

CENTRAL COAST WATER AUTHORITY

A California Joint Powers Authority



FY 2025/26 Budget

Central Coast Water Authority

A CALIFORNIA JOINT POWERS AUTHORITY

Fiscal Year
2025/26 Budget

Central Coast Water Authority

Mission:

To provide San Luis Obispo and Santa Barbara Counties with reliable, high quality supplemental water.

Objectives:

- Treat and deliver water through the Coastal Aqueduct to San Luis Obispo and Santa Barbara Counties.
- Minimize environmental impacts and protect the environment during operation of our facilities.
- Cost effectively operate and maintain our facilities.
- Ensure our water supply meets or exceeds health and safety standards.
- Work with the Department of Water Resources and other state, federal and local agencies to achieve our mutual objectives.
- Assist project participants in their efforts to reduce groundwater overdraft.





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Central Coast Water Authority
California**

For the Fiscal Year Beginning

July 01, 2024

Christopher P. Morrill

Executive Director

Central Coast Water Authority

Table of Contents

Fiscal Year 2025/26 Budget

BUDGET FOREWORD

	Page
Budget Foreword.....	1
Reader’s Guide.....	3
Budget Transmittal Letter.....	4
Project Map	10
Organization Overview, Structure and Staffing	11
CCWA Organization Chart	16
Personnel Count Summary – All Departments.....	17
Budget Process	18
Budget Planning Schedule.....	20
Financial Reporting Basis.....	21
Budget Policy and Strategy	22
Performance Measures	28

BUDGET SUMMARY

Budget Summary.....	30
Budget Summary Table.....	32
Total Expenditures Summary	33
Water Delivery Charts and Tables	34
Cost Per Acre-Foot Analysis	36

REVENUES AND SOURCES OF CASH

Revenues and Sources of Cash.....	39
Revenues and Sources of Cash Narrative Discussion	40

DEPARTMENT OF WATER RESOURCES

Department of Water Resources Charges.....	51
Department of Water Resources Charges Narrative Discussion	53
Transportation Capital Charges.....	55
Transportation Capital – Coastal Branch Extension.....	57
Transportation Capital – Minimum OMP&R.....	60
Water System Revenue Bond Surcharge.....	62
Delta Water Charge	62
Off-Aqueduct Charges	64
Variable OMP&R Charges.....	65
DWR Charges for Each Project Participant	66

Central Coast Water Authority

Table of Contents

Fiscal Year 2025/26 Budget

OPERATING EXPENSES

Operating Expenses67
Operating Expense Overview69
Consolidated Department Operating Expenses75
Operating Expense Allocation by Department82

ADMINISTRATION DEPARTMENT

Administration Department84
Administration Department Narrative Discussion86
Administration Department Personnel Services Summary90
Administration Department Operating Expenses93
Administration Department Operating Expense Detail97

WATER TREATMENT PLANT DEPARTMENT

Water Treatment Plant Department106
Water Treatment Plant Department Narrative Discussion109
Water Treatment Plant Flow Diagram114
Regional Water Treatment Plant Allocation115
Santa Ynez Exchange Agreement118
Water Treatment Plant Department Personnel Services Summary120
Water Treatment Plant Department Operating Expenses123
Water Treatment Plant Department Operating Expense Detail127

DISTRIBUTION DEPARTMENT

Distribution Department139
Distribution Department Narrative Discussion142
Distribution Department Personnel Services Summary150
Coastal Branch Financial Reaches and Contract Entitlement151
Distribution Department Operating Expenses154
Distribution Department Operating Expense Detail158

CAPITAL, NON-CAPITAL & EXTRAORDINARY PROJECTS

Capital Improvements169
Capital, Non-Capital and Extraordinary Projects Narrative Discussion170
Capital Improvement Projects Detail172
Non-Capital Improvement Projects Detail180

Central Coast Water Authority

Table of Contents

Fiscal Year 2025/26 Budget

RESERVES AND CASH MANAGEMENT

Reserves and Cash Management 185
Reserves and Cash Management Narrative Discussion 186

TEN YEAR FINANCIAL PLAN

Ten Year Financial Plan 196
Totals 198
City of Guadalupe 200
City of Santa Maria 202
Golden State Water Company 204
Vandenberg Space Force Base 206
City of Buellton 208
Santa Ynez Improvement District #1 (City of Solvang portion) 210
Santa Ynez Improvement District #1 212
Goleta Water District 214
Morehart Land Company 216
La Cumbre Mutual Water Company 218
Raytheon Systems Company 220
City of Santa Barbara 222
Montecito Water District 224
Carpinteria Valley Water District 226
Chorro Valley Turnout 228
Lopez Turnout 230
Shandon 232
CCWA Fixed Costs 234
CCWA and DWR Variable Cost Projections 235
DWR Transportation Capital Charges 236
DWR Coastal Branch Extension 237
DWR Water System Revenue Bond Surcharge 238
DWR Transportation Minimum OMP&R 239
DWR Delta Water Charge 240

APPENDIX

Appendix 241
Santa Barbara County Area Description 242
Miscellaneous Statistical Information 243
Glossary of Acronyms 244
Glossary of Terms 246
The State Water Project in Santa Barbara County 253



Erosion repair at Polonio Pass Water Treatment Plant entrance

Budget Foreword

The Budget Foreword section of the FY 2025/26 Budget contains the Budget Transmittal Letter, narrative discussion on the financial policies, goals and objectives of the Authority, an overview of the Authority's organizational structure, and the budget process.

Authority Overview

General Information

- Form of Government Joint Powers Authority
- Government Code Section Section 6500, Article 1, Chapter 5, Division 7, Title 1
- Date of Organization August 1, 1991
- Member Agencies 8
- Associate Members 1
- Areas served Santa Barbara County
San Luis Obispo County
- Project Participants 13 - Santa Barbara County
11 - San Luis Obispo County
- Estimated total population served 440,668 - Santa Barbara County
41,000 - San Luis Obispo County
- Fiscal Year End June 30th
- Santa Barbara County Table A 39,078 acre-feet
- Drought Buffer Table A 3,908 acre-feet
- San Luis Obispo County Table A 4,830 acre-feet

Operational Information

- Administrative Offices Buellton
- Water Treatment Plant Polonio Pass, Shandon
Capacity 50 million gallons per day
- Pumping Plant Santa Ynez
Capacity 13 million gallons per day
- Authority Pipeline (in miles) 42
- Coastal Branch Phase II Pipeline (in miles) 101
- Number of water storage tanks 7
- Number of turnouts 10
- Number of full-time equivalent Positions 32.25

Central Coast Water Authority

Reader's Guide

Fiscal Year 2025/26 Budget

The organization and presentation of the Central Coast Water Authority's fiscal year budget is designed to satisfy the needs of citizens, ratepayers, public officials and Authority employees. It is organized and structured to meet external and internal managerial needs. As a comprehensive management and balanced financial plan, this document describes the programs, services and resources being provided by the Authority as well as policies and long-term financial plans.

The Authority's budget is divided into the following nine (9) major sections with sub-sections included in each major section:

- I. **BUDGET FOREWORD** An introductory section that contains the budget transmittal letter; narrative discussion on the financial policies, goals and objectives of the Authority; and narrative discussion on the budget process.
- II. **BUDGET SUMMARY** A past, present and future overview of the Authority's budget and financial plans.
- III. **REVENUES AND SOURCES OF CASH** Narrative, graphs and spreadsheets describing the Authority's revenue and other sources of cash for the past and present fiscal year and revenue projections.
- IV. **DEPARTMENT OF WATER RESOURCES (DWR)** Narrative, graphs and spreadsheets describing the DWR charges which are paid by the member agencies and other project participants of the Authority.
- V. **OPERATING EXPENSES** The operating expense section of the budget is comprised of the Administration, Water Treatment Plant, and Distribution Departments and includes narrative discussion on the operating expenses for each department as well as graphs and spreadsheets.
- VI. **PROJECTS** The projects section of the budget is comprised of the Capital, Non-Capital and Extraordinary Projects and includes a narrative discussion on the capitalization criteria and funding detail
- VII. **RESERVES AND CASH MANAGEMENT** The reserves and cash management section includes information regarding the Authority's O&M reserve fund, rate coverage reserve fund, DWR reserve fund, and cash management information.
- VIII. **TEN YEAR FINANCIAL PLAN** The ten year financial plan section of the budget provides the ten year pro forma projections for each project participant.
- IX. **APPENDIX** The appendix includes a glossary of terms, acronyms and other items relevant to the Authority's budget.

To aid the reader in finding specific information quickly, a Table of Contents is provided at the beginning of this document.



April 24, 2025

Board of Directors
Central Coast Water Authority

Dear Members of the Board:

Submitted herewith is the Fiscal Year (FY) 2025/26 Budget for the Central Coast Water Authority. This letter of transmittal presents the budget highlights and addresses the main points and major decisions made in compiling this document. As CCWA's policy makers, you play a critical role in making decisions regarding the direction the organization will take in FY 2025/26.

The basic purpose of the budgetary process is to determine CCWA activities and projects to be undertaken and to identify resources and revenues available to fund them. In addition, the budget is more than just a financial document. The budget represents a process through which CCWA pursues for the ensuing year are established.

Financial control is the traditional function of a budget. This comprehensive budget also contains a vast amount of additional information including manpower requirements, equipment needs, and programs and services being provided. This level of detail provides you an opportunity to identify all the resources needed to accomplish CCWA's goals and objectives.

The budget also serves as a guide for policy implementation, making it a thorough and valuable document.

For twenty-seven consecutive years, CCWA has received the Government Finance Officers Association (GFOA) "Distinguished Budget Presentation" award." We will also submit the FY 2025/26 Budget for consideration of the GFOA budget award.

AN OVERVIEW OF LAST FISCAL YEAR

The following are some of the major highlights from FY 2024/25:

Water Deliveries

Total deliveries during FY 2024/25 by CCWA to the Santa Barbara and San Luis Obispo County project participants are estimated to be 14,874 acre-feet compared to the actual FY 2023/24 deliveries of 13,602 acre-feet. The graph on the following page shows water deliveries for the last ten fiscal years.

Eric Friedman
Chairman

Jeff Clay
Vice Chairman

Ray 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

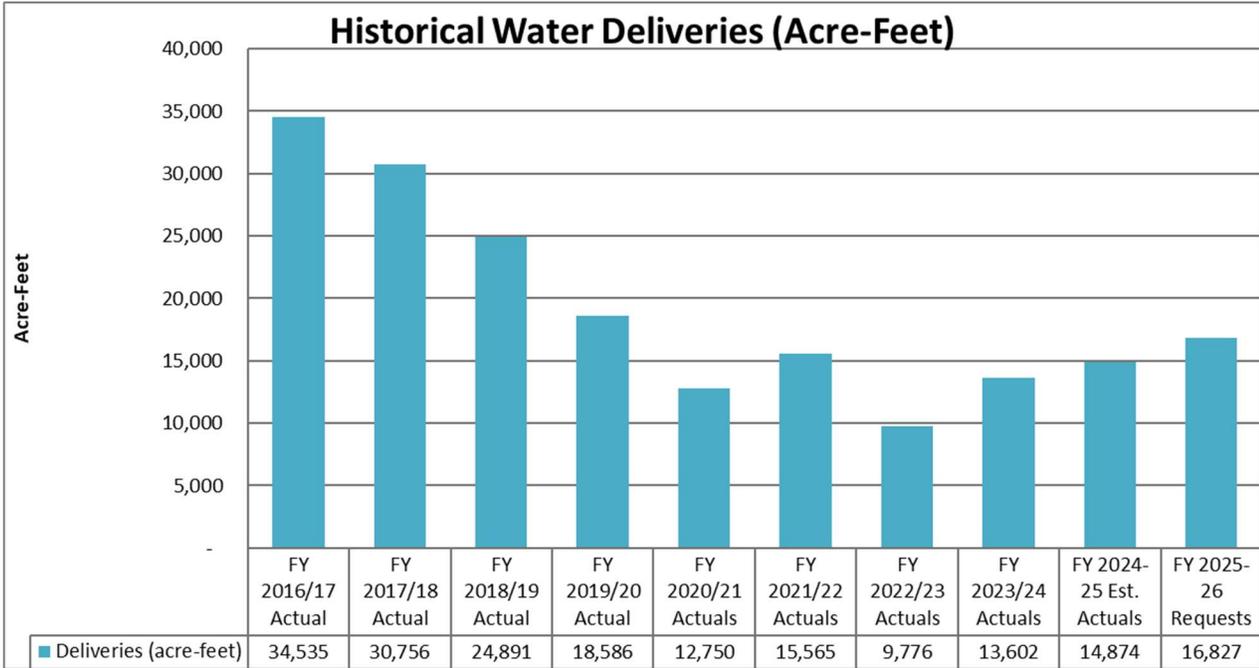
Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company



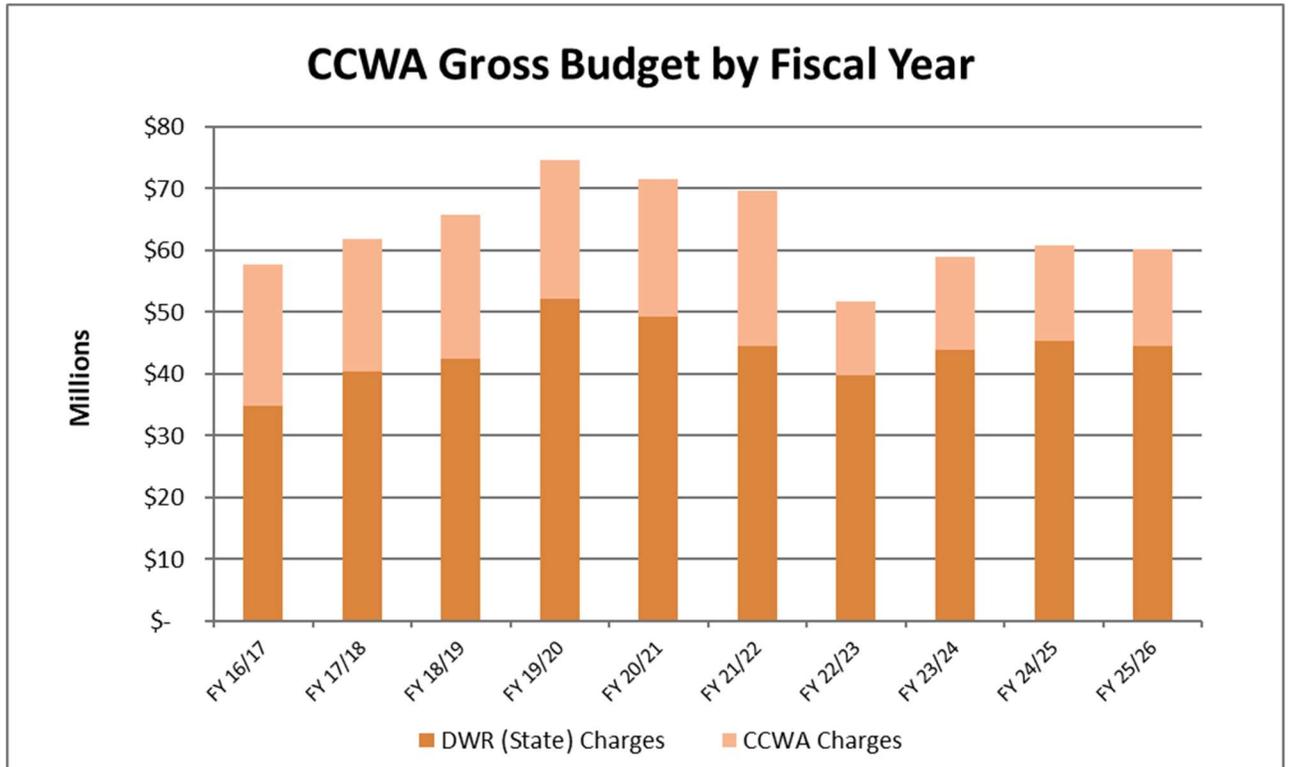
CCWA Credits

Actual CCWA operating expenses for FY 2024/25 are anticipated to be approximately \$0.7 million less than the budgeted amounts. CCWA estimates receipt of \$0.7 million as investment income. Estimated personnel expenses are \$0.2 million less than the approved budget due to savings in vacant positions; utility expenses are \$0.2 million lower due to reduced water lake deliveries and corresponding reduced pumping costs at SYPP; supplies and equipment are projected with \$0.1 million in savings due to lower variable chemical costs and dues, memberships and repairs and maintenance are \$0.1 million less than the budgeted amounts.

These unexpended operating assessments will either be returned to the CCWA project participants as credit in FY 2025/26 or transferred to the DWR Reserve Fund based on the election of each participant.

CCWA Budget History

The following graph shows the CCWA gross budget (total budget excluding CCWA credits and prepayments) broken down between CCWA costs and DWR costs from FY 2016/17 to FY 2025/26.



Awards and Competitions

Over the past year, CCWA received the GFOA “Distinguished Budget Presentation” award for the FY 2024/25 Budget and the GFOA “Excellence in Financial Reporting” award for the FY 2023/24 Comprehensive Annual Financial Report.

AN OVERVIEW OF THIS FISCAL YEAR

Water Delivery Projections

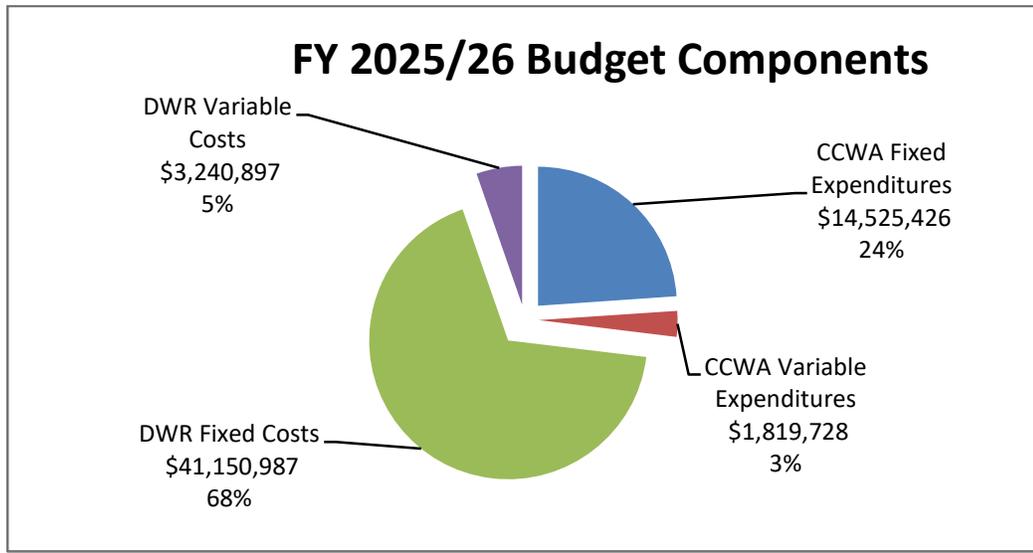
For calendar years 2025 and 2026, Santa Barbara and San Luis Obispo County project participants have requested State water deliveries of 16,609 and 16,927 acre-feet, respectively.

Department of Water Resources Activities and Related Costs

During FY 2025/26, CCWA staff will continue to work through the State Water Contractor (SWC) board and committees that interact with the Department of Water Resources (DWR) which impact CCWA and the California water agencies as a whole. There are many significant issues on which DWR and the SWC are working which have water supply, operational, and fiscal impacts on CCWA. Some of these activities could potentially have a significant fiscal impact to CCWA in the current and future years. Therefore, staff will place a high priority on working through the various available venues to minimize the fiscal impacts to CCWA and ensure that we continue to meet our goal of providing reliable, high quality supplemental water.

FY 2025/26 BUDGET SUMMARY

The FY 2025/26 budget calls for total project participant payments of \$58.5 million compared to the FY 2024/25 budget of \$60.2 million, a \$1.7 million decrease. These amounts include \$2.3 million in CCWA credits for FY 2025/26. The following graph shows the breakout of the various cost components in the CCWA FY 2025/26 Budget:



The following table compares the total FY 2025/26 Budget and the FY 2024/25 Budget:

Budget Item	Final FY 2024/25 Budget	Final FY 2025/26 Budget	Increase (Decrease)
CCWA Expenses			
CCWA Operating Expenses - Fixed	\$ 10,756,068	\$ 11,525,268	\$ 769,201
CCWA Operating Expenses - Variable	2,026,354	1,819,728	(206,626)
Capital/Non-Capital Projects	2,651,691	2,947,718	296,027
Total CCWA Expenses:	15,434,113	16,292,714	858,602
Pass-Through Expenses			
DWR Fixed Costs	41,624,633	41,150,987	(473,646)
DWR Variable Costs	3,446,897	3,240,897	(206,000)
Warren Act and Trust Fund Payments	216,960	52,440	(164,520)
Total Pass-Through Expenses:	45,288,489	44,444,324	(844,165)
Subtotal Gross Budget:	60,722,602	60,737,038	14,436
CCWA (Credits) Due	(546,086)	(2,281,509)	(1,735,422)
TOTAL:	\$ 60,176,516	\$ 58,455,530	\$ (1,720,986)

CCWA Operating Expense Budget

The FY 2025/26 CCWA operating expense budget total is \$13.3 million, or approximately 26% of the total CCWA budget. This is a \$.6 million increase over the FY 2024/25 operating expense budget, a 4.40% increase.

The following table shows CCWA operating expenses by the expense type for FY 2025/26 and FY 2024/25 and the changes from the prior fiscal year budget along with the allocation between the fixed and variable expenses.

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Name	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
Personnel Expenses	\$ 6,929,913	\$ 6,703,374	\$ 7,174,825	\$ 244,912	3.53%
Office Expenses	22,800	21,000	23,300	500	2.19%
Supplies and Equipment	1,602,500	1,498,460	1,713,077	110,577	6.90%
Monitoring Expenses	120,497	138,600	148,100	27,603	22.91%
Repairs and Maintenance	378,800	336,220	420,860	42,060	11.10%
Professional Services	1,476,203	1,499,681	1,767,470	291,267	19.73%
General and Administrative	308,229	242,310	313,700	5,471	1.78%
Utilities	933,181	698,836	644,805	(288,376)	-30.90%
Other Expenses	985,281	913,410	1,109,643	124,362	12.62%
Turnouts	25,018	20,000	29,217	4,199	16.78%
Total Operating Expenses	\$ 12,782,422	\$ 12,071,891	\$ 13,344,997	\$ 562,575	4.40%
Fixed Operating Expenses ⁽¹⁾	\$ 10,756,068	\$ 10,374,377	\$ 11,525,268	\$ 769,201	7.15%
Variable Operating Expenses	2,026,354	1,697,514	1,819,728	(206,626)	-10.20%
Total Operating Expenses	\$ 12,782,422	\$ 12,071,891	\$ 13,344,997	\$ 562,575	4.40%

(1) Does not include Capital and Non-Capital Projects.

Additional highlights and detailed explanations are available in the operating expenses and departmental sections of the budget.

CCWA Capital Improvement Projects

The FY 2025/26 Budget includes \$2,947,718 for capital improvement and non-capital projects, a \$296,027 increase over the prior year amount. All capital improvement and non-capital projects are funded on a current basis from project participant assessments.

Please refer to the “*Project*” section of this FY 2025/26 Budget for additional information on the budgeted capital improvement and non-capital projects.

Warren Act and Trust Fund Payments

The FY 2025/26 Budget includes \$52,440 for Warren Act and Trust Fund MOU payments based on \$120 per acre foot for 437 acre feet of water to be delivered to Cachuma Lake.

CCWA Credits

The FY 2025/26 budget includes the following credits:

CCWA O&M Credits		
O&M Reserve Fund Interest Income	\$	79,090
Rate Coverage Reserve Fund Interest		390,233
Credit payable		1,787,350
Prepayments and Other Credits		24,835
Total	\$	2,281,509

DWR Charges

The FY 2025/26 DWR fixed charges total \$41 million, which is \$0.5 million less than the FY 2024/25 Budget. The DWR variable charges total \$3.2 million, which is \$0.2 million less than the prior year amount.

Please refer to the DWR section of the budget for a detailed discussion on the DWR charges.

CONCLUSION

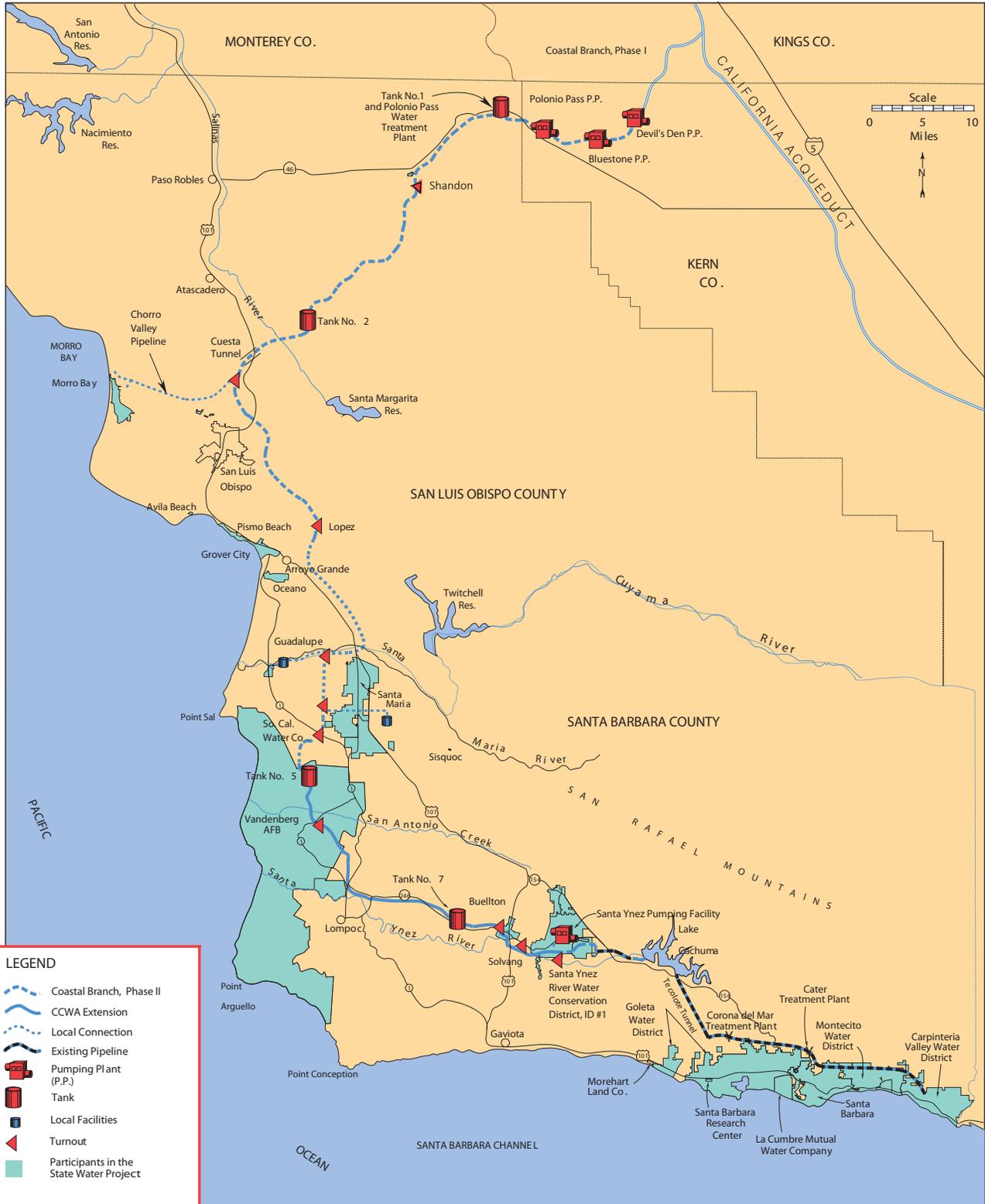
We are proud of the many accomplishments achieved during the past year through the combined efforts of CCWA staff and project participants. We look forward to successfully overcoming the challenges of the upcoming year.

Sincerely,



Ray Stokes
Executive Director

Project Map



LEGEND

- Coastal Branch, Phase II
- CCWA Extension
- Local Connection
- Existing Pipeline
- Pumping Plant (P.P.)
- Tank
- Local Facilities
- Turnout
- Participants in the State Water Project



Central Coast Water Authority
Organization Overview, Structure and Staffing
Fiscal Year 2025/26 Budget

The Authority is a public entity duly organized and existing under a Joint Exercise of Powers Agreement – Central Coast Water Authority, dated as of August 1, 1991, by and among nine public agencies in Santa Barbara County, two of which have subsequently merged. The members entered into the Agreement to exercise their common power to acquire, construct, operate and maintain works and facilities for the development and use of water resources and water rights including without limitation, works and facilities to divert, store, pump, treat and deliver water for beneficial uses. In particular, the members expressed their desire to create the Authority to finance, develop, operate, and maintain the Authority’s facilities for their mutual benefit and to act on behalf of the members with respect to the Department of Water Resources (DWR) facilities. The Authority currently has a staff of 28 full-time and 3 part-time employees.

The Authority is presently composed of eight members, all of which are public agencies: the Cities of Buellton, Guadalupe, Santa Barbara and Santa Maria, Carpinteria Valley Water District, Goleta Water District, Montecito Water District and Santa Ynez River Water Conservation District, Improvement District No. 1 (in which the City of Solvang is located). (A founding member of the Authority, the Summerland Water District, was merged into the Montecito Water District.) In addition, the Authority has an Associate Member, the La Cumbre Mutual Water Company. Each member appoints a representative to the Authority’s Board of Directors. San Luis Obispo County Flood Control and Water Conservation District (SLOFCWCD and/or San Luis Obispo Water Purchasers) has expressed an interest in joining the Authority. However, any decision to do so must be approved by the unanimous vote of the present members.

The member agencies are represented on the CCWA Board of Directors by an individual chosen by each public entity’s Board or City Council. Each vote on the Authority’s Board of Directors is weighted roughly in proportion to the entity’s allocation of State water entitlement. The following table outlines the voting percentage for each member of the CCWA Board of Directors.

Central Coast Water Authority
Organization Overview, Structure and Staffing
Fiscal Year 2025/26 Budget

Board of Directors Voting Percentages

City of Guadalupe	1.15%
City of Santa Maria	43.19%
City of Buellton	2.21%
Santa Ynez RWCD, Improvement District #1	7.64%
Goleta Water District	17.20%
City of Santa Barbara	11.47%
Montecito Water District	9.50%
Carpinteria Valley Water District	<u>7.64%</u>
TOTAL	100.00%

CCWA Committees

There are two Authority committees. They consist of the Personnel Committee and Operating Committee.

The Operating Committee is composed of the general managers, city administrators and water supply managers of the various water agencies and cities served by the Authority. The Operating Committee typically meets once a month to act on matters such as project construction, operations and financial issues and recommends actions to the Authority's Board of Directors.

Santa Barbara County Project Participants

Each Santa Barbara County project participant is a water purveyor or user located in Santa Barbara County which obtained contractual rights to receive water from the State Water Project prior to 1991. Those rights have been assigned to the Authority pursuant to the terms of the Water Supply Agreements.

Central Coast Water Authority
Organization Overview, Structure and Staffing
 Fiscal Year 2025/26 Budget

Santa Barbara County Project Participant Table A Amounts

<u>Agency</u>	<u>Table A ⁽¹⁾</u>
City of Buellton	578
Carpinteria Valley Water District	2,000
Goleta Water District	4,500
City of Guadalupe	550
La Cumbre Mutual Water Company	1,000
Montecito Water District	3,000
Morehart Land Company	200
City of Santa Barbara	3,000
Raytheon Systems Company (SBRC)	50
City of Santa Maria	16,200
Santa Ynez River W.C.D., ID #1	2,000
Golden State Water (SCWC)	500
Vandenberg Space Force Base	<u>5,500</u>
TOTAL	39,078

(1) In acre-feet per year. The amounts do not include the Authority's 3,908 acre-feet per year "drought buffer" entitlement and 2,500 acre-feet per year additional entitlement which has been acquired by Goleta Water District.

San Luis Obispo County Water Purchasers

Each San Luis Obispo County water purchaser is a water purveyor or user located in San Luis Obispo County which obtained contractual rights from San Luis Obispo County Flood Control and Water Conservation District (SLOCFCWCD) to receive water from the State Water Project.

Central Coast Water Authority
Organization Overview, Structure and Staffing
 Fiscal Year 2025/26 Budget

San Luis Obispo County Project Participant Table A Amounts

<u>Agency</u>	<u>Table A</u>
Avila Beach Community Services District	100
Avila Valley Mutual Water Co., Inc.	20
California Men’s Colony (State)	400
County of SLO C.S.A. No. 16, I.D. #1	100
County of SLO (Op. Center & Reg. Park)	425
City of Morro Bay	1,313
Oceano Community Services District	750
City of Pismo Beach	1,240
San Luis Coastal Unified School District	7
San Miguelito Mutual Water Company	275
SLO Co. Comm. Coll. District (Cuesta College)	<u>200</u>
TOTAL	4,830

Water Supply Agreements

Each Santa Barbara County project participant has entered into a Water Supply Agreement with the Authority in order to provide for the development, financing, construction, operation and maintenance of the Authority’s facilities and to designate the Authority to act on behalf of the Santa Barbara County project participants with respect to the DWR facilities. The purpose of the Water Supply Agreements is to assist in carrying out the purposes of the Authority with respect to the Authority project by (1) requiring the Authority to sell, and the Santa Barbara County project participants to buy, a specified amount of project allotment from the Authority, and (2) assigning the Santa Barbara County project participants’ Table A rights in the State Water Project to the Authority.

Local Water Treatment Agreements

Each San Luis Obispo County water purchaser has entered into a Local Water Treatment Agreement with SLOCFCWCD and SLOCFCWCD has entered into the Master Water Treatment Agreement with the Authority to cause the Authority to provide for the development, financing, construction, operation and maintenance of the Authority’s facilities. The purpose of the Local Water Treatment Agreements is to provide the terms and conditions of the treatment of the San Luis Obispo County water purchaser’s water to be delivered from the State Water Project and to provide for the financing of certain local improvements.

Central Coast Water Authority
Organization Overview, Structure and Staffing
Fiscal Year 2025/26 Budget

State Water Project

The State Water Project is one of the largest water supply projects undertaken in the history of water development. It encompasses a complex of reservoirs, pumping plants, power plants, canals, and tunnels owned and operated by the DWR. State water, which primarily originates north of the Sacramento-San Joaquin Delta, is transported from the Delta to serve water contractors in the San Francisco Bay area, the San Joaquin Valley, and Southern California. All of the initially planned 642-mile aqueduct and pipeline system is operational with the last 100 miles of the Coastal Branch Phase II substantially completed and placed into operation in August 1997.

DWR has previously completed what is known as the Coastal Branch Phase I, which branches off the California Aqueduct in the southwestern corner of Kings County near Interstate 5. The Coastal Branch Phase I is a 15-mile canal that ends near Devils Den in northwestern Kern County.

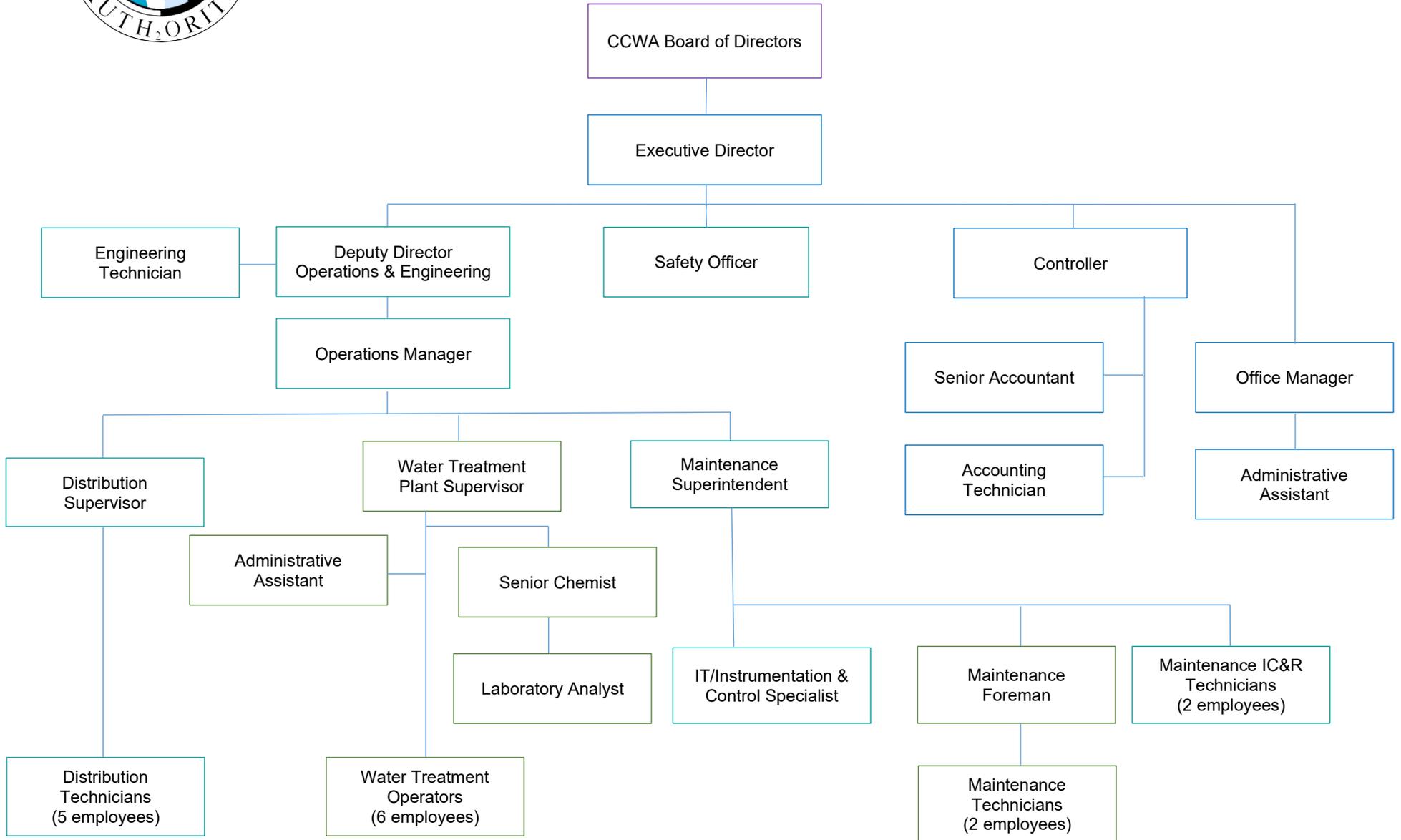
The Coastal Branch Phase II pipeline, which was constructed by DWR between 1995 and 1997 to supply State water to San Luis Obispo and Santa Barbara Counties, runs from the Coastal Branch Phase I terminus over the coastal mountains to and through the County of San Luis Obispo to a terminus in northern Santa Barbara County. Its largest diameter is 57 inches between the Devils Den Pumping Plant and Tank 1 and its smallest diameter is 42 inches along the southerly-most 48 miles.

The CCWA Extension begins at a diameter of 39 inches at Tank 5, continuing south to a point near Lompoc where it turns east, reducing to a diameter of 30 inches along the way. Water flows by gravity to the Santa Ynez Pumping Plant. At this facility, the chloramines used for disinfection are removed (a process called dechloramination) and the water is then pumped into Lake Cachuma through a 30-inch diameter pipe that was originally used to deliver Cachuma Project water to the Santa Ynez River Water Conservation District, Improvement District No. 1.

The water treatment plant receives raw water from the Coastal Branch Phase II and, after treatment, returns the water to the Coastal Branch Phase II. The plant is sized at 50 million gallons per day to accommodate the maximum annual entitlement of both counties. The plant uses conventional modern treatment units for filtration and disinfection of surface water in conformance with the relevant regulations of the California Department of Public Health.

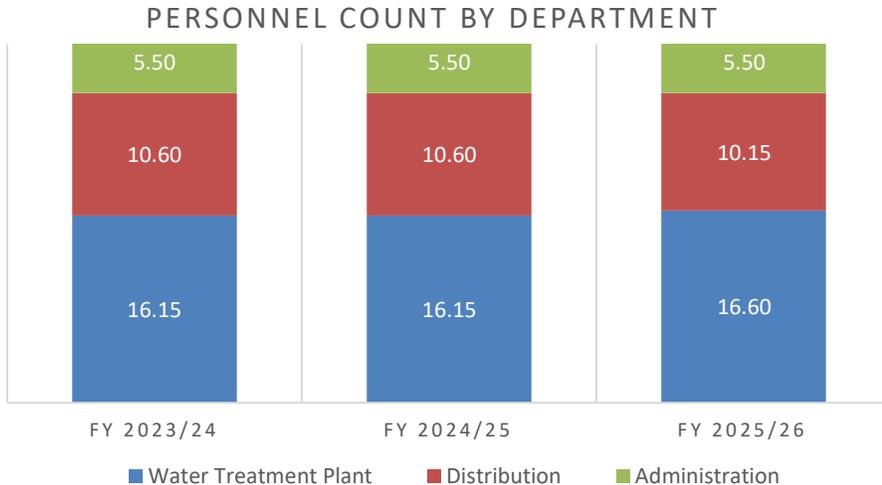


Central Coast Water Authority Organization Chart FY 2025/26



Central Coast Water Authority
Personnel Count Summary
All Departments
 Fiscal Year 2025/26 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number Authorized FY 2023/24	Number Authorized FY 2024/25	Number Requested FY 2025/26	Change Over FY 2023/24	Change Over FY 2024/25
Executive Director	1.00	1.00	1.00	-	-
Deputy Director of Operations	1.00	1.00	1.00	-	-
Operations Manager	1.00	1.00	1.00	-	-
Safety Officer	1.00	1.00	1.00	-	-
Controller	1.00	1.00	1.00	-	-
Office Manager	1.00	1.00	1.00	-	-
Administrative Assistant	1.50	1.50	1.50	-	-
Senior Accountant	1.00	1.00	1.00	-	-
Accounting Technician	0.75	0.75	0.75	-	-
WTP Supervisor	1.00	1.00	1.00	-	-
Distribution Supervisor	1.00	1.00	1.00	-	-
Maintenance Superintendent	1.00	1.00	1.00	-	-
Maintenance Foreman	1.00	1.00	1.00	-	-
Senior Chemist	1.00	1.00	1.00	-	-
Laboratory Analyst	1.00	1.00	1.00	-	-
IT/Instrumentation & Control Specialist	1.00	1.00	1.00	-	-
Engineering Technician	1.00	1.00	1.00	-	-
Maintenance Technician	2.00	2.00	2.00	-	-
Maintenance/IC&R Technician	2.00	2.00	2.00	-	-
WTP Operator	5.00	5.00	6.00	1.00	1.00
Distribution Technician	5.00	5.00	5.00	-	-
WTP Operator trainee	1.00	1.00	-	(1.00)	(1.00)
TOTAL:	32.25	32.25	32.25	-	-



Central Coast Water Authority

Budget Process

Fiscal Year 2025/26 Budget

Fiscal Year Budget

The Authority's fiscal year budget is one of the most important documents prepared by the Authority. Through the process of planning and preparing the budget, the Authority is given the opportunity to reassess its plans and goals for the coming and future years. The process also provides direction for management and staff.

In December of each year, the Authority's staff prepares a list of goals and objectives by department and general area of responsibility. The annual goals and objectives are reviewed by the Executive Director and refined as appropriate. The goals are then presented to the Board of Directors.

Ten Year Financial Plan

The Ten Year Financial Plan is prepared to provide the project participants pro forma projections of the Authority's expenditures and includes projections for both the CCWA and DWR portions of the budget. DWR provides projections for each of these years for both the fixed and variable costs, and the CCWA expenses are generally projected with a 5% inflation factor to all operating expenses.

The Ten Year Financial Plan is prepared only as an informational tool and is not formally adopted by the Board of Directors. The financial plan is presented to the Operating Committee and is used by the member agencies and other project participants for their planning and long-term budgeting purposes.

The various components of the budget are compiled, including "pass-through" charges from the Department of Water Resources (DWR) and Warren Act charges paid to the U.S. Bureau of Reclamation (*see the Revenues and Sources of Cash section for a description of Warren Act Charges*). While these expenditures are not considered expenses for the Authority, the charges are collected by the Authority and paid to the respective agencies; therefore, they are included in the budget.

The requested budget is prepared recognizing the Board approved organization-wide and departmental goals. All Authority goals must be funded within the budget to allow each goal to be accomplished. Stated another way, there are no unfunded mandates.

Committee Review of the Budget

The initial review of the budget is presented to the Operating Committee each March for input to staff regarding the requested budget. As required by California's Brown Act and

Central Coast Water Authority

Budget Process

Fiscal Year 2025/26 Budget

Public Records Act, both meetings are posted at least 72 hours, and typically one week, in advance of the meetings inviting the public to attend and provide input regarding the proposed budget.

Board Adoption of the Fiscal Year Budget

Initial review of the preliminary budget by the Board of Directors occurs during its March regular meeting. The Board reviews the proposed budget and makes changes as it deems appropriate. After staff amends the budget reflecting the Board's direction, the amended budget is then resubmitted to the Board for final review and adoption. This process may continue until staff and the Board have reached a budget suitable for Board approval. Approval of the final budget typically occurs at the regular April Board meeting. The budget is approved by motion and majority vote of the Board. All of these meetings are posted for public participation.

Budget Amendment Process

The budget may only be amended during the year by Board action. This process involves requests by staff to the Board for additional funding. The Board considers the requests of staff at regularly scheduled meetings and approves or rejects the requests by motion and majority vote.

CCWA Financial Schedule FY 2025/26

The Financial Schedule on the following page provides a graphical overview of the major financial milestones that occur for the budget preparation and the corresponding revenue and expenditure cycles.

Central Coast Water Authority

Budget Process

Fiscal Year 2025/26 Budget

CCWA Budget Planning Schedule
FY 2025/26 Budget

January	February	March	April
S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S
4...5...6...7...8...9...10...11	1...2...3...4...5...6...7...8	1	1 2 3 4 5
5...6...7...8...9...10...11	9...10...11...12...13...14...15	2 3 4 5 6 7 8	6 7 8 9 10 11 12
12...13...14...15...16...17...18	16...17...18...19...20...21...22	9 10 11 12 13 14 15	13 14 15 16 17 18 19
19...20...21...22...23...24...25	23...24...25...26...27...28	16 17 18 19 20 21 22	20 21 22 23 24 25 26
26...27...28...29...30...31		23 24 25 26 27 28 29	27 28 29 30
		30 31	

May	June	July
S M T W T F S	S M T W T F S	S M T W T F S
1 2 3	1 2 3 4 5 6 7	1 2 3 4 5
4 5 6 7 8 9 10	8 9 10 11 12 13 14	6 7 8 9 10 11 12
11 12 13 14 15 16 17	15 16 17 18 19 20 21	13 14 15 16 17 18 19
18 19 20 21 22 23 24	22 23 24 25 26 27 28	20 21 22 23 24 25 26
25 26 27 28 29 30 31	29 30	27 28 29 30 31

- Receive DWR Statement of Charges (for following calendar year)
- ★ Prepare Draft Budget
- ★ Submit Preliminary Budget to Operating Committee
- ★ Submit Preliminary Budget to Board of Directors
- ★ Board Approval of Final Budget
- ▶ Beginning of 2025/26 Budget Expenditure Cycle

- July 1, 2024
- November 1, 2024- February 28, 2025
- March 13, 2025
- March 27, 2025
- April 24, 2025
- July 1, 2025

Central Coast Water Authority
Financial Reporting Basis
Fiscal Year 2025/26 Budget

Budget Reporting

For budgetary reporting purposes, the Central Coast Water Authority uses the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the liability is incurred. Non-cash expense items such as depreciation expense for fixed assets and accrued compensated absences are excluded from the budget.

The Authority operates under one fund for budgetary purposes. However, the Authority’s various departments and budget preparation are segregated into sub-sections as follows:

Administration

Water Treatment Plant

Distribution

CCWA Reaches

Mission Hills II
Santa Ynez I
Santa Ynez II

DWR Reaches

Reach 33B
Reach 34
Reach 35
Reach 37
Reach 38

For further information on the various cost centers within the Distribution Department subsection, please see the discussion of financial reaches in the section titled “Distribution Department.”

Financial Statement Reporting

The Authority operates as a proprietary fund-type and uses the modified accrual basis of accounting. All proprietary fund-types are accounted for on a flow of economic resources measurement focus. Under this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of net position. Where appropriate, net total assets (i.e., fund equity) are segregated into contributed capital and retained earnings. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in net position.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2025/26 Budget

The Fiscal Year 2025/26 Budget document has been prepared after analyzing, evaluating, and justifying both the financial and non-financial objectives and goals of the Authority for the current year and beyond. The Authority's budget is a comprehensive document which enables the Board of Directors and Authority staff to evaluate the Authority's past and future.

The Authority's management believes that a successful budget should contain the following ingredients for it to be useful to the individuals using the information:

1. **Worthy Purpose** - There should be clear goals for the budget. The goals and objectives of the Authority should dictate the Authority's budget.
2. **Participative Ownership** - Budget ownership and the motivation to make it work will only occur when there is significant decision making involvement at the levels of implementation.
3. **Reporting System** - A good budgeting system must be fully integrated with the Authority's reporting (i.e., accounting) system. That is, the accounting system and the budgeting system should be consistent in account classifications and methods of accounting for data, time periods, etc. Ease of understanding is enhanced when the budgeted data and the accounting system mirror each other.
4. **Support of Management** - In any well-organized budgeting system, support from top management is essential for the system to be effective. By being involved in establishing the budget concepts and procedures as well as reviewing budget variations, the Board will lend support to the rest of the Authority and create acceptance and promote effective use of the budgeting system by all.

BUDGET POLICIES

- The primary budgetary objective is to provide the highest possible level of service to the Authority's project participants without impairing the Authority's sound financial condition. Continual efforts will be made to improve productivity, lower costs, and enhance services.
- The Authority will endeavor to keep current expenditures less than current revenues. Current expenditures are defined as operating expenses and capital improvement expenditures. The Authority will strive to operate within the approved budgetary amounts to avoid subsequent billings to the member agencies and other project participants for over-expenditures.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2025/26 Budget

- The Authority will maintain a budgetary control system to ensure adherence to the budget and will prepare regular reports comparing actual revenues and expenditures/expenses to budgeted amounts.
- Laws and policies limiting revenue sources and expenditures must be explicitly addressed in the budget process.
- No Unfunded Mandates - The Board of Directors will not establish a goal or policy without also providing the necessary funding to accomplish those goals or policies.
- Budget Change Policy - The adopted budget may only be changed by Board action. Budget change requests may be made by staff to the Board of Directors at a regularly scheduled Board meeting. The Board will then consider the requests based on staff's recommendations and approve or deny the requests by a majority vote.
- Reconciliation of Charges - The Authority will endeavor to reconcile differences between actual expenditures incurred and amounts billed to the member agencies and other project participants in a timely manner. Under-expenditures in the budget will be returned to project participants as credits in subsequent billings.
- Investment Income Allocation - The Authority will endeavor to provide timely allocation of investment income to the member agencies and other project participants for payments covering DWR charges.
- DWR Charges and Credits - The Authority will endeavor to provide sufficient information to the member agencies and other project participants regarding the DWR charges to enable them to gain a full understanding of the charges. Additionally, the Authority will provide credits given by DWR on the next available billing sent to the project participants.
- Ten Year Financial Plan - In conjunction with preparation of the fiscal year budget, the Authority will also prepare and make available a ten year financial plan which provides estimates of the total State water costs for the ten-year period.
- Distribution Department Financial Reach Allocation Percentages - The Authority will amend the Distribution Department financial reach allocation percentages for fixed O&M costs based on the actual costs incurred by financial reach. These percentages will be based on the actual percentages from the Yearend Budget Report two years prior to the current budget year.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2025/26 Budget

- Spare Parts Inventory - The Authority will track the purchase of spare parts inventory greater than \$2,000 and allocate costs to the appropriate financial reach when the spare parts are actually used at a specific location or financial reach.
- Appropriated Contingency - No expenditure will be made from the Appropriated Contingency account without prior approval from the Board of Directors.
- Staff Salary Pool Policy - The overall salary pool will consist of two separate pools: (1) a pool for all employees excluding the Executive Director, and (2) a pool – i.e., proposed salary treatment – for the Executive Director.

The Authority will calculate the salary pool percentage which shall be either 5% of the actual regular salaries budget or the actual December to December percentage change in the Los Angeles-Long Beach-Anaheim, CA Consumer Price Index for All Urban Consumers, whichever is greater.

The employee pool will be calculated by multiplying the resulting salary pool percentage by the actual annual salaries for all employees at the time the budget is prepared based on full staffing (excluding the Executive Director). The Executive Director's pool will be calculated by multiplying the resulting salary pool percentage by his or her actual annual salary at the time the budget is prepared. The two pools are then added together to determine the overall salary pool for budget purposes.

The CCWA Board of Directors shall administer the Executive Director's pay treatment separate from the employee salary pool and the Executive Director shall administer the pay treatment (i.e., the employee pool) for all other CCWA employees.

- Employee Benefits Funding Benchmark - The Authority will calculate the Employee Benefits Percentage (EBP) in conjunction with the Budget preparation. The EBP calculation will include retirement, health insurance, cafeteria plan benefits, dental/vision insurance, long-term disability, and life insurance as a proportion of the full-time regular wages budget for the fiscal year.
- Budget Transfer Policy - If CCWA staff determine funds are available in an Operations and Maintenance or Project account, staff may transfer available funds to other accounts and/or projects which were not anticipated in the CCWA Board adopted budget with the approval of the CCWA Board Chairperson. Transfer of funds for projects and/or one-time expenditures cannot exceed \$25,000. Staff will prepare a summary of the Budget Fund Transfers which will include the source and destination of the funds,

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2025/26 Budget

financial reaches impacted and justification for the transfer. A summary of the approved transfers will be included on the CCWA Board Consent Calendar as part of the next regularly scheduled Board meeting.

- Self-Funded Dental/Vision Plan Annual Limits and Premium Amounts - The CCWA self-funded Dental/Vision plan annual limit on total expenditures for each covered employee and the corresponding premium amount will increase at the beginning of each plan year by the December to December percentage change of the Los Angeles-Long Beach-Anaheim, CA Consumer Price Index for All Urban Consumers.

CAPITAL IMPROVEMENTS POLICY

- Long-Range CIP Plan - The Authority will identify long-range capital projects and capital improvements of all types which will be coordinated with the annual operating budget to maintain full utilization of available revenue sources.
- CIP Paid from Current Revenues - When appropriate, capital improvements will be paid through current revenue sources rather than financing capital projects over a period of time.

DEBT POLICY

- Debt Financing - The Authority will use debt financing when it is judged to be appropriate based on the long-term capital needs of the Authority and the Authority's ability to repay the indebtedness has been evaluated in light of all sources and uses of cash.
- Long-Term Debt - The Authority will only incur long-term debt for the financing of capital improvements that are not expected to recur and are long-lived. Conversely, if the capital requirements are recurring, of relative small scale, or are for short-lived improvements, the cost of these improvements should be paid from current revenues.

RESERVE POLICY

- The Authority will maintain an Operations and Maintenance Reserve Fund in the amount of \$2 million. Monies held in the O&M Reserve Fund may be expended only upon authorization of the Board of Directors for unanticipated operating and maintenance activities.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2025/26 Budget

INVESTMENT POLICY

- The Authority will operate its idle cash investments under the “Prudent Investor Standard” per Government Code section 53600.3 which states: “...care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency”.
- The criteria for selecting investments and the order of priority:
 - (1) Safety, which refers to the potential loss of principal, interest or a combination of the two.
 - (2) Liquidity, which refers to the ability to “cash-in” at any moment in time with a minimal chance of losing some portion of principal or interest.
 - (3) Yield is the potential dollar earnings an investment can provide, and sometimes is described as the rate of return.

ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES

- Monthly Budget Reports - The Authority’s Controller will produce monthly budget reports covering the activity for the current period.
- Independent Audit - The Authority will employ an independent accounting firm to perform an annual audit of the Authority’s financial statements, and make the audit available to all required and interested parties.
- Budget Preparation - The Authority will prepare an annual budget document that provides a basic understanding of the Authority’s planned financial operations for the coming fiscal year. Copies of the proposed and final budget will be made available to all interested parties and opportunities will be provided for participant input prior to final adoption of the budget.
- Accounting System - The accounting system will maintain records on a basis consistent with accepted standards for local government accounting. The Authority will submit the Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers’ Association (GFOA) annually for consideration of the Certificate of Achievement for Excellence in Financial Reporting from GFOA.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2025/26 Budget

- Budget Awards - The Authority will annually submit its budget to the Government Finance Officers' Association for consideration of the Distinguished Budget Presentation Award.

Central Coast Water Authority
Performance Measures
 Fiscal Year 2025/26 Budget

Performance Measures & Strategic Goals

The Authority’s mission and objectives are achieved with strategic plan goals and tasks. Action plans and their tasks are the framework against which the achievement of these goals can be measured.

Administration Department

WORK WITH THE DEPARTMENT OF WATER RESOURCES AND OTHER STATE, FEDERAL AND LOCAL AGENCIES TO ACHIEVE OUR MUTUAL OBJECTIVES		
Task - Strategic Plan Goal	Target Date	Comments
Pursue resolution of the outstanding CCWA Statement of Charges protest items with DWR which could potentially total many millions of dollars	ongoing	by 12/31/2027

ASSIST PROJECT PARTICIPANTS IN THEIR EFFORTS TO REDUCE GROUNDWATER OVERDRAFT		
Task - Strategic Plan Goal	Target Date	Comments
Provide Monthly water delivery report to participants showing water available, water delivered, and remaining water available	by 10th of each month	ongoing

Water Treatment Plant

MONITOR AND TRACK VARIABLE CHEMICAL COST PER AF NOT TO EXCEED BUDGETED COST		
Task - Strategic Plan Goal	Jul-Dec	Jan-Jun
Actual WTP cost per AF(Variable) not to exceed \$97.32		

EFFICIENTLY TREAT WATER DELIVERED THROUGH THE COASTAL AQUEDUCT TO SAN LUIS OBISPO AND SANTA BARBARA COUNTIES		
Task - Strategic Plan Goal	Target Date	Comments
Evaluate WTP performance utilizing state of the art assessment tools to better balance treatment cost and production activities by acquiring a laboratory charge analyzer.	30-Jun-26	

Distribution Department

RELIABLY DELIVER WATER THROUGH THE COASTAL AQUEDUCT TO SAN LUIS OBISPO AND SANTA BARBARA COUNTIES		
Task - Strategic Plan Goal	Target Date	Comments
Facilitate reliable and continuous pipeline operations by proactively repairing two SYPP pumps, cleaning and inspecting four potable water tanks and replacing corroded riser piping at nine locations.	30-Jun-26	These are capital expenditures budgeted in FY 25-26. Projects to be completed with CCWA staff and outside contractors.

TREAT AND DELIVER WATER THROUGH THE COASTAL AQUEDUCT TO SAN LUIS OBISPO AND SANTA BARBARA COUNTIES		
Task - Strategic Plan Goal	Target Date	Comments
Perform water system valve exercise on the pipeline	June 2025	performed annually

Central Coast Water Authority
Performance Measures
 Fiscal Year 2025/26 Budget

Water Treatment Plant/Distribution

MINIMIZE ENVIRONMENTAL IMPACTS AND PROTECT THE ENVIRONMENT DURING OPERATION OF OUR FACILITIES		
Task - Strategic Plan Goal	Target Date	Comments
Implement avoidance measures included in CCWA's Habitat Conservation Plan by performing operations and maintenance activities during certain period of the year, conducting biological surveys in advance of certain activities and adhere to annual reporting requirements.	30-Jun-26	

MEET CLEAN ENERGY STATE REGULATIONS		
Task - Strategic Plan Goal	Target Date	Comments
Begin electrifying the CCWA fleet by installing charging stations at the WTP and SYPP. Replacement of two existing internal combustion engine vehicles with electric vehicles.	30-Jun-26	Plan and design completed as of 5/2025

INITIATE FACILITIES CONDITION ASSESSMENT FOR FUTURE CAPITAL IMPROVEMENT PLANNING		
Task - Strategic Plan Goal	Target Date	Comments
Initiate a facilities condition assessment to assess and document the condition of WTP and Distribution facilities, and begin identification of capital needs over short and long-term horizons.	30-Jun-26	CCWA has engaged the services of HDR engineering to complete the study.

KEEP ANNUAL # OF COMPLAINTS ON WATER QUALITY TO LESS THAN THREE		
Task - Strategic Plan Goal	Jul-Dec	Jan-Jun
Submit a water quality complaints report to DOD-# of complaints<3		

ENSURE OUR WATER SUPPLY MEETS OR EXCEEDS HEALTH AND SAFETY STANDARDS		
Task - Strategic Plan Goal	Target Date	Comments
Drinking Water Regulations Compliance - meet all water quality regulations	ongoing	



Backwash filter pump replacement project at Polonio Pass Water Treatment Plant

Budget Summary

The Budget Summary section of the FY 2025/26 Budget includes tables and graphs which summarize all revenues and expenditures included in the budget document as well as cost per acre-foot amounts based on the FY 2025/26 Budget.

Highlights

Budget Summary

• FY 2025/26 Gross Budget	\$ 60,737,038
• FY 2024/25 Gross Budget	<u>60,722,600</u>
Increase:	\$ 14,438
• FY 2025/26 CCWA Credits	\$ 2,281,509
• FY 2024/25 CCWA Credits	<u>546,086</u>
Decrease:	\$ (1,735,422)
• FY 2025/26 Net Budget (After CCWA Credits)	\$ 58,455,530
• FY 2024/25 Net Budget (After CCWA Credits)	<u>60,176,514</u>
Decrease:	\$ (1,720,984)

Significant Budget Changes

- DWR Fixed cost decrease of \$0.5 million due to a decrease of DWR Transportation Minimum and WSRB costs as compared to prior years, offset by an increase in Transportation Capital and Delta Water Charge costs
- CCWA Fixed O&M Expense budget increase of \$769,201
- CCWA Variable O&M Expense budget decrease of \$206,626
- CCWA capital improvement projects and non-capital projects combined budget increase of \$296,027
- Warren Act and Trust Fund budget decrease of \$164,520

Central Coast Water Authority

Budget Summary

Fiscal Year 2025/26 Budget

	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Change from FY 2024/25 Est. Actual
Beginning Cash Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000		
<u>SOURCES OF CASH</u>						
CCWA Operating Expenses ⁽¹⁾	11,034,921	12,782,420	12,782,420	13,344,997	562,577	562,577
Capital/Non-Capital Projects	2,806,978	2,651,691	2,651,691	2,947,718	296,027	296,027
Non-Annual Recurring Expenses	-	-	-	-	-	-
Investment Income and Other	-	-	762,140	-	-	(762,140)
CCWA (Credits)	(971,784)	(546,086)	(546,086)	(2,281,509)	(1,735,422)	(1,735,422)
Subtotal Revenues	12,870,115	14,888,025	15,650,165	14,011,206	(876,819)	(1,638,959)
<u>Pass-Through Expenses</u>						
DWR Fixed Costs	41,332,415	41,624,633	41,443,701	41,150,987	(473,646)	(292,714)
DWR Variable Costs	2,371,171	3,446,897	2,799,673	3,240,897	(206,000)	441,223
Warren Act Charges	290,610	216,960	21,070	52,440	(164,520)	31,370
Subtotal Pass-Through Expenses	43,994,196	45,288,489	44,264,444	44,444,324	(844,165)	179,880
TOTAL SOURCES OF CASH	56,864,311	60,176,514	59,914,609	58,455,530	(1,720,984)	(1,459,079)
<u>USES OF CASH</u>						
<u>CCWA Operating Expenses</u>						
Personnel	6,367,758	6,929,911	6,703,374	7,174,825	244,914	471,451
Office Expenses	21,616	22,800	21,000	23,300	500	2,300
Supplies and Equipment	1,185,627	1,602,500	1,498,460	1,713,077	110,577	214,617
Monitoring Expenses	123,578	120,497	138,600	148,100	27,603	9,500
Repairs and Maintenance	310,752	378,800	336,220	420,860	42,060	84,640
Professional Services	1,449,498	1,476,203	1,499,681	1,767,470	291,267	267,789
General and Administrative	223,348	308,228	242,310	313,700	5,472	71,390
Utilities	547,085	933,180	698,836	644,805	(288,376)	(54,031)
Other Expenses	805,659	1,010,300	913,410	1,138,860	128,560	225,450
Total Operating Expenses	11,034,921	12,782,420	12,051,891	13,344,997	562,577	1,293,106
<u>Other Expenditures</u>						
Warren Act Charges	290,610	216,960	21,070	52,440	(164,520)	31,370
Capital/Non-Capital Projects ⁽¹⁾	2,806,978	2,651,691	2,651,691	2,947,718	296,027	296,027
CCWA Credits	(971,784)	(546,086)	(546,086)	(2,281,509)	(1,735,422)	(1,735,422)
Unexpended O&M Assessments	-	-	1,492,669	-	-	-
Total Other Expenditures	2,125,804	2,322,564	3,619,344	718,649	(1,603,915)	(1,408,026)
Total CCWA Expenditures	13,160,725	15,104,984	15,671,235	14,063,646	(1,041,339)	(114,920)
<u>DWR Charges</u>						
Fixed DWR Charges	41,332,415	41,624,633	41,443,701	41,150,987	(473,646)	(292,714)
Variable DWR Charges	2,371,171	3,446,897	2,799,673	3,240,897	(206,000)	441,223
Total DWR Charges	43,703,586	45,071,530	44,243,374	44,391,884	(679,646)	148,510
TOTAL USES OF CASH	56,864,311	60,176,514	59,914,609	58,455,530	(1,720,984)	33,590
Ending Cash Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	-	-
Non-Annual Recurring Balance	\$ -	\$ -	\$ -	\$ -		
Operating Reserve Balance	\$ 2,000,000	\$ 2,000,000	2,000,000	2,000,000		
General Fund Balance	\$ -	\$ 0	\$ 0	\$ -		

(1) Includes carryover revenues from the prior year.

Central Coast Water Authority
Total Expenditures Summary
 Fiscal Year 2025/26 Budget

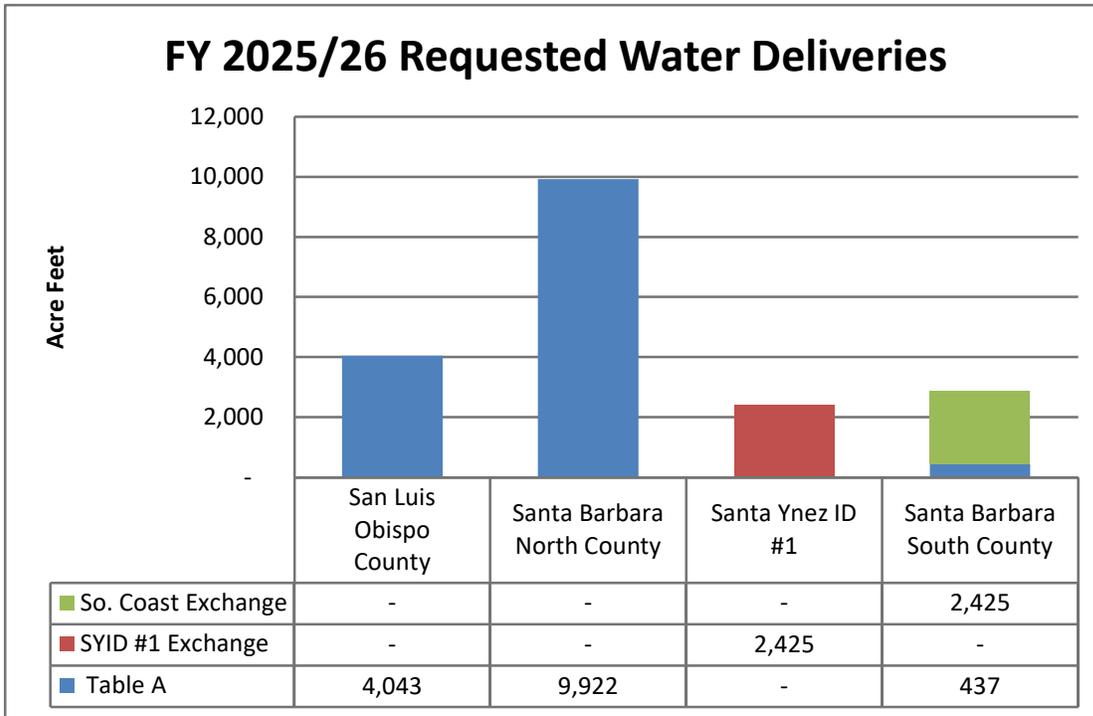
Project Participant	Unadjusted Fixed CCWA Operating Expense ⁽¹⁾	Unadjusted Variable CCWA Operating Expense	Exchange Agreement Adjustment Fixed	Exchange Agreement Adjustment Variable	Regional WTP Allocation	Regional WTP Credit	Adjusted Charge	Warren Act Charges	2016A Revenue Bond Debt Service	Subtotal FY 2025/26 CCWA	Non-Annual Recurring Expenses	CCWA (Credits) Amount Due	Total FY 2025/26 CCWA
Guadalupe	\$ 144,680	\$ 2,530	\$ -	\$ -	\$ 21,733	\$ -	\$ 168,944	\$ -	\$ -	\$ 168,944	\$ -	\$ (32,023)	\$ 136,921
Santa Maria	4,170,219	598,230	-	-	\$658,041	-	5,426,489	-	-	5,426,489	-	(919,713)	4,506,776
Golden State Water	133,460	18,978	-	-	\$20,327	-	172,765	-	-	172,765	-	-	172,765
Vandenberg SFB	1,692,560	271,149	-	-	\$225,735	-	2,189,444	-	-	2,189,444	-	(242,761)	1,946,683
Buellton	217,598	6,131	-	-	\$22,958	-	246,687	-	-	246,687	-	(54,941)	191,746
Santa Ynez (Solvang)	560,787	68,611	-	-	\$61,382	-	690,779	-	-	690,779	-	(11,995)	678,784
Santa Ynez	187,725	-	329,332	236,002	\$123,188	-	876,247	-	-	876,247	-	(327,854)	548,393
Goleta	2,148,541	84,961	(118,559)	(84,961)	\$142,750	(\$492,571)	1,680,160	-	-	1,680,160	-	(283,269)	1,396,891
Morehart Land	95,491	37,010	-	-	\$8,111	(\$34,168)	106,443	8,640	-	115,083	-	(33,213)	81,871
La Cumbre	477,454	187,621	-	-	\$40,572	(\$171,329)	534,317	43,800	-	578,117	-	(41,386)	536,731
Raytheon	23,873	-	-	-	\$1,968	(\$6,790)	19,050	-	-	19,050	-	(8,484)	10,566
Santa Barbara	1,432,361	56,641	(79,040)	(56,641)	\$95,166	(\$328,381)	1,120,107	-	-	1,120,107	-	-	1,120,107
Montecito	1,432,361	56,641	(79,040)	(56,641)	\$95,166	(\$328,381)	1,120,107	-	-	1,120,107	-	(27,315)	1,092,792
Carpinteria	954,907	37,760	(52,693)	(37,760)	\$63,444	(\$218,921)	746,738	-	-	746,738	-	(164,397)	582,341
Shandon	18,975	-	-	-	-	-	18,975	-	-	18,975	-	(3,373)	15,602
Chorro Valley	355,187	213,619	-	-	-	-	568,805	-	-	568,805	-	(60,707)	508,098
Lopez	426,808	179,848	-	-	-	-	606,656	-	-	606,656	-	(70,076)	536,580
TOTAL:	\$ 14,472,986	\$ 1,819,728	\$ 0	\$ 0	\$ 1,580,542	\$ (1,580,542)	\$ 16,292,714	\$ 52,440	\$ -	\$ 16,345,154	\$ -	\$ (2,281,509)	\$ 14,063,646

(1) Includes Capital and Non-Capital Projects.

Project Participant	DWR FIXED CHARGES					DWR VARIABLE CHARGES					DWR Interest Income	Total DWR Charges	TOTAL DWR and CCWA
	Transportation Capital Through Reach 35	Transportation Capital Reach 37	Transportation Capital Reach 38	Transportation Minimum OMP&R	Water System Revenue Bond	Delta Water Charges	Total Fixed	Off-Aqueduct Charges	Variable OMP&R	Total Variable			
Guadalupe	\$ 302,273	\$ -	\$ -	\$ 175,000	\$ (645)	\$ 61,115	\$ 537,743	\$ 72	\$ 6,526	\$ 6,598	\$ (15,423)	\$ 528,918	\$ 665,839
Santa Maria	9,323,080	505,159	-	5,154,477	(15,674)	1,800,558	16,767,600	15,595	1,542,897	1,558,492	(453,586)	17,872,506	22,379,283
Golden State Water	288,820	15,421	-	158,034	(296)	55,634	517,614	179	48,945	49,124	(15,701)	551,037	723,802
Vandenberg SFB	3,165,096	169,695	282,583	1,748,662	(5,145)	611,147	5,972,038	7,454	699,321	706,775	-	6,678,813	8,625,496
Buellton	334,003	17,758	29,627	183,687	(661)	64,400	628,813	115	15,813	15,928	(17,552)	627,188	818,935
Santa Ynez (Solvang)	838,741	46,393	77,173	462,960	600	152,273	1,578,140	1,886	176,955	178,841	(19,919)	1,737,062	2,415,847
Santa Ynez	280,322	15,568	25,821	172,082	1,791	70,807	566,391	-	-	-	(18,471)	547,921	1,096,314
Goleta	2,584,518	138,869	231,231	1,423,708	(16,695)	486,349	4,847,981	2,005	219,123	221,128	(158,339)	4,910,769	6,307,661
Morehart Land	111,884	6,165	10,271	63,620	(119)	21,921	213,743	211	18,072	18,283	(6,265)	225,761	307,632
La Cumbre	573,665	30,825	51,352	318,974	(1,010)	111,269	1,085,076	996	91,615	92,611	(31,077)	1,146,610	1,683,340
Raytheon	28,965	1,619	2,640	16,966	(129)	5,480	5,542	-	-	-	(11,565)	43,977	54,543
Santa Barbara	1,724,971	92,787	154,347	955,585	5,505	332,975	3,266,170	1,337	146,082	147,419	(39,320)	3,374,269	4,494,376
Montecito	1,724,971	92,787	154,347	955,585	5,505	332,975	3,266,170	1,337	146,082	147,419	(40,688)	3,372,900	4,465,692
Carpinteria	1,151,305	61,651	102,705	636,611	(2,019)	222,537	2,172,791	891	97,388	98,279	(67,072)	2,203,998	2,786,339
Goleta 2500 AF	99,844	-	-	171,536	32,073	266,700	570,154	-	-	-	-	570,154	570,154
Shandon	-	-	-	-	-	-	-	-	-	-	-	-	15,602
Chorro Valley	-	-	-	-	-	-	-	-	-	-	-	-	508,098
Lopez	-	-	-	-	-	-	-	-	-	-	-	-	536,580
TOTAL:	\$ 22,532,461	\$ 1,194,698	\$ 1,122,097	\$ 12,597,487	\$ 3,081	\$ 4,596,141	\$ 42,045,966	\$ 32,078	\$ 3,208,819	\$ 3,240,897	\$ (894,979)	\$ 44,391,884	\$ 58,455,530

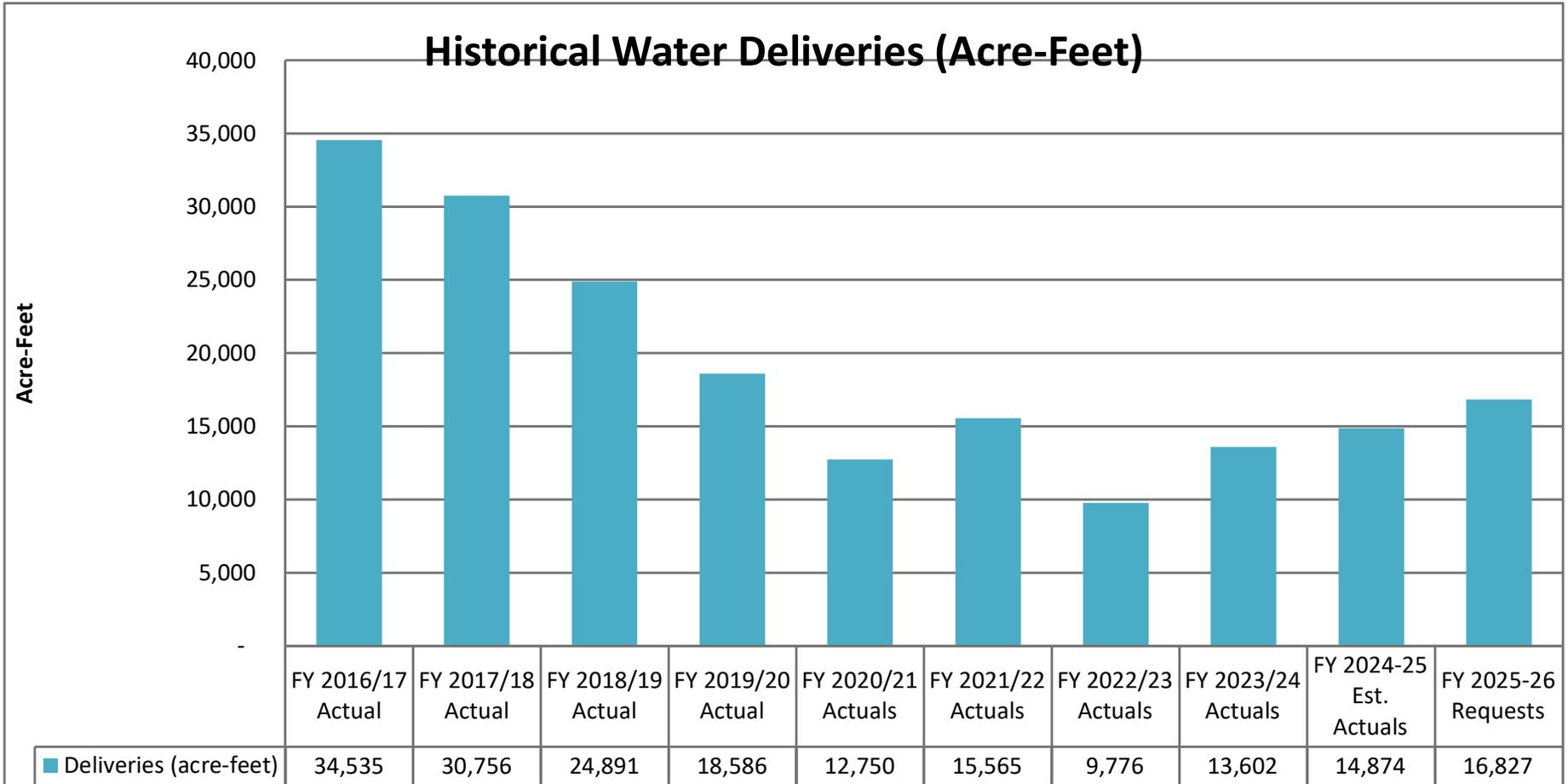
Central Coast Water Authority
FY 2025/26 Delivery Requests (Acre Feet)

Project Participant	Requested Deliveries	Exchange Deliveries	Net Deliveries
Shandon	-	-	-
Lopez	1,848	-	1,848
Chorro Valley	2,195	-	2,195
Guadalupe	26	-	26
Santa Maria	6,147	-	6,147
Golden State Water	195	-	195
VSFB	2,786	-	2,786
Buellton	63	-	63
Solvang	705	-	705
Santa Ynez	-	2,425	2,425
Goleta	873	(873)	-
Morehart	72	-	72
La Cumbre	365	-	365
Raytheon	-	-	-
Santa Barbara	582	(582)	-
Montecito	582	(582)	-
Carpinteria	388	(388)	-
TOTAL:	16,827	-	16,827



Santa Ynez ID#1 exchanges its Cachuma Lake entitlement for an equal amount of the Santa Barbara County south coast project participant State water. The amounts in the graph above show both the Santa Ynez ID#1 exchanged State water and the south coast Cachuma water taken in the exchange.

Historical Water Deliveries (Acre-Feet)



Central Coast Water Authority
Cost Per Acre-Foot Analysis
 Fiscal Year 2025/26 Budget

To calculate the cost per acre-foot of water to the CCWA project participants, one must distinguish between the various “cost-types” and the various “water-types.”

Cost-Types

The two cost-types are fixed and variable costs.

Fixed costs include all CCWA and DWR costs which do not vary with the quantity of water delivered to the project participant, and generally, include CCWA fixed operations and maintenance costs, CCWA revenue bond payments and DWR fixed costs.

Variable costs include all CCWA and DWR costs which are only incurred if the project participant takes water deliveries. These include power (electrical) costs to pump the water and chemical costs to treat the water.

Water-Types

When discussing the cost per acre-foot, there are generally three (3) different “cost types” of water delivered by CCWA, fixed, variable and exchange. Following are descriptions for each cost type.

FY 2025/26 Table A Fixed Cost Per Acre-Foot

As described above, this includes all costs which do not vary with the quantity of water delivered to the project participant.

Project Participant	Table A Amount	Fixed Cost Per Acre-Foot	
		Fixed Costs Excluding CCWA Credits	Fixed Cost Per Acre-Foot
Guadalupe	550	\$ 688,644	\$ 1,252.08
Santa Maria	16,200	21,121,584	1,303.80
Golden State Water Co.	500	655,117	1,310.23
VSFB	5,500	7,880,847	1,432.88
Buellton	578	851,624	1,473.40
Santa Ynez (Solvang)	1,500	2,178,051	1,452.03
Santa Ynez ⁽¹⁾	500	851,174	1,511.46
Goleta	4,500	6,369,801	1,415.51
Morehart	200	292,315	1,461.57
La Cumbre	1,000	1,478,774	1,478.77
Raytheon	50	63,027	1,260.54
Santa Barbara	3,000	4,346,957	1,448.99
Montecito	3,000	4,345,588	1,448.53
Carpinteria	2,000	2,852,457	1,426.23
TOTAL:	39,078	\$ 53,975,959	

(1) Santa Ynez fixed cost amounts exclude the fixed and exchange agreement modifications, which are shown under the Exchange Agreement cost per acre-foot analysis
 Also adjusted for the retreatment allocation charge to the exchange deliveries.

Central Coast Water Authority
Cost Per Acre-Foot Analysis
 Fiscal Year 2025/26 Budget

FY 2025/26 Table A Variable Cost Per Acre-Foot

This represents the variable costs for all water deliveries excluding exchange water deliveries to the South Coast project participants. Generally, these amounts include the CCWA power and chemical costs, adjustments for the variable Regional Water Treatment Plant Allocation (retreatment charge and credits), DWR variable costs and Warren Act and Trust Fund payments for Table A deliveries into Cachuma Lake for the South Coast project participants (please refer to the Water Treatment Plant section of this Budget for additional information on the Regional Water Treatment Plant Allocation).

Project Participant	Table A Amount	FY 2025/26 Requested Deliveries			Variable Cost Per Acre-Foot TABLE A DELIVERIES							
		Requested Deliveries	Exchange Deliveries	Net Deliveries	CCWA	CCWA	Retreatment		DWR	Warren Act	Total	Table A
					WTP	SYPF	Retreatment	Retreatment				
Guadalupe	550	26	-	26	\$ 2,530	-	\$ 86	\$ -	\$ 6,591	\$ -	\$ 9,208	\$ 354.16
Santa Maria	16,200	6,147	-	6,147	598,230	-	20,449	-	1,558,321	-	2,177,000	354.16
Golden State Water Co.	500	195	-	195	18,978	-	649	-	49,434	-	69,061	354.16
VSBFB	5,500	2,786	-	2,786	271,149	-	9,269	-	706,312	-	986,729	354.16
Buellton	578	63	-	63	6,131	-	210	-	15,971	-	22,312	354.16
Santa Ynez (Solvang)	1,500	705	-	705	68,611	-	2,345	-	178,724	-	249,680	354.16
Santa Ynez ⁽¹⁾	500	-	2,425	2,425	-	-	8,067	-	-	-	8,067	-
Goleta	4,500	873	(873)	-	84,961	-	-	-	221,313	-	306,274	-
Morehart	200	72	-	72	7,007	30,003	240	(7,007)	18,253	8,640	57,135	793.54
La Cumbre	1,000	365	-	365	35,522	152,099	1,214	(35,522)	92,531	43,800	289,644	793.54
Raytheon	50	-	-	-	-	-	-	-	-	-	-	-
Santa Barbara	3,000	582	(582)	-	56,641	-	-	-	147,542	-	204,183	-
Montecito	3,000	582	(582)	-	56,641	-	-	-	147,542	-	204,183	-
Carpinteria	2,000	388	(388)	-	37,760	-	-	-	98,362	-	136,122	-
TOTAL:	39,078	12,784	-	12,784	\$ 1,244,160	\$ 182,102	\$ 42,529	\$ (42,529)	\$ 3,240,897	\$ 52,440	\$4,719,598	

(1) Santa Ynez fixed cost amounts exclude the fixed and exchange agreement modifications, which are shown under the Exchange Agreement cost per acre-foot analysis. Also adjusted for the retreatment allocation charge to the exchange deliveries.

Central Coast Water Authority
Cost Per Acre-Foot Analysis
 Fiscal Year 2025/26 Budget

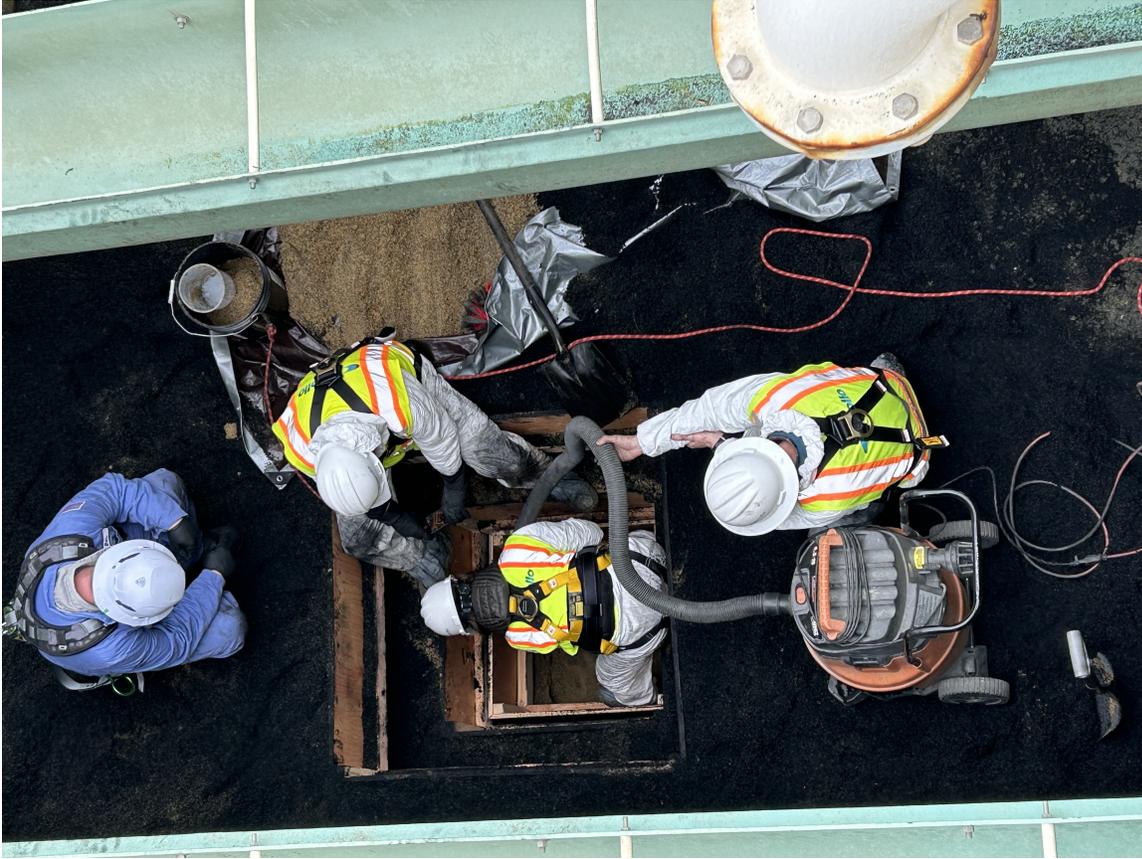
FY 2025/26 Exchange Variable Cost Per Acre-Foot

This represents the cost per acre-foot for water exchanged between the Santa Ynez River Water Conservation District, ID#1 (Santa Ynez, ID#1) and the South Coast exchange participants *(please refer to the Water Treatment Plant section of this Budget for additional information on the Santa Ynez Exchange Agreement)*. These costs include the CCWA variable costs paid by Santa Ynez, ID#1, the Polonio Pass Water Treatment Plant fixed and capital amounts paid by Santa Ynez, ID#1 to the South Coast project participants, and the DWR variable costs paid by the South Coast exchange participants.

Variable Cost Per Acre-Foot - EXCHANGE DELIVERIES						
Project Participant	Exchange Deliveries	CCWA Exchange Variable	CCWA Fixed Exchange	DWR Variable	Total Exchange Costs	Exchange Variable Cost/AF
Guadalupe						
Santa Maria						
Golden State Water Co.						
VSFB						
Buellton						
Santa Ynez (Solvang)						
Santa Ynez	2,425	\$236,002	\$ 329,332	\$ -	\$ 565,334	\$ 233.13
Goleta	(873)	-	-	221,313	221,313	253.51
Morehart	-	-	-	-	-	-
La Cumbre	-	-	-	-	-	-
Raytheon (SBRC)	-	-	-	-	-	-
Santa Barbara	(582)	-	-	147,542	147,542	253.51
Montecito	(582)	-	-	147,542	147,542	253.51
Carpinteria	(388)	-	-	98,362	98,362	253.51
TOTAL:	-	\$236,002	\$ 329,332	\$614,760	\$ 1,180,094	

Year-End Reconciliation and Adjustments to Cost Per Acre-Foot Amounts

At the close of each fiscal year all costs are reconciled or “trued-up” to the fiscal year budget and actual billings to the project participants. This reconciliation process results in adjustments to all cost components. Additionally, the amounts included in the CCWA budget for DWR variable costs, generally exclude certain credits that are returned on an annual basis. Therefore, when the DWR variable costs are trued-up, the total cost per acre-foot generally decreases when compared to the calculated amount in the budget.



Evaluation of treatment filter media

Revenues and Sources of Cash

The Revenues and Sources of Cash section of the FY 2025/26 Budget includes information on the Authority's revenues, pass-through receipts and a narrative explanation on the Authority's billing procedures and cash management.

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2025/26 Budget

The Authority's Revenue budget is comprised of payments made by member agencies and other project participants for Authority operating expenses, and investment income. Additionally, there are other payments made by the project participants that are treated as pass-through expenses. These pass-through expenses represent payments for the Department of Water Resources and Warren Act charges paid to the U.S. Bureau of Reclamation; they are not considered revenues for the Authority. These payments are collected by the Authority and paid directly to the two agencies by the Authority.

Assumptions for Revenue Projections

Since the Authority is a "pass-through" organization, **all revenues are equal to the expenditures included in the budget.** As such, there is no difference between the revenue estimates and the expenditures because the revenues are equal to the expenditures. Since all excess "revenues" are returned to the project participants or applied to reserves, and any "deficits" are collected from project participants, the general fund balance, defined as total cash minus reserves, is projected to be zero. However, since the Authority receives assessment income in advance of the anticipated payment date, the actual cash balance will be positive.

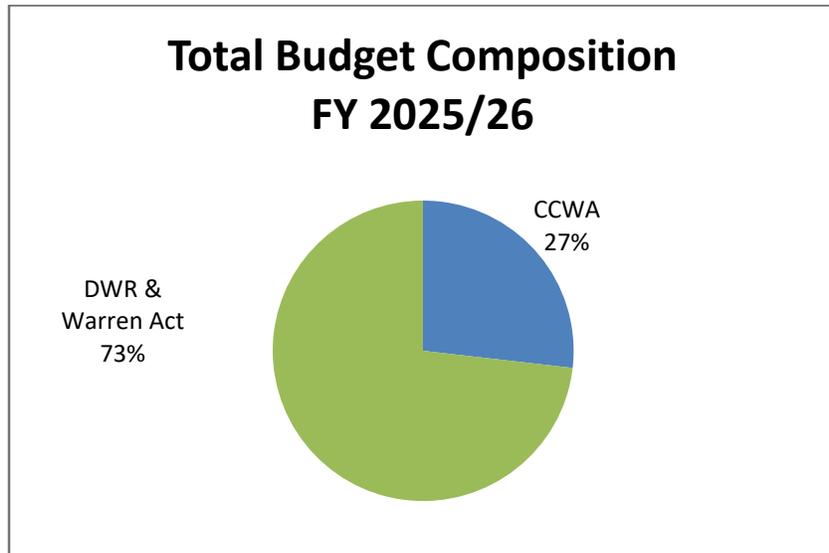
Revenues and Other Sources of Cash

Revenues	FY 2023/24 Actual	FY 2024/25 Estimated Actual	FY 2025/26 Budget
CCWA Operating Expenses ⁽¹⁾	\$ 11,034,921	\$ 12,782,420	\$ 13,344,997
Capital Improvement Projects (CIP)	2,806,978	2,651,691	2,947,718
Investment Income	-	762,140	-
Subtotal Revenues	13,841,899	16,196,251	16,292,714
<u>Pass-Through Expenses</u>			
DWR Fixed Costs	41,673,837	42,338,680	42,045,966
DWR Variable Costs	2,371,171	2,799,673	3,240,897
DWR Account Interest	(341,422)	(894,979)	(894,979)
Warren Act Charges ⁽¹⁾	290,610	21,070	52,440
Subtotal Pass Through Expenses	43,994,196	44,264,444	44,444,324
Gross Budget Before Credits	57,836,095	60,460,695	60,737,038
(Credits) Due and Prepayments	(971,784)		(2,281,509)
TOTAL SOURCES OF CASH	\$ 56,864,311	\$ 60,460,695	\$ 58,455,530

(1) Adjusted for Santa Ynez Exchange Agreement modifications.

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2025/26 Budget

Revenues and Other Sources of Cash



FY 2025/26 Actual Cash Receipts

The actual cash receipts for FY 2025/26 are anticipated to be less than the actual expenditures for the year because of credits given to the project participants for (1) unexpended operating expense assessments for FY 2024/25, (2) interest income for FY 2024/25, and (3) differences between the DWR actual fixed payments and the budgeted fixed payments.

CCWA Operating Expense Revenues

The Authority's operating expense revenues are billed directly to project participants in accordance with their Water Supply Agreements. After the total operating expense budget has been determined, it is adjusted based on the "Santa Ynez Exchange Agreement" modifications (see the *Water Treatment Plant section of this document for further information on the Exchange Agreement*). These Exchange Agreement modifications decrease the electrical costs at the Santa Ynez Pumping Facility. This modified amount is billed to the affected member agencies.

The amounts billed to the member agencies and other Santa Barbara County project participants are further adjusted for the "WTP Regional Allocation" (see the *Water Treatment Plant section of this document for further information on the WTP Regional Allocation*). The WTP Regional Allocation does not adjust the total revenues received by the Authority, but it does affect the amount of the payments by the various member agencies and other project participants.

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2025/26 Budget

The following table shows the Authority’s operating expense budget and capital improvement projects modified because of the Regional Water Treatment Plant modifications and the Santa Ynez Exchange Agreement resulting in the net operating expense revenues to the Authority.

**TOTAL CCWA FY 2025/26 OPERATING EXPENSES
 AND CAPITAL IMPROVEMENT PROJECTS**

Project Participant	CCWA Fixed Operating Expenses	CCWA Variable Operating Expenses	Regional WTP Allocation	Regional WTP Allocation Credit	Exchange Agreement Adjustment Fixed	Exchange Agreement Adjustment Variable	Adjusted CCWA Operating Expenses
Guadalupe	\$ 144,680	\$ 2,530	\$ 21,733	\$ -	\$ -	\$ -	\$ 168,944
Santa Maria	4,170,219	598,230	658,041	-	-	-	5,426,489
Golden State Water Co.	133,460	18,978	20,327	-	-	-	172,765
Vandenberg SFB	1,692,560	271,149	225,735	-	-	-	2,189,444
Buellton	217,598	6,131	22,958	-	-	-	246,687
Santa Ynez (Solvang)	560,787	68,611	61,382	-	-	-	690,779
Santa Ynez	187,725	-	123,188	-	329,332	236,002	876,247
Goleta	2,148,541	84,961	142,750	(492,571)	(118,559)	(84,961)	1,680,160
Morehart Land	95,491	37,010	8,111	(34,168)	-	-	106,443
La Cumbre	477,454	187,621	40,572	(171,329)	-	-	534,317
Raytheon	23,873	-	1,968	(6,790)	-	-	19,050
Santa Barbara	1,432,361	56,641	95,166	(328,381)	(79,040)	(56,641)	1,120,107
Montecito	1,432,361	56,641	95,166	(328,381)	(79,040)	(56,641)	1,120,107
Carpinteria	954,907	37,760	63,444	(218,921)	(52,693)	(37,760)	746,738
Shandon	18,975	-	-	-	-	-	18,975
Chorro Valley	355,187	213,619	-	-	-	-	568,805
Lopez	426,808	179,848	-	-	-	-	606,656
TOTAL:	\$ 14,472,986	\$ 1,819,728	\$ 1,580,542	\$(1,580,542)	\$ -	\$ -	\$ 16,292,714

The adjusted total CCWA Operating Expense revenues, including capital improvement projects funded with CCWA O&M assessments for Fiscal Year 2025/26, are \$16,292,714.

Please refer to the “*Operating Expenses*” section of this budget for additional information regarding the Operating Expense reimbursement payments from the CCWA project participants.

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2025/26 Budget

FY 2025/26 CCWA Credits

The following table shows a summary of the FY 2025/26 amount (due) for each project participant. Certain project participants have elected to apply their credits against Authority assessments over a number of years or to apply credits to their DWR Reserve.

Project Participant	CCWA O&M Credits (Due)	O&M Reserve Fund Interest Credits	Rate Coverage Reserve Fund Interest Credit	Prepayments Interest Credits	Total CCWA Credits (Due)
Guadalupe	\$ 21,497	\$ 1,350	\$ 9,175	\$ -	\$ 32,023
Santa Maria	629,170	39,923	250,619	-	919,713
Golden State Water Co.	-	-	-	-	-
Vandenberg SFB ⁽²⁾	229,098	13,663	-	-	242,761
Buellton	41,658	99	13,184	-	54,941
Santa Ynez (Solvang)	928	1,199	9,868	-	11,995
Santa Ynez ⁽¹⁾	304,254	1,241	22,359	-	327,854
Goleta ⁽²⁾	272,096	11,173	-	-	283,269
Morehart Land	13,095	498	-	19,620	33,213
La Cumbre	19,716	2,456	19,214	-	41,386
Raytheon	3,145	124	-	5,215	8,484
Santa Barbara	-	-	-	-	-
Montecito ⁽²⁾	1,570	2,399	23,345	-	27,315
Carpinteria ⁽²⁾	117,726	4,965	41,706	-	164,397
Shandon	2,611	-	761	-	3,373
Chorro Valley	60,707	-	-	-	60,707
Lopez	70,076	-	-	-	70,076
TOTAL:	\$ 1,787,350	\$ 79,090	\$ 390,233	\$ 24,835	\$ 2,281,509

(1) Golden State and Santa Barbara: 100% of CCWA credits transferred to DWR reserve fund to meet funding target

(2) Participants opting out of DWR Reserve Fund.

Investment Income and Cash Management

The Authority does not include investment income in the revenue budget. However, all cash balances are invested by the Treasurer and investment earnings are allocated to the various project participants depending on the funds being invested.

The Authority's Treasurer is responsible for the investment of all Authority funds within the parameters of the Board adopted investment policy.

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2025/26 Budget

Bank Account Cash Balances

The Authority has two demand deposit bank accounts, and two money market accounts. These accounts earn interest income based on the average outstanding balance for each period the funds are available. Interest income associated with these accounts is allocated by financial reach (*see the Distribution Department section for information on financial reaches*) based on the average outstanding balance for the month.

Investment Income

Investment income associated with DWR payments is not treated as investment income for CCWA. It is instead recorded as a liability to the project participants until the income is paid to the participants.

DWR Payment Investments

Payments made by project participants for subsequent payments to DWR are held in a separate account and invested in accordance with CCWA's investment policy with investment maturities corresponding to the anticipated payment dates to DWR. Investment income in this account is allocated to the various project participants based on their proportional amount initially paid. Investment income associated with the DWR payments is not treated as investment income for the Authority but is instead recorded as a liability to the project participants until paid to them.

CCWA Operating Expense Revenue

Revenues from assessments for the Authority's operating expense budget are invested in the Local Agency Investment Fund and money market accounts with the Authority's bank. Investment income from these accounts is treated as investment income for the Authority.

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2025/26 Budget

Pass-Through Expenses

Certain amounts paid to the Authority by the project participants are treated as “pass-through” expenses for purposes of the budget. These expenses include payments to DWR and Warren Act charges.

As these expenses are paid by the project participants to the Authority, they are recorded as a liability, payable to the respective project participants. They are not considered revenues.

Warren Act Charges

Warren Act charges represent the cost of wheeling water through Cachuma Project facilities. These costs are paid to the U.S. Bureau of Reclamation for each acre-foot of water delivered to the lake.

There are two components to the Warren Act charges: (1) Trust Fund payments of \$43 an acre-foot and (2) Warren Act charges of \$77 per acre foot.

The following table shows the calculation of the Warren Act and Trust Fund payments for FY 2025/26.

Warren Act and Trust Fund Charges

Project Participant	Total FY 2025/26 Deliveries to Lake Cachuma (AF)	Total Warren Act and Trust Fund Payments (\$120/AF)
Goleta	-	\$ -
Morehart Land Co.	72	8,640
LaCumbre	365	43,800
Raytheon	-	-
Santa Barbara	-	-
Montecito	-	-
Carpinteria	-	-
TOTAL:	437	\$ 52,440

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2025/26 Budget

The following table represents the Fiscal Year 2025/26 DWR and Warren Act charges to be collected and paid by the Authority (see the *Department of Water Resources* section of this document for further information on the DWR charges).

Project Participant	FY 2025/26 DWR Fixed Charges	FY 2025/26 DWR Variable Charges	FY 2025/26 Interest Income	FY 2025/26 Warren Act Charges ⁽¹⁾	Total Pass-Through Expenses
Guadalupe	\$ 537,743	\$ 6,598	\$ (15,423)	\$ -	\$ 528,918
Santa Maria	16,767,441	1,558,492	(453,586)	-	17,872,347
Golden State Water Co.	517,779	49,124	(15,701)	-	551,202
Vandenberg SFB	5,972,351	706,775	-	-	6,679,126
Buellton	628,992	15,928	(17,552)	-	627,367
Santa Ynez (Solvang)	1,578,008	178,841	(19,919)	-	1,736,930
Santa Ynez	566,147	-	(18,471)	-	547,677
Goleta	5,418,335	221,128	(158,339)	-	5,481,124
Morehart Land	213,765	18,283	(6,265)	8,640	234,423
LaCumbre	1,085,188	92,611	(31,077)	43,800	1,190,521
Raytheon	55,397	-	(11,565)	-	43,832
Santa Barbara	3,265,904	147,419	(39,320)	-	3,374,003
Montecito	3,265,904	147,419	(40,688)	-	3,372,634
Carpinteria	2,173,013	98,279	(67,072)	-	2,204,220
Shandon	N/A	N/A	-	-	-
Chorro Valley	N/A	N/A	-	-	-
Lopez	N/A	N/A	-	-	-
TOTAL:	\$42,045,966	\$ 3,240,897	\$ (894,979)	\$ 52,440	\$44,444,324

(1) Adjusted for Santa Ynez Exchange Agreement modifications.

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2025/26 Budget

Authority Billing Procedures

All expenses of the Authority including operating expenses, debt service payments, capital purchases, and pass-through expenses are paid by the Authority's project participants.

The Water Supply Agreements provide guidelines to be followed when billing the Santa Barbara County project participants for the Authority charges. The Master Water Treatment Agreement, the Agreements for Construction, Operation and Maintenance of the Chorro Valley, Lopez and Shandon Turnouts, and the Agreement for Coastal Branch Operations and Maintenance provide the guidelines to be followed when billing the San Luis Obispo County project participants for the Authority charges.

The agreements stipulate that the Fixed Authority and DWR costs will be billed to the project participants once a year and be due and payable on June 1st of each year. The Variable charges, which are based on the requested deliveries by each project participant, are billed on a quarterly basis in advance of when the water is projected to be delivered.

The project participants are billed for the Authority expenses based on the Board adopted fiscal year budget. Additionally, the fixed portion of the DWR charges is billed based on the most recent calendar year Statement of Charges and DWR projections.

DWR prepares its Statement of Charges on a calendar year basis. The DWR State Water Project Analysis Office (SWPAO) also supplies the Authority with projected estimates of the following calendar year charges. The current calendar year Statement of Charges and the SWPAO estimated charges are used to calculate the amount payable by the project participants for the budgeted fiscal year.

At the close of each fiscal year, a reconciliation is prepared comparing the actual expenditures for the Authority to the amount billed to the project participants. Under-expenditures in the budget including investment income are refunded to each project participant based on the actual results for the year. Over-expenditures are charged to each participant based on the actual results for the year.

Water Delivery Requests and Variable O&M Cost Invoices

Water Delivery Requests from Project Participants

In October of each year, DWR requests that each State water project contractor (SWPC) submit delivery requests for a five-year period on a calendar year basis commencing with the next calendar year.

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2025/26 Budget

Variable O&M Cost Billings to Project Participants

Pursuant to the Water Supply Agreements with each project participant, all CCWA costs are paid in advance of when the actual costs will be incurred. Fixed costs are paid annually on June 1st of each year for the ensuing fiscal year which begins on July 1st. Variable costs are paid quarterly, in advance of the quarter for which the costs are intended.

The basis for the fixed billings to the CCWA project participants is the annual fiscal year budget.

In calendar year 2022, CCWA implemented a revised billing methodology for CCWA and DWR variable costs. Under the revised billing procedures, CCWA established a Variable Cost Deposit for each CCWA participant equal to the greater of either 25% of their respective Table A amounts times the estimated cost per acre-foot for the various variable cost components, or the actual requested water deliveries for the billing period times the estimated cost per acre-foot for the various variable cost components. True-up of the estimated variable costs are performed half-way through the fiscal year and again after the close of the fiscal year.

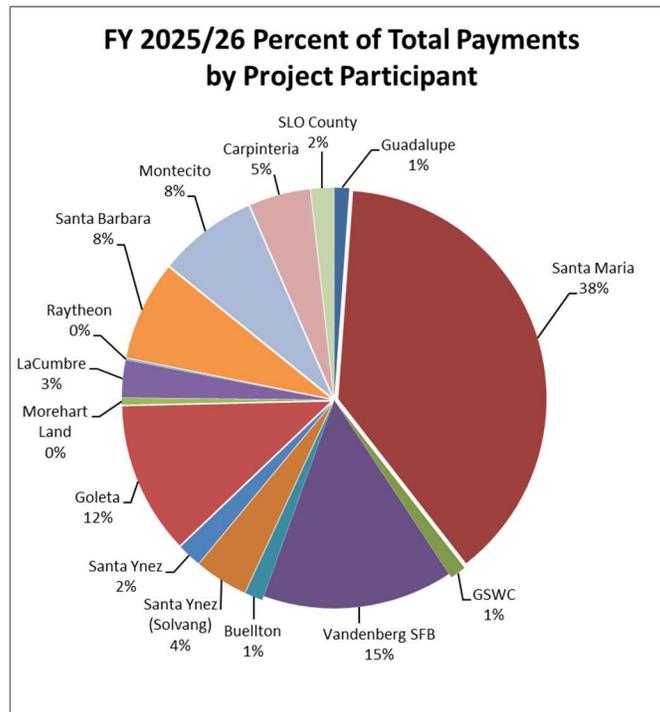
Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2025/26 Budget

The following table provides a breakdown of the various revenues and pass-through expenses for Fiscal Year 2025/26 for each project participant.

Project Participant	FY 2025/26 Operating Expenses ⁽¹⁾	FY 2025/26 DWR Costs	FY 2025/26 Warren Act Charges ⁽²⁾	FY 2025/26 CCWA (Credits) Due	FY 2025/26 Total Payments
Guadalupe	\$ 168,944	\$ 528,918	\$ -	\$ (32,023)	\$ 665,839
Santa Maria	5,426,489	17,872,506	-	(919,713)	22,379,283
Golden State Water Co.	172,765	551,037	-	-	723,802
Vandenberg SFB	2,189,444	6,678,813	-	(242,761)	8,625,496
Buellton	246,687	627,188	-	(54,941)	818,935
Santa Ynez (Solvang)	690,779	1,737,062	-	(11,995)	2,415,847
Santa Ynez	876,247	547,921	-	(327,854)	1,096,314
Goleta	1,680,160	5,480,923	-	(283,269)	6,877,814
Morehart Land	106,443	225,761	8,640	(33,213)	307,632
La Cumbre	534,317	1,146,610	43,800	(41,386)	1,683,340
Raytheon	19,050	43,977	-	(8,484)	54,543
Santa Barbara	1,120,107	3,374,269	-	-	4,494,376
Montecito	1,120,107	3,372,900	-	(27,315)	4,465,692
Carpinteria	746,738	2,203,998	-	(164,397)	2,786,339
Shandon	18,975	N/A	-	(3,373)	15,602
Chorro Valley	568,805	N/A	-	(60,707)	508,098
Lopez	606,656	N/A	-	(70,076)	536,580
TOTAL:	\$ 16,292,714	\$ 44,391,884	\$ 52,440	\$ (2,281,509)	\$ 58,455,530

(1) Adjusted for Santa Ynez Exchange Agreement Modifications and Regional WTP Treatment Allocation.

(2) Adjusted for Santa Ynez Exchange Agreement Modifications.

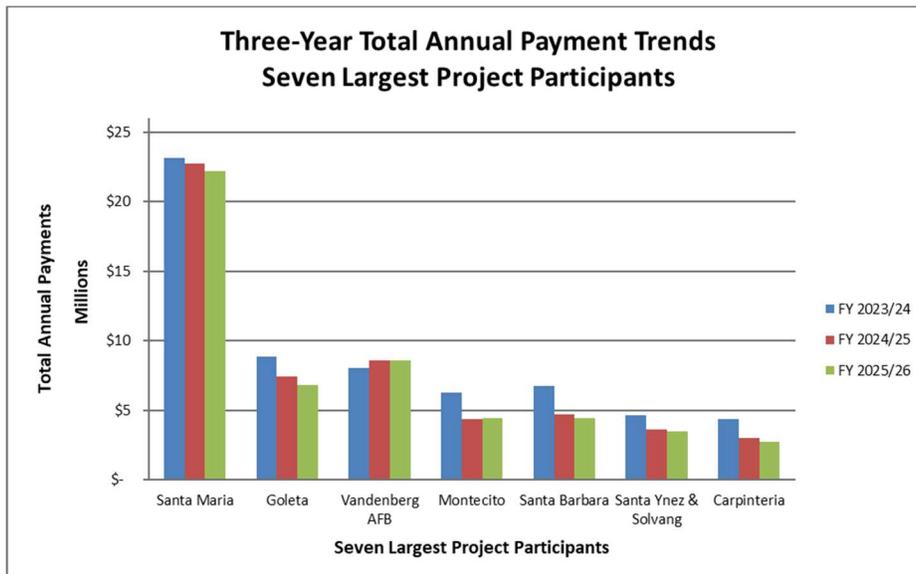


Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2025/26 Budget

The following table shows the total budgeted payments by project participant for FY 2024/25 and total payments shown on the FY 2025/26 Budget and the corresponding increase or (decrease).

Two-Year Total Combined Fixed and Variable Payments History by Project Participant			
Project Participant	Total Payments FY 2024/25	Total Payments FY 2025/26	Change FY 2024/25 to FY 2025/26
Guadalupe	\$ 742,740	\$ 665,839	\$ (76,901)
Santa Maria	22,759,644	22,379,283	(380,362)
Golden State Water Co.	754,845	723,802	(31,043)
Vandenberg SFB	8,573,747	8,625,496	51,749
Buellton	892,334	818,935	(73,399)
Santa Ynez (Solvang)	2,342,228	2,415,847	73,618
Santa Ynez	1,249,560	1,096,314	(153,247)
Goleta	7,459,202	6,877,814	(581,388)
Morehart Land	327,022	307,632	(19,390)
La Cumbre	1,800,784	1,683,340	(117,444)
Raytheon	67,865	54,543	(13,322)
Santa Barbara	4,678,050	4,494,376	(183,674)
Montecito	4,354,135	4,465,692	111,557
Carpinteria	2,992,729	2,786,339	(206,390)
Shandon	15,310	15,602	292
Chorro Valley	609,014	508,098	(100,916)
Lopez	557,306	536,580	(20,725)
TOTAL:	\$ 60,176,515	\$ 58,455,530	\$ (1,720,985)

The following chart shows the three-year trend in total annual payments for the seven largest CCWA project participants.





*Golden Mussels in O'Neill Forebay
(Photo Courtesy of DWR)*

Department of Water Resources Charges

The Department of Water Resources (DWR) section of the FY 2025/26 Budget provides information on the Authority's payments to DWR. This section includes information on the allocation of the fixed and variable DWR costs and other information regarding the FY 2025/26 DWR charges.

Highlights

Total FY 2025/26 DWR Charges **\$ 44,391,884**

- DWR Fixed Charges \$ 42,045,966
- DWR Variable Charges \$ 3,240,897
- Interest credits \$ (894,979)

Fixed Charge Highlights

- Total fixed charges decrease over FY 2024/25 of \$448,912

- DWR Fixed cost decrease of \$0.5 million due to a decrease of \$1.4 million in the Transportation Minimum costs offset by a \$1.3 million increase in Transportation Capital Charges, a decrease of \$0.5 million in Water System Revenue Bond costs over prior year, an increase of \$0.1 million in Delta Water Charges and an increase of \$0.1 million in Coastal Branch phase II.

Variable Charge Highlights

- DWR Variable cost decrease of \$0.2 million over FY 2024/25.

- Estimated Variable OMP&R unit rate for 2025: \$251.00; 2026: \$251.00

Central Coast Water Authority
Department of Water Resources Charges
Fiscal Year 2025/26 Budget

Through the Santa Barbara County Flood Control and Water Conservation District (SBCFC&WCD), the Authority holds a contract with the Department of Water Resources (DWR) to purchase up to 45,486 acre-feet of water per year. The costs for this water are charged to the various Authority project participants.

The DWR charges include both fixed and variable components. The fixed costs represent costs that must be paid independent of the amount of water requested by the project participants. The variable costs vary based on delivery amounts and are comprised of power and power related costs.

DWR Billing Procedures

The DWR prepares its annual bill (“Statement of Charges”) on a calendar year basis and submits the bill to the Authority. The variable portion of the bill is based on the requested deliveries of the Authority’s project participants, which the Authority provides to DWR in October of the prior year. The fixed portion of the bill is based on the Authority’s State water Table A amount. The Delta Water Charge is billed by DWR net of Table A entitlement reductions (*see the sections entitled “Delta Water Charges” and “Table A Entitlement Reductions”*).

The Statement of Charges is allocated on a financial reach basis (*see the Distribution Department section of this budget for further information on financial reaches*). Invoices are then prepared by the Authority and forwarded to its project participants.

Summary of FY 2025/26 DWR Charges

The DWR charges for the first half of FY 2025/26 are based on the 2025 Statement of Charges. The DWR charges for the second half of FY 2025/26 are based on forecasts prepared by the DWR State Water Project Analysis Office. DWR transportation capital charges starting in 1998 are based on a Coastal Branch Phase II project cost of approximately \$481 million. Coastal Branch Extension capital charges are based on the allocation share of debt service principal and interest payments from the various DWR revenue bond debt issues allocated to repay the capital costs of the Coastal Branch Phase II.

The fixed DWR charges are allocated to the various project participants based on their State water Table A allocation. The variable DWR charges are allocated in proportion to the project participant requested deliveries. San Luis Obispo County pays DWR directly for its DWR costs. The table “DWR Charges” at the end of this section shows fixed and variable DWR costs for each project participant.

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

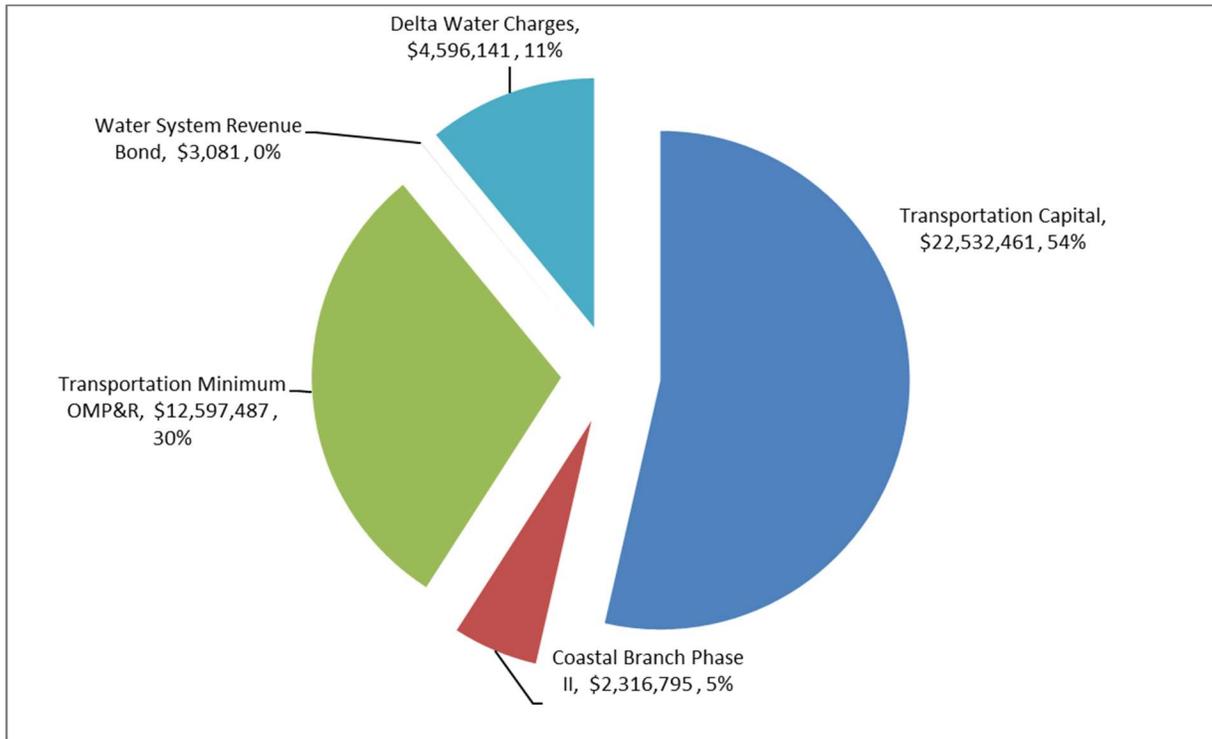
The following table provides a comparison of the FY 2023/24 through the FY 2025/26 DWR charges.

DWR Fixed and Variable Cost Comparison					
Cost Component	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Est. Actual ⁽¹⁾	FY 2025/26 Budget	FY 2024/25 Budget to FY 2025/26 Budget Increase (Decrease)
Transportation Capital	\$ 18,781,863	\$ 21,257,321	\$ 21,076,693	\$ 22,532,461	\$ 1,275,140
Coastal Branch Phase II	3,029,766	2,222,303	2,222,303	2,316,795	94,492
Transportation Minimum OMP&R	15,686,108	13,985,604	13,371,359	12,597,487	(1,388,117)
Water System Revenue Bond	997,957	497,985	497,985	3,081	(494,904)
Delta Water Charges	4,032,595	4,531,665	4,275,361	4,596,141	64,476
Subtotal Fixed DWR Charges	<u>42,528,289</u>	<u>42,494,878</u>	<u>41,443,701</u>	<u>42,045,966</u>	<u>(448,912)</u>
Off-Aqueduct Charges	24,938	21,220	3,618	32,078	10,858
Variable OMP&R	2,346,233	3,425,677	2,512,476	3,208,819	(216,858)
Subtotal Variable DWR Charges	<u>2,371,171</u>	<u>3,446,897</u>	<u>2,516,094</u>	<u>3,240,897</u>	<u>(206,000)</u>
DWR Account Investment Income	(224,346)	(870,244)	(894,979)	(894,979)	(24,735)
Total DWR Charges	<u>\$ 44,675,114</u>	<u>\$ 45,071,531</u>	<u>\$ 43,064,816</u>	<u>\$ 44,391,884</u>	<u>\$ (679,647)</u>

(1) Includes the actual credits provided by DWR which were included in the fiscal year budget projections.

DWR FIXED COSTS

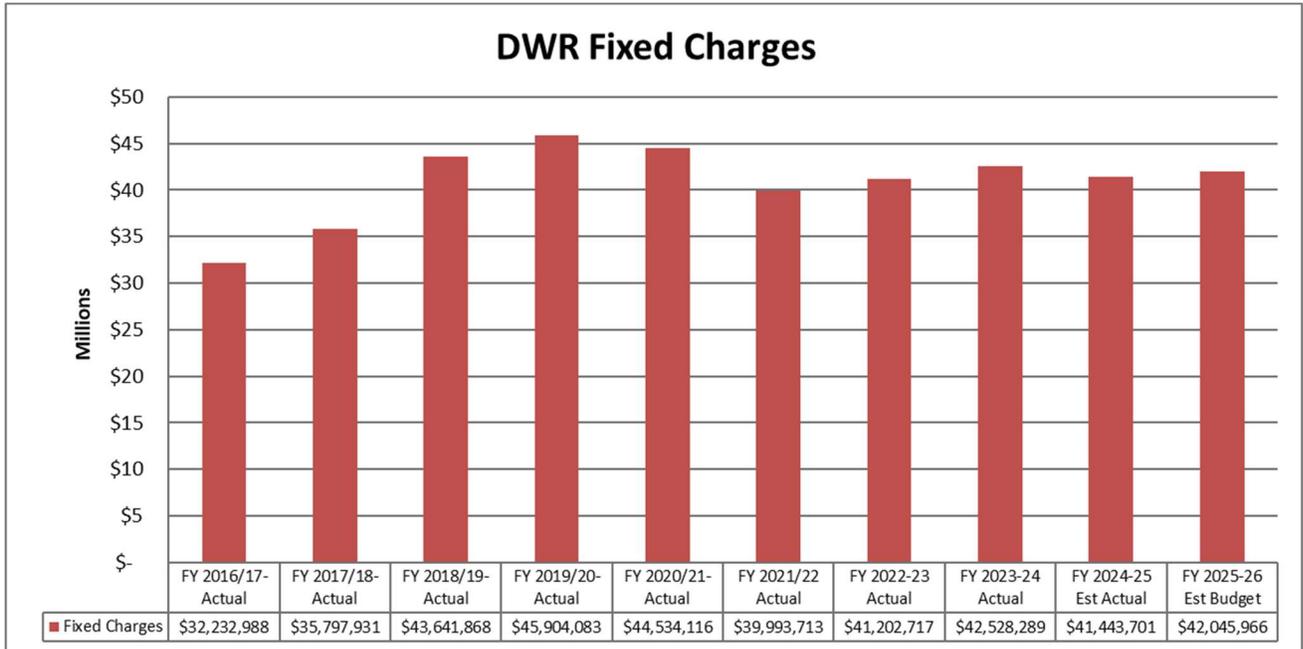
The DWR fixed costs are comprised of the following cost components:



Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

The FY 2025/26 DWR fixed charges total \$42,045,966 which is \$448,912 lower than the FY 2024/25 Budget. The reasons for the cost component variances are described later in this section.

The following graph shows the ten-year trend in the DWR fixed costs.



Transportation Capital

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

The following table shows the allocation of the FY 2025/26 Transportation Capital charges to each of the CCWA project participants:

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

Project Participant	Table A	Percentage	Reaches 1 to 35 ⁽¹⁾	One-Shot Adjustment	Debt Service excess release	Prior Year DWR Credits for Overpayments ⁽²⁾	FY 2024/25	FY 2025/26
							Amount Due (Credit)	Transportation Capital Charges
Guadalupe	550	1.41%	\$ 343,499	(467)	(7,147)	(16,941)	(16,671)	302,273
Santa Maria	16,200	41.46%	10,117,596	(13,754)	(210,501)	(498,977)	(71,284)	9,323,080
Golden State Water Co.	500	1.28%	312,271	(425)	(6,497)	(15,401)	(1,130)	288,820
VSFB	5,500	14.07%	3,434,986	(4,670)	(71,466)	(169,406)	(24,348)	3,165,096
Buellton	578	1.48%	360,986	(491)	(7,510)	(17,803)	(1,179)	334,003
Santa Ynez (Solvang) ⁽³⁾	1,500	3.84%	923,730	(1,274)	(19,491)	(45,556)	(18,668)	838,741
Santa Ynez ⁽³⁾	500	1.28%	325,356	(425)	(6,497)	(16,046)	(22,067)	280,322
Goleta	4,500	11.52%	2,810,443	(3,821)	(58,472)	(138,605)	(25,028)	2,584,518
Morehart	200	0.51%	124,909	(170)	(2,599)	(6,160)	(4,096)	111,884
La Cumbre	1,000	2.56%	624,543	(849)	(12,994)	(30,801)	(6,234)	573,665
Raytheon	50	0.13%	31,227	(42)	(650)	(1,540)	(29)	28,965
Santa Barbara	3,000	7.68%	1,873,629	(2,547)	(38,982)	(92,403)	(14,726)	1,724,971
Montecito	3,000	7.68%	1,873,629	(2,547)	(38,982)	(92,403)	(14,726)	1,724,971
Carpinteria	2,000	5.12%	1,249,086	(1,698)	(25,988)	(61,602)	(8,493)	1,151,305
Subtotal:	39,078	100.00%	\$ 24,405,891	\$ (33,178)	\$ (507,774)	\$ (1,203,643)	\$ (228,678)	\$ 22,432,617
Goleta Additional Table A	2,500	5.50%	108,067	-	(2,248)	(5,975)	-	99,844
CCWA Drought Buffer	3,908	-	-	-	-	-	-	-
TOTAL:	45,486		\$ 24,513,958	\$ (33,178)	\$ (510,023)	\$ (1,209,618)	\$ (228,678)	\$ 22,532,461

(1) Reach 36 was deleted during project design. DWR Reaches to the end of Coastal Branch Phase II consist of Reaches 1 to 35. The Coastal Branch extension consists of Reaches 37 and 38.
 (2) Credits for prior year(s) overpayments amortized by DWR through the year 2035.
 (3) Adjusted for transfer of the Solvang 150 acre foot drought buffer Table A to Santa Ynez.
 (4) No rate management credits estimated for CY 2025 and CY 2026.
 (5) Golden State Water and Santa Barbara-100% of credit transferred into DWR reserve fund.

The FY 2025/26 Transportation capital charges are increasing by \$1,275,140 due to the following:

Transportation Capital Budget-to-Budget Changes			
	FY 2024/25	FY 2025/26	Change
Calculated Component	\$ 24,030,139	\$ 24,513,958	\$ 483,819
Rate Management Credits	(1,471,123)	-	1,471,123
Prior Year amount due	-	-	-
Prior Year Overcollection Credit	(1,325,144)	(1,209,618)	115,526
Other Adjustments	23,449	(33,178)	(56,627)
Addtl Amount Due (Credit)	-	(228,678)	(228,678)
Debt Service Reserve Fund Credit	-	(510,023)	(510,023)
Total:	\$ 21,257,321	\$ 22,532,462	\$ 1,275,141

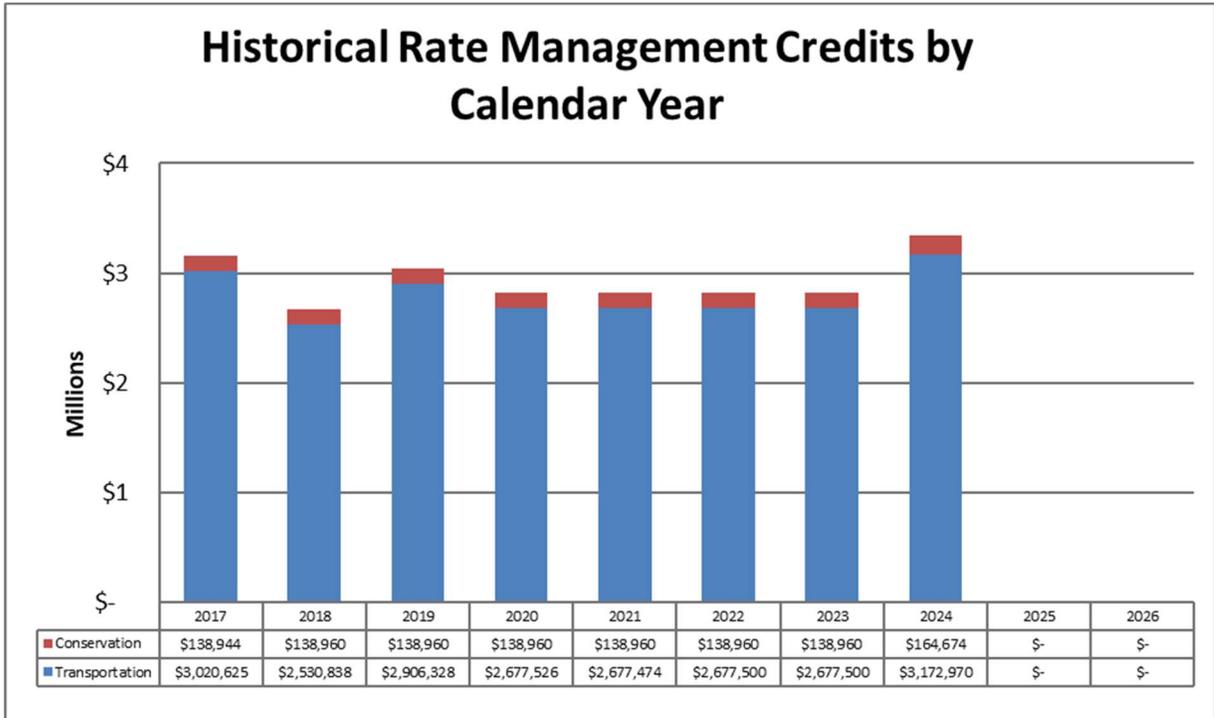
Rate Management Credits

One provision of the contract between CCWA and the Department of Water Resources provides for the reduction of capital charges based on excess revenues collected by DWR due to differences between collections from the State Water Project Contractors and the actual amounts paid for capital related charges. These credits are referred to as “rate management credits” and are allocated to each Contractor in proportion to their total repayment of capital charges to DWR. As such, CCWA receives a large portion of the annual rate management credits [currently about 10.00%] because our facilities were constructed in the 1990’s while most other Contractor’s facilities were constructed in the 1960’s so that CCWA’s capital repayments to DWR are quite high when compared to other Contractors.

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

Each year, DWR prepares a financial analysis to determine the revenues that are available to pay rate management credits. Pursuant to the Contract, the maximum amount of rate management credits in any one year does not exceed \$48 million to all Contractors.

CCWA estimates no rate management credits in Calendar year 2026.



Coastal Branch Extension-Transportation Capital Reach 37 and 38

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

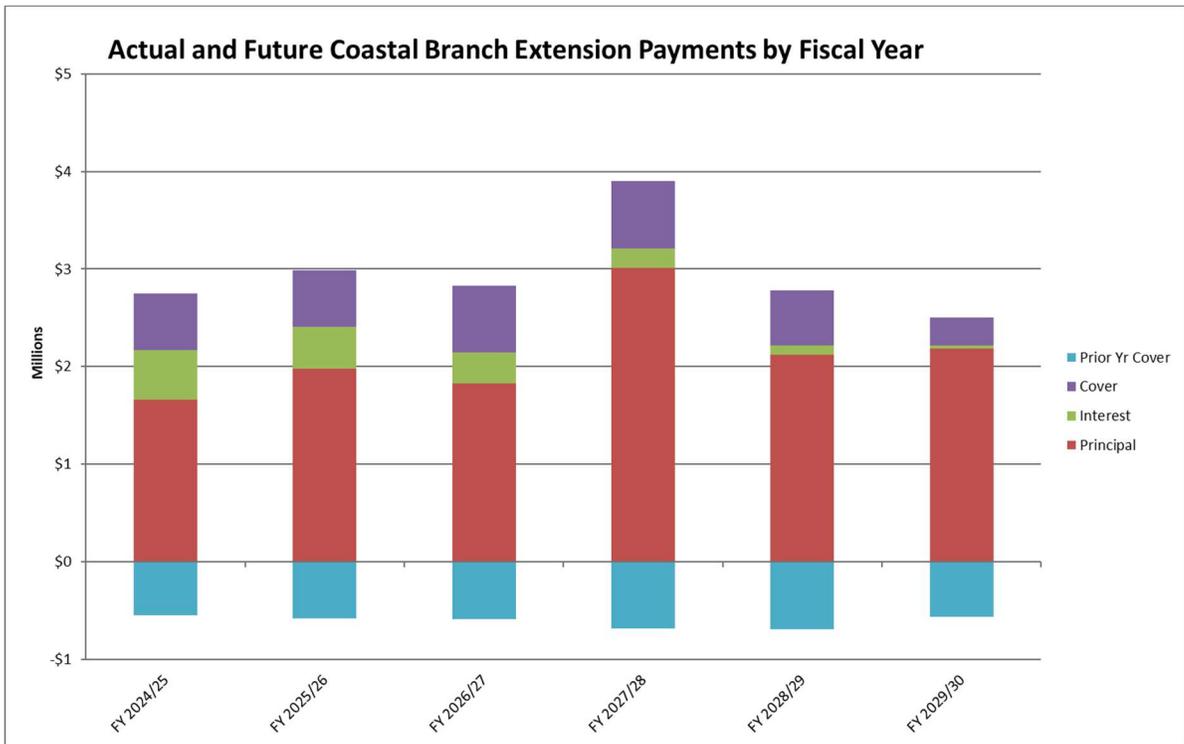
Coastal Branch Extension debt service payments for FY 2025/26 total \$2,316,795, which is \$94,492 higher than the prior year amount due to the following:

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

Coastal Branch Extension Debt Service				
	FY 2024/25	FY 2025/26	Change	
Principal Payments	\$ 1,994,337	\$ 1,979,366	\$ (14,971)	
Interest Payments	418,073	426,459	8,386	
Bond Cover	553,958	582,719	28,761	
Rate Management Credits	(112,238)	-	112,238	
Return of Prior Year Cover	(613,294)	(613,294)	-	
Prior year amount due (credit)	(18,533)	(58,455)	(39,922)	
Total:	<u>\$ 2,222,303</u>	<u>\$ 2,316,795</u>	<u>\$ 94,492</u>	

Principal, Interest and Bond Cover Changes

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



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

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

Coastal Branch Extension Bond Allocation

CCWA is challenging DWR's allocation of revenue bond debt service payments to CCWA for the Coastal Branch Extension. Total construction and finance related costs were around \$35 million for the project, but DWR is allocating approximately \$46 million in revenue bond principal payments to CCWA. Recently, DWR agreed that the allocation of additional bonds above the construction costs is incorrect and that the bonds should be reallocated to the general water system for the State Water Project away from the Coastal Branch Extension.

DWR still has not finalized the corrections to the Coastal Branch Extension debt service schedules for the over allocation of revenue bonds above the construction costs. The corrections, once implemented, will reduce the total debt service costs for the Coastal Branch Extension facilities.

The following tables show the allocation of the DWR Coastal Branch Extension debt service amounts for FY 2025/26.

TRANSPORTATION CAPITAL-COASTAL BRANCH EXTENSION

Project Participant	<i>Reach 37</i>				
	Table A	Percentage	Transportation Capital	Reach 37 Credits ⁽¹⁾	Net Reach 37 Transp. Costs
Guadalupe	-	0.00%	\$ -	\$ -	\$ -
Santa Maria	16,200	42.05%	651,423	(133,682)	517,741
Golden State Water Co.	500	1.30%	20,106	(4,126)	15,980
VSFB	5,500	14.28%	221,162	(45,386)	175,776
Buellton	578	1.50%	23,242	(4,770)	18,472
Santa Ynez (Solvang)	1,500	3.89%	60,317	(12,378)	47,939
Santa Ynez	500	1.30%	20,106	(4,126)	15,980
Goleta	4,500	11.68%	180,951	(37,134)	143,817
Morehart	200	0.52%	8,042	(1,650)	6,392
La Cumbre	1,000	2.60%	40,211	(8,252)	31,959
Raytheon	50	0.13%	2,011	(413)	1,598
Santa Barbara	3,000	7.79%	120,634	(24,756)	95,878
Montecito	3,000	7.79%	120,634	(24,756)	95,878
Carpinteria	2,000	5.19%	80,423	(16,504)	63,919
Total:	38,528	100.00%	\$ 1,549,261	\$ (317,932)	\$ 1,231,329

⁽¹⁾ Includes credits for the return of bond cover of \$613,294

⁽²⁾ Golden State Water and Santa Barbara-100% of credit transferred into DWR reserve fund.

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

TRANSPORTATION CAPITAL-COASTAL BRANCH EXTENSION

Project Participant	Reach 38					FY 2024/25	FY 2025/26
	Table A	Percentage	Transportation Capital	Reach 38 Credits ⁽¹⁾	Net Reach 38 Transp. Costs	(Credits) Due	Transportation Capital Charges
Guadalupe	-	0.00%	\$ -	\$ -	\$ -	-	\$ -
Santa Maria	-	0.00%	-	-	-	(12,582)	505,159
Golden State Water Co.	-	0.00%	-	-	-	(558)	15,421
VSFB	5,500	25.20%	362,656	(74,422)	288,234	(11,732)	452,278
Buellton	578	2.65%	38,112	(7,821)	30,291	(1,379)	47,384
Santa Ynez (Solvang)	1,500	6.87%	98,906	(20,297)	78,609	(2,982)	123,566
Santa Ynez	500	2.29%	32,969	(6,766)	26,203	(794)	41,389
Goleta	4,500	20.62%	296,719	(60,891)	235,827	(9,544)	370,100
Morehart	200	0.92%	13,187	(2,706)	10,481	(437)	16,436
La Cumbre	1,000	4.58%	65,937	(13,531)	52,406	(2,188)	82,178
Raytheon	50	0.23%	3,297	(677)	2,620	41	4,259
Santa Barbara	3,000	13.74%	197,812	(40,594)	157,218	(5,963)	247,134
Montecito	3,000	13.74%	197,812	(40,594)	157,218	(5,963)	247,134
Carpinteria	2,000	9.16%	131,875	(27,063)	104,812	(4,374)	164,356
Total:	21,828	100.00%	\$ 1,439,283	\$ (295,362)	\$ 1,143,920	\$ (58,455)	\$ 2,316,795

⁽¹⁾ Includes credits for the return of bond cover of \$613,294

⁽²⁾ Golden State Water and Santa Barbara-100% of credit transferred into DWR reserve fund.

Transportation Minimum OMP&R

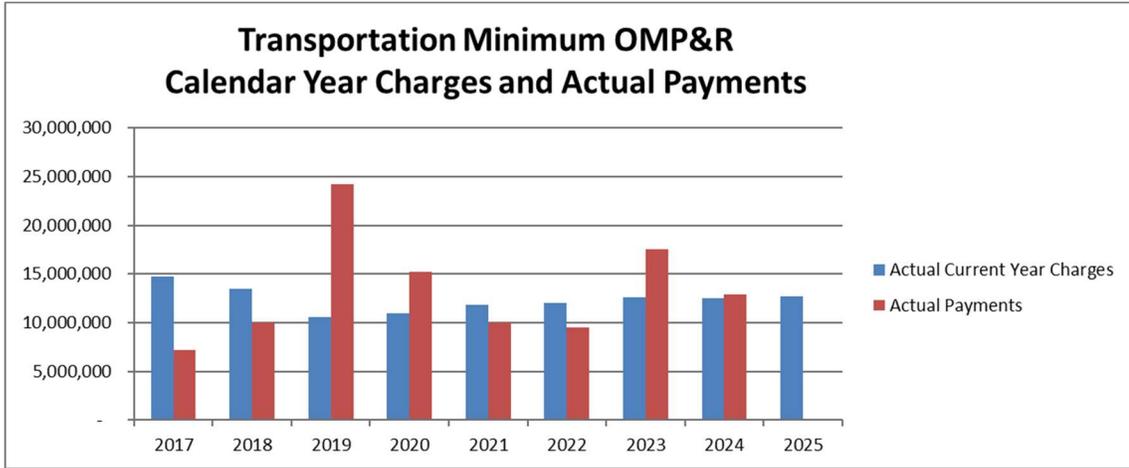
Transportation Minimum OMP&R charges are the operations and maintenance costs incurred by DWR to operate the State Water Project that generally do not depend on or vary with the quantities of water delivered to CCWA.

For FY 2025/26, total Transportation Minimum OMP&R charges are \$12,597,487 which is \$1,388,117 less than the prior year amount due to the following:

Transportation Minimum OMP&R			
	FY 2024/25	FY 2025/26	Change
Calculated Component	\$ 13,499,575	\$ 13,140,004	\$ (359,571)
Prior Year (Over)/Under Collection	486,030	71,727	(414,304)
Prior Year Amount Due (Credit)	-	(614,243)	(614,243)
Total:	\$ 13,985,605	\$ 12,597,487	\$ (1,388,118)

DWR estimates the calendar year charges for each Contractor and then reconciles for a “true-up” of the actual charges incurred in the following year(s) resulting in either an over or under-payment of charges. The following graph shows the actual charges by calendar year and the actual payments from CCWA in that year, with the difference being either the over or under-collection.

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget



The following table shows the allocation of the FY 2025/26 Transportation Minimum OMP&R charges to each of the CCWA project participants.

TRANSPORTATION MINIMUM OMP&R

Project Participant	Table A	Percentage	Calculated	Prior Year(s)	FY 2024/25	FY 2025/26
			Component FY 2025/26	Undercollections	Amount Due (Credit)	Transportation Minimum OMP&R
Guadalupe	550	1.41%	\$ 182,537	\$ 996	\$ (8,533)	\$ 175,000
Santa Maria	16,200	41.46%	5,376,536	29,349	(251,408)	5,154,477
Golden State Water Co.	500	1.28%	165,942	906	(8,814)	158,034
VSFB	5,500	14.07%	1,825,367	9,964	(86,669)	1,748,662
Buellton	578	1.48%	191,829	1,047	(9,190)	183,687
Santa Ynez (Solvang) ⁽¹⁾	1,500	3.84%	484,042	2,642	(23,725)	462,960
Santa Ynez ⁽¹⁾	500	1.28%	179,727	981	(8,626)	172,082
Goleta	4,500	11.52%	1,493,482	8,152	(77,926)	1,423,708
Morehart	200	0.51%	66,377	362	(3,119)	63,620
La Cumbre	1,000	2.56%	331,885	1,812	(14,723)	318,974
Raytheon	50	0.13%	16,594	91	281	16,966
Santa Barbara	3,000	7.68%	995,655	5,435	(45,505)	955,585
Montecito	3,000	7.68%	995,655	5,435	(45,505)	955,585
Carpinteria	2,000	5.12%	663,770	3,623	(30,782)	636,611
Subtotal:	39,078	100.00%	\$ 12,969,399	\$ 70,795	\$ (614,243)	\$ 12,425,951
Goleta Additional Table A	2,500	-	170,605	931	-	\$ 171,536
CCWA Drought Buffer	3,908	-	-	-	-	-
TOTAL:	45,486		\$ 13,140,004	\$ 71,727	\$ (614,243)	\$ 12,597,487

(1) Adjusted for the transfer of 150 acre feet drought buffer Table A from Solvang to Santa Ynez.

(2) Golden State Water and Santa Barbara-100% of credit transferred into DWR reserve fund.

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

Water System Revenue Bond Surcharge

The Water System Revenue Bond Surcharge (WSRB) represents the difference between the capital payments to DWR from the Contractors and the actual revenue bond debt service payments paid by DWR. For FY 2025/26, the WSRB is \$494,904 lower than the prior year amount.

The following table shows the allocation of the WSRB for each CCWA project participant.

WATER SYSTEM REVENUE BOND SURCHARGE

Project Participant	Table A	Percentage	Gross WSRB Charges	Return of Bond Cover ⁽²⁾	Refund of Power Debt Service ⁽³⁾	FY 2024/25 WSRB (Credits) Due	FY 2025/26 WSRB Charges
Guadalupe	550	1.41%	\$ 53,731	\$ (31,871)	\$ (17,092)	\$ (5,413)	\$ (645)
Santa Maria	16,200	41.46%	1,582,620	(938,748)	(503,427)	(156,119)	(15,674)
Golden State Water Co.	500	1.28%	48,846	(28,974)	(15,538)	(4,631)	(296)
VSFB	5,500	14.07%	537,309	(318,711)	(170,917)	(52,827)	(5,145)
Buellton	578	1.48%	56,466	(33,494)	(17,962)	(5,672)	(661)
Santa Ynez (Solvang) ⁽¹⁾	1,500	3.84%	139,443	(82,712)	(46,614)	(9,518)	600
Santa Ynez ⁽¹⁾	500	1.28%	55,942	(33,182)	(15,538)	(5,431)	1,791
Goleta	4,500	11.52%	439,617	(260,763)	(139,841)	(55,708)	(16,695)
Morehart	200	0.51%	19,539	(11,589)	(6,215)	(1,852)	(119)
La Cumbre	1,000	2.56%	97,693	(57,947)	(31,076)	(9,679)	(1,010)
Raytheon	50	0.13%	4,885	(2,897)	(1,554)	(562)	(129)
Santa Barbara	3,000	7.68%	293,078	(173,842)	(93,227)	(20,503)	5,505
Montecito	3,000	7.68%	293,078	(173,842)	(93,227)	(20,503)	5,505
Carpinteria	2,000	5.12%	195,385	(115,895)	(62,151)	(19,358)	(2,019)
Subtotal	39,078	100.00%	\$ 3,817,631	\$ (2,264,469)	\$ (1,214,377)	\$ (367,777)	\$ (28,992)
Goleta Additional Table A	2,500	-	\$ 108,759	(64,509)	(12,177)	-	\$ 32,073
CCWA Drought Buffer	3,908	-	-	-	-	-	-
TOTAL:	45,486		\$ 3,926,390	\$ (2,328,978)	\$ (1,226,554)	\$ (367,777)	\$ 3,081

(1) Adjusted for the transfer of Solvang 150 acre foot drought buffer Table A to Santa Ynez.
 (2) WSRB return of bond cover for July 2024 and January 2025 payments.
 (3) WSRB Refund of power debt surcharge in April 2026 for Jan 2025 and July 2025 payments.
 (4) Golden State Water and Santa Barbara-100% of credit transferred into DWR reserve fund.

Delta Water Charge

The Delta Water Charge is a unit charge applied to each acre-foot of State water Table A amount net of Table A reductions (see “Table A Reductions” in the section discussing “Other DWR Charges and Credits”). The unit charge covers repayment of all outstanding reimbursable costs of the DWR Project Conservation Facilities with appropriate interest, by the end of the State water contract repayment period in 2035.

No Table A reductions are assumed for FY 2025/26.

The FY 2025/26 Delta Water Charge totals \$4,596,141, which is \$64,476 higher than the prior year amount for the following reasons.

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

Delta Water Charge			
	FY 2024/25	FY 2025/26	Change
Rate per acre-foot	\$ 101.45	\$ 106.68	\$ 5.23
Delta Water Charge	4,614,555	4,852,446	237,891
Rate Management Credits	(82,890)	-	82,890
Prior year amount due (credit)		(256,305)	(256,305)
Total:	\$ 4,531,665	\$ 4,596,141	\$ 64,476

As shown in the previous table, the FY 2025/26 rate per acre-foot totals \$106.68, which is \$5.23/AF higher than the prior year amount.

The FY 2025/26 rate includes an estimated \$20.00/AF increase for calendar year 2026 for potential other conservation and delta related facilities [\$10.00/AF on a fiscal year basis].

The following table shows the allocation of the FY 2025/26 Delta Water Charge to each of the CCWA project participants.

DELTA WATER CHARGE					
Project Participant	Table A Including Drought Buffer	Percentage	Gross Delta Water Charges	FY 2024/25 (Credits) Amount Due	FY 2025/26 Delta Water Charges
Guadalupe	605	1.41%	\$ 64,541	\$ (3,427)	\$ 61,115
Santa Maria	17,820	41.46%	1,901,038	(100,479)	1,800,558
Golden State Water Co.	550	1.28%	58,674	(3,040)	55,634
VSFB	6,050	14.07%	645,414	(34,267)	611,147
Buellton	636	1.48%	67,848	(3,449)	64,400
Santa Ynez (Solvang)	1,500	3.49%	160,020	(7,747)	152,273
Santa Ynez	700	1.63%	74,676	(3,869)	70,807
Goleta	4,950	11.52%	528,066	(41,717)	486,349
Morehart	220	0.51%	23,470	(1,548)	21,921
La Cumbre	1,100	2.56%	117,348	(6,079)	111,269
Raytheon	55	0.13%	5,867	(387)	5,480
Santa Barbara	3,300	7.68%	352,044	(19,069)	332,975
Montecito	3,300	7.68%	352,044	(19,069)	332,975
Carpinteria	2,200	5.12%	234,696	(12,159)	222,537
Subtotal	42,986	100.00%	\$ 4,585,746	\$ (256,305)	\$ 4,329,441
Goleta Additional Table A	2,500	5.50%	\$ 266,700	-	\$ 266,700
TOTAL:	45,486	-	\$ 4,852,446	\$ (256,305)	\$ 4,596,141

(1) Golden State Water, La Cumbre and Santa Barbara-100% of credit transferred into DWR reserve fund.

2025 COST PER AF:	\$ 96.68
Increase for 2026 SOC per AF /2	\$ 10.00
Estimated rate for FY 2025/26	\$ 106.68

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

DWR VARIABLE COSTS

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

- Off-Aqueduct Charge
- Variable OMP&R

The DWR variable charges for FY 2025/26 total \$3,240,897 which is \$206,000 less than the budgeted FY 2024/25 variable payments.

Off-Aqueduct Charges

Off-aqueduct charges are the bond debt service, bond cover, reserve, and operations and maintenance expenses allocated to power facilities not located on the State water aqueduct.

For FY 2025/26, the off-aqueduct charges total \$32,078 which is \$10,858 more than the prior year budget.

The following table shows the allocation of off-aqueduct charges for FY 2025/26.

Project Participant	OFF-AQUEDUCT CHARGES										
	July 2025 to December 2025					January 2026 to June 2026					TOTAL
	Requested Delivery AF ⁽¹⁾	Delivery Percentage	2025 Off-Aqueduct ^(1 & 2)	Half-Year 2025 Charges	Requested Delivery AF ⁽¹⁾	Delivery Percentage	2026 Off-Aqueduct ⁽³⁾	Half-Year 2026 Charges	FY 2025/26 Off-Aqueduct		
Guadalupe	14	0.18%	\$ 23	\$ 11	12	0.23%	\$ 121	\$ 61	\$ 72		
Santa Maria	3,645	47.56%	5,895	2,947	2,502	48.87%	25,294	12,647	15,595		
Golden State Water Co.	190	2.48%	307	154	5	0.10%	51	25	179		
VSF	1,561	20.37%	2,525	1,262	1,225	23.92%	12,383	6,192	7,454		
Buellton	48	0.63%	78	39	15	0.29%	152	76	115		
Santa Ynez (Solvang) ⁽⁵⁾	395	5.15%	639	319	310	6.05%	3,134	1,567	1,886		
Santa Ynez ⁽⁶⁾	-	0.00%	-	-	-	0.00%	-	-	-		
Goleta	567	7.40%	917	458	306	5.98%	3,094	1,547	2,005		
Morehart	36	0.47%	58	29	36	0.70%	364	182	211		
La Cumbre	200	2.61%	323	162	165	3.22%	1,668	834	996		
Raytheon	-	0.00%	-	-	-	0.00%	-	-	-		
Santa Barbara	378	4.93%	611	306	204	3.98%	2,062	1,031	1,337		
Montecito	378	4.93%	611	306	204	3.98%	2,062	1,031	1,337		
Carpinteria	252	3.29%	408	204	136	2.66%	1,375	687	891		
	7,664	100.00%	\$ 12,395	\$ 6,198	5,120	100.00%	\$ 51,760	\$ 25,880	\$ 32,078		

(1) Off-aqueduct charges are billed to the project participants based on requested deliveries. South coast deliveries include exchange deliveries with Santa Ynez ID#1.

(2) Source: DWR invoice dated July 1, 2024 for Calendar Year 2025 Statement of Charges Rebill.

(3) Source: 2026 OAC projected at half of 2025 SOC Attach 3

(4) Adjusted for the transfer of Solvang 150 acre foot drought buffer Table A to Santa Ynez.

(5) Pursuant to the Exchange Agreement, Santa Ynez only pays Off-Aqueduct charges on its Table A deliveries. The South Coast project participants which participate in the Exchange Agreement pay the Off-Aqueduct charges for exchange water they accept.

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2025/26 Budget

Variable OMP&R Charges

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

For FY 2025/26, the variable OMP&R charges total \$3,208,819 which is \$216,858 lower than the prior year amount. The budget is based on estimated water deliveries of 12,784 acre-feet.

The cost per acre-foot for water deliveries in the first half of FY 2025/26 is estimated to be \$251/AF and \$251/AF for the second half of the fiscal year.

The following table shows the allocation of the FY 2025/26 variable OMP&R costs.

Project Participant	VARIABLE OMP&R CHARGES								
	July 1, 2025 to Dec 31, 2025 ⁽¹⁾			\$251/AF ⁽²⁾	Jan 1, 2026 to June 30, 2026 ⁽³⁾			\$251/AF ⁽⁴⁾	TOTAL
	Requested Delivery	SYID#1 Exchanges	Net Deliveries	2025 Var OMP&R	Requested Delivery	SYID#1 Exchanges	Net Deliveries	2026 Var OMP&R	FY 2025/26 Var. OMP&R
Guadalupe	14	-	14	\$ 3,514	12	-	12	\$ 3,012	\$ 6,526
Santa Maria	3,645	-	3,645	914,895	2,502	-	2,502	628,002	1,542,897
Golden State Water Co.	190	-	190	47,690	5	-	5	1,255	48,945
VSFB	1,561	-	1,561	391,874	1,225	-	1,225	307,447	699,321
Buellton	48	-	48	12,048	15	-	15	3,765	15,813
Santa Ynez (Solvang)	395	-	395	99,145	310	-	310	77,810	176,955
Santa Ynez ⁽⁶⁾	-	1,575	1,575	-	-	850	850	-	-
Goleta	567	(567)	-	142,317	306	(306)	-	76,806	219,123
Morehart	36	-	36	9,036	36	-	36	9,036	18,072
La Cumbre	200	-	200	50,200	165	-	165	41,415	91,615
Raytheon	-	-	-	-	-	-	-	-	-
Santa Barbara	378	(378)	-	94,878	204	(204)	-	51,204	146,082
Montecito	378	(378)	-	94,878	204	(204)	-	51,204	146,082
Carpinteria	252	(252)	-	63,252	136	(136)	-	34,136	97,388
Total	7,664	-	7,664	\$ 1,923,727	5,120	-	5,120	\$1,285,092	\$ 3,208,819

- (1) 2025 Requested Deliveries based on anticipated actual demand by each project participant without regard to the current DWR delivery allocation percentage.
- (2) Source: 2025 IIR Analysis from DWR
- (3) 2026 Requested Deliveries based on anticipated actual demand by each project participant without regard to the current DWR delivery allocation percentage.
- (4) Source: IIR Analysis from DWR
- (5) Pursuant to the Exchange Agreement, Santa Ynez only pays Variable OMP&R charges on its entitlement deliveries. The South Coast project participants which participate in the Exchange Agreement pay the Variable OMP&R charges for exchange water they accept.

Central Coast Water Authority
DWR Charges
Fiscal Year 2025/26 Budget

Project Participant	DWR FIXED CHARGES							DWR VARIABLE CHARGES			DWR Account Interest	Total DWR Charges
	Transportation Capital Through Reach 35	Transportation Capital Reach 37	Transportation Capital Reach 38	Transportation Minimum OMP&R	Water System Revenue Bond	Delta Water Charges	Total Fixed	Off-Aqueduct Charges	Variable OMP&R	Total Variable		
Guadalupe	\$ 302,273	\$ -	\$ -	\$ 175,000	\$ (645)	\$ 61,115	\$ 537,743	\$ 72	\$ 6,526	\$ 6,598	\$ (15,423)	\$ 528,918
Santa Maria	9,323,080	505,159	-	5,154,477	(15,674)	1,800,558	16,767,600	15,595	1,542,897	1,558,492	(453,586)	17,872,506
Golden State Water Co.	288,820	15,421	-	158,034	(296)	55,634	517,614	179	48,945	49,124	(15,701)	551,037
Vandenberg SFB	3,165,096	169,695	282,583	1,748,662	(5,145)	611,147	5,972,038	7,454	699,321	706,775		6,678,813
Buellton	334,003	17,758	29,627	183,687	(661)	64,400	628,813	115	15,813	15,928	(17,552)	627,188
Santa Ynez (Solvang)	838,741	46,393	77,173	462,960	600	152,273	1,578,140	1,886	176,955	178,841	(19,919)	1,737,062
Santa Ynez	280,322	15,568	25,821	172,082	1,791	70,807	566,391	-	-	-	(18,471)	547,921
Goleta	2,584,518	138,869	231,231	1,423,708	(16,695)	486,349	4,847,981	2,005	219,123	221,128	(158,339)	4,910,769
Morehart Land	111,884	6,165	10,271	63,620	(119)	21,921	213,743	211	18,072	18,283	(6,265)	225,761
La Cumbre	573,665	30,825	51,352	318,974	(1,010)	111,269	1,085,076	996	91,615	92,611	(31,077)	1,146,610
Raytheon	28,965	1,619	2,640	16,966	(129)	5,480	55,542	-	-	-	(11,565)	43,977
Santa Barbara	1,724,971	92,787	154,347	955,585	5,505	332,975	3,266,170	1,337	146,082	147,419	(39,320)	3,374,269
Montecito	1,724,971	92,787	154,347	955,585	5,505	332,975	3,266,170	1,337	146,082	147,419	(40,688)	3,372,900
Carpinteria	1,151,305	61,651	102,705	636,611	(2,019)	222,537	2,172,791	891	97,388	98,279	(67,072)	2,203,998
Goleta 2500 AF	99,844	-	-	171,536	32,073	266,700	570,154	-	-	-	-	570,154
Total	\$ 22,532,461	\$ 1,194,698	\$ 1,122,097	\$ 12,597,487	\$ 3,081	\$ 4,596,141	\$ 42,045,966	\$ 32,078	\$ 3,208,819	\$ 3,240,897	\$ (894,979)	\$ 44,391,884



CCWA staff member accessing chlorine scrubber readings

Operating Expenses

The Operating Expenses section of the FY 2025/26 Budget contains a summary of the consolidated department operating expenses and allocation of the Authority's operating expenses to its project participants.

Highlights

Summary Information

- **Total FY 2025/26 Operating Expenses** **\$ 13,344,997**
- Fixed expense increase \$ 769,201
- Variable expense decrease \$ (206,626)
- Increase over FY 2024/25 Budget \$ 562,575
- Percentage increase 4.40%

Significant Operating Expense Changes

- Variable electric costs are estimated to be \$292,463 less than the FY 2024/25 budget, a decrease of 43.71%.
- Chemical costs are budgeted at \$75.12 an acre-foot (excluding Santa Ynez Pumping facility chemical costs), which is a 3.7% increase over FY 2024/25 chemical budget.
- Budgeted employee benefits percentage for FY 2025/26: 48.62%

Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2025/26 Budget

The Operating Expense section of the Authority's budget includes all expenses for the day-to-day operations of the Authority. These expenses include personnel, office expenses, supplies and equipment, monitoring expenses, repairs and maintenance, professional services, general and administrative and other expenses. The operating expense budget does not include capitalized purchases or reserve payments.

The Central Coast Water Authority's Operating Expense budget is separated into three (3) departments: Administration, Water Treatment Plant, and Distribution.

Administration - The **Administration Department** includes all expenses associated with the administration of the Authority including salaries and benefits for administration employees, auditing and legal fees, insurance, office expenses, and all other operating expenses for the administration department.

Operations and Maintenance - The operations and maintenance section of the budget is comprised of the **Water Treatment Plant Department** and the **Distribution Department**.

The Operations and Maintenance staff comprise the bulk (23) of the 32 Authority employees. They are charged with the mission of providing San Luis Obispo and Santa Barbara Counties with reliable, high quality supplemental water and the objectives of protecting the environment, cost effectively operating and maintaining all facilities and ensuring the water supply meets or exceeds health and safety standards.

Operating Expense Budget and Exchange Agreement Modifications

The Operating Expense Budget presented in this document represents the anticipated expenses to operate the Authority for Fiscal Year 2025/26. These expenses are billed to the project participants based on the individual Water Supply Agreements for each agency (*see the Revenues and Sources of Cash section of this document for further information on billings*).

When the anticipated expenses for the fiscal year have been determined, certain adjustments are made to the budget based on the "Santa Ynez Exchange Agreement" (*see the "Water Treatment Plant" section of this document for further information about the Santa Ynez Exchange Agreement*). These adjustments reduce the variable costs (chemicals and electrical) in the budget based on the provisions of the Exchange Agreement. The project participants are billed for the Authority's operating expenses budget based on the adjusted expenses which include the Exchange Agreement modifications. These adjustments are not reflected in the Operating Expense departmental budgets that follow.

Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2025/26 Budget

The Santa Ynez Exchange Agreement modifications for the Fiscal Year 2025/26 budget are as follows:

- Decrease in Warren Act and Trust Fund charges of \$164,520 (Warren Act and Trust Fund charges are not included in the Operating Expense budget and are treated as a pass-through expense).

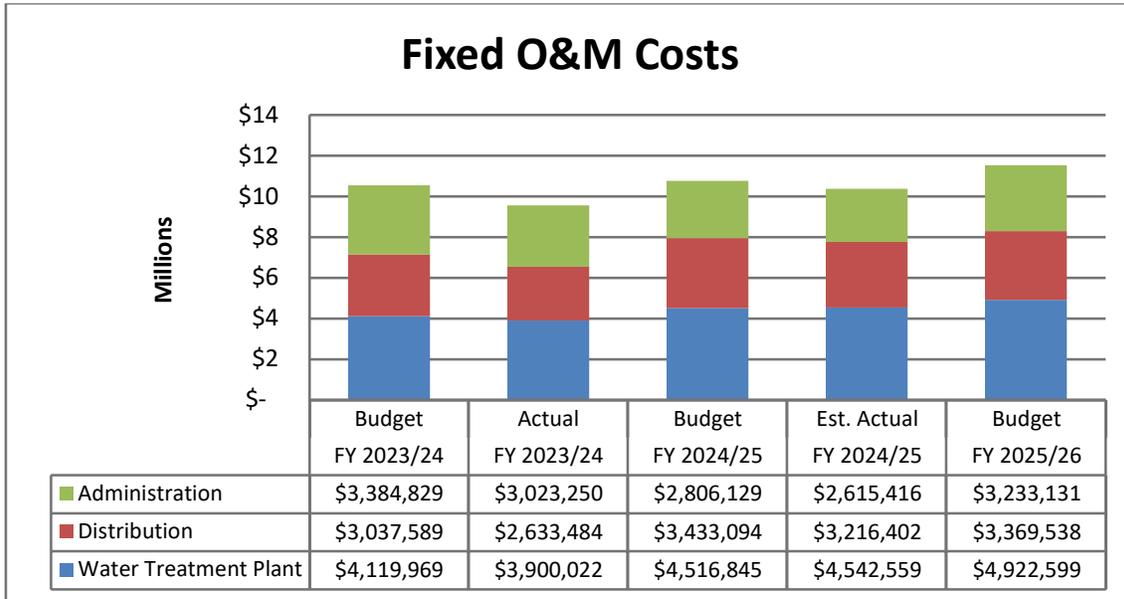
Fixed and Variable Operating Expenses

The Authority's Operating Expense budget is separated by department and further subdivided into Fixed and Variable O&M costs.

Fixed O&M Costs refer to all costs of the Authority that do not vary with the amount of water processed. Examples of these expenses include personnel costs, professional services, and general and administrative costs.

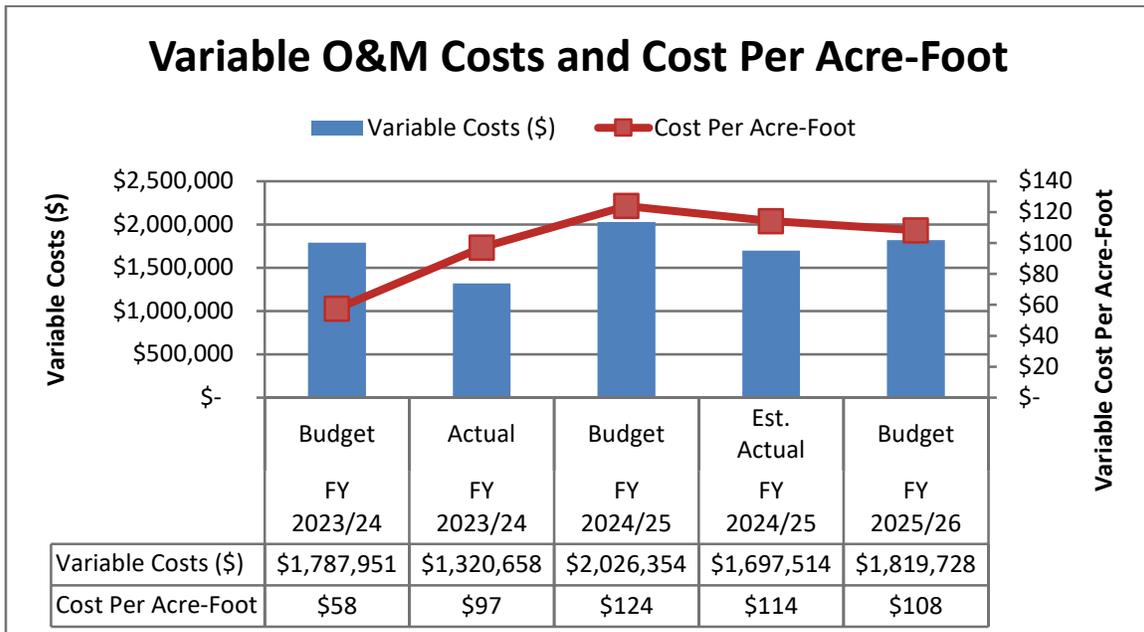
The following chart shows the three-year history of the fixed O&M costs in total and for each of the three departments.

Central Coast Water Authority
Operating Expense Overview
 Fiscal Year 2025/26 Budget



Variable O&M Costs refer to all costs that vary with the amount of water processed. These costs include all chemical and electrical costs for the Water Treatment Plant and Distribution Departments.

The following chart shows the variable O&M costs compared to the requested and actual variable cost per acre-foot for the same period.



Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2025/26 Budget

The Fiscal Year 2025/26 Consolidated Departmental Operating Expense Budget totals \$13,344,997 which is \$562,575 higher than the Fiscal Year 2024/25 Budget, a 4.4% increase. Explanations for the various changes within the budget are discussed below and are also included in the various departmental sections of this Budget document.

Personnel Expenses

Personnel expenses are increasing by about \$244,912 which includes the following changes from the prior year:

- The FY 2025/26 total salaries and wages budget for all departments is increasing \$184,470 as compared to the prior fiscal year budget, representing an increase of 4.51%. This increase includes anticipated staff salary pool and merit increases.
- CalPERS retirement expenses are increasing by approximately \$5,867. The combined CCWA paid employer, employee and unfunded actuarial liability contribution rates for the FY 2025/26 total 33.76% as compared to the prior year amount of 33.62%, for a combined increase of 0.14%. In FY 2017/18 CCWA employees began paying 50% of the increase in the “normal” PERS employer contribution. Additionally, CCWA now has 15 PEPRAs employees.
- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by about \$67,082 due to; 1) The 2025 CalPERS health insurance plan with the lowest premiums increased by 8.17% over the 2024 premiums, as opposed to the increase of 10% budgeted for the calendar year 2025; 2) The FY 2025/26 Budget also includes an estimated 10% increase in the health insurance premiums effective January 1, 2026. The health plan estimates are based on the elections of each employee at the time the budget is prepared.
- The FY 2025/26 Budget includes a \$201,252 deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums for employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of CCWA service.

Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2025/26 Budget

Supplies and Equipment

Supplies and equipment are increasing by \$110,557 primarily due to the increased cost of chemicals needed. Estimates are based on historical data and the costs of treatment are directly related to changes in water quality.

Monitoring Expenses

Monitoring expenses are increasing by \$27,603 due to larger lab supplies and equipment needed as identified by the Senior Chemist.

Repairs and Maintenance

Repairs and maintenance costs are increasing by \$42,060 due to increased repair and maintenance on aging equipment and vehicles.

Professional Services

Professional Services are increasing by \$291,267 due primarily to an increase in legal costs.

General and Administrative

General and Administrative costs are increasing by only about \$5,471 due to an increase in training and meeting and travel.

Utilities

Utility expenses are decreasing by \$288,376 largely due to a decrease in variable electrical expenses based on expected lake deliveries.

Other Expenses

Other expenses are increasing by \$124,362 due to increased insurance costs and computer expenses.

Approximately 54% of the operating expense budget represents personnel expenses. This is followed by 13% for professional services and 13% for supplies and equipment, with the balance being comprised of other expenses.

The chart Consolidated Department Operating Expenses provides a detailed breakdown of the components of the FY 2025/26 budget.

Central Coast Water Authority
Operating Expense Overview
 Fiscal Year 2025/26 Budget

CCWA Employee Benefits Percentage

In December 2003, the CCWA Board of Directors established the following Budget policy, with regard to employer paid employee benefits:

Employee Benefits Funding Benchmark: The Authority will calculate the Employee Benefits Percentage (EBP) in conjunction with the Budget preparation. The EBP calculation will include PERS retirement, health insurance, cafeteria plan benefits, dental/vision insurance, long-term disability and life insurance as a proportion of the full-time wages budget for the fiscal year.

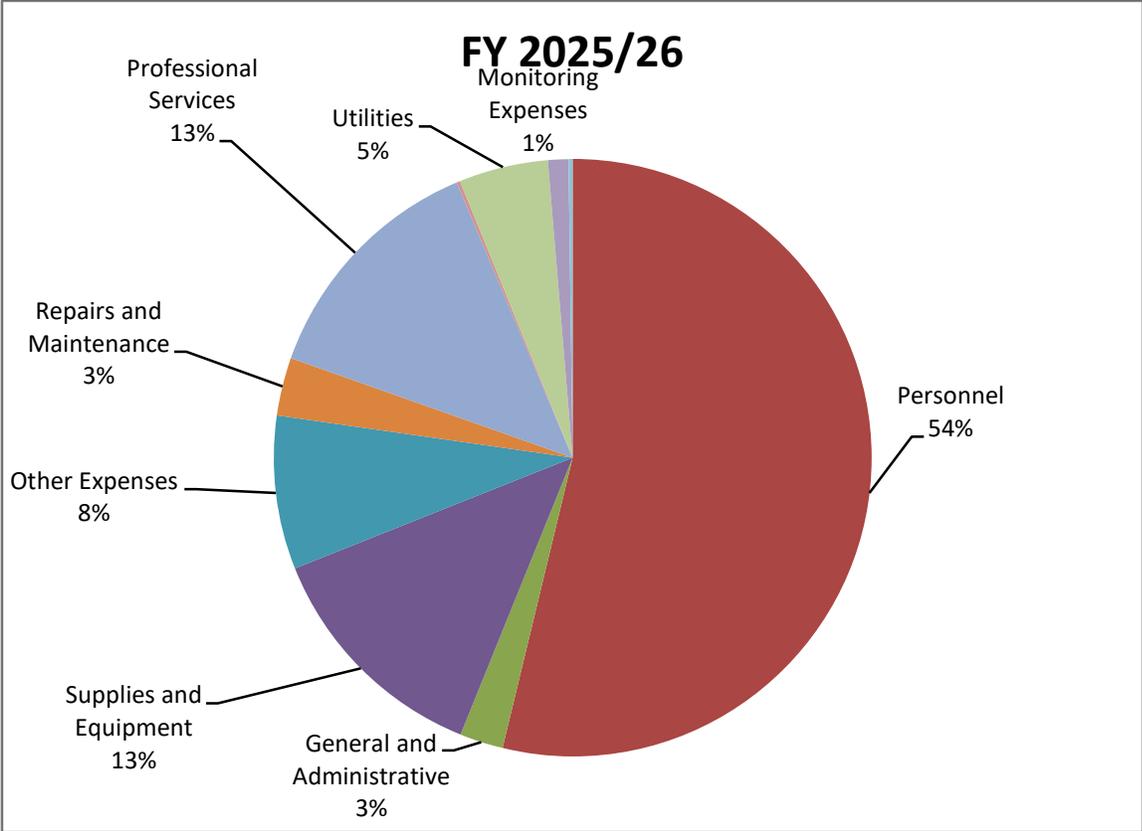
The following table shows the Employee Benefits Percentage calculation for the actual, estimated actual, and budget for the years 2023/24 through 2025/26.

	FY 2023/24	FY 2024/25	FY 2025/26
	Actual	Est. Actual ⁽¹⁾	Budget ⁽¹⁾
Total Regular Salaries	\$ 3,576,006	\$ 3,886,757	\$ 4,271,227
Benefits			
Retirement ⁽¹⁾	977,123	1,118,056	1,137,303
Health/Dental/Vision Plans	659,133	824,635	891,717
Long-Term Disability	16,197	20,809	21,731
Life Insurance	23,116	22,608	25,972
Total Benefits:	<u>\$ 1,675,569</u>	<u>\$ 1,986,108</u>	<u>\$ 2,076,723</u>
Employee Benefits Percent:	46.86%	51.10%	48.62%

(1) The PERS Retirement for FY 2018/19 thru FY 2024/25 in the above benefit percentage calculations does not include the additional \$125,000 payment towards CCWA's unfunded accrued liability, which is included in the operating expense sections of the budget. Also not included in the above calculations are the GASB 68 actuarial adjustments to pension expenses.

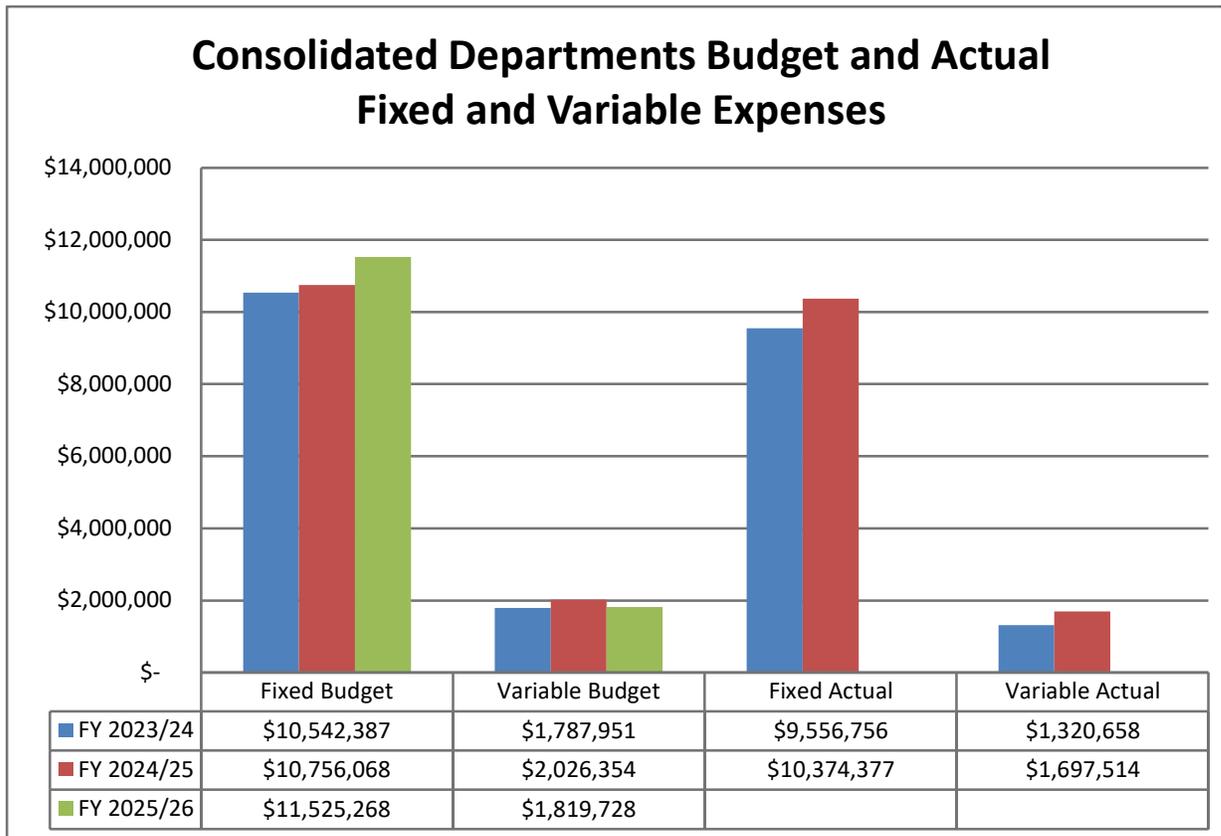
Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2025/26 Budget

Item	FY 2025/26 Budget
Personnel	\$ 7,174,825
Office Expenses	23,300
Supplies and Equipment	1,713,077
Monitoring Expenses	148,100
Repairs and Maintenance	420,860
Professional Services	1,767,470
General and Administrative	313,700
Utilities	644,805
Other Expenses	1,109,643
Turnouts	29,217
TOTAL:	\$ 13,344,997



Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2025/26 Budget

Item	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget
Personnel	\$ 6,309,953	\$ 6,334,133	\$ 6,929,913	\$ 6,703,374	\$ 7,174,825
Office Expenses	21,800	21,615	22,800	21,000	23,300
Supplies and Equipment	1,622,928	1,185,628	1,602,500	1,498,460	1,713,077
Monitoring Expenses	130,332	123,578	120,497	138,600	148,100
Repairs and Maintenance	326,140	298,570	378,800	336,220	420,860
Professional Services	2,126,169	1,449,498	1,476,203	1,499,681	1,767,470
General and Administrative	298,803	223,348	308,229	242,310	313,700
Utilities	640,818	540,505	933,181	698,836	644,805
Other Expenses	828,377	681,777	985,281	913,410	1,109,643
Turnouts	25,018	18,762	25,018	20,000	29,217
Total:	\$ 12,330,338	\$ 10,877,415	\$ 12,782,422	\$ 12,071,891	\$ 13,344,997



Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>PERSONNEL EXPENSES</u>								
5000.10	Full-Time Regular Wages	\$ 3,821,967	\$ 3,575,797	\$ 4,086,757	\$ 3,886,757	\$ 4,271,227	\$ 184,470	4.51%
1300.60	Capitalized Wages and Overtime	-	-	-	-	-	-	N/A
5000.20	Overtime	177,305	188,977	196,669	192,669	204,844	8,175	4.16%
5000.40	Standby Pay	68,981	69,116	72,214	72,214	75,283	3,069	4.25%
5000.50	Shift Differential Pay	22,328	21,973	29,306	29,306	29,765	459	1.57%
5100.10	PERS Retirement	1,011,179	1,404,453	1,093,056	1,093,056	1,098,923	5,867	0.54%
5100.15	Medicare Taxes	59,662	58,136	64,373	64,373	67,299	2,926	4.54%
5100.20	Health/Dental/Vision Plans	708,903	659,133	824,635	824,635	891,717	67,082	8.13%
5100.25	Workers' Compensation	79,412	69,660	80,072	80,072	65,061	(15,011)	-18.75%
5100.30	Vehicle Expenses	-	-	-	-	-	-	N/A
5100.35	Retiree Medical Future Liability Dep.	208,716	135,279	237,476	237,476	225,252	(12,224)	-5.15%
5100.50	Long-Term Disability	19,406	16,196	20,809	20,809	21,731	922	4.43%
5100.55	Life Insurance	21,368	23,116	22,608	22,608	25,972	3,364	14.88%
5100.60	Employee Physicals	3,655	1,348	3,360	1,500	3,550	190	5.65%
5000.30	Certification Incentive Pay	-	-	26,899	26,899	28,072	1,173	4.36%
5100.80	Employee Incentive Programs/457K Plan	104,821	110,949	169,429	150,000	163,380	(6,049)	-3.57%
5100.65	Employee Education Reimbursement	2,250	-	2,250	1,000	2,750	500	22.22%
5100.86	Benefits Overhead E-Projects	-	-	-	-	-	-	N/A
Total Personnel Expenses:		6,309,953	6,334,133	6,929,913	6,703,374	7,174,825	244,912	3.53%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>OFFICE EXPENSES</u>								
5200.20	Office Supplies	10,800	8,674	10,800	9,500	11,300	500	4.63%
5200.30	Misc. Office Expenses	11,000	12,941	12,000	11,500	12,000	-	0.00%
Total Office Expenses:		21,800	21,615	22,800	21,000	23,300	500	2.19%
<u>SUPPLIES AND EQUIPMENT</u>								
5500.10	Uniform Expenses	22,555	20,860	25,655	25,855	30,000	4,345	16.94%
5500.15	Minor Tools and Equipment	11,000	6,547	12,000	15,000	15,000	3,000	25.00%
5500.20	Spare Parts	-	-	-	-	-	-	N/A
5500.25	Landscape Equipment and Supplies	1,500	-	1,500	500	2,500	1,000	66.67%
5500.30	Chemicals-Fixed	-	-	-	-	-	-	N/A
5500.31	Chemicals-Variable	1,379,033	1,012,095	1,357,240	1,250,000	1,443,077	85,837	6.32%
5500.35	Maintenance Supplies/Hardware	28,000	7,893	20,000	17,000	20,000	-	0.00%
5500.40	Safety Supplies	23,235	33,400	28,500	37,000	42,000	13,500	47.37%
5500.45	Fuel and Lubricants	148,105	104,649	148,105	148,105	151,000	2,895	1.95%
5500.50	Seed/Erosion Control Supplies	9,000	-	9,000	5,000	9,000	-	0.00%
5500.55	Backflow Prevention Supplies	500	185	500	-	500	-	0.00%
Total Supplies and Equipment:		1,622,928	1,185,628	1,602,500	1,498,460	1,713,077	110,577	6.90%
<u>MONITORING EXPENSES</u>								
5600.10	Lab Supplies	87,679	103,455	101,834	120,000	130,000	28,166	27.66%
5600.20	Lab Tools and Equipment	14,230	-	2,600	2,600	2,600	-	0.00%
5600.30	Lab Testing	28,423	20,123	16,063	16,000	15,500	(563)	-3.50%
Total Monitoring Expenses:		130,332	123,578	120,497	138,600	148,100	27,603	22.91%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>REPAIRS AND MAINTENANCE</u>								
5700.10	Equipment Repairs and Maintenance	210,500	176,194	234,000	214,500	260,500	26,500	11.32%
5700.20	Vehicle Repairs and Maintenance	28,000	47,999	36,000	39,000	40,000	4,000	11.11%
5700.30	Building Maintenance	73,880	59,385	89,080	64,000	89,200	120	0.13%
5700.40	Landscape Maintenance	13,760	14,992	19,720	18,720	31,160	11,440	58.01%
Total Repairs and Maintenance:		326,140	298,570	378,800	336,220	420,860	42,060	11.10%
<u>PROFESSIONAL SERVICES</u>								
5400.10	Professional Services	311,700	192,005	437,880	412,728	475,090	37,210	8.50%
5400.20	Legal Services	1,565,000	937,934	780,000	780,000	1,030,000	250,000	32.05%
5400.30	Engineering Services	72,500	182,602	60,000	110,000	70,000	10,000	16.67%
5400.40	Permits	64,610	45,183	62,450	62,200	63,200	750	1.20%
5400.50	Non-Contractual Services	4,120	2,681	4,120	3,000	4,180	60	1.46%
5400.60	Accounting Services	108,239	89,094	131,753	131,753	125,000	(6,753)	-5.13%
Total Professional Services:		2,126,169	1,449,498	1,476,203	1,499,681	1,767,470	291,267	19.73%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meetings and Travel	53,000	36,049	58,000	48,000	60,000	2,000	3.45%
5300.20	Mileage Reimbursement	1,650	314	1,650	-	1,650	-	0.00%
5300.30	Dues and Memberships	182,709	153,998	187,135	138,560	186,700	(435)	-0.23%
5300.40	Publications	3,250	3,432	4,750	4,000	4,750	-	0.00%
5300.50	Training	39,794	18,832	39,794	39,750	43,500	3,706	9.31%
5300.60	Advertising	5,500	1,881	6,000	3,000	6,000	-	0.00%
5300.70	Printing and Binding	2,000	2,446	2,000	2,000	2,000	-	0.00%
5300.80	Postage	10,900	6,396	8,900	7,000	9,100	200	2.25%
Total General and Administrative:		298,803	223,348	308,229	242,310	313,700	5,471	1.78%
<u>UTILITIES</u>								
5800.20	Natural Gas	10,570	16,668	10,570	10,570	10,570	-	0.00%
5800.30	Electric-Fixed	178,665	176,029	196,752	201,752	211,713	14,961	7.60%
5800.35	Electric-Variable	408,918	308,563	669,114	447,514	376,651	(292,463)	-43.71%
5800.40	Water	5,080	4,558	5,080	5,000	5,080	-	0.00%
5800.50	Telephone	22,070	19,311	33,950	20,000	22,840	(11,110)	-32.72%
5800.60	Waste Disposal	15,515	15,376	17,715	14,000	17,950	235	1.33%
Total Utilities:		640,818	540,505	933,181	698,836	644,805	(288,376)	-30.90%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>OTHER EXPENSES</u>								
5900.10	Insurance	234,579	243,968	298,238	298,344	329,518	31,280	10.49%
5900.30	Non-Capitalized Projects ⁽¹⁾	-	-	-	-	-	-	N/A
5900.40	Equipment Rental	67,660	39,013	70,932	73,500	74,800	3,868	5.45%
5900.50	Non-Capitalized Equipment	22,500	8,675	22,500	8,000	29,000	6,500	28.89%
5900.60	Computer Expenses	297,415	290,119	383,198	445,000	450,913	67,715	17.67%
5900.70	Appropriated Contingency	206,223	100,002	210,413	88,566	225,413	15,000	7.13%
Total Other Expenses:		828,377	681,777	985,281	913,410	1,109,643	124,362	12.62%
Turnout Expenses		25,018	18,762	25,018	20,000	29,217	4,199	16.78%
TOTAL OPERATING EXPENSES		\$ 12,330,338	\$ 10,877,415	\$ 12,782,422	\$ 12,071,891	\$ 13,344,997	\$ 562,575	4.40%

(1) Effective July 1, 2018 Non-Capitalized Projects will be found in the Capital & Extraordinary Projects Sections of the Budget.

Central Coast Water Authority
Operating, Maintenance and Project Expense Allocation by Department
 Fiscal Year 2025/26 Budget

Project Participant	<u>Administration Department</u>			<u>Water Treatment Plant Department Fixed Costs</u>						Turnout Costs
	Table A	Percentage	Administration Expenses	WTP Fixed		Exchange Fixed Adjustments	Total Fixed WTP Costs			
				Table A	Percentage			WTP Fixed	Retreatment	
Shandon	-	-	\$ -	100	0.23%	\$ 13,581	-	-	13,581	\$ 3,907
Chorro Valley	-	-	-	2,338	5.32%	317,516	-	-	317,516	2,900
Lopez	-	-	-	2,392	5.45%	324,850	-	-	324,850	25,791
Guadalupe	550	1.41%	46,226	550	1.25%	74,694	21,647	-	96,340	4,117
Santa Maria	16,200	41.46%	1,361,563	16,200	36.90%	2,200,071	637,592	-	2,837,663	2,833
Golden State Water Co.	500	1.28%	42,024	500	1.14%	67,903	19,679	-	87,582	4,837
VSFB	5,500	14.07%	462,259	5,500	12.53%	746,938	216,466	-	963,404	2,000
Buellton	578	1.48%	48,579	578	1.32%	78,496	22,749	-	101,245	2,321
Santa Ynez (Solvang)	1,500	3.84%	126,071	1,500	3.42%	203,710	59,036	-	262,747	2,111
Santa Ynez	500	1.28%	42,024	500	1.14%	67,903	115,121	329,332	512,356	1,500
Goleta	4,500	11.52%	378,212	4,500	10.25%	611,131	(349,822)	(118,559)	142,750	-
Morehart Land	200	0.51%	16,809	200	0.46%	27,161	(19,290)	-	7,872	-
La Cumbre	1,000	2.56%	84,047	1,000	2.28%	135,807	(96,449)	-	39,358	-
Raytheon (SBRC)	50	0.13%	4,202	50	0.11%	6,790	(4,822)	-	1,968	-
Santa Barbara	3,000	7.68%	252,141	3,000	6.83%	407,421	(233,215)	(79,040)	95,166	-
Montecito	3,000	7.68%	252,141	3,000	6.83%	407,421	(233,215)	(79,040)	95,166	-
Carpinteria	2,000	5.12%	168,094	2,000	4.55%	271,614	(155,476)	(52,693)	63,444	-
TOTAL:	39,078	100.00%	\$ 3,284,392	43,908	100.00%	\$ 5,963,007	\$ 0	0	\$ 5,963,007	\$ 52,317

Project Participant	<u>Distribution Department Fixed Costs</u>									Total Fixed Distribution Costs	Total Fixed Operating & Project Costs
	Reach 33B	Reach 34	Reach 35	Reach 37	Reach 38	Mission Hills II	Santa Ynez I	Santa Ynez II			
Shandon	1,487	-	-	-	-	-	-	-	-	1,487	18,975
Chorro Valley	34,770	-	-	-	-	-	-	-	-	34,770	355,187
Lopez	35,573	40,594	-	-	-	-	-	-	-	76,167	426,808
Guadalupe	8,179	9,334	2,130	-	-	-	-	-	-	19,643	166,327
Santa Maria	240,922	274,924	62,740	27,166	-	-	-	-	-	605,752	4,807,810
Golden State Water Co.	7,436	8,485	1,936	838	-	-	-	-	-	18,696	153,139
VSFB	81,795	93,338	21,301	9,223	23,544	252,163	-	-	-	481,363	1,909,026
Buellton	8,596	9,809	2,239	969	2,474	26,500	37,614	-	-	88,201	240,347
Santa Ynez (Solvang)	22,308	25,456	5,809	2,515	6,421	68,772	97,614	-	-	228,895	619,823
Santa Ynez	7,436	8,485	1,936	838	2,140	22,924	32,538	-	-	76,298	632,178
Goleta	66,923	76,368	17,428	7,546	19,263	206,315	292,843	472,513	-	1,159,199	1,680,160
Morehart Land	2,974	3,394	775	335	856	9,170	13,015	21,001	-	51,520	76,201
La Cumbre	14,872	16,971	3,873	1,677	4,281	45,848	65,076	105,003	-	257,600	381,004
Raytheon (SBRC)	744	849	194	84	214	2,292	3,254	5,250	-	12,880	19,050
Santa Barbara	44,615	50,912	11,619	5,031	12,842	137,543	195,229	315,008	-	772,799	1,120,107
Montecito	44,615	50,912	11,619	5,031	12,842	137,543	195,229	315,008	-	772,799	1,120,107
Carpinteria	29,743	33,941	7,746	3,354	8,561	91,696	130,153	210,006	-	515,199	746,738
TOTAL:	652,988	703,772	151,343	64,608	93,440	1,000,765	1,062,565	1,443,789	5,173,270	\$ 14,472,986	

Central Coast Water Authority
Operating, Maintenance and Project Expense Allocation by Department
 Fiscal Year 2025/26 Budget

Project Participant	Distribution Department Variable Costs	Water Treatment Plant Variable Costs				Total Variable Operating Costs	Total Fixed, Variable & Project Costs	Summary of Total Costs	
	Santa Ynez II	WTP Variable	WTP Variable Retreatment	WTP Variable Exchange Adjustments	Total WTP Variable Costs				
Shandon	\$ -	\$ -			\$ -	\$ -	\$ 18,975	Fixed O&M Costs	
Chorro Valley	-	213,619			213,619	213,619	568,805	Administration	\$ 3,233,131
Lopez	-	179,848			179,848	179,848	606,656	Water Treatment Plant	4,922,599
Guadalupe	-	2,530	86		2,617	2,617	168,944	Distribution	3,369,538
Santa Maria	-	598,230	20,449		618,679	618,679	5,426,489	Total Fixed O&M Costs	11,525,268
Golden State Water Co.	-	18,978	649		19,626	19,626	172,765	Variable O&M Costs	
VAFB	-	271,149	9,269		280,417	280,417	2,189,444	Water Treatment Plant	1,637,627
Buellton	-	6,131	210		6,341	6,341	246,687	Distribution	182,102
Santa Ynez (Solvang)	-	68,611	2,345		70,956	70,956	690,779	Total Variable O&M Costs	1,819,728
Santa Ynez	-	-	8,067	236,002	244,070	244,070	876,247	Capital & Non-Capital Projects	
Goleta	-	84,961	-	(84,961)	-	-	1,680,160		2,947,718
Morehart Land	30,003	7,007	(6,768)	-	240	30,243	106,443	Total O&M and Project Costs:	
La Cumbre	152,099	35,522	(34,308)	-	1,214	153,313	534,317		\$ 16,292,714
S.B. Research	-	-	-	-	-	-	19,050		
Santa Barbara	-	56,641	-	(56,641)	-	-	1,120,107		
Montecito	-	56,641	-	(56,641)	-	-	1,120,107		
Carpinteria	-	37,760	-	(37,760)	-	-	746,738		
TOTAL:	\$ 182,102	\$ 1,637,627	\$ (0)	-	1,637,627	1,819,728	\$ 16,292,714		



Staff member providing a tour of treatment plant filter backwash line

Administration Department

The Administration Department is comprised of the Executive Director, Accounting and Finance, Engineering and support staff. The department is responsible for administration of the Authority and provides support to the Board of Directors, various Authority committees, and operations and maintenance departments of the Authority.

Highlights

Department Information

- Number of employees 5.50
- Number of Board members 8
- Number of Authority Committees 2
- Board of Directors meetings Fourth Thursday of each month
- Operating Committee meetings Second Thursday, quarterly
- Other Committee meetings As needed

Budget Information

- Total FY 2025/26 O&M Budget \$ 3,233,131
- O&M Budget increase over FY 2024/25 \$ 427,002
- Percentage increase over FY 2024/25 15.22%

Significant Accomplishments during 2024/25

- Continued work on resolving the outstanding Statement of Charges protest times filed by CCWA associated with the DWR capital charges.
- Executed an extension of the temporary Warren Act contract

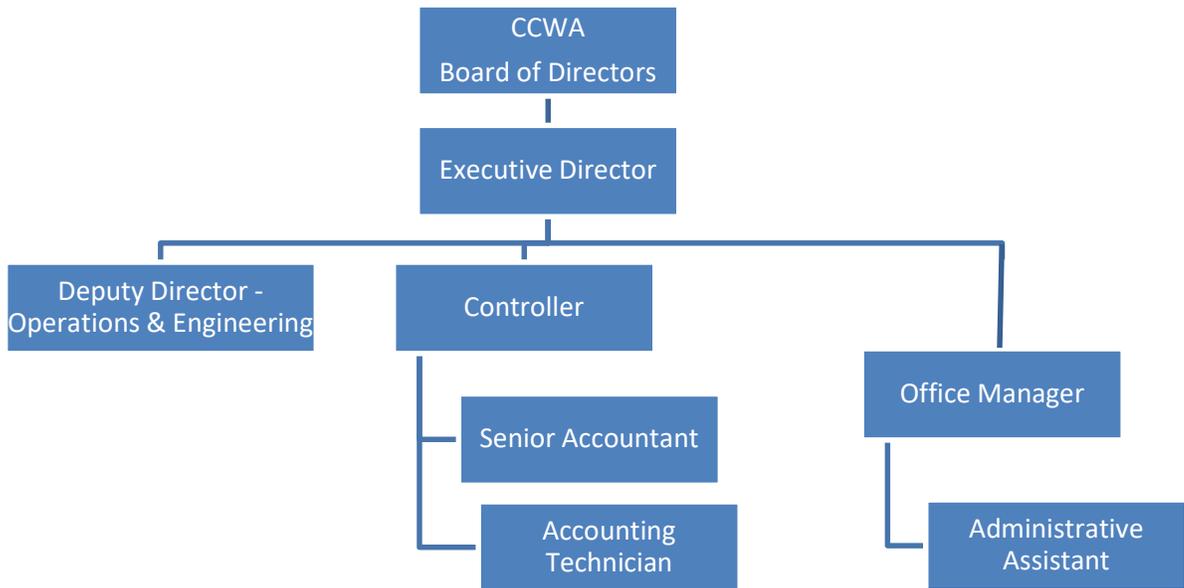
Significant Goals for FY 2025/26

- Develop a robust succession plan for CCWA for the next two to five years with the possible assistance of an outside consultant to help guide our efforts, including an analysis of current staffing levels with potential adjustments in the future.
- Continue pursuit of water storage opportunities including groundwater banks, and other exchange or transfer opportunities to assist CCWA participants in maximizing the benefit of their State Water supplies.
- Pursue resolution of the outstanding CCWA Statement of Charges protest items with DWR which have been outstanding for many years, and which could potentially total many millions of dollars.
- Protect CCWA's interests as DWR pursues a resolution of billing errors which could have a significant negative financial impact on CCWA.

Central Coast Water Authority
Administration Department
Fiscal Year 2025/26 Budget

The Administration Department is comprised of the Executive Director, Deputy Director of Operations and Engineering, Controller, Deputy Controller, Office Manager and support staff. The department is responsible for administration of the Authority and provides support to the (1) Board of Directors and various Authority committees and (2) operations and maintenance departments of the Authority.

The Authority's Administration Department has three main functions: Executive, which provides oversight and management of the Authority; Finance/Treasury, which is the central fiscal control and accounting agency of the Authority and which invests all cash balances of the Authority; and Administrative Services, which coordinates and administers the employee benefits program, human resource functions and the Authority's auto, property and liability insurances.



EXECUTIVE DIRECTOR

The Executive Director is the chief executive officer and administrative head of the Authority, with the responsibility for planning, organizing, staffing, coordinating, budgeting, and directing the administrative activities and operations of the Authority. The Executive Director is appointed by and serves at the pleasure of the Authority Board of Directors. The Executive Director appoints the supervisors of all departments and is responsible for implementation of policies established by the Board of Directors.

The Executive Director is responsible for providing and exercising overall supervision and disciplinary control over the necessary administrative and operating staff to carry out official Board policies. The Executive Director is responsible for the execution of contracts and other documents on behalf of the Authority to the extent provided by the Board of Directors. The Executive Director serves as the Treasurer for the Authority.

Central Coast Water Authority
Administration Department
Fiscal Year 2025/26 Budget

DEPUTY DIRECTOR – Operations and Engineering

The Deputy Director of Operations and Engineering serves as the operations officer for the Authority and is responsible for all operational and engineering related activities, including planning and directing the operations and maintenance of the water treatment plant, laboratory, distribution system and network system. In addition, the Deputy Director of Operations and Engineering is responsible for all engineering work and oversees project management related to CCWA's distribution pipeline, water treatment plant, and ancillary facilities.

The Deputy Director of Operations and Engineering is charged with the responsibility for construction contract administration and management, and provides technical oversight to the operations and maintenance departments, including evaluating, designing, and implementing operational and capital improvements for the Authority. Additional secondary duties include oversight of professional consultants and detailed analysis and design for engineering work performed in-house.

CONTROLLER

The Controller manages the finance department's daily finance/accounting activities including payroll and audits, preparation of the operating and capital budgets, preparation of the comprehensive annual financial reports, debt management, risk management, and cash management. The Controller provides oversight of the employee benefits program for the Authority. Additionally, the Controller monitors the general ledger and supervises staff in areas such as accounts payable and payroll.

SENIOR ACCOUNTANT

The Senior Accountant assists the Controller in planning, organizing, directing, coordinating and performing accounting and fiscal activities of CCWA, including assisting with the preparation of the monthly financial and quarterly investment reports for the Board of Directors, and assisting the Controller with the preparation of the CCWA fiscal year budget and long term budget plans. The Senior Accountant is responsible for the water accounting and reporting to the Department of Water Resources. Additionally, the Senior Accountant provides back-up to staff in areas such as accounts payable and payroll.

OFFICE MANAGER

The Authority's Office Manager administers the employee benefits program, which includes health insurance, life insurance, dental and vision insurance, deferred compensation, Section 125 cafeteria plan, and the Public Employees' Retirement System (PERS). The Office Manager maintains vendor risk management related to auto, property and liability insurances. Additionally, the Office Manager serves as Secretary to the Board of Directors.

Central Coast Water Authority
Administration Department
Fiscal Year 2025/26 Budget

ADMINISTRATION DEPARTMENT OPERATING EXPENSE OVERVIEW

The Administration Department expenses are treated as fixed expenses for purposes of billing to the project participants. All project participants pay the Administration Department expenses based primarily on their proportional share of Table A amounts.

The Administration Department operating expense budget for FY 2025/26 is increasing by \$427,002 or 15.22% when compared to the FY 2024/25 Budget. The total FY 2025/26 budget is \$3,233,131 compared to the FY 2024/25 budget of \$2,806,129. The following items represent the major changes in the Administration Department budget.

Personnel Expenses Total personnel expenses are increasing by approximately \$69,190 due to the following:

- The FY 2025/26 total salaries and wages budget for the Administration Department increased by just \$39,989 when compared to the prior fiscal year budget.
- CalPERS retirement expenses are increasing by \$15,779 over the prior fiscal year. The CCWA employer paid portion for “Classic” members in FY 25/26 is 31.776% as compared to the prior year amount of 31.671%, for a 0.105% increase. CCWA “Classic” member employees began paying 50% of the increase in the “normal” PERS employer contribution in FY 2017/18. As of FY 2025/26 the Administration Department has 3 CalPERS PEPRA member employee. The PEPRA employer contribution rate in FY 2025/26 increased from 8.18% in FY 2024/25 to 8.27% in FY 2025/26 for an increase in employer paid PEPRA contribution rate of 0.09%. Currently, the Administration Department has 2 “Classic” 2nd tier member employee. The 2nd tier member employer contribution rate in FY 2025/26 is 31.776%.
- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by \$10,473. This is due to; 1) The 2025 CalPERS health insurance plan with the lowest premiums increased 8.17% over the 2024 premiums, as opposed to the increase of 10% budgeted for the calendar year 2025. 2) The FY 2025/26 Budget also includes an estimated 10% increase in the health insurance premiums effective January 1, 2026. The health plan estimates are based on the elections of each employee at the time the budget is prepared.
- The FY 2025/26 Budget includes a \$59,583 deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums, based on employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of service with CCWA.

Central Coast Water Authority
Administration Department
Fiscal Year 2025/26 Budget

Professional/Legal Services Professional Services are increasing by \$315,074 due primarily to an increase of legal costs.

General and Administrative General and administrative expenses have no change.

Other Expenses Other expenses are increasing in total by \$44,694 due to an increase in computer expenses for cyber security.

Central Coast Water Authority
Personnel Services Summary
Administration Department
 Fiscal Year 2025/26 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number Auth. FY 2023/24	Number Auth. FY 2024/25	Number Requested FY 2025/26	Change Over FY 2023/24	Change Over FY 2024/25
Executive Director ⁽¹⁾	0.50	0.50	0.50	-	-
Deputy Director of Operations ⁽²⁾	0.25	0.25	0.25	-	-
Operations Manager ⁽³⁾	0.25	0.25	0.25	-	-
Controller	1.00	1.00	1.00	-	-
Senior Accountant	1.00	1.00	1.00	-	-
Office Manager	1.00	1.00	1.00	-	-
Accounting Technician	0.75	0.75	0.75	-	-
Administrative Assistant	0.75	0.75	0.75	-	-
TOTAL:	5.50	5.50	5.50	-	-

PERSONNEL WAGE SUMMARY						
Position Title	No. of Emp.	Position Classification	Minimum Monthly Salary	Maximum Monthly Salary	FY 2024/25 Total Annual Salary	Allocation to Admin Department
Executive Director ⁽¹⁾	1	N/A	N/A	N/A	\$ 334,446	\$ 167,223
Deputy Director of Operations ⁽²⁾	1	62	\$ 17,904	\$ 21,842	\$ 245,000	\$ 61,250
Operations Manager ⁽³⁾	1	46	\$ 13,256	\$ 16,172	\$ 170,000	\$ 42,500
Controller	1	43	\$ 12,429	\$ 15,164	\$ 164,037	\$ 164,037
Senior Accountant	1	25	\$ 8,445	\$ 10,303	\$ 105,793	\$ 105,793
Office Manager	1	31	\$ 9,606	\$ 11,720	\$ 128,724	\$ 128,724
Accounting Technician	1	12	\$ 6,389	\$ 7,794	\$ 58,778	\$ 58,778
Administrative Assistant	1	11	\$ 6,253	\$ 7,629	\$ 59,560	\$ 59,560
FY 2025/26 Salary Pool						\$ 39,393
TOTAL:	8					\$ 827,259

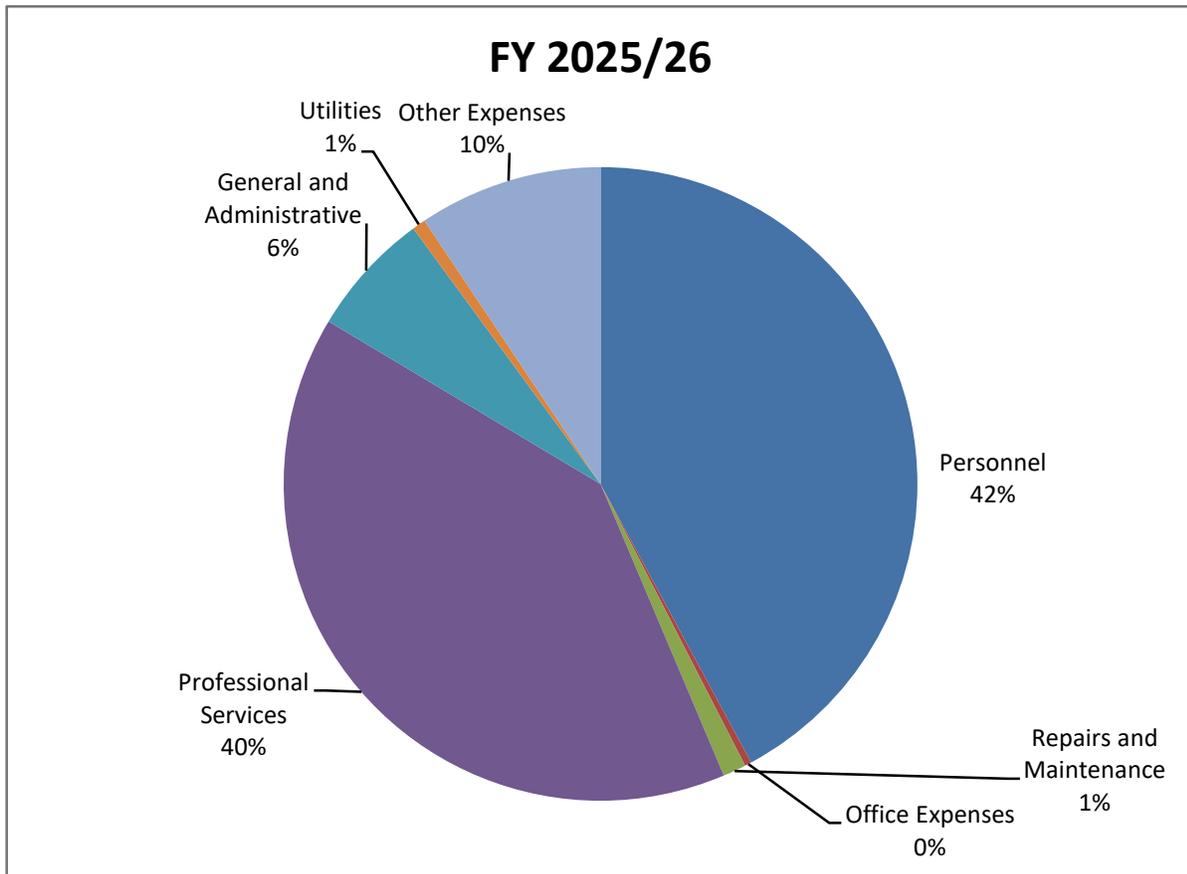
(1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).

(2) The Deputy Director of Operations is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).

(3) The Operations Manager is allocated to Administration(25%), Water Treatment Plant(35%) and Distribution (40%).

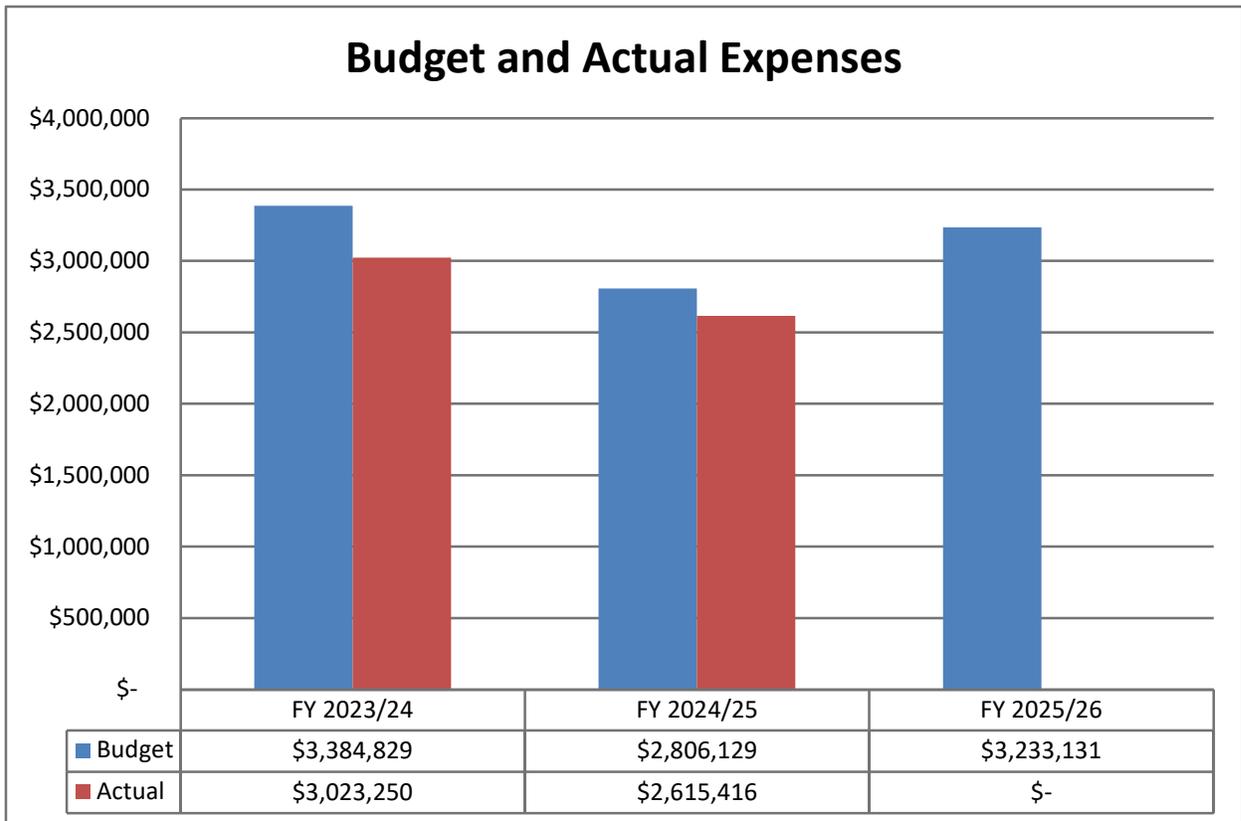
Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2025/26 Budget

Item	FY 2025/26 Budget
Personnel	\$ 1,361,526
Office Expenses	11,300
Repairs and Maintenance	37,960
Professional Services	1,291,380
General and Administrative	205,750
Utilities	21,987
Other Expenses	303,228
TOTAL:	<u><u>\$ 3,233,131</u></u>



Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2025/26 Budget

Item	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget
Personnel	\$ 1,170,989	\$ 1,568,187	\$ 1,292,336	\$ 1,214,246	\$ 1,361,526
Office Expenses	11,300	12,236	11,300	10,500	11,300
Supplies and Equipment	-	-	-	-	-
Repairs and Maintenance	33,780	40,858	40,740	39,720	37,960
Professional Services	1,744,542	1,071,682	976,306	950,186	1,291,380
General and Administration	203,063	163,711	205,989	152,320	205,750
Utilities	20,004	17,609	20,924	20,444	21,987
Other Expenses	201,151	148,967	258,534	228,000	303,228
TOTAL:	\$ 3,384,829	\$ 3,023,250	\$ 2,806,129	\$ 2,615,416	\$ 3,233,131



Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>PERSONNEL EXPENSES</u>								
5000.10	Full-Time Regular Wages	\$ 735,399	\$ 719,280	\$ 787,270	\$ 714,770	\$ 827,259	\$ 39,989	5.08%
1300.60	Capitalized Wages and Overtime	-				-	-	N/A
5000.20	Overtime	5,000	1,022	5,000	1,000	5,000	-	0.00%
5000.40	Standby Pay	-				-	-	N/A
5000.50	Shift Differential Pay	-				-	-	N/A
5100.10	PERS Retirement	209,550	638,886	228,071	228,071	243,850	15,779	6.92%
5100.15	Medicare Taxes	10,749	12,883	11,651	11,651	12,243	592	5.08%
5100.20	Health/Dental/Vision Plans	118,466	109,695	139,549	139,549	150,022	10,473	7.50%
5100.25	Workers' Compensation	4,134	3,808	4,268	4,268	3,462	(806)	-18.88%
5100.30	Vehicle Expenses			-		-		N/A
5100.35	Retiree Medical Future Liability Dep.	54,762	43,576	74,011	74,011	77,583	3,572	4.83%
5100.45	Dental/Vision Plan	-	-			-	-	N/A
5100.50	Long-Term Disability	3,777	3,236	4,094	4,094	4,302	208	5.07%
5100.55	Life Insurance	3,622	4,324	3,832	3,832	4,555	723	18.85%
5100.60	Employee Physicals	-		-		-	-	N/A
5100.80	Employee Incentive/457K Plan	25,280	31,477	34,340	33,000	33,000	(1,340)	-3.90%
5100.65	Employee Education Reimbursement	250	-	250		250	-	0.00%
5100.86	Benefits Overhead E-Projects	-	-	-		-	-	N/A
Total Personnel Expenses:		1,170,989	1,568,187	1,292,336	1,214,246	1,361,526	69,190	5.35%

Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>OFFICE EXPENSES</u>								
5200.20	Office Supplies	6,300	5,717	6,300	5,500	6,300	-	0.00%
5200.30	Miscellaneous Office Expenses	5,000	6,519	5,000	5,000	5,000	-	0.00%
Total Office Expenses:		11,300	12,236	11,300	10,500	11,300	-	0.00%

Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>REPAIRS AND MAINTENANCE</u>								
5700.10	Equipment Repairs and Maintenance	5,500	5,071	5,500	4,500	5,500	-	0.00%
5700.20	Vehicle Repairs and Maintenance	-	-	-	-	-	-	N/A
5700.30	Building Maintenance	24,020	28,790	25,020	25,000	26,800	1,780	7.11%
5700.40	Landscape Maintenance	4,260	6,997	10,220	10,220	5,660	(4,560)	-44.62%
Total Repairs and Maintenance:		33,780	40,858	40,740	39,720	37,960	(2,780)	-6.82%
updated								
<u>PROFESSIONAL SERVICES</u>								
5400.10	Professional Services	117,183	89,048	110,433	85,433	132,200	21,767	19.71%
5400.20	Legal Services	1,515,000	890,859	730,000	730,000	1,030,000	300,000	41.10%
5400.30	Engineering Services	-	-	-	-	-	-	N/A
5400.40	Permits	-	-	-	-	-	-	N/A
5400.50	Non-Contractual Services	4,120	2,681	4,120	3,000	4,180	60	1.46%
5400.60	Accounting Services	108,239	89,094	131,753	131,753	125,000	(6,753)	-5.13%
Total Professional Services:		1,744,542	1,071,682	976,306	950,186	1,291,380	315,074	32.27%
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meeting and Travel	20,000	14,709	20,000	20,000	20,000	-	0.00%
5300.20	Mileage Reimbursement	1,000	314	1,000	-	1,000	-	0.00%
5300.30	Dues and Memberships	169,469	141,746	172,395	123,820	172,000	(395)	-0.23%
5300.40	Publications	1,250	474	1,250	500	1,250	-	0.00%
5300.50	Training	3,544	1,673	3,544	1,500	3,500	(44)	-1.23%
5300.60	Advertising	2,500	225	2,500	1,000	2,500	-	0.00%
5300.70	Printing and Binding	2,000	2,440	2,000	2,000	2,000	-	0.00%
5300.80	Postage	3,300	2,130	3,300	3,500	3,500	200	6.06%
Total General and Administrative:		203,063	163,711	205,989	152,320	205,750	(239)	-0.12%

Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>UTILITIES</u>								
5800.20	Natural Gas	500	470	500	500	500	-	0.00%
5800.30	Electric-Fixed	8,944	6,850	8,944	8,944	9,317	373	4.17%
5800.35	Electric-Variable	-	-	-	-	-	-	N/A
5800.40	Water	2,580	2,391	2,580	2,500	2,580	-	0.00%
5800.50	Telephone	3,780	3,501	3,780	3,500	4,440	660	17.46%
5800.60	Waste Disposal	4,200	4,397	5,120	5,000	5,150	30	0.59%
Total Utilities:		20,004	17,609	20,924	20,444	21,987	1,063	5.08%
<u>OTHER EXPENSES</u>								
5900.10	Insurance	23,018	30,358	37,894	38,000	41,167	3,273	8.64%
5900.30	Non-Capitalized Projects ⁽¹⁾	-	-	-	-	-	-	N/A
5900.40	Equipment Rental	5,360	4,804	5,132	5,000	6,300	1,168	22.76%
5900.50	Non-Capitalized Equipment	2,500	-	2,500	-	2,500	-	0.00%
5900.60	Computer Expenses	103,904	113,805	157,986	185,000	189,867	31,881	20.18%
5900.70	Appropriated Contingency	66,369	-	55,022	-	63,395	8,373	15.22%
Total Other Expenses:		201,151	148,967	258,534	228,000	303,228	44,694	17.29%
TOTAL OPERATING EXPENSES		\$ 3,384,829	\$ 3,023,250	\$ 2,806,129	\$ 2,615,416	\$ 3,233,131	\$ 427,002	15.22%

(1) Effective July 1, 2018 Non-Capitalized Projects will be found in the Capital Improvement and Non-Capital Projects section of the budget.

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5000.10 **ACCOUNT TITLE:** Full-Time Regular Salaries

Description: Funds for the Administration Department regular employees. Includes \$39,393 for the FY 2025/26 salary pool.

FY 25/26 Requested Budget	827,259
FY 24/25 Estimated Actual	714,770
Increase (Decrease)	112,489

ACCOUNT NUMBER: 5000.20 **ACCOUNT TITLE:** Overtime

Description: Overtime expenses for non-exempt Administration employees.

FY 25/26 Requested Budget	5,000
FY 24/25 Estimated Actual	1,000
Increase (Decrease)	4,000

ACCOUNT NUMBER: 5100.10 **ACCOUNT TITLE:** PERS Retirement

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 33.51% contribution rate for FY 2025/26, which includes the required Unfunded Accrued Liability (UAL) payment.

FY 25/26 Requested Budget	243,850
FY 24/25 Estimated Actual	228,071
Increase (Decrease)	15,779

Required Contributions	\$ 118,523	18.396%
UAL current fiscal year	99,810	15.119%
UAL additional payment	25,517	fixed
TOTAL	\$ 243,850	

ACCOUNT NUMBER: 5100.15 **ACCOUNT TITLE:** Medicare

Description: Funds for the employer portion of Medicare taxes for the Administration Department. Amount is equal to 1.45% of regular and overtime wages and employer paid deferred compensation contributions.

FY 25/26 Requested Budget	12,243
FY 24/25 Estimated Actual	11,651
Increase (Decrease)	592

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5100.20 **ACCOUNT TITLE:** Health Insurance

Description: Funds for employer paid portion of health insurance for Administration employees. Based on employee 2025 Caf  Plan elections and dependent status. Includes an estimated 10% increase in 2026 plan rates.

FY 25/26 Requested Budget	119,854
FY 24/25 Estimated Actual	116,628
Increase (Decrease)	3,226

	<i>2025 Allowance</i>		<i>2026 Allowance Est</i>
Family	\$ 26,980	\$	29,678
Emp + 1	20,754		22,829
Employee only	10,377		11,415

ACCOUNT NUMBER: 5100.25 **ACCOUNT TITLE:** Workers' Compensation Insurance

Description: Funds for Workers' Compensation insurance for the Administration Department. Based on an X-Mod rate of 62% and economy of size rate of 90%.

FY 25/26 Requested Budget	3,462
FY 24/25 Estimated Actual	4,268
Increase (Decrease)	(806)

ACCOUNT NUMBER: 5100.35 **ACCOUNT TITLE:** Retiree Medical Future Liability Deposit

Description: Actuarially determined contributions to fund the estimated future liability for the required minimum contribution component (PEMHCA) of the CalPERS health plan and the retiree health costs for vested employees age 62 and over retiring from CCWA with at least 10 years of CCWA service. Costs are based on the number of active and covered employees and retirees.

FY 25/26 Requested Budget	77,583
FY 24/25 Estimated Actual	74,011
Increase (Decrease)	3,572

ACCOUNT NUMBER: 5100.40 **ACCOUNT TITLE:** Cafeteria Plan Benefits

Description: Funds for the portion of the cafeteria plan benefits which exceed the premium costs for the Administrative employees based on each employee's benefit election.

FY 25/26 Requested Budget	12,087
FY 24/25 Estimated Actual	8,660
Increase (Decrease)	3,426

ACCOUNT NUMBER: 5100.45 **ACCOUNT TITLE:** Dental/Vision Plan

Description: Funds for the self-funded dental/vision plan. The plan provides \$5,171 per year per family for dental and vision expenses. Budgeted amount is \$3,878 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.

FY 25/26 Requested Budget	18,081
FY 24/25 Estimated Actual	14,261
Increase (Decrease)	3,820

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5100.50 **ACCOUNT TITLE:** Long-Term Disability Insurance

Description: Funds for premiums paid for long-term disability insurance. Based on a rate of \$0.52 per \$100 of salary.

FY 25/26 Requested Budget	4,302
FY 24/25 Estimated Actual	4,094
Increase (Decrease)	208

ACCOUNT NUMBER: 5100.55 **ACCOUNT TITLE:** Life Insurance

Description: Funds for the employer paid life insurance premiums for each employee. CCWA policy provides life insurance equal to 150% of an employee's annual salary to a maximum of \$250,000.

FY 25/26 Requested Budget	4,555
FY 24/25 Estimated Actual	3,832
Increase (Decrease)	723

ACCOUNT NUMBER: 5100.65 **ACCOUNT TITLE:** Employee Education Reimbursement

Description: Funds for reimbursement of employee educational expenses under the policy established by CCWA.

FY 25/26 Requested Budget	250
FY 24/25 Estimated Actual	-
Increase (Decrease)	250

ACCOUNT NUMBER: 5100.80 **ACCOUNT TITLE:** Employee Incentives and 457 K Plan

Description: Funds to encourage employee safety, efficiency and innovation through the Employee Achievement Awards Program (EAAP).

FY 25/26 Requested Budget	33,000
FY 24/25 Estimated Actual	33,000
Increase (Decrease)	-

EAAP	\$	1,280
457 K Plan		31,720
TOTAL:	\$	33,000

ACCOUNT NUMBER: 5200.20 **ACCOUNT TITLE:** Office Supplies

Description: Funds for Office supplies for the Administration Department. Based on \$525 per month in office supply expenses.

FY 25/26 Requested Budget	6,300
FY 24/25 Estimated Actual	5,500
Increase (Decrease)	800

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5200.30 **ACCOUNT TITLE:** Miscellaneous Office Expenses

Description: Funds for miscellaneous expenses such as business cards and kitchen supplies.

FY 25/26 Requested Budget	5,000
FY 24/25 Estimated Actual	5,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5300.10 **ACCOUNT TITLE:** Meetings and Travel

Description: Funds for meetings and travel expenses for the Administration Department employees and SWC Consultant.

FY 25/26 Requested Budget	20,000
FY 24/25 Estimated Actual	20,000
Increase (Decrease)	-

\$	2,000	ACWA Conferences
	12,000	SWC Meetings (\$1,000 per month)
	2,500	DWR/Sacramento/MWQI
	3,500	Other miscellaneous meetings
\$	20,000	TOTAL

ACCOUNT NUMBER: 5300.20 **ACCOUNT TITLE:** Mileage Reimbursement

Description: Funds for mileage reimbursement based on the IRS current standard mileage rate.

FY 25/26 Requested Budget	1,000
FY 24/25 Estimated Actual	-
Increase (Decrease)	1,000

ACCOUNT NUMBER: 5300.30 **ACCOUNT TITLE:** Dues and Memberships

Description: Funds for professional dues.

FY 25/26 Requested Budget	172,000
FY 24/25 Estimated Actual	123,820
Increase (Decrease)	48,180

\$	128,000	SWC Dues
	28,750	ACWA
	7,000	SWPCA MWQI charges
	2,250	Support various water education programs
	3,500	Employee Professional Dues and Misc.
	2,500	California Special District Association
\$	172,000	TOTAL

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5300.80 **ACCOUNT TITLE:** Postage

Description: Funds for all postal and mail expenses.

		\$	3,000	Postage meter expenses (\$250 per month)
FY 25/26 Requested Budget	3,500		500	Overnight and shipping svcs (\$25 per month)
FY 24/25 Estimated Actual	3,500	\$	3,500	TOTAL
Increase (Decrease)	-			

ACCOUNT NUMBER: 5400.10 **ACCOUNT TITLE:** Professional Services

Description: Funds for miscellaneous consultants and other services.

		\$	4,600	BAO office alarm system, DMV monitoring fee
FY 25/26 Requested Budget	132,200		25,000	SB County staff costs for CCWA related work
FY 24/25 Estimated Actual	85,433		2,600	Personnel Team Building
Increase (Decrease)	46,767		100,000	Executive recruiting
		\$	132,200	TOTAL

ACCOUNT NUMBER: 5400.20 **ACCOUNT TITLE:** Legal Services

Description: Funds for CCWA legal services.

		\$	1,000,000	Brownstein Hyatt Farber General Counsel
FY 25/26 Requested Budget	1,030,000		30,000	Stradling Yocca Carlsen Personnel Counsel
FY 24/25 Estimated Actual	730,000	\$	1,030,000	TOTAL
Increase (Decrease)	300,000			

ACCOUNT NUMBER: 5400.50 **ACCOUNT TITLE:** Non-Contractual Services

Description: Funds for miscellaneous non-contractual services such as the Section 125 plan administration fees and the employee assistance program.

		\$	1,680	IRC 125 Plan administration fees (\$140 per mo)
FY 25/26 Requested Budget	4,180		1,500	Employee Assistance Program
FY 24/25 Estimated Actual	3,000		1,000	Other miscellaneous
Increase (Decrease)	1,180	\$	4,180	TOTAL

ACCOUNT NUMBER: 5400.60 **ACCOUNT TITLE:** Accounting Services

Description: Funds for the annual audit of the FY 2020/21 Financial Statements and DWR Statement of Charges (SOC)

		\$	29,000	Glenn Burdette - Annual Audit
FY 25/26 Requested Budget	125,000		18,000	Ernst & Young - SWC SOC Audit
FY 24/25 Estimated Actual	131,753		62,000	Ernst & Young - CCWA SOC Audit
Increase (Decrease)	(6,753)		16,000	Bartel Assoc - Pension/OPEB Actuarial Reports
		\$	125,000	TOTAL

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5700.10 **ACCOUNT TITLE:** Equipment Repairs and Maintenance

Description: Funds for repairs to administration office equipment including maintenance agreements.

FY 25/26 Requested Budget	5,500	\$	4,500	Copier maintenance agreement
FY 24/25 Estimated Actual	4,500		1,000	Other misc. equipment repairs
Increase (Decrease)	1,000	\$	5,500	TOTAL

ACCOUNT NUMBER: 5700.30 **ACCOUNT TITLE:** Building Maintenance

Description: Funds for minor repairs to the Administration office building and janitorial services.

FY 25/26 Requested Budget	26,800	\$	1,800	Monthly Pest Control
FY 24/25 Estimated Actual	25,000		16,000	Janitorial services and supplies
Increase (Decrease)	1,800		6,000	Building repairs, maintenance
			1,500	HVAC quarterly maintenance
			1,500	Building Security
		\$	26,800	TOTAL

ACCOUNT NUMBER: 5700.40 **ACCOUNT TITLE:** Landscape Maintenance

Description: Funds for landscape maintenance at the Administration office building.

FY 25/26 Requested Budget	5,660	\$	3,600	Gardener (\$300 per month)
FY 24/25 Estimated Actual	10,220		1,560	Irrigation Water (\$110 per month)
Increase (Decrease)	(4,560)		500	Miscellaneous
		\$	5,660	TOTAL

ACCOUNT NUMBER: 5800.20 **ACCOUNT TITLE:** Natural Gas

Description: Funds for natural gas service to the Administration building (\$42 per month).

FY 25/26 Requested Budget	500
FY 24/25 Estimated Actual	500
Increase (Decrease)	-

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5800.30 **ACCOUNT TITLE:** Electric

Description: Funds for electrical service to the Administration building (\$776 per month).

FY 25/26 Requested Budget	9,317
FY 24/25 Estimated Actual	8,944
Increase (Decrease)	373

ACCOUNT NUMBER: 5800.40 **ACCOUNT TITLE:** Water and Sewer

Description: Funds for water and sewer service for the Administration building (\$215 per month).

FY 25/26 Requested Budget	2,580
FY 24/25 Estimated Actual	2,500
Increase (Decrease)	80

ACCOUNT NUMBER: 5800.50 **ACCOUNT TITLE:** Telephone

Description: Funds for long distance, local and cellular phone service.

FY 25/26 Requested Budget	4,440
FY 24/25 Estimated Actual	3,500
Increase (Decrease)	940

\$	180	Long distance and 800# (\$15 per month)
	600	Cell phones and airtime (\$50 per month)
	900	Conference calls (\$75 per month)
	2,760	Local Long Distance (\$230 per month)
\$	4,440	TOTAL

ACCOUNT NUMBER: 5800.60 **ACCOUNT TITLE:** Waste Disposal

Description: Funds for waste disposal services for the Administration building.

FY 25/26 Requested Budget	5,150
FY 24/25 Estimated Actual	5,000
Increase (Decrease)	150

\$	4,800	Waste Disposal service (\$400 per month)
	350	Hazardous Waste Disposal
\$	5,150	TOTAL

ACCOUNT NUMBER: 5900.10 **ACCOUNT TITLE:** Insurance

Description: Funds for insurance related expenses.

FY 25/26 Requested Budget	41,167
FY 24/25 Estimated Actual	38,000
Increase (Decrease)	3,167

\$	4,184	Property and auto insurance based on allocation provided by JPIA
\$	26,948	General Liability and E&O apportioned by payroll percentages
\$	10,035	Excess crime and cyber liability
\$	41,167	TOTAL

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5900.40 **ACCOUNT TITLE:** Equipment Rental

Description: Funds for rental of equipment.

FY 25/26 Requested Budget	6,300	\$	2,160	Postage meter (\$180 per month)
FY 24/25 Estimated Actual	5,000		3,060	Copier lease (\$255 per month)
Increase (Decrease)	1,300		1,080	Storage Rental (\$90 per month)
		\$	6,300	TOTAL

ACCOUNT NUMBER: 5900.50 **ACCOUNT TITLE:** Non-Capitalized Equipment

Description: Funds for the purchase of non-capitalized equipment purchases. These equipment purchases are generally under \$10,000 in cost with an estimated useful life under 5 years.

FY 25/26 Requested Budget	2,500
FY 24/25 Estimated Actual	-
Increase (Decrease)	2,500

ACCOUNT NUMBER: 5900.60 **ACCOUNT TITLE:** Computer Expenses

Description: Funds for computer expenses including minor software purchases, minor equipment purchases and service contracts.

FY 25/26 Requested Budget	189,867			
FY 24/25 Estimated Actual	185,000	\$	185,142	CompuVision, Annual Service Agreements and Software Subscriptions
Increase (Decrease)	4,867			
		\$	4,725	Software and other computer services
		\$	189,867	TOTAL

ACCOUNT NUMBER: 5900.70 **ACCOUNT TITLE:** Appropriated Contingency

Description: 2.0% of operating expenses

FY 25/26 Requested Budget	63,395
FY 24/25 Estimated Actual	
Increase (Decrease)	63,395



Gas chromatograph with mass spectrometer detector for analyzing for 2-MIB and Geosmin.

Water Treatment Plant Department

The Water Treatment Plant Department receives raw water from DWR and operates and maintains the Polonio Pass Water Treatment Plant. The Department treats the water utilizing full conventional treatment technologies to meet all state and federal potable water standards and performs all chemical and biologic analyses required by the California Department of Public Health and the U.S. Environmental Protection Agency.

Highlights

Department Information

- Number of employees 16.60
- Polonio Pass Water Treatment Plant capacity 50 million gallons per day
- FY 2025/26 requested water deliveries 16,827 acre-feet

Budget Information

- Total FY 2025/26 O&M Budget \$ 6,560,226
- O&M Budget increase over FY 2024/25 \$ 538,627
 - Fixed cost increase over FY 2024/25 \$ 405,754
 - Variable cost increase over FY 2024/25 \$ 132,873
- Percentage increase 8.94%
- Fixed O&M Expenses \$ 4,922,599
- Variable O&M Expenses \$ 1,637,627
- FY 2025/26 budgeted chemical cost \$ 75.12 per acre-foot
- Regional Water Treatment Plant Cost Per AF:
 - Fixed \$ 38.35
 - Variable \$ 3.33
- Exchange Agreement Modifications Per AF:
 - Fixed \$ 132.34
 - Variable \$ 97.32

Significant Accomplishments during FY 2024/25

- Completed a filter condition assessment which included an on-site filter inspection by collecting and analyzing samples from the filter media, inspection of filter underdrains, identification of backwash anomalies such as air or water maldistribution, visual evaluation of concrete and the functionality and general condition of appurtenances such backwash troughs, piping, valves, and instrumentation.
- Continued the replacement of critical WTP components, including backwash pumps, filter-to-waste pumps and sludge removal system. Initiated replacement of the utility water header piping system.
- Completed important WTP tasks including the cleanout of sludge Lagoons A and C, replacement of two supervisory control and data acquisition system servers and Control Room screen and workstation upgrades.
- Successfully recruited for a Water Treatment Plant Operator Trainee. The Water Treatment Plant Operator Trainee will receive on-the-job training and is anticipated to be ready to enter shift rotation prior to the retirements of up to two Water Treatment Plant Operators within FY 2025/26.

Significant Goals for FY 2025/26

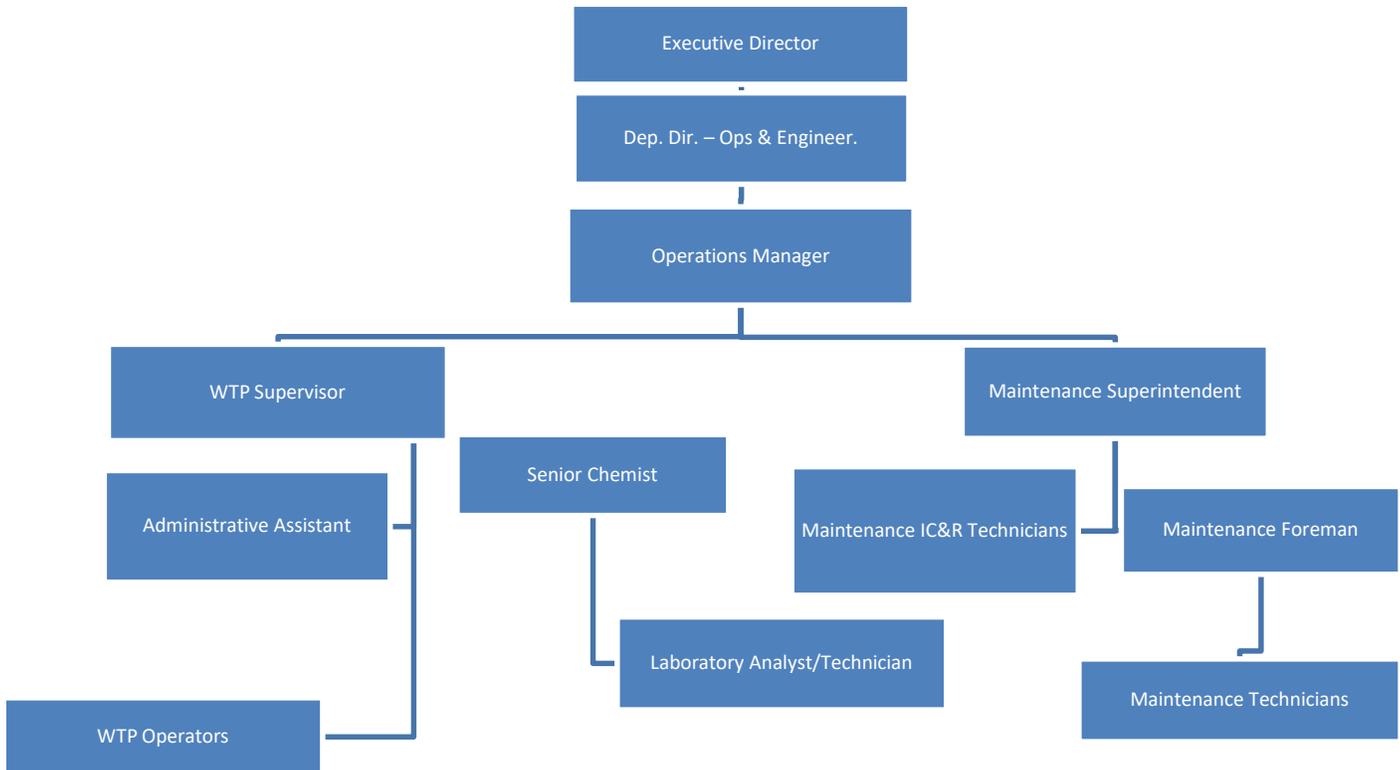
- Use the filter condition assessment report in the design of the filter multimedia and underdrain nozzle replacement project. This project is a priority because of the criticality of filters in the treatment process and continued regulatory compliance.
- Complete important WTP tasks including potable water reservoir dive inspections for Tank 1, replacement of filter effluent valve actuators and cleanout of sludge Lagoons B and C.
- Procure a lab charge analyzer to assist in coagulation optimization tool and facilitate a quick response time to rapidly changing raw water conditions. Jar testing is currently used to determine the coagulant dosage needed to successfully treat raw water and is a time intensive process. A lab charge analyzer will enable the coagulant dosage to be optimized more quickly, leading to chemical cost savings over time.
- Begin electrifying CCWA's vehicle fleet by installing an electrical vehicle charging station at the WTP and replacing an existing laboratory internal combustion engine vehicle with an electric battery vehicle.
- Initiate a facilities condition assessment to assess and document the condition of WTP and Distribution facilities. The majority of CCWA's facilities have been in operation for approximately 30 years and the assessment will increase the knowledge of their current state and assist with identification of capital needs over short and long-term horizons.

Central Coast Water Authority
Water Treatment Plant Department
 Fiscal Year 2025/26 Budget

The Water Treatment Plant Department receives raw water from DWR, operates and maintains the Polonio Pass Water Treatment Plant and performs all chemical and biologic analyses required by the California Department of Public Health.

The Water Treatment Plant Department is supervised by the Water Treatment Plant Supervisor who is responsible for the day-to-day treatment plant operations, maintenance and laboratory functions.

The six (6) Plant Operators and one (1) Plant Operator Trainee operate the treatment plant and monitor the distribution pipeline on a full-time 24 hour per day basis. They place raw water orders to DWR based on system demand, treat the water according to current plant operating parameters, perform water quality analyses, monitor the plant and pipeline Supervisory Control and Data Acquisition (SCADA) system, and assist the



maintenance and laboratory sections as required.

The Operations Manager will oversee CCWA’s capital improvement projects and planning of construction and oversight of construction.

The Maintenance Superintendent oversees plant maintenance and supervises the two (2) Maintenance/IC&R Technicians and the Maintenance Lead. Together with available operations staff, they keep the treatment plant in full operation.

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2025/26 Budget

The Maintenance Foreman schedules the daily plant maintenance and directs the work of two (2) Maintenance Technicians.

The Senior Chemist and Laboratory Analyst operate the plant laboratory. All analyses required by the Environmental Protection Agency and Department of Public Health or needed for plant process control are either performed in-house or sent to a contract laboratory by the Senior Chemist. The Senior Chemist also submits all federal and state mandated reports, provides laboratory data to project participants, oversees the water sampling program, maintains all laboratory equipment, and trains Operations and Maintenance staff in laboratory safety and procedures.

The Maintenance Instrumentation Calibration and Repair Technicians repair instruments and electronics both at the Water Treatment Plant and along the Pipeline.

WATER TREATMENT PLANT DEPARTMENT OPERATING EXPENSE OVERVIEW

The expenses associated with operating the Water Treatment Plant are divided into fixed and variable O&M costs.

Fixed O&M Costs are costs of the treatment plant that do not vary with the amount of water processed at the treatment plant. These include personnel costs, professional services, general and administrative costs.

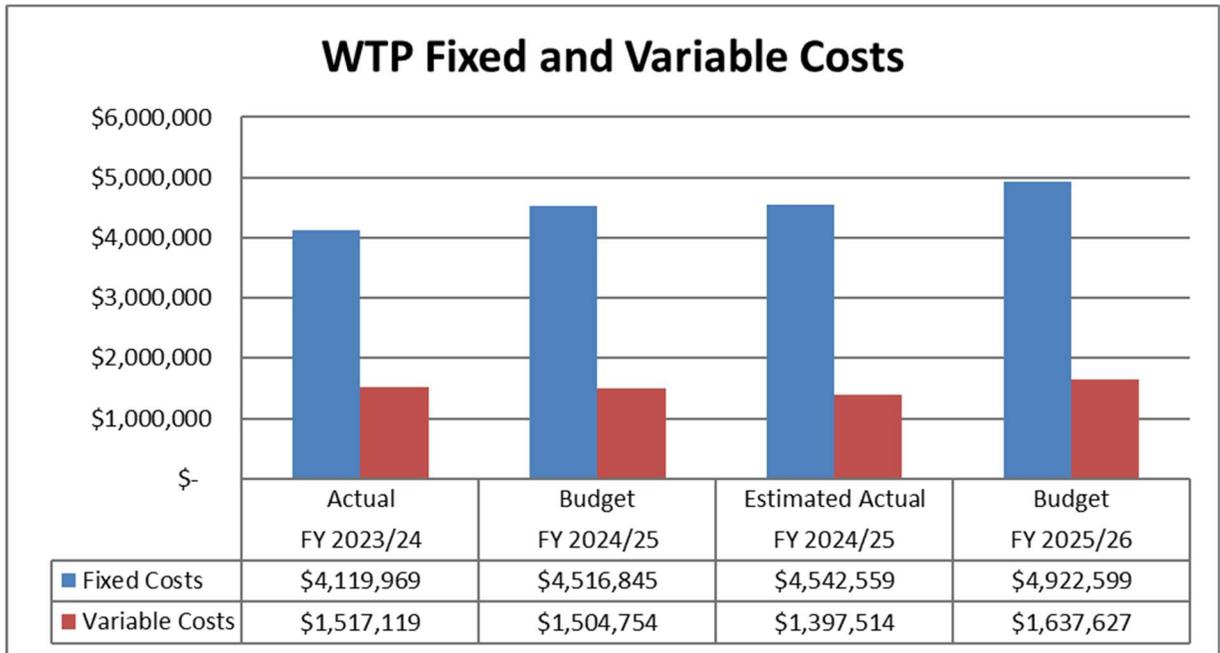
For FY 2025/26, the Water Treatment Plant fixed O&M costs total \$4,922,599 or \$405,754 more than the FY 2024/25 budget.

Variable O&M Costs are costs that vary with the amount of water processed at the treatment plant. These costs include chemical and electrical costs.

Central Coast Water Authority
Water Treatment Plant Department
 Fiscal Year 2025/26 Budget

For FY 2025/26, the Water Treatment Plant variable O&M costs total \$1,637,627 which is an increase of \$132,873 from the FY 2024/25 budget. The FY 2025/26 variable O&M budget is comprised of \$1,443,077 for chemical expenses and \$194,550 for electrical costs based on treatment and delivery of 16,827 acre-feet of water for the year.

The following graph shows the allocation of fixed and variable O&M costs at the plant for the fiscal years indicated.



Variable O&M Costs Excluding San Luis Obispo County: San Luis Obispo County (SLO) does not pay for costs of dechloraminating water at the Santa Ynez Pumping Facility before the water is discharged into Lake Cachuma.

Allocation of Water Treatment Plant Expenses: All project participants pay for fixed costs at the Water Treatment Plant based on their State Water Table A allocation.

Fiscal Year 2025/26 Operating Expense Budget

The FY 2025/26 Water Treatment Plant operating expense budget is \$6,560,226 which is \$538,627 more than the previous year's budget of \$6,021,599, a 8.94% increase.

The personnel expense section of the Water Treatment Plant budget represents approximately 53% of the budget. Supplies and equipment comprise 24% with other expenses making up the balance of the budget. The variable O&M expenses are included in the supplies and equipment and utilities section of the budget. The chart Regional Water Treatment Plant Allocation and Credit shows the allocation of the various components of the water treatment plant operating expense budget.

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2025/26 Budget

Personnel Expenses Total personnel expenses are increasing by about \$203,381 when compared to the FY 2024/25 budget for the following reasons.

- The FY 2025/26 total salaries and wages budget for the Water Treatment Plant Department is increasing by \$152,495 when compared to the prior fiscal year budget due to the 5% salary pool and reallocation of personnel between the Distribution and Water Treatment Plant departments.
- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by about \$40,164. This is due to; 1) The 2025 CalPERS health insurance plan with the lowest premiums increased by 8.17% over the 2024 premiums, as opposed to the increase of 10% budgeted for the calendar year 2025; 2) The FY 2025/26 Budget also includes an estimated 10% increase in the health insurance premiums effective January 1, 2026. The health plan estimates are based on the elections of each employee at the time the budget is prepared.
- CalPERS retirement expenses are increasing by \$16,271 over the prior fiscal year. The CCWA employer paid portion for “Classic” members in FY 25/26 is 31.776% as compared to the prior year amount of 31.671%, for a 0.105% increase. CCWA “Classic” member employees began paying 50% of the increase in the “normal” PERS employer contribution in FY 2017/18. As of FY 2025/26 the Water Treatment Plant Department has 11 CalPERS PEPRA member employees. The PEPRA employer contribution rate in FY 2025/26 increased from 8.18% in FY 2024/25 to 8.27% in FY 2025/26 for an increase in employer paid PEPRA contribution rate of 0.09%.
- The FY 2025/26 Budget includes \$97,938 for deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums, based on employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of service with CCWA.

Supplies and Equipment Supplies and equipment are increasing by about \$110,537 because of an increased amount and price of chemicals. Estimates are based on historical data and the costs of treatment are directly related to changes in water quality.

Monitoring Expenses Monitoring expenses are increasing \$27,603 due to additional lab supplies and equipment needed as identified by the Senior Chemist for FY 2025/26.

Repairs and Maintenance Repairs and Maintenance expenses are increasing by \$44,600 over the prior year due to an increase in anticipated equipment repairs and landscape maintenance.

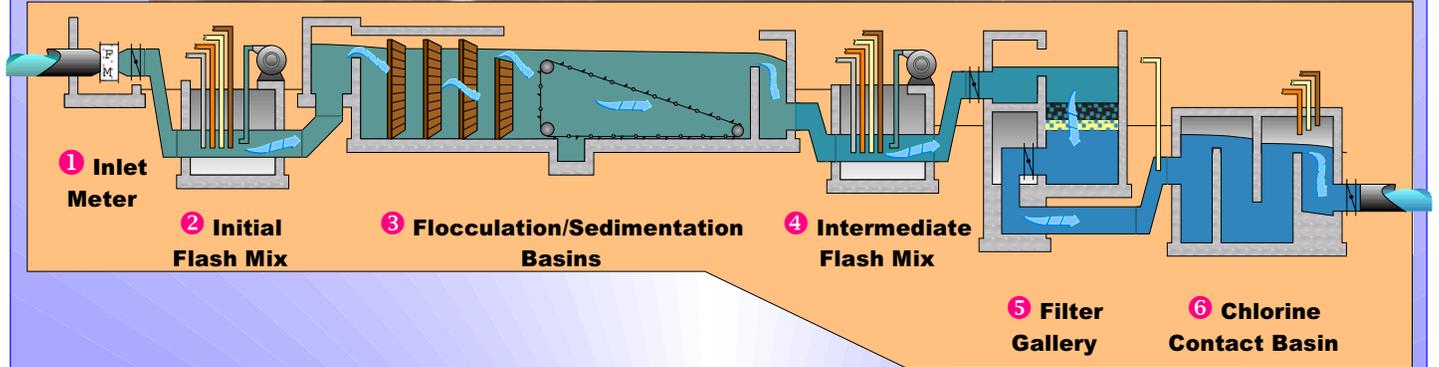
Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2025/26 Budget

Professional Services Professional service expenses are increasing by \$23,598 over the prior year largely due to a need for additional engineering services.

General and Administrative General and administrative expenses increased about \$3,710.

Utilities Utility expenses are increasing by approximately \$53,711 due to variable and fixed electric expenses based on expected deliveries.

Other Expenses Other expenses are increasing by approximately \$70,987 due to an increase in insurance costs, computer expenses and equipment rental.



Polonio Pass Water Treatment Plant

Central Coast Water Authority

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2025/26 Budget

Regional Water Treatment Plant Allocation

Instead of building a pipeline around or through Lake Cachuma to the South Coast to convey State water to the South Coast project participants, the Authority is conveying State water using the lake and existing conveyance facilities. The water is dechloraminated (de-treated) at the Santa Ynez Pumping Facility before it is discharged into the lake.

Since the South Coast project participants must “re-treat” the State water that is delivered from Lake Cachuma, they would effectively be paying twice to treat the water if the Regional Water Treatment Plant Allocation agreement was not in place. Initial treatment occurs at the Polonio Pass Water Treatment Plant and retreatment occurs at the various South Coast project participants’ treatment plants.

The Regional Water Treatment Plant Allocation is a credit financed by Santa Barbara County project participants which directly receive treated State water from the Coastal Branch Extension or CCWA pipeline. The credit is applied to the South Coast project participants to cover their costs to retreat State water. In short, the purpose of this credit is to ensure that all Authority project participants pay the same cost to treat State water. The treatment plant capital and fixed and variable operating and maintenance costs are included in the Regional Water Treatment Plant Allocation calculation.

The Regional Water Treatment Plant Allocation computations also take into account the effect of the Santa Ynez Exchange Agreement on certain project participants (see “*Santa Ynez Exchange Agreement*” included in this section of the Budget).

The following tables show the calculation of the FY 2025/26 Regional Water Treatment Plant Allocation and Credit.

Central Coast Water Authority
Regional Water Treatment Plant Allocation and Credit
FY 2025/26 Budget

Project Participant	Allocated Table A ⁽¹⁾				Unadjusted Fixed			Adjusted Fixed ⁽⁴⁾			Fixed Retirement Charge ⁽⁵⁾		
	Table A Amount	Exchange Deliveries	Allocated Table A	Allocated Table A Percentage	WTP Fixed Operating Costs ⁽²⁾	Imputed WTP Debt Service Costs	Total Unadjusted Fixed	Capital Retirement Adjustment	Fixed O&M Retirement Adjustment	Total Adjusted Fixed	Allocated Table A % SB County	Fixed Retirement Adjustments	Cost Per AF of Allocated Table A Amount
Guadalupe	550		550	1.25%	\$ 74,694		\$ 74,694	\$ -	\$ 96,340	\$ 96,340	1.41%	\$ 21,647	\$ 39.36
Santa Maria	16,200		16,200	36.90%	2,200,071		2,200,071	-	2,837,663	2,837,663	41.46%	637,592	39.36
Golden State Water	500		500	1.14%	67,903		67,903	-	87,582	87,582	1.28%	19,679	39.36
VAFB	5,500		5,500	12.53%	746,938		746,938	-	963,404	963,404	14.07%	216,466	39.36
Buellton	578		578	1.32%	78,496		78,496	-	101,245	101,245	1.48%	22,749	39.36
Santa Ynez (Solvang)	1,500		1,500	3.42%	203,710		203,710	-	262,747	262,747	3.84%	59,036	39.36
Santa Ynez	500	2,425	2,925	6.66%	397,235		397,235	-	512,356	512,356	7.49%	115,121	39.36
Goleta	4,500	(873)	3,627	8.26%	492,571		492,571	-	635,321	635,321	9.28%	142,750	39.36
Morehart	200	-	200	0.46%	27,161		27,161	-	35,033	35,033	0.51%	7,872	39.36
La Cumbre	1,000	-	1,000	2.28%	135,807		135,807	-	175,164	175,164	2.56%	39,358	39.36
Raytheon	50	-	50	0.11%	6,790		6,790	-	8,758	8,758	0.13%	1,968	39.36
Santa Barbara	3,000	(582)	2,418	5.51%	328,381		328,381	-	423,547	423,547	6.19%	95,166	39.36
Montecito	3,000	(582)	2,418	5.51%	328,381		328,381	-	423,547	423,547	6.19%	95,166	39.36
Carpinteria	2,000	(388)	1,612	3.67%	218,921		218,921	-	282,365	282,365	4.13%	63,444	39.36
SB County Subtotal:	39,078	-	39,078	89.00%	5,307,060	-	5,307,060	-	6,845,073	6,845,073	100.00%	1,538,013	39.36
SLO County	4,830	-	4,830	11.00%	655,947		655,947	-	-	-		-	
TOTAL:	43,908		43,908	100.00%	\$ 5,963,007		\$ 5,963,007	\$ -	\$ 6,845,073	\$ 6,845,073	100.00%	\$ 1,538,013	

Fixed Retirement Allocation Factor

Total South Coast Table A	11,325
Total SB County Table A	39,078
Subtotal:	50,403
South Coast Retreated %	1.29

Total Adjusted Fixed (SB County)	\$ 6,845,073
Total Unadjusted Fixed Costs (SB County)	5,307,060
Fixed WTP Allocation Amount	\$ 1,538,013

Project Participant	South Coast Fixed Retirement Credits ⁽⁶⁾			
	South Coast Allocated Table A	South Coast Allocated Table A %	South Coast Fixed Credit	Credit/AF On Allocated Table A
Guadalupe				
Santa Maria				
Golden State Water				
VAFB				
Buellton				
Santa Ynez (Solvang)				
Santa Ynez				
Goleta	3,627	32.03%	\$ (492,571)	\$ (135.81)
Morehart	200	1.77%	(27,161)	(135.81)
La Cumbre	1,000	8.83%	(135,807)	(135.81)
Raytheon	50	0.44%	(6,790)	(135.81)
Santa Barbara	2,418	21.35%	(328,381)	(135.81)
Montecito	2,418	21.35%	(328,381)	(135.81)
Carpinteria	1,612	14.23%	(218,921)	(135.81)
SB County Subtotal:	11,325	100.00%	(1,538,013)	
SLO County	-	0.00%	-	
TOTAL:	11,325	100.00%	\$ (1,538,013)	

- (1) Allocated Table A represents Table A contract amount, minus exchange deliveries for the South Coast project participants plus exchange deliveries for Santa Ynez ID#1.
(2) Unadjusted Fixed Operating Costs represents the WTP fixed O&M costs allocated to all project participants in proportion to contract Table A amounts.
(4) Adjusted Fixed amounts represents the unadjusted WTP fixed costs times the Fixed Retirement Allocation Factor.
(5) Fixed Retirement Charge represents the difference between the unadjusted fixed costs and the adjusted fixed costs, allocated in proportion to the Santa Barbara County allocated Table A percentage.
(6) South Coast Fixed Retirement Credits represents the fixed credits allocated to the South Coast agencies in proportion to the South Coast allocated Table A amounts.

Central Coast Water Authority
Regional Water Treatment Plant Allocation and Credit
FY 2025/26 Budget
Page 2

Project Participant	WTP Requested Water Deliveries			WTP Variable Operating Costs				South Coast Variable Retreatment Credits				TOTAL	
	Requested Deliveries	Exchange Deliveries	Net Deliveries	WTP Variable Costs	Variable Retreatment Adjustment	Retreatment Variable Allocation	Retreatment Variable Cost Per AF	South Coast Actual Deliveries	South Coast Delivery Percentage	South Coast Variable Credit	Credit/AF On Actual Deliveries	Fixed & Variable Retreatment	Fixed & Variable Credits
Guadalupe	26		26	\$ 2,530	\$ 2,617	\$ 86	\$ 3.33					\$ 21,733	
Santa Maria	6,147		6,147	598,230	618,679	20,449	3.33					658,041	
Golden State Water	195		195	18,978	19,626	649	3.33					20,327	
VSF	2,786		2,786	271,149	280,417	9,269	3.33					225,735	
Buellton	63		63	6,131	6,341	210	3.33					22,958	
Santa Ynez (Solvang)	705		705	68,611	70,956	2,345	3.33					61,382	
Santa Ynez	-	2,425	2,425	236,002	244,070	8,067	3.33					123,188	
Goleta	873	(873)	-	-	-	-	-	-	0.00%	\$ -		142,750	\$ (492,571)
Morehart	72	-	72	7,007	7,247	240	3.33	72	16.48%	(7,007)	(97.32)	8,111	(34,168)
La Cumbre	365	-	365	35,522	36,736	1,214	3.33	365	83.52%	(35,522)	(97.32)	40,572	(171,329)
Raytheon	-	-	-	-	-	-	-	-	0.00%	-		1,968	(6,790)
Santa Barbara	582	(582)	-	-	-	-	-	-	0.00%	-		95,166	(328,381)
Montecito	582	(582)	-	-	-	-	-	-	0.00%	-		95,166	(328,381)
Carpinteria	388	(388)	-	-	-	-	-	-	0.00%	-		63,444	(218,921)
SB County Subtotal:	12,784	-	12,784	1,244,160	1,286,689	42,529	3.33	437	100.00%	(42,529)		1,580,542	(1,580,542)
SLO County	4,043		4,043	393,467	-			-	0.00%	-		-	-
TOTAL:	16,827	-	16,827	\$ 1,637,627	\$ 1,286,689	\$ 42,529		437	100.00%	\$ (42,529)		\$ 1,580,542	\$ (1,580,542)

Variable Retreatment Allocation Factor

Total South Coast Deliveries	437
Total SB County Deliveries	12,784
Subtotal:	13,221

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2025/26 Budget

Santa Ynez Exchange Agreement

On January 1, 1995 the Authority purchased a five-mile long pipeline from Santa Ynez River Water Conservation District, Improvement District #1 (SYID#1) to convey State water into Lake Cachuma for delivery to certain Santa Barbara County South Coast project participants who are also Cachuma Project members.

SYID#1 has a contract with the U.S. Bureau of Reclamation for water from the Cachuma Project and, until January 1, 1995, owned the pipeline which extends from Lake Cachuma to the Santa Ynez area. This pipeline was used to deliver water from Lake Cachuma to SYID#1.

The Authority acquired the Cachuma pipeline from SYID#1 under the Santa Ynez River/State Water Project Exchange Agreement (the “Santa Ynez Exchange Agreement”). Also, water stored at Lake Cachuma which would normally be delivered to SYID#1 is exchanged for an equal amount of State water delivered to the Santa Ynez turnout. This State water originally ordered by the South Coast project participants is exchanged with SYID#1 Cachuma Lake water.

SYID#1 pays the variable and fixed costs to treat exchanged water as well as regional water treatment plant allocations (see “*Regional Water Treatment Plant Allocation*” narrative included in this section).

The benefits of exchange are:

- SYID#1 does not have to build a treatment plant to treat its Cachuma water because it will instead receive State water.
- The South Coast project participants obtain water at a reduced cost because they are purchasing less expensive Cachuma water from SYID#1. The South Coast project participants are also reimbursed for fixed capital and variable treatment costs for the State water that is delivered to and paid for by SYID#1. Additionally, the South Coast project participants do not pay for power and Warren Act charges for the exchanged State water that would otherwise be delivered to the lake.
- All the South Coast project participants’ Santa Ynez II reach capital costs are reduced because an existing pipeline was acquired to convey State water from the Santa Ynez area to the lake. Otherwise, the Authority would have had to construct an additional five miles of new pipeline at much greater expense.

Under the Santa Ynez Exchange Agreement, the South Coast project participants are required to take delivery of an amount of water that equals or exceeds SYID#1’s annual allocation of Cachuma water.

The following tables show the FY 2025/26 Santa Ynez Exchange Agreement modifications.

Central Coast Water Authority
Santa Ynez Exchange Agreement Modifications
FY 2025/26 Budget

Project Participant	Table A Amounts			WTP Fixed O&M Exchange Modifications			WTP Capital Exchange Modifications			Total Fixed Exchange Mods
	Table A Amount	Exchange Deliveries	Table A Percentage	WTP Fixed Operating Costs	WTP Fixed O&M Cost Per AF	WTP Fixed O&M Exchange Adjustments	Imputed WTP Debt Service Costs	Imputed WTP Debt Service Per AF	WTP Capital Exchange Adjustments	
Guadalupe	550		1.25%	\$ 74,694	\$ 136	\$ -	\$ -	-	\$ -	\$ -
Santa Maria	16,200		36.90%	2,200,071	136	-	-	-	-	-
Golden State Water	500		1.14%	67,903	136	-	-	-	-	-
VSFB	5,500		12.53%	746,938	136	-	-	-	-	-
Buellton	578		1.32%	78,496	136	-	-	-	-	-
Santa Ynez (Solvang)	1,500		3.42%	203,710	136	-	-	-	-	-
Santa Ynez	500	2,425	1.14%	67,903	136	329,332	-	-	-	329,332
Goleta	4,500	(873)	10.25%	611,131	136	(118,559)	-	-	-	(118,559)
Morehart	200	-	0.46%	27,161	136	-	-	-	-	-
La Cumbre	1,000	-	2.28%	135,807	136	-	-	-	-	-
Raytheon	50	-	0.11%	6,790	136	-	-	-	-	-
Santa Barbara	3,000	(582)	6.83%	407,421	136	(79,040)	-	-	-	(79,040)
Montecito	3,000	(582)	6.83%	407,421	136	(79,040)	-	-	-	(79,040)
Carpinteria	2,000	(388)	4.55%	271,614	136	(52,693)	-	-	-	(52,693)
SB County Subtotal:	39,078	-	89.00%	5,307,060		0				0
SLO County	4,830	-	11.00%	655,947						
TOTAL:	43,908		100.00%	\$ 5,963,007		\$ 0				\$ 0

Project Participant	WTP Requested Water Deliveries			WTP Variable Exchange Modifications			Total Exchange Modifications	
	Requested Deliveries	Exchange Deliveries	Net Deliveries	WTP Variable Costs	WTP Variable Costs Per Acre-Foot	Variable Exchange Modifications	TOTAL EXCHANGE MODIFICATIONS	Cost (Credit) Per Acre-Foot
Guadalupe	26		26	\$ 2,530	\$ 97.32	-	-	-
Santa Maria	6,147		6,147	598,230	97.32	-	-	-
Golden State Water	195		195	18,978	97.32	-	-	-
VSFB	2,786		2,786	271,149	97.32	-	-	-
Buellton	63		63	6,131	97.32	-	-	-
Santa Ynez (Solvang)	705		705	68,611	97.32	-	-	-
Santa Ynez	-	2,425	2,425	-	97.32	\$ 236,002	565,334	\$ 233.13
Goleta	873	(873)	-	84,961	97.32	(84,961)	(203,520)	\$ (233.13)
Morehart	72	-	72	7,007	97.32	-	-	-
La Cumbre	365	-	365	35,522	97.32	-	-	-
Raytheon	-	-	-	-	-	-	-	-
Santa Barbara	582	(582)	-	56,641	97.32	(56,641)	(135,680)	\$ (233.13)
Montecito	582	(582)	-	56,641	97.32	(56,641)	(135,680)	\$ (233.13)
Carpinteria	388	(388)	-	37,760	97.32	(37,760)	(90,453)	\$ (233.13)
SB County Subtotal:	12,784	-	12,784	1,244,160		-		
SLO County	4,043		4,043	393,467		-		
TOTAL:	16,827		16,827	\$ 1,637,627		\$ -		\$ -

Central Coast Water Authority
Personnel Services Summary
Water Treatment Plant Department
Fiscal Year 2025/26 Budget

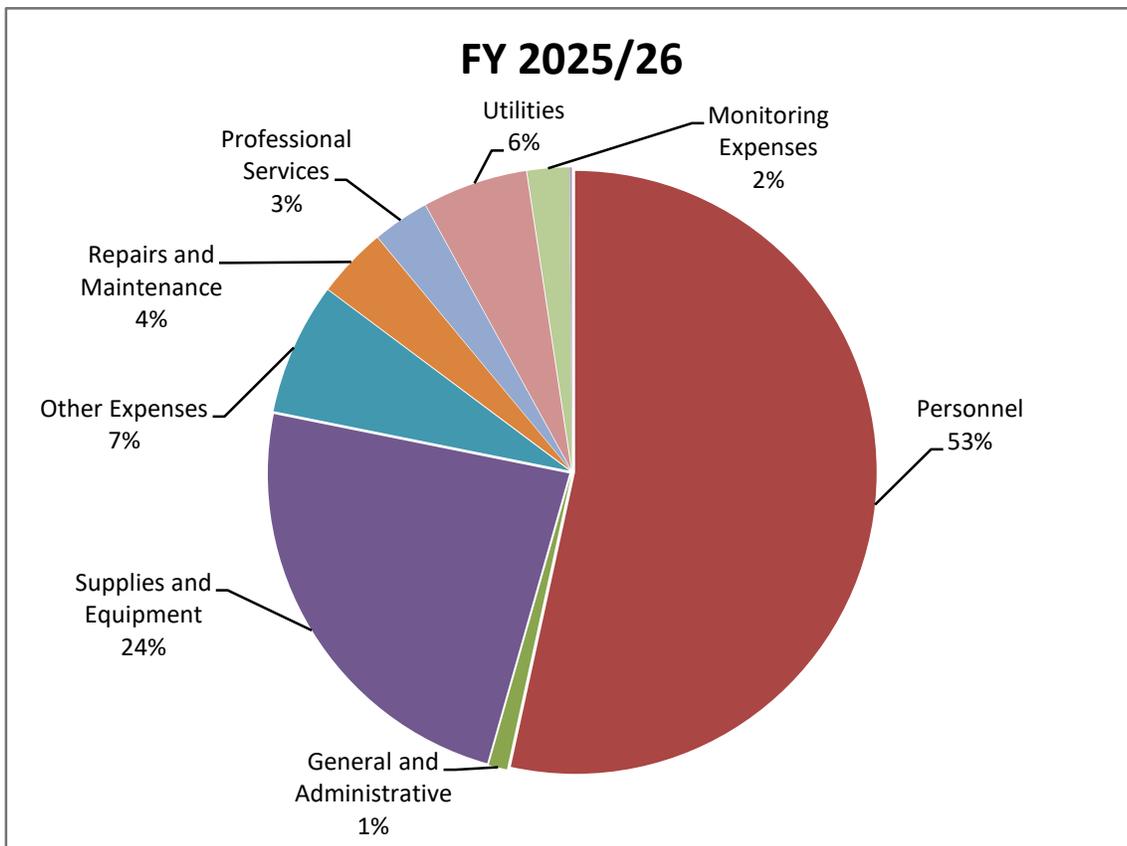
PERSONNEL COUNT SUMMARY					
Position Title	Number	Number	Number	Change	Change
	Auth. FY 2023/24	Auth. FY 2024/25	Requested FY 2025/26	Over FY 2023/24	Over FY 2024/25
Executive Director ⁽¹⁾	0.25	0.25	0.25	-	-
Deputy Director of Operations ⁽²⁾	0.35	0.35	0.35	-	-
Operations Manager ⁽³⁾	0.35	0.35	0.35	-	-
WTP Supervisor	1.00	1.00	1.00	-	-
Maintenance Superintendent ⁽⁴⁾	0.60	0.60	0.60	-	-
Maintenance Foreman	1.00	1.00	1.00	-	-
Safety Officer ⁽⁵⁾	0.25	0.25	0.50	0.25	0.25
Senior Chemist	1.00	1.00	1.00	-	-
Maintenance Technician	2.00	2.00	2.00	-	-
IT/Instrumentation & Control Specialist	-	-	0.20	0.20	0.20
Maintenance, IC&R Technicians ⁽⁶⁾	1.60	1.60	1.60	-	-
WTP Operators	5.00	5.00	6.00	1.00	1.00
WTP Operator Trainee	1.00	1.00	-	(1.00)	(1.00)
Laboratory Analyst	1.00	1.00	1.00	-	-
Administrative Assistant	0.75	0.75	0.75	-	-
TOTAL:	16.15	16.15	16.60	0.45	0.45

PERSONNEL WAGE SUMMARY						
Position Title	No. of Emp.	Position Classification	Minimum Monthly Salary	Maximum Monthly Salary	FY 2024/25 Total Annual Salary	Allocation to WTP Dept.
Executive Director ⁽¹⁾	1	N/A	N/A	N/A	\$ 334,446	\$ 83,612
Deputy Director of Operations ⁽²⁾	1	N/A	N/A	N/A	\$ 245,000	\$ 85,750
Operations Manager ⁽³⁾	1	46	\$ 13,256	\$ 16,172	\$ 170,000	\$ 59,500
WTP Supervisor	1	38	\$ 11,164	\$ 13,620	\$ 149,385	\$ 149,385
Maintenance Superintendent ⁽⁴⁾	1	38	\$ 11,164	\$ 13,620	\$ 152,076	\$ 91,246
Safety Officer ⁽⁵⁾	1	38	\$ 11,164	\$ 13,620	\$ 154,712	\$ 77,356
Senior Chemist	1	29	\$ 9,203	\$ 11,227	\$ 130,267	\$ 130,267
Maintenance Foreman	1	26	\$ 8,629	\$ 10,527	\$ 113,127	\$ 113,127
Maintenance Technicians	2	19	\$ 7,425	\$ 9,058	\$ 193,522	\$ 193,522
IT/Instrumentation & Control Specialist ⁽⁷⁾	1	28	\$ 9,007	\$ 10,989	\$ 125,008	\$ 25,002
Maintenance, IC&R Technicians ⁽⁶⁾	2	26	\$ 8,629	\$ 10,527	\$ 227,569	\$ 182,055
WTP Operators	6	21	\$ 7,750	\$ 9,456	\$ 646,505	\$ 646,505
Laboratory Analyst	1	19	\$ 7,425	\$ 9,058	\$ 91,515	\$ 91,515
Administrative Assistant	1	11	\$ 6,253	\$ 7,629	\$ 62,128	\$ 62,128
FY 2025/26 Salary Pool						\$ 99,458
TOTAL:						\$ 2,090,427

- (1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).
- (2) The Deputy Director of Operations is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
- (3) The Operations Manager is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
- (4) The Maintenance Superintendent is allocated to Water Treatment Plant (60%) and Distribution (40%).
- (5) The Safety Officer (previous title Regulatory Spec.) is allocated to Water Treatment Plant (50%) and Distribution (50%).
- (6) The two Maintenance, IC&R Techs are allocated to Water Treatment Plant (80%) and Distribution (20%).
- (7) The IT/Instrumentation & Control Specialist is allocated to Water Treatment Plant (20%) and Distribution (80%).

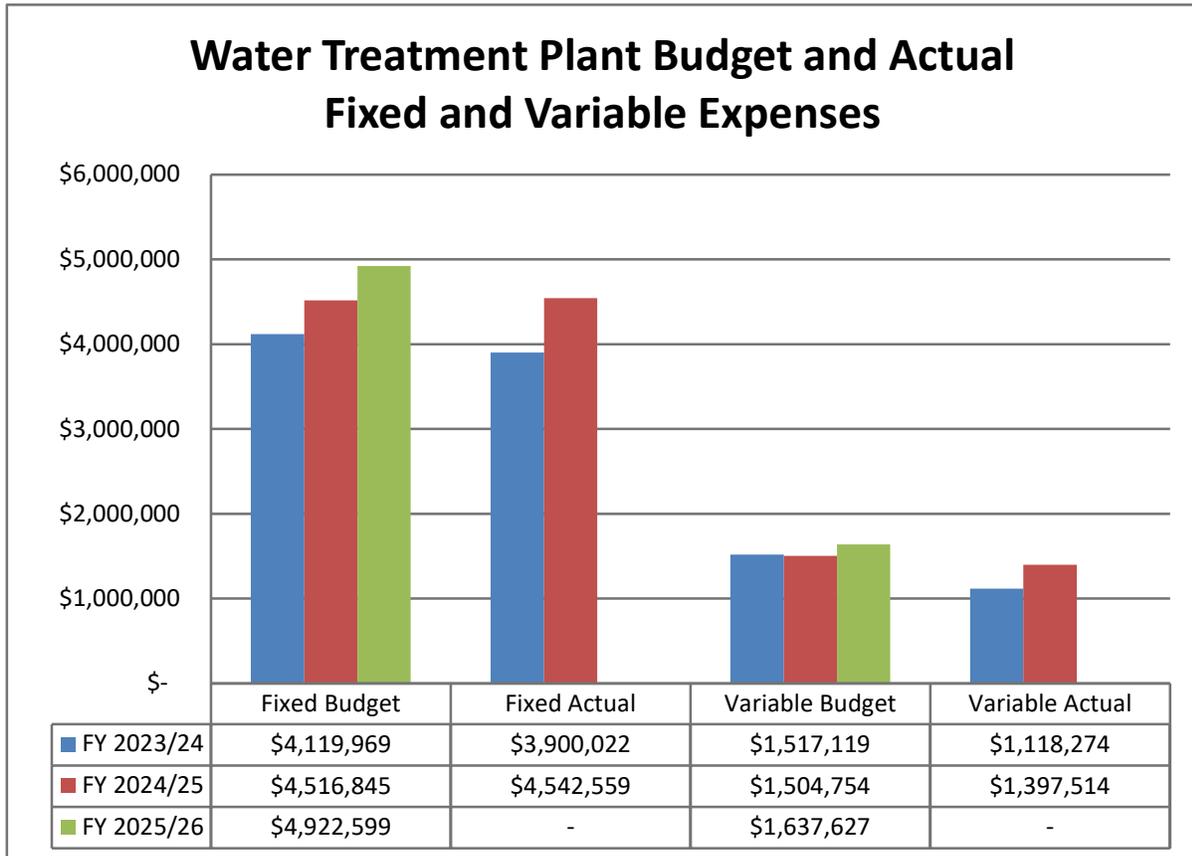
Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2025/26 Budget

Item	FY 2025/26 Budget
Personnel	\$ 3,504,337
Office Expenses	8,000
Supplies and Equipment	1,558,577
Monitoring Expenses	148,100
Repairs and Maintenance	246,700
Professional Services	198,000
General and Administrative	64,700
Utilities	368,236
Other Expenses	463,576
TOTAL:	\$ 6,560,226



Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2025/26 Budget

Item	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget
Personnel	\$ 3,023,881	\$ 2,785,311	\$ 3,300,956	\$ 3,230,129	\$ 3,504,337
Office Expenses	6,500	7,072	7,500	8,500	8,000
Supplies and Equipment	1,474,633	1,082,599	1,448,040	1,352,500	1,558,577
Monitoring Expenses	130,332	123,578	120,497	138,600	148,100
Repairs and Maintenance	182,600	164,406	202,100	206,000	246,700
Professional Services	137,692	238,580	174,402	224,000	198,000
General and Administrative	61,490	36,259	60,990	54,990	64,700
Utilities	281,857	250,017	314,525	302,270	368,236
Other Expenses	338,103	330,474	392,589	423,084	463,576
Total:	\$ 5,637,088	\$ 5,018,296	\$ 6,021,599	\$ 5,940,073	\$ 6,560,226



Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>PERSONNEL EXPENSES</u>								
5000.10	Full-Time Regular Wages	\$ 1,822,247	\$ 1,660,967	\$ 1,937,932	\$ 1,878,432	\$ 2,090,427	\$ 152,495	7.87%
5000.20	Overtime	91,112	111,680	96,897	96,897	104,521	7,624	7.87%
5000.40	Standby Pay	39,049	41,694	41,002	41,002	42,409	1,407	3.43%
5000.50	Shift Differential Pay	22,328	21,973	29,306	29,306	29,765	459	1.57%
5100.10	PERS Retirement	459,129	437,789	496,460	496,460	512,731	16,271	3.28%
5100.15	Medicare Taxes	28,921	26,109	31,038	31,038	33,558	2,520	8.12%
5100.20	Health/Dental/Vision Plans	340,623	315,774	392,846	392,846	433,010	40,164	10.22%
5100.25	Workers' Compensation	45,481	38,791	45,621	45,621	38,474	(7,147)	-15.67%
5100.30	Vehicle Expenses	-	-	-	-	-	-	N/A
5100.35	Retiree Medical Future Liability Dep.	100,887	55,845	109,187	109,187	97,938	(11,249)	-10.30%
5100.40	Cafeteria Plan Benefits	-	-	-	-	-	-	N/A
5100.45	Dental/Vision Plan	-	-	-	-	-	-	N/A
5100.50	Long-Term Disability	9,393	7,877	9,990	9,990	10,777	787	7.88%
5100.55	Life Insurance	10,575	11,376	11,216	11,216	13,008	1,792	15.98%
5100.60	Employee Physicals	1,910	940	1,615	1,000	1,750	135	8.36%
5000.30	Certification Incentive Pay	-	-	11,134	11,134	11,768	634	5.69%
5100.80	Employee Incentive Programs/457 Plan	51,226	54,496	85,712	75,000	82,700	(3,012)	-3.51%
5100.65	Employee Education Reimbursement	1,000	-	1,000	1,000	1,500	500	50.00%
5100.86	Benefits-Non-Capitalized Projects	-	-	-	-	-	-	N/A
Total Personnel Expenses:		3,023,881	2,785,311	3,300,956	3,230,129	3,504,337	203,381	6.16%

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>OFFICE EXPENSES</u>								
5200.20	Office Supplies	3,000	1,844	3,000	3,000	3,500	500	16.67%
5200.30	Miscellaneous Office Expenses	3,500	5,228	4,500	5,500	4,500	-	0.00%
Total Office Expenses:		6,500	7,072	7,500	8,500	8,000	500	6.67%
<u>SUPPLIES AND EQUIPMENT</u>								
5500.10	Uniform Expenses	12,600	13,497	14,800	15,000	19,000	4,200	28.38%
5500.15	Minor Tools and Equipment	6,000	2,391	7,000	10,000	10,000	3,000	42.86%
5500.20	Spare Parts	-	-	-	-	-	-	N/A
5500.25	Landscape Equipment and Supplies	500	-	500	500	1,500	1,000	200.00%
5500.30	Chemicals-Fixed	-	-	-	-	-	-	N/A
5500.31	Chemicals-Variable	1,379,033	1,012,095	1,357,240	1,250,000	1,443,077	85,837	6.32%
5500.35	Maintenance Supplies/Hardware	18,000	4,163	10,000	10,000	10,000	-	0.00%
5500.40	Safety Supplies	11,500	17,519	11,500	20,000	25,000	13,500	117.39%
5500.45	Fuel and Lubricants	42,000	32,934	42,000	42,000	45,000	3,000	7.14%
5500.50	Seed/Erosion Control Supplies	5,000	-	5,000	5,000	5,000	-	0.00%
5500.55	Backflow Prevention Supplies	-	-	-	-	-	-	N/A
Total Supplies and Equipment:		1,474,633	1,082,599	1,448,040	1,352,500	1,558,577	110,537	7.63%
<u>MONITORING EXPENSES</u>								
5600.10	Lab Supplies	87,679	103,455	101,834	120,000	130,000	28,166	27.66%
5600.20	Lab Tools and Equipment	14,230	-	2,600	2,600	2,600	-	0.00%
5600.30	Lab Testing	28,423	20,123	16,063	16,000	15,500	(563)	-3.50%
Total Monitoring Expenses:		130,332	123,578	120,497	138,600	148,100	27,603	22.91%

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>REPAIRS AND MAINTENANCE</u>								
5700.10	Equipment Repairs and Maintenance	135,000	128,134	148,500	160,000	175,000	26,500	17.85%
5700.20	Vehicle Repairs and Maintenance	8,000	5,651	6,000	9,000	10,000	4,000	66.67%
5700.30	Building Maintenance	34,600	25,726	42,600	32,000	40,700	(1,900)	-4.46%
5700.40	Landscape Maintenance	5,000	4,895	5,000	5,000	21,000	16,000	320.00%
Total Repairs and Maintenance:		182,600	164,406	202,100	206,000	246,700	44,600	22.07%
<u>PROFESSIONAL SERVICES</u>								
5400.10	Professional Services	38,312	32,679	89,152	89,000	97,000	7,848	8.80%
5400.20	Legal Services	-	-	-	-	-	-	N/A
5400.30	Engineering Services	42,500	167,844	30,000	80,000	45,000	15,000	50.00%
5400.40	Permits	56,880	38,057	55,250	55,000	56,000	750	1.36%
5400.50	Non-Contractual Services	-	-	-	-	-	-	N/A
5400.60	Accounting Services	-	-	-	-	-	-	N/A
Total Professional Services:		137,692	238,580	174,402	224,000	198,000	23,598	13.53%
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meeting and Travel	18,000	11,730	18,000	15,000	20,000	2,000	11.11%
5300.20	Mileage Reimbursement	500	-	500	-	500	-	0.00%
5300.30	Dues and Memberships	10,240	8,441	10,740	10,740	10,700	(40)	-0.37%
5300.40	Publications	1,000	1,785	1,500	1,500	1,500	-	0.00%
5300.50	Training	23,250	8,939	23,250	23,250	25,000	1,750	7.53%
5300.60	Advertising	1,500	1,431	2,000	1,500	2,000	-	0.00%
5300.70	Printing and Binding	-	-	-	-	-	-	N/A
5300.80	Postage	7,000	3,933	5,000	3,000	5,000	-	0.00%
Total General and Administrative:		61,490	36,259	60,990	54,990	64,700	3,710	6.08%

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>UTILITIES</u>								
5800.20	Natural Gas	9,000	15,115	9,000	9,000	9,000	-	0.00%
5800.30	Electric-Fixed	121,116	121,116	136,256	136,256	149,886	13,630	10.00%
5800.31	Electric-Variable	138,086	106,179	147,514	147,514	194,550	47,036	31.89%
5800.40	Water	-	-	-	-	-	-	N/A
5800.50	Telephone	7,525	4,296	15,085	5,500	8,000	(7,085)	-46.97%
5800.60	Waste Disposal	6,130	3,311	6,670	4,000	6,800	130	1.95%
Total Utilities:		281,857	250,017	314,525	302,270	368,236	53,711	17.08%
<u>OTHER EXPENSES</u>								
5900.10	Insurance	131,339	133,283	161,518	161,518	181,047	19,529	12.09%
5900.30	Non-Capitalized Projects ⁽¹⁾	-	-	-	-	-	-	N/A
5900.40	Equipment Rental	22,800	5,652	23,100	50,000	50,000	26,900	116.45%
5900.50	Non-Capitalized Equipment	10,000	2,747	10,000	3,000	10,000	-	0.00%
5900.60	Computer Expenses	93,180	88,790	109,405	120,000	126,007	16,602	15.18%
5900.70	Appropriated Contingency	80,784	100,002	88,566	88,566	96,522	7,956	8.98%
Total Other Expenses:		338,103	330,474	392,589	423,084	463,576	70,987	18.08%
TOTAL OPERATING EXPENSES		\$ 5,637,088	\$ 5,018,296	\$ 6,021,599	\$ 5,940,073	\$ 6,560,226	\$ 538,627	8.94%

(1) Effective July 1, 2018 Non-Capitalized Projects will be found in the Capital Improvement and Non-Capital Projects section of the budget.

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5000.10

ACCOUNT TITLE: Full-Time Regular Salaries

Description: Funds for the WTP staff salaries.
Includes \$99,458 for the FY 2025/26 salary pool.

FY 25/26 Requested Budget	2,090,427
FY 24/25 Estimated Actual	1,878,432
Increase (Decrease)	211,995

ACCOUNT NUMBER: 5000.20

ACCOUNT TITLE: Overtime

Description: Funds for overtime expenses for
non-exempt WTP employees. Overtime is set at 5% of salaries.

FY 25/26 Requested Budget	104,521
FY 24/25 Estimated Actual	93,922
Increase (Decrease)	10,600

ACCOUNT NUMBER: 5000.30

ACCOUNT TITLE: Certification Incentive Pay

Description: 2.5% pay increase for each certification above
the required certification

FY 25/26 Requested Budget	11,768
FY 24/25 Estimated Actual	10,354
Increase (Decrease)	1,414

Total \$ 11,768

ACCOUNT NUMBER: 5000.40

ACCOUNT TITLE: Stand-by Pay

Description: Funds for stand-by pay for one Distribution
employee assigned to stand-by duty on a 24-hour basis.

FY 25/26 Requested Budget	42,409
FY 24/25 Estimated Actual	41,750
Increase (Decrease)	659

Based on \$2.72 per hour (5% of average hourly rate) for 8,760 hours
for WTP operators, and 8,760 hours at \$3.18 per hour for
Instrumentation and Control employee stand-by pay (2/3 to WTP
and 1/3 to Distribution).

ACCOUNT NUMBER: 5000.50

ACCOUNT TITLE: Shift Differential Pay

Description: Funds for shift employee pay for WTP
operators is based on \$3.40 per hour (5% or 7.5% of average hourly rate)
for 8,760 hours of shift pay.

FY 25/26 Requested Budget	29,765
FY 24/25 Estimated Actual	24,662
Increase (Decrease)	5,103

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5100.10

ACCOUNT TITLE: PERS Retirement

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 35.04% contribution rate for FY 2025/26 which includes the required Unfunded Accrued Liability (UAL) payment.

FY 25/26 Requested Budget	512,731
FY 24/25 Estimated Actual	496,460
Increase (Decrease)	16,271

Required Contributions	\$ 277,125	18.396%
UAL current fiscal year	176,852	15.119%
UAL additional payment	58,754	fixed
TOTAL	\$ 512,731	

ACCOUNT NUMBER: 5100.15

ACCOUNT TITLE: Medicare

Description: Funds for the employer portion of Medicare taxes for the WTP department. Amount is equal to 1.45% of all wages and salaries.

FY 25/26 Requested Budget	33,558
FY 24/25 Estimated Actual	31,038
Increase (Decrease)	2,520

ACCOUNT NUMBER: 5100.20

ACCOUNT TITLE: Health Insurance

Description: Funds for employer paid portion of health insurance for WTP employees. Based on employee 2025 Café Plan elections. Includes an estimated 10% premium increase in 2026 rates.

FY 25/26 Requested Budget	336,044
FY 24/25 Estimated Actual	341,503
Increase (Decrease)	(5,459)

	<i>2025 Allowance</i>		<i>2026 Allowance Est</i>	
Family	\$	26,980	\$	29,678
Emp + 1		20,754		22,829
Employee only		10,377		11,415

ACCOUNT NUMBER: 5100.25

ACCOUNT TITLE: Workers' Compensation Insurance

Description: Funds for Workers' Compensation insurance for the WTP Department. Based on an X-Mod rate of 62% and economy of size rate of 90%.

FY 25/26 Requested Budget	38,474
FY 24/25 Estimated Actual	45,621
Increase (Decrease)	(7,147)

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5100.35

ACCOUNT TITLE: Retiree Medical Future Liability Deposit

FY 25/26 Requested Budget	97,938
FY 24/25 Estimated Actual	109,187
Increase (Decrease)	(11,249)

Description: Actuarially determined contributions to fund the estimated future liability for the required minimum contribution component (PEMHCA) of the CalPERS health plan and the retiree health costs for vested employees age 62 and over retiring from CCWA with at least 10 years of CCWA service. Costs are based on the number of active and covered employees and retirees.

ACCOUNT NUMBER: 5100.40

ACCOUNT TITLE: Cafeteria Plan Benefits

FY 25/26 Requested Budget	35,471
FY 24/25 Estimated Actual	18,000
Increase (Decrease)	17,470

Description: Funds for the portion of the cafeteria plan benefits which exceed the premium costs for the employees based on each employee's benefit election.

ACCOUNT NUMBER: 5100.45

ACCOUNT TITLE: Dental/Vision Plan

FY 25/26 Requested Budget	61,496
FY 24/25 Estimated Actual	33,343
Increase (Decrease)	28,153

Description: Funds for the self-funded dental/vision plan. The plan provides \$5,171 per year per family for dental and vision expenses. Budgeted amount is \$3,878 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.

ACCOUNT NUMBER: 5100.50

ACCOUNT TITLE: Long-Term Disability

FY 25/26 Requested Budget	10,777
FY 24/25 Estimated Actual	9,990
Increase (Decrease)	787

Description: Funds for premiums paid for long-term disability insurance. Based on a rate of \$0.52 per \$100 of salary.

ACCOUNT NUMBER: 5100.55

ACCOUNT TITLE: Life Insurance

FY 25/26 Requested Budget	13,008
FY 24/25 Estimated Actual	11,216
Increase (Decrease)	1,792

Description: Funds for the employer paid life insurance premiums for each employee. CCWA policy provides life insurance equal to 150% of an employee's annual salary to a maximum of \$250,000.

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5100.60

ACCOUNT TITLE: Employee Physicals

Description: Funds for employee physicals paid by CCWA, including DOT, pre-employment, and respiratory evaluation.

FY 25/26 Requested Budget	1,750
FY 24/25 Estimated Actual	1,000
Increase (Decrease)	750

\$	1,110	6 physicals @ \$185 each
\$	640	5 Respiratory and Audio Exam @ \$128 each
\$	1,750	Total

ACCOUNT NUMBER: 5100.65

ACCOUNT TITLE: Employee Education Reimbursement

Description: Funds for reimbursement of employee education expenses under the policy established by CCWA. Employees will be taking welding, electrical/electronics, and laboratory classes.

FY 25/26 Requested Budget	1,500
FY 24/25 Estimated Actual	1,000
Increase (Decrease)	500

ACCOUNT NUMBER: 5100.80

ACCOUNT TITLE: Employee Incentives and 457 K. Plan

Description: Funds to encourage employee safety, efficiency and innovation through the Employee Achievement Awards Program (EAAP).

FY 25/26 Requested Budget	82,700
FY 24/25 Estimated Actual	75,000
Increase (Decrease)	7,700

EAAP	\$	2,700
457 K Plan		80,000
TOTAL:	\$	82,700

ACCOUNT NUMBER: 5200.20

ACCOUNT TITLE: Office Supplies

Description: Funds for office supplies for the WTP. Based on \$292 per month in office supply expenses.

FY 25/26 Requested Budget	3,500
FY 24/25 Estimated Actual	3,000
Increase (Decrease)	500

ACCOUNT NUMBER: 5200.30

ACCOUNT TITLE: Miscellaneous Office Expenses

Description: Funds for miscellaneous expenses associated with CCWA. This includes awards, business cards, coffee, kitchen supplies, etc.

FY 25/26 Requested Budget	4,500
FY 24/25 Estimated Actual	3,000
Increase (Decrease)	1,500

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5300.10

ACCOUNT TITLE: Meetings and Travel

Description: Funds for WTP employee meetings and travel expenses. Includes State Water Contractor travel for Executive Director, Deputy Director, and Safety Officer Specialist.

FY 25/26 Requested Budget	20,000
FY 24/25 Estimated Actual	-
Increase (Decrease)	20,000

ACCOUNT NUMBER: 5300.20

ACCOUNT TITLE: Mileage Reimbursement

Description: Funds for reimbursement to employees for mileage expenses.

FY 25/26 Requested Budget	500
FY 24/25 Estimated Actual	-
Increase (Decrease)	500

ACCOUNT NUMBER: 5300.30

ACCOUNT TITLE: Dues and Memberships

Description: Funds for professional dues.

FY 25/26 Requested Budget	10,700
FY 24/25 Estimated Actual	10,740
Increase (Decrease)	(40)

\$	500	AWWA dues
	7,500	Water Research Foundation dues
	1,200	Certification
	1,500	CWEA and ISA
\$	10,700	TOTAL

ACCOUNT NUMBER: 5300.40

ACCOUNT TITLE: Publications

Description: Funds for publications received by the WTP.

FY 25/26 Requested Budget	1,500
FY 24/25 Estimated Actual	1,500
Increase (Decrease)	-

ACCOUNT NUMBER: 5300.50

ACCOUNT TITLE: Training

Description: Funds for training of WTP personnel, including safety. Does not include educational reimbursement.

FY 25/26 Requested Budget	25,000
FY 24/25 Estimated Actual	23,250
Increase (Decrease)	1,750

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5300.60

ACCOUNT TITLE: Advertising

Description: Funds for advertising expenses for the WTP including open job position advertising.

FY 25/26 Requested Budget	2,000
FY 24/25 Estimated Actual	1,500
Increase (Decrease)	500

ACCOUNT NUMBER: 5300.80

ACCOUNT TITLE: Postage

Description: Funds for all postal and mail expenses for the WTP, including 16 weekly taste and odor samplings.

FY 25/26 Requested Budget	5,000
FY 24/25 Estimated Actual	3,000
Increase (Decrease)	2,000

ACCOUNT NUMBER: 5400.10

ACCOUNT TITLE: Professional Services

Description: Outside professional services including:

FY 25/26 Requested Budget	97,000
FY 24/25 Estimated Actual	89,000
Increase (Decrease)	8,000

\$	6,000	Fire system/extinguisher inspection
	2,700	Security
	4,800	Crane inspection
	1,679	Oil, coolant and diesel analysis
	4,000	Emergency generator/forklift service
	7,000	Equipment Calibration
	1,100	Fit testing equipment certification/service
	20,000	Third Party Confined Space Rescue
	12,500	Safety Consultant
	4,500	Safety Equipment (fall hoist, ect)
	25,000	Environmental services
	7,721	Personnel Team Building
\$	97,000	TOTAL

ACCOUNT NUMBER: 5400.30

ACCOUNT TITLE: Engineering Services

Description: Funds for all non-capitalized engineering services and small projects.

FY 25/26 Requested Budget	45,000
FY 24/25 Estimated Actual	30,000
Increase (Decrease)	15,000

\$	25,000	General Engineering
	5,000	Cathodic Protection
	15,000	PLC Support
\$	45,000	TOTAL

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5400.40

ACCOUNT TITLE: Permits

Description:		Funds for all required WTP permits.
\$	2,500	RWQCB NPDES
	33,000	Drinking Water Program
	11,000	ELAP Lab Accreditation
	3,000	Emergency Generator Permit
	6,500	Hazardous Materials Fees
\$	56,000	TOTAL

FY 25/26 Requested Budget	56,000
FY 24/25 Estimated Actual	55,000
Increase (Decrease)	1,000

ACCOUNT NUMBER: 5500.10

ACCOUNT TITLE: Uniform Expenses

Description:		Funds for employer provided uniforms and uniform expense employee reimbursements.
\$	12,000	Uniform Service (\$1,000 per month)
	3,000	Blue jean pants (\$300/yr emp allowance)
	3,500	Boots (\$350/yr employee allowance)
	500	Misc. uniform requirements (jackets, etc.)
	19,000	TOTAL

FY 25/26 Requested Budget	19,000
FY 24/25 Estimated Actual	15,000
Increase (Decrease)	4,000

ACCOUNT NUMBER: 5500.15

ACCOUNT TITLE: Minor Tools and Equipment

Description: Funds for the purchase of minor tools and equipment.

FY 25/26 Requested Budget	10,000
FY 24/25 Estimated Actual	10,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5500.25

ACCOUNT TITLE: Landscape Supplies

Description: Funds for the purchase of supplies for landscape maintenance at the WTP.

FY 25/26 Requested Budget	1,500
FY 24/25 Estimated Actual	500
Increase (Decrease)	1,000

\$	1,500	Herbicide
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**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5500.31

ACCOUNT TITLE: Chemicals-Variable

Description: Funds for the purchase of chemicals to operate the plant including chlorine, polymers, etc.

FY 25/26 Requested Budget	1,443,077
FY 24/25 Estimated Actual	1,250,000
Increase (Decrease)	193,077

- (1) WTP Plant: \$75.12 per acre foot and 16,827 acre feet of requests
- (2) Santa Ynez Pumping Station: \$8/AF for 437 AF pumped water
- (3) Tank 5 and 7 Chlorination at \$27.36/AF for 6,416 AF

ACCOUNT NUMBER: 5500.35

ACCOUNT TITLE: Maintenance Supplies/Hardware

Description: Funds for the purchase of disposable tools, pipe and pipefittings, wood, steel and other metals, hardware, nuts and bolts, and other hardware materials.

FY 25/26 Requested Budget	10,000
FY 24/25 Estimated Actual	10,000
Increase (Decrease)	-

\$ 10,000 Maintenance Supplies/Hardware

ACCOUNT NUMBER: 5500.40

ACCOUNT TITLE: Safety Supplies

Description: Purchases of minor safety supplies including first aid kit purchases and non-capitalized safety equipment purchases.

FY 25/26 Requested Budget	25,000
FY 24/25 Estimated Actual	20,000
Increase (Decrease)	5,000

ACCOUNT NUMBER: 5500.50

ACCOUNT TITLE: Seed/Plants/Erosion Control Supplies

Description: Funds for reseeding, replanting and erosion control supplies.

FY 25/26 Requested Budget	5,000
FY 24/25 Estimated Actual	5,000
Increase (Decrease)	-

\$ 5,000 Erosion maintenance

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5500.45

ACCOUNT TITLE: Fuel and Lubricants

Description: Funds for the purchase of fuel and lubricants for WTP vehicles, equipment and emergency generator. Does not include mileage reimbursement expenses.

FY 25/26 Requested Budget	45,000
FY 24/25 Estimated Actual	42,000
Increase (Decrease)	3,000

ACCOUNT NUMBER: 5600.10

ACCOUNT TITLE: Laboratory Supplies

Description: Funds for the purchase of laboratory supplies including chemicals.

FY 25/26 Requested Budget	130,000
FY 24/25 Estimated Actual	120,000
Increase (Decrease)	10,000

ACCOUNT NUMBER: 5600.20

ACCOUNT TITLE: Laboratory Tools and Equipment

Description: Funds for the purchase of non-capitalized tools and equipment for the laboratory.

FY 25/26 Requested Budget	2,600
FY 24/25 Estimated Actual	2,600
Increase (Decrease)	-

\$	1,000	Star A211 pH meter
\$	1,600	Orion 8102BNUWP pH probe
\$	2,600	TOTAL

ACCOUNT NUMBER: 5600.30

ACCOUNT TITLE: Lab Testing

Description: Funds for outside lab services.

FY 25/26 Requested Budget	15,500
FY 24/25 Estimated Actual	16,000
Increase (Decrease)	(500)

\$	3,840	Quarterly Monitoring (DBP)
	600	Monthly Monitoring (Aluminium)
	5,400	Annual Monitoring
	2,720	Misc. monitoring
	700	Lab DI Water Testing (Annual)
	2,240	PFAS Monitoring and TCP
\$	15,500	TOTAL

ACCOUNT NUMBER: 5700.10

ACCOUNT TITLE: Equipment Repairs and Maintenance

Description: Funds for repairs and maintenance of WTP equipment including pumps, motors, valves, instrumentation, equipment, etc.

FY 25/26 Requested Budget	175,000
FY 24/25 Estimated Actual	160,000
Increase (Decrease)	15,000

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5700.20

ACCOUNT TITLE: Vehicle Repairs and Maintenance

Description: Funds for the repair and maintenance of WTP vehicles.

FY 25/26 Requested Budget	10,000
FY 24/25 Estimated Actual	9,000
Increase (Decrease)	1,000

ACCOUNT NUMBER: 5700.30

ACCOUNT TITLE: Building Maintenance

Description: Funds for the repair and maintenance of the WTP buildings.

FY 25/26 Requested Budget	40,700
FY 24/25 Estimated Actual	32,000
Increase (Decrease)	8,700

\$	1,000	Miscellaneous repairs
	3,200	Site improvements (includes painting)
	21,000	Janitorial service
	10,000	HVAC
	5,500	Janitorial Supplies
\$	40,700	TOTAL

ACCOUNT NUMBER: 5700.40

ACCOUNT TITLE: Landscape Maintenance

Description: Funds for the maintenance of the WTP facility landscape. Includes weed abatement for sludge lagoons and leachfield.

FY 25/26 Requested Budget	21,000
FY 24/25 Estimated Actual	5,000
Increase (Decrease)	16,000

ACCOUNT NUMBER: 5800.20

ACCOUNT TITLE: Natural Gas Service

Description: Funds for propane gas service to the WTP.

FY 25/26 Requested Budget	9,000
FY 24/25 Estimated Actual	9,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5800.30

ACCOUNT TITLE: Electric Service-Fixed

Description: Funds for electrical service to the WTP.

FY 25/26 Requested Budget	149,886
FY 24/25 Estimated Actual	136,256
Increase (Decrease)	13,631

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5800.31

ACCOUNT TITLE: Electric Service-Variable

Description: Funds for electrical service to the WTP.
Variable electrical costs.

FY 25/26 Requested Budget	194,550
FY 24/25 Estimated Actual	147,514
Increase (Decrease)	47,036

\$	11.56	\$/AF
	16,827	AF
\$	194,550	TOTAL

ACCOUNT NUMBER: 5800.40

ACCOUNT TITLE: Water/Sewer

Description: Funds for water and sewer service to the WTP.

FY 25/26 Requested Budget	-
FY 24/25 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5800.50

ACCOUNT TITLE: Telephone

Description: Funds for WTP phones including long distance and cellular phone bills.

FY 25/26 Requested Budget	8,000
FY 24/25 Estimated Actual	5,500
Increase (Decrease)	2,500

\$	500	Tablet Service (2 tablets)
\$	7,500	General Phone
\$	8,000	TOTAL

ACCOUNT NUMBER: 5800.60

ACCOUNT TITLE: Waste Disposal

Description: Funds for trash service and removal of hazardous waste for the WTP.

FY 25/26 Requested Budget	6,800
FY 24/25 Estimated Actual	4,000
Increase (Decrease)	2,800

\$	3,360	Garbage (\$280 per month)
	640	Bulk Dumpster
	2,200	Waste Oil/Solvent
	600	Light Bulbs
\$	6,800	TOTAL

ACCOUNT NUMBER: 5900.10

ACCOUNT TITLE: Insurance

Description: Funds for insurance coverage.

FY 25/26 Requested Budget	181,047
FY 24/25 Estimated Actual	161,518
Increase (Decrease)	19,529

\$	112,952	Property and auto coverage based on the apportionment provided by JPIA.
\$	68,096	General liability and E&O based on salary proportions.
\$	181,047	TOTAL

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5900.40

ACCOUNT TITLE: Equipment Rental

Description: Funds for rental of equipment for the WTP.

FY 25/26 Requested Budget	50,000
FY 24/25 Estimated Actual	50,000
Increase (Decrease)	-

\$	3,000	Copier lease (\$250 per month)
	10,000	Motorized equipment
	37,000	Lagoon cleaning
\$	50,000	TOTAL

ACCOUNT NUMBER: 5900.50

ACCOUNT TITLE: Non-Capitalized Fixed Assets

Description: Funds for the purchase of non-capitalized equipment. These equipment purchases are generally under \$13,000 in cost with an estimated useful life under 5 years.

FY 25/26 Requested Budget	10,000
FY 24/25 Estimated Actual	-
Increase (Decrease)	10,000

ACCOUNT NUMBER: 5900.60

ACCOUNT TITLE: Computer Expenses

Description: Funds for computer expenses including minor software purchases, minor equipment purchases and service contracts.

FY 25/26 Requested Budget	126,007
FY 24/25 Estimated Actual	120,000
Increase (Decrease)	6,007

\$	119,707	CompuVision, Annual Service Agreements and Software Subscriptions
\$	6,300	Software, New Computers and other computer services.
\$	126,007	TOTAL

ACCOUNT NUMBER: 5900.70

ACCOUNT TITLE: Appropriated Contingency

Description: 2.0% of requested budget excluding chemical and variable electric costs.

FY 25/26 Requested Budget	96,522
FY 24/25 Estimated Actual	88,566
Increase (Decrease)	7,956



Santa Ynez Pumping Plant Surge Tank removal during Surge Tank Pedestal Repair Project

Distribution Department

The Distribution Department is responsible for the daily operations and maintenance of the 130 miles of pipeline, seven storage tanks, ten turnouts, four isolation vaults, an energy dissipation vault, the Santa Ynez Pumping Facility and hundreds of valve, access and cathodic protection structures.

Highlights

Department Information

- Number of employees 10.15
- Authority pipeline (in miles) 42
- Coastal Branch Phase II pipeline (in miles) 101
- Number of water storage tanks 7
- Number of turnouts 10

Budget Information

- Total FY 2025/26 O&M Budget \$ 3,551,640
- O&M Budget decrease over FY 2024/25 \$ (403,054)
 - Fixed cost decrease over FY 2024/25 \$ (63,556)
 - Variable cost decrease over FY 2024/25 \$ (339,498)
- Percentage decrease (10.19%)
- Fixed O&M expenses \$ 3,369,538
- Variable O&M expenses \$ 182,102
- FY 2025/26 budgeted electrical cost \$ 417 per acre-foot

Significant Accomplishments during FY 2024/25

- Completed the Santa Ynez Pumping Plant Pedestal Replacement Project which included removing and relining the existing surge tank and demolishing and reconstructing the concrete pedestals.
- Continued effort to improve nitrification control measures. These measures included upgrading the chlorine injection quill continued design for the Tank 5 Inlet Chloramination Station and upgrading equipment and treatment processes at the Tank 7 Inlet Chlorination System. Installed a power pole and security fencing at the Nipomo Chloramination Station site.
- Completed important pipeline tasks including upgrades of three ultrasonic flow meters, replacement of the carbon steel hydraulic lines with stainless steel lines at the Energy Dissipation Valve Facility, potable water reservoir dive inspections for Tank 5 and 7, repairs to the Santa Maria turnout inlet valve actuate and Guadalupe turnout sample line and the design for electrical vehicle charging stations in preparation of the eventual electrification of CCWA's fleet of vehicles.

Significant Goals for FY 2025/26

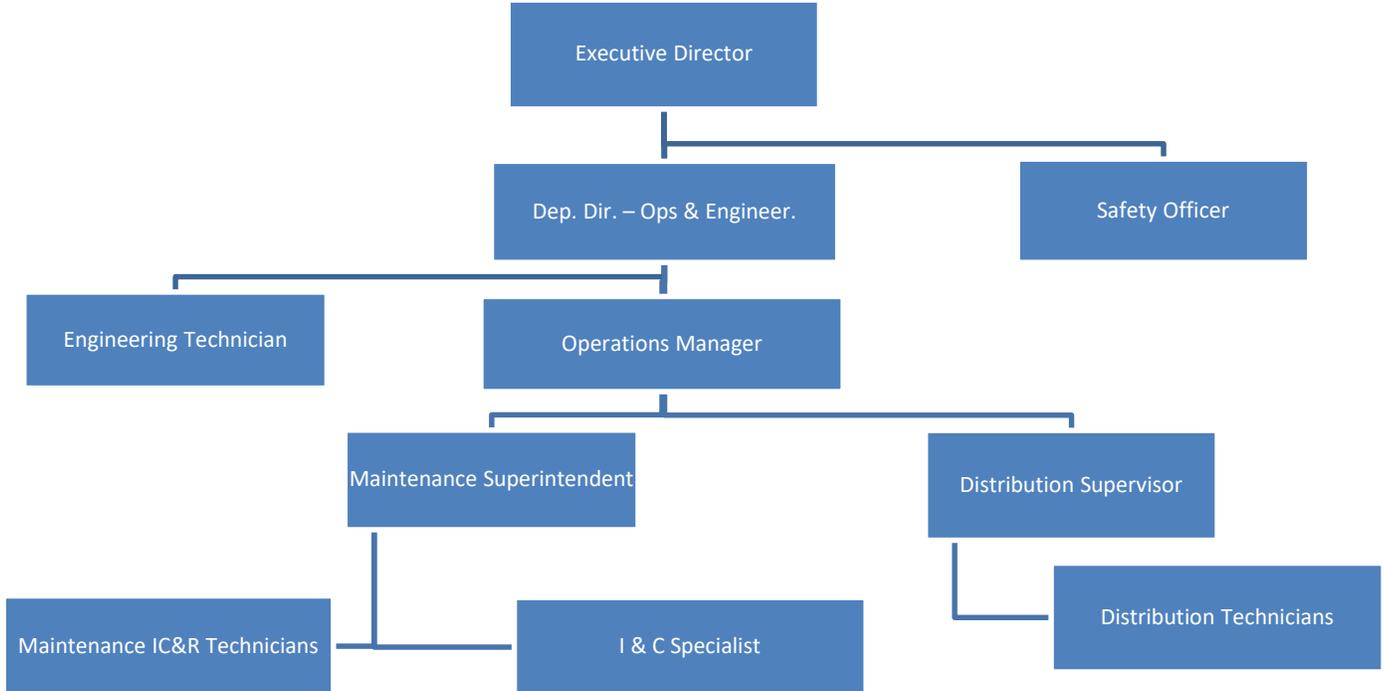
- Reconstruct Mesa Verde Road and the Tank 7 access road. The current age and condition of both roads has reached a point where an asphalt overlay is

required. CCWA access to the Santa Ynez Pumping Plant and Tank 7 is important for routine operation and maintenance activities.

- Continue repairing corroded riser piping of identified air vacuum/air release valves along the pipeline. Air vacuum/air valves are an important component of pipeline operation by purging of air and preventing the generation of vacuum pressure within the pipeline. The corroded risers have the potential to leak and need to be repaired.
- Complete important pipeline tasks including the rehabilitation of two pumps at the Santa Ynez Pump Station, potable water reservoir dive inspections for Tank 2 and replacement of the Chorro Valley turnout sleeve valve.
- Begin electrifying CCWA's vehicle fleet by installing an electrical vehicle charging station at the SYPP and replacing an existing engineering technician internal combustion engine vehicle with an electric battery vehicle.
- Initiate a facilities condition assessment to assess and document the condition of WTP and Distribution facilities. The majority of CCWA's facilities have been in operation for approximately 30 years and the assessment will increase the knowledge of their current state and assist with identification of capital needs over short and long-term horizons.

Central Coast Water Authority
Distribution Department
Fiscal Year 2025/26 Budget

The Distribution Department is responsible for maintaining the distribution system (i.e., pipeline and ancillary facilities).



The Distribution Department is comprised of the field Distribution Technicians, IT/Instrumentation and Control Specialist and Maintenance IC&R Technicians.

The field Distribution Technicians and Distribution Supervisor are responsible for the day-to-day water distribution system operations and maintenance including system operation, facility maintenance, rechloraminating and dechloraminating, erosion control, right-of-way issues, revegetation, environmental compliance, and fiber optic communications. They patrol over 130 miles of pipeline and operate and maintain seven storage tanks, ten turnouts, four isolation vaults, an energy dissipation vault, the Santa Ynez Pumping Facility and hundreds of valve, access, and cathodic protection structures. Additionally, they collect weekly water quality samples from each turnout and tank for the treatment plant laboratory.

IT/Instrumentation and Control Specialist and Maintenance/Instrumentation and Control Technicians report to the Maintenance Superintendent and maintain all distribution electrical, electronic, fiber optic and instrumentation systems. They also assist the Maintenance Superintendent in maintaining plant electrical, electronic and fiber optic systems.

The Distribution Maintenance and Instrumentation and Control staff are supported by the Maintenance Superintendent and Deputy Director of Operations,

Central Coast Water Authority
Distribution Department
Fiscal Year 2025/26 Budget

who provide long term planning and establish priorities. The Operations Manager will oversee CCWA's capital improvement projects and planning of construction and oversight of construction.

The Operations Manager is responsible for capital improvement projects, planning and oversight of construction activities and supervision of staff, policy, and internal relationships.

The Safety Officer reports to the Executive Director and divides time between Distribution and Water Treatment Plant Departments. The Safety Officer is responsible for safety, environmental monitoring, and regulatory compliance.

The accomplishments, performance indicators ("Service Efforts and Accomplishments") and goals for the Distribution Department will be presented at a future meeting of the CCWA Board of Directors.

DISTRIBUTION DEPARTMENT OPERATING EXPENSE OVERVIEW

The distribution system for the State water facilities is divided into segments called "Financial Reaches." These financial reaches are the portions of the pipeline through which the project participants receive and pay for water in accordance with their Water Supply Agreements.

Participation in each financial reach is based on the location of a particular project participant's turnout. Each participant pays for its share of the Coastal Branch and Authority financial reaches down to the financial reach from which that participant takes delivery of water. For example, South Coast project participants pay for their share of all financial reaches since they take delivery from the terminus of the Authority pipeline.

The financial reaches for the distribution system include Authority reaches and DWR reaches. The facilities owned by the Authority are considered Authority reaches and those owned by DWR are considered DWR reaches.

The Distribution Department is responsible for maintaining both the Authority and the DWR reaches downstream of the Polonio Pass Water Treatment Plant.

Central Coast Water Authority
Distribution Department
Fiscal Year 2025/26 Budget

The following is a list of the various financial reaches including the facilities and/or landmarks located in each reach.

DWR REACHES

- Reach 33B Tank 1 through the Chorro Valley turnout
- Reach 34 Chorro Valley turnout through the Lopez turnout
- Reach 35 Lopez turnout through the Guadalupe turnout
- Reach 36 Deleted
- Reach 37 Guadalupe turnout to Southern Pacific Railroad crossing near Casmalia
- Reach 38 Southern Pacific Railroad crossing near Casmalia through Tank 5

CCWA (Authority) REACHES

- Mission Hills Tank 5 to La Purisima Road
- Santa Ynez I La Purisima Road to the Santa Ynez Pumping Facility
- Santa Ynez II Santa Ynez Pumping Facility to Lake Cachuma

The table and map “Coastal Branch Financial Reaches” shows the participation by project participant and by financial reach for each project participant in each reach.

Distribution Allocation of Operating Expenses by Financial Reach

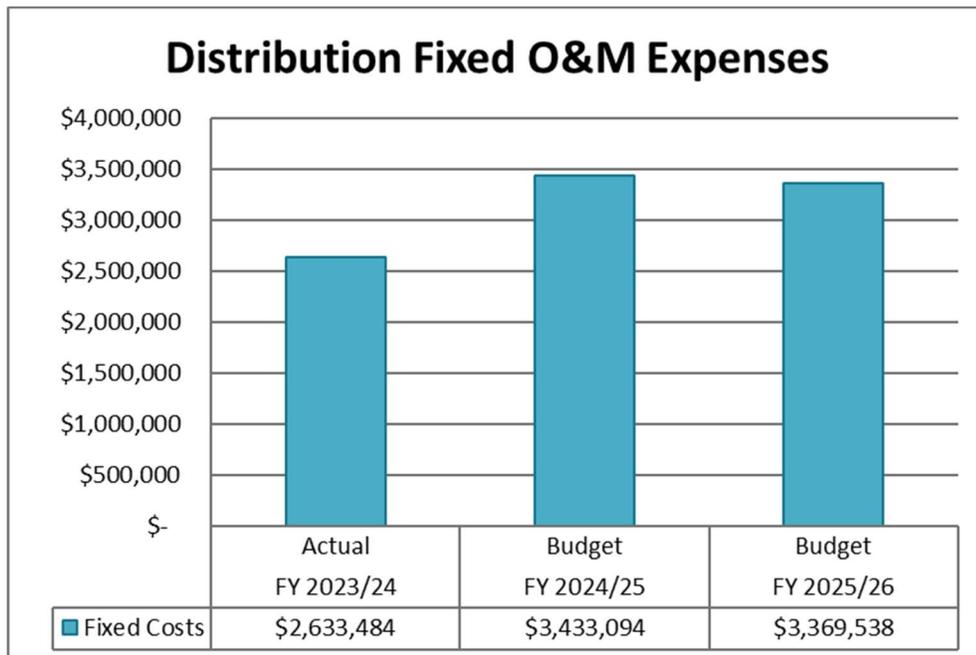
The Distribution Department operating expenses are allocated among the financial reaches listed above based on allocation percentages established by the Authority. These percentages are based on the FY 2023/24 actual operating expenses for each reach. The financial reach allocation percentages are adjusted each year based on the year-end budget status report actual operating expenses from the preceding fiscal year. The following table provides the allocation percentages for the Distribution Department operating expenses.

Central Coast Water Authority
Distribution Department
 Fiscal Year 2025/26 Budget

<i>Distribution Department Financial Reach Allocation</i>			
Financial Reach	FY 2025/26 Allocation Percentage	FY 2024/25 Allocation Percentage	Increase (Decrease)
Reach 33B	13.74%	12.69%	1.05%
Reach 34	7.14%	6.24%	0.89%
Reach 35	4.11%	9.87%	-5.76%
Reach 37	1.75%	1.60%	0.15%
Reach 38	2.54%	3.09%	-0.55%
Mission Hills II	20.62%	13.97%	6.65%
Santa Ynez I	19.30%	16.52%	2.78%
Santa Ynez II	30.79%	36.00%	-5.21%
TOTAL:	100.00%	100.00%	0.00%

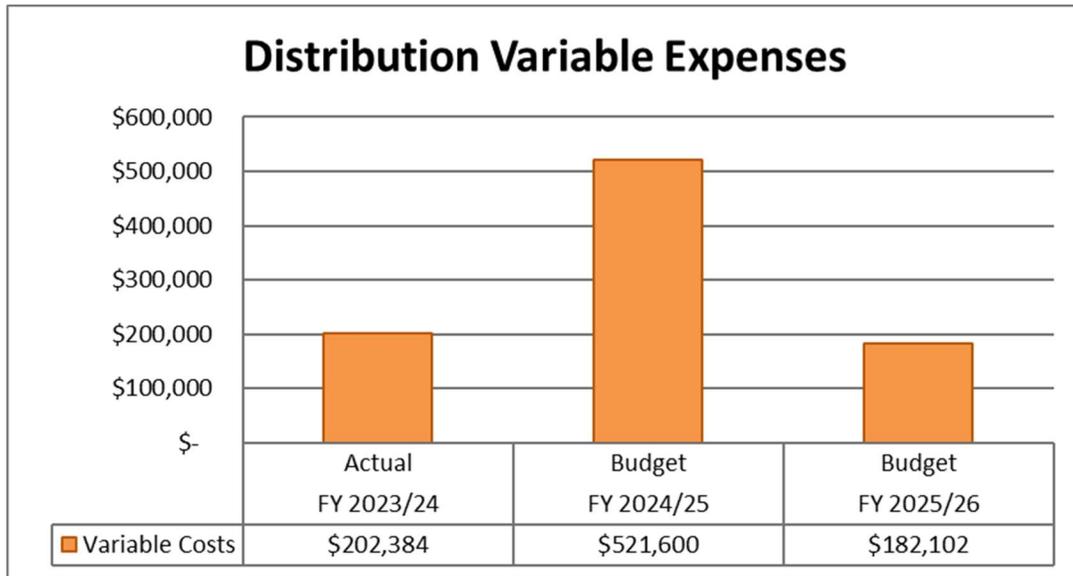
The expenses associated with the Distribution Department are divided into fixed and variable O&M costs.

Fixed O&M Costs are all costs of the distribution system that do not vary with the amount of water processed. Examples of these expenses include personnel costs, professional services, and repair and maintenance costs. The following graph shows the three-year trend for the Distribution Department Fixed O&M expenses. As the graph shows, FY 2025/26 fixed O&M costs are \$63,556 lower than the prior year budget amount.



Central Coast Water Authority
Distribution Department
 Fiscal Year 2025/26 Budget

Variable O&M Costs are all costs that vary with the amount of water processed. The Distribution Department variable expenses are solely electrical costs to pump the South Coast project participant water into Lake Cachuma. The following graph shows the three-year trend for the Distribution Department variable O&M costs. As the graph shows, FY 2025/26 variable O&M costs are \$339,498 lower than the prior year budget amounts.



The following table shows the allocation of the Distribution Department variable O&M costs (electrical costs) for the Fiscal Year 2025/26 Budget.

Distribution Department Electrical Costs

Project Participant	Requested Table A Deliveries ⁽¹⁾	Distribution Electrical Costs at \$417/AF
Goleta	-	\$ -
Morehart	72	30,003
La Cumbre	365	152,099
Raytheon	-	-
Santa Barbara	-	-
Montecito	-	-
Carpinteria	-	-
Total South Coast:	437	\$ 182,102
<small>(1) Excludes water deliveries exchanged with Santa Ynez ID#1.</small>		

Central Coast Water Authority
Distribution Department
Fiscal Year 2025/26 Budget

Fiscal Year 2025/26 Operating Expense Budget

The Fiscal Year 2025/26 Distribution Department operating expense budget is \$3,551,640 which is \$403,054 lower than the previous year's budget of \$3,954,694, a decrease of 10.19%. The personnel expense section of the Distribution Department budget represents approximately 65% of the budget. Professional Services comprise 8%, with other expenses and utilities making up the balance of the budget. A pie chart showing the percentage of the various components of the Distribution Department operating expense budget is included on a subsequent page. Variable O&M costs are included in the supplies and equipment and utilities categories.

Personnel Expenses Personnel expenses are decreasing by about \$27,659 attributed to the following:

- The FY 2025/26 total Distribution Department salaries and wages budget decreased by \$8,015 when compared to the prior fiscal year budget due to the reallocation of 2 positions between the Distribution and the Water Treatment Plant departments.
- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by \$16,445. This is due to; 1) The 2025 CalPERS health insurance plan with the lowest premiums increased by 8.17% over the 2024 premiums, as opposed to the increase of 10% budgeted for the calendar year 2025; 2) The FY 2025/26 Budget also includes an estimated 10% increase in the health insurance premiums effective January 1, 2026. The health plan estimates are based on the elections of each employee at the time the budget is prepared.
- CalPERS retirement expenses are decreasing by \$26,183 over the prior fiscal year. The CCWA employer paid portion for "Classic" members in FY 25/26 is 31.776% as compared to the prior year amount of 31.671%, for a 0.105 % increase. CCWA "Classic" member employees began paying 50% of the increase in the "normal" PERS employer contribution in FY 2017/18. As of FY 2025/26 the Distribution Department has 7 CalPERS PEPRA member employees. The PEPRA employer contribution rate in FY 2025/26 increased from 8.18% in FY 2024/25 to 8.27% in FY 2025/26 for an increase in employer paid PEPRA contribution rate of 0.09%.
- The FY 2025/26 Budget includes a \$49,731 deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums, based on employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of service with CCWA.

Central Coast Water Authority
Distribution Department
Fiscal Year 2025/26 Budget

Repairs and Maintenance Repairs and maintenance costs are increasing by about \$240 because of an increase in anticipated building maintenance expenses.

Professional Services Professional Services costs are decreasing by approximately \$47,405 due to a reduction in legal costs associated with the Warren Act Contract.

General and Administrative General and Administrative costs are increasing by \$2,000 due to an increase in training expenses for staff.

Utility Expenses Utility expenses are decreasing by \$343,150 largely due to significant variability in electric costs due to lower estimated deliveries.

Other Expenses Other expenses are increasing by approximately \$8,681 due to anticipated increase in insurance and computer expenses.

Turnout Expenses Turnout expenses include funds for utility expenses at each turnout, equipment repairs and maintenance, and non-capitalized projects. (See Projects Section for a description of Capital and non-capitalized projects.)

Central Coast Water Authority
Distribution Department
 Fiscal Year 2025/26 Budget

The following table shows the FY 2025/26 O&M budget for the various CCWA Turnouts.

TURNOUT EXPENSES								
Turnout	Electric Expense	Equipment Repairs and Maintenance	Phone Computer Expenses	Other Expenses	Subtotal Operating Expenses	Capital Projects ⁽¹⁾	TOTAL	
Guadalupe	\$ 1,117	\$ 2,500	\$ -	\$ 500	\$ 4,117	\$ -	\$ 4,117	
Santa Maria	833	1,500	-	500	2,833	-	2,833	
Golden State Water Co.	1,337	3,000	-	500	4,837	-	4,837	
Vandenberg Space Force Base		1,500	-	500	2,000	-	2,000	
Buellton	321	1,500	-	500	2,321	-	2,321	
Santa Ynez (Solvang)	611	1,000	-	500	2,111	-	2,111	
Santa Ynez		1,000	-	500	1,500	-	1,500	
Shandon	2,407	1,000	-	500	3,907	-	3,907	
Chorro Valley		1,500	900	500	2,900	-	2,900	
Lopez	691	1,500	-	500	2,691	23,100	25,791	
TOTAL:	\$ 7,317	\$ 16,000	\$ 900	\$ 5,000	\$ 29,217	\$ 23,100	\$ 52,317	

(1) Please see the CIP section of the budget for information regarding the Turnout capital projects.

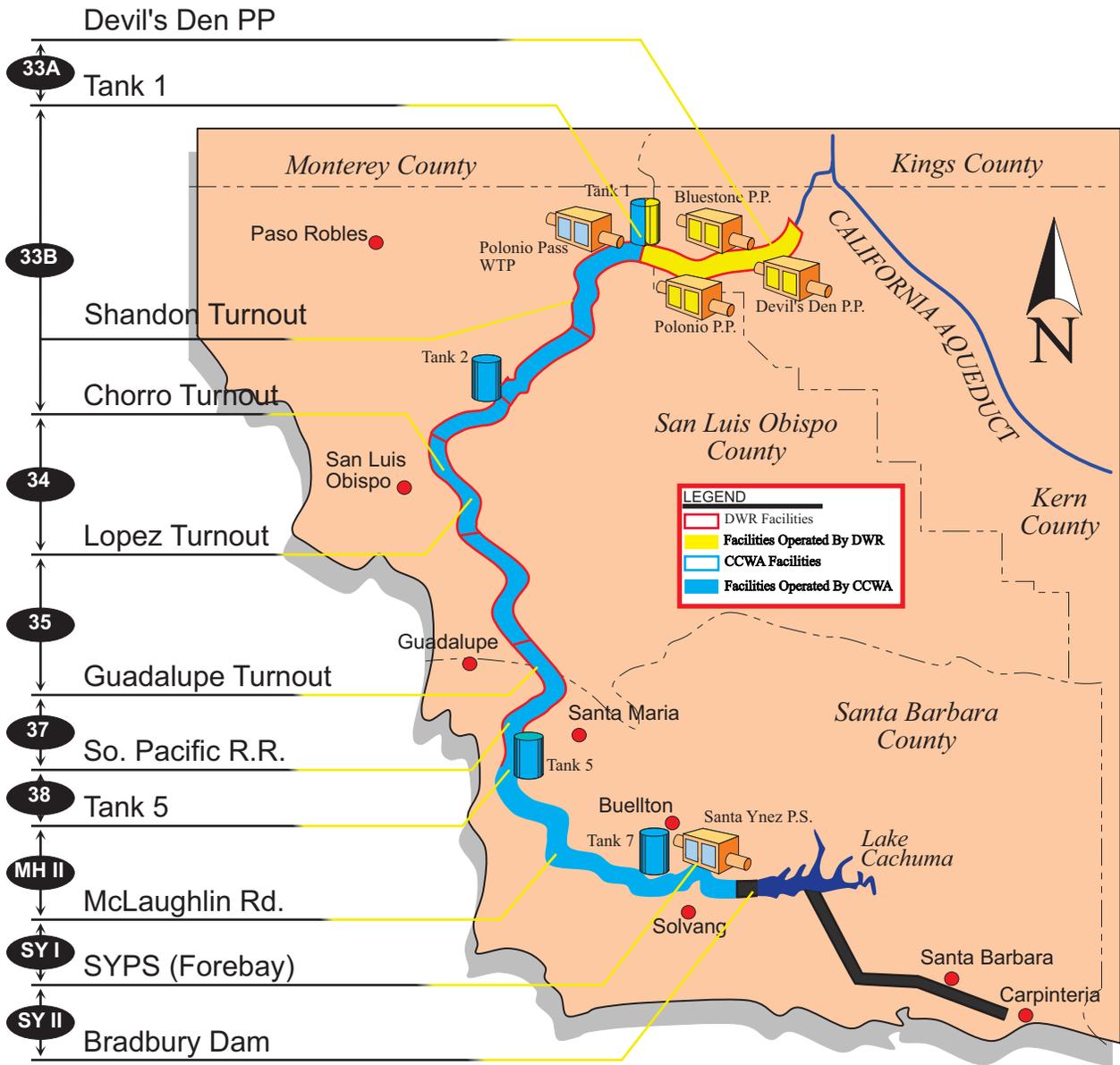
Central Coast Water Authority
Distribution Department
 Fiscal Year 2025/26 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number	Number	Number	Change	Change
	Auth. FY 2023/24	Auth. FY 2024/25	Requested FY 2025/26	Over FY 2023/24	Over FY 2024/25
Executive Director ⁽¹⁾	0.25	0.25	0.25	-	-
Deputy Director of Operations ⁽²⁾	0.40	0.40	0.40	-	-
Operations Manager ⁽³⁾	0.40	0.40	0.40	-	-
Safety Officer ⁽⁴⁾	0.75	0.75	0.50	(0.25)	(0.25)
Distribution Supervisor	1.00	1.00	1.00	-	-
Engineering Technician	1.00	1.00	1.00	-	-
IT/Instrumentation & Control Specialist ⁽⁷⁾	1.00	1.00	0.80	(0.20)	(0.20)
Maintenance Superintendent ⁽⁵⁾	0.40	0.40	0.40	-	-
Maintenance/IC&R Technicians ⁽⁶⁾	0.40	0.40	0.40	-	-
Distribution Technician	5.00	5.00	5.00	-	-
TOTAL:	10.60	10.60	10.15	(0.45)	(0.45)

PERSONNEL WAGE SUMMARY						
Position Title	No. of	Position Classification	Minimum	Maximum	FY 2024/25	Allocation
	Emp.		Monthly Salary	Monthly Salary	Total Annual Salary	to Dist. Dept.
Executive Director ⁽¹⁾	1	N/A	N/A	N/A	\$ 334,446	\$ 83,612
Deputy Director of Operations ⁽²⁾	1	62	\$ 17,904	\$ 21,842	\$ 245,000	\$ 98,000
Operations Manager ⁽³⁾	1	46	\$ 13,256	\$ 16,172	\$ 170,000	\$ 68,000
Safety Officer ⁽⁴⁾	1	38	\$ 11,164	\$ 13,620	\$ 154,712	\$ 77,356
Distribution Supervisor	1	34	\$ 10,245	\$ 12,499	\$ 137,236	\$ 137,236
Engineering Technician	1	21	\$ 7,750	\$ 9,456	\$ 109,710	\$ 109,710
IT/Instrumentation & Control Specialist ⁽⁷⁾	1	28	\$ 9,007	\$ 10,989	\$ 125,008	\$ 23,199
Maintenance Superintendent ⁽⁵⁾	1	38	\$ 11,164	\$ 13,620	\$ 152,076	\$ 60,831
Maintenance/IC&R Technicians ⁽⁶⁾	2	26	\$ 8,629	\$ 10,527	\$ 227,569	\$ 122,322
Distribution Technicians	5	19	\$ 7,425	\$ 9,058	\$ 508,821	\$ 508,821
FY 2025/26 Salary Pool						\$ 64,454
TOTAL:						\$ 1,353,540

- (1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).
 (2) The Deputy Director of Operations is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
 (3) The Operations Manager is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
 (4) The Safety Officer (previously Regulatory Spec.) is allocated to Water Treatment Plant (50%) and Distribution (50%).
 (5) The Maintenance Superintendent is allocated to Water Treatment Plant (60%) and Distribution (40%).
 (6) The two Maintenance IC&R Technicians are allocated to Water Treatment Plant (80%) and Distribution (20%).
 (7) The IT/Instrumentation & Control Specialist is allocated to Water Treatment Plant (20%) and Distribution (80%).

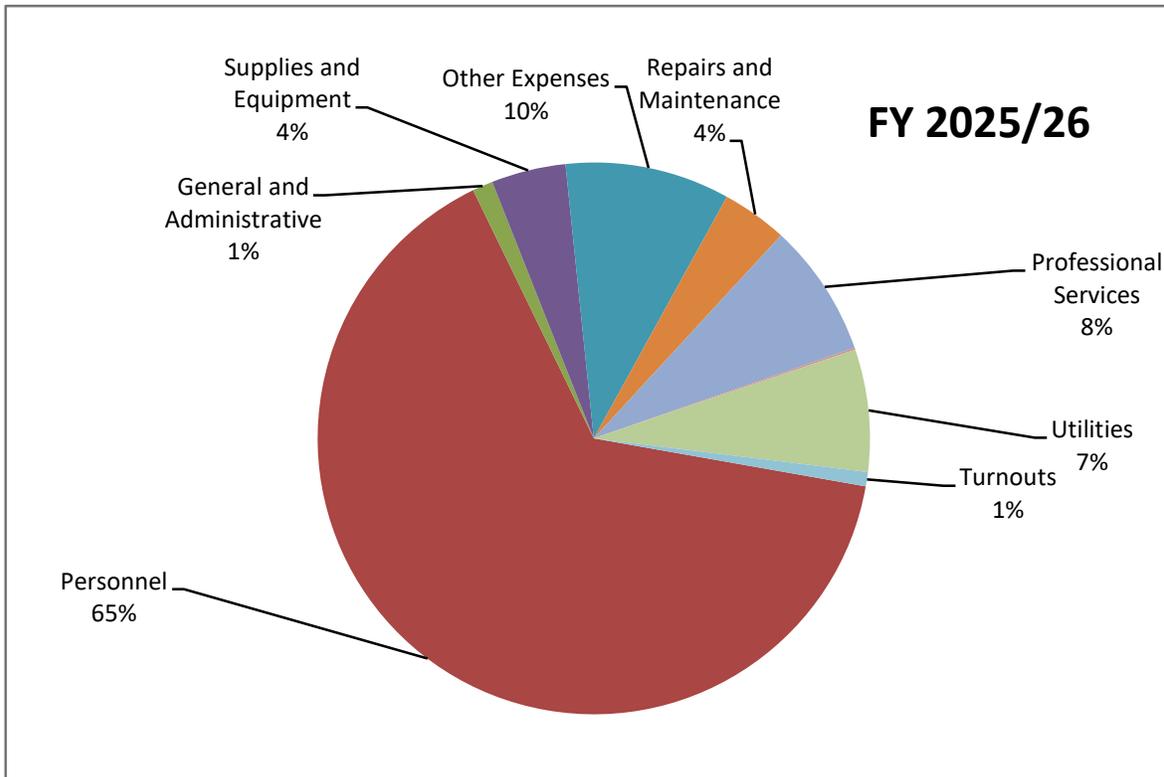
COASTAL BRANCH FINANCIAL REACHES



Purveyor	CONTRACT ENTITLEMENT IN FINANCIAL REACHES							
	WTP / 33B	34	35	37	38	MH II	SY I	SY II
Shandon	100							
Chorro Valley	2,338							
Lopez	2,392	2,392						
Guadalupe	550	550	550					
Santa Maria	16,200	16,200	16,200	16,200				
SCWC	500	500	500	500				
Vandenberg AFB	5,500	5,500	5,500	5,500	5,500	5,500		
Buellton	578	578	578	578	578	578	578	
Santa Ynez (Solvang)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	
Santa Ynez	500	500	500	500	500	500	500	
Goleta	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Morehart Land	200	200	200	200	200	200	200	200
LaCumbre	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
SB Research	50	50	50	50	50	50	50	50
Santa Barbara	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Montecito	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Carpinteria	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
TOTAL	43,908 AF	41,470 AF	39,078 AF	38,528 AF	21,828 AF	21,828 AF	16,328 AF	13,750 AF

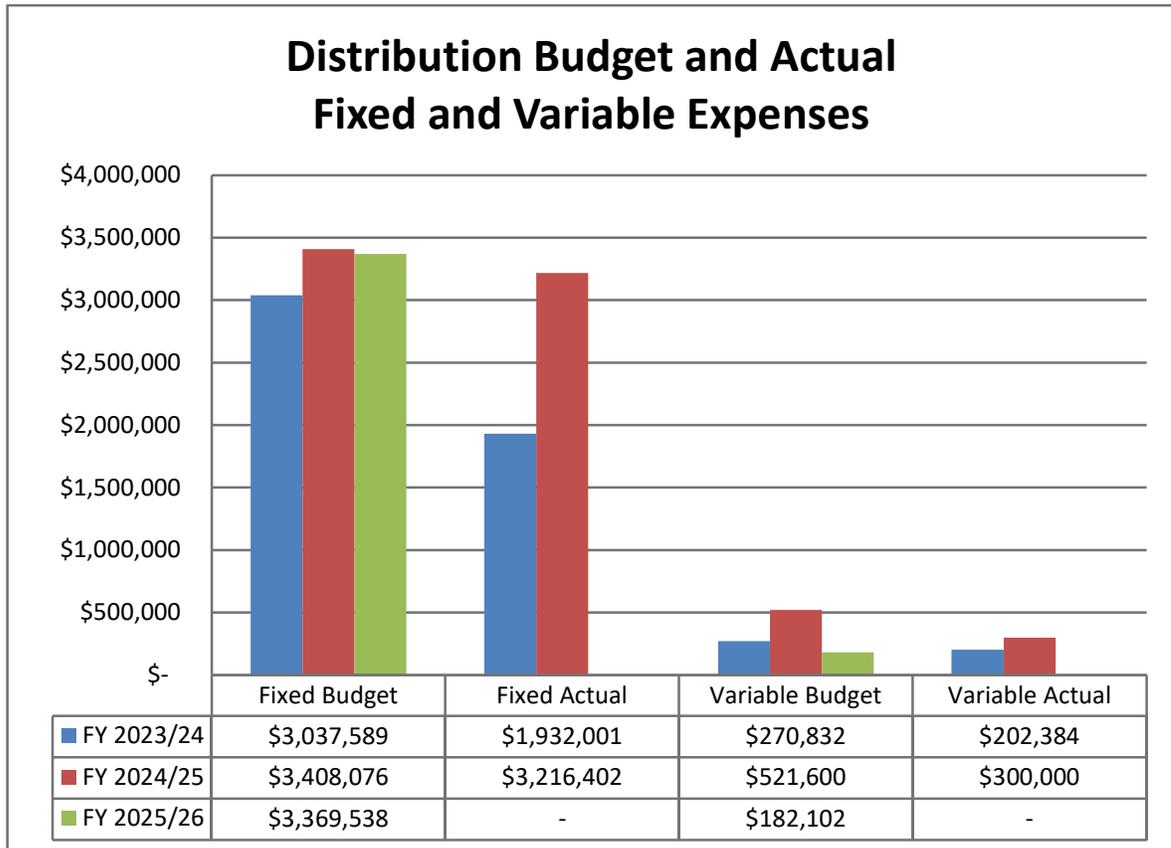
Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2025/26 Budget

Item	FY 2025/26 Budget
Personnel	\$ 2,308,962
Office Expenses	4,000
Supplies and Equipment	154,500
Monitoring Expenses	-
Repairs and Maintenance	136,200
Professional Services	278,090
General and Administrative	43,250
Utilities	254,582
Other Expenses	342,839
Turnouts	29,217
TOTAL:	\$ 3,551,640



Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2025/26 Budget

Item	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget
Personnel	\$ 2,115,083	\$ 1,980,635	\$ 2,336,621	\$ 2,258,999	\$ 2,308,962
Office Expenses	4,000	2,307	4,000	2,000	4,000
Supplies and Equipment	148,295	103,029	154,460	145,960	154,500
Monitoring Expenses	-	-	-	-	-
Repairs and Maintenance	109,760	93,306	135,960	90,500	136,200
Professional Services	243,935	139,236	325,495	325,495	278,090
General and Administrative	34,250	23,378	41,250	35,000	43,250
Utilities	338,957	272,879	597,732	376,122	254,582
Other Expenses	289,123	202,336	334,158	262,326	342,839
Turnouts	25,018	18,762	25,018	20,000	29,217
TOTAL:	\$ 3,308,421	\$ 2,835,868	\$ 3,954,694	\$ 3,516,402	\$ 3,551,640



Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>PERSONNEL EXPENSES</u>								
5000.10	Full-Time Regular Wages	\$ 1,264,321	\$ 1,195,550	\$ 1,361,555	\$ 1,293,555	\$ 1,353,540	\$ (8,015)	-0.59%
1300.60	Capitalized Wages and Overtime	-	-	-	-	-	-	N/A
5000.20	Overtime	81,193	76,275	94,772	94,772	95,323	551	0.58%
5000.40	Standby Pay	29,932	27,422	31,212	31,212	32,874	1,662	5.32%
5000.50	Shift Differential Pay	-	-	-	-	-	-	N/A
5100.10	PERS Retirement	342,500	327,778	368,525	368,525	342,342	(26,183)	-7.10%
5100.15	Medicare Taxes	19,992	19,144	21,684	21,684	21,497	(187)	-0.86%
5100.20	Health/Dental/Vision Plans	249,814	233,664	292,240	292,240	308,685	16,445	5.63%
5100.25	Workers' Compensation	29,797	27,061	30,183	30,183	23,124	(7,059)	-23.39%
5100.30	Vehicle Expenses	-	-	-	-	-	-	N/A
5100.35	Retiree Medical Future Liability Dep.	53,067	35,858	54,278	54,278	49,731	(4,547)	-8.38%
5100.50	Long-Term Disability	6,236	5,083	6,725	6,725	6,652	(73)	-1.09%
5100.55	Life Insurance	7,171	7,416	7,560	7,560	8,409	849	11.23%
5100.60	Employee Physicals	1,745	408	1,745	500	1,800	55	3.15%
5000.30	Certification Incentive Pay	-	-	15,765	15,765	16,305	540	3.42%
5100.80	Employee Incentive Programs/457 Plan	28,315	24,976	49,377	42,000	47,680	(1,697)	-3.44%
5100.65	Employee Education Reimbursement	1,000	-	1,000	-	1,000	-	0.00%
5100.86	Benefits-Non-Capitalized Projects	-	-	-	-	-	-	N/A
1300.60	Capitalized Employee Benefits	-	-	-	-	-	-	N/A
Total Personnel Expenses:		2,115,083	1,980,635	2,336,621	2,258,999	2,308,962	(27,659)	-1.18%

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>OFFICE EXPENSES</u>								
5200.20	Office Supplies	1,500	1,113	1,500	1,000	1,500	-	0.00%
5200.30	Miscellaneous Office Expenses	2,500	1,194	2,500	1,000	2,500	-	0.00%
Total Office Expenses:		4,000	2,307	4,000	2,000	4,000	-	0.00%
<u>SUPPLIES AND EQUIPMENT</u>								
5500.10	Uniform Expenses	9,955	7,363	10,855	10,855	11,000	145	1.34%
5500.15	Minor Tools and Equipment	5,000	4,156	5,000	5,000	5,000	-	0.00%
5500.20	Spare Parts	-	-	-	-	-	-	N/A
5500.25	Landscape Equipment and Supplies	1,000	-	1,000	-	1,000	-	0.00%
5500.30	Chemicals-Fixed	-	-	-	-	-	-	N/A
5500.31	Chemicals-Variable	-	-	-	-	-	-	N/A
5500.35	Maintenance Supplies/Hardware	10,000	3,730	10,000	7,000	10,000	-	0.00%
5500.40	Safety Supplies	11,735	15,881	17,000	17,000	17,000	-	0.00%
5500.45	Fuel and Lubricants	106,105	71,715	106,105	106,105	106,000	(105)	-0.10%
5500.50	Seed/Erosion Control Supplies	4,000	-	4,000	-	4,000	-	0.00%
5500.55	Backflow Prevention Supplies	500	185	500	-	500	-	0.00%
Total Supplies and Equipment:		148,295	103,029	154,460	145,960	154,500	40	0.03%
<u>MONITORING EXPENSES</u>								
5600.10	Lab Supplies	-	-	-	-	-	-	N/A
5600.20	Lab Tools and Equipment	-	-	-	-	-	-	N/A
5600.30	Lab Testing	-	-	-	-	-	-	N/A
Total Monitoring Expenses:		-	-	-	-	-	-	N/A

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>REPAIRS AND MAINTENANCE</u>								
5700.10	Equipment Repairs and Maintenance	70,000	42,989	80,000	50,000	80,000	-	0.00%
5700.20	Vehicle Repairs and Maintenance	20,000	42,348	30,000	30,000	30,000	-	0.00%
5700.30	Building Maintenance	15,260	4,869	21,460	7,000	21,700	240	1.12%
5700.40	Landscape Maintenance	4,500	3,100	4,500	3,500	4,500	-	0.00%
Total Repairs and Maintenance:		109,760	93,306	135,960	90,500	136,200	240	0.18%
<u>PROFESSIONAL SERVICES</u>								
5400.10	Professional Services	156,205	70,278	238,295	238,295	245,890	7,595	3.19%
5400.20	Legal Services	50,000	47,075	50,000	50,000	-	(50,000)	-100.00%
5400.30	Engineering Services	30,000	14,758	30,000	30,000	25,000	(5,000)	-16.67%
5400.40	Permits	7,730	7,126	7,200	7,200	7,200	-	0.00%
5400.50	Non-Contractual Services	-	-	-	-	-	-	N/A
5400.60	Accounting Services	-	-	-	-	-	-	N/A
Total Professional Services:		243,935	139,236	325,495	325,495	278,090	(47,405)	-14.56%
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meeting and Travel	15,000	9,610	20,000	13,000	20,000	-	0.00%
5300.20	Mileage Reimbursement	150	-	150	-	150	-	0.00%
5300.30	Dues and Memberships	3,000	3,811	4,000	4,000	4,000	-	0.00%
5300.40	Publications	1,000	1,173	2,000	2,000	2,000	-	0.00%
5300.50	Training	13,000	8,220	13,000	15,000	15,000	2,000	15.38%
5300.60	Advertising	1,500	225	1,500	500	1,500	-	0.00%
5300.70	Printing and Binding	-	6	-	-	-	-	N/A
5300.80	Postage	600	333	600	500	600	-	0.00%
Total General and Administrative:		34,250	23,378	41,250	35,000	43,250	2,000	4.85%

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2025/26 Administration/O&M Budget

Account Number	Account Name	FY 2023/24 Budget	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	Change from FY 2024/25 Budget	Percent Change FY 2024/25 Budget
<u>UTILITIES</u>								
5800.20	Natural Gas	1,070	1,083	1,070	1,070	1,070	-	0.00%
5800.30	Electric Fixed	48,605	48,063	51,552	56,552	52,510	958	1.86%
5800.31	Electric-Variable	270,832	202,384	521,600	300,000	182,102	(339,498)	-65.09%
5800.40	Water	2,500	2,167	2,500	2,500	2,500	-	0.00%
5800.50	Telephone	10,765	11,514	15,085	11,000	10,400	(4,685)	-31.06%
5800.60	Waste Disposal	5,185	7,668	5,925	5,000	6,000	75	1.27%
Total Utilities:		338,957	272,879	597,732	376,122	254,582	(343,150)	-57.41%
<u>OTHER EXPENSES</u>								
5900.10	Insurance	80,222	80,327	98,826	98,826	107,303	8,477	8.58%
5900.30	Non-Capitalized Projects ⁽¹⁾	-	-	-	-	-	-	N/A
5900.40	Equipment Rental	39,500	28,557	42,700	18,500	18,500	(24,200)	-56.67%
5900.50	Non-Capitalized Equipment	10,000	5,928	10,000	5,000	16,500	6,500	65.00%
5900.60	Computer Expenses	100,331	87,524	115,807	140,000	135,039	19,232	16.61%
5900.70	Appropriated Contingency	59,070	-	66,825	-	65,496	(1,329)	-1.99%
Total Other Expenses:		289,123	202,336	334,158	262,326	342,839	8,681	2.60%
	Turnouts	25,018	18,762	25,018	20,000	29,217	4,199	16.78%
TOTAL OPERATING EXPENSES		\$ 3,308,421	\$ 2,835,868	\$ 3,954,694	\$ 3,516,402	\$ 3,551,640	(403,054)	-10.19%

(1) Effective July 1, 2018 Non-Capitalized Projects will be found in the Capital Improvement and Non-Capital Projects section of the budget.

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5000.10

ACCOUNT TITLE: Full-Time Regular Salaries

Description: Funds for the Distribution regular full-time employees. Includes \$64,454 for FY 2025/26 salary pool.

FY 25/26 Requested Budget	1,353,540
FY 24/25 Estimated Actual	1,293,555
Increase (Decrease)	59,985

ACCOUNT NUMBER: 5000.20

ACCOUNT TITLE: Overtime

Description: Funds for overtime expenses for non-exempt Distribution employees.

FY 25/26 Requested Budget	95,323
FY 24/25 Estimated Actual	94,772
Increase (Decrease)	551

Overtime is set at 5.0% of salaries plus one hour per day to monitor SCADA system.

ACCOUNT NUMBER: 1300.60

ACCOUNT TITLE: Capitalized Salaries and Overtime

Description: CCWA employee salaries and overtime capitalized as a component of capital projects constructed or acquired by CCWA.

FY 25/26 Requested Budget	-
FY 24/25 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5000.30

ACCOUNT TITLE: Certification Incentive Pay

Description: 2.5% pay increase for each certification above the required certification

FY 25/26 Requested Budget	16,305
FY 24/25 Estimated Actual	15,765
Increase (Decrease)	540

Total \$ 16,305

ACCOUNT NUMBER: 5000.40

ACCOUNT TITLE: Stand-by Pay

Description: Funds for stand-by pay for one Distribution Technician and one Instrumentation and Control employee assigned to stand-by duty on a 24-hour basis. Based on 5% of their average hourly rate. Standby pay is \$2.69 per hour for a Distribution employee. Instrumentation and Control employee hourly rate is \$3.18 (1/3 allocated to Distribution Department and 2/3 allocated to the Water Treatment Plant Department).

FY 25/26 Requested Budget	32,874
FY 24/25 Estimated Actual	31,212
Increase (Decrease)	1,662

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5100.10

ACCOUNT TITLE: PERS Retirement

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 35.04% contribution rate for FY 2025/26, which includes the required Unfunded Accrued Liability (UAL) payment.

FY 25/26 Requested Budget	342,342
FY 24/25 Estimated Actual	368,525
Increase (Decrease)	(26,183)

Required Contributions	\$ 183,333	18.396%
UAL current fiscal year	118,279	15.119%
UAL additional payment	40,729	fixed amount
	\$ 342,342	

ACCOUNT NUMBER: 5100.15

ACCOUNT TITLE: Medicare

Description: Funds for the employer portion of Medicare taxes for the Distribution Department. Amount is equal to 1.45% of all wages.

FY 25/26 Requested Budget	21,497
FY 24/25 Estimated Actual	21,684
Increase (Decrease)	(187)

ACCOUNT NUMBER: 5100.20

ACCOUNT TITLE: Health Insurance

Description: Funds for the employer paid portion of health insurance for Distribution employees. Based on employee 2025 Café Plan elections. Includes an estimated 10% premium increase in 2025 rates.

FY 25/26 Requested Budget	270,139
FY 24/25 Estimated Actual	266,154
Increase (Decrease)	3,985

	2025 Allowance	2026 Allowance Est
Family	\$ 26,980	\$ 29,678
Emp + 1	20,754	22,829
Employee only	10,377	11,415

ACCOUNT NUMBER: 5100.25

ACCOUNT TITLE: Workers' Compensation Insurance

Description: Funds for Workers' Compensation insurance for the Distribution department. Based on an X-Mod rate of 62% and an economy of size rate of 90%.

FY 25/26 Requested Budget	23,124
FY 24/25 Estimated Actual	30,183
Increase (Decrease)	(7,059)

ACCOUNT NUMBER: 5100.35

ACCOUNT TITLE: Retiree Medical Future Liability Deposit

Description: Actuarially determined contributions to fund the estimated future liability for the required minimum contribution component (PEMHCA) of the CalPERS health plan and the retiree health costs for vested employees age 62 and over retiring from CCWA with at least 10 years of CCWA service. Costs are based on the number of active and covered employees and retirees.

FY 25/26 Requested Budget	49,731
FY 24/25 Estimated Actual	54,278
Increase (Decrease)	(4,547)

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: <u>5100.40</u>	ACCOUNT TITLE: <u>Cafeteria Plan Benefits</u>
	Description: <u>Funds for the portion of the cafeteria plan benefits which exceed the premium costs for the Distribution employees based on each employee's benefit election.</u>
FY 25/26 Requested Budget 833	
FY 24/25 Estimated Actual 3,106	
Increase (Decrease) (2,273)	

ACCOUNT NUMBER: <u>5100.45</u>	ACCOUNT TITLE: <u>Dental/Vision Plan</u>
	Description: <u>Funds for the self-funded dental/vision plan. The plan provides \$5,171 per year per family for dental and vision expenses. Budgeted amount is \$3,878 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.</u>
FY 25/26 Requested Budget 37,713	
FY 24/25 Estimated Actual 22,980	
Increase (Decrease) 14,733	

ACCOUNT NUMBER: <u>5100.50</u>	ACCOUNT TITLE: <u>Long-Term Disability</u>
	Description: <u>Funds for premiums paid for long-term disability insurance. Based on a rate of \$0.52 per \$100 of salary.</u>
FY 25/26 Requested Budget 6,652	
FY 24/25 Estimated Actual 6,725	
Increase (Decrease) (73)	

ACCOUNT NUMBER: <u>5100.55</u>	ACCOUNT TITLE: <u>Life Insurance</u>
	Description: <u>Funds for the employer paid life insurance premiums for each employee. CCWA policy provides life insurance equal to 150% of an employees annual salary to a maximum of \$250,000.</u>
FY 25/26 Requested Budget 8,409	
FY 24/25 Estimated Actual 7,560	
Increase (Decrease) 849	

ACCOUNT NUMBER: <u>5100.60</u>	ACCOUNT TITLE: <u>Employee Physicals</u>
	Description: <u>Funds for employee physicals paid by CCWA, including DOT, pre-employment, and respirator evaluation.</u>
FY 25/26 Requested Budget 1,800	
FY 24/25 Estimated Actual 500	
Increase (Decrease) 1,300	
	\$ 550 3 physicals at \$185 each
	\$ 1,250 10 Respiratory and Audio Exam @ \$125 each
	\$ 1,800 TOTAL

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5100.65

ACCOUNT TITLE: Employee Education Reimbursement

Description: Funds for reimbursement of employee education expenses under the policy established by CCWA.

FY 25/26 Requested Budget	1,000
FY 24/25 Estimated Actual	-
Increase (Decrease)	1,000

ACCOUNT NUMBER: 5100.80

ACCOUNT TITLE: Employee Incentive Programs/457 K Plan

Description: Funds to encourage employee safety, efficiency and innovation through the Employee Achievement Awards Program (EAAP).

FY 25/26 Requested Budget	47,680
FY 24/25 Estimated Actual	42,000
Increase (Decrease)	5,680

\$	2,680	EAAP
\$	45,000	457 K Plan
\$	47,680	TOTAL

ACCOUNT NUMBER: 5200.20

ACCOUNT TITLE: Office Supplies

Description: Funds for office supplies for the Distribution Department.

FY 25/26 Requested Budget	1,500
FY 24/25 Estimated Actual	1,000
Increase (Decrease)	500

ACCOUNT NUMBER: 5200.30

ACCOUNT TITLE: Miscellaneous Office Expenses

Description: Funds for miscellaneous expenses such as awards, business cards and kitchen supplies, etc.

FY 25/26 Requested Budget	2,500
FY 24/25 Estimated Actual	1,000
Increase (Decrease)	1,500

ACCOUNT NUMBER: 5300.10

ACCOUNT TITLE: Meetings and Travel

Description: Funds for Distribution Department employee meetings and travel expenses. Includes State Water Contractor travel for Executive Director and Deputy Director as well as travel expenses for winter maintenance.

FY 25/26 Requested Budget	20,000
FY 24/25 Estimated Actual	13,000
Increase (Decrease)	7,000

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5300.20

ACCOUNT TITLE: Mileage Reimbursement

Description: Funds for reimbursement to employees for mileage expenses.

FY 25/26 Requested Budget	150
FY 24/25 Estimated Actual	-
Increase (Decrease)	150

ACCOUNT NUMBER: 5300.30

ACCOUNT TITLE: Dues and Memberships

Description: Funds for professional dues and memberships in required areas.

FY 25/26 Requested Budget	4,000
FY 24/25 Estimated Actual	4,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5300.40

ACCOUNT TITLE: Publications

Description: Funds for publications received by the Distribution Department.

FY 25/26 Requested Budget	2,000
FY 24/25 Estimated Actual	2,000
Increase (Decrease)	-

\$	1,000.00	AWWA Online Spec. subscription
\$	1,000.00	Other Publications
\$	2,000.00	TOTAL

ACCOUNT NUMBER: 5300.50

ACCOUNT TITLE: Training

Description: Funds for training Distribution Department staff. Does not include educational reimbursement.

FY 25/26 Requested Budget	15,000
FY 24/25 Estimated Actual	15,000
Increase (Decrease)	-

\$ 15,000 Employee training, including safety

ACCOUNT NUMBER: 5300.60

ACCOUNT TITLE: Advertising

Description: Funds for public relations materials for the Distribution Department including open position advertising.

FY 25/26 Requested Budget	1,500
FY 24/25 Estimated Actual	500
Increase (Decrease)	1,000

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5300.80

ACCOUNT TITLE: Postage

Description: Funds for all postal and mail expenses
for the Distribution Department.

FY 25/26 Requested Budget	600
FY 24/25 Estimated Actual	500
Increase (Decrease)	100

ACCOUNT NUMBER: 5400.10

ACCOUNT TITLE: Professional Services

Description:

\$	100,000	Environmental Services, Required by Reg Agency
	16,500	Cathodic protection, Crane inspections
	3,600	Emergency generator and forklift service
	1,800	Hydraulic package oil analysis
	4,319	Fire extinguisher and SCBA inspections
	4,721	Personnel Team Building
	12,500	Safety Consultant
	20,000	Third Party Confined Space rescue
	1,500	Forklift Service
	50,000	CEQA Review
	1,500	Crane Inspections
	4,450	Security
	25,000	Cachuma Lake Bypass pipeline pumping
\$	245,890	TOTAL

FY 25/26 Requested Budget	245,890
FY 24/25 Estimated Actual	238,295
Increase (Decrease)	7,595

ACCOUNT NUMBER: 5400.20

ACCOUNT TITLE: Legal Services

Description:

FY 25/26 Requested Budget	-
FY 24/25 Estimated Actual	50,000
Increase (Decrease)	(50,000)

ACCOUNT NUMBER: 5400.30

ACCOUNT TITLE: Engineering Services

Description: Funds for all non-capitalized engineering.
services.

FY 25/26 Requested Budget	25,000
FY 24/25 Estimated Actual	30,000
Increase (Decrease)	(5,000)

\$	25,000	General Services (SCADA, GIS, etc)
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**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5400.40

ACCOUNT TITLE: Permits

Description: Funds for all required permits for the Distribution Department.

FY 25/26 Requested Budget	7,200
FY 24/25 Estimated Actual	7,200
Increase (Decrease)	-

\$	3,500	Low Threat Discharge Permit
	1,500	Diesel Permit
	2,200	SYPP, Tank 7 and 5 Business Plan
\$	7,200	TOTAL

ACCOUNT NUMBER: 5500.10

ACCOUNT TITLE: Uniform Expenses

Description: Funds for employer provided uniforms including reimbursement of uniform expenses to employees.

FY 25/26 Requested Budget	11,000
FY 24/25 Estimated Actual	10,855
Increase (Decrease)	145

\$	4,020	Uniform Service (\$335 month)
	2,700	Blue jean pants (\$300/year employee allowance)
	3,150	Boots (\$350/year employee allowance)
	1,130	Misc. uniform requirements (jackets, etc.)
\$	11,000	TOTAL

ACCOUNT NUMBER: 5500.15

ACCOUNT TITLE: Minor Tools and Equipment

Description: Funds for the purchase of minor tools and equipment.

FY 25/26 Requested Budget	5,000
FY 24/25 Estimated Actual	5,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5500.25

ACCOUNT TITLE: Landscape Equipment and Supplies

Description: Funds for the purchase of equipment and supplies for landscape maintenance at the pump station.

FY 25/26 Requested Budget	1,000
FY 24/25 Estimated Actual	-
Increase (Decrease)	1,000

ACCOUNT NUMBER: 5500.35

ACCOUNT TITLE: Maintenance Supplies/Hardware

Description: Funds for the purchase of disposable tools, pipe and pipefittings, wood, steel and other metals, hardware, nuts and bolts, and other hardware materials.

FY 25/26 Requested Budget	10,000
FY 24/25 Estimated Actual	7,000
Increase (Decrease)	3,000

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: <u>5500.40</u>	ACCOUNT TITLE: <u>Safety Supplies</u>
	Description: <u>Purchases of minor safety supplies including first aid kit purchases and non-capitalized safety equipment purchases.</u>
FY 25/26 Requested Budget 17,000	
FY 24/25 Estimated Actual 17,000	
Increase (Decrease) -	

ACCOUNT NUMBER: <u>5500.45</u>	ACCOUNT TITLE: <u>Fuel and Lubricants</u>
	Description: <u>Funds for the purchase of fuel and lubricants for Distribution Department vehicles. Does not include mileage reimbursement expenses.</u>
FY 25/26 Requested Budget 106,000	\$ 97,000 Vehicles
FY 24/25 Estimated Actual 106,105	2,370 Emergency Generator Sets
Increase (Decrease) (105)	4,365 Lubricants
	2,265 Miscellaneous
	\$ 106,000 TOTAL

ACCOUNT NUMBER: <u>5500.50</u>	ACCOUNT TITLE: <u>Seed/Plants/Erosion Control Supplies</u>
	Description: <u>Funds for reseeding, replanting and erosion control supplies.</u>
FY 25/26 Requested Budget 4,000	\$ 1,000 Seed
FY 24/25 Estimated Actual -	1,000 Plants and materials
Increase (Decrease) 4,000	2,000 Erosion control
	\$ 4,000 TOTAL

ACCOUNT NUMBER: <u>5500.55</u>	ACCOUNT TITLE: <u>Backflow Prevention Supplies</u>
	Description: <u>Funds for backflow prevention.</u>
FY 25/26 Requested Budget 500	
FY 24/25 Estimated Actual -	
Increase (Decrease) 500	

ACCOUNT NUMBER: <u>5700.10</u>	ACCOUNT TITLE: <u>Equipment Repairs and Maintenance</u>
	Description: <u>Funds for repairs and maintenance of Distribution Department equipment.</u>
FY 25/26 Requested Budget 80,000	
FY 24/25 Estimated Actual 50,000	
Increase (Decrease) 30,000	

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5700.20

ACCOUNT TITLE: Vehicle Repairs and Maintenance

Description: Funds for the repair and maintenance of Distribution Department vehicles.

FY 25/26 Requested Budget	30,000
FY 24/25 Estimated Actual	30,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5700.30

ACCOUNT TITLE: Building Maintenance

Description: Funds for the repair and maintenance of the Santa Ynez Pumping Facility.

FY 25/26 Requested Budget	21,700
FY 24/25 Estimated Actual	7,000
Increase (Decrease)	14,700

\$	3,700	Janitorial Service
	2,000	Pest Control
	12,000	HVAC, includes quarterly inspection
	4,000	Minor building repairs
\$	21,700	TOTAL

ACCOUNT NUMBER: 5700.40

ACCOUNT TITLE: Landscape Maintenance

Description: Funds for the maintenance of the Santa Ynez Pumping Facility (SYPF).

FY 25/26 Requested Budget	4,500
FY 24/25 Estimated Actual	3,500
Increase (Decrease)	1,000

\$	4,500	SYPF (\$375 month avg)
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ACCOUNT NUMBER: 5800.20

ACCOUNT TITLE: Natural Gas Service

Description: Funds for natural gas service for the Distribution Department.

FY 25/26 Requested Budget	1,070
FY 24/25 Estimated Actual	1,070
Increase (Decrease)	-

ACCOUNT NUMBER: 5800.30

ACCOUNT TITLE: Electric Service-Fixed

Description: Funds for electrical service for the Distribution Dept.

FY 25/26 Requested Budget	52,510
FY 24/25 Estimated Actual	56,552
Increase (Decrease)	(4,042)

\$	21,546	Suite B & C	\$ 1,796/month
	1,635	ISO vaults (2)	\$ 137/month
	7,635	Tanks (3)	\$ 636/month
	1,813	Rectifiers (11)	\$ 151/month
	5,518	EDV	\$ 460/month
	14,362	SYPF	\$ 1,196/month
\$	52,510	TOTAL	

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5800.31

ACCOUNT TITLE: Electric Service-Variable

Description: Funds for electrical service for the
Distribution Department.

FY 25/26 Requested Budget	182,102
FY 24/25 Estimated Actual	300,000
Increase (Decrease)	(117,898)

Acre feet pumped	437
Cost per acre foot	\$417
TOTAL \$	182,102

ACCOUNT NUMBER: 5800.40

ACCOUNT TITLE: Water/Sewer

Description: Funds for water and sewer service to
the Distribution Department.

FY 25/26 Requested Budget	2,500
FY 24/25 Estimated Actual	2,500
Increase (Decrease)	-

ACCOUNT NUMBER: 5800.50

ACCOUNT TITLE: Telephone

Description: Funds for Distribution Department phones including
long distance and cellular phone bills.

FY 25/26 Requested Budget	10,400
FY 24/25 Estimated Actual	11,000
Increase (Decrease)	(600)

\$ 2,875	Tablet Service
\$ 7,525	General Phone
\$ 10,400	Total

ACCOUNT NUMBER: 5800.60

ACCOUNT TITLE: Waste Disposal

Description: Funds for trash service and removal of
hazardous waste (waste oil) for the Distribution Department.

FY 25/26 Requested Budget	6,000
FY 24/25 Estimated Actual	5,000
Increase (Decrease)	1,000

\$ 5,000	Trash service
1,000	Hazardous waste removal
\$ 6,000	TOTAL

ACCOUNT NUMBER: 5900.10

ACCOUNT TITLE: Insurance

Description: Funds for insurance coverage.

FY 25/26 Requested Budget	107,303
FY 24/25 Estimated Actual	98,826
Increase (Decrease)	8,477

\$ 63,212	Property and Auto Insurance as apportioned by JPIA.
\$ 44,092	General liability and E&O insurance pro rated by salary percentages.
\$ 107,303	TOTAL

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2025/26 BUDGET**

ACCOUNT NUMBER: 5900.40

ACCOUNT TITLE: Equipment Rental

Description: Funds for rental of equipment for the Distribution Department.

FY 25/26 Requested Budget	18,500
FY 24/25 Estimated Actual	18,500
Increase (Decrease)	-

\$ 4,800	Portable toilets (4) \$1,200/year each
10,000	General equipment rental
3,700	Mowing
\$ 18,500	TOTAL

ACCOUNT NUMBER: 5900.50

ACCOUNT TITLE: Non-Capitalized Fixed Assets

Description: Funds for the purchase of non-capitalized equipment purchases. These equipment purchases are generally under \$10,000 in cost with an estimated useful life under 5 years.

FY 25/26 Requested Budget	16,500
FY 24/25 Estimated Actual	5,000
Increase (Decrease)	11,500

ACCOUNT NUMBER: 5900.60

ACCOUNT TITLE: Computer Expenses

Description: Funds for computer expenses including minor software and equipment purchases, and service contracts.

FY 25/26 Requested Budget	135,039
FY 24/25 Estimated Actual	140,000
Increase (Decrease)	(4,961)

\$ 124,329	CompuVision, Annual Service Agreements, and Software Subscriptions
\$ 10,710	Software, New Computers, DSL Allowance and other computer services.
\$ 135,039	TOTAL

ACCOUNT NUMBER: 5900.70

ACCOUNT TITLE: Appropriated Contingency

Description: 2.0% of requested budget excluding variable electric costs.

FY 25/26 Requested Budget	65,496
FY 24/25 Estimated Actual	-
Increase (Decrease)	65,496



Bypass pipe at Bradbury Dam

Capital, Non-Capital & Extraordinary Projects

The Capital Improvements Projects (CIP) and Non-Capital Projects (NCP) is a component of the non-operating expense section of the budget. The CIP budget includes expenses for fixed asset/equipment purchases as well as the accumulation of expenditures for construction projects undertaken by the Authority. The NCP budget includes expenditures for facility, equipment, maintenance and repairs. The Extraordinary Project Program (EPP) at the end of the project section of the budget provides a list of both CIP and NCP with a \$75,000 cost threshold over the next ten years.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
Fiscal Year 2025/26 Budget

The Capital Improvements Projects (CIP) and Non-Capital Projects (NCP) section is a component of the non-operating expense section of the budget. The budget for CIP includes expenditures for fixed asset/equipment purchases, the accumulation of expenditures associated with construction projects undertaken by the Authority. The NCP budget includes expenditures for facility, equipment, maintenance and repairs. The Extraordinary Project Program (EPP) at the end of this section provides a list of both Capital and Non-Capital Projects with a \$75,000 cost threshold and are anticipated occurring over the next ten years.

Total CIP and NCP budget for FY 2025/26 is \$2,947,718 and consists of 17 Capital Improvement Projects representing \$2,530,868 of the budget, and a budget of \$416,850 for 4 Non-Capital Projects.

Capitalization Criteria

The Authority capitalizes project expenditures and fixed asset purchases for those projects and assets that (1) are greater than \$10,000 and (2) have an estimated useful life longer than five years, with the exception of computer related equipment which is amortized over three years.

Principles used to determine what constitutes Capitalization:

- Fixing a defect or design flaw
- Creating an addition, physical enlargement or expansion
- Creating an increase in capacity, productivity or efficiency
- Rebuilding property after the end of its economic useful life
- Replacing a major component or structural part of the property
- Adapting property to a new or different use

Carry-Over

During the previous fiscal year, certain capital improvement projects were either not completed or started during the year. However, the Authority intends to complete these projects and expend the funds in the next fiscal year. Therefore, the items are treated as a “carry-over.” This means that the project is being carried forward from the previous fiscal year to the new fiscal year capital improvement budget. Additionally, the unused funds are moved from the previous fiscal year to the new fiscal year. Currently, it is not yet known if funds will need to be carried over from FY 2024/25 into FY 2025/26.

Funding of Capital Improvements (CIP) and Non-Capital Projects (NCP)

The FY 2025/26 CIP and NCP expenditures are entirely funded from Project Participant Assessments.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

The following table shows the allocation of the FY 2025/26 Capital Improvements Projects and Non-Capital Projects by department and financial reach. Details for each of the proposed projects can also be found in this section.

FY 2025/26 Capital Improvement Projects (CIP)							
Capital Projects	Specific		Water Treatment			Turnouts	Total
	Financial Reach	Administration	Plant	Distribution	Distribution		
Sludge Removal System Replacement Project	WTP	-	\$ 113,400	-	-	-	\$ 113,400
Utility Water Piping Replacement	WTP	-	94,500	-	-	-	94,500
Actuators	WTP	-	45,360	-	-	-	45,360
Filter Multimedia and Underdrain Replacement	WTP	-	157,500	-	-	-	157,500
Lab Charge Analyzer	WTP	-	27,930	-	-	-	27,930
Mesa Verde and Tank 7 Access Roads Project	SYI/SYII	-	-	472,500	-	-	472,500
Corroded Riser Replacement Project	MHII/SYI	-	-	231,000	-	-	231,000
Permanent Bypass Piping System Study	ALL	-	-	84,000	-	-	84,000
Charging Station Construction	ADM/SYII/WTP	46,431	34,823	34,823	-	-	116,078
Lopez Turnout Flowmeter Replacement	LOPEZ TO	-	-	-	-	23,100	23,100
OSHA Staircase for Tank 2, Tank 5, Backwash Tank	33B/MHII/WTP	-	126,000	252,000	-	-	378,000
Communication and Connectivity Project	WTP/ALL	-	31,500	31,500	-	-	63,000
WTP/Lab Vehicle	WTP	-	79,380	-	-	-	79,380
Distribution Crew Truck	ALL	-	-	62,370	-	-	62,370
Engineering Tech Vehicle	ALL	-	-	79,380	-	-	79,380
I&C Tech/IT Specialist Truck	WTP	-	62,370	-	-	-	62,370
Hydraulic Package Servicing	34	-	-	441,000	-	-	441,000
Total Capital Projects:		\$ 46,431	\$ 772,763	\$ 1,688,573	\$ 23,100	-	\$ 2,530,868
FY 2025/26 Non-Capital Projects (NCP)							
Maintenance, Repairs & Equipment Projects	Financial Reach	ADM	WTP	DIST	Turnouts	Total	
Chemical Containment Lining Project	WTP	-	94,500	-	-	-	\$ 94,500
Facilities Condition Assessment	ADM/WTP/ALL	4,830	152,145	84,525	-	-	241,500
Tank 1 and Tank 2 Potable Water Dive Inspection	WTP/33B	-	21,000	21,000	-	-	42,000
Santa Ynez Pump Rehabilitation Project	SYII	-	-	38,850	-	-	38,850
Total Maintenance, Repair & Equipment Projects:		\$ 4,830	\$ 267,645	\$ 144,375	\$ -	-	\$ 416,850
TOTAL CAPITAL and NON-CAPITAL PROJECTS:		\$ 51,261	\$ 1,040,408	\$ 1,832,948	\$ 23,100	-	\$ 2,947,718

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

The following tables provide details for each of the Capital Improvement Projects.

Description:	Sludge Removal System Replacement
Department:	WTP
Expanded Description	The Sludge Removal System at the Water Treatment Plant has reached the end of its service life. The original manufacturer of the equipment conducted an onsite assessment of the equipment in 2022 and made the recommendation to replace the equipment within five years, or by 2027. This project will continue the replacement of existing sedimentation basin equipment.
Estimated Charge - Material	\$100,000
Tax (8%)	8,000
Contingency (5%)	<u>5,400</u>
Subtotal without CCWA Labor	\$113,400
CCWA Labor	<u>37,685</u>
Total Cost	\$151,085
Operating Budget Impact:	Based on experience, the procurement of replacement equipment requires 6 to 8 weeks from order placement to delivery. The equipment is needed to remove sludge and allow the treatment process to proceed. A failure of the system would significantly impair treatment operations. This project will reduce the potential of a sludge removal system failure.

Description:	Utility Water Piping Replacement
Department:	WTP
Expanded Description	The Water Treatment Plant is equipped with a utility water distribution system. Portions of the existing piping have corroded and need to be replaced. Replacement of the system piping began in Fiscal Year 2024-25 and this project continues the replacement of additional corroded sections.
Estimated Charge - Contractor	\$90,000
Contingency (5%)	<u>4,500</u>
Subtotal without CCWA Labor	\$94,500
CCWA Labor	<u>5,568</u>
Total Cost	\$100,068
Operating Budget Impact:	The Water Treatment Plant requires a functional utility water distribution system to operate. The purpose of the project is to continue replacing corroded sections of the utility water piping system prior to their failure.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

Description:	Actuators
Department:	WTP
Expanded Description	This project is to continue replacing the filter control valve actuators. The existing actuators are well past their service life and need to be replaced to ensure reliable filter operation.
Estimated Charge – Material	\$40,000
Tax (8%)	3,200
Contingency (5%)	<u>2,160</u>
Subtotal without CCWA Labor	\$45,360
CCWA Labor	<u>9,712</u>
Total Cost	\$55,072
Operating Budget Impact:	The filters of the Water Treatment Plant serve as a vital element of the water treatment operations. The function of the filters is to removal particulate matter from the water and, consequently, the filters must be cleaned periodically. Control valves are actuated to create a turbulent condition that facilitates filter media cleaning which maintains the capacity of the Water Treatment Plant.

Description:	Filter Multimedia and Underdrain Nozzle Replacement Project
Department:	WTP
Expanded Description	Filtration of settled water is accomplished through eight multimedia filters. Water percolates from the top of each filter through a layer of granular activated carbon and sand and flows through an underdrain system to the chlorine contact basin. This project consists of the design for the removal and replacement of both layers of filter media and the underdrain nozzles in four of the filters. An assessment of the empty filter basins will also be conducted.
Estimated Charge - Contractor	\$150,000
Contingency (5%)	<u>7,500</u>
Subtotal without CCWA Labor	\$157,500
CCWA Labor	<u>5,993</u>
Total Cost	\$163,493
Operating Budget Impact:	The multimedia filters are an integral component of the water treatment process as they remove impurities in settled water prior to the chlorine contact basin. The sand media and underdrain nozzles have been in place since the construction of the Water Treatment Plant and are nearing the end of their anticipated useful life and warrant replacement.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

Description:	Lab Charge Analyzer
Department:	WTP
Expanded Description	The lab charge analyzer is a coagulation optimization tool which will allow water treatment plant operators to quickly respond to rapidly changing raw water conditions. The coagulant dosage needed can be determined within five minutes by either manually or automatically titrating a raw water sample with coagulant until a zero charge reading is obtained.
Estimated Charge - Material	\$20,000
Estimated Charge - Contractor	5,000
Tax (8%)	1,600
Contingency (5%)	<u>1,330</u>
Subtotal without CCWA Labor	\$27,930
CCWA Labor	<u>6,631</u>
Total Cost	\$34,561
Operating Budget Impact:	Water treatment plant operators perform jar testing to determine the coagulant dosage needed to successfully treat raw water. The jar testing process is time intensive. Using a Lab Charge Analyzer will enable a water treatment operator to optimize the coagulant dosage more quickly.

Description:	Mesa Verde and Tank 7 Access Roads Project
Department:	SYI/SYII
Expanded Description	CCWA is responsible for maintaining a portion of Mesa Verde Road and the Tank 7 access road. Previous road maintenance and repair activities have consisted of crack and slurry seals. The current age and condition of both roads has reached a point where an asphalt overlay is required.
Estimated Charge - Contractor	\$450,000
Contingency (5%)	<u>22,500</u>
Subtotal without CCWA Labor	\$472,500
CCWA Labor	<u>28,344</u>
Total Cost	\$500,844
Operating Budget Impact:	CCWA access to the Santa Ynez Pumping Plant and Tank 7 is important for routine operation and maintenance activities. Both Mesa Verde Road and the Tank 7 access roads have previously undergone crack and slurry sealing which extended their service life to the present. Full reconstruction is required at each location and will facilitate continued access to both facilities.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

Description:	Corroded Riser Replacement Project
Department:	MHII/SYI
Expanded Description	This is a project to continue repairing corroded riser piping of identified air vacuum/air release valves along the pipeline.
Estimated Charge - Contractor	\$220,000
Contingency (5%)	<u>11,000</u>
Subtotal without CCWA Labor	\$231,000
CCWA Labor	<u>24,755</u>
Total Cost	\$255,755
Operating Budget Impact:	Air vacuum/air valves are an important component of a proper pipeline operation by purging of air and preventing the generation of a vacuum pressure within the pipeline. The corroded risers have the potential to leak and need to be repaired.

Description:	Permanent Bypass Piping System Study
Department:	DIST
Expanded Description	A high-density polyethylene pipeline has been in use to convey water to Lake Cachuma to specifically bypass the Bradbury Dam Penstock, which is the original delivery point for CCWA water. This project is intended to begin long-term planning for a permanent bypass pipeline.
Estimated Charge – Contractor	\$80,000
Contingency (5%)	<u>4,000</u>
Subtotal without CCWA Labor	\$84,000
CCWA Labor	<u>11,281</u>
Total Cost	\$95,281
Operating Budget Impact:	A portion of the CCWA pipeline from the Santa Ynez Pumping Plant and Lake Cachuma was constructed in the 1960's within the Santa Ynez Riverbed. The condition of the pipeline is closely monitored by CCWA staff and there are no current significant issues with the pipeline. The eventual replacement of the pipeline is a significant project that will require a number of years to plan, permit and construct.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

Description:	Charging Station Construction
Department:	ADM 40%/SYII 30%/WTP 30%
Expanded Description	Regulations issued by the California Air Resources Control Board will require CCWA to start purchasing zero emission vehicles, starting in 2027. This project is to construct electrical charging stations at the Buellton Administrative Office, Santa Ynez Pumping Plant and Water Treatment Plant.
Estimated Charge - Contractor	\$110,550
Contingency (5%)	<u>5,528</u>
Subtotal without CCWA Labor	\$116,078
CCWA Labor	<u>17,922</u>
Total Cost	\$133,999
Operating Budget Impact:	CCWA owns a fleet of vehicles to carry out its mission and has a replacement policy for vehicles reaching a certain age and mileage. These stations will be used charging electric vehicles which are part of CCWA's fleet. A portion of the charging station installation cost will be offset by a grant received from the Santa Barbara County Air Pollution Control District.

Description:	Lopez Turnout Flowmeter Replacement
Department:	Lopez Turnout
Expanded Description	The existing Lopez Turnout flowmeter requires a minimum flow of 500 gallons-per-minute (gpm). San Luis Obispo County has requested modifying the existing equipment to accommodate flows less than 500 gpm through this turnout. This project will replace the existing flowmeter with a magnetic flowmeter.
Estimated Charge - Contractor	\$22,000
Contingency (5%)	<u>1,100</u>
Subtotal without CCWA Labor	\$23,100
CCWA Labor	<u>10,734</u>
Total Cost	\$33,834
Operating Budget Impact:	Replacing the existing flowmeter with a magnetic flowmeter will increase the range of flows capable of being delivered and an improvement in water supply reliability for customers off of this turnout.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

Description:	OSHA Staircase for Tank 2, Tank 5 and Backwash Tank
Department:	33B/MHII/WTP
Expanded Description	There is a need to install OSHA compliant stair cases at Tank 2, Tank 5 and the Backwash Tank. This project will construct concrete foundations and stair cases at the three locations.
Estimated Charge – Contractor	\$360,000
Contingency (5%)	<u>18,000</u>
Subtotal without CCWA Labor	\$378,000
CCWA Labor	<u>22,332</u>
Total Cost	\$400,332
Operating Budget Impact:	The tops of Tank 2, Tank 5 and the Backwash Tank are accessed by a fixed ladder attached to the side of each tank and represent a fall hazard to CCWA staff. CCWA evaluated three options to provide engineered safety controls and found erecting OSHA complaint stairs adjacent to each tank will significantly reduce fall hazards.

Description:	Communication and Connectivity Project
Department:	DIST/WTP
Expanded Description	The CCWA Safety Committee identified a need to enhance the safety program through expanding communication and connectivity capability along the pipeline and within the Water Treatment Plant. This project will provide an enhanced communication link for staff at all major facilities using radios.
Estimated Charge – Contractor	\$60,000
Contingency (5%)	<u>3,000</u>
Subtotal without CCWA Labor	\$63,000
CCWA Labor	<u>16,265</u>
Total Cost	\$79,265
Operating Budget Impact:	CCWA staff routinely patrols the pipeline right-of-way and visits major pipeline facilities for servicing. Some of these facilities are in remote locations with no cell phone coverage. This project addresses staff’s safety concerns in working in remote locations by utilizing radios for communication in areas without cell phone coverage.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

Description:	Lab/WTP Vehicle
Department:	WTP
Expanded Description	Four vehicles are currently or projected to be ready for replacement per CCWA's vehicle replacement policy. Replaces T021
Estimated Charge – Material	\$70,000
Tax (8%)	5,600
Contingency (5%)	<u>3,780</u>
Subtotal without CCWA Labor	\$79,380
CCWA Labor	<u>461</u>
Total Cost	\$79,841
Operating Budget Impact:	The CCWA replacement policy is to replace vehicles once they either have reached 125,000 miles or are over 10 years in age.

Description:	Distribution Crew Truck
Department:	DIST
Expanded Description	Four vehicles are currently or projected to be ready for replacement per CCWA's vehicle replacement policy. Replaces D084
Estimated Charge – Material	\$55,000
Tax (8%)	4,400
Contingency (5%)	<u>2,970</u>
Subtotal without CCWA Labor	\$62,370
CCWA Labor	<u>461</u>
Total Cost	\$62,831
Operating Budget Impact:	The CCWA replacement policy is to replace vehicles once they either have reached 125,000 miles or are over 10 years in age.

Description:	Engineering Tech Vehicle
Department:	DIST
Expanded Description	Four vehicles are currently or projected to be ready for replacement per CCWA's vehicle replacement policy. Replaces D076
Estimated Charge – Material	\$70,000
Tax (8%)	5,600
Contingency (5%)	<u>3,780</u>
Subtotal without CCWA Labor	\$79,380
CCWA Labor	<u>461</u>
Total Cost	\$79,841
Operating Budget Impact:	The CCWA replacement policy is to replace vehicles once they either have reached 125,000 miles or are over 10 years in age.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

Description:	I&C Tech/IT Specialist Truck
Department:	WTP
Expanded Description	Four vehicles are currently or projected to be ready for replacement per CCWA's vehicle replacement policy. Replaces T028
Estimated Charge – Material	\$55,000
Tax (8%)	4,400
Contingency (5%)	<u>2,970</u>
Subtotal without CCWA Labor	\$62,370
CCWA Labor	<u>461</u>
Total Cost	\$62,831
Operating Budget Impact:	The CCWA replacement policy is to replace vehicles once they either have reached 125,000 miles or are over 10 years in age.

Description:	Hydraulic Package Servicing
Department:	34
Expanded Description	A hydraulic package is a system that provides the motive force to open and close major valves on the pipeline and at turnouts. This system uses pumps to pressurize hydraulic oil and includes equipment that facilitates the storage of hydraulic pressure to allow continued valve actuation in the event of a power failure. Since these systems are over 25 years old, CCWA's engineering consultant was retained to conduct an evaluation of the hydraulic package units that are currently in place at some of the major facilities on the pipeline. The evaluation indicated that most of the hydraulic packages were in good operating condition. However, the steel tubing that is in place within the hydraulic package for the Energy Dissipation Valve (EDV) facility shows signs of corrosion and needs replacement. The new hydraulic lines will also need to be upgraded to stainless steel to prevent future corrosion. This project includes the development of drawings and specifications for implementing this recommendation as well as the replacement work.
Estimated Charge – Contractor	\$420,000
Contingency (5%)	<u>21,000</u>
Subtotal without CCWA Labor	\$441,000
CCWA Labor	<u>26,710</u>
Total Cost	\$467,710
Operating Budget Impact:	The EDV is critical to the overall pipeline operation, as it controls the flow rate entering CCWA's service area. One important aspect of the EDV operation is that the pressure on the upstream side of the EDV's sleeve valve is approximately 500 psi and 250 psi on the downstream side. Due to this high-pressure differential, a hydraulic package is necessary to open/close and throttle the sleeve valves, which is the main function of the EDV facility. In addition, due to the high hydraulic pressure generated in the hydraulic package hydraulic oil lines, any leak arising from corrosion presents a safety hazard to employees working near the system. This project is needed for employee safety and reliable operation of the pipeline.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

Non-Capitalized Projects

CCWA operates the Coastal Branch Extension for DWR through an Operations and Maintenance Agreement. Therefore, all expenses associated with the repairs and maintenance of the DWR portion of the Coastal Branch Extension are funded through the CCWA O&M assessments. Additionally, certain portions of the facilities around the Polonio Pass Water Treatment are owned by DWR but also operated and maintained by CCWA, such as the access road to the Water Treatment Plant. Since CCWA does not own the DWR facilities, capital related expenditures may not be capitalized as an asset on its books. The account also includes funding for projects on CCWA owned portions of the Water Treatment Plant which are considered extraordinary expenses, but which are not eligible for capitalization.

The following tables provide details for each of the Non-Capital Projects.

Description:	Chemical Containment Lining Project
Department:	WTP
Expanded Description	Chemical storage tanks are located in an concrete containment basin. The concrete surface has degraded and this project will restore portions of the concrete and install a chemical resistant liner to arrest further degradation.
Estimated Charge - Contractor	\$90,000
Contingency (5%)	<u>4,500</u>
Subtotal without CCWA Labor	\$94,500
CCWA Labor	<u>8,872</u>
Total Cost	\$103,372
Operating Budget Impact:	Concrete can be degraded from certain chemicals and environmental conditions. Once the surface starts to degrade, it is important to repair and service the area to prevent potential corrosion of the embedded steel rebar. If the embedded steel rebar corrodes, it will cause a spalling issue where thicker section of concrete will break off from the concrete structure and thus creating a more expensive repair.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

Description:	Facilities Condition Assessment
Department:	ADM/DIST/WTP
Expanded Description	This study is to assess and document the condition of CCWA's facilities and infrastructure and develop a plan to maintain it in excellent working condition. The study will develop an asset registry and identify near-term and mid-term rehabilitation and replacement needs.
Estimated Charge - Contractor	\$230,000
Contingency (5%)	<u>11,500</u>
Subtotal without CCWA Labor	\$241,500
CCWA Labor	<u>8,950</u>
Total Cost	\$250,450
Operating Budget Impact:	The majority of CCWA's facilities have been in operation for approximately 30 years. The study will increase CCWA knowledge of the current state of all facilities and assist with identification of capital needs over a 10-year horizon.

Description:	Tank 1 and 2 Potable Water Dive Inspection
Department:	WTP/33B
Expanded Description	The American Water Works Association recommends that distribution tanks be inspected once every five years. This project will include inspections of Tanks 1 and 2.
Estimated Charge - Contractor	\$40,000
Contingency (5%)	<u>2,000</u>
Subtotal without CCWA Labor	\$42,000
CCWA Labor	<u>16,193</u>
Total Cost	\$58,193
Operating Budget Impact:	Tank inspections and cleaning are important elements of distribution system maintenance and can prevent the added costs to responding to biological contamination or nitrification events.

Description:	Santa Ynez Pump Rehabilitation Project
Department:	SYII
Expanded Description	The Santa Ynez Pumping Plant is equipped with five pumps which are used to convey water into Lake Cachuma for delivery to CCWA South Coast Participants. CCWA will remove two pumps for inspection and preventative maintenance to extend their service life and maintain operational reliability.
Estimated Charge - Contractor	\$37,000
Contingency (5%)	<u>1,850</u>
Subtotal without CCWA Labor	\$38,850
CCWA Labor	<u>10,807</u>
Total Cost	\$49,657
Operating Budget Impact:	Performing preventative maintenance on the pumps will improve operational reliability by potentially finding and addressing issues at a lower cost rather than waiting for larger, more costly issues to manifest.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
Fiscal Year 2025/26 Budget

FORMAL EXTRAORDINARY PROJECT PROGRAM

CCWA staff and an experienced engineering consultant worked together to develop a formal Extraordinary Project Program (EPP). As the various facilities and systems that are operated and maintained by CCWA age, there will be a need for projects to replace, refurbish and improve those facilities and systems. Not only will the number of these kinds of projects increase but their magnitude in both costs and potential impact on operations will increase as well. In addition, the Board may find that the CCWA System can be improved or modified to provide additional benefits to CCWA Participants. Consequently, there is a need to carefully consider what specific projects are needed or desired by the Board and to plan and schedule their implementation. The project identification, planning, prioritization and scheduling steps were foundational in the preparation of the formal EPP.

Another important purpose of a formal EPP is that it provides a format in which to communicate to the Board a more comprehensive long range plan for the CCWA system operation and development. In the past, Staff presented projects to the Board through the annual budgeting process. All projects were funded on a current year basis and included in the Authority's draft budget, which was submitted to the Board of Directors for approval. Because this process did not provide a full view of multi-year projects nor provide a definitive long term plan, in Fiscal Year 2017/18 Staff developed the formal EPP to adequately communicate to the Board the current work of careful planning and prioritizing of projects.

As with all EPPs, the basic elements include the following:

- Identification of Projects. Since the purpose of a formal EPP is to communicate the long term development plans for the CCWA System, it is important to identify the size of the projects to bring to the Board's attention. For the purposes of initial evaluation, CCWA staff has used \$75,000 as the threshold level in which to include a project in the EPP. The Board may decide to increase or decrease this threshold level.

In terms of identifying projects, there are two kinds of projects: (1) projects identified through routine facility assessments and (2) projects that improve the CCWA system and provide additional benefits to CCWA Participants, such as expanding the water treatment plant.

- Identify Funding for Projects. For the CCWA operation, all funding of projects occurs through the annual budgeting process for the CCWA operation. However, for large projects, the Board may decide to direct staff to pursue grant funding opportunities. Since applying for grants is a project in itself and may require an extended timeframe to secure a grant, this may be the first step in developing a project.
- Budgeting Project. A formal EPP allows the Board to fully consider the costs and schedule of a multi-year project. In addition, annual updates of the EPP

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
Fiscal Year 2025/26 Budget

will allow updates to project costs estimates and other important updates for the Board to consider. This is an improvement on the prior method of submitting projects on a current year budget basis only.

- **Implementing Projects.** A standard project management approach is utilized in organizing and implementing projects. Every project is described, in terms of cost and schedule, as a multi-phased project to include the phases shown below:
 - **Project initiation.** Once a project is identified, staff will need to prepare a description of the project as well as provide justification for the project. This is the very early stages of the project and is the basis for initial approval. If the project is approved, the next step will be implemented.
 - **Planning/Predesign.** For large projects, preliminary engineering is required to estimate the order of magnitude scope and cost of the project. Either staff or a consulting engineer can be utilized in developing these estimates. Following this step, the Board may want to provide additional review as to whether to approve the project for further development.
 - **Design.** Once a project has been approved by the Board, the project will be designed by a consulting engineering firm. If the design contract exceeds \$30,000, staff will request approval from the Board before awarding the contract, consistent with the CCWA Purchasing Policies. Generally, the design will be incorporated into a Request-For-Bids (RFB) document, using CCWA's standard contracts and front end specifications for public works projects.
 - **Construction Bid and Award.** Once the RFB is finalized, it will be advertised as required by public procurement regulations. The competitive bidding process will follow established public works project protocol. Once bids have been publicly opened, the Bids will be reviewed to determine if the contractor is responsible and if the Bid was responsive to Bid Documents. Once this process is completed, the lowest responsible and responsive Bid will be presented to the Board for consideration for contract award.
 - **Construction.** The construction phase will include the efforts of CCWA staff and engineering inspectors to closely monitor the progress of the construction to ensure adherence to the requirements of the Contract Documents as well as identify potential changes to the work that may be to CCWA's benefit. Staff will provide periodic updates to the Board and may also potentially request modifications of the work underway.
 - **Post Construction.** This step is critical in terms of releasing the contractor from the project through verifying work was completed as required by the Contract Documents, all releases from future contractor and

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2025/26 Budget

subcontractor claims have been secured and that as built records are completed.

CCWA staff prepared the following table to show the current thinking of the long term projects over a ten year planning horizon. As indicated earlier, CCWA staff proposes to utilize the services of an experienced engineering consultant to assist with the development of a formal EPP. This process will likely include collaboration with participants to gain consensus with a long term plan for the CCWA System.

Major Facilities	Total Budget	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Network											
SCADA Upgrade	\$400,000				\$200,000	\$200,000					
PLC Upgrade	\$650,000						\$325,000	\$325,000			
Distribution General											
Air Vac Replacement	\$1,180,000	\$220,000	\$210,000						\$250,000	\$250,000	\$250,000
Mesa Verde Road Pavement Overlay	\$270,000	\$270,000									
Tank 7 Access Road Overlay	\$180,000	\$180,000									
Access Control/Security Cam/Intrusion Alarm	\$200,000		\$200,000								
Water Treatment Plant											
Access Control/Security Cam/Intrusion Alarm	\$200,000		\$200,000								
Filter Media and Underdrain Replacement	\$3,000,000	\$1,500,000			\$1,500,000						
Permanent Install of PAC System	\$2,200,000		\$200,000	\$2,000,000							
West Slope Drainage Improvements	\$2,200,000				\$200,000	\$2,000,000					
Sludge Collector System	\$100,000	\$100,000									
Lining of Chlorine Contact Basin	\$1,200,000		\$1,200,000								
Polymer Mixer Tank	\$125,000			\$125,000							
Slurry Seal WTP Access Road	\$125,000		\$125,000								
Utility Water Header System Repair	\$90,000	\$90,000									
Bradbury Dam											
Permanent Bypass Piping System	\$405,000	\$80,000			\$325,000						
Estimated Yearly Totals		\$2,440,000	\$2,135,000	\$2,125,000	\$2,225,000	\$2,200,000	\$325,000	\$325,000	\$250,000	\$250,000	\$250,000



Polonio Pass Water Treatment Plant settling basin at sunset

Reserves and Cash Management

The Reserves and Cash Management section of the 2025/26 Budget includes information regarding the Authority's O&M Reserve Fund, Rate Coverage Reserve Fund and cash management information.

Highlights

<u>FY 25/26 Total Reserve Balances</u>	\$18,215,865
• O&M Reserve Fund	\$ 2,000,000
• Rate Coverage Reserve Fund	\$ 9,885,612
• DWR Reserve Fund	\$ 6,330,253

Central Coast Water Authority
Reserves and Cash Management
Fiscal Year 2025/26 Budget

This section of the Budget discusses the three cash reserves maintained by the Authority; the Operations and Maintenance Reserve Fund and the Rate Coverage Reserve Fund, and the DWR Reserve Fund. This section also discusses the Authority's cash management policies and the CCWA project participant investment pool.

Operations and Maintenance Reserve Fund Policy

During its December 18, 1997 regular meeting, the Board of Directors approved an "Operations and Maintenance Reserve Policy" as follows:

Purpose: The O&M Reserve Fund is intended to provide a mechanism for the Authority to undertake immediately unanticipated operation and maintenance activities, including emergency repairs, for which funds are not otherwise immediately available.

Contributions: Contributions to the O&M Reserve Fund are mandatory. Each Authority Contractor shall maintain on deposit with Authority in said Fund an amount of money equal to its pro-rata share of the Fund target size of \$2 million, which share is that Contractor's Water Supply Agreement Project Allotment divided by the Project Allotments held by all Authority Contractors. Each Contractor's initial contribution to the O&M Reserve Fund shall be drawn from cash held by Authority on behalf of the Contractor as of the date of the Fund's creation. If the Fund balance is reduced below \$2 million, Authority shall be authorized to (i) transfer into said Fund excess operating assessments and investment income from the Fund, and (ii) notify the participating Contractor if an additional contribution is necessary, in which event the contractor shall deposit an additional contribution within sixty-days (60) of the Authority notice.

Administration: The Treasurer shall invest funds held in the O&M Reserve Fund in liquid money market accounts (for example, LAIF) so that the funds shall be immediately available. O&M Reserve Fund investment earnings shall be considered to credit each Authority Contractor with respect to that Contractor's June 1 payment to Authority, except to the extent said earnings are needed to be retained to ensure that the Contractor's share of the Fund is fully funded, or as otherwise directed by the Contractor. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the O&M Reserve Fund.

Central Coast Water Authority
Reserves and Cash Management
 Fiscal Year 2025/26 Budget

Use of Fund: Monies held in the O&M Reserve Fund may be expended only upon authorization of the Board of Directors for unanticipated operating and maintenance activities, including by way of example only: repair of earthquake-caused damage to Authority facilities; unanticipated need to purchase chemicals; major emergency repair or replacement of equipment; reserve for legal judgments. In the event that monies from the O&M Reserve Fund are expended for an activity which is to be funded by certain Contractors and not other Contractors (for example, repair of a certain reach of the pipeline), then (i) it is permissible to expend from the Fund an amount which exceeds the monies on deposit by those Contractors who are obligated to fund the activity under the WSA, and (ii) said Contractors shall replenish said Fund as quickly as possible, and in no event later than one year, including payment of interest on monies expended which exceeded the amount on deposit by said Contractors.

The following table shows the allocation of the Operations and Maintenance Reserve Fund by project participant.

Operations and Maintenance Reserve Fund

Project Participant	Table A Amount	% of Table A	Operating Reserve
City of Buellton	578	1.48%	\$ 29,582
Carpinteria Valley Water District	2,000	5.12%	102,359
Goleta Water District	4,500	11.52%	230,309
City of Guadalupe	550	1.41%	28,149
La Cumbre Mutual Water Company	1,000	2.56%	51,180
Montecito Water District	3,000	7.68%	153,539
Morehart Land Company	200	0.51%	10,236
City of Santa Barbara	3,000	7.68%	153,539
Raytheon Systems Company	50	0.13%	2,559
City of Santa Maria	16,200	41.46%	829,111
Santa Ynez RWCD, I.D. #1	2,000	5.12%	102,359
Golden State Water Company	500	1.28%	25,590
Vandenberg Space Force Base	5,500	14.07%	281,488
TOTAL	39,078	100.00%	\$ 2,000,000

Central Coast Water Authority
Reserves and Cash Management
Fiscal Year 2025/26 Budget

Rate Coverage Reserve Fund

During its December 18, 1997 regular meeting, the Board of Directors also adopted the “Rate Coverage Reserve Fund” policy as follows:

Purpose: The Rate Fund is intended to provide a mechanism to allow the Authority Contractors to satisfy a portion of their obligation under Section 20(a) of the Water Supply Agreement (WSAs) to impose rates and charges sufficient to collect 125% of their Contract Payments (as therein defined).

Contributions: Contributions to the Rate Fund are voluntary. During each year of participation, an Authority Contractor, which has elected to participate in the Rate Fund, shall maintain on deposit with the Authority in said Fund an amount of money, when combined with the moneys on deposit in the O&M Reserve Fund, sufficient to constitute all or a portion of 25% of that Contractor’s Contract Payments with respect to that year. A participating Contractor’s initial contribution to the Rate Fund may be drawn from cash held by the Authority on behalf of the Contractor as of the date of the Fund’s creation. In each subsequent year, the Authority shall notify the participating Contractor if an additional contribution is desired and the Contractor shall deposit said additional contribution within sixty-days (60) of the Authority notice. Voluntary contributions to the Fund by a Contractor may be made at any time, but shall not be considered with regard to satisfying the Contractor’s obligations until the subsequent July 1. For example to act as a credit for Fiscal Year 1998/99, a deposit must be received by the Authority prior to July 1, 1998. However, in the first year of the Fund’s creation, each Authority Contractor may elect to deposit additional funds into the Rate Fund within the first 30 days after adoption of this policy by the Authority Board of Directors. These balances will be counted toward the coverage calculations for FY 1997/98.

Withdrawal: A Contractor may withdraw from the Rate Fund effective 180 days after it submits written documentation to the Authority that is in compliance with its WSA rate coverage obligations without considering the Fund.

Central Coast Water Authority
Reserves and Cash Management
 Fiscal Year 2025/26 Budget

Administration: Investments of deposits in the Rate Coverage Reserve Fund will be in Permitted Investments described in clause (A) of the definition thereof contained in the Indenture of Trust, dated as of November 1, 1996, with maturities of one year or less or in the Local Agency Investment Fund. Rate Fund investment earnings shall be credited to the Contractors account within the Fund except to the extent the Contractor directs the Authority to credit said earnings to the Contractor’s payments obligations or as otherwise directed by the Contractor. Deposits and related earnings on deposits for each project participant will be accounted for on an individual project participant basis even if commingled for investment purposes. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the Rate Fund.

Use of Funds: Monies in the Rate Fund shall not be expended for any purpose, except upon approval of the Board of Directors (i) for emergency expenses, and (ii) to the extent necessary to supplement funds available from the O&M Reserve Fund provided that the Contractor submits written documentation to the Authority that it is in compliance with its WSA rate coverage obligations without considering the proposed expenditure from the fund.

The following table shows the Rate Coverage Reserve Fund balances, including interest income as of December 31, 2024. Participation in the fund for FY 2025/26 is not yet known. Prior to June 30, 2025, each project participant will be notified of the allowable deposit in the Rate Coverage Reserve Fund for FY 2024/25.

FY 2024/25 Rate Coverage Reserve Fund

Project Participant	FY 2024/25 Deposit
City of Buellton	\$ 288,046
Carpinteria Valley Water District	901,497
City of Guadalupe	200,189
La Cumbre Mutual Water Company	419,568
Montecito Water District	1,517,311
City of Santa Maria	5,417,259
Santa Ynez, RWCD, I.D. #1 (Solvang)	641,970
Santa Ynez, RWCD, I.D. #1	483,302
County of San Luis Obispo (Shandon)	16,471
TOTAL:	\$ 9,885,612

Central Coast Water Authority
Reserves and Cash Management
Fiscal Year 2025/26 Budget

DWR Reserve Fund Policy

During its March 28, 2019 regular meeting, the Board of Directors approved a “DWR Reserve Fund Policy” as follows:

Purpose: The DWR Reserve Fund is intended to provide a funding source for payments to the State of California Department of Water Resources (DWR) when there is a difference between estimates used to prepare the DWR portion of the annual CCWA budget and the actual amounts billed to the Authority by DWR.

Contributions: Contributions to the DWR Reserve Fund are voluntary. Project Participants wanting to participate in the DWR Reserve Fund shall notify the Authority of such intent. The Authority will in turn, notify the participating Project Participant of its “Target DWR Reserve Fund Amount” (Target Amount). The Target Amount will be equal to the participating Project Participant’s proportional share of a \$10 million allocation of DWR Transportation Minimum OMP&R charges as calculated in the most recent DWR Statement of Charges at the time the DWR Reserve Fund Policy is approved by the CCWA Board of Directors, and updated periodically.

Funding of each participating Project Participant’s share of the DWR Reserve Fund will come from a combination of (1) CCWA Operating Expense budget surpluses, if any (2) Interest earnings on funds held in all other accounts on behalf of the participating Project Participant and (3) excess amounts, if any, from any of the DWR Statement of Charges cost components.

After the participating Project Participant’s share of the DWR Reserve Fund has been fully funded up to the participating Project Participant’s Target Amount, the credits, interest earnings and excess DWR amounts will be returned to the participating Project Participant as a credit against future bills from the Authority.

If the balance of the participating Project Participant’s DWR Reserve Fund falls below the Target Amount, the Authority will retain the credits listed above until the balance once again equals the Target Amount.

Central Coast Water Authority
Reserves and Cash Management
 Fiscal Year 2025/26 Budget

Withdrawal: A participating Project Participant may withdraw from the DWR Reserve Fund by notifying the Authority in writing of its request to withdraw its funds on deposit in the DWR Reserve Fund. Within 60 days, the Authority will either credit the funds on deposit against the participating Project Participant’s next invoice from the Authority, or at the request of the participating Project Participant, issue a check for the refund of the deposit amount.

Administration: The Treasurer shall invest funds held in the DWR Reserve Fund in liquid money market accounts (for example, LAIF) so that the funds shall be immediately available. DWR Reserve Fund investment earnings shall be redeposited into the DWR Reserve Fund for each participating Project Participant up to the Target Amount. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the DWR Reserve Fund.

Use of Fund: Monies held in the DWR Reserve Fund may be used by the Authority to fund the difference between the estimates used for billing purposes to the participating Project Participants for the annual DWR Statement of Charges (all fixed cost components) and the actual Statement of Charges received from DWR.

The following table shows the DWR Reserve funding target, fund balance as of December 31, 2024, the estimated transfer for FY 2025/26 and the balance remaining to fully fund the DWR Reserve Fund by project participant:

DWR Reserve Fund Target and Fund Balance

Project Participant	DWR			DWR			Remaining Funds to Meet Target
	Table A Amount	% of Table A	Reserve Fund Target ⁽¹⁾	Reserve Fund Balance ⁽²⁾	Estimated Transfer for FY 2025/26		
Guadalupe	550	1.41%	\$ 140,744	\$ 154,871	\$ (14,127)	\$ -	
Santa Maria	16,200	41.46%	4,145,555	4,620,337	-	(474,782)	
Golden State Water Co.	500	1.28%	127,949	100,893	11,212	15,844	
Vandenberg SFB ⁽³⁾	5,500	14.07%	-	-	-	-	
Buellton	578	1.48%	147,909	146,589	1,320	-	
Santa Ynez (Solvang)	1,500	3.84%	383,848	403,916	(20,068)	-	
Santa Ynez	500	1.28%	127,949	138,245	(10,296)	-	
Goleta ⁽³⁾	4,500	11.52%	-	-	-	-	
Morehart Land	200	0.51%	51,180	54,029	(2,849)	-	
La Cumbre	1,000	2.56%	255,898	210,581	45,318	-	
Raytheon	50	0.13%	12,795	13,506	(711)	-	
Santa Barbara	3,000	7.68%	767,695	473,523	3,965	290,207	
Montecito ⁽³⁾	3,000	7.68%	-	-	-	-	
Carpinteria ⁽³⁾	2,000	5.12%	-	-	-	-	
TOTAL	39,078	100.00%	\$ 6,161,523	6,316,490	\$ 13,764	\$ (168,730)	

(1) Participation in the DWR Reserve Fund is voluntary. The initial reserve fund target set \$10 million was reduced based on project participants opting out of the DWR Reserve.

(2) The table above shows credits as of Dec 31, 2024 transferred to the DWR Reserve Fund and the estimated amount to be transferred from the following sources: CCWA O&M credits and interest earnings on all reserve and deposit accounts.

(3) Project participants opting out of participating in the DWR Reserve Fund.

Central Coast Water Authority
Reserves and Cash Management
Fiscal Year 2025/26 Budget

Cash Management

The cash balances presented in “Total Budget Summary” page at the beginning of this document exclude cash balances invested in the CCWA Investment Pool (described below) with the exception of the CCWA O&M Reserve Fund. Additionally, the effects of other accounts receivables and payables have been added or subtracted from the cash balance presentation of the “Total Budget Summary” sheet to show the cash balances as if all receivables and payables had been received or paid.

Reconciliation of Prior Year Budget and Actual Amounts

It is the Authority’s policy to refund unexpended operating assessments and investment income on the Authority’s general operating account after the close of each fiscal year. This reconciliation occurs in conjunction with the closeout of the fiscal year and the preparation of the annual financial statements.

Since all excess “revenues” are returned to the project participants and any “deficits” are collected from the project participants, the general fund balance, defined as total cash minus reserves, is projected to be zero. However, since the Authority receives assessment income in advance of the anticipated payment date, the actual cash balance will be positive.

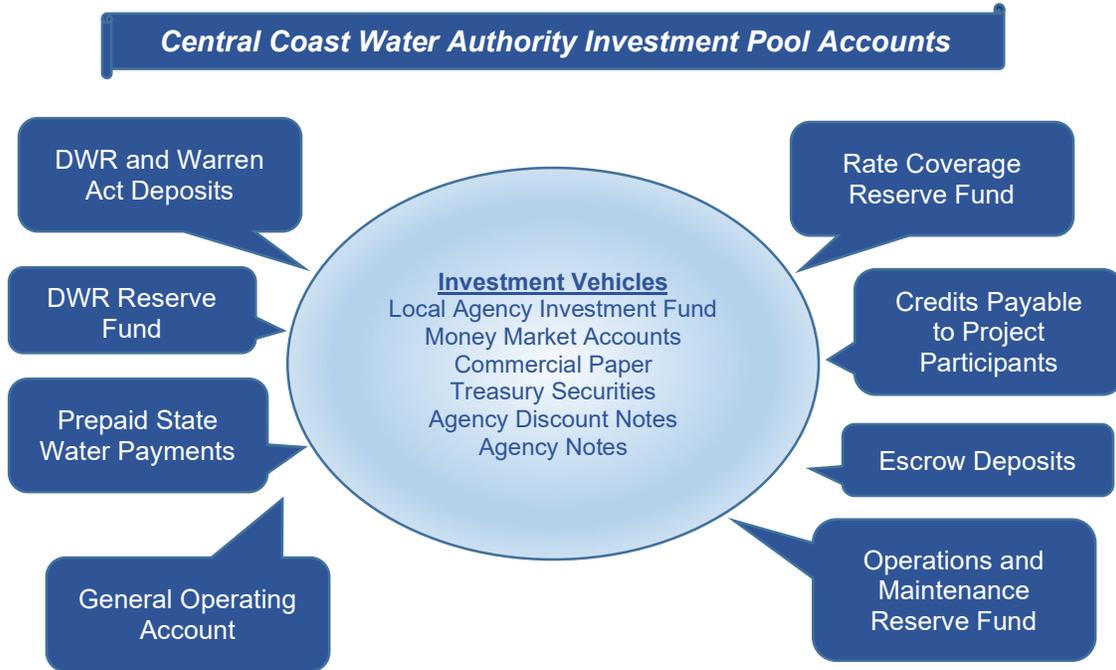
CCWA Investment Pool

All cash and investments paid by the project participants to the Authority are invested in accordance with the Authority’s Investment Policy. All cash and investments are allocated and invested in an investment pool which is comprised of the various “types” of payments paid by the Authority’s project participants further broken down by individual project participants within each account.

Each account within the CCWA investment pool receives investment income based on the account’s proportional share of the average daily balance for the month.

Central Coast Water Authority
Reserves and Cash Management
 Fiscal Year 2025/26 Budget

The following graphic shows the total CCWA Investment Pool and the various types of accounts in the pool.



Investment Pool Account Descriptions

- General Operating Account – general account for the investment of current year O&M budget funds and general unallocated funds [all operations and maintenance expenses and capital improvement projects listed in this budget].
- Operations and Maintenance Reserve Fund – a \$2 million operating reserve for emergency purposes [described in this section of the budget].
- Rate Coverage Reserve Fund – a fund in which certain project participants that are required to meet the coverage obligation in the Water Supply Agreement may elect to participate to aid them in meeting the coverage obligation [described in this section of the budget].
- Department of Water Resources Reserve Fund – a voluntary fund in which certain Project Participants have various credits and earnings held to cover DWR Statement of Charges volatility [described in this section of the budget].

Central Coast Water Authority
Reserves and Cash Management
Fiscal Year 2025/26 Budget

- Prepaid State Water Payments – Similar to the rate coverage reserve fund, certain project participants may elect to “prepay” a portion of the next year CCWA payments to decrease the coverage obligation in that year. In order to reduce the coverage obligation, the prepayment must be received and held by CCWA one full fiscal year in advance of when the prepayment will be applied against the payments.
- DWR and Warren Act Deposits – funds paid by the CCWA project participants for both fixed and variable DWR payments and payments to the US Bureau of Reclamation for Warren Act charges for delivery of State Water into Lake Cachuma [refer to the “DWR” section of this budget].
- Escrow Deposits – deposits received from certain “non-public agency” project participants as required under their individual water supply agreements. The deposits are approximately equal to one year’s State water payment.
- Credits payable to Project Participants– credits from many sources but primarily for O&M credits and interest income credits for under-expended O&M costs from the prior fiscal year.



City of Guadalupe Turnout

Ten Year Financial Plan

The Ten Year Financial Plan contains pro-forma projections for each Santa Barbara and San Luis Obispo County project participant for the next ten years.

Central Coast Water Authority
Ten Year Financial Plan
Fiscal Year 2025/26 Budget

The Ten Year Financial Plan shows the allocated share of the Authority's costs to each project participant for the next ten fiscal years beginning with the current budget year.

The Ten Year Financial Plan is prepared to provide each project participant an estimate of future costs for the Authority. Specifically, these projections are used by the Authority's project participants to assist in establishing water rates for their local agencies and ensuring their water system revenues are sufficient to meet the coverage covenant contained in the Water Supply Agreements (*please refer to the "Budget Foreword" section of this document for additional information regarding the Water Supply Agreements and the coverage covenant*).

Central Coast Water Authority
ALL PROJECT PARTICIPANTS
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	6,097	6,048	3,424	3,423	3,423	3,423	3,423	3,423	3,423	3,423
Table A Water Deliveries-2nd Quarter	3,436	3,585	3,231	3,237	3,237	3,237	3,237	3,237	3,237	3,237
Table A Water Deliveries-3rd Quarter	2,987	2,987	4,435	4,415	4,415	4,415	4,415	4,415	4,415	4,415
Table A Water Deliveries-4th Quarter	4,307	4,307	3,291	3,260	3,260	3,260	3,260	3,260	3,260	3,260
Total FY Table A Deliveries (acre-feet)	16,827	16,927	14,381	14,335						

Exchange Deliveries-1st Quarter	1,411	1,411	1,411	1,411	1,411	1,411	1,411	1,411	1,411	1,411
Exchange Deliveries-2nd Quarter	132	132	132	132	132	132	132	132	132	132
Exchange Deliveries-3rd Quarter	91	91	91	91	91	91	91	91	91	91
Exchange Deliveries-4th Quarter	791	791	791	791	791	791	791	791	791	791
Total FY Exchange Deliveries (acre-feet)	2,425									
CCWA Variable Cost per AF Assumptions	\$ 420	\$ 441	\$ 463	\$ 486	\$ 511	\$ 536	\$ 563	\$ 591	\$ 621	\$ 652
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 14,472,986	\$ 15,196,635	\$ 15,956,467	\$ 16,754,290	\$ 17,592,005	\$ 18,471,605	\$ 19,395,185	\$ 20,364,945	\$ 21,383,192	\$ 22,452,351
CCWA Variable O&M Costs ⁽⁵⁾	1,819,728	2,969,300	3,080,935	3,229,623	3,391,104	3,560,659	3,738,692	3,925,626	4,121,908	4,328,003
CCWA Credits	(2,281,509)									
Warren Act and Trust Fund Charges ⁽⁸⁾	52,440	47,040	129,360	129,360	129,360	129,360	129,360	129,360	129,360	129,360
Subtotal: CCWA Costs	14,063,646	18,212,975	19,166,762	20,113,273	21,112,469	22,161,624	23,263,237	24,419,931	25,634,460	26,909,715

<u>DWR Costs</u> ⁽⁷⁾										
Transportation Capital	\$ 22,532,461	23,364,466	23,629,488	23,821,308	24,043,086	24,214,139	24,347,238	24,523,244	24,678,423	24,735,026
Coastal Branch Extension	2,316,795	2,244,317	3,216,162	2,086,034	1,938,299	-	-	-	-	-
Water System Revenue Bond Surcharge	3,081	437,002	85,298	361,975	(460,427)	7,229	10,411	4,937	15,044	8,360
Transportation Minimum OMP&R	12,597,487	12,825,815	12,954,073	13,083,516	13,214,450	13,346,594	13,480,060	13,614,861	13,751,010	13,888,520
Delta Water Charge	4,596,141	4,397,586	4,441,562	4,485,978	4,530,838	4,576,146	4,621,908	4,668,127	4,714,808	4,714,808
DWR Variable Costs ⁽⁵⁾	2,345,918	4,190,172	3,982,662	4,167,620	4,376,001	4,594,801	4,824,541	5,065,768	5,319,057	5,585,010
Subtotal: DWR Costs	\$ 44,391,883	\$ 47,459,358	\$ 48,309,245	\$ 48,006,432	\$ 47,642,248	\$ 46,738,909	\$ 47,284,158	\$ 47,876,937	\$ 48,478,341	\$ 48,931,723

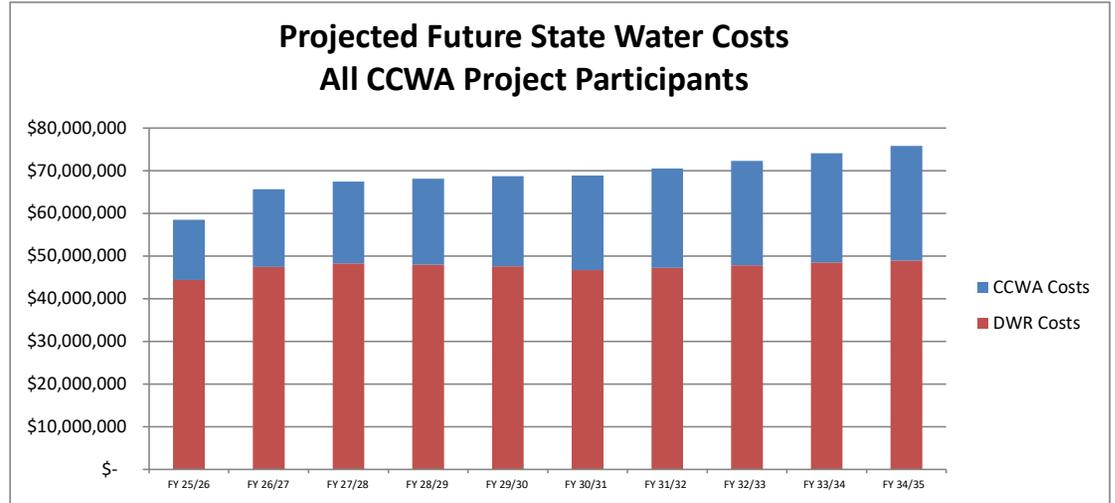
Total Projected State Water Costs	\$ 58,455,528	\$ 65,672,333	\$ 67,476,007	\$ 68,119,704	\$ 68,754,716	\$ 68,900,533	\$ 70,547,395	\$ 72,296,868	\$ 74,112,801	\$ 75,841,437
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 54,237,443	\$ 58,465,822	\$ 60,283,050	\$ 60,593,102	\$ 60,858,251	\$ 60,615,713	\$ 61,854,802	\$ 63,176,113	\$ 64,542,476	\$ 65,799,065
July 1st Variable Payment ⁽⁴⁾	1,547,663	3,086,690	2,306,398	2,419,525	2,538,733	2,663,902	2,795,329	2,933,327	3,078,225	3,230,368
October 1st Variable Payment	890,302	1,205,602	1,281,354	1,346,823	1,413,018	1,482,523	1,555,502	1,632,131	1,712,592	1,797,075
January 1st Variable Payment	717,283	949,090	1,738,992	1,815,716	1,904,770	1,998,276	2,096,458	2,199,548	2,307,794	2,421,451
April 1st Variable Payment	1,062,838	1,965,130	1,858,325	1,936,309	2,031,357	2,131,158	2,235,948	2,345,978	2,461,509	2,582,817

Central Coast Water Authority
ALL PROJECT PARTICIPANTS
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 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 2025/26 fixed payment is paid on June 1, 2025).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA and DWR variable O&M 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
City of Guadalupe
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u>	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Water Deliveries-1st Quarter	6	6	55	51	51	51	51	51	51	51
Water Deliveries-2nd Quarter	8	8	73	75	75	75	75	75	75	75
Water Deliveries-3rd Quarter	6	6	70	59	59	59	59	59	59	59
Water Deliveries-4th Quarter	6	6	65	45	45	45	45	45	45	45
Total FY Water Deliveries (acre-feet)	26	26	263	230						

CCWA Variable Cost per AF Assumptions	\$ 101	\$ 106	\$ 111	\$ 117	\$ 122	\$ 128	\$ 135	\$ 142	\$ 149	\$ 156
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 166,327	\$ 174,643	\$ 183,375	\$ 192,544	\$ 202,171	\$ 212,280	\$ 222,894	\$ 234,039	\$ 245,741	\$ 258,028
CCWA Variable O&M Costs ⁽⁵⁾	2,617	2,748	29,183	26,798	28,138	29,544	31,022	32,573	34,201	35,912
CCWA(Credits) Amount Due	(32,023)									
Subtotal: CCWA Costs	136,921	177,391	212,559	219,342	230,309	241,824	253,916	266,611	279,942	293,939

<u>DWR Costs ⁽⁷⁾</u>										
Transportation Capital	302,273	313,435	316,990	319,563	322,538	324,833	326,619	328,980	331,061	331,821
Coastal Branch Extension	-	-	-	-	-	-	-	-	-	-
Water System Revenue Bond Surcharge	(645)	5,619	1,097	4,654	(5,920)	93	134	63	193	107
Transportation Minimum OMP&R	175,000	178,172	179,953	181,752	183,571	185,406	187,260	189,133	191,024	192,934
Delta Water Charge	61,115	58,491	59,076	59,667	60,264	60,866	61,475	62,090	62,711	62,711
DWR Variable Costs ^{(5) (6)}	(8,825)	7,267	77,182	70,873	74,416	78,137	82,044	86,146	90,453	94,976
Subtotal: DWR Costs	\$ 528,918	\$ 562,983	\$ 634,299	\$ 636,509	\$ 634,869	\$ 649,336	\$ 657,532	\$ 666,412	\$ 675,443	\$ 682,550

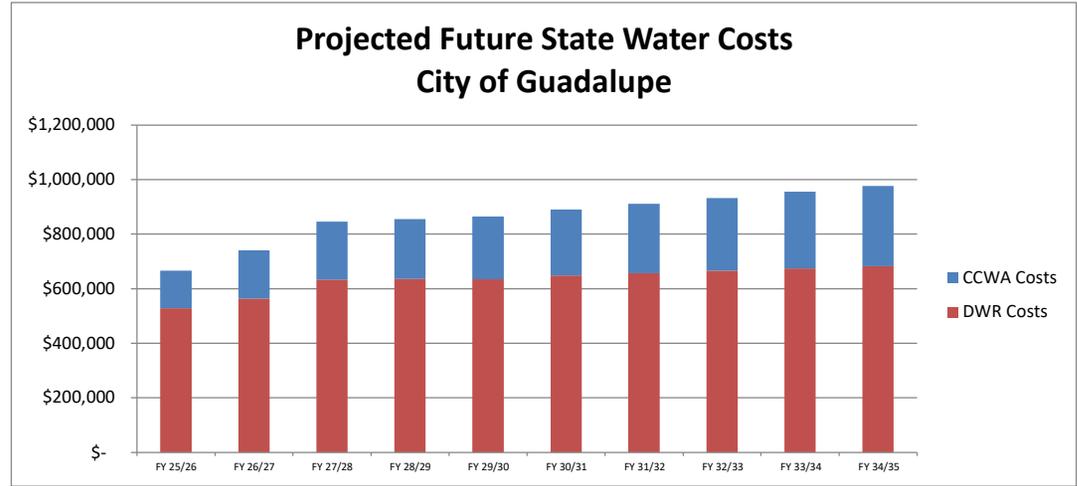
Total Projected State Water Costs	\$ 665,839	\$ 740,374	\$ 846,857	\$ 855,850	\$ 865,178	\$ 891,160	\$ 911,447	\$ 933,023	\$ 955,385	\$ 976,489
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 672,047	\$ 730,360	\$ 740,492	\$ 758,180	\$ 762,624	\$ 783,479	\$ 798,382	\$ 814,305	\$ 830,730	\$ 845,601
July 1st Variable Payment ⁽⁴⁾	(1,433)	2,311	22,244	21,657	22,740	23,877	25,071	26,325	27,641	29,023
October 1st Variable Payment	(1,910)	3,081	29,524	31,849	33,441	35,114	36,869	38,713	40,648	42,681
January 1st Variable Payment	(1,433)	2,311	28,310	25,055	26,307	27,623	29,004	30,454	31,977	33,576
April 1st Variable Payment	(1,433)	2,311	26,288	19,109	20,065	21,068	22,122	23,228	24,389	25,608

Central Coast Water Authority
City of Guadalupe
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2025/26 fixed payment is paid on June 1, 2025).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
City of Santa Maria
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u>	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Water Deliveries-1st Quarter	2,163	2,163	775	775	775	775	775	775	775	775
Water Deliveries-2nd Quarter	1,482	1,482	1,006	1,006	1,006	1,006	1,006	1,006	1,006	1,006
Water Deliveries-3rd Quarter	1,106	1,106	1,668	1,668	1,668	1,668	1,668	1,668	1,668	1,668
Water Deliveries-4th Quarter	1,396	1,396	978	978	978	978	978	978	978	978
Total FY Water Deliveries (acre-feet)	6,147	6,147	4,427							

CCWA Variable Cost per AF Assumptions	\$ 101	\$ 106	\$ 111	\$ 117	\$ 122	\$ 128	\$ 135	\$ 142	\$ 149	\$ 156
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 4,807,810	\$ 5,048,201	\$ 5,300,611	\$ 5,565,642	\$ 5,843,924	\$ 6,136,120	\$ 6,442,926	\$ 6,765,072	\$ 7,103,326	\$ 7,458,492
CCWA Variable O&M Costs ⁽⁵⁾	618,679	649,613	491,236	515,798	541,588	568,667	597,100	626,955	658,303	691,218
CCWA Credits	(919,713)									
Subtotal: CCWA Costs	4,506,776	5,697,814	5,791,847	6,081,439	6,385,511	6,704,787	7,040,026	7,392,028	7,761,629	8,149,710

<u>DWR Costs ⁽⁷⁾</u>										
Transportation Capital	9,323,080	9,667,332	9,776,989	9,856,356	9,948,120	10,018,895	10,073,966	10,146,791	10,210,998	10,234,418
Coastal Branch Extension	505,159	489,201	701,038	454,700	422,498	-	-	-	-	-
Water System Revenue Bond Surcharge	(15,674)	165,494	32,303	137,081	(174,365)	2,738	3,943	1,870	5,697	3,166
Transportation Minimum OMP&R	5,154,477	5,247,901	5,300,380	5,353,344	5,406,917	5,460,986	5,515,596	5,570,752	5,626,460	5,682,725
Delta Water Charge	1,800,558	1,722,838	1,740,066	1,757,467	1,775,041	1,792,792	1,810,720	1,828,827	1,847,115	1,847,115
DWR Variable Costs ⁽⁵⁾⁽⁶⁾	1,104,906	1,718,049	1,299,185	1,364,145	1,432,352	1,503,969	1,579,168	1,658,126	1,741,032	1,828,084
Subtotal: DWR Costs	\$ 17,872,506	\$ 19,010,815	\$ 18,849,960	\$ 18,923,092	\$ 18,810,563	\$ 18,779,380	\$ 18,983,393	\$ 19,206,366	\$ 19,431,303	\$ 19,595,508

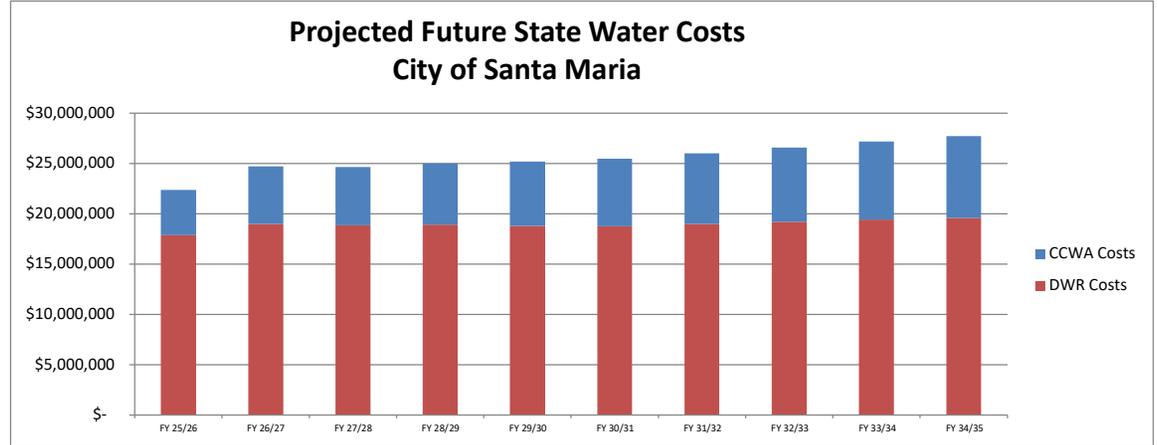
Total Projected State Water Costs	\$ 22,379,283	\$ 24,708,629	\$ 24,641,807	\$ 25,004,532	\$ 25,196,074	\$ 25,484,167	\$ 26,023,419	\$ 26,598,394	\$ 27,192,932	\$ 27,745,218
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 20,655,698	\$ 22,340,967	\$ 22,851,386	\$ 23,124,589	\$ 23,222,135	\$ 23,411,531	\$ 23,847,151	\$ 24,313,312	\$ 24,793,596	\$ 25,225,916
July 1st Variable Payment ⁽⁴⁾	606,493	833,130	313,435	329,107	345,562	362,840	380,982	400,031	420,033	441,034
October 1st Variable Payment	415,545	570,827	406,859	427,202	448,562	470,990	494,539	519,266	545,230	572,491
January 1st Variable Payment	310,116	426,002	674,593	708,323	743,739	780,926	819,972	860,970	904,019	949,220
April 1st Variable Payment	391,431	537,702	395,535	415,311	436,077	457,881	480,775	504,814	530,054	556,557

Central Coast Water Authority
City of Santa Maria
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2025/26 fixed payment is paid on June 1, 2025).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Golden State Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Water Deliveries-1st Quarter	145	20	5	5	5	5	5	5	5	5
Water Deliveries-2nd Quarter	45	3	45	45	45	45	45	45	45	45
Water Deliveries-3rd Quarter	-		78	78	78	78	78	78	78	78
Water Deliveries-4th Quarter	5	5	24	24	24	24	24	24	24	24
Total FY Water Deliveries (acre-feet)	195	28	152							

CCWA Variable Cost per AF Assumptions	\$ 101	\$ 106	\$ 111	\$ 117	\$ 122	\$ 128	\$ 135	\$ 142	\$ 149	\$ 156
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 153,139	\$ 160,796	\$ 168,835	\$ 177,277	\$ 186,141	\$ 195,448	\$ 205,220	\$ 215,481	\$ 226,256	\$ 237,568
CCWA Variable O&M Costs ⁽⁵⁾	19,626	2,959	16,866	17,710	18,595	19,525	20,501	21,526	22,603	23,733
CCWA Credits	-									
Subtotal: CCWA Costs	172,765	163,755	185,702	194,987	204,736	214,973	225,722	237,008	248,858	261,301

<u>DWR Costs</u> ⁽⁷⁾										
Transportation Capital	288,820	299,485	302,882	305,340	308,183	310,376	312,082	314,338	316,327	317,052
Coastal Branch Extension	15,421	15,099	21,637	14,034	13,040	-	-	-	-	-
Water System Revenue Bond Surcharge	(296)	5,108	997	4,231	(5,382)	84	122	58	176	98
Transportation Minimum OMP&R	158,034	160,898	162,507	164,131	165,774	167,432	169,106	170,797	172,505	174,230
Delta Water Charge	55,634	53,174	53,706	54,243	54,785	55,333	55,886	56,445	57,010	57,010
DWR Variable Costs ^{(5) (6)}	33,423	7,826	44,607	46,838	49,179	51,638	54,220	56,931	59,778	62,767
Subtotal: DWR Costs	\$ 551,037	\$ 541,590	\$ 586,336	\$ 588,817	\$ 585,580	\$ 584,863	\$ 591,416	\$ 598,569	\$ 605,795	\$ 611,157

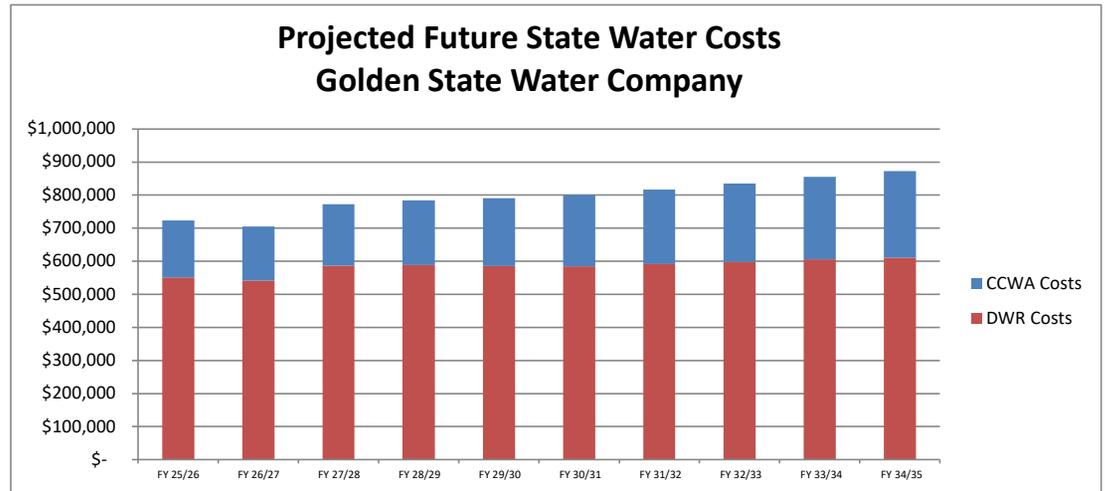
Total Projected State Water Costs	\$ 723,802	\$ 705,344	\$ 772,038	\$ 783,804	\$ 790,316	\$ 799,836	\$ 817,138	\$ 835,577	\$ 854,654	\$ 872,458
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 670,753	\$ 694,559	\$ 710,564	\$ 719,256	\$ 722,542	\$ 728,673	\$ 742,416	\$ 757,119	\$ 772,273	\$ 785,958
July 1st Variable Payment ⁽⁴⁾	39,447	7,703	2,022	2,123	2,229	2,341	2,458	2,581	2,710	2,845
October 1st Variable Payment	12,242	1,156	18,199	19,109	20,065	21,068	22,122	23,228	24,389	25,608
January 1st Variable Payment	-	-	31,546	33,123	34,779	36,518	38,344	40,261	42,274	44,388
April 1st Variable Payment	1,360	1,926	9,706	10,192	10,701	11,236	11,798	12,388	13,007	13,658

Central Coast Water Authority
Golden State Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor.
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- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Vandenberg SFB
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u>	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Water Deliveries-1st Quarter	820	819	347	347	347	347	347	347	347	347
Water Deliveries-2nd Quarter	741	742	554	554	554	554	554	554	554	554
Water Deliveries-3rd Quarter	552	552	577	577	577	577	577	577	577	577
Water Deliveries-4th Quarter	673	673	255	255	255	255	255	255	255	255
Total FY Water Deliveries (acre-feet)	2,786	2,786	1,733	1,733	1,733	1,733	1,733	1,733	1,733	1,733

CCWA Variable Cost per AF Assumptions	\$ 101	\$ 106	\$ 111	\$ 117	\$ 122	\$ 128	\$ 135	\$ 142	\$ 149	\$ 156
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 1,909,026	\$ 2,004,478	\$ 2,104,702	\$ 2,209,937	\$ 2,320,433	\$ 2,436,455	\$ 2,558,278	\$ 2,686,192	\$ 2,820,501	\$ 2,961,526
CCWA Variable O&M Costs ⁽⁵⁾	280,417	294,423	192,300	201,915	212,011	222,611	233,742	245,429	257,700	270,585
CCWA Credits	(242,761)									
Subtotal: CCWA Costs	1,946,683	2,298,901	2,297,001	2,411,852	2,532,444	2,659,066	2,792,020	2,931,621	3,078,202	3,232,112

<u>DWR Costs ⁽⁷⁾</u>										
Transportation Capital	3,165,096	3,281,967	3,319,194	3,346,138	3,377,291	3,401,319	3,420,015	3,444,738	3,466,536	3,474,487
Coastal Branch Extension	452,278	438,432	628,284	407,511	378,651	-	-	-	-	-
Water System Revenue Bond Surcharge	(5,145)	56,186	10,967	46,540	(59,198)	929	1,339	635	1,934	1,075
Transportation Minimum OMP&R	1,748,662	1,780,356	1,798,160	1,816,128	1,834,303	1,852,646	1,871,172	1,889,884	1,908,783	1,927,870
Delta Water Charge	611,147	584,914	590,763	596,671	602,637	608,664	614,750	620,898	627,107	627,107
DWR Variable Costs ^{(5) (6)}	706,775	778,670	508,581	534,010	560,711	588,746	618,183	649,093	681,547	715,625
Subtotal: DWR Costs	\$ 6,678,813	\$ 6,920,525	\$ 6,855,948	\$ 6,746,998	\$ 6,694,395	\$ 6,452,304	\$ 6,525,459	\$ 6,605,247	\$ 6,685,907	\$ 6,746,164

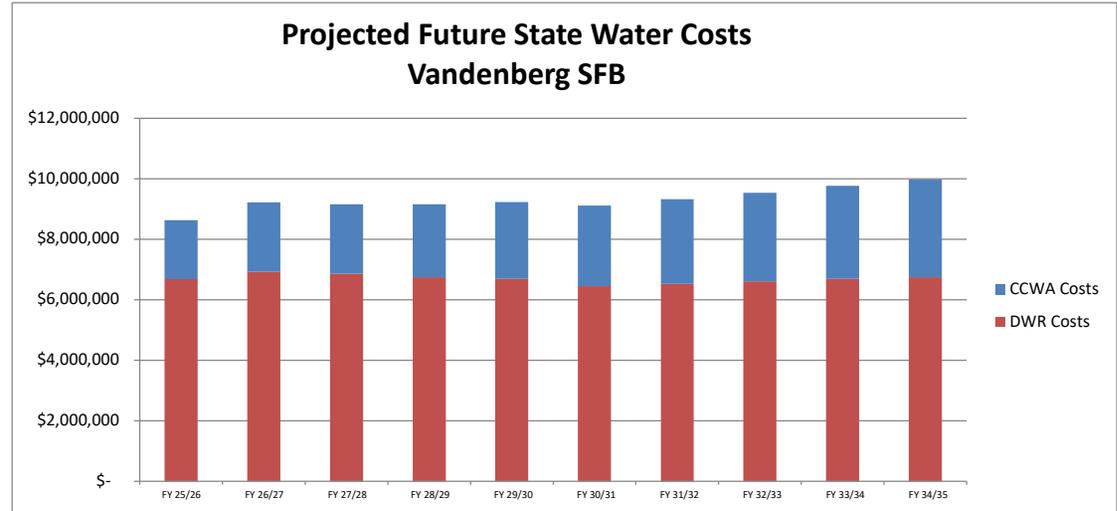
Total Projected State Water Costs	\$ 8,625,496	\$ 9,219,426	\$ 9,152,950	\$ 9,158,849	\$ 9,226,839	\$ 9,111,370	\$ 9,317,479	\$ 9,536,868	\$ 9,764,109	\$ 9,978,275
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 7,638,303	\$ 8,146,333	\$ 8,452,069	\$ 8,422,924	\$ 8,454,118	\$ 8,300,013	\$ 8,465,554	\$ 8,642,346	\$ 8,824,861	\$ 8,992,066
July 1st Variable Payment ⁽⁴⁾	290,559	315,457	140,338	147,355	154,723	162,459	170,582	179,111	188,066	197,470
October 1st Variable Payment	262,566	285,799	224,055	235,258	247,021	259,372	272,341	285,958	300,256	315,268
January 1st Variable Payment	195,596	212,616	233,357	245,025	257,276	270,140	283,647	297,830	312,721	328,357
April 1st Variable Payment	238,471	259,222	103,130	108,287	113,701	119,386	125,355	131,623	138,204	145,115

Central Coast Water Authority
Vandenberg SFB
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

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- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
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Central Coast Water Authority
City of Buellton
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Water Deliveries-1st Quarter	48	48	30	33	33	33	33	33	33	33
Water Deliveries-2nd Quarter	-	-	51	55	55	55	55	55	55	55
Water Deliveries-3rd Quarter	-	-	92	83	83	83	83	83	83	83
Water Deliveries-4th Quarter	15	15	51	40	40	40	40	40	40	40
Total FY Water Deliveries (acre-feet)	63	63	224	211						

CCWA Variable Cost per AF Assumptions	\$ 101	\$ 106	\$ 111	\$ 117	\$ 122	\$ 128	\$ 135	\$ 142	\$ 149	\$ 156
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 240,347	\$ 252,364	\$ 264,982	\$ 278,231	\$ 292,143	\$ 306,750	\$ 322,087	\$ 338,192	\$ 355,101	\$ 372,857
CCWA Variable O&M Costs ⁽⁵⁾	6,341	6,658	24,856	24,584	25,813	27,104	28,459	29,882	31,376	32,945
CCWA Credits	(54,941)									
Subtotal: CCWA Costs	191,746	259,022	289,838	302,815	317,956	333,854	350,547	368,074	386,478	405,801

<u>DWR Costs</u> ⁽⁷⁾										
Transportation Capital	334,003	346,336	350,265	353,108	356,395	358,931	360,904	363,513	365,813	366,652
Coastal Branch Extension	47,384	46,075	66,027	42,826	39,793	-	-	-	-	-
Water System Revenue Bond Surcharge	(661)	5,905	1,153	4,891	(6,221)	98	141	67	203	113
Transportation Minimum OMP&R	183,687	187,016	188,886	190,774	192,683	194,610	196,556	198,522	200,507	202,512
Delta Water Charge	64,400	61,488	62,103	62,724	63,352	63,985	64,625	65,271	65,924	65,924
DWR Variable Costs ⁽⁵⁾⁽⁶⁾	(1,625)	17,608	65,737	65,018	68,269	71,682	75,266	79,030	82,981	87,130
Subtotal: DWR Costs	\$ 627,188	\$ 664,429	\$ 734,171	\$ 719,341	\$ 714,271	\$ 689,306	\$ 697,492	\$ 706,402	\$ 715,428	\$ 722,331

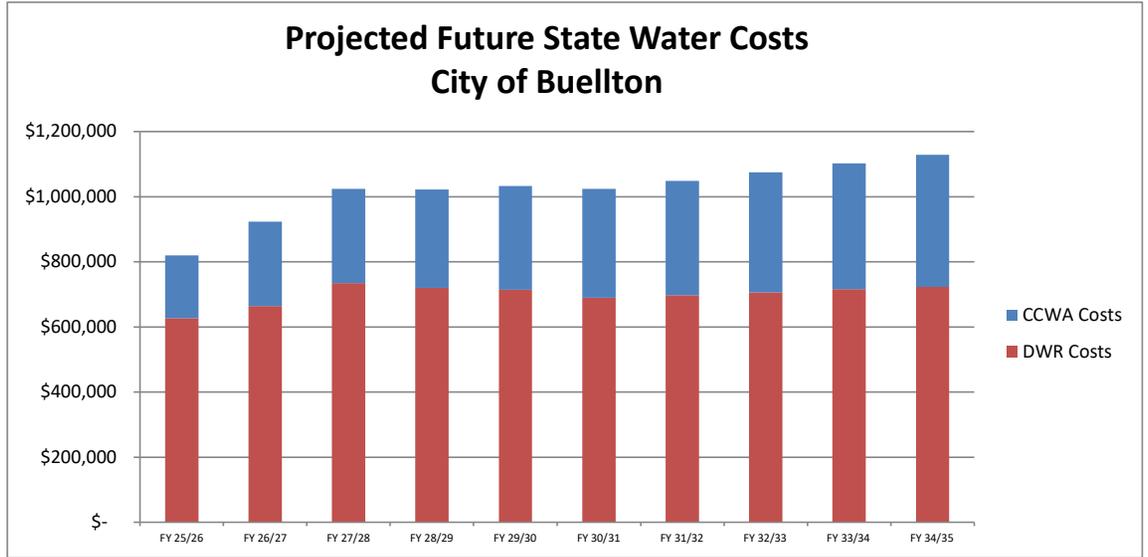
Total Projected State Water Costs	\$ 818,935	\$ 923,451	\$ 1,024,009	\$ 1,022,156	\$ 1,032,227	\$ 1,023,160	\$ 1,048,039	\$ 1,074,476	\$ 1,101,906	\$ 1,128,133
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 814,219	\$ 898,685	\$ 932,916	\$ 932,054	\$ 937,645	\$ 923,874	\$ 943,813	\$ 965,065	\$ 987,049	\$ 1,007,558
July 1st Variable Payment ⁽⁴⁾	3,593	18,488	12,133	14,014	14,714	15,450	16,222	17,034	17,885	18,780
October 1st Variable Payment	-	-	20,626	23,356	24,524	25,750	27,037	28,389	29,809	31,299
January 1st Variable Payment	-	-	37,208	35,246	37,009	38,859	40,802	42,842	44,984	47,233
April 1st Variable Payment	1,123	5,778	20,626	16,986	17,835	18,727	19,664	20,647	21,679	22,763

Central Coast Water Authority
City of Buellton
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

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Central Coast Water Authority
Santa Ynez ID#1 (Solvang)
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Water Deliveries-1st Quarter	290	290	120	120	120	120	120	120	120	120
Water Deliveries-2nd Quarter	105	100	176	176	176	176	176	176	176	176
Water Deliveries-3rd Quarter	90	90	249	249	249	249	249	249	249	249
Water Deliveries-4th Quarter	220	220	126	126	126	126	126	126	126	126
Total FY Water Deliveries (acre-feet)	705	700	671							

CCWA Variable Cost per AF Assumptions	\$ 101	\$ 106	\$ 111	\$ 117	\$ 122	\$ 128	\$ 135	\$ 142	\$ 149	\$ 156
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 619,823	\$ 650,814	\$ 683,355	\$ 717,523	\$ 753,399	\$ 791,069	\$ 830,622	\$ 872,153	\$ 915,761	\$ 961,549
CCWA Variable O&M Costs ⁽⁵⁾	70,956	73,976	74,457	78,179	82,088	86,193	90,502	95,028	99,779	104,768
CCWA Credits	(11,995)									
Subtotal: CCWA Costs	678,784	724,790	757,812	795,702	835,487	877,262	921,125	967,181	1,015,540	1,066,317

<u>DWR Costs</u> ⁽⁷⁾										
Transportation Capital	838,741	869,711	879,577	886,717	894,972	901,339	906,294	912,845	918,622	920,729
Coastal Branch Extension	123,566	119,572	171,350	111,139	103,268	-	-	-	-	-
Water System Revenue Bond Surcharge	600	11,922	2,327	9,875	(12,561)	197	284	135	410	228
Transportation Minimum OMP&R	462,960	471,351	476,065	480,822	485,634	490,490	495,395	500,349	505,352	510,406
Delta Water Charge	152,273	145,020	146,470	147,935	149,414	150,908	152,417	153,942	155,481	155,481
DWR Variable Costs ^{(5) (6)}	158,922	195,646	196,917	206,763	217,101	227,956	239,354	251,322	263,888	277,083
Subtotal: DWR Costs	\$ 1,737,062	\$ 1,813,222	\$ 1,872,706	\$ 1,843,251	\$ 1,837,829	\$ 1,770,891	\$ 1,793,744	\$ 1,818,593	\$ 1,843,754	\$ 1,863,926

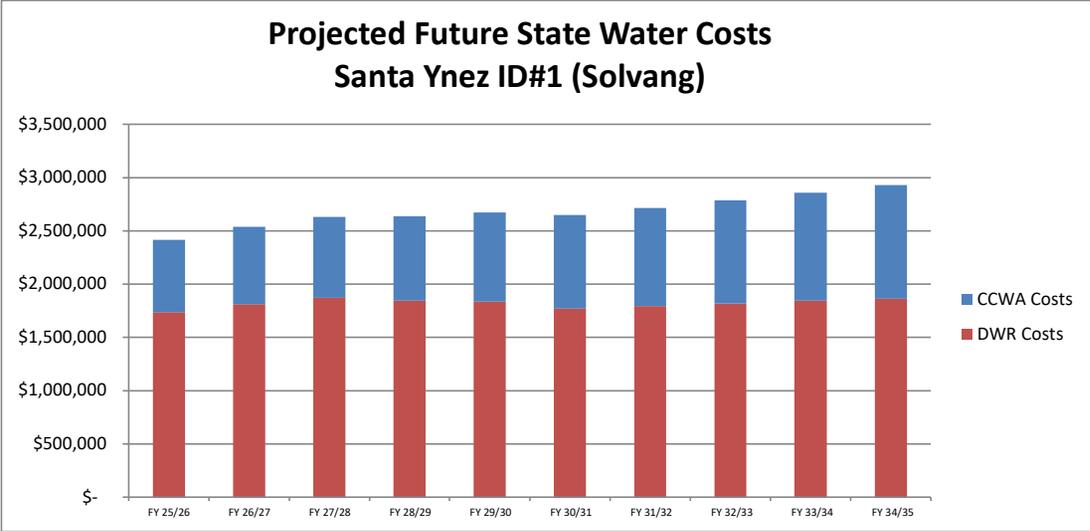
Total Projected State Water Costs	\$ 2,415,847	\$ 2,538,012	\$ 2,630,518	\$ 2,638,953	\$ 2,673,316	\$ 2,648,153	\$ 2,714,869	\$ 2,785,774	\$ 2,859,294	\$ 2,930,243
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 2,185,968	\$ 2,267,529	\$ 2,358,281	\$ 2,353,148	\$ 2,373,264	\$ 2,333,141	\$ 2,384,150	\$ 2,438,561	\$ 2,494,764	\$ 2,547,530
July 1st Variable Payment ⁽⁴⁾	94,560	111,700	48,532	50,958	53,506	56,182	58,991	61,940	65,037	68,289
October 1st Variable Payment	34,237	38,517	71,180	74,739	78,476	82,400	86,520	90,846	95,388	100,157
January 1st Variable Payment	29,346	34,666	100,704	105,739	111,026	116,577	122,406	128,526	134,952	141,700
April 1st Variable Payment	71,735	84,738	50,958	53,506	56,182	58,991	61,940	65,037	68,289	71,704

Central Coast Water Authority
Santa Ynez ID#1 (Solvang)
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

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- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Santa Ynez ID#1
State Water Cost Ten-Year Projections
Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	-	-	-	-	-	-	-	-	-	-
Table A Water Deliveries-2nd Quarter	-	-	97	97	97	97	97	97	97	97
Table A Water Deliveries-3rd Quarter	-	-	10	10	10	10	10	10	10	10
Table A Water Deliveries-4th Quarter	-	-	66	66	66	66	66	66	66	66
Total FY Table A Deliveries (acre-feet)	-	-	173	173	173	173	173	173	173	173

Exchange Deliveries-1st Quarter	1,475	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375
Exchange Deliveries-2nd Quarter	100	150	150	150	150	150	150	150	150	150
Exchange Deliveries-3rd Quarter	75	75	75	75	75	75	75	75	75	75
Exchange Deliveries-4th Quarter	775	775	775	775	775	775	775	775	775	775
Total FY Exchange Deliveries (acre-feet)	2,425	2,375	2,375	2,375	2,375	2,375	2,375	2,375	2,375	2,375
CCWA Variable Cost per AF Assumptions	\$ 101	\$ 106	\$ 111	\$ 117	\$ 122	\$ 128	\$ 135	\$ 142	\$ 149	\$ 156
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 632,178	\$ 663,787	\$ 696,976	\$ 731,825	\$ 768,416	\$ 806,837	\$ 847,179	\$ 889,538	\$ 934,014	\$ 980,715
CCWA Variable O&M Costs ⁽⁵⁾	244,070	250,989	282,735	296,872	311,716	327,301	343,667	360,850	378,892	397,837
CCWA Credits	(327,854)									
Subtotal: CCWA Costs	548,393	914,776	979,711	1,028,697	1,080,132	1,134,138	1,190,845	1,250,387	1,312,907	1,378,552

<u>DWR Costs</u> ⁽⁷⁾										
Transportation Capital	280,322	290,673	293,970	296,357	299,116	301,244	302,900	305,089	307,020	307,724
Coastal Branch Extension	41,389	39,857	57,117	37,046	34,423	-	-	-	-	-
Water System Revenue Bond Surcharge	1,791	8,510	1,661	7,049	(8,966)	141	203	96	293	163
Transportation Minimum OMP&R	172,082	175,201	176,953	178,721	180,510	182,315	184,138	185,979	187,839	189,718
Delta Water Charge	70,807	67,676	68,353	69,036	69,727	70,424	71,128	71,839	72,558	72,558
DWR Variable Costs ^{(5) (6)}	(18,471)	-	50,770	53,309	55,974	58,773	61,711	64,797	68,037	71,439
Subtotal: DWR Costs	\$ 547,921	\$ 581,917	\$ 648,824	\$ 641,518	\$ 630,783	\$ 612,896	\$ 620,080	\$ 627,801	\$ 635,747	\$ 641,601

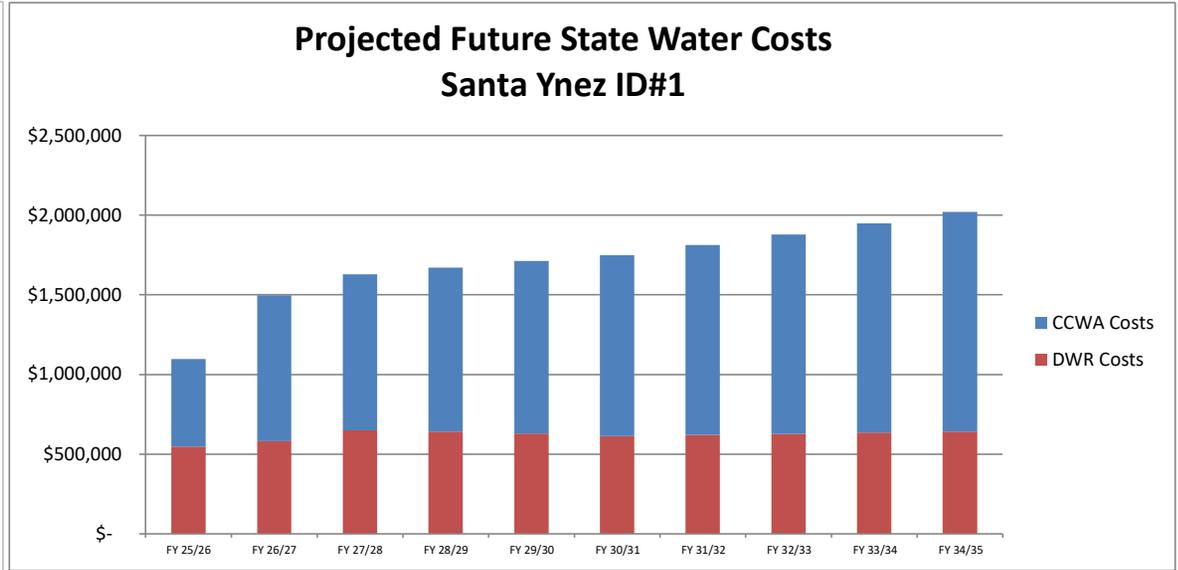
Total Projected State Water Costs	\$ 1,096,314	\$ 1,496,693	\$ 1,628,535	\$ 1,670,215	\$ 1,710,915	\$ 1,747,034	\$ 1,810,925	\$ 1,878,189	\$ 1,948,653	\$ 2,020,153
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 870,715	\$ 1,244,553	\$ 1,293,879	\$ 1,318,883	\$ 1,342,074	\$ 1,359,809	\$ 1,404,396	\$ 1,451,391	\$ 1,500,573	\$ 1,549,727
July 1st Variable Payment ⁽⁴⁾	137,220	145,310	152,575	160,204	168,214	176,625	185,456	194,729	204,465	214,688
October 1st Variable Payment	9,303	15,852	55,874	58,668	61,602	64,682	67,916	71,312	74,877	78,621
January 1st Variable Payment	6,977	7,926	12,367	12,985	13,634	14,316	15,032	15,783	16,572	17,401
April 1st Variable Payment	72,099	81,902	112,689	118,324	124,240	130,452	136,975	143,823	151,014	158,565

Central Coast Water Authority
Santa Ynez ID#1
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

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- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
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Central Coast Water Authority
Goleta Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	531	531	315	315	315	315	315	315	315	315
Table A Water Deliveries-2nd Quarter	36	36	258	258	258	258	258	258	258	258
Table A Water Deliveries-3rd Quarter	27	27	487	487	487	487	487	487	487	487
Table A Water Deliveries-4th Quarter	279	279	433	433	433	433	433	433	433	433
Total FY Table A Deliveries (acre-feet)	873	873	1,493							

Exchange Deliveries-1st Quarter	531	531	531	531	531	531	531	531	531	531
Exchange Deliveries-2nd Quarter	36	36	36	36	36	36	36	36	36	36
Exchange Deliveries-3rd Quarter	27	27	27	27	27	27	27	27	27	27
Exchange Deliveries-4th Quarter	279	279	279	279	279	279	279	279	279	279
Total FY Exchange Deliveries (acre-feet)	873									
CCWA Variable Cost per AF Assumptions	\$ 420	\$ 441	\$ 463	\$ 486	\$ 511	\$ 536	\$ 563	\$ 591	\$ 621	\$ 652
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 1,680,160	\$ 1,764,168	\$ 1,852,377	\$ 1,944,995	\$ 2,042,245	\$ 2,144,357	\$ 2,251,575	\$ 2,364,154	\$ 2,482,362	\$ 2,606,480
CCWA Variable O&M Costs ⁽⁵⁾	-	385,025	691,391	725,961	762,259	800,372	840,390	882,410	926,530	972,857
CCWA Credits	(283,269)									
Warren Act and Trust Fund Charges ⁽⁸⁾		-	74,400	74,400	74,400	74,400	74,400	74,400	74,400	74,400
Subtotal: CCWA Costs	1,396,891	2,149,193	2,618,168	2,745,356	2,878,904	3,019,129	3,166,366	3,320,964	3,483,292	3,653,737

<u>DWR Costs</u> ⁽⁷⁾										
Transportation Capital	2,684,362	2,783,481	2,815,054	2,837,906	2,864,327	2,884,705	2,900,562	2,921,530	2,940,017	2,946,760
Coastal Branch Extension	370,100	358,717	514,050	333,418	309,805	-	-	-	-	-
Water System Revenue Bond Surcharge	15,378	83,764	16,350	69,383	(88,254)	1,386	1,996	946	2,884	1,602
Transportation Minimum OMP&R	1,595,244	1,624,158	1,640,400	1,656,791	1,673,372	1,690,106	1,707,007	1,724,077	1,741,318	1,758,731
Delta Water Charge	753,049	720,266	727,469	734,743	742,091	749,512	757,007	764,577	772,223	772,223
DWR Variable Costs ^{(5) (6)}	62,789	487,996	694,347	729,064	765,517	803,793	843,983	886,182	930,491	977,015
Subtotal: DWR Costs	\$ 5,480,922	\$ 6,058,383	\$ 6,407,670	\$ 6,361,306	\$ 6,266,858	\$ 6,129,501	\$ 6,210,554	\$ 6,297,312	\$ 6,386,932	\$ 6,456,331

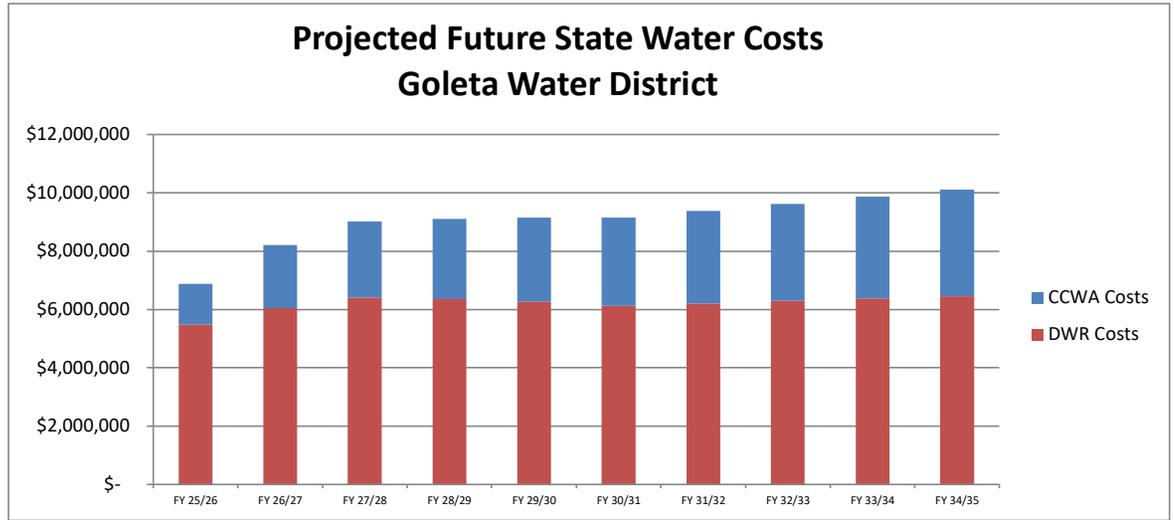
Total Projected State Water Costs	\$ 6,877,814	\$ 8,207,576	\$ 9,025,837	\$ 9,106,663	\$ 9,145,762	\$ 9,148,631	\$ 9,376,919	\$ 9,618,276	\$ 9,870,224	\$ 10,110,068
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 6,815,025	\$ 7,331,212	\$ 7,562,356	\$ 7,573,895	\$ 7,540,243	\$ 7,466,722	\$ 7,614,803	\$ 7,771,941	\$ 7,935,459	\$ 8,082,453
July 1st Variable Payment ⁽⁴⁾	38,191.22	531,013	522,094.9477	546,870	572,883	600,197	628,877	658,990	690,610	723,810
October 1st Variable Payment	2,589	36,001	181,437	190,047	199,087	208,579	218,546	229,011	239,999	251,537
January 1st Variable Payment	1,942	27,001	317,207	332,259	348,064	364,659	382,083	400,379	419,590	439,762
April 1st Variable Payment	20,067	279,007	439,399	460,250	482,143	505,130	529,267	554,611	581,222	609,164

Central Coast Water Authority
Goleta Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

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- (2) CCWA fixed costs are based on a 5 % inflation factor.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2025/26 fixed payment is paid on June 1, 2025).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Morehart Land Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	24	24	9	9	9	9	9	9	9	9
Table A Water Deliveries-2nd Quarter	12	12	11	11	11	11	11	11	11	11
Table A Water Deliveries-3rd Quarter	12	12	14	14	14	14	14	14	14	14
Table A Water Deliveries-4th Quarter	24	24	14	14	14	14	14	14	14	14
Total FY Table A Deliveries (acre-feet)	72	72	48							

CCWA Variable Cost per AF Assumptions	\$ 420	\$ 441	\$ 463	\$ 486	\$ 511	\$ 536	\$ 563	\$ 591	\$ 621	\$ 652
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 76,201	\$ 80,011	\$ 84,011	\$ 88,212	\$ 92,623	\$ 97,254	\$ 102,116	\$ 107,222	\$ 112,583	\$ 118,213
CCWA Variable O&M Costs ⁽⁵⁾	30,243	31,755	22,228	23,340	24,507	25,732	27,019	28,370	29,788	31,277
CCWA Credits	(33,213)									
Warren Act and Trust Fund Charges ⁽⁸⁾	8,640	8,640	5,760	5,760	5,760	5,760	5,760	5,760	5,760	5,760
Subtotal: CCWA Costs	81,871	120,406	112,000	117,312	122,889	128,746	134,895	141,352	148,131	155,250

<u>DWR Costs</u> ⁽⁷⁾										
Transportation Capital	111,884	116,015	117,331	118,284	119,385	120,234	120,895	121,769	122,540	122,821
Coastal Branch Extension	16,436	15,943	22,847	14,819	13,769	-	-	-	-	-
Water System Revenue Bond Surcharge	(119)	2,043	399	1,692	(2,153)	34	49	23	70	39
Transportation Minimum OMP&R	63,620	64,773	65,421	66,075	66,736	67,403	68,077	68,758	69,446	70,140
Delta Water Charge	21,921	21,270	21,482	21,697	21,914	22,133	22,355	22,578	22,804	22,804
DWR Variable Costs ^{(5) (6)}	12,018	20,124	14,086	14,791	15,530	16,307	17,122	17,978	18,877	19,821
Subtotal: DWR Costs	\$ 225,761	\$ 240,168	\$ 241,566	\$ 237,357	\$ 235,182	\$ 226,111	\$ 228,498	\$ 231,107	\$ 233,737	\$ 235,625

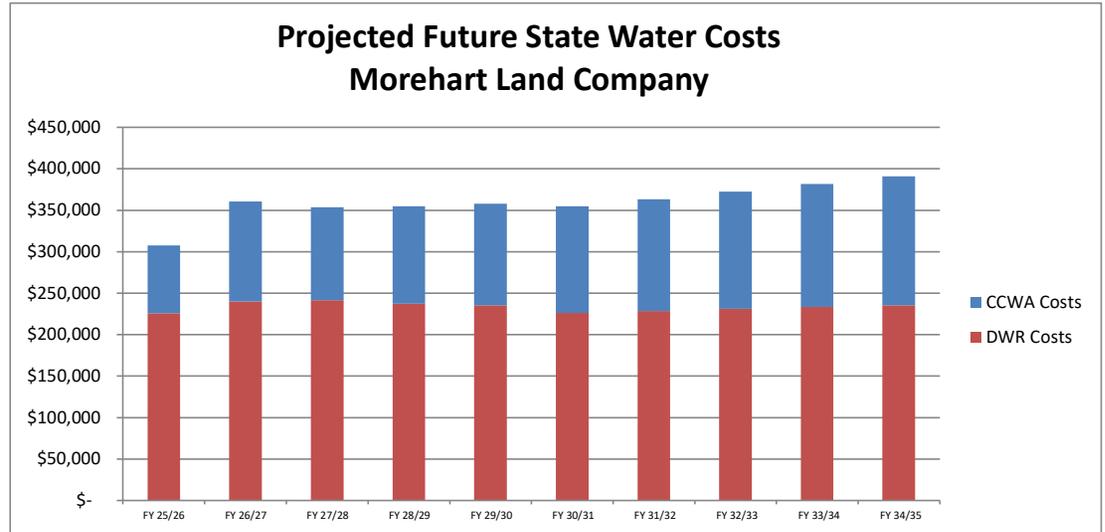
Total Projected State Water Costs	\$ 307,632	\$ 360,573	\$ 353,566	\$ 354,669	\$ 358,071	\$ 354,857	\$ 363,393	\$ 372,458	\$ 381,868	\$ 390,875
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 256,731	\$ 299,952	\$ 311,389	\$ 310,676	\$ 312,171	\$ 306,955	\$ 313,389	\$ 320,248	\$ 327,340	\$ 333,914
July 1st Variable Payment ⁽⁴⁾	16,967	20,173	7,889	8,229	8,587	8,962	9,356	9,770	10,205	10,661
October 1st Variable Payment	8,483	10,086	9,642	10,058	10,495	10,954	11,436	11,941	12,472	13,030
January 1st Variable Payment	8,483	10,086	12,272	12,801	13,357	13,941	14,554	15,198	15,874	16,584
April 1st Variable Payment	16,967	20,173	12,272	12,801	13,357	13,941	14,554	15,198	15,874	16,584

Central Coast Water Authority
Morehart Land Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

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- (2) CCWA fixed costs are based on a 5 % inflation factor.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2025/26 fixed payment is paid on June 1, 2025).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
La Cumbre Mutual Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u>	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	130	90	64	64	64	64	64	64	64	64
Table A Water Deliveries-2nd Quarter	70	65	103	103	103	103	103	103	103	103
Table A Water Deliveries-3rd Quarter	75	75	140	140	140	140	140	140	140	140
Table A Water Deliveries-4th Quarter	90	90	94	94	94	94	94	94	94	94
Total FY Table A Deliveries (acre-feet)	365	320	401							

CCWA Variable Cost per AF Assumptions	\$ 420	\$ 441	\$ 463	\$ 486	\$ 511	\$ 536	\$ 563	\$ 591	\$ 621	\$ 652
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 381,004	\$ 400,055	\$ 420,057	\$ 441,060	\$ 463,113	\$ 486,269	\$ 510,582	\$ 536,111	\$ 562,917	\$ 591,063
CCWA Variable O&M Costs ⁽⁵⁾	153,313	141,132	185,699	194,983	204,733	214,969	225,718	237,004	248,854	261,296
CCWA Credits	(41,386)									
Warren Act and Trust Fund Charges ⁽⁸⁾	43,800	38,400	48,120	48,120	48,120	48,120	48,120	48,120	48,120	48,120
Subtotal: CCWA Costs	536,731	579,586	653,876	684,164	715,966	749,358	784,420	821,235	859,891	900,479

<u>DWR Costs ⁽⁷⁾</u>										
Transportation Capital	573,665	594,848	601,595	606,479	612,125	616,480	619,869	624,350	628,301	629,742
Coastal Branch Extension	82,178	79,715	114,233	74,093	68,846	-	-	-	-	-
Water System Revenue Bond Surcharge	(1,010)	10,216	1,994	8,462	(10,763)	169	243	115	352	195
Transportation Minimum OMP&R	318,974	324,755	328,003	331,280	334,596	337,942	341,321	344,734	348,182	351,664
Delta Water Charge	111,269	106,348	107,411	108,486	109,570	110,666	111,773	112,891	114,019	114,019
DWR Variable Costs ⁽⁵⁾⁽⁶⁾	61,533	89,438	117,681	123,565	129,743	136,230	143,042	150,194	157,704	165,589
Subtotal: DWR Costs	\$ 1,146,610	\$ 1,205,320	\$ 1,270,918	\$ 1,252,365	\$ 1,244,117	\$ 1,201,487	\$ 1,216,248	\$ 1,232,284	\$ 1,248,557	\$ 1,261,209

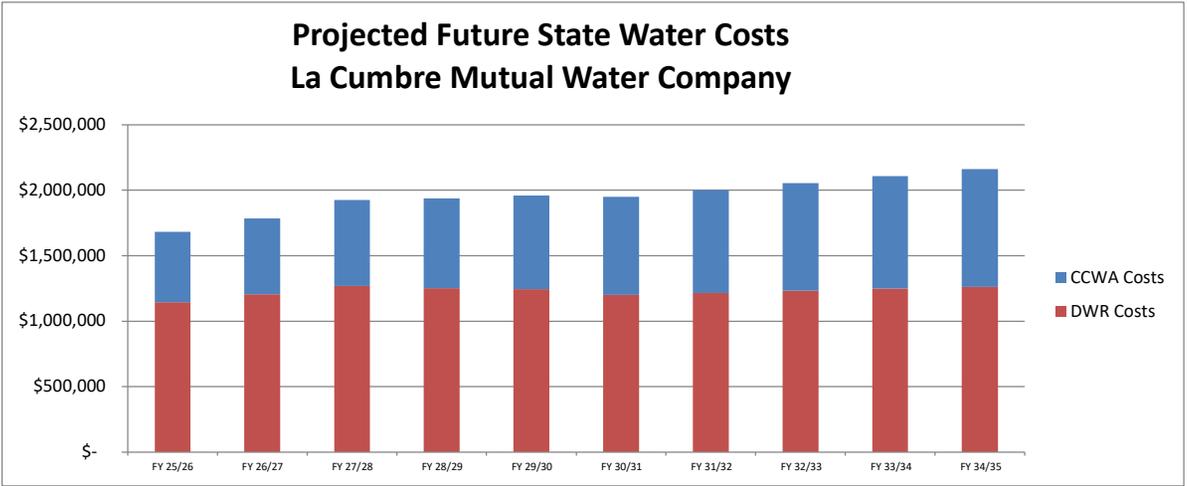
Total Projected State Water Costs	\$ 1,683,340	\$ 1,784,906	\$ 1,924,794	\$ 1,936,528	\$ 1,960,083	\$ 1,950,845	\$ 2,000,668	\$ 2,053,519	\$ 2,108,448	\$ 2,161,688
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 1,424,694	\$ 1,515,125	\$ 1,572,483	\$ 1,569,049	\$ 1,576,676	\$ 1,550,715	\$ 1,582,977	\$ 1,617,391	\$ 1,652,959	\$ 1,685,872
July 1st Variable Payment ⁽⁴⁾	92,121	75,648	56,100	58,521	61,063	63,732	66,534	69,477	72,567	75,811
October 1st Variable Payment	49,603	54,634	90,285	94,182	98,273	102,568	107,079	111,815	116,787	122,009
January 1st Variable Payment	53,146	63,040	122,718	128,014	133,575	139,413	145,544	151,981	158,740	165,837
April 1st Variable Payment	63,776	75,648	82,396	85,952	89,686	93,606	97,722	102,045	106,583	111,348

Central Coast Water Authority
La Cumbre Mutual Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

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- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Raytheon Systems Company
State Water Cost Ten-Year Projections
Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u>	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	-	-	1	1	1	1	1	1	1	1
Table A Water Deliveries-2nd Quarter	-	-	4	4	4	4	4	4	4	4
Table A Water Deliveries-3rd Quarter	-	-	1	1	1	1	1	1	1	1
Table A Water Deliveries-4th Quarter	-	-	3	3	3	3	3	3	3	3
Total FY Table A Deliveries (acre-feet)	-	-	9	9	9	9	9	9	9	9

CCWA Variable Cost per AF Assumptions	\$ 420	\$ 441	\$ 463	\$ 486	\$ 511	\$ 536	\$ 563	\$ 591	\$ 621	\$ 652
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 19,050	\$ 20,003	\$ 21,003	\$ 22,053	\$ 23,156	\$ 24,313	\$ 25,529	\$ 26,806	\$ 28,146	\$ 29,553
CCWA Variable O&M Costs ⁽⁵⁾	-	-	4,168	4,376	4,595	4,825	5,066	5,319	5,585	5,865
CCWA Credits	(8,484)									
Warren Act and Trust Fund Charges ⁽⁸⁾	-	-	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080
Subtotal: CCWA Costs	10,566	20,003	26,251	27,509	28,831	30,218	31,675	33,205	34,811	36,498

<u>DWR Costs ⁽⁷⁾</u>										
Transportation Capital	28,965	30,035	30,376	30,622	30,907	31,127	31,298	31,525	31,724	31,797
Coastal Branch Extension	4,259	3,986	5,712	3,705	3,442	-	-	-	-	-
Water System Revenue Bond Surcharge	(129)	511	100	423	(538)	8	12	6	18	10
Transportation Minimum OMP&R	16,966	17,273	17,446	17,620	17,797	17,975	18,154	18,336	18,519	18,705
Delta Water Charge	5,480	5,317	5,371	5,424	5,479	5,533	5,589	5,645	5,701	5,701
DWR Variable Costs ⁽⁵⁾⁽⁶⁾	(11,565)	-	2,641	2,773	2,912	3,058	3,210	3,371	3,539	3,716
Subtotal: DWR Costs	\$ 43,977	\$ 57,122	\$ 61,645	\$ 60,568	\$ 59,999	\$ 57,701	\$ 58,264	\$ 58,882	\$ 59,501	\$ 59,929

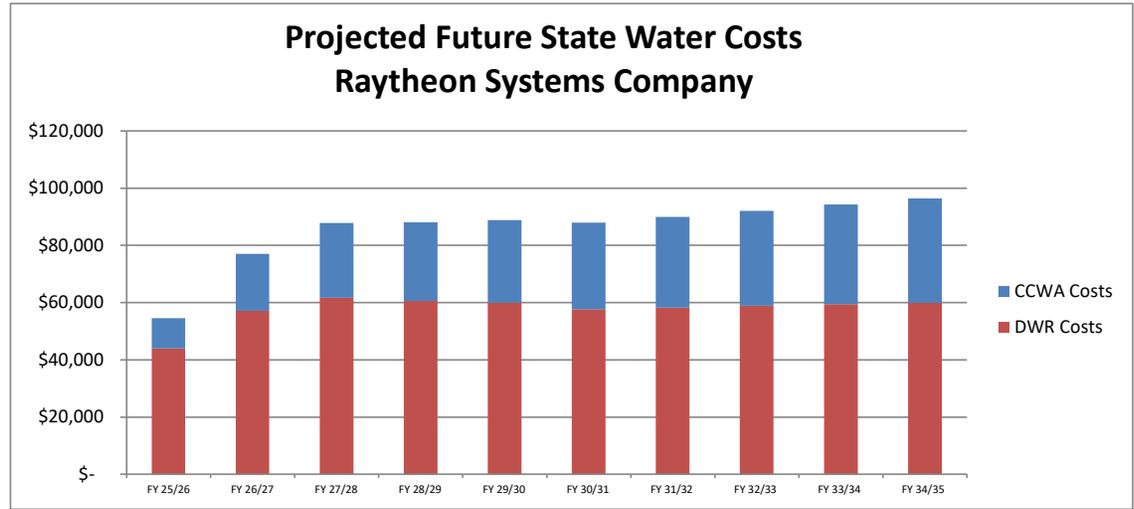
Total Projected State Water Costs	\$ 54,543	\$ 77,125	\$ 87,896	\$ 88,077	\$ 88,829	\$ 87,919	\$ 89,939	\$ 92,087	\$ 94,313	\$ 96,426
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 54,543	\$ 77,077	\$ 79,958	\$ 79,799	\$ 80,194	\$ 78,909	\$ 80,534	\$ 82,268	\$ 84,060	\$ 85,717
July 1st Variable Payment ⁽⁴⁾	(11,565)	-								
October 1st Variable Payment		-								
January 1st Variable Payment		-								
April 1st Variable Payment		-								

Central Coast Water Authority
Raytheon Systems Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

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- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
City of Santa Barbara
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	354	354	354	354	354	354	354	354	354	354
Table A Water Deliveries-2nd Quarter	24	24	24	24	24	24	24	24	24	24
Table A Water Deliveries-3rd Quarter	18	18	18	18	18	18	18	18	18	18
Table A Water Deliveries-4th Quarter	186	186	186	186	186	186	186	186	186	186
Total FY Table A Deliveries (acre-feet)	582									

Exchange Deliveries-1st Quarter	330	330	330	330	330	330	330	330	330	330
Exchange Deliveries-2nd Quarter	36	36	36	36	36	36	36	36	36	36
Exchange Deliveries-3rd Quarter	24	24	24	24	24	24	24	24	24	24
Exchange Deliveries-4th Quarter	192	192	192	192	192	192	192	192	192	192
Total FY Exchange Deliveries (acre-feet)	582									
CCWA Variable Cost per AF Assumptions	\$ 420	\$ 441	\$ 463	\$ 486	\$ 511	\$ 536	\$ 563	\$ 591	\$ 621	\$ 652
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 1,120,107	\$ 1,176,112	\$ 1,234,918	\$ 1,296,664	\$ 1,361,497	\$ 1,429,572	\$ 1,501,050	\$ 1,576,103	\$ 1,654,908	\$ 1,737,653
CCWA Variable O&M Costs ⁽⁵⁾	-	256,683	269,518	282,993	297,143	312,000	327,600	343,980	361,179	379,238
CCWA Credits	-	-	-	-	-	-	-	-	-	-
Warren Act and Trust Fund Charges ⁽⁸⁾	-	-	-	-	-	-	-	-	-	-
Subtotal: CCWA Costs	\$ 1,120,107	\$ 1,432,796	\$ 1,504,435	\$ 1,579,657	\$ 1,658,640	\$ 1,741,572	\$ 1,828,651	\$ 1,920,083	\$ 2,016,087	\$ 2,116,892

<u>DWR Costs</u> ⁽⁷⁾										
Transportation Capital	1,724,971	1,788,665	1,808,954	1,823,638	1,840,617	1,853,712	1,863,901	1,877,375	1,889,255	1,893,588
Coastal Branch Extension	247,134	239,145	342,700	222,279	206,537	-	-	-	-	-
Water System Revenue Bond Surcharge	5,505	30,647	5,982	25,385	(32,290)	507	730	346	1,055	586
Transportation Minimum OMP&R	955,585	972,905	982,634	992,453	1,002,385	1,012,409	1,022,533	1,032,758	1,043,086	1,053,517
Delta Water Charge	332,975	319,044	322,234	325,457	328,711	331,998	335,318	338,672	342,058	342,058
DWR Variable Costs ^{(5) (6)}	108,099	325,331	341,597	358,677	376,611	395,442	415,214	435,974	457,773	480,662
Subtotal: DWR Costs	3,374,269	3,675,736	3,804,102	3,747,890	3,722,571	3,594,067	3,637,696	3,685,126	3,733,227	3,770,411

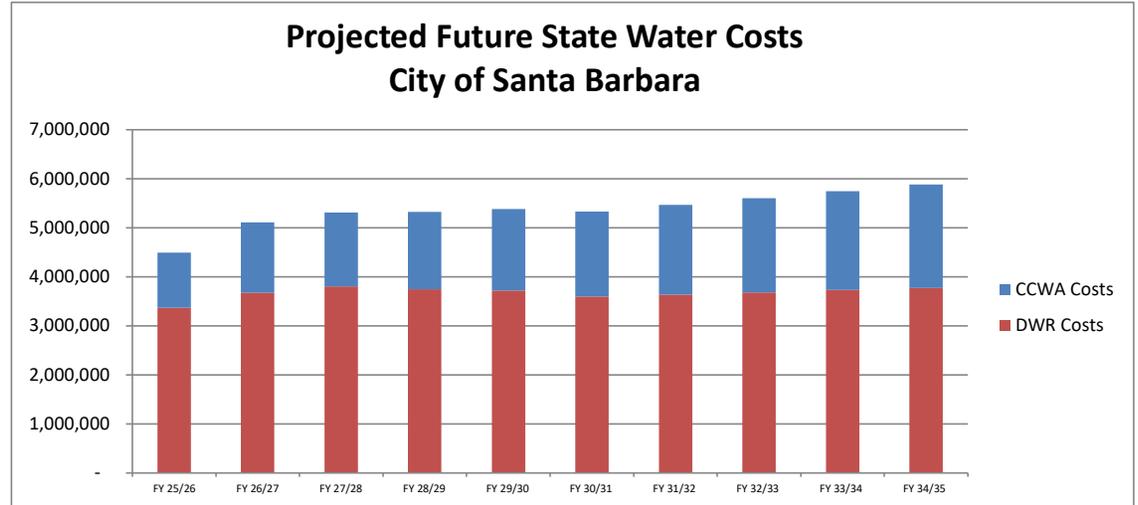
Total Projected State Water Costs	\$ 4,494,376	\$ 5,108,532	\$ 5,308,537	\$ 5,327,547	\$ 5,381,211	\$ 5,335,639	\$ 5,466,347	\$ 5,605,209	\$ 5,749,314	\$ 5,887,303
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 4,386,277	\$ 4,526,518	\$ 4,697,422	\$ 4,685,876	\$ 4,707,457	\$ 4,628,197	\$ 4,723,533	\$ 4,825,254	\$ 4,930,362	\$ 5,027,403
July 1st Variable Payment ⁽⁴⁾	63,522	342,008	359,109	377,064	395,917	415,713	436,499	458,324	481,240	505,302
October 1st Variable Payment	5,572	30,001	31,501	33,076	34,730	36,466	38,289	40,204	42,214	44,325
January 1st Variable Payment	3,900	21,001	22,051	23,153	24,311	25,526	26,803	28,143	29,550	31,027
April 1st Variable Payment	35,104	189,005	198,455	208,378	218,796	229,736	241,223	253,284	265,948	279,246

Central Coast Water Authority
City of Santa Barbara
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

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- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Montecito Water District
State Water Cost Ten-Year Projections
Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u>	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	354	354	330	330	330	330	330	330	330	330
Table A Water Deliveries-2nd Quarter	24	24	36	36	36	36	36	36	36	36
Table A Water Deliveries-3rd Quarter	18	18	24	24	24	24	24	24	24	24
Table A Water Deliveries-4th Quarter	186	186	192	192	192	192	192	192	192	192
Total FY Table A Deliveries (acre-feet)	582	582	582	582	582	582	582	582	582	582

Exchange Deliveries-1st Quarter	330	330	330	330	330	330	330	330	330	330
Exchange Deliveries-2nd Quarter	36	36	36	36	36	36	36	36	36	36
Exchange Deliveries-3rd Quarter	24	24	24	24	24	24	24	24	24	24
Exchange Deliveries-4th Quarter	192	192	192	192	192	192	192	192	192	192
Total FY Exchange Deliveries (acre-feet)	582	582	582	582	582	582	582	582	582	582

CCWA Variable Cost per AF Assumptions	\$ 420	\$ 441	\$ 463	\$ 486	\$ 511	\$ 536	\$ 563	\$ 591	\$ 621	\$ 652
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 1,120,107	\$ 1,176,112	\$ 1,234,918	\$ 1,296,664	\$ 1,361,497	\$ 1,429,572	\$ 1,501,050	\$ 1,576,103	\$ 1,654,908	\$ 1,737,653
CCWA Variable O&M Costs ⁽⁵⁾	-	256,683	269,518	282,993	297,143	312,000	327,600	343,980	361,179	379,238
CCWA Credits	(27,315)									
Warren Act and Trust Fund Charges ⁽⁸⁾	-	-	-	-	-	-	-	-	-	-
Subtotal: CCWA Costs	1,092,792	1,432,796	1,504,435	1,579,657	1,658,640	1,741,572	1,828,651	1,920,083	2,016,087	2,116,892

<u>DWR Costs ⁽⁷⁾</u>										
Transportation Capital	1,724,971	1,788,665	1,808,954	1,823,638	1,840,617	1,853,712	1,863,901	1,877,375	1,889,255	1,893,588
Coastal Branch Extension	247,134	239,145	342,700	222,279	206,537	-	-	-	-	-
Water System Revenue Bond Surcharge	5,505	30,647	5,982	25,385	(32,290)	507	730	346	1,055	586
Transportation Minimum OMP&R	955,585	972,905	982,634	992,453	1,002,385	1,012,409	1,022,533	1,032,758	1,043,086	1,053,517
Delta Water Charge	332,975	319,044	322,234	325,457	328,711	331,998	335,318	338,672	342,058	342,058
DWR Variable Costs ^{(5) (6)}	106,731	325,331	341,597	358,677	376,611	395,442	415,214	435,974	457,773	480,662
Subtotal: DWR Costs	\$ 3,372,900	\$ 3,675,737	\$ 3,804,102	\$ 3,747,890	\$ 3,722,571	\$ 3,594,068	\$ 3,637,696	\$ 3,685,126	\$ 3,733,227	\$ 3,770,411

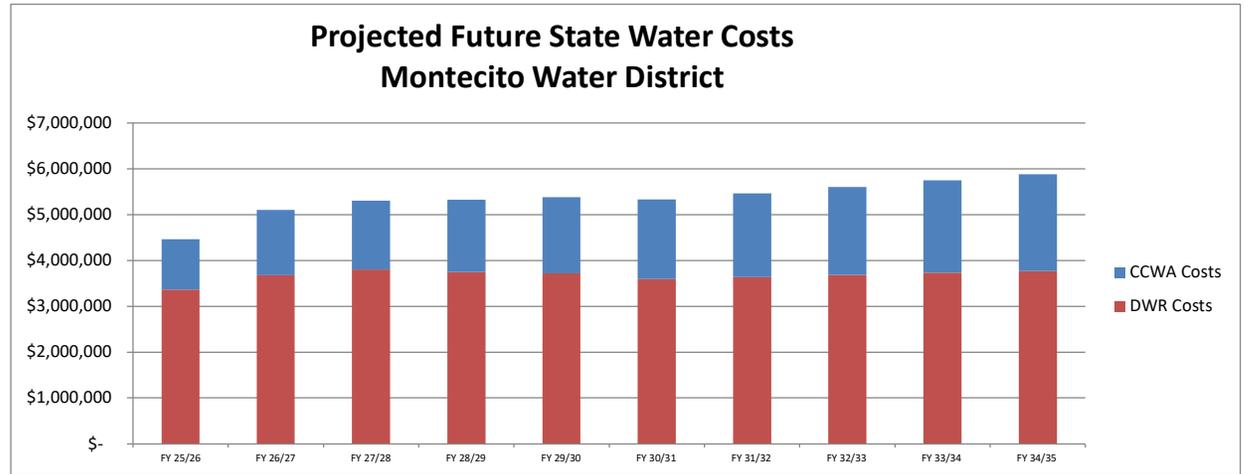
Total Projected State Water Costs	\$ 4,465,692	\$ 5,108,532	\$ 5,308,537	\$ 5,327,547	\$ 5,381,211	\$ 5,335,639	\$ 5,466,347	\$ 5,605,209	\$ 5,749,314	\$ 5,887,303
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 4,358,962	\$ 4,523,707	\$ 4,694,612	\$ 4,683,066	\$ 4,704,646	\$ 4,625,387	\$ 4,720,722	\$ 4,822,444	\$ 4,927,552	\$ 5,024,592
July 1st Variable Payment ⁽⁴⁾	62,718	342,008	346,508	363,834	382,026	401,127	421,183	442,242	464,355	487,572
October 1st Variable Payment	5,502	30,001	37,801	39,691	41,676	43,759	45,947	48,245	50,657	53,190
January 1st Variable Payment	3,851	21,001	25,201	26,461	27,784	29,173	30,632	32,163	33,771	35,460
April 1st Variable Payment	34,660	189,005	201,605	211,685	222,269	233,383	245,052	257,305	270,170	283,678

Central Coast Water Authority
Montecito Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

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- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2025/26 fixed payment is paid on June 1, 2025).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Carpinteria Valley Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	236	236	236	236	236	236	236	236	236	236
Table A Water Deliveries-2nd Quarter	16	16	16	16	16	16	16	16	16	16
Table A Water Deliveries-3rd Quarter	12	12	12	12	12	12	12	12	12	12
Table A Water Deliveries-4th Quarter	124	124	124	124	124	124	124	124	124	124
Total FY Table A Deliveries (acre-feet)	388									

Exchange Deliveries-1st Quarter	220	220	220	220	220	220	220	220	220	220
Exchange Deliveries-2nd Quarter	24	24	24	24	24	24	24	24	24	24
Exchange Deliveries-3rd Quarter	16	16	16	16	16	16	16	16	16	16
Exchange Deliveries-4th Quarter	128	128	128	128	128	128	128	128	128	128
Total FY Exchange Deliveries (acre-feet)	388									

CCWA Variable Cost per AF Assumptions	\$ 420	\$ 441	\$ 463	\$ 486	\$ 511	\$ 536	\$ 563	\$ 591	\$ 621	\$ 652
DWR Variable Cost per AF Assumptions	\$ 254	\$ 279	\$ 293	\$ 308	\$ 324	\$ 340	\$ 357	\$ 375	\$ 393	\$ 413

<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 746,738	\$ 784,075	\$ 823,278	\$ 864,442	\$ 907,665	\$ 953,048	\$ 1,000,700	\$ 1,050,735	\$ 1,103,272	\$ 1,158,436
CCWA Variable O&M Costs ⁽⁵⁾	-	171,122	179,678	188,662	198,095	208,000	218,400	229,320	240,786	252,826
CCWA Credits	(164,397)									
Warren Act and Trust Fund Charges ⁽⁸⁾	-	-	-	-	-	-	-	-	-	-
Subtotal: CCWA Costs	582,341	955,197	1,002,957	1,053,105	1,105,760	1,161,048	1,219,100	1,280,055	1,344,058	1,411,261

<u>DWR Costs</u> ⁽⁷⁾										
Transportation Capital	1,151,305	1,193,817	1,207,359	1,217,160	1,228,491	1,237,231	1,244,032	1,253,025	1,260,954	1,263,846
Coastal Branch Extension	164,356	159,430	228,467	148,186	137,691	-	-	-	-	-
Water System Revenue Bond Surcharge	(2,019)	20,431	3,988	16,924	(21,527)	338	487	231	703	391
Transportation Minimum OMP&R	636,611	648,149	654,631	661,172	667,789	674,467	681,212	688,024	694,904	701,853
Delta Water Charge	222,537	212,696	214,823	216,971	219,141	221,332	223,546	225,781	228,039	228,039
DWR Variable Costs ⁽⁵⁾⁽⁶⁾	31,207	216,887	227,732	239,118	251,074	263,628	276,809	290,650	305,182	320,441
Subtotal: DWR Costs	\$ 2,203,998	\$ 2,451,411	\$ 2,536,999	\$ 2,499,531	\$ 2,482,660	\$ 2,396,996	\$ 2,426,085	\$ 2,457,711	\$ 2,489,783	\$ 2,514,570

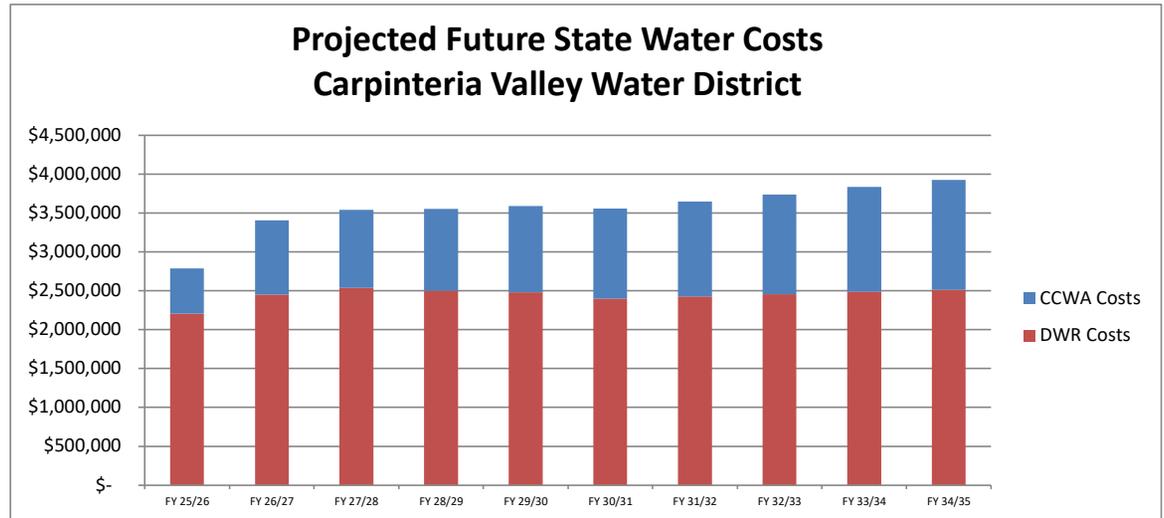
Total Projected State Water Costs	\$ 2,786,339	\$ 3,406,608	\$ 3,539,956	\$ 3,552,635	\$ 3,588,420	\$ 3,558,044	\$ 3,645,186	\$ 3,737,766	\$ 3,833,841	\$ 3,925,831
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 2,755,132	\$ 3,016,828	\$ 3,130,775	\$ 3,123,084	\$ 3,137,480	\$ 3,084,646	\$ 3,148,206	\$ 3,216,025	\$ 3,286,102	\$ 3,350,794
July 1st Variable Payment ⁽⁴⁾	18,338	228,006	239,406	251,376	263,945	277,142	290,999	305,549	320,827	336,868
October 1st Variable Payment	1,609	20,000	21,001	22,051	23,153	24,311	25,526	26,803	28,143	29,550
January 1st Variable Payment	1,126	14,000	14,700	15,435	16,207	17,018	17,868	18,762	19,700	20,685
April 1st Variable Payment	10,134	126,003	132,303	138,918	145,864	153,158	160,815	168,856	177,299	186,164

Central Coast Water Authority
Carpinteria Valley Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

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- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Chorro Valley Turnout
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u>	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	579	567	453	453	453	453	453	453	453	453
Table A Water Deliveries-2nd Quarter	527	532	500	500	500	500	500	500	500	500
Table A Water Deliveries-3rd Quarter	532	532	538	538	538	538	538	538	538	538
Table A Water Deliveries-4th Quarter	557	557	408	408	408	408	408	408	408	408
Total FY Table A Deliveries (acre-feet)	2,195	2,188	1,899							

CCWA Variable Cost per AF Assumptions	\$ 97	\$ 102	\$ 107	\$ 113	\$ 118	\$ 124	\$ 130	\$ 137	\$ 144	\$ 151
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<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 355,187	\$ 372,946	\$ 391,593	\$ 411,173	\$ 431,731	\$ 453,318	\$ 475,984	\$ 499,783	\$ 524,772	\$ 551,011
CCWA Variable O&M Costs ⁽⁵⁾	213,619	223,584	203,755	213,943	224,640	235,872	247,665	260,049	273,051	286,704
CCWA Credits	(60,707)									
Warren Act Charges										
Subtotal: CCWA Costs	\$ 508,098	\$ 596,530	\$ 595,348	\$ 625,116	\$ 656,371	\$ 689,190	\$ 723,649	\$ 759,832	\$ 797,823	\$ 837,715

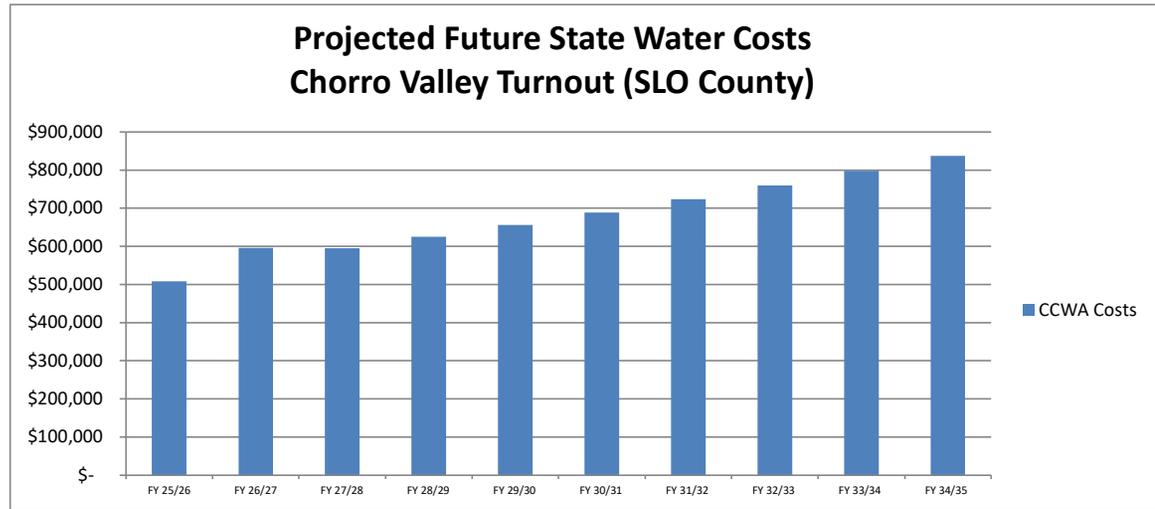
Total Projected State Water Costs	\$ 508,098	\$ 596,530	\$ 595,348	\$ 625,116	\$ 656,371	\$ 689,190	\$ 723,649	\$ 759,832	\$ 797,823	\$ 837,715
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 294,479	\$ 372,946	\$ 391,593	\$ 411,173	\$ 431,731	\$ 453,318	\$ 475,984	\$ 499,783	\$ 524,772	\$ 551,011
July 1st Variable Payment ⁽⁴⁾	56,349	57,940	48,605	51,035	53,587	56,266	59,080	62,034	65,135	68,392
October 1st Variable Payment	51,288	54,363	53,648	56,330	59,147	62,104	65,209	68,470	71,893	75,488
January 1st Variable Payment	51,775	54,363	57,725	60,611	63,642	66,824	70,165	73,674	77,357	81,225
April 1st Variable Payment	54,208	56,918	43,777	45,966	48,264	50,677	53,211	55,871	58,665	61,598

Central Coast Water Authority
Chorro Valley Turnout
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

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Central Coast Water Authority
Lopez Turnout
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	417	546	330	330	330	330	330	330	330	330
Table A Water Deliveries-2nd Quarter	346	541	277	277	277	277	277	277	277	277
Table A Water Deliveries-3rd Quarter	539	539	457	457	457	457	457	457	457	457
Table A Water Deliveries-4th Quarter	546	546	272	272	272	272	272	272	272	272
Total FY Table A Deliveries (acre-feet)	1,848	2,172	1,336							

CCWA Variable Cost per AF Assumptions	\$ 97	\$ 102	\$ 107	\$ 113	\$ 118	\$ 124	\$ 130	\$ 137	\$ 144	\$ 151
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<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 426,808	\$ 448,148	\$ 470,556	\$ 494,084	\$ 518,788	\$ 544,727	\$ 571,964	\$ 600,562	\$ 630,590	\$ 662,119
CCWA Variable O&M Costs ⁽⁵⁾	179,848	221,949	143,347	150,515	158,040	165,942	174,240	182,952	192,099	201,704
CCWA Credits	(70,076)									
Warren Act Charges										
Subtotal: CCWA Costs	\$ 536,580	\$ 670,098	\$ 613,903	\$ 644,598	\$ 676,828	\$ 710,670	\$ 746,203	\$ 783,513	\$ 822,689	\$ 863,823

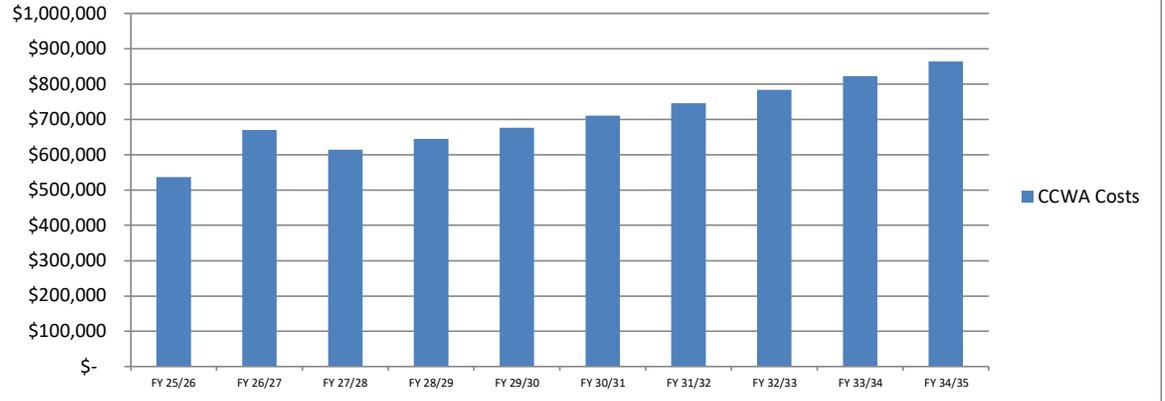
Total Projected State Water Costs	\$ 536,580	\$ 670,098	\$ 613,903	\$ 644,598	\$ 676,828	\$ 710,670	\$ 746,203	\$ 783,513	\$ 822,689	\$ 863,823
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 356,732	\$ 448,148	\$ 470,556	\$ 494,084	\$ 518,788	\$ 544,727	\$ 571,964	\$ 600,562	\$ 630,590	\$ 662,119
July 1st Variable Payment ⁽⁴⁾	40,583	55,794	35,408	37,178	39,037	40,989	43,038	45,190	47,450	49,822
October 1st Variable Payment	33,673	55,283	29,721	31,207	32,767	34,406	36,126	37,932	39,829	41,820
January 1st Variable Payment	52,456	55,079	49,034	51,486	54,060	56,763	59,601	62,581	65,711	68,996
April 1st Variable Payment	53,137	55,794	29,184	30,644	32,176	33,785	35,474	37,248	39,110	41,066

NOTES

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Projected Future State Water Costs Lopez Turnout (SLO County)



Central Coast Water Authority
Shandon
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Table A Water Deliveries-1st Quarter	-	-	-	-	-	-	-	-	-	-
Table A Water Deliveries-2nd Quarter	-	-	-	-	-	-	-	-	-	-
Table A Water Deliveries-3rd Quarter	-	-	-	-	-	-	-	-	-	-
Table A Water Deliveries-4th Quarter	-	-	-	-	-	-	-	-	-	-
Total FY Table A Deliveries (acre-feet)	-	-	-	-	-	-	-	-	-	-

CCWA Variable Cost per AF Assumptions	\$ 97	\$ 102	\$ 107	\$ 113	\$ 118	\$ 124	\$ 130	\$ 137	\$ 144	\$ 151
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<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 18,975	\$ 19,923	\$ 20,919	\$ 21,965	\$ 23,064	\$ 24,217	\$ 25,428	\$ 26,699	\$ 28,034	\$ 29,436
CCWA Variable O&M Costs ⁽⁵⁾	-	-	-	-	-	-	-	-	-	-
CCWA Credits	(3,373)									
Subtotal: CCWA Costs	\$ 15,602	\$ 19,923	\$ 20,919	\$ 21,965	\$ 23,064	\$ 24,217	\$ 25,428	\$ 26,699	\$ 28,034	\$ 29,436

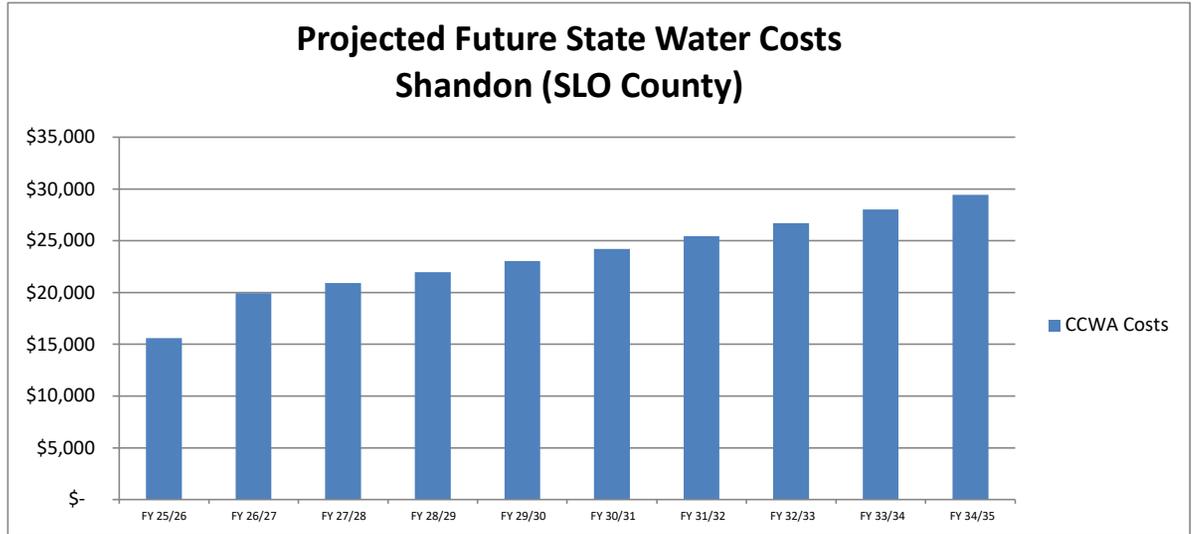
Total Projected State Water Costs	\$ 15,602	\$ 19,923	\$ 20,919	\$ 21,965	\$ 23,064	\$ 24,217	\$ 25,428	\$ 26,699	\$ 28,034	\$ 29,436
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 15,602	\$ 19,923	\$ 20,919	\$ 21,965	\$ 23,064	\$ 24,217	\$ 25,428	\$ 26,699	\$ 28,034	\$ 29,436
July 1st Variable Payment ⁽⁴⁾	-	-	-	-	-	-	-	-	-	-
October 1st Variable Payment	-	-	-	-	-	-	-	-	-	-
January 1st Variable Payment	-	-	-	-	-	-	-	-	-	-
April 1st Variable Payment	-	-	-	-	-	-	-	-	-	-

Central Coast Water Authority
Shandon
 State Water Cost Ten-Year Projections
 Fiscal Year 2025/26 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2025/26 fixed payment is paid on June 1, 2025).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M and DWR variable are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment 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 2025 Statement of Charges dated July 1, 2024.
- (8) Warren Act Charges are \$120/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$77/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
CCWA Fixed Costs
 Ten-Year Financial Plan Projections
 FY 2025/26 Final Proposed Budget

	Allocation Percentage	Base Year									
		FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Base Fixed O&M Costs		14,472,986	14,472,986	15,196,635	15,956,467	16,754,290	17,592,005	18,471,605	19,395,185	20,364,945	21,383,192
Inflation Factor			5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Projected Fixed O&M		14,472,986	15,196,635	15,956,467	16,754,290	17,592,005	18,471,605	19,395,185	20,364,945	21,383,192	22,452,351
Capital Improvement Projects		-	-	-	-	-	-	-	-	-	-
Other Costs		-	-	-	-	-	-	-	-	-	-
TOTAL CCWA FIXED COSTS		14,472,986	15,196,635	15,956,467	16,754,290	17,592,005	18,471,605	19,395,185	20,364,945	21,383,192	22,452,351
Guadalupe	1.14%	166,327	174,643	183,375	192,544	202,171	212,280	222,894	234,039	245,741	258,028
Santa Maria	33.33%	4,807,810	5,048,201	5,300,611	5,565,642	5,843,924	6,136,120	6,442,926	6,765,072	7,103,326	7,458,492
Golden State Water	1.06%	153,139	160,796	168,835	177,277	186,141	195,448	205,220	215,481	226,256	237,568
Vandenberg AFB	13.32%	1,909,026	2,004,478	2,104,702	2,209,937	2,320,433	2,436,455	2,558,278	2,686,192	2,820,501	2,961,526
Buellton	1.67%	240,347	252,364	264,982	278,231	292,143	306,750	322,087	338,192	355,101	372,857
Santa Ynez (Solvang)	4.34%	619,823	650,814	683,355	717,523	753,399	791,069	830,622	872,153	915,761	961,549
Santa Ynez	4.58%	632,178	663,787	696,976	731,825	768,416	806,837	847,179	889,538	934,014	980,715
Goleta	11.63%	1,680,160	1,764,168	1,852,377	1,944,995	2,042,245	2,144,357	2,251,575	2,364,154	2,482,362	2,606,480
Morehart Land Co.	0.43%	76,201	80,011	84,011	88,212	92,623	97,254	102,116	107,222	112,583	118,213
La Cumbre	2.15%	381,004	400,055	420,057	441,060	463,113	486,269	510,582	536,111	562,917	591,063
Raytheon	0.13%	19,050	20,003	21,003	22,053	23,156	24,313	25,529	26,806	28,146	29,553
Santa Barbara	7.76%	1,120,107	1,176,112	1,234,918	1,296,664	1,361,497	1,429,572	1,501,050	1,576,103	1,654,908	1,737,653
Montecito	7.76%	1,120,107	1,176,112	1,234,918	1,296,664	1,361,497	1,429,572	1,501,050	1,576,103	1,654,908	1,737,653
Carpinteria	5.17%	746,738	784,075	823,278	864,442	907,665	953,048	1,000,700	1,050,735	1,103,272	1,158,436
Shandon	0.14%	18,975	19,923	20,919	21,965	23,064	24,217	25,428	26,699	28,034	29,436
Chorro Valley	2.53%	355,187	372,946	391,593	411,173	431,731	453,318	475,984	499,783	524,772	551,011
Lopez	2.86%	426,808	448,148	470,556	494,084	518,788	544,727	571,964	600,562	630,590	662,119
Total:	100.00%	14,472,986	15,196,635	15,956,467	16,754,290	17,592,005	18,471,605	19,395,185	20,364,945	21,383,192	22,452,351

FIXED O&M + CIP

(1) CCWA Fixed Costs for fiscal Years 2024/25 thru 2033/34

Central Coast Water Authority
CCWA & DWR Variable Cost Projections

Ten-Year Financial Plan Projections
 FY 2025/26 Final Proposed Budget

	Base Year FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
CCWA Variable Costs/AF-North County	97	102	107	113	118	124	130	137	144	151
CCWA WTP Variable Retreatment Costs/AF	3	3	4	4	4	4	4	5	5	5
Inflation Factor		5%	5%	5%	5%	5%	5%	5%	5%	5%
Projected CCWA Variable \$/AF-North County	101	106	111	117	122	128	135	142	149	156
CCWA Variable Costs/AF-South County	514	540	567	595	625	656	689	723	759	797
CCWA WTP Variable Retreatment Costs/AF	3	3	4	4	4	4	4	5	5	5
South Coast Retreatment Credits/AF	(97)	(102)	(107)	(113)	(118)	(124)	(130)	(137)	(144)	(151)
Inflation Factor		5%	5%	5%	5%	5%	5%	5%	5%	5%
Projected CCWA Variable \$/AF-South County	420	441	463	486	511	536	563	591	621	652
Estimated DWR Variable \$/AF	254	266	279	293	308	324	340	357	375	393
Inflation Factor		5%	5%	5%	5%	5%	5%	5%	5%	5%
Projected DWR Variable \$/AF	254	279	293	308	324	340	357	375	393	413
Total Projected Variable Cost/AF										
CCWA & DWR Variable - North Coast \$/AF	354	385	404	425	446	468	492	516	542	569
CCWA & DWR Variable - South Coast \$/AF ⁽¹⁾	674	721	757	794	834	876	920	966	1,014	1,065

(1) South Coast total AF estimates do not include Warren Act charges.

Central Coast Water Authority
DWR Transportation Capital Charges
 Ten-Year Financial Plan Projections
 FY 2025/26 Final Proposed Budget

	Allocation Percentage	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
		Current Year Charges	24,513,958	24,574,084	24,839,106	25,030,926	25,252,704	25,423,757	25,556,856	25,732,862	25,888,041
Rate Management Credits (Over)/Under Payment	(1,209,618)	(1,209,618)	(1,209,618)	(1,209,618)	(1,209,618)	(1,209,618)	(1,209,618)	(1,209,618)	(1,209,618)	(1,209,618)	
Miscellaneous Charges/(Credits)	(771,878)	-	-	-	-	-	-	-	-	-	
TOTAL PAYMENTS		22,532,461	23,364,466	23,629,488	23,821,308	24,043,086	24,214,139	24,347,238	24,523,244	24,678,423	24,735,026
Guadalupe	1.34%	302,273	313,435	316,990	319,563	322,538	324,833	326,619	328,980	331,061	331,821
Santa Maria	41.38%	9,323,080	9,667,332	9,776,989	9,856,356	9,948,120	10,018,895	10,073,966	10,146,791	10,210,998	10,234,418
Golden State Water	1.28%	288,820	299,485	302,882	305,340	308,183	310,376	312,082	314,338	316,327	317,052
Vandenberg AFB	14.05%	3,165,096	3,281,967	3,319,194	3,346,138	3,377,291	3,401,319	3,420,015	3,444,738	3,466,536	3,474,487
Buellton	1.48%	334,003	346,336	350,265	353,108	356,395	358,931	360,904	363,513	365,813	366,652
Santa Ynez (Solvang)	3.72%	838,741	869,711	879,577	886,717	894,972	901,339	906,294	912,845	918,622	920,729
Santa Ynez	1.24%	280,322	290,673	293,970	296,357	299,116	301,244	302,900	305,089	307,020	307,724
Goleta	11.91%	2,684,362	2,783,481	2,815,054	2,837,906	2,864,327	2,884,705	2,900,562	2,921,530	2,940,017	2,946,760
Morehart Land Co.	0.50%	111,884	116,015	117,331	118,284	119,385	120,234	120,895	121,769	122,540	122,821
La Cumbre	2.55%	573,665	594,848	601,595	606,479	612,125	616,480	619,869	624,350	628,301	629,742
Raytheon	0.13%	28,965	30,035	30,376	30,622	30,907	31,127	31,298	31,525	31,724	31,797
Santa Barbara	7.66%	1,724,971	1,788,665	1,808,954	1,823,638	1,840,617	1,853,712	1,863,901	1,877,375	1,889,255	1,893,588
Montecito	7.66%	1,724,971	1,788,665	1,808,954	1,823,638	1,840,617	1,853,712	1,863,901	1,877,375	1,889,255	1,893,588
Carpinteria	5.11%	1,151,305	1,193,817	1,207,359	1,217,160	1,228,491	1,237,231	1,244,032	1,253,025	1,260,954	1,263,846
Total:	100.00%	22,532,461	23,364,466	23,629,488	23,821,308	24,043,086	24,214,139	24,347,238	24,523,244	24,678,423	24,735,026

Central Coast Water Authority
DWR Coastal Branch Extension
 Ten-Year Financial Plan Projections
 FY 2025/26 Final Proposed Budget

	Allocation Percentage	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Principal		1,979,366	1,829,464	3,014,352	2,124,225	2,187,879					
Interest		426,459	313,676	194,707	91,036	30,966					
Bond Cover		582,719	683,896	690,999	561,772	281,227					-
Return of Prior Year Cover		(613,294)	(582,719)	(683,896)	(690,999)	(561,772)		-			-
Other Charges/(Credits)		(58,455)	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS		2,316,795	2,244,317	3,216,162	2,086,034	1,938,299	-	-	-	-	-
Guadalupe	0.00%	-	-	-	-	-	-	-	-	-	-
Santa Maria	21.80%	505,159	489,201	701,038	454,700	422,498	-	-	-	-	-
Golden State Water	0.67%	15,421	15,099	21,637	14,034	13,040	-	-	-	-	-
Vandenberg AFB	19.54%	452,278	438,432	628,284	407,511	378,651	-	-	-	-	-
Buellton	2.05%	47,384	46,075	66,027	42,826	39,793	-	-	-	-	-
Santa Ynez (Solvang)	5.33%	123,566	119,572	171,350	111,139	103,268	-	-	-	-	-
Santa Ynez	1.78%	41,389	39,857	57,117	37,046	34,423	-	-	-	-	-
Goleta	15.98%	370,100	358,717	514,050	333,418	309,805	-	-	-	-	-
Morehart Land Co.	0.71%	16,436	15,943	22,847	14,819	13,769	-	-	-	-	-
La Cumbre	3.55%	82,178	79,715	114,233	74,093	68,846	-	-	-	-	-
Raytheon	0.18%	4,259	3,986	5,712	3,705	3,442	-	-	-	-	-
Santa Barbara	10.66%	247,134	239,145	342,700	222,279	206,537	-	-	-	-	-
Montecito	10.66%	247,134	239,145	342,700	222,279	206,537	-	-	-	-	-
Carpinteria	7.10%	164,356	159,430	228,467	148,186	137,691	-	-	-	-	-
Total:	100.00%	\$ 2,316,795	\$ 2,244,317	\$ 3,216,162	\$ 2,086,034	\$ 1,938,299	\$ -				

Central Coast Water Authority
DWR Water System Revenue Bond Surcharge
 Ten-Year Financial Plan Projections
 0

	Allocation Percentage	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
WSRB Charge		3,926,390	4,019,390	3,723,486	3,822,621	3,059,700	3,069,603	3,078,727	3,078,727	3,088,834	3,088,214
Return of Prior Year Cover(60%)		(2,328,978)	(2,355,834)	(2,411,634)	(2,234,092)	(2,293,573)	(1,835,820)	(1,841,762)	(1,847,236)	(1,847,236)	(1,853,300)
Refund of Power Debt Service		(1,226,554)	(1,226,554)	(1,226,554)	(1,226,554)	(1,226,554)	(1,226,554)	(1,226,554)	(1,226,554)	(1,226,554)	(1,226,554)
Other Charges/(Credits)		(367,777)	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS		3,081	437,002	85,298	361,975	(460,427)	7,229	10,411	4,937	15,044	8,360
Guadalupe	1.29%	(645)	5,619	1,097	4,654	(5,920)	93	134	63	193	107
Santa Maria	37.87%	(15,674)	165,494	32,303	137,081	(174,365)	2,738	3,943	1,870	5,697	3,166
Golden State Water	1.17%	(296)	5,108	997	4,231	(5,382)	84	122	58	176	98
Vandenberg AFB	12.86%	(5,145)	56,186	10,967	46,540	(59,198)	929	1,339	635	1,934	1,075
Buellton	1.35%	(661)	5,905	1,153	4,891	(6,221)	98	141	67	203	113
Santa Ynez (Solvang)	2.73%	600	11,922	2,327	9,875	(12,561)	197	284	135	410	228
Santa Ynez	1.95%	1,791	8,510	1,661	7,049	(8,966)	141	203	96	293	163
Goleta	19.17%	15,378	83,764	16,350	69,383	(88,254)	1,386	1,996	946	2,884	1,602
Morehart Land Co.	0.47%	(119)	2,043	399	1,692	(2,153)	34	49	23	70	39
La Cumbre	2.34%	(1,010)	10,216	1,994	8,462	(10,763)	169	243	115	352	195
Raytheon	0.12%	(129)	511	100	423	(538)	8	12	6	18	10
Santa Barbara	7.01%	5,505	30,647	5,982	25,385	(32,290)	507	730	346	1,055	586
Montecito	7.01%	5,505	30,647	5,982	25,385	(32,290)	507	730	346	1,055	586
Carpinteria	4.68%	(2,019)	20,431	3,988	16,924	(21,527)	338	487	231	703	391
Total:	100.00%	\$ 3,081	\$ 437,002	\$ 85,298	\$ 361,975	\$ (460,427)	\$ 7,229	\$ 10,411	\$ 4,937	\$ 15,044	\$ 8,360

Central Coast Water Authority
DWR Transportation Minimum OMP&R
 Ten-Year Financial Plan Projections
 FY 2025/26 Final Proposed Budget

	Allocation Percentage	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Current Year Charges ⁽¹⁾		13,140,004	12,825,815	12,954,073	13,083,516	13,214,450	13,346,594	13,480,060	13,614,861	13,751,010	13,888,520
(Over)/Under Payment		71,727	-	-	-	-	-	-	-	-	-
Miscellaneous Charges/(Credits)		(614,243)	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS		12,597,487	12,825,815	12,954,073	13,083,516	13,214,450	13,346,594	13,480,060	13,614,861	13,751,010	13,888,520
Guadalupe	1.389%	175,000	178,172	179,953	181,752	183,571	185,406	187,260	189,133	191,024	192,934
Santa Maria	40.917%	5,154,477	5,247,901	5,300,380	5,353,344	5,406,917	5,460,986	5,515,596	5,570,752	5,626,460	5,682,725
Golden State Water	1.254%	158,034	160,898	162,507	164,131	165,774	167,432	169,106	170,797	172,505	174,230
Vandenberg AFB	13.881%	1,748,662	1,780,356	1,798,160	1,816,128	1,834,303	1,852,646	1,871,172	1,889,884	1,908,783	1,927,870
Buellton	1.458%	183,687	187,016	188,886	190,774	192,683	194,610	196,556	198,522	200,507	202,512
Santa Ynez (Solvang)	3.675%	462,960	471,351	476,065	480,822	485,634	490,490	495,395	500,349	505,352	510,406
Santa Ynez	1.366%	172,082	175,201	176,953	178,721	180,510	182,315	184,138	185,979	187,839	189,718
Goleta	12.663%	1,595,244	1,624,158	1,640,400	1,656,791	1,673,372	1,690,106	1,707,007	1,724,077	1,741,318	1,758,731
Morehart Land Co.	0.505%	63,620	64,773	65,421	66,075	66,736	67,403	68,077	68,758	69,446	70,140
La Cumbre	2.532%	318,974	324,755	328,003	331,280	334,596	337,942	341,321	344,734	348,182	351,664
Raytheon	0.135%	16,966	17,273	17,446	17,620	17,797	17,975	18,154	18,336	18,519	18,705
Santa Barbara	7.59%	955,585	972,905	982,634	992,453	1,002,385	1,012,409	1,022,533	1,032,758	1,043,086	1,053,517
Montecito	7.59%	955,585	972,905	982,634	992,453	1,002,385	1,012,409	1,022,533	1,032,758	1,043,086	1,053,517
Carpinteria	5.05%	636,611	648,149	654,631	661,172	667,789	674,467	681,212	688,024	694,904	701,853
Total:	100.00%	\$ 12,597,487	\$ 12,825,815	\$ 12,954,073	\$ 13,083,516	\$ 13,214,450	\$ 13,346,594	\$ 13,480,060	\$ 13,614,861	\$ 13,751,010	\$ 13,888,520

(1) Based on a 5% inflation factor.

Central Coast Water Authority
DWR Delta Water Charge
 Ten-Year Financial Plan Projections
 FY 2025/26 Final Proposed Budget

	Table A & Drought Buffer		Table A & Drought Buffer %									
			FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Delta Water Charge \$/AF-Base			\$ 107	\$ 97	\$ 97	\$ 98	\$ 99	\$ 100	\$ 101	\$ 102	\$ 103	\$ 104
Inflation %					1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
Projected DWC-Base Charges			\$ 107	\$ 97	\$ 98	\$ 99	\$ 100	\$ 101	\$ 102	\$ 103	\$ 104	\$ 104
Rate Management Credits/AF			-	-	-	-	-	-	-	-	-	-
Miscellaneous Charges/(Credits)			-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS			\$ 107	\$ 97	\$ 98	\$ 99	\$ 100	\$ 101	\$ 102	\$ 103	\$ 104	\$ 104
Guadalupe	605	1.330%	61,115	58,491	59,076	59,667	60,264	60,866	61,475	62,090	62,711	62,711
Santa Maria	17,820	39.177%	1,800,558	1,722,838	1,740,066	1,757,467	1,775,041	1,792,792	1,810,720	1,828,827	1,847,115	1,847,115
Golden State Water	550	1.209%	55,634	53,174	53,706	54,243	54,785	55,333	55,886	56,445	57,010	57,010
Vandenberg AFB	6,050	13.301%	611,147	584,914	590,763	596,671	602,637	608,664	614,750	620,898	627,107	627,107
Buellton	636	1.398%	64,400	61,488	62,103	62,724	63,352	63,985	64,625	65,271	65,924	65,924
Santa Ynez (Solvang)	1,500	3.298%	152,273	145,020	146,470	147,935	149,414	150,908	152,417	153,942	155,481	155,481
Santa Ynez	700	1.539%	70,807	67,676	68,353	69,036	69,727	70,424	71,128	71,839	72,558	72,558
Goleta	7,450	16.379%	753,049	720,266	727,469	734,743	742,091	749,512	757,007	764,577	772,223	772,223
Morehart Land Co.	220	0.484%	21,921	21,270	21,482	21,697	21,914	22,133	22,355	22,578	22,804	22,804
La Cumbre	1,100	2.418%	111,269	106,348	107,411	108,486	109,570	110,666	111,773	112,891	114,019	114,019
Raytheon	55	0.121%	5,480	5,317	5,371	5,424	5,479	5,533	5,589	5,645	5,701	5,701
Santa Barbara	3,300	7.255%	332,975	319,044	322,234	325,457	328,711	331,998	335,318	338,672	342,058	342,058
Montecito	3,300	7.255%	332,975	319,044	322,234	325,457	328,711	331,998	335,318	338,672	342,058	342,058
Carpinteria	2,200	4.837%	222,537	212,696	214,823	216,971	219,141	221,332	223,546	225,781	228,039	228,039
Total:	45,486	100.00%	\$ 4,596,141	\$ 4,397,586	\$ 4,441,562	\$ 4,485,978	\$ 4,530,838	\$ 4,576,146	\$ 4,621,908	\$ 4,668,127	\$ 4,714,808	\$ 4,714,808



Road runner at Polonio Pass Water Treatment Plant

Appendix

The Appendix to the FY 2025/26 Budget contains miscellaneous statistical information on the CCWA, and glossaries of acronyms and terms.

Central Coast Water Authority
Santa Barbara County Area Description
Fiscal Year 2025/26 Budget

Santa Barbara County is located on the Pacific coast of the southern portion of the U.S. state of California, just west of Ventura County. The estimated total population of the County according to the 2020 census was 448,229 according to the US Census Bureau. The county seat is Santa Barbara and the largest city is Santa Maria.

For thousands of years, the area was home to the Chumash tribe of Native Americans, complex hunter-gathers who lived along the coast and in interior valleys leaving rock art in many locations including Painted Cave. European contact had devastating effects on the Chumash Indians, including a series of disease epidemics that drastically reduced Chumash population. The Chumash survived, however, and thousands of Chumash descendants still live in the Santa Barbara area or surrounding counties.

The County has a total area of 3,789 square miles and four of the Channel Islands – San Miguel Island, Anacapa Island, Santa Cruz Island and Santa Rosa Island – are in Santa Barbara County. They form the largest part of the Channel Islands National Park.

Santa Barbara County has a mountainous interior abutting a coastal plains area. The largest concentration of people is on this coastal plain, referred to as the south coast – the part of the county south of the Santa Ynez Mountains – which includes the cities of Santa Barbara, Goleta and Carpinteria, as well as the unincorporated areas of Hope Ranch, Mission Canyon, Montecito and Isla Vista. North of the mountains are the towns of Santa Ynez, Solvang, Buellton, Lompoc; the unincorporated towns of Los Olivos and Ballard; the unincorporated areas of Mission Hills and Vandenberg Village; and Vandenberg Air Force Base, where the Santa Ynez River flows out to the sea. North of the Santa Ynez Valley are the cities of Santa Maria and Guadalupe.

Santa Barbara County, often branded as the American Riviera, is home to a beautiful landscape and great climate for living, playing and working. The County is well known for its strong sense of community, prime agricultural land, award winning wineries, and attractive cultural and tourism opportunities. However, Santa Barbara County also touts its talented and highly skilled workforce, and growing business sectors, from high tech to health care to design. Quality institutions like UC Santa Barbara and Vandenberg Airforce Base continue to attract high quality individuals to the County. It is these attributes that attract and retain businesses in the area.

Central Coast Water Authority
Miscellaneous Statistical Information
 Fiscal Year 2025/26 Budget

Form of government	Joint Powers Authority
Date of organization	August 1, 1991
Number of full-time equivalent positions	32.25
Polonio Pass Water Treatment Plant design capacity	43 million gallons per day <i>(50 mgd per amended permit from DHS)</i>
Authority pipeline (in miles)	42.5
Coastal Branch pipeline (in miles)	100.6
State water Table A amount	(acre-feet per year)
CCWA contract Table A amount	39,078
CCWA drought buffer	3,908
Goleta Water District additional Table A	<u>2,500</u>
TOTAL	45,486
FY 2024/25 Santa Barbara County requested deliveries	9,570 acre-feet
San Luis Obispo State water Table A	3,100 acre-feet
FY 2024/25 San Luis Obispo requested deliveries	4,392 acre-feet
Amount of treated water storage in tanks	23.7 million gallons
Number of turnouts	10
Number of project participants	
Santa Barbara County	13
San Luis Obispo County	<u>11</u>
TOTAL	24
Estimated total population served by State water	
Santa Barbara County	440,668
San Luis Obispo County	<u>41,000</u>
TOTAL	481,000

Central Coast Water Authority

Glossary of Acronyms

Fiscal Year 2025/26 Budget

ACFR – Annual Comprehensive Financial Report	EBP - Employee Benefits Program
ACWA - Association of California Water Agencies	EDV - Energy Dissipation Valve Vault
ADM - Administration	EPP - Extraordinary Project Program
AF - Acre-Foot or Acre-Feet	EIR - Environmental Impact Report
AVEK - Antelope Valley/East Kern Water Agency	ELAP - Environmental Laboratory Accreditation Program (ELAP)
AWWA - American Water Works Association	E&O - Errors and Omissions
BDCP - Bay Delta Conservation Plan	FOC - Fiber Optic Cable
CalPERS - California Public Employees' Retirement System	FY - Fiscal Year
CCR - Consumer Confidence Report	GAAP - Generally Accepted Accounting Principles
CCRB - Cachuma Conservation Release Board	GASB - Governmental Accounting Standards Board
CCWA - Central Coast Water Authority	GFOA - Government Finance Officers Association
CDF - California Department of Forestry	GIS - Geographic Information System
CDFW - California Department of Fish & Wildlife (Formerly CA Department of Fish & Game)	GPS - Global Positioning System
CEQA - California Environmental Quality Act	HCF - Hundred Cubic Feet
CIP - Capital Improvement Program	HDPE - High-density Polyethylene
CMMS - Computerized Maintenance Management System	HVAC - Heating, Ventilation, and Air Conditioning
COMB - Cachuma Operations and Maintenance Board	IC&R - Instrumentation Calibration & Repair
CPI - Consumer Price Index	IRC - Internal Revenue Code
CY - Calendar Year	IRWD - Irvine Ranch Water District
DBP - Disinfection By-Products	ISO - International Standards Organization
DCS - Distributive Control System	ISP - Internet Service Provider
DHCCP - Delta Habitat Conservation Conveyance Plan	JPA - Joint Powers Authority
DI - Deionized or deionization	JPIA - Joint Powers Insurance Agency
DIST - Distribution	LAFCO - (Santa Barbara) Local Agency Formation Commission
DO - Dissolved oxygen	LAIF - Local Agency Investment Fund (California State Treasurer's Office)
DOT - Department of Transportation	LIMS - Laboratory Information Management System
DPH - Department of Public Health	LT2 - Long Term 2 Enhanced Surface Water Treatment Rule
DWR - Department of Water Resources	MIB - 2-Methyl Isoborneol
EAP - Emergency Action Plan or Employee Assistance Program	
EAAP - Employee Achievement Awards Program	

Central Coast Water Authority

Glossary of Acronyms

Fiscal Year 2025/26 Budget

MWD - Metropolitan Water District of Southern California

MWQI - Municipal Water Quality Investigations

NACE - Nomenclature general des Activites (industrial classification)

NCP - Non-Capital Projects

NPDES - National Pollutant Discharge Elimination System

O&M - Operations & Maintenance

OMP&R - Operations, Maintenance, Power and Replacement

OPEB - Other Post-Employment Benefits

OSHA - Occupational Safety and Health Administration

PAC - Powdered Activated Carbon

PG&E - Pacific Gas & Electric

PEPRA - California Public Employees' Pension Reform Act

PERS - California Public Employees' Retirement System

PLC - Process Logic Controllers

PPWTP - Polonio Pass Water Treatment Plant

QA/QC – Quality Assurance and Quality Control

RAS - Replacement Accounting System

RFB - Request for Bid

RFP - Request for Proposal

RFQ - Request for Qualifications

ROW - Right-of-Way

RPP - Remote Process Logic Controller Panel

RWQCB - Regional Water Quality Control Board

SAN - Storage Area Network

SBCFC&WCD - Santa Barbara County Flood Control and Water Conservation District

SCADA - Supervisory Control and Data Acquisition

SCBA - Self Contained Breathing Apparatus

SFCWA - State and Federal Contractors Water Agency

SLOCFCWCD - San Luis Obispo County Flood Control and Water Conservation District

SOC - Statement of Charges (Department of Water Resources)

SQL - Structured Query Language

SWC - State Water Contractors

SWP - State Water Project

SWPAO - State Water Project Analysis Office

SWPC - State Water Project Contractor

SWPCA - State Water Project Contractors Authority

SWPP - Supplemental Water Purchase Program

SWRCB - State Water Resources Control Board

SY ID#1 or SYRWCD ID#1 - Santa Ynez River Water Conservation District, Improvement District #1

SYPF - Santa Ynez Pumping Facility

SYPP - Santa Ynez Pumping Plant

TDS - Total Dissolved Solids

THM - Total Trihalomethane

TOC - Total Organic Carbon

UPS - Uninterruptable Power Supply

USBR - United States Bureau of Reclamation

UWMP - Urban Water Management Plan

VAFB - Vandenberg Air Force Base

VFD - Variable Frequency Drive

WRF - Water Research Foundation

WSA - Water Supply Agreement

WSRA - Water Supply Retention Agreement

WSRB - Water System Revenue Bond Surcharge

WTP - Water Treatment Plant

Central Coast Water Authority

Glossary of Terms

Fiscal Year 2025/26 Budget

A

Account - A record of a business transaction; a reckoning of money received or paid.

Accounting System - The total structure of records and procedures which discover, record, classify, summarize, and report information on the financial position and results of operations of a government entity.

Accrual Basis of Accounting - The method of recording financial transactions in the accounting period in which revenues are earned and expenses are incurred, rather than only after cash is received or paid.

Acre-Foot of Water - The volume of water that would cover one acre to a depth of one foot (approximately 325,900 gallons).

Adoption - Formal action by the Board of Directors which sets the spending limits for the fiscal year.

Advance Refunding - A defeasance of outstanding debt prior to the date the bonds can be called by depositing cash and/or securities in escrow sufficient to pay all principal and interest payments and the call premium, if any, when due. All covenants and restrictions are released.

Amortization - Gradual reduction, redemption, or liquidation of the balance of an account according to a specified schedule of times and amounts.

Appropriation - The act of setting aside money for a specific purpose.

Aqueduct - A canal for conveying a large amount of water.

Assets - Resources owned or held by a government which have monetary value.

B

Bond Call - Bonds that are redeemable by the issuer prior to the specified maturity date at a specified price at or above par.

Balance Budget - The Authority's financial plan balancing proposed expenditures for a certain period of time to the expected income or revenue for that same period.

C

Capital Expenditures – Amounts expended which result in the acquisition of, or addition to, fixed assets, including land, buildings, improvements, machinery and equipment.

Capital Improvements - Expenditures for items or projects which usually have an estimated useful life longer than five (5) years and will benefit the Authority for a long period of time.

Capitalized Interest - Funds provided from the proceeds of an issue to cover interest payments until revenue sources to repay the debt are available.

Central Coast Water Authority

Glossary of Terms

Fiscal Year 2025/26 Budget

Carry-Over - The term used to denote amounts which were expected to be expended during one fiscal year on a contract or obligation but were not expended for various reasons. Amounts are “carried over” into the subsequent fiscal year.

Coastal Branch Phase II - A 102-mile long buried pipeline, and ancillary facilities, extending from Devils Den (Kern County) to Tank 5 on Vandenberg Air Force Base (Santa Barbara County).

Comprehensive Annual Financial Report (CAFR) - The official annual report, including financial statements, statistical information, and extensive narration, which goes beyond the minimum financial reporting.

Coverage - The margin of safety for payment of debt service, reflecting the number of times by which earnings for a period of time exceed debt service payable in such a period.

D

Debt - An obligation resulting from the borrowing of money or from the purchase of goods and services. These include bonds and accounts payable.

Defeasance - To set aside sufficient money to retire outstanding debt when due. A full defeasance results in release from covenants and contractual obligations contained in the bond documents.

Deficiency - A general term indicating the amount by which anything falls short of some requirement of expectation.

Deficit - The excess of expenditures over revenues during an accounting period.

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

Department of Water Resources - The state agency responsible for financing, constructing and operating State Water Project facilities.

Depreciation - An element of cost resulting from the service of long-lived assets in an economic organization and represents the loss in asset value because of wear, deterioration, obsolescence or action of the physical elements. In this budget, no specific depreciation schedule or funding of depreciated assets is provided.

Drought Buffer - A portion of the Authority’s State water entitlement (3,908 AF) which is being utilized to firm up the reliability of each Santa Barbara County project participant’s Water Supply Agreement entitlement allocation.

E

Enterprise Fund - A fund established to account for the financing of self-supporting enterprises, such as a utility fund, which render services primarily to the public.

Entity - The basic unit upon which accounting and/or financial reporting activities focus.

Central Coast Water Authority

Glossary of Terms

Fiscal Year 2025/26 Budget

Expenditures - A decrease in net financial resources, or funds paid or to be paid for an asset obtained, or goods and services obtained regardless of when the expense is actually paid.

F

Financing Participant - An Authority or San Luis Obispo County project participant that participated in the 1992 CCWA Revenue Bond and 1996 CCWA Refunding Revenue Bond issues.

Financial Reaches - Segments of the CCWA and DWR pipeline from or through which project participants receive water.

Fiscal Year - A twelve-month period of time to which the annual budget applies and, at the end of which a governmental unit determines its financial position and the results of its operations.

Fixed Asset - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

Fixed O&M Costs - Operating and maintenance expenses charged to the project participants which do not vary with the amount of water delivered to the project participant.

Fixed Project Costs - Capital costs, including Debt Service, reserves for the payment of debt service, and other payments under the bond resolution which do not vary with the amount of water delivered to the project participant.

Fund Balance – Also known as financial position, fund balance is the excess of fund assets over liabilities, and represents the cumulative effect of revenues and other financing sources over expenditures and other financing uses. CCWA operates under one fund for financial statement and budgetary purposes. Because CCWA is a pass-through agency, all revenues are equal to the expenditures included in the budget. As such, overall Fund Balance excluding the Operating Reserve (see *Operating Reserve*) is expected to be zero.

G

GASB – The Government Accounting Standards Board is the source of generally accepted accounting principles (GAAP) used by state and local governments. As with most of the entities involved in creating GAAP in the United States, it is a private, non-governmental organization.

General Fund - The Authority's cash balance net of reserve balances.

Generally Accepted Accounting Principles - The uniform accounting principles, standards, and procedures for the presentation of financial reports. For local governments, GAAP is set by the Government Accounting Standards Board (GASB).

Geographical Information System (GIS) - An information system integrating maps with electronic data.

J

Joint Powers Authority - A public authority created by a joint exercise of powers agreement between any two or more governmental agencies. The authority may be given power to perform

Central Coast Water Authority

Glossary of Terms

Fiscal Year 2025/26 Budget

any function which all parties to the agreement are empowered to perform and which will be of benefit to all parties.

L

Line Item - Expenditure classifications established to account for and budget the appropriations approved.

Water Treatment and Local Facilities Agreements - Agreements, dated as of March 1, 1992, by and between San Luis Obispo County Flood Control and Water Conservation District and various San Luis Obispo County project participants.

M

Maintenance - The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

Master Water Treatment Agreement - Agreement, dated as of March 1, 1992, by and between the Authority and San Luis Obispo County Flood Control and Water Conservation District.

Modified Accrual Basis - The accrual basis of accounting adapted to the governmental fund type. Revenues are recognized when they become both “measurable” and “available to finance expenditures of the current period.” Expenditures are recognized when the liability is incurred.

Monterey Agreement - The agreement which formed the basis for the Monterey amendments to the State Water Contract that includes, among other provisions, the addition of Articles 51 through 56.

MOU Trust Fund - A trust fund established under a memorandum of understanding (July 6, 1995 effective date) by and between the Authority, Cachuma Project Authority (i.e., Cachuma Operations and Maintenance Board) and the United States of America, acting through the Bureau of Reclamation. The trust fund is funded by \$43/AF payments to the Cachuma Operations and Maintenance Board for State water wheeled through Cachuma Project facilities.

Municipal - In its broadest sense, an adjective which denotes the state and all subordinate units of government.

O

Obligations - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Off Aqueduct Charge - Bond debt service, cover and reserves for transmission costs allocated to DWR off-aqueduct power facilities (power cost which includes both fixed and variable cost elements.)

Other Post-Employment Benefits (OPEB) – Benefits provided to retirees other than pension, such as retiree health insurance.

Operating Expenses- All costs associated with the day-to-day business of the Authority which are not considered capital improvements or debt repayments.

Central Coast Water Authority

Glossary of Terms

Fiscal Year 2025/26 Budget

Operating Reserve Balance – Reserve of \$2 million, approved by the CCWA Board of Directors to provide a mechanism for the Authority to undertake immediately unanticipated operation and maintenance activities, including emergency repairs, for which funds are not otherwise immediately available. Each Authority Contractor contributed to the Operating Reserve Fund in proportion to their Table A water allocation.

P

Pass-Through Charges - Charges from DWR and the United States Bureau of Reclamation which are paid by the project participants. The charges are not expenses of the Authority but are charged and paid by the Authority.

Polonio Pass Water Treatment Plant - A 43 million gallon per day treatment plant which treats all State water delivered to San Luis Obispo and Santa Barbara Counties.

Projected - An estimate of revenues and expenditures based on past trends, the present economic situation and future financial forecasts.

Project Participant - Each entity which has executed a Water Supply Agreement with the Authority.

Proprietary Fund - A method of accounting for a government's ongoing organizations and activities that are similar to those often found in the private sector.

R

Rate Management Funds Credit - Reductions in DWR charges commencing in 1997. The credit was implemented as a result of the Monterey amendments to the State Water Contract.

Reach - see "Financial Reach"

Regional Water Treatment Plant Allocation - A formula adopted by the Authority Board of Directors (Resolutions 92-16 and 95-13) which allocates certain Fixed Project, Fixed O&M and Variable O&M treatment plant costs from South Coast project participants to all other Authority project participants. The purpose of the allocation is to subsidize the South Coast project participants' costs of retreating State water to ensure they realize their share of the financial benefit to all project participants associated with the economies of building and operating only one treatment plant for State water.

Reserve Funds - A budgeted amount to be set aside in an account for future use.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Revenue - An inflow of assets, not necessarily in cash, in exchange for services rendered.

Revenue Bond - A bond payable solely from net or gross non ad valorem tax revenues derived from general fund revenues, tax increment revenues, or tolls, charges or rents paid by users of the facility constructed with the proceeds of the bond issue.

Right of Way (ROW) - A legal right of passage over another person's ground.

Central Coast Water Authority

Glossary of Terms

Fiscal Year 2025/26 Budget

S

Santa Ynez Exchange Agreement - An agreement, date as of February 1, 1993, by and between Carpinteria County (Valley) Water District, Central Coast Water Authority, Goleta Water District, La Cumbre Mutual Water Company, Montecito Water District, Santa Ynez River Water Conservation District, Improvement District #1 (SYID#1), Summerland Water District and the City of Santa Barbara entitled "Santa Ynez River/State Water Project Exchange Agreement." Among other things, this agreement provides for the exchange of SYID#1's Cachuma Project entitlement for a like amount of State water that would otherwise be delivered to the other South Coast project participants which are signatory to the agreement.

SCADA System - "Supervisory Control and Data Acquisition" System. The computer system which collects data, processes the data and corrects and/or instructs the operators on corrective actions to take.

State Water Project - The largest state-built, multipurpose water project in the nation. It extends for more than 600 miles. Its main purpose is water supply - to store surplus water during wet periods and distribute it to areas of need in northern California, the San Francisco Bay area, the San Joaquin Valley and Southern California. Other functions include flood control, power generation, recreation, and fish and wildlife enhancement.

T

Table A Amount - The maximum amount of State Water Project water to be made available annually by DWR to the Authority at various delivery structures (i.e. turnouts) under the terms of the State Water Contract.

Table A Reduction - Elections by certain project participants to temporarily decrease their State water entitlement allocation. This election is for a minimum of five years and eliminates the Delta Water Charge associated with the amount of State water entitlement that has been reduced.

Transportation Capital Costs - Capital costs charged by DWR for the use of facilities to transport water to the vicinity of each State water contractor's turnout.

Transportation Charge - Minimum Operation, Maintenance, Power and Replacement (OMP&R) - Operating costs incurred by DWR that do not depend on or vary with quantities of water delivered to the Authority.

Turnback Pool Reduction - Elections by project participants to "turnback" a portion of their State water in a given year.

Turnout - A delivery structure which includes metering and valve facilities through which State water is delivered from the CCWA or DWR pipeline to a project participant's delivery system.

V

Variable O&M Charges - Operations and maintenance expenses which vary directly in proportion to the amount of water delivered to a project participant.

Vulnerability Assessment- The examination of a system to identify critical infrastructure or related components that maybe at risk of attack and the procedures that can be implemented to reduce that risk.

Central Coast Water Authority

Glossary of Terms

Fiscal Year 2025/26 Budget

W

Warren Act Charges - Wheeling charges required under a July 25, 1995 contract between the United States and the Central Coast Water Authority. The \$15/AF charge is payable to the Bureau of Reclamation (and recovered into the Reclamation Fund) for State water wheeled through Cachuma Project facilities.

Water Supply Agreement - An agreement between the Authority and each project participant to, among other things, sell State water entitlement allotment and provide for financing of the Authority facilities.

Water System Revenue Bond Surcharge - The surcharge is the difference between the total project charges collected at the project interest rate for a project and the annual financing costs of the water system revenue bonds issued for that project. Project interest rate is the melded financing costs for projects not financed with water system revenue bonds.

THE STATE WATER PROJECT IN SANTA BARBARA COUNTY

Introduction

The water treatment and conveyance facilities built between 1993 and 1997 to bring State water to Santa Barbara and San Luis Obispo Counties comprise the most ambitious and complex public works project ever constructed on California's Central Coast. The project consists of (1) water conveyance facilities built by the California Department of Water Resources (State) and (2) regional distribution and treatment facilities constructed by a cooperative group of local water agencies and cities operating as the Central Coast Water Authority (CCWA).

This significant water project was conceived and constructed amidst intense political controversy. It faced and overcame daunting engineering and environmental challenges. It was completed because a remarkable and steadfast collection of water leaders made sure that it was going to be completed, despite the obstacles. By employing an intensive management approach, the project was completed very close to the original schedule and delivers water at the price (as adjusted for inflation) projected in the planning documents.

This paper is a summary of the essential facts concerning the State Water Project in Santa Barbara County, and was prepared as information for the public. The information presented was derived from CCWA official records, which are available for public review.

History of the State Water Project

It is common knowledge that California's fundamental water supply challenge is that the major sources of water are found in northern California while the major urban and agricultural demands are located in central and southern California. To address this challenge, the voters and the Legislature authorized construction of extensive water conservation and delivery systems known as the Central Valley Project in 1930 and the State Water Project (SWP) in 1960.

Since 1963 the State has constructed most of the SWP elements: Oroville Dam, facilities to convey the water from Lake Oroville to the Sacramento Delta, an elaborate system of pumps and other facilities to move water out of the Delta, including 660 miles of canals and pipelines, and a complex of regulating reservoirs (see Figure 1). The State has designed, engineered and constructed all of these facilities, and operates and maintains them, with funds received from its 29 contractors (see Figure 2).

Construction of the SWP was financed in large part by \$1.75 billion of general obligation bonds issued pursuant to the Burns-Porter Act and approved by California voters in 1960. The Act directs the State to enter into water contracts for the sale, delivery or use of SWP water, and 29 such contracts now exist. Prior to the 1960 election, the State published Contracting Principles containing rules for implementing the water contracts required under the Act. The Contracting Principles provide that contract rates should be set so as to return to the State ". . . all costs of

project operation, maintenance and replacement, all principal and interest on (1) bonds, (2) expenditures from the California Water Fund and (3) other monies used in the construction of the project works.”

Thus, from the very inception of the SWP, it was the intent of the Legislature that 100% of the costs associated with the purchase of SWP water, including construction costs, be passed through to purchasers of water. The State finances, designs, constructs and owns this extensive system; the water contractors purchase water from the State under "take or pay" contracts under which the State recovers all of its costs.

The State Water Project in Santa Barbara County

The Early Years

In 1963, anticipating a future need for supplemental water supplies, the Santa Barbara County Flood Control and Water Conservation District (Santa Barbara County) entered into a Water Supply Contract (State Contract) with the State. Under the State Contract, water would be delivered to Santa Barbara County through the "Coastal Branch" of the SWP. Phase I of the Coastal Branch, a 15-mile aqueduct branching off the California Aqueduct in northwestern Kern County, was completed in 1968. Construction of the remainder of the Coastal Branch (designated "Phase II") was postponed from 1975 to 1991. This postponement in construction was permitted pursuant to Paragraph 45(e) of the State Contract, which allowed Santa Barbara and San Luis Obispo Counties to delay construction indefinitely.

In March 1979 Santa Barbara County presented its voters with a ballot measure authorizing the issuance of revenue bonds in an amount not to exceed \$102 million to construct local facilities "to import and distribute" SWP water. Rainfall was heavy for several years preceding the vote and, as a result, Lake Cachuma was at or near capacity. For this and other reasons, Santa Barbara County voters defeated that ballot measure.

The 1980's and 1990's

Even though construction of the Coastal Branch Phase II project was delayed under Article 45(e) of the State Contract, during the delay period Santa Barbara County was still obligated to make certain payments to the State related to facilities (such as the Oroville Dam and the California Aqueduct) which had already been built and which would be part of the delivery system that eventually would convey SWP water to the Central Coast. Before and after the 1979 election, many in Santa Barbara County questioned whether Santa Barbara County should continue to make payments under the State Contract. A number of water purveyors concluded it would be prudent for the County to continue to retain its entitlement and make payments to the State. The County was

willing to retain the entitlement, but only if the associated costs were shifted from the countywide tax base to the ratepayers in those jurisdictions which wanted to keep the option to join the SWP. Beginning in 1982, Santa Barbara County entered into a series of Water Supply Retention Agreements (WSRAs) with various water purveyors for the purpose of shifting responsibility for such State payments from the County taxpayers to individual purveyors and their ratepayers. The WSRAs included a provision stating that no revenue bond financing for project facilities could be issued unless authorized by a vote of the people within the jurisdiction of each participating purveyor.

In 1983, Santa Barbara County, San Luis Obispo County Flood Control and Water Conservation District (SLO County) and the State commenced joint studies which found that additional water was needed for the two counties. The studies concluded that water use in 1980 exceeded dependable water supply by about 65,000 acre-feet per year in Santa Barbara County and by about 70,000 acre-feet per year in San Luis Obispo County. This shortage was being met by long-term overdraft of local groundwater basins.

The chronic overdraft of the local groundwater basins presented a serious environmental threat. Since many of these groundwater basins are adjacent to the ocean, the risk of saltwater intrusion and permanent damage to groundwater basins weighed on the minds of local water officials. In addition, reports from other areas in California (including some from San Luis Obispo County) indicated that groundwater overdrafting was causing surface soil subsidence. Local water agencies understood the significant environmental benefits that could be derived by reducing groundwater "mining" by diversifying water supplies to include imported water.

In 1985 the State, in conjunction with Santa Barbara County, completed a major "Alternatives Study" regarding the feasibility and costs of various supplemental sources of water supply for Santa Barbara County. This study determined that supplemental water from an enlarged Lake Cachuma was the preferred alternative for the Santa Ynez Valley and the South Coast, while SWP water was preferred for the cities of Lompoc, Santa Maria and other north County entities.

In 1986 the City of Santa Maria requested Santa Barbara County to ask the State to begin the planning and environmental studies, including preparation of an environmental impact report, needed to build the Coastal Branch Phase II project. In the same year, Santa Ynez River Water Conservation District, Improvement District No. 1 and the South Coast water purveyors asked the State and the United States Bureau of Reclamation to begin a study for enlarging Lake Cachuma. This alternative involved several environmental concerns that raised doubts about its ultimate feasibility.

In June 1990 DWR prepared and circulated a draft environmental impact report (DEIR) on the Coastal Branch Phase II project, pursuant to the California Environmental Quality Act, Public Resources Code Section 21091 (CEQA). Under CEQA, one purpose of a DEIR is to publicly

disclose the impact, both environmental and financial, of a proposed project. The Coastal Branch DEIR was the subject of numerous public meetings in Santa Barbara County.

In May 1991 DWR issued the final environmental impact report (FEIR) for the Coastal Branch Phase II project and the Mission Hills Extension. The FEIR was sent to all of the potential participating water purveyors.

On June 4, 1991, during the 1987-1992 drought, the elections required by the WSRAs were held in 14 Santa Barbara County cities, communities and water districts on a State water ballot measure. The measure asked whether voters in each city or district would approve issuance of revenue bonds to finance local facilities needed to treat and distribute SWP water once the State completed construction of the Coastal Branch Phase II project. Voters in eleven cities and districts approved the bond measures.

The Central Coast Water Authority

Early Activities

In September 1991, following the voter authorization to finance revenue bonds, CCWA was formed to construct, manage and operate Santa Barbara County's "local facilities" for distribution and treatment of State water. Upon its formation, CCWA immediately accepted assignment of the WSRA obligations by executing Water Supply Agreements (WSA) with the contractors. As a result, CCWA became obligated to pay all State costs charged to Santa Barbara County under the State Contract. This obligation was clarified in a single document (instead of eleven) when CCWA and Santa Barbara County entered into a Transfer of Financial Responsibility Agreement on November 12, 1991.

During the early months of its existence, CCWA successfully resolved a number of issues of regional significance. For example, the CCWA members agreed on a cost allocation mechanism to equitably apportion the capital and operating costs of the Polonio Pass Water Treatment Plant among those contractors which would take direct deliveries of treated water (such as Santa Maria) and those which would not (such as Santa Barbara, which receives SWP water through Lake Cachuma). They also agreed to save capital costs by acquiring from one of its members an existing water pipeline which had been built in the 1960's to deliver Lake Cachuma water to the Santa Ynez Valley; that acquisition required an exchange of SWP water for Cachuma water to be equitable to all parties. Finally, they agreed on a mechanism to reapportion the costs incurred between 1985 and 1991 by the parties who had paid for environmental and feasibility studies of the Coastal Branch so that they would be equitably shared by all project participants.

At its formation, CCWA was composed of nine member water purveyors. It has identical WSAs with its members and additional WSAs to deliver water to certain other contractors (i.e., Vandenberg Air Force Base, Southern California Water Company, La Cumbre Mutual Water

Company and two other private entities). It was originally responsible for construction and operation of the 42 mile buried pipeline from Vandenberg Air Force Base to Lake Cachuma (i.e., the Mission Hills and Santa Ynez Extensions) and the 43 million gallon per day Polonio Pass Water Treatment Plant. The State was originally responsible for construction, management and operation of the 101-mile Coastal Branch Phase II project, which extends from northwest Kern County to Vandenberg Air Force Base, and for delivering SWP water to the local facilities.

Since SWP water is delivered from sources hundreds of miles away, the largest part of the delivery costs are “fixed” in the form of costs to finance, build and operate the dams, reservoirs, aqueducts and pipelines to conserve and transport the water. As previously noted, the State recoups these costs, whether or not water is actually delivered. Thus, a water purveyor signing up for SWP water must agree to a “take or pay” contract under which certain (i.e., fixed) costs must be paid each year, irrespective of how much water the State can deliver, and how much water the purveyor actually needs in a given year.

Project Financing, Development and Implementation

In May 1992 CCWA issued “Development Notes” in the principal amount of \$23,760,000 for the purpose of securing funds to initiate design, engineering, planning, and related activities. In connection with the note issue, CCWA published an Official Statement containing information about each of the Santa Barbara County public agencies that would be receiving water through the CCWA constructed facilities.

During 1992, CCWA worked closely with the State on the design and engineering of the Coastal Branch Phase II project. This coordination included intensive discussions concerning the location of the Coastal Branch terminus. The 1963 State Contract showed the Coastal Branch terminating at the Santa Maria River, which is the boundary line between Santa Barbara and San Luis Obispo Counties. This terminus location, while geographically logical, turned out to pose problems from an engineering perspective. In light of these practical problems, CCWA and the State agreed that the terminus should be shifted 15 miles south to a location on Vandenberg Air Force Base, approximately 3 miles from the town of Casmalia.

This decision to move the Coastal Branch Phase II terminus was incorporated into a September 21, 1992 amendment to the State Contract, which was approved at public meetings by the CCWA Board of Directors and Santa Barbara County Board of Supervisors. The effect of this change was to shift from CCWA to the State the obligation to build this 15-mile pipeline reach. CCWA believed this decision was financially advantageous to CCWA project participants, since the State would be able to build this section with State revenue bond funds borrowed at interest rates lower than those available to CCWA and would provide SWP power for a proposed pumping plant in that reach.

In October 1992, CCWA issued \$177,120,000 in revenue bonds for the purpose of securing funds to design and construct the local facilities. In connection with the bond issue, CCWA published an Official Statement containing information about each of the Santa Barbara and San Luis Obispo County public agencies which would be receiving water through those facilities. (In November 1996, CCWA refinanced the 1992 water revenue bond issue resulting in debt service savings of almost \$400,000 per year. The principal amount of the refunding bonds was \$198,015,000.)

On May 27, 1993 CCWA made the necessary determinations and findings to permit final sizing of the facilities. It amended those findings and determinations in 1994, so that the final sizing was based on 42,986 acre-feet of water per year, which consists of 39,078 acre-feet per year of contract allocations and 3,908 acre-feet per year of "drought buffer" (the purpose of drought buffer entitlement is to firm up the reliability of the contract allocations in those years when full SWP deliveries are not available). On March 16, 1993 SLO County made the requisite determinations and findings regarding its participation, and decided to take 4,830 acre-feet of water per year.

In March 1994, the State commenced construction of the Coastal Branch Phase II facilities. CCWA started construction of its facilities a few months later in July 1994. Table 1 contains technical and other data regarding project facilities.

The Coastal Branch Phase II pipeline is a 101-mile long buried pipeline extending from Devils Den to Tank 5 on Vandenberg Air Force Base in Santa Barbara County. The State pipeline consists of 57-inch diameter pipe at Devils Den, reducing to a 42-inch diameter south of the City of Arroyo Grande. There are three 10,500 horsepower pumping plants – the Devils Den, Bluestone and Polonio Pass Pumping Plants – to lift water 1,500 feet in elevation from Devils Den to Tank 1. The project also includes three water tank sites. There were approximately 30 contracts for procurement of materials and construction of the State's portion of the project.

In order to bring water to the residents of the South Coast of Santa Barbara County (including the communities of Carpinteria, Goleta, Montecito and Santa Barbara), it was necessary for CCWA to design and build a 42-mile extension of the Coastal Branch. The 30-39 inch diameter CCWA pipeline starts at Vandenberg Air Force Base, travels past Vandenberg Village and the City of Lompoc, through the cities of Buellton and Solvang and terminates at Lake Cachuma, a reservoir on the Santa Ynez River built in the 1950's by the federal government to provide drinking water to South Coast and Santa Ynez Valley residents.

CCWA also constructed a 43 million gallon per day water treatment plant at Polonio Pass. The site was chosen because the project planners determined a single water treatment plant near the upstream end of the Coastal Branch would offer economies of scale to the 24 project participants, as compared to building a series of smaller plants serving individual participants.

Avoiding delay was a key goal which CCWA pursued throughout the planning and construction of the project, because CCWA estimated that delay would cost \$60,000 to \$100,000

per day. CCWA avoided delays by maintaining cooperation among construction crews, environmental monitors, construction supervisors and regulatory agencies.

In late 1994, the State determined that a proposed power plant in the vicinity of the city of San Luis Obispo was uneconomical in light of an updated construction cost estimate. This finding led to a cooperative effort between the State and CCWA to redesign a portion of the Coastal Branch Phase II pipeline, which resulted in eliminating the San Luis Obispo Power Plant, Tank 4 and the Casmalia Pumping Plant. (Tank 3 was also eliminated when the State decided to tunnel through a mountain rather than trenching and laying pipe over it.)

In early 1995, the State delegated design and construction of a 28-mile stretch of the Coastal Branch Phase II pipeline and Tank 5 to CCWA. Its decision was based on project schedule analyses that indicated the State was falling behind schedule to complete construction of its facilities, which threatened to delay the start of water deliveries.

Overall project construction was completed in the summer of 1997. Initial deliveries to turnouts along the pipeline commenced on August 11, 1997 and to Lake Cachuma on November 20, 1997. On June 25, 1998 the CCWA Board of Directors took formal action to declare the CCWA project complete. The estimated cost of the overall project is \$595 million, which is comprised of \$481 million for the Coastal Branch Phase II project and \$114 million for the CCWA facilities (\$43 million for the Polonio Pass Water Treatment Plant and \$71 million for the CCWA pipeline). In addition, CCWA provided \$27 million financing for project participants' turnouts and local projects and miscellaneous other project related costs.

By working cooperatively with the State and San Luis Obispo County, CCWA's efforts to implement a project that met three principal goals associated with quality, cost and schedule resulted in a number of unique and unprecedented accomplishments. The change in the location of the Coastal Branch Phase II terminus was one such accomplishment. Others were:

- CCWA's Polonio Pass Water Treatment Plant was sited at the State's Tank 1 site, 90 miles from the downstream terminus of the SWP Coastal Branch. As previously mentioned, by siting the plant at this location, only one treatment plant is necessary to most cost effectively treat all the State water for two State water contractors (San Luis Obispo County and CCWA).
- As previously mentioned CCWA recommended and the State implemented major design changes which eliminated a power plant, a tank site and a pumping plant from the Coastal Branch Phase II project. Simplifying the overall project design in this manner helped to preserve the project schedule and enhance operational flexibility. There were a number of other benefits as well. Both capital costs and operating and maintenance (O&M) costs were reduced. Environmental impacts associated with the surface features were eliminated. Property owner issues in San Luis Obispo County were simplified because acquiring fee title for the surface features was no longer necessary.

- In early 1995 CCWA determined that internal State staff resources were being stretched as a growing number of project components were moving from the permitting and design phases into the bid and construction phases. The State's Design and Construction Division was struggling to meet its deadlines and keep the project on schedule. As a result CCWA proposed to the State that it contract with CCWA to provide engineering services and to construct a 28-mile stretch of pipeline and Tank 5 on Vandenberg Air Force Base. The State agreed and entered into a joint powers agreement with CCWA to construct the facilities financed by the State. CCWA redesigned the facilities using industry standards, which resulted in capital cost savings. CCWA and the State successfully defended a lawsuit seeking to invalidate this agreement brought by a group of State engineers.

Under this agreement CCWA provided additional assistance to the State for (1) acquiring Coastal Branch Phase II right of way, (2) reconstructing an 800-foot portion of the partially constructed State pipeline which was damaged by a landslide resulting from heavy rains, (3) constructing a 3,500 foot portion of the State pipeline near the city of San Luis Obispo, (4) constructing the Lopez and Chorro Valley turnouts in San Luis Obispo County and (5) resolving its outstanding construction contract claims.

- On October 1, 1996 the State entered into an agreement with CCWA to have CCWA operate and maintain all of the Coastal Branch facilities downstream of the Polonio Pass Water Treatment Plant. This action provides significant O&M cost savings to SLO County and CCWA and avoids State overhead costs. It also provides greater efficiency by having a single agency – CCWA – exercise responsibility for all Coastal Branch facilities involved in the conveyance and treatment of SWP water.
- In the early stages of project development, the State appointed a Coastal Branch Project Manager to oversee the various State departments working on the project. This action resulted in improved coordination and cooperation among the various State divisions and numerous individuals. It also greatly facilitated CCWA input on Coastal Branch Phase II project financing, planning, design, construction and O&M issues.
- As a result of experience gained on the Coastal Branch Phase II project and its dealings with CCWA, the State has made unprecedented changes in its staffing, organization and approach to implementing projects. The State's Division of Design and Construction was reorganized and staffing was significantly reduced. The State now seeks State water contractor input on design criteria and project designs. The State has recognized that its existence as a design, construction and O&M organization is dependent on how well it responds to and meets the needs of its customers, the State water contractors.

The reorganization of the State's Design and Construction Division (now known as the Engineering Division) was the result of a personnel consultant study authorized by State management, principally due to CCWA's experiences on the Coastal Branch Phase II project. Since then State management has conducted similar studies for its Planning and O&M Divisions.

A Commitment to Environmental Protection

Throughout the planning and construction of the project, CCWA worked very hard to build the project with a true commitment to environmental protection. CCWA formed a project team of CCWA staff, engineers, environmental consultants and attorneys charged with coordinating their respective skills and objectives to design and build a project that treated environmental protection with the same priority given technical and financial issues. Project plans incorporated environmental mitigation from inception. The project team conducted regular meetings to maintain clear lines of communication and reporting and to create peer pressure so that each team member took personal responsibility for completing tasks properly and timely, resolving little problems before they grew and staying ahead of issues to prevent problems from developing.

Before project planning began, the team met with every regulatory agency that might have had jurisdiction over the project to discuss potential resource issues that needed to be addressed and to establish a dialogue that encouraged the resource agencies to call if problems were identified as the project progressed.

CCWA and its project participants complied with both CEQA and the National Environmental Protection Act and prepared three EIRs with Supplemental EIRs, an Environmental Assessment and a number of Negative Declarations. CCWA and its consultants coordinated closely with the California Department of Fish & Game, U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, U.S. Bureau of Reclamation and local Native American groups to formulate and implement a mitigation and monitoring program to (1) protect sensitive species and their habitats, (2) avoid impact to cultural resources, (3) restore disturbed areas to their prior condition to the extent feasible and (4) provide offsite mitigation for those areas that could not be restored, (e.g., large trees cannot be grown over the pipeline, and above ground valve vaults and similar facilities occupy surface areas which must remain clear in perpetuity).

CCWA's approach to the project provides an example of how to build a large project which crosses multiple riparian and other sensitive habitats that, without a sincere environmental commitment, could be adversely affected by construction activity. Project planning and construction included the following measures:

- The construction right of way and access roads were selected by CCWA staff, engineers, cultural experts and biologists to avoid sensitive resources wherever possible and, where avoidance was infeasible, to minimize environmental damage. Routes were field verified before

construction to confirm they were the least environmentally impacting and most feasible routes. Access routes generally followed existing roads and the pipeline corridor to reduce new scarring.

- The right of way was narrowed where feasible to avoid environmental damage.
- The construction plans depicted sensitive areas to be avoided and mapped trees or habitat to be removed. Contractors received a pre-agreed bonus for saving vegetation marked for removal. It was a three-way "win-win" – contractors worked hard to earn the bonus; CCWA saved hefty revegetation costs; the natural environment was preserved and protected.
- The construction specifications required a "double lift" during pipeline trenching, whereby contractors would first remove topsoil, then remove subsoil and keep them separated during construction (topsoil with its valuable native seed bank was protected from wind and rain). The topsoil and subsoil were then restored in the proper order. This enhanced revegetation by using the natural seed bank and nutrients.
- Native seed and native plants grown from seed gathered from the local area were used for revegetation to preserve local genetic integrity and to avoid importing foreign stock that might carry pests and disease.
- CCWA required environmental training for all personnel entering the project site.
- Independent environmental monitors, with authority to halt construction to protect environmental resources, ensured that ground activities complied with the protective measures integrated into the plans and specifications. Monitors marked exclusion zones with bright tape to protect sensitive resources and scouted for previously unknown cultural sites, directing construction away from discovered sites so CCWA's cultural experts could study the sites, report them to the state and federal agencies and then mitigate.
- Biological surveys conducted shortly before construction located sensitive resources and identified the "before" condition of the habitat so post-construction restoration could be completed accurately, and the site restored to its pre-project condition.
- On-site pipe sections were "capped" at the ends to prevent wildlife from crawling inside. Monitors also checked the trench routinely to remove trapped animals.
- Upon completion of construction in each area, CCWA installed erosion controls such as water bars, straw bales and silt fencing to reduce erosion during the rainy season. Sites were monitored closely and erosion control devices repaired and replaced as needed. Revegetated areas are monitored regularly and monitoring will continue for five years.

CCWA's commitment to environmental protection resulted in a project which was virtually undetectable to the public just one year after completion because revegetation was so successful. In addition, CCWA's project management resulted in saving 323 oak trees (90% of those located in or near the pipeline right of way), rescuing 101 animals, preserving and curating 61 cultural artifacts and replanting from seed or seedling 450 oaks, 240 willows, and 60 acres of other native vegetation.

Moreover, far fewer acres of sensitive habitat were impacted by the project, compared to the pre-construction impact estimates, thereby resulting in significantly lower mitigation efforts after completion. As a result, the costs of environmental mitigation were lower than expected, disruptive project delays were avoided and CCWA enjoys a good working relationship with the regulatory agencies.

Certain state-of-the-art engineering and construction techniques used on the project were necessary more for environmental than technical reasons. CCWA utilized microtunnel technology to cross under San Antonio Creek (Vandenberg Air Force Base) and the Santa Ynez River and the State utilized directional drilling technology to cross San Juan Creek in San Luis Obispo to avoid impacts to certain endangered species and sensitive habitat. In addition CCWA utilized "jack and bore" technology to install the pipeline under existing oak groves adjacent to Vandenberg Village (Santa Barbara County) and the City of San Luis Obispo, as well as for more traditional purposes such as railroad and freeway crossings.

When the CCWA Board of Directors approved construction of the 42-mile CCWA pipeline, it included a number of conditions. One condition was to require each of the CCWA project participants to commit that its SWP water entitlement will be used first to offset its proportionate share of groundwater overdraft and then to improve water quality for its consumers. (Any remaining water would be used for future growth consonant with community general plans.) Thus, SWP water is providing the "ultimate" environmental benefit by reducing groundwater overdraft in a number of areas throughout the county.

Water Supply Reliability

The availability of SWP water supplies varies with hydrologic cycles and overall SWP demand. During wet years the SWP is able to deliver sufficient water to meet most or all SWP delivery requests. During extended dry year conditions, the SWP can deliver only a portion of requested deliveries.

In June 1993 CCWA retained an additional 3,908 acre-foot "drought buffer" entitlement to partially firm up the reliability of the 39,078 acre-feet of SWP entitlement for which CCWA (Santa Barbara County) project participants contracted. During those years that availability of SWP water exceeds project participants' demand, project participants can store drought buffer water (and unused WSA entitlement allocations) either directly into a groundwater basin or on an in-lieu basis (i.e., by taking delivery of the drought buffer and reducing groundwater pumping by an equal amount). During dry years when availability of SWP water is less than CCWA project participants' demand, stored drought buffer water (and stored entitlement water) can be used to augment SWP deliveries. On a long-term average basis, this results in the equivalent of 80% delivery of full annual entitlement (i.e., the 39,078 acre feet) year in and year out. In the meantime, the reliability of

requested deliveries by CCWA project participants is much higher – virtually 100% – because their current total demand is significantly less than 39,078 acre feet per year.

Other mechanisms that CCWA can use to fill project participant delivery requests during shortages in SWP supplies are:

- Acquiring water from the State "Turnback Pool," which is an internal SWP mechanism that pools unused SWP supplies early in the year for purchase by other SWP contractors at a set price. In addition, CCWA has established its own Turnback Pool Program whereby CCWA project participants can buy and sell excess entitlement among themselves before submitting it for sale in the State turnback pool program. The turnback pool mechanism is only for one-year sales of water.
- Acquiring water from the State Water Bank during those years the bank is implemented by the State to market water that it purchases on the open market (i.e., non-SWP water). The bank was first implemented in 1991 as the State Drought Water Bank and has since been utilized during certain dry years when additional water is needed by SWP contractors. The water bank also is only for one-year sales of water.
- Term water purchases and sales of SWP entitlement by CCWA project participants in accordance with the CCWA Water Transfer Procedures adopted in March 1996. The procedures typically cover multi-year temporary and permanent sales of SWP entitlement.

Possible future actions that would further enhance SWP entitlement reliability include (1) the State building additional SWP facilities, (2) the State (and federal government) implementing water supply and reliability enhancements resulting from the CALFED process and (3) CCWA instituting a new or participating in an existing groundwater banking program on behalf of its project participants.

The Future

The most significant current challenge to CCWA project participants is financial. Consequently, CCWA continues to strive to ensure the cost effectiveness of both its and the State's operations. With time, the affordability of State water will improve due to the fixed nature of the majority of SWP costs.

As each project participant's demand for State water approaches its entitlement allocation, supply reliability will become CCWA's most significant challenge. The magnitude of this challenge is increased by the fact that demand by other urban State water contractors is also increasing with time. Methods of enhancing the reliability of CCWA's SWP entitlement were previously discussed in the section entitled "Water Supply Reliability."

CCWA staff currently monitor water quality parameters at the Polonio Pass Water Treatment Plant and at each turnout and tank site along the pipeline. As a wholesaler and service provider, CCWA monitors all parameters requested by its project participants, as well as those mandated by state and federal regulators. New water quality analyses currently being conducted by CCWA but

not yet regulated include Giardia, Cryptosporidium, total organic carbon (along with its uv-254 surrogate) and haloacetic acids.

CCWA will continually strive to secure maximum performance from the Polonio Pass Water Treatment Plant as state and federal regulations are added and permissible contaminant levels change. The plant's ability to utilize enhanced coagulation, the granular activated carbon filter beds and the post-filtration chlorine contactor will play an important role in meeting the next generation of regulations. The treatment plant can also accommodate the addition of a settled water ozone contactor or other new treatment processes should they ever become necessary.

Environmental protection has been built into every level of CCWA operations. The CCWA O&M manual requires using special balloon-tired vehicles in sensitive areas, utilizing portable dechloramination units whenever potable water is released from the pipeline, having environmental specialists review any earth disturbing activities, restoring and revegetating all disturbed sites, maintaining erosion control along the right of way and conducting aerial surveys when land-based vehicles are inappropriate for use.

The future issues noted above illustrate the continued viability of the vision first expressed in 1993 when the CCWA Board of Directors adopted its Mission Statement and Objectives. CCWA has built both the organization and infrastructure that will support this vision well into the future.

July 1998

Figure 1 – State Water Project Facilities



Figure 2 – State Water Project Contracting Agencies
(and year of initial water delivery)

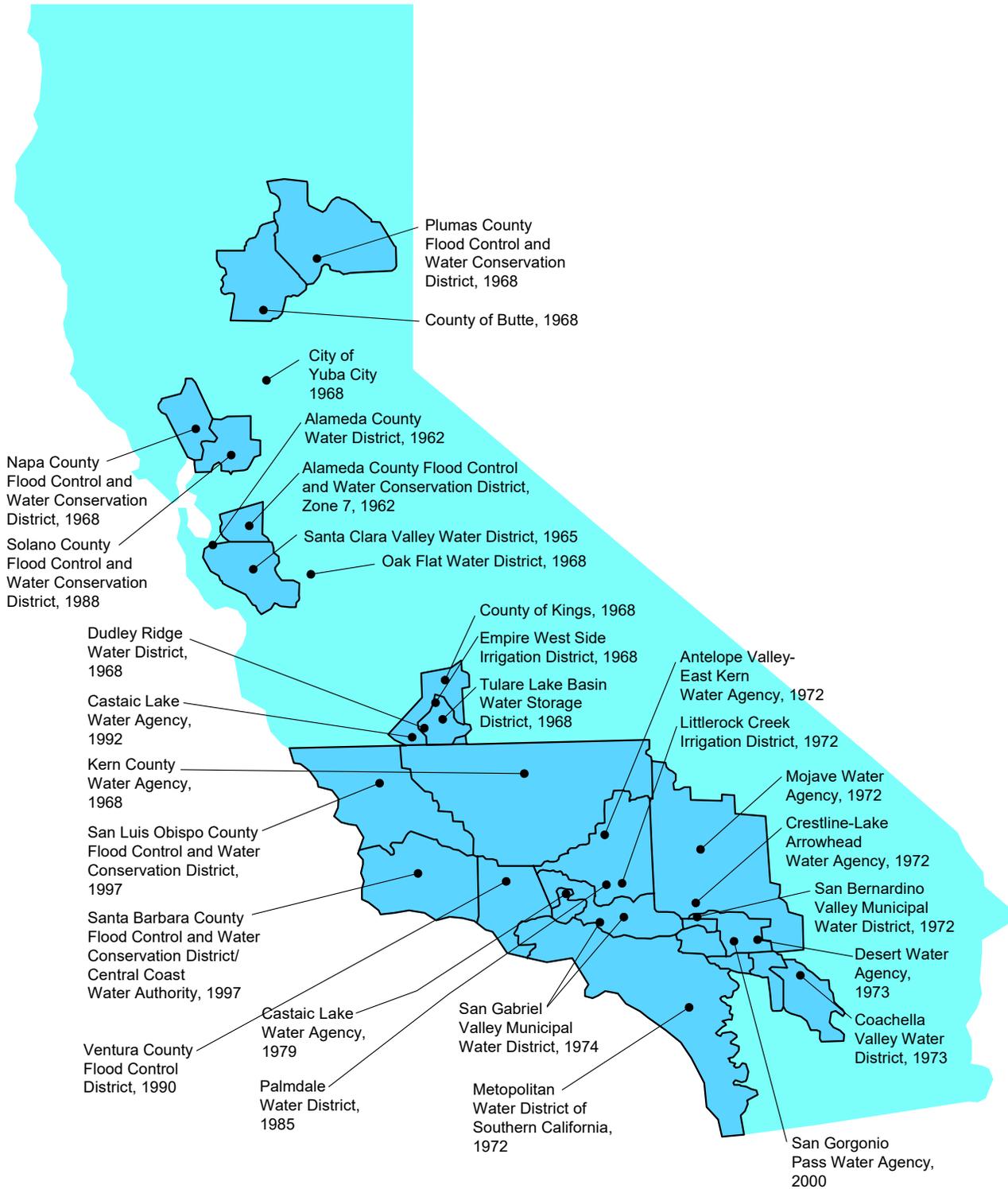


Table 1

COASTAL BRANCH PHASE II PROJECT DATA *

Tank Sites*	1	1	2	5	7
	raw water	treated water	treated water	treated water	treated water
# of tanks	3	2	2	2	1
total capacity (million gallons)	24.2	9.8	6.4	5	2.5

* Tank sites 3, 4 and 6 were eliminated during design of the facilities.

Polonio Pass Water Treatment Plant	43 million gallon per day capacity (disinfection process uses combination of chlorine and ammonia -- chloramination)
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Pipeline		
<u>Location (from/to)</u>	<u>Pipeline Diameter (inches)</u>	<u>Distance (miles)</u>
Devils Den Pumping Plant/Tank1	57	13.0
Tank1/Salinas River	48	33.0
Salinas River/Cuesta Tunnel	51	7.1
Cuesta Tunnel/Tank 5	42	47.5
Tank 5/Purisima Road	39	13.3
Purisima Road/Santa Ynez Pumping Facility	36	21.2
Santa Ynez P.F./Lake Cachuma	30	<u>8.0</u>
Total Pipeline >>>		143.1

Pump Plants	Flow Rate (cfs)	Horsepower (each pump)	# of Pumps	Lift (ft)
Devils Den Pumping Plant (DWR)	100	1760	6	550
Bluestone Pumping Plant (DWR)	100	1760	6	550
Polonio Pass Pumping Plant (DWR)	100	1760	6	550
Santa Ynez Pumping Facility (CCWA)	22	300	5	250

Turnouts	
<u>Location</u>	<u>Agencies Served</u>
Chorro Valley (SLO County)	California Mens Colony, Cuesta College, County of SLO Operations Center, City of Morro Bay
Lopez (SLO County)	Oceano CSD, City of Pismo Beach, San Miguelito Mutual Water Company, Avila Beach County WD, San Luis Coastal Unified School District, Avila Valley Mutual Water Company
Guadalupe	Guadalupe
Santa Maria	Santa Maria
Southern California Water Company	California Cities Water Company
Vandenberg SFB	VSFB
Buellton	Buellton
Solvang	Solvang
Santa Ynez	Santa Ynez
Lake Cachuma*	Goleta WD, City of Santa Barbara, Montecito WD, Carpinteria Valley WD, Morehart Land Company, Santa Barbara Research Center, La Cumbre Mutual Water Co.

* Water discharged to Lake Cachuma is dechloraminated and then retreated on the South Coast.