	19,804,572	19,808,102	19,808,702	19,795,220
Coastal Branch Extension	1,754,152	2,705,574	2,756,815	3,332,980	2,425,595	2,475,219	2,023,843	2,118,328	2,122,167	3,013,217
Water System Revenue Bond Surcharge	2,513,296	2,218,970	2,270,501	2,219,349	2,373,340	2,214,298	2,074,820	1,979,706	2,241,662	1,685,485
Transportation Minimum OMP&R	19,703,882	11,837,666	12,429,550	13,051,027	13,703,579	14,388,757	15,108,195	15,863,605	16,656,785	17,489,625
Delta Water Charge	3,275,866	3,446,607	3,625,886	3,814,128	4,011,782	4,219,319	4,437,233	4,666,043	4,906,293	5,158,556
DWR Variable Costs ⁽⁵⁾	4,669,067	5,610,422	5,890,943	6,185,490	6,494,765	6,819,503	7,160,478	7,518,502	7,894,427	8,289,148
Subtotal: DWR Costs	\$ 51,394,772	\$ 45,034,704	\$ 46,362,287	\$ 48,250,289	\$ 48,807,306	\$ 49,918,616	\$ 50,609,141	\$ 51,954,286	\$ 53,630,037	\$ 55,431,251

Total Projected State Water Costs	\$ 74,373,766	\$ 68,822,122	\$ 70,589,413	\$ 62,659,530	\$ 63,703,752	\$ 65,320,694	\$ 66,536,023	\$ 68,425,918	\$ 70,667,173	\$ 73,055,490
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Projected Payments by Due Date										
June 1st Fixed Payment ⁽³⁾	\$ 65,734,760	\$ 59,044,315	\$ 60,358,223	\$ 51,952,288	\$ 52,496,655	\$ 53,588,750	\$ 54,252,990	\$ 55,564,241	\$ 57,197,920	\$ 58,948,282
April 1st Variable Payment ⁽⁴⁾	2,507,085	2,849,987	2,983,188	3,123,050	3,269,904	3,424,102	3,586,009	3,756,011	3,934,514	4,121,942
July 1st Variable Payment	1,837,916	2,071,708	2,168,026	2,269,159	2,375,349	2,486,849	2,603,923	2,726,851	2,855,926	2,991,454
October 1st Variable Payment	1,960,433	2,212,919	2,313,908	2,419,946	2,531,286	2,648,194	2,770,946	2,899,837	3,035,172	3,177,273
January 1st Variable Payment	2,333,572	2,643,194	2,766,068	2,895,087	3,030,556	3,172,799	3,322,154	3,478,977	3,643,641	3,816,539

NOTES

- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
- (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2028/29 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retirement Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e. the FY 2019/20 fixed payment is paid on June 1, 2019).
- (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retirement charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2019 Statement of Charges dated July 1, 2018.
- (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
- (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.





CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 17, 2019

TO: CCWA Board of Directors

FROM: John Brady
Deputy Director, Operations and Engineering

SUBJECT: Annual Chemical Contract Negotiations

BACKGROUND

The operation of CCWA requires the use of various chemicals in bulk quantities for water treatment. CCWA purchases these chemicals using yearly contracts to secure reasonable and consistent pricing. The contracts allow for up to two one-year extensions, which are based on performance and proposed pricing for the extension period. In May 2019, with the exception of Ammonium Hydroxide, all of the existing bulk chemical contracts will expire with one remaining optional contract extension available. The Ammonium Hydroxide chemical contract will expire with two remaining optional contract extensions available. Consequently, CCWA staff initiated negotiations with our existing chemical vendors for renewal pricing on Liquid Aluminum Sulfate, Ammonium Hydroxide, Chlorine, Sodium Hydroxide, Sodium Hypochlorite and Sodium Bisulfite.

FINANCIAL CONSIDERATIONS

CCWA staff prepares for the annual contract extension negotiations through reviewing the Producer Price Index for water treatment chemicals and other sources to assess the current chemical market condition prior to contacting each of CCWA's chemical vendors. The negotiation proceeds with a discussion of vendor performance over the prior year and a discussion of the general chemical market. Through the dialog, a price point is negotiated and ultimately agreed upon.

With the exception of Chemtrade, all CCWA chemical vendors agreed to essentially maintain the same pricing for their respective chemicals. Chemtrade, CCWA's Liquid Aluminum Sulfate vendor, has requested a 16.65% increase in pricing. Chemtrade cites increased costs in raw materials as well as increased freight costs. CCWA staff reviewed the supporting materials provided by Chemtrade and compared it with CCWA's independent research and found that the requested price increase was merited. CCWA staff also found that Chemtrade's performance was acceptable.

To evaluate the overall impact of the new pricing, CCWA staff prepared Table 1 that presents the previous contract prices and compares it to the proposed pricing for the chemical contract extension. Using the five year average of water delivery volumes and quantity of chemicals utilized, a cost comparison calculation is presented and suggests that chemical costs would increase by 6.17% overall with the proposed 2019 renewal pricing. This increase will be highly dependent on the raw water quality, the amount of water treatment chemical required for successful treatment and the volume of water treated in 2019.

TABLE 1: Renewal Price Comparison

Chemical	Usage 5-year average	Units	2018 Contract Price		2019 Contract Price		Percent Change
			Unit Cost	Extension	Unit Cost	Extension	
Liquid Aluminum Sulfate	1,346	Dry Ton	\$299.19	\$402,710	\$349.00	\$469,754	16.65%
Ammonium Hydroxide	26	Dry Ton	\$1,495.00	\$38,870	\$1,495.00	38,870	0%
Chlorine	153	Ton	\$540.00	\$82,620	\$540.00	\$82,620	0%
Sodium Hydroxide	601	Dry Ton	\$787.00	\$472,987	\$598.00	\$472,987	0%
Sodium Hypochlorite	10,140*	Gallon	\$3.026	\$30,683	\$3.0243	\$30,666	-0.06%
Sodium Bisulfite	65.2*	Dry Ton	\$903.00	\$58,875	\$903.00	\$58,875	0%
Total				\$1,086,745		\$1,153,772	6.17%

*Based on only 2018 deliveries.

Recommendations

That the Board:

- Authorize the Executive Director to exercise the one year extensions in the existing chemical contracts at the prices listed below:
 - Chemtrade LLC for Liquid Aluminum Sulfate at a cost of \$349.00 per dry ton.
 - Hill Brothers for Ammonium Hydroxide at a cost of \$1,495.00 per dry ton
 - JCI Jones Chemical for Liquid Chlorine at a cost of \$540.00 per ton.
 - JCI Jones Chemical for Sodium Hydroxide at a cost of \$787.00 per dry ton.
 - Univar USA Inc. for Sodium Hypochlorite at a cost of \$3.0243 per gallon.
 - Univar USA Inc. for Sodium Bisulfite at a cost of \$903.00 per dry ton.




CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 17, 2019

TO: CCWA Board of Directors

FROM: John Brady, Deputy Director 

SUBJECT: Santa Ynez Pumping Plant, Tank Sites #2 and #5 Pavement Maintenance Project

BACKGROUND

The Central Coast Water Authority (CCWA) manages and maintains approximately 1,000,000 square feet of asphaltic pavement at CCWA and DWR owned facilities. Accordingly, CCWA implemented a number of measures to ensure that an organized pavement assessment and maintenance program was put into place for these facilities. The program includes: (1) periodic condition assessments of pavement, (2) repair of pavement cracking using in-house resources, and (3) utilization of an approved CCWA contractor to service selected areas of pavement through fog sealing, slurry coating or asphalt overlay, as conditions may dictate.

Based on 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 the application of a slurry seal. This measure serves to rehabilitate the pavement and to reverse the oxidation process that occurs with asphalt through time due to exposure. Through implementing these rehabilitative measures, re-paving the asphalt pavement is postponed, which results in an overall reduction in the operations and maintenance costs for the pavement over the long term. The total area of all three locations to be serviced in this project is approximately 170,280 Sq. Ft.

DISCUSSION

CCWA staff solicited competitive bids for the project through advertising in the Santa Maria Times on March 20 and 24. Staff also forwarded the Request For Bids (RFB) to 13 qualified licensed paving contractors as well as posting the RFB on the CCWA webpage. All contractors were provided an opportunity to tour the facilities in need of slurry sealing work on March 28, 2019. Bids were publically opened on April 11, 2019 in the CCWA Board Room. Only one Bid was received and the Bid is as follows:

- Ramsey Asphalt Construction, Inc.
 - Tank 2 \$80,325.00
 - Tank 5 \$44,100.00
 - SYPP \$30,920.00
 - Repair \$33,387.20
 - **TOTAL:** **\$158,732.20**

CCWA staff previously issued a Request For Bids for this specific project in September 2018 and received similar results. At that time, staff recommended to the Board to reject all bids and staff would re-advertise the project in spring 2019. It was believed that the low response was due to contractors being too busy during late fall 2018.

To resolve these findings, CCWA staff investigated as follows:

- In discussing the results with the contractor, it was noted that there was a significant difference between the contractor's and CCWA's estimate of Bid Quantities. To resolve this issue, CCWA staff requested HDR Engineering review CCWA's Bid Quantity Estimate. HDR concluded that CCWA's estimate was correct for a Type II Slurry Seal.
- Staff completed a detailed review of the CCWA specifications and found that the CalTrans Specifications for a Type II Slurry Seal (used for Parking Lots) was inadvertently combined with Parking Lot Seal Specification. A Slurry Seal and a Seal are two very different products. This finding explains the wide difference between the contractor's and CCWA's Bid Quantity estimates. When calculating Bid Quantities for a Parking Lot Seal, the contractor's estimate is correct.
- Staff contacted the non-responding contractors to find out why they did not respond. The majority of the contractors expressed a willingness to bid on the project. They also noted an ambiguity in the specification.
- Staff consulted with CCWA legal counsel for advice on the proper course of action.

In consideration of error in the CCWA Specifications, the desired end product and the advice received from CCWA's legal counsel, CCWA staff concluded that the best course of action will be to reject all bids, correct and then re-issue Request For Bids for this project.

RECOMMENDATION

That the Board:

- Authorize the Executive Director to reject all bids, then revise and re-issue the Request For Bids for the subject project.

JLB